

REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Fountain Valley, California  
October 21, 2020, 8:30 a.m.

**Due to the spread of COVID-19 and as authorized by the Governor's Executive Order, MWDOC will be holding all upcoming Board and Committee meetings by Zoom Webinar and will be available by either computer or telephone audio as follows:**

**Computer Audio:** You can join the Zoom meeting by clicking on the following link:

<https://zoom.us/j/8828665300>

<b>Telephone Audio:</b>	<b>(669) 900 9128 fees may apply</b>
	<b>(877) 853 5247 Toll-free</b>
<b>Webinar ID:</b>	<b>882 866 5300#</b>

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**AGENDA**

**MOMENT OF SILENCE**

**ROLL CALL**

**PUBLIC COMMENTS/PARTICIPATION**

At this time, members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken. If the item is on the Consent Calendar, please inform the Board Secretary before action is taken on the Consent Calendar and the item will be removed for separate consideration.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

Determine need and take action to agendize items(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

**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>.

**EMPLOYEE SERVICE AWARD**

**PRESENTATION OF EPA WATERSENSE EXCELLENCE AWARD**

**NEXT RESOLUTION NO. 2102****CONSENT CALENDAR (Items 1 to 11)**

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

**1. MINUTES**

- a. September 2, 2020 Workshop Board Meeting
- b. September 16, 2020 Regular Board Meeting
- c. September 16, 2020 MWDOC Water Facilities Board Meeting
- d. September 3, 2020 Special Board Meeting
- e. September 25, 2020 Special Board Meeting
- f. October 1, 2020 Special Board Meeting

*Recommendation: Approve as presented.*

**2. COMMITTEE MEETING REPORTS**

- a. Planning & Operations Committee Meeting: September 8, 2020
- b. Administration & Finance Committee Meeting: September 9, 2020
- c. Public Affairs & Legislation Committee Meeting: September 21, 2020
- d. Executive Committee Meeting: September 17, 2020

*Recommendation: Receive and file as presented.*

**3. TREASURER'S REPORTS**

- a. MWDOC Revenue/Cash Receipt Register as of September 30, 2020
- b. MWDOC Disbursement Registers (September/October)

*Recommendation: Ratify and approve as presented.*

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of August 31, 2020
- d. PARS Monthly Statement (OPEB Trust)
- e. Water Use Efficiency Projects Cash Flow

*Recommendation: Receive and file as presented.*

**4. FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period ending August 31, 2020

*Recommendation: Receive and file as presented.*

**5. ECONOMIC BENEFIT STUDIES AND MODELING WORK TO QUANTIFY THE BENEFITS OF LOCAL PROJECTS AND TO UNDERSTAND THE POTENTIAL IMPLICATIONS OF MET'S 2020 INTEGRATED RESOURCES PLAN (IRP)**

*Recommendation:* Authorize the General Manager to enter into a consulting contract with the Brattle Group to complete the economic benefit studies as outlined below in the estimated amount of \$245,000, plus additional support services by CDM Smith not to exceed \$25,000 for a total estimated cost not to exceed \$270,000.

**6. AWARD CONSTRUCTION CONTRACT FOR ADMINISTRATION BUILDING SEISMIC RETROFIT & REMODEL**

*Recommendation:* (1) Receive the Bid Protest and any evidence presented by RT Contractor Corporation and reject the Bid Protest;

(2) Waive all discrepancies and deficiencies and award Optima RPM, Inc. the "MWDOC Administration Building Seismic Retrofit, ADA Compliance, and Tenant Improvement Project" construction contract as the lowest responsive and responsible bidder in the amount of \$1,606,878.00 **excluding construction of a storage room outside of Conference Room 101** with the expectation of resolving the furniture and storage needs for Conference Room 101 with OCWD **and instead accept OCWD's offer to make additional resources available:**

- OCWD to increase the size of the existing Board room storage area, for storage of MWDOC furniture,
- Storage of WEROC EOC support materials in the basement of the microfiltration building (which is designed to a higher seismic standard than the redesigned MWDOC building),
- OCWD to provide labor to setup/tear down tables for MWDOC Conference Room 101 meetings if the furniture is stored in the Board room storage area (at no cost to MWDOC).

(3) Additionally, authorize a 20% contingency in the amount of \$321,375.40 for a total Not to Exceed amount of \$1,928,144.40;

(4) Authorize award of the construction contract;

(5) Additionally, authorize supporting contracts and approve the license agreement with OCWD through the following actions:

- Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities.
- Authorize the General Manager to enter into a license agreement with OCWD for the purposes of constructing the MWDOC administration building improvements

**containing an explicit exclusion for construction of a storage room outside of Conference Room 101, and pay OCWD a one-time license fee of \$1,148.00. Direct staff to continue to work OCWD to resolve the furniture and storage needs for Conference Room 101, while leaving the option of future arbitration with OCWD open.**

- Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of \$58,667.00 to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project.
- Authorize an increase in the ABS Owner's Representative Services Contract in the amount of \$36,900.00 to increase the contract scope of work to include move management services through all phases of construction.
- Award SPS Data Communications a contract for IT Support Services for a total Not to Exceed amount of \$13,912.50.

**7. APPROVAL OF AGREEMENT WITH METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA AND THE METROPOLITAN MEMBER AGENCIES OF THE SANTA ANA RIVER CONSERVATION AND CONJUNCTIVE USE PROGRAM**

*Recommendation:* Authorize the General Manager to execute the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) agreement, subject to any non-substantive changes or modifications. This agreement is between Metropolitan Water District of Southern California (Metropolitan) and the four Metropolitan Member Agencies of Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, and MWDOC (collectively referred to as the SARCCUP-MWD Member Agencies).

**8. APPROVE HEALTH SAVINGS ACCOUNT (HSA) ELECTIONS FOR 2021/ NEW HSA ADMINISTRATOR AND REVISIONS TO DISTRICT HSA POLICY**

*Recommendation:* (1) Establish HSA contribution amounts for 2021, per JPIA guidelines, which remain unchanged from 2020; (2) Approve proposed revisions to District Policy regarding HSA Accounts and revise the Personnel Manual; (3) Authorize distribution of the contributions to the 2021 HSA Accounts, per MWDOC policy and JPIA guidelines; and (4) Authorize JPIA to administer the Health Savings Accounts through their vendor, Health Equity.



**9. APPROVE NEW FLEXIBLE BENEFITS AND COBRA ADMINISTRATOR**

*Recommendation:* Approve Igoe as the administrator for the District's Flexible Spending Benefits Plan (Section 125 spending plans, including Health Care and Dependent Care) and COBRA administration for medical and vision plans, effective January 1, 2021.

**10. AUTHORIZE FY 20-21 CHOICE PROGRAMS BUDGET REVISIONS**

*Recommendation:* Approve the Choice Programs budget revisions.

**11. AWARD CONTRACT FOR PURCHASE OF OFFICE FURNITURE TO OFFICE SOLUTIONS (IOS)/DBA PEOPLE SPACE UNDER THE COUNTY OF ORANGE REGIONAL COOPERATIVE AGREEMENT (RCA)**

*Recommendation:* Award contract for the purchase of office furniture to Interior Office Solutions, DBA PeopleSpace in the total amount of \$300,000 (Phases 1-3; FY2020-21) under the County of Orange Regional Cooperative Agreement. Use of this agreement is in accordance with the District's Administrative Code and the final contract is subject to review and approval by District Counsel. Use of the agreement discounts the Haworth brand furniture list price by 55% to 68%. This contract amount has been further reduced to incorporate the proposed partial use of Joint Board Room furniture. Additional purchases under this contract will be included in the FY2021-22 budget (Phase 4 & Glass Walls Construction) and brought to the Board of Directors next fiscal year.

**End Consent Calendar****ACTION CALENDAR****12-1 JOINT CONTRACT BETWEEN MWDOC AND OCWD TO HIRE CDM SMITH TO UPDATE DEMAND PROJECTIONS FOR AGENCIES IN ORANGE COUNTY**

*Recommendation:* Authorize the General Manager to enter into a consulting contract with Orange County Water District (OCWD) and/or consultant CDM Smith to update demand projections in Orange County for use in various planning efforts. The cost for CDM Smith is estimated at \$56,465, with the Municipal Water District of Orange County (MWDOC)'s cost share estimated at \$38,000 based on sharing the OCWD service area on a 50/50 basis and MWDOC paying for the South County and North County agencies outside of OCWD.

**12-2 ISDOC ELECTIONS**

*Recommendation: Receive recommendation from the Public Affairs & Legislation Committee, regarding the candidates for the ISDOC Executive Committee and authorize President Sat Tamaribuchi or his designee to vote on MWDOC's behalf.*

**INFORMATION CALENDAR** (All matters under the Information Calendar will be Received/Filed as presented following any discussion that may occur)

**13. GENERAL MANAGER'S REPORT, OCTOBER 2020 (ORAL AND WRITTEN)**

*Recommendation: Receive and file report(s) as presented.*

**14. MWDOC GENERAL INFORMATION ITEMS**

- a. Board of Directors - Reports re: Conferences and Meetings
- b. Requests for Future Agenda Topics

*Recommendation: Receive and file as presented.*

**CLOSED SESSION ITEMS**

- 15. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of Section 54956.9.** Government Claims Act claims of Benjamin and Kendra Stevens; Joshua Ward; Mark Hadipour; Douglas Schaffer; Tammy Miller; and Valerie Mantecon against MWDOC; Claims for Property Damage related to alleged water/sewer leaks, Date of Claim Receipt - September 28, 2020 (Six Claims).

**ADJOURNMENT**

Note: 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 contacting 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.

**MINUTES OF THE WORKSHOP BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)  
WITH THE MWDOC MET DIRECTORS**

September 2, 2020

At 8:30 a.m., President Tamaribuchi called to order the Regular Meeting of the Municipal Water District of Orange County via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Vacant  
Larry Dick\*  
Joan Finnegan  
Bob McVicker  
Sat Tamaribuchi  
Jeffery M. Thomas  
Megan Yoo Schneider

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Manager  
Chris Lingad, Associate Engineer  
Melissa Baum-Haley, Prin. Water Resource Analyst  
Damon Micalizzi, Director of Public Affairs  
Kevin Hostert, Water Resources Analyst  
Heather Baez, Government Affairs Manager  
Joe Berg, Director of Water Use Efficiency Prog.  
Vicki Osborn, Director of Emergency Management  
Alex Heide, Water Resources Analyst

\*Also MWDOC MET Director

**OTHER MWDOC MET DIRECTORS**

Larry McKenney  
Linda Ackerman

**OTHERS PRESENT**

Adan Ortega  
Steven Faessel  
Abby Schneider  
Dick Ackerman  
Mark Monin  
Jose Vergara  
Dennis Cafferty  
Doug Reinhart  
Peer Swan  
Paul Weghorst  
Dave Youngblood  
Jim Atkinson  
Don Froelich  
Kelly Rowe  
Mike Markus  
John Kennedy  
Adam Hutchinson

City of Fullerton MET Director  
City of Anaheim MET Director"  
Metropolitan Water District of Southern Calif.  
Ackerman Consulting  
El Toro Water District  
El Toro Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Laguna Beach County Water District  
Mesa Water  
Moulton Niguel Water District  
Orange County Water District  
Orange County Water District  
Orange County Water District  
Orange County Water District

Sandra Jacobs  
Dan Ferons  
Jim Leach  
Rick Erkeneff  
Fernando Paludi  
Brooke Jones  
Wayne Miller  
Al Nederhood  
Megan Couch  
D. Kirk  
A. Sharkh

Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
South Coast Water District  
Trabuco Canyon Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Yorba Linda Water District  
San Diego County Water Authority

### **PUBLIC PARTICIPATION/PUBLIC COMMENTS**

President Tamaribuchi inquired whether any members of the public wished to comment on agenda items.

No public comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED** - Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were presented.

### **ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

President Tamaribuchi inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were distributed to the Board less than 72 hours prior to the meeting.

### **ACTION ITEM**

#### **MWDOC COMMENT LETTER ON PUBLIC DRAFT OF THE FRANKS TRACT FUTURES REPORT, ENTITLED "FRANKS TRACT FUTURES 2020 REIMAGINED"**

Assistant General Manager, Karl Seckel, provided an overview of the Franks Tract Futures Report, noting that Franks Tract is a 3,000-acre flooded island in the middle of the Delta and that various partners, led by the California Department of Fish & Wildlife (CDFW), are now proposing to restore about 1,000 acres of the Tract to tidal marsh. Franks Tract is not only a publicly-owned state recreation area but also one of the least subsided flooded islands in the central Delta, two conditions that make it a strong candidate for large, landscape scale restoration. Mr. Seckel stated that staff is suggesting the Board authorize a comment letter on the project (not direct participation), and he outlined a number of benefits from the project, with emphasis on reducing the number of conflicts in the Delta.

Director Dick raised concerns regarding the cost of the project (expensive and unknown how it will be funded), whether the cities of Anaheim, Santa Ana, and Fullerton are supportive, and

the length of time outlined for completion of the project. Director Dick advised that he was hesitant to support without knowing the complete cost and who would be paying.

Director Ortega shared Director Dick's concerns, noting the need to outline the funding sources. Mr. Seckel advised that funding sources would be identified in the next phase of review.

Considerable discussion ensued, with emphasis on building the health of the Delta, the funding sources, the benefits (to MWDOC) in supporting environmental restoration, future flood control issues, and the importance of finding collaborative solutions to fix the Delta.

President Tamaribuchi advised that this item was not committing MWDOC to any financial participation, but expresses the desire to work together to improve the Delta. General Manager Hunter advised that comments were due later in the day.

Director Yoo Schneider made a MOTION, which was seconded by Director McVicker, to authorize sending the comment letter under President Tamaribuchi's signature (substantially in the form presented).

Discussion continued, and SMWD Director Jacobs suggested the letter be re-organized so that the issue on funding sources is moved to the top (from the end).

Director Dick confirmed that he could support the letter if it were made clear that it did not commit MWDOC to participation, and that it delineates that MWDOC supports the project, but not at any cost.

President Tamaribuchi suggested the letter be changed to incorporate the comments received (MWDOC supports environmental restoration, is concerned about the Delta, supports the concept of the project, but funding needs to be handled in an equitable manner, and the benefits handled accordingly). Assistant Manager Seckel advised that he would re-draft the letter incorporating the Board's comments.

By a vote of 6-0, Director Yoo Schneider's MOTION, which was seconded by Director McVicker, the Board authorized submittal of a comment letter under President Tamaribuchi's signature on the public draft of the Franks Tract Futures Report, entitled "Franks Tract Futures 2020 reimagined", as revised by the Board. The following roll call vote was taken:

AYES:	Directors Dick, Finnegan, McVicker, Yoo Schneider, Tamaribuchi & Thomas
NOES:	None
ABSENT:	None
ABSTAIN:	None

## **PRESENTATION/DISCUSSION/INFORMATION ITEMS**

### **INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS REGARDING MET COMMITTEE PARTICIPATION**

Director McKenney highlighted the MET Finance & Insurance Committee's activities, including the public comments opposed to the property tax item, the Engineering & Operations Committee discussion regarding the Colorado River reduction in pump flows, the residential multi-family retrofit project, water sales due to heat (peaked at 60%), the MET General Manager recruitment process (selected Hawkins Company to conduct the recruitment), and the IRP process.

Director Ackerman expanded on the discussion regarding the Colorado River reduction in pump flows, as well as highlighting the Lake Skinner Solar facility.

Director Dick highlighted the upcoming MET Chair election, noting his support for Chair Gloria Gray serving an additional term.

Director Faessel concurred with all of the reports, noting his support for Chairman Gray.

Discussion ensued regarding the Local Resources Program (LRP) and the need to establish goals for the LRP program, and the IRP process. President Tamaribuchi noted that the South County group met and discussed MET issues and the importance of a developing a unified voice with respect to these two programs/processes. He suggested the representatives from Anaheim, Santa Ana, and Fullerton be included when developing such a message.

### **INTRODUCTION OF METROPOILTAN'S FEDERAL LEGISLATIVE REPRESENTATIVE – ABBY SCHNEIDER**

MET's new Federal Legislative Representative, Abby Schneider, highlighted and updated the Board on several pieces of legislation, including the COVID-19 relief packages, S 4308 (Special Districts Provide Essential Services Act), HR 7163 (VA FOIA Reform Act of 2020), and HR 7575 (Water Resources Development Act of 2020). Ms. Schneider also noted that no appropriations have been released.

The Board welcomed Ms. Schneider and received and filed the report as presented.

### **METROPOLITAN'S 2020 INTEGRATED RESOURCES PLAN (IRP) DISCUSSION SERIES – PART 8**

Principal Water Resources Analyst, Dr. Melissa Baum-Haley, advised that at the August 17, 2020 IRP Special Committee meeting, MET staff provided context and review on the purpose of the IRP and presented an associated white paper (included in the packet), to provide the MET Board a common understanding of the purpose, benefit, and uses of the 2020 IRP and to provide a basis for further discussion. She then presented an overview of the purposes of the IRP noting that it serves as a process and a plan, and serves as a building block for MET Board policies.

Dr. Baum-Haley's presentation included information on how the IRP will be used as a "Planning" document as a guideline for investments, reference point for accessing progress, understanding changing needs, determining how to cost-effectively address changing needs, and as a common basis for evaluating its portfolio. She also highlighted the issue of IRP targets versus program implementation (the reliability gap is made up of a diverse portfolio of actions and adaptive management). Looking forward, the IRP provides a long range view of

future needs and evaluating current options and actions under different future scenarios. Dr. Baum-Haley reviewed the IRP process and timeline and how adaptive management fits into the process. She advised that in September, the MET Board will address defining scenarios.

Considerable discussion ensued with emphasis on adaptive management, drivers of change, scenario planning (how to better prepare), economic impacts, effects of demands, rate structure issues, and the importance of maintaining simplicity in the IRP for better understanding.

The Board received and filed the report.

## **INFORMATION ITEMS**

### **DELTA CONVEYANCE ACTIVITIES**

The Board received and filed the report that was included in the Board packet.

### **MWD ITEMS CRITICAL TO ORANGE COUNTY**

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny and Huntington Beach (Poseidon) Desalination Projects
- f. South County Projects

The Board received and filed the report as presented.

### **METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS**

- a. Summary regarding the August MET Board Meeting
- b. Review items of significance for the upcoming MET Board and Committee Agendas

The report was received and filed.

## **ADJOURNMENT**

There being no further business, the meeting adjourned at 10:27 a.m.

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Maribeth Goldsby  
Board Secretary

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
September 16, 2020**

At 8:30 a.m., President Tamaribuchi called to order the Regular Meeting of the Municipal Water District of Orange County, via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Vacant  
Larry Dick  
Joan Finnegan  
Bob McVicker  
Sat Tamaribuchi  
Jeffery M. Thomas  
Megan Yoo Schneider

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Manager  
Melissa Baum-Haley, Prin. Water Resources Analyst  
Cathy Harris, Director of H.R. & Administration  
Damon Micalizzi, Director of Public Affairs  
Heather Baez, Government Affairs Manager  
Joe Berg, Director of Water Use Eff. Programs  
Chris Lingad, Associate Engineer  
Kevin Hostert, Water Resources Analyst  
Charles Busslinger, Principal Engineer  
Alex Heide, Water Resource Analyst  
Vicki Osborn, Director of Emergency Management  
Tiffany Baca, Public Affairs Manager  
Bryce Roberto, Public Affairs Coordinator

**ALSO PRESENT**

Patrick Skahan  
Linda Ackerman  
Larry McKenney  
Kay Havens  
Mark Monin  
Jose Vergara  
Dennis Cafferty  
Doug Reinhart  
Peer Swan  
Paul Weghorst  
Jim Atkinson  
Stacy Taylor  
Kelly Rowe  
Mike Markus  
John Kennedy  
Chuck Gibson  
Saundra Jacobs

Best, Best & Krieger  
MWDOC/MET Director  
MWDOC/MET Director  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Mesa Water  
Mesa Water  
Orange County Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District



Justin McCusker  
Dan Ferons  
Jim Leach  
Dennis Erdman  
Fernando Paludi  
Wayne Miller  
Al Nederhood  
Dick Ackerman  
Megan Couch  
Kristy Khachigian

Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
South Coast Water District  
Trabuco Canyon Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Ackerman Consulting  
San Diego County Water Authority  
Kristy Khachigian Consulting

## **PUBLIC PARTICIPATION/PUBLIC COMMENT**

President Tamaribuchi announced members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Mr. Tamaribuchi asked whether there were any comments on other items which would be heard at this time.

Director Saundra Jacobs (SMWD) advised that LAFCO concluded the MSR process and she thanked General Manager Hunter for his clarification remarks at the meeting (relative to MWDOC's Administrative Code).

Director Mark Monin (ETWD) advised he was running for President of ISDOC and he would appreciate MWDOC voting for him.

## **ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were received.

## **ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

President Tamaribuchi inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were distributed.

## **EMPLOYEE INTRODUCTION**

General Manager Hunter, along with Director of Public Affairs Micalizzi, presented an award to Bryce Roberto for five years of service with the District.

## **CONSENT CALENDAR**

President Tamaribuchi stated all matters under the Consent Calendar would be approved by one MOTION unless a Director wished to consider an item separately.

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (6-0) the Board approved the Consent Calendar items, by the following roll call vote:

AYES: Directors Dick, Finnegan, McVicker, Yoo Schneider, Tamaribuchi & Thomas  
NOES: None  
ABSENT: None  
ABSTAIN: None

## **MINUTES**

The following minutes were approved.

August 5, 2020 Workshop Board Meeting  
August 19, 2020 Regular Board Meeting  
August 10, 2020 Special Board Meeting  
August 14, 2020 Special Board Meeting

## **COMMITTEE MEETING REPORTS**

The following Committee Meeting reports were received and filed as presented.

Planning & Operations Committee Meeting: August 3, 2020  
Administration & Finance Committee Meeting: August 12, 2020  
Public Affairs & Legislation Committee Meeting: August 10, 2020  
Executive Committee Meeting: August 20, 2020

## **TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of August 31, 2020  
MWDOC Disbursement Registers (August/September)

The following items were received and filed as presented.

MWDOC Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of July 31, 2020

PARS Monthly Statement (OPEB Trust)

Water Use Efficiency Projects Cash Flow

## **FINANCIAL REPORT**

The following item was received and filed as presented.

Combined Financial Statements and Budget Comparative for the period ending July 31, 2020

**REVISION TO ADMINISTRATIVE CODE SECTION 9500 – DISPOSAL OF SURPLUS PERSONAL PROPERTY**

The Board approved the proposed revisions to Administrative Code Section 9500, as presented.

**- END CONSENT CALENDAR -****ACTION CALENDAR****BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION**

President Tamaribuchi advised that the proposal to adopt a resolution in support of MWDOC's 2020 WaterSMART Water and Energy Efficiency grant application was before the Board for consideration.

Upon MOTION by Director Yoo Schneider, seconded by Director Finnegan, and carried (6-0), the Board adopted RESOLUTION NO. 2101 supporting a Bureau of Reclamation 2021 WaterSMART: Water and Energy Efficiency grant application. Said RESOLUTION NO. 2101 was adopted by the following roll call vote:

AYES:	Directors Dick, Finnegan, McVicker, Yoo Schneider, Tamaribuchi & Thomas
NOES:	None
ABSENT:	None
ABSTAIN:	None

**INFORMATION CALENDAR****GENERAL MANAGER'S REPORT, SEPTEMBER 2020**

The Board received and filed the report as presented.

**MWDOC GENERAL INFORMATION ITEMS****a. BOARD OF DIRECTORS**

The Board members each reported on their attendance at the regular (and special) MWDOC Board and Committee meetings. In addition to these meetings, the following reports were made on conferences and meetings attended on behalf of the District. Due to COVID 19, most of the meetings outlined were attended virtually (via the Zoom webinar application).

Director Dick advised that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, and the Workshop Board and Regular Board meetings), as well as the regularly scheduled MET Board and Committee meeting days, several additional MWDOC MET delegation meetings, the MET Executive Committee meeting, the MWDOC/MET Directors pre-Board/Committee meetings, MWDOC/MET Directors pre-Executive Committee meeting, the

WACO Planning, and WACO meetings, the ISDOC Executive Committee meeting, the Special Board meeting, and the meeting with South County agencies.

Director McVicker reported that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board and Regular Board meetings), the OCWA webinar, the OCBC Infrastructure Committee, the WACO and WACO Planning meetings, and the MET Board and Committee meetings.

Director Finnegan reported on her attendance at all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board and Regular Board meetings), the ISDOC Executive Committee meeting.

Director Thomas stated that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board and Regular Board meetings), the SARWQCB hearing re Poseidon, the WACO meeting, Water Summit planning meeting, the meeting with South County agencies, the SMWD Board meeting, and two Special Board meeting.

Director Yoo Schneider advised that she attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board and Regular Board meetings), the Urban Water Institute webinar, Building Committee meeting with OCWD, the SMWD Board meetings (2), the meeting with South County agencies, the SMWD Administration & Finance Committee and Water Quality & Technology meetings, a meeting with a few MNWD Board members, the Water Environmental Federation Workforce Diversity & Inclusion Task Force meeting, the OC Water Summit planning meeting, the California Water Environmental Association Executive Committee and Diversity, Equity & Inclusion Task Force meetings, the Special Board meeting re building construction, the LBCWD Commission meeting, the WEF House of Delegates & Committee Leadership meetings, a meeting with Director Tamaribuchi and staff re legislative issues, the MNWD Board meeting, the SCWD Board meeting, the WACO meeting, the Women in Water (San Diego) meeting, and she noted her participation in a California Environmental Dialogue (CED) meeting.

Director Tamaribuchi reported on attending the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board and Regular Board meetings), the MET Board and Committee meetings, the SMWD Board meeting, the meeting with South County agencies, a Building Committee meeting with OCWD, several MWDOC/MET Director meetings, the MET Caucus, the IRWD Water Resources Water Policy Committee, the WACO meeting, and a meeting with Director Yoo Schneider and staff regarding legislation and regulation for 2020/2021.

**b. REQUESTS FOR FUTURE AGENDA TOPICS**

No requests were made.

## **CLOSED SESSION ITEMS**

At 8:51 a.m., Legal Counsel Byrne advised the Board would adjourn to closed session regarding the following two matters:

### **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION.**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (Two Cases)

### **CONFERENCE WITH LABOR NEGOTIATORS**

District Designated Representatives: Joseph Byrne, Legal Counsel

Unrepresented Employee: General Manager

(General Manager Hunter left the closed session at 10:31 a.m.)

## **RECONVENE FROM CLOSED SESSION**

### **ANNOUNCEMENTS FROM CLOSED SESSION**

The Board reconvened at 11:18 a.m., and Legal Counsel Byrne announced that no reportable action was taken in closed session.

### **CONSIDERATION OF AMENDMENTS TO GENERAL MANAGER CONTRACT**

Upon MOTION by Director McVicker, seconded by Director Thomas, and carried (6-0), the Board extended the General Manager's contract for an additional year (through 2025), authorized, due to the COVID-19 situation, the temporary lifting of the General Manager's sick leave and vacation accrual/caps to be consistent with what has been done for employees, and authorized a salary increase to the General Manager of \$10,000 per year. The following roll call vote was taken:

AYES:	Directors Dick, Finnegan, McVicker, Yoo Schneider, Tamaribuchi & Thomas
NOES:	None
ABSENT:	None
ABSTAIN:	None

## **ADJOURNMENT**

There being no further business to come before the Board, President Tamaribuchi adjourned the meeting at 11:26 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
WATER FACILITIES CORPORATION  
September 16, 2020

At 8:40 a.m., President Yoo Schneider called to order the Regular Meeting of the Municipal Water District of Orange County, via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Vacant  
Larry Dick  
Joan Finnegan  
Bob McVicker  
Sat Tamaribuchi  
Jeffery M. Thomas  
Megan Yoo Schneider

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Manager  
Melissa Baum-Haley, Prin. Water Resources Analyst  
Cathy Harris, Director of H.R. & Administration  
Damon Micalizzi, Director of Public Affairs  
Heather Baez, Government Affairs Manager  
Joe Berg, Director of Water Use Eff. Programs  
Chris Lingad, Associate Engineer  
Kevin Hostert, Water Resources Analyst  
Charles Busslinger, Principal Engineer  
Alex Heide, Water Resource Analyst  
Vicki Osborn, Director of Emergency Management  
Tiffany Baca, Public Affairs Manager  
Bryce Roberto, Public Affairs Coordinator

**ALSO PRESENT**

Patrick Skahan  
Linda Ackerman  
Larry McKenney  
Kay Havens  
Mark Monin  
Jose Vergara  
Dennis Cafferty  
Doug Reinhart  
Peer Swan  
Paul Weghorst  
Jim Atkinson  
Stacy Taylor  
Kelly Rowe  
Mike Markus  
John Kennedy  
Chuck Gibson  
Saundra Jacobs  
Justin McCusker  
Dan Ferons  
Jim Leach  
Dennis Erdman

Best, Best & Krieger  
MWDOC/MET Director  
MWDOC/MET Director  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Mesa Water  
Mesa Water  
Orange County Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
South Coast Water District

Fernando Paludi  
Wayne Miller  
Al Nederhood  
Dick Ackerman  
Megan Couch  
Kristy Khachigian

Trabuco Canyon Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Ackerman Consulting  
San Diego County Water Authority  
Kristy Khachigian Consulting

## **PUBLIC PARTICIPATION/PUBLIC COMMENT**

Director Yoo Schneider announced members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Ms. Yoo Schneider asked whether there were any comments on other items which would be heard at this time.

No comments were received.

## **ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were received.

## **ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

Director Yoo Schneider inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No information was presented.

## **FINANCIAL REPORT**

### **a. Annual Filing of Tax Compliance Reports**

Upon MOTION by Director Finnegan, seconded by Director Thomas, and carried (6-0), the Board authorized the annual filing of the tax compliance reports as presented. The following roll call vote was taken:

AYES:	Directors Dick, Finnegan, McVicker, Yoo Schneider, Tamaribuchi & Thomas
NOES:	None
ABSENT:	None
ABSTAIN:	None

## **ANNUAL REORGANIZATION OF BOARD OFFICERS FOR THE MWDOC WATER FACILITIES CORPORATION**

Director Yoo Schneider announced that the Board would consider the annual reorganization of Board officers.

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (6-0), the Board appointed Megan Yoo Schneider as MWDOC WFC President and Director Sat Tamaribuchi as MWDOC WFC Vice President, each to serve one-year terms. The following roll call vote was taken:

AYES:	Directors Dick, Finnegan, McVicker, Yoo Schneider, Tamaribuchi & Thomas
NOES:	None
ABSENT:	None
ABSTAIN:	None

## **ADJOURNMENT**

There being no further business to come before the Board, Director Yoo Schneider adjourned the meeting at 8:43 a.m.

## **Respectfully Submitted:**

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Maribeth Goldsby, Secretary



MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
September 3, 2020

At 10:00 a.m., President Tamaribuchi called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors, via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Director Thomas led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Vacant  
Larry Dick  
Joan Finnegan  
Bob McVicker  
Sat Tamaribuchi  
Jeffery M. Thomas  
Megan Yoo Schneider

**STAFF PRESENT**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager (absent)  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Manager  
Chris Lingad, Associate Engineer  
Melissa Baum-Haley, Prin. Water Res. Analyst  
Kevin Hostert, Water Resources Analyst  
Charles Busslinger, Principal Engineer  
Heather Baez, Government Affairs Manager  
Cathy Harris, Director of Admin. Services

**ALSO PRESENT**

Jim Atkinson  
Mike Markus  
John Kennedy  
Charles Gibson  
Saundra Jacobs  
Justin McCusker  
Dan Ferons  
Greg Mills  
Jerry Vilander  
Maykel Hanna  
Mike Maurer

Mesa Water  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Serrano Water District  
Serrano Water District

**PUBLIC COMMENTS**

No comments were received.

**ACTION ITEM**

**AWARD CONSTRUCTION CONTRACT FOR ADMINISTRATION BUILDING  
SEISMIC RETROFIT AND REMODEL**

Principal Engineer, Charles Busslinger, advised that subsequent to the Board's action (in August) to defer this item, the Orange County Water District (OCWD) Board voted unanimously to approve MWDOC's License Agreement for the construction, with the exception that the storage room be omitted from the construction plans, and the ADA work be done as soon as possible. He also advised that MWDOC received one bid protest and

that (working with legal counsel) it was determined the protest had no grounds for rejecting the lowest bid. Mr. Busslinger reiterated the staff recommendation -- to award the contract to the low bid, and he provided an overview of the work to be completed.

Considerable discussion ensued regarding the terms of the Lease Agreement between MWDOC and OCWD, including the License Agreement fees, whether the Agreement allows for expansions (yes), and the size and function of the proposed storage unit (165 sq. feet to be used for table/chair storage and WEROC EOC items).

General Manager Hunter advised that OCWD sent a letter suggesting MWDOC explore alternatives to the storage building, such as using the Board Room storage for its needs. Mr. Hunter advised that he reviewed the Board Room storage closet, but determined there was not ample space to accommodate both agencies.

Director Jacobs (SMWD) commented that in light of the current financial climate (due to COVID), it would be prudent to only conduct the seismic work, not the office improvements/remodeling. She advised that SMWD was holding off on any office improvements until post pandemic; she encouraged the MWDOC Board to do the same.

Director Dick noted he was hesitant to continue with the office remodel (due to cost and the current financial climate), however he noted the years of planning and low bid, suggesting the cost may increase substantially post pandemic, as well as the fact that the building is mostly vacant (due to employees working from home), indicating it may be a good time for construction.

Legal Counsel Byrne commented that the Lease allows each agency to grow and expand, requires cooperation between the two agencies, and allows MWDOC to conduct building improvements.

In response to the OCWD Board's action, President Tamaribuchi asked whether the storage building was essential, and suggested it would be prudent to explore (with OCWD staff) alternatives.

Responding to an inquiry from Director McVicker, General Manager Hunter provided an overview of the Board's options, including (1) approving the construction contracts (with storage building) and pursue resolution via the Lease Agreement terms (arbitration), (2) approve the construction contracts without the storage building (and search for alternatives), or (3) re-assess the real estate market for a potential move.

Director McVicker made a MOTION to approve Option 1, which was seconded by Director Yoo Schneider.

Considerable discussion ensued regarding the real estate market, the arbitration process, and the potential for a viable solution. Director McVicker suggested the Building Management Committee convene to work through the issues, as well as staff from both agencies. Director Yoo Schneider concurred.

Director Dick suggested a delay on action (until October), to allow more time for the agencies to work on an amenable compromise to the District's storage needs. Mr. Busslinger

confirmed that the bids were valid until the end of October. Director McVicker withdrew his MOTION.

President Tamaribuchi noted the consensus of the Board to defer this item until the October 5, 2020 Planning & Operations Committee meeting. President Tamaribuchi directed staff to work with OCWD to develop a mutually satisfactory solution, and evaluate all of MWDOC's options (including other properties) and present this information on October 5, 2020.

#### **ADJOURNMENT**

At 11:14 a.m., President Tamaribuchi adjourned the special meeting.

**Respectfully submitted,**

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Maribeth Goldsby, Secretary

MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
September 25, 2020

At 2:00 p.m., President Tamaribuchi called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors, via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Vacant  
Larry Dick  
Joan Finnegan  
Bob McVicker (absent)  
Sat Tamaribuchi  
Jeffery M. Thomas  
Megan Yoo Schneider (absent)

**STAFF PRESENT**

Robert Hunter, General Manager (absent)  
Karl Seckel, Assistant General Manager  
Joe Ortiz, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Pari Francisco, Records Clerk

**ALSO PRESENT**

Doug Reinhart	Irvine Ranch Water District
Bill Green	South Coast Water District

**PUBLIC COMMENTS**

No comments were received.

**WORKSHOP ITEMS**

**HARASSMENT PREVENTION TRAINING CONDUCTED BY LEGAL COUNSEL  
(BEST, BEST & KRIGER)**

Mr. Joe Ortiz of Best, Best & Krieger conducted a Sexual Harassment Prevention Training course as required under AB 1825 and AB 1661.

**ADJOURNMENT**

There being no further business to come before the Board, President Tamaribuchi adjourned the meeting at 4:05 p.m.

**Respectfully submitted,**

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Maribeth Goldsby, Secretary

MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
October 1, 2020

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**PLANNING & OPERATIONS**  
September 8, 2020 – 8:30 a.m. to 9:38 a.m.

In accordance with Executive Order N-25-20 issued by Governor Newsom on March 4, 2020, the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

**P&O Committee:**

Director Bob McVicker, Chair  
Director Megan Yoo Schneider  
Director Larry Dick

**Staff:**

Rob Hunter, Karl Seckel, Joe Berg, Vicki Osborn,  
Katie Davanaugh, Pari Francisco, Michelle DeCasas,  
Melissa Baum-Haley, Maribeth Goldsby,  
Harvey De La Torre, Rachel Davis, Alex Heide,  
Kevin Hostert, Chris Lingad, Damon Micalizzi,  
Heather Baez, Charles Busslinger

**Also Present:**

Director Joan Finnegan  
Director Sat Tamaribuchi  
MWDOC MET Director Larry McKinney  
MWDOC MET Director Linda Ackerman  
Jose Vergara, El Toro Water District  
Don Froelich, Moulton Niguel Water District  
Taryn Kjolsing, South Coast Water District  
Al Nederhood, Yorba Linda Water District  
Peer Swan, Irvine Ranch Water District  
Dennis Cafferty, El Toro Water District  
Stacy Taylor, Mesa Water  
Doug Reinhart, Irvine Ranch Water District  
Peer Swan, Irvine Ranch Water District  
Mike Markus, Orange County Water District  
Saundra Jacobs, Santa Margarita Water District

Director McVicker called the meeting to order at 8:30 a.m. Secretary Goldsby conducted a roll call attendance of the Committee and Board members with Directors McVicker, Dick and Yoo Schneider acknowledging attendance for the Committee. Directors Tamaribuchi, Thomas and Finnegan also present.

Director McVicker outlined Zoom meeting protocol in an effort to keep the meeting running smoothly.

**PUBLIC COMMENTS**

No public comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were received.

**ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

No items were distributed.

**ACTION ITEM****BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION**

Mr. Joe Berg noted that the Bureau of Reclamation requires a resolution to confirm that matching funds are available by the grantee. Staff is in the process of implementing a comprehensive landscape program targeting turf removal as well as other methods of landscape irrigation.

Upon MOTION by Director Yoo Schneider, seconded by Director Dick, and carried (3-0) the Committee recommended approval of the Bureau of Reclamation WaterSMART Grant Resolution at the September 16, 2020 Board meeting. The vote was taken via roll call and Directors McVicker, Yoo Schneider and Dick all voted in favor.

Director Dick requested that staff continue to research for additional grant fund resources for projects related to water recycling and “purple pipe”, in addition to the turf program. In response to a question about the level of rebates for the turf program, Mr. Berg noted that rebate amounts fluctuate from time to time, depending on funding sources and level of interest by participants. Director Tamaribuchi encouraged staff to continue promoting the smart timer technology, due to the high volume of water savings.

Joe Berg also noted the variety of water savings devices available for landscape, residential and commercial; and that consumer interest varies depending on their needs.

**DISCUSSION ITEMS****UPDATE ON COVID-19 RELATED ITEMS**

Ms. Osborn noted that Orange County has moved to the “red tier” (based on the Governor’s criteria for re-opening California) allowing additional businesses to resume operations, with safety restrictions. Ms. Osborn also noted high weather temperatures and Santa Ana wind conditions pose a high fire threat and that Orange County fire agencies are on high alert.

**WEROC ASSESSMENT REPORT – PART 1**

General Manager Hunter noted the presentation prepared by Ms. Osborn is the first in a series of presentations on the functions and services offered by WEROC, including preparedness, response efforts, recovery, and mitigation and prevention. Ms. Osborn’s presentation reviewed the activities, programs and systems currently in place with the existing MWDOC WEROC Program. She also reviewed the California Emergency Services Act (Government Code 8605), the Orange County Operational Area and jurisdictional responsibilities, as well as

participants of the Orange County Emergency Management Organization. Ms. Osborn joined the District in early 2020 and has been conducted a thorough review and assessment of the program and will review the current funding structure and additional funding sources and the assessment processes used to develop the future needs of the program. Recommendations for program updates will be reviewed by MWDOC staff and Board, as well as those that participate in the program.

Mr. Hunter commended Ms. Osborn on her efforts, noting the comprehensive review of the program and the extent of work involved in the assessment and thanked Ms. Osborn for her efforts. Additional program updates will be presented at upcoming Committee meetings.

General discussion was held on resuming WEROC training exercises, whether they are held virtually, given the COVID circumstances, noting the paramount importance of continuing training efforts. Ms. Osborne responded that training will resume in October and November.

### **INFORMATION ITEMS**

#### **OC-70 FLOW METER ACCURACY TESTING UPDATE**

Mr. Busslinger reported that East Orange County Water District, MWDOC and Metropolitan Water District staff met on September 2<sup>nd</sup> in preparation for the September 14<sup>th</sup> testing date, and that efforts continue and are moving forward. The staff report was received and filed.

#### **METROPOLITAN'S ASSESSED VALUATION FOR MWDOC AND ORANGE COUNTY FOR FISCAL YEAR 2020-21**

The report was received and filed.

### **STATUS REPORTS**

- a. Ongoing MWDOC Reliability and Engineering/Planning Projects
- b. WEROC
- c. Water Use Efficiency Projects

The Status Reports were received and filed.

#### **REVIEW OF ISSUES RELATED TO CONSTRUCTION PROGRAMS, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, DISTRICT FACILITIES, and MEMBER-AGENCY RELATIONS**

Peer Swan, Irvine Ranch Water District, inquired on the status of the selection of the vacancy for the MET General Manager with Director Dick reporting that the process is underway and input is appreciated.

### **ADJOURNMENT**

There being no further business before the Committee, the meeting adjourned at 9:38 a.m.



MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**ADMINISTRATION & FINANCE COMMITTEE**  
September 9, 2020 – 8:30 a.m. to 9:07 a.m.

In accordance with Executive Order N-25-20 issued by Governor Newsom on March 4, 2020, the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

**A&F Committee:**

Director Jeff Thomas, Chair  
Director Joan Finnegan  
Director Larry Dick

**Staff:**

Karl Seckel, Maribeth Goldsby, Cathy Harris,  
Katie Davanaugh, Pari Francisco, Beth Fahl,  
Hilary Chumpitazi, Melissa Baum-Haley,  
Michelle DeCasas, Alex Heide, Joe Berg,  
Damon Micalizzi, Rachel Waite, Chris Lingad,  
Harvey DeLaTorre, Jeff Stalvey

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**Also Present:**

Director Sat Tamaribuchi  
Director Megan Yoo Schneider  
Director Bob McVicker  
MWDOC MET Director Linda Ackerman  
MWDOC MET Director Larry McKenney

Jennifer Meza, PARS  
William Rogers, PARS  
Keith Stribling, Highmark Capital  
Jose Vergara, El Toro Water District  
Mark Monin, El Toro Water District  
Jim Atkinson, Mesa Water District  
Saundra Jacobs, Santa Margarita Water Dist.  
Peer Swan, Irvine Ranch Water District  
Kristy Khachigian, K. Khachigian Consultant  
Donald Froelich, Moulton Niguel Water Dist.

Director Thomas called the meeting to order at 8:30 a.m. and noted that all District meetings will be held either by computer or telephone audio via Zoom Webinar and can be accessed by the link posted on each agenda.

Secretary Goldsby conducted a roll call attendance of the Committee members with Directors Thomas, Finnegan and Dick acknowledging attendance for the Committee; and Directors McVicker, Tamaribuchi and Yoo Schneider were also present.

**PUBLIC COMMENTS**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

**ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

No items were distributed.

**PRESENTATION****OTHER POST-EMPLOYMENT BENEFITS TRUST & PENSION RATE STABILIZATION PROGRAM (PRSP) TRUST CLIENT REVIEW**

Jennifer Meza and Williams Rogers, Public Agency Retirement Services (PARS), provided a presentation of the OPEB Trust and Pension Rate Stabilization Program (PRSP) Trust Client Review which included a summary of the District's OPEB plan, outstanding unfunded liability, the District's funding status and assets. The presentation also reviewed a series of corresponding investment contributions, the account balance, and rate of return (6%). Keith Stribling provided an overview account, noting investment earnings. He also remarked on the impact of COVID-19 on the stock market and economy.

The Committee thanked Ms. Reza and Mr. Rogers for their presentation, and received and filed the report as presented.

**PROPOSED BOARD CONSENT CALENDAR ITEMS****TREASURER'S REPORT**

- a. Revenue/Cash Receipt Report – August 2020
- b. Disbursement Approval Report for the month of September 2020
- c. Disbursement Ratification Report for the month of August 2020
- d. GM Approved Disbursement Report for the month of August 2020
- e. Water Use Efficiency Projects Cash Flow – August 31, 2020
- f. Consolidated Summary of Cash and Investment – July 2020
- g. OPEB and Pension Trust Fund monthly statement

Upon MOTION by Director Finnegan, seconded by Director Dick and carried (3-0), the Committee recommended approval of the Treasurer's Report at the September 16, 2020 Board meeting. The vote was taken via roll call and Directors Thomas, Dick and Finnegan all voted in favor.

**FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period ending July 31, 2020

Upon MOTION by Director Finnegan, seconded by Director Dick and carried (3-0), the Committee recommended approval of the Financial Report at the September 16, 2020 Board

meeting. The vote was taken via roll call and Directors Thomas, Finnegan and Dick all voted in favor.

**DISCUSSION/INFORMATION ITEM** (to be presented to the Water Facilities Corporation Board for action on September 16, 2020)

**MWDOC WATER FACILITIES CORPORATION ANNUAL MEETING**

- a. 2020 Annual Filing of Tax Compliance Reports for the MWDOC Water Facilities Corporation
- b. Annual Reorganization of Board Officers for the MWDOC Water Facilities Corporation

Chair Thomas noted this was informational, and would be presented to the MWDOC Water Facilities Corporation Board at the annual meeting on September 16, 2020.

**ACTION ITEM**

**REVISION TO ADMINISTRATIVE CODE SECTION 9500 – DISPOSAL OF SURPLUS PERSONAL PROPERTY**

Upon MOTION by Director Thomas, seconded by Director Thomas and carried (3-0), the Committee recommended approval of the Revisions to Administrative Code Section 9500 – Disposal of Surplus Personal Property at the September 16, 2020 Board meeting. The vote was taken via roll call with Directors Thomas, Finnegan and Dick all voting in favor.

**INFORMATION ITEMS**

**NEW FINANCIAL SOFTWARE - ACCUFUND**

Ms. Chumpitazi reported that staff has conducted a thorough and complete review of the needs required for the District's Financial system and determined that Accufund is the appropriate software program, at a reasonable cost. It was noted that the current system has been in place for the past 11 years. Staff has been working on the implementation and it is anticipated that the system will be operational in November 2020.

**DEPARTMENT ACTIVITIES REPORTS**

- a. Administration
- b. Finance and Information Technology

The Department Activities Reports were received and filed.

**MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION**

The monthly Water Data report was received and filed.

**OTHER ITEMS**

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

No information was presented.

**ADJOURNMENT**

There being no further business brought before the Committee, the meeting was adjourned at 9:07 a.m.

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

Jointly with the  
**PUBLIC AFFAIRS AND LEGISLATION COMMITTEE**

September 21, 2020  
8:32 a.m. – 10:16 a.m.

In accordance with Executive Order N-25-20 issued by Governor Newsom, the meeting was held via the Zoom Webinar application; all Brown Act requirements

**Committee:**

Director Yoo Schneider, Chair  
Director Dick  
Director McVicker

**Staff:**

Rob Hunter, Karl Seckel, Heather Baez,  
Damon Micalizzi, Sarah Wilson,  
Tina Dubuque, Joe Berg,  
Melissa Baum-Haley, Maribeth Goldsby,  
Michelle DeCasas, Pari Francisco, Tiffany Baca,  
Traci Muldoon, Harvey De La Torre, Bryce  
Roberto, Charles Busslinger, Alex Heide, Rachel  
Davis, Vicki Osborn

**Also, Present:**

Director Sat Tamaribuchi  
Director Jeff Thomas  
Director Joan Finnegan  
Linda Ackerman, MWDOC MET Dir.  
Larry McKenney, MWDOC MET Dir.  
Ryan Leavitt, Barker Leavitt  
James Barker, Barker Leavitt  
Dick Ackerman, Ackerman Consulting  
John Lewis, Lewis Consulting  
Syrus Devers, BBK  
Sherri Seitz, El Toro WD  
Jim Atkinson, Mesa WD  
Stacy Taylor, Mesa WD

Mike Markus, Orange County WD  
Kelly Rowe, Orange County WD  
Alicia Dunkin, Orange County WD  
Steve LaMar, Irvine Ranch WD  
Peer Swan, Irvine Ranch WD  
Frank Prewoznik, Irvine Ranch WD  
Christine Compton, Irvine Ranch WD  
Fernando Paludi, Trabuco Canyon WD  
Al Nederhood, Yorba Linda WD  
Kristy Khachigian, Kristy Khachigian Consulting  
Jim Leach, Santa Margarita WD  
Saundra Jacobs, Santa Margarita WD  
Charles Gibson, Santa Margarita WD  
Frank Ury, Santa Margarita WD

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Director Yoo Schneider called the meeting to order at 8:32 a.m. Director Dick was not present, so Director Tamaribuchi joined the Committee. Director Dick arrived at 8:33 a.m., and he took his spot on the Committee.

Secretary Goldsby conducted a roll call of the Committee members' attendance with Directors Yoo Schneider, McVicker, and Dick (joining late) being present as well as Directors Tamaribuchi, Finnegan, and Thomas.

Chairperson Yoo Schneider outlined Zoom protocols in an effort to assist in keeping the meeting running smoothly.

**PUBLIC PARTICIPATION**

Sandra Jacobs, Santa Margarita Water District, thanked MWDOC President Tamaribuchi for participating and speaking on MET issues at the Santa Margarita Water District Board Meeting on Friday, September 18, 2020. She felt it was very informative

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

**ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING**

No items were distributed.

**DISCUSSION ITEMS****LEGISLATIVE ACTIVITIES****a. Federal Legislative Report (Barker Leavitt)**

Mr. Jim Barker and Mr. Ryan Leavitt reviewed their written report included in the packet.

Mr. Jim Baker began by stating that the Federal Government funding expires on September 30, 2020. It is expected that the House will pass a Continuing Resolution (CR) to prevent a government shutdown before the September 30 midnight deadline. This CR will keep the government funded through December 11. The funding levels will remain as they have been this past year. Most importantly, there is no discussion of a government shutdown at this time. He went on to say that water programs funded through the Bureau of Reclamation, Army Corp of Engineers, EPA, or other agencies will continue at previous year levels until the expiration of the December 11 period.

Mr. Barker stated that the House of Representatives is working on an updated Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act) bill. The package's two most pressing issues are state and local funding mechanisms and unemployment insurance/unemployment payments.

Mr. Ryan Leavitt discussed the catastrophic wildfires burning throughout California and the issue of proper forest management, stating the issue has caught the attention of both congressional lawmakers and federal agencies. Including becoming a 2020 Presidential campaign issue.

Mr. Leavitt stated that the Senate Energy and Natural Resources Committee would be holding a hearing on the S. 4431 (Feinstein): Emergency Wildfire and Public Safety Act. He stated that this bill is supported by the Association of California Water Agencies (ACWA), California Governor Newsom, California Natural Resources Agency (CNRA), and the National Water Resources Association (NWRA), among many other groups. This bill would ease the regulatory hurdles for forest management projects. Mr. Leavitt recommended that MWDOC support this bill.

Mr. Leavitt discussed the Bureau of Reclamations 24-month analysis that forecasts Colorado River conditions and H.R. 8217 (Garamendi), a bill that would amend the Water Infrastructure Finance and Innovation Act (WIFIA) loan program that would make public water projects eligible for low-interest, longer-term federal loans through the EPA WIFIA Program.

**b. State Legislative Report (BBK)**

Mr. Syrus Devers reviewed his written report included in the packet.

Mr. Devers stated that this is California's worst fire season, noting that as of September 16, there have been 3.7 million acres burned. He advised that a ramification of these fires may be flash flooding due to the enormous burn area. California's flood control system focuses on where rain falls and not where the fires burn. If financial support is needed for this possible catastrophe, it will have to come from the state budget's health and education portion.

Mr. Devers stated that the Department of Water Resources (DWR) is continuing to support the engineering, design, and construction of the Delta Conveyance.

**c. County Legislative Report (Lewis)**

Mr. John Lewis reviewed his written report included in the packet.

Mr. Lewis stated that LAFCO met on September 9, 2020, and he confirmed that the Commission passed MWDOC's Municipal Service Review (MSR). The MSR is a comprehensive study designed to inform LAFCO, local agencies, and the community about providing municipal services.

Mr. Lewis also shared that at the Orange County Board of Supervisors' meeting held on September 1, 2020, they approved the 2020/2021 final budget of \$7.5 billion. The amount of this budget represents a 4.2% budget increase over the previous year.

**d. Legal and Regulatory Report (Ackerman)**

Mr. Dick Ackerman reviewed his written report included in the packet.

Mr. Ackerman commented that CalAM has been trying to develop a desalination plant in the Carmel/Monterey/Santa Cruz area for approximately 15 years. There is very good community support for this desal plant in this area of California, which has an inadequate water supply. CalAm has recently withdrawn the proposal to allow time for discussions with Marina's community to develop project support before returning to the Coastal Commission.

**e. MWDOC Legislative Matrix**

This report was received and filed

**f. Metropolitan Legislative Matrix**

This report was received and filed.

**INFORMATION ITEMS****DISTRICT WEBSITE ENHANCEMENTS - SEARCH ENGINE OPTIMIZATION (SEO)**

Tiffany Baca (Public Affairs Manager) provided an overview of MWDOC's website Search Engine Optimization (SEO). Ms. Baca's presentation demonstrated how SEO is a vital digital marketing tool. When done correctly, with intention, it will make an organization's website, the single most important communications tool for businesses, more visible and valuable to visitors.

Director Yoo Schneider expressed her appreciation for Ms. Baca taking the time to develop this presentation, stating that she felt many people recognize SEO's value. Stacy Taylor from Mesa Water District commented that mwdoc.com is a great website and a great resource for members and customers.

Responding to Director Dick's inquiry, Ms. Baca confirmed that everything developed for the SEO is within the current budget authorization.

Upon MOTION by Director Dick, seconded by Director McVicker, and carried (3-0), the Committee received and filed this report.

A roll call vote was taken, with Directors Yoo Schneider, Dick, and McVicker voting in favor.

**MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE**

Heather Baez (Government Affairs Manager) reminded everyone that the annual review of MWDOC's policy principles has been kicked-off and that the MWDOC legislative policy principles were sent to the Board on August 20, 2020, for review and comment. A draft was sent to member agencies the first week of September, requesting feedback. Ms. Baez stated that she has been in contact with some member agencies, and they said that they intend to provide feedback between now and the October 19, 2020 PAL Meeting.

Ms. Baez stated she would make updates to the document as she receives input from the Board, staff, and member agencies in the preparation of presenting the document at the October 19 PAL Meeting. She closed, stating that these are the Board's policy principles that she, staff, and MWDOC advocate for in Washington D.C., Sacramento, and Orange County, and she looks forward to their input.

Director Yoo Schneider noted she has some minor comments that she will email to Ms. Baez.

Director Dick recommended a wording change to the document, stating that the Delta Conveyance Project is actually completing the State Water Project. He thought the project would be better received if it were referred to as completing a project instead of starting a new one. If the Board agrees, he would like to see the Delta Conveyance Project referred to as "completing the State Water Project."



Director Yoo Schneider stated that she appreciated Director Dick's comments and said her comments were along those lines.

President Tamaribuchi inquired if the MWDOC Legislative Policy Principles could be more concise. Ms. Baez thanked President Tamaribuchi for his comment, stating that it was an excellent comment. She said that she and Syrus Devers (BB&K, Director of Government Affairs) have discussed shortening the principles, but their concern was deleting any of the currently included policies. She stated they would work on combining the principles so that they are more concise.

Charles Gibson from Rancho Santa Margarita Water District stated that he applauded the effort to make the policies more concise. Because of his experience, he offered his assistance if needed in creating a more concise document.

Mr. Gibson discussed sponsorship legislation. He hoped that MWDOC would join Santa Margarita Water District's legal counsel to look at the idea of creating or solidifying the water rights created when an agency spends a lot of money to develop recycled water or ocean desalination. If this is not done, the state could come in through regulations and eliminate a local agency's ability to utilize a developed project. This could hinder the development of new local projects. The sponsorship could protect the investments that local agencies make in creating new water defined as recycled, desal water, or brackish and give them specific rights. When those long-term investments are made, they are protected.

Saundra Jacobs, Rancho Santa Margarita Water District, stated she reviewed the draft and spoke briefly with Jim Leach, of her staff. Ms. Jacobs concurred with the other comments saying that there were some archaic items in the document, but Ms. Baez has already addressed them. Ms. Jacobs confirmed that Jim Leach would be sending some formal comments.

General Manager Rob Hunter stated the MWDOC Legislative Policy Principles Annual update document is rather voluminous and is not very streamlined. He encouraged everyone's input and participation as staff works to restructure the document. He said a more streamlined document would need everyone to participate in its development, and he looks forward to working with everyone on it.

This report was received and filed.

### **SCHOOL PROGRAMS UPDATE**

Sarah Wilson (Public Affairs Specialist) shared that the MWDOC Choice school programs have officially launched in virtual format (due to COVID-19). She presented a video outlining the School Program's virtual curriculum, revised price structure, and District's overall efforts in creating a viable, relevant curriculum for the virtual learning experience.

Upon MOTION by Director McVicker, seconded by Director Dick, and carried (3-0), the Committee received and file this report.

A roll call vote was taken, with Directors Yoo Schneider, Dick, and McVicker voting in favor.

### **OC WATER SUMMIT UPDATE**

Damon Micalizzi (Director of Public Affairs) stated that retired NBC4 weathercaster, Fritz Coleman agreed to attend the OC Water Summit and return as the Master of Ceremony.

### **VIRTUAL WATER POLICY FORUM - SEPTEMBER 23, 2020**

Upon MOTION by Director McVicker, seconded by Director Dick, and carried (3-0), the Committee received and file this report.

A roll call vote was taken, with Directors Yoo Schneider, Dick, and McVicker voting in favor.

### **PUBLIC AND GOVERNMENT AFFAIRS ACTIVITIES REPORT**

This report was received and filed.

### **OTHER ITEMS**

**REVIEW ISSUES RELATED TO LEGISLATION, OUTREACH, PUBLIC INFORMATION ISSUES, AND MET.**

### **ADJOURNMENT**

There being no further business brought before the Committee, Director Yoo Schneider adjourned the meeting at 10:16 a.m.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
jointly with the  
**EXECUTIVE COMMITTEE**  
September 17, 2020, 8:30 a.m. to 9:12 a.m.  
Zoom Webinar Application

**Committee:**

Director Tamaribuchi, President  
Director Finnegan, Vice President  
Director Dick, Immediate Past Pres.

**Staff:**

R. Hunter, M. Goldsby

**Also Present:**

Director Yoo Schneider  
Director Thomas  
Director McVicker  
Jim Atkinson, Mesa Water  
Jim Fisler, Mesa Water  
Kristy Khachigian  
Megan Couch  
Rachel Bressler

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At 8:30 a.m., President Tamaribuchi called the meeting to order via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

**PUBLIC PARTICIPATION**

No public comments were made.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

At the beginning of the meeting, Staff distributed the draft agendas for the upcoming month.

**EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS**

The Committee reviewed and discussed the draft agendas for each of the meetings and made revisions/additions as noted below.

a. Planning & Operations Committee

No new items were added to the agenda.

b. Workshop Board Meeting

The Committee recommended staff invite MET Chair Gloria Gray to provide an update on MET activities. The Committee also requested Brad Coffey be invited to provide a status update on IRP activities (or simply be available to answer questions).

Discussion ensued regarding the closed session items (regarding the MET/SDCWA litigation), as well as MWDOC's participation and whether to continue in the same fashion. It was noted that future activities would be addressed in closed session.

Discussion ensued regarding the MET IRP, and President Tamaribuchi asked that the summary from staff focus on how we would prefer MET proceed with respect to the scenarios.

c. Administration & Finance Committee meeting

No new items were added to the agenda.

d. Public Affairs & Legislation Committee

No items were added to the agenda.

e. Executive Committee

No new items were added to the agenda.

f. MWDOC/OCWD Joint Planning Committee

The Committee recommended an update on the OCWD/IRWD litigation be added.

**DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE**

General Manager Hunter highlighted the virtual Water Policy Forum, MWDOC's MSR approval by LAFCO, and discussions with OCWD regarding the construction. He also noted that President Tamaribuchi was invited to speak at a SMWD Board meeting regarding MET issues.

**MEMBER AGENCY RELATIONS**

No new information was presented.

**GENERAL MANAGER'S REPORTS**

No new information was presented.

**REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

No new information was presented.

**ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:10 a.m.

**Item 3a****Municipal Water District of Orange County  
REVENUE / CASH RECEIPT REPORT  
September 2020****WATER REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
09/03/20	Trabuco Canyon Water District	July 2020 Water deliveries	17,958.92
09/04/20	City of La Palma	July 2020 Water deliveries	3,579.73
09/08/20	City of Seal Beach	July 2020 Water deliveries	385,013.59
09/08/20	El Toro Water District	July 2020 Water deliveries	659,363.72
09/08/20	City of Buena Park	July 2020 Water deliveries	268,865.72
09/08/20	South Coast Water District	July 2020 Water deliveries	539,172.96
09/10/20	City of Garden Grove	July 2020 Water deliveries	1,670,555.35
09/11/20	Santa Margarita Water District	July 2020 Water deliveries	2,338,276.35
09/11/20	City of San Clemente	July 2020 Water deliveries	809,338.93
09/14/20	Laguna Beach County Water District	July 2020 Water deliveries	395,567.08
09/14/20	City of San Juan Capistrano	July 2020 Water deliveries	607,267.35
09/14/20	City of Orange	July 2020 Water deliveries	1,010,813.07
09/15/20	East Orange County Water District	July 2020 Water deliveries	520,481.85
09/15/20	Orange County Water District	July 2020 Water deliveries	417,797.03
09/15/20	Moulton Niguel Water District	July 2020 Water deliveries	2,338,507.25
09/15/20	Yorba Linda Water District	July 2020 Water deliveries	475,158.29
09/15/20	Irvine Ranch Water District	July 2020 Water deliveries	1,497,217.59
09/15/20	Golden State Water Company	July 2020 Water deliveries	580,834.77
09/25/20	City of Huntington Beach	August 2020 Water deliveries	754,029.03
09/25/20	City of Brea	August 2020 Water deliveries	14,130.08
09/28/20	City of Fountain Valley	August 2020 Water deliveries	11,923.47


**TOTAL WATER REVENUES \$ 15,315,852.13**

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**September 2020**

**MISCELLANEOUS REVENUES**

Date	From	Description	Amount
09/11/20	Pat Meszaros	Sep-Oct 2020 Retiree Health insurance	78.66
09/22/20	Stan Sprague	Sep-Oct 2020 Retiree Health insurance	482.44
09/28/20	Cathy Harris	September 2020 COBRA insurance	901.97
09/30/20	Keith Lyon	October 2020 Retiree Health insurance	253.60
09/02/20	US Bank	CAL Card rebate check	127.21
09/03/20	Los Angeles Department of Water & Power	WEEA - Community Partner Sponsorship	2,500.00
09/14/20	CORT	Deposit refund and partial credit for furniture lease	272.45
09/30/20	US Bank	Monthly Interest	8.35
09/22/20	Moulton Niguel Water District	June 2020 Smartimer rebate program	2,976.30
09/30/20	City of Newport Beach	July 2020 Turf Removal rebate program	111.00
09/22/20	City of Orange	July 2020 Turf Removal rebate program	333.00
09/08/20	City of Newport Beach	September 2019 Turf Removal and Spray to Drip rebate program	222.00
09/11/20	City of Tustin	July 2020 Turf Removal and Spray to Drip rebate program	222.00
09/18/20	City of Brea	July 2020 Turf Removal and Spray to Drip rebate program	222.00
09/14/20	Moulton Niguel Water District	July 2020 Spray to Drip rebate program	125.40
09/25/20	City of Fullerton	AWIA Scope of Services Phase 3 Emergency Response Plan	61,886.00
09/18/20	City of La Palma	Water Loss Control Shared Services program FY 2020-21	6,123.00
09/08/20	City of Buena Park	Water Loss Control Technical Assistance program - Year V	11,372.00
09/18/20	City of La Palma	Water Loss Control Technical Assistance program - Year V	18,744.00
09/02/20	SOCWA	WEROE Funding for FY 2020-21	18,334.00
09/09/20	Orange County Water District	WEROE Funding for FY 2020-21	120,618.00
09/18/20	Orange County Sanitation District	WEROE Funding for FY 2020-21	47,282.00

TOTAL MISCELLANEOUS REVENUES \$ **293,195.38**  
**TOTAL REVENUES \$ 15,609,047.51**

  
 Robert J. Hunter, General Manager

  
 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of October 2020**

**Item 3b**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b>Core Expenditures:</b>		
	<b><i>A &amp; N Technical Services, Inc.</i></b>	
SEP2020PS4	Services to review draft of Evaluation of the MWDOC Spray to Drip Conservation program	2,500.00
	*** Total ***	2,500.00
	<b><i>ABSG Consulting Inc.</i></b>	
5106677	August 2020 Owner's Representative plan check and bidding services for MWDOC office remodel	15,680.08
	*** Total ***	15,680.08
	<b><i>Richard C. Ackerman</i></b>	
1288	September 2020 Consulting on legal and regulatory matters	2,175.00
	*** Total ***	2,175.00
	<b><i>ACWA Joint Powers</i></b>	
M005-2020	10/1/20-10/1/21 Auto and General Liability insurance	100,485.37
	*** Total ***	100,485.37
	<b><i>Adobe Systems Incorporated</i></b>	
1249611666	28 Acrobat Pro and 6 Creative Cloud annual license renewals	9,831.12
	*** Total ***	9,831.12
	<b><i>Aleshire &amp; Wynder LLP</i></b>	
58509	August 2020 Legal services	2,176.50
58873	September 2020 Legal services	2,857.50
	*** Total ***	5,034.00
	<b><i>ARC Document Solutions, LLC</i></b>	
10745752	2 Large maps scanned for records storage	12.68
	*** Total ***	12.68
	<b><i>Barker Leavitt PLLC</i></b>	
105-0920	September 2020 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<b><i>Best Best and Krieger LLP</i></b>	
885443	August 2020 State legislative advocacy services	8,000.00
55401-AUG20	August 2020 Legal services	17,790.50
	*** Total ***	25,790.50
	<b><i>Black &amp; Veatch</i></b>	
1329354	8/8/20-9/4/20 Services for Hydraulic Model Phase 2 Model Build and Calibration	28,074.50
	*** Total ***	28,074.50
	<b><i>Cal Desal</i></b>	
2020-2021	FY 2020-21 Annual membership renewal	5,000.00
	*** Total ***	5,000.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of October 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>CDM Smith</b>	
90106688	7/26/20-8/29/20 Water Resource Planning services	4,384.00
	*** Total ***	4,384.00
	<b>CDW Government</b>	
ZXH2283	Microsoft SQL server and 7 licenses for new financial software	1,674.19
	*** Total ***	1,674.19
	<b>The Centre for Organization Effectiveness</b>	
TCFOE3318	Supervisor's Academy training class registration for R. Davis	775.00
	*** Total ***	775.00
	<b>Hunter T. Cook</b>	
JUL-SEP2020	July-September 2020 Retiree medical premium	1,536.00
	*** Total ***	1,536.00
	<b>Costco Wholesale</b>	
495451568	2020 Membership renewal	120.00
	*** Total ***	120.00
	<b>Demsey, Filliger &amp; Associates, LLC</b>	
20200908MWDOC	GASB 75 Actuarial Valuation report	3,000.00
20200908MWDOCA	GASB 75 Financial Note report	750.00
	*** Total ***	3,750.00
	<b>Hashtag Pinpoint Corporation</b>	
1289	September 2020 Strategic digital communications consulting services	7,913.00
	*** Total ***	7,913.00
	<b>Herndon Solutions Group LLC</b>	
100013	August 2020 Services to assist with America's Water Infrastructure Act compliance	4,135.84
	*** Total ***	4,135.84
	<b>L.A. Design Studio</b>	
5297	July-September 2020 MWDOC Website support and enhancement	600.00
	*** Total ***	600.00
	<b>Lawnscape Systems, Inc.</b>	
412537	9/3/20 Landscape maintenance for atrium	395.00
413109	9/16/20 Landscape maintenance for atrium	495.00
413110	10/1/20 Landscape maintenance for atrium	395.00
	*** Total ***	1,285.00
	<b>Phil Letrong</b>	
JUL-SEP2020	July-September 2020 Retiree medical premium	433.80
	*** Total ***	433.80
	<b>Lewis Consulting Group</b>	
2020-135	September 2020 Consulting services	3,125.00
	*** Total ***	3,125.00



**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of October 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Keith Lyon</b>	
JUL-SEP2020	July-September 2020 Retiree medical premium	867.60
	*** Total ***	867.60
	<b>Mega Maids Cleaning Service</b>	
11437	September 2020 Cleaning services for COVID-19 prevention	1,035.00
	*** Total ***	1,035.00
	<b>Multiplier Projects</b>	
600	Sponsorship for Maven's Notebook featuring California Water News	2,500.00
	*** Total ***	2,500.00
	<b>NDS</b>	
773218	8/28/20 Delivery charges for Board packets	179.42
774566	9/11/20 Delivery charges for Board packets	179.42
774621	9/20/20 Delivery charges for Board packets	179.42
775086	10/4/20 Delivery charges for Board packets	152.90
	*** Total ***	691.16
	<b>Office Depot, Inc.</b>	
127096416001	9/28/20 Office supplies	175.08
127141826001	9/24/20 Office supplies	60.94
	*** Total ***	236.02
	<b>Office Solutions</b>	
I-01792426	9/10/20 60 Storage boxes for MWDOC remodel	123.98
	*** Total ***	123.98
	<b>Orange County Water District</b>	
22079	August 2020 Postage, shared office and maintenance expense	9,231.32
	*** Total ***	9,231.32
	<b>Patricia Kennedy Inc.</b>	
32742	October 2020 Plant maintenance	214.00
	*** Total ***	214.00
	<b>Joey C. Soto</b>	
MWDOC#029	September 2020 Grant research and acquisition assistance	3,250.00
	*** Total ***	3,250.00
	<b>Vasquez and Company LLP</b>	
2200816-IN	August-September 2020 Services for FY 2019-20 Financial audit	11,500.00
	*** Total ***	11,500.00
	<b>WageWorks, Inc.</b>	
INV2316125	September 2020 Cafeteria plan administration	201.48
	*** Total ***	201.48

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of October 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>Water Systems Optimization, Inc.</i></b>	
1802	August 2020 Water Loss Control program	440.00
1803	August 2020 Water Loss Audit Validation Research	20,000.00
1804	August 2020 Water Loss Control Shared Services template development	1,350.00
1835	September 2020 Water Loss Control program	6,380.00
1836	September 2020 Water Loss Audit Validation Research	20,000.00
1837	September 2020 Water Loss Control Shared Services template development	1,600.00
	*** Total ***	49,770.00
	<b><i>Total Core Expenditures</i></b>	<b>311,935.64</b>

***Choice Expenditures:***

	<b><i>City of Anaheim</i></b>	
092420ANA	Net due for FY 2020-21 Choice Programs and refund for FY 2019-20 Choice Programs	58.15
	*** Total ***	58.15
	<b><i>Bryton Printing Inc.</i></b>	
15802	158,200 Water Use Efficiency bill inserts for member agencies	3,208.08
	*** Total ***	3,208.08
	<b><i>East Orange County Water District</i></b>	
092420EOCWD	Net due for FY 2020-21 Choice Programs and refund for FY 2019-20 Choice Programs	2,764.03
	*** Total ***	2,764.03
	<b><i>Ferguson Waterworks</i></b>	
0731920	2 Ultrasonic solid state water meters for Water Loss Control Shared Services	421.21
	*** Total ***	421.21
	<b><i>City of Fullerton</i></b>	
092420FUL	Net due for FY 2020-21 Choice Programs and refund for FY 2019-20 Choice Programs	39.20
	*** Total ***	39.20
	<b><i>McCall's Meter Sales &amp; Service</i></b>	
33116	September 2020 Meter Accuracy Testing for Newport Beach	1,000.00
	*** Total ***	1,000.00
	<b><i>Lane M. Matsuno (Westerly Meter Service Co.)</i></b>	
16595	August 2020 Meter Accuracy Testing for Trabuco Canyon	3,500.00
	*** Total ***	3,500.00
	<b><i>OI Corporation (Xylem)</i></b>	
243540	16 Hydrant loggers serviced and calibrated for Water Loss Control Shared Services	1,374.98
	*** Total ***	1,374.98

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of October 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Orange County Water District</b>	
22079	August 2020 Postage for Water Use Efficiency rebate programs	25.56
	*** Total ***	25.56
	<b>City of Santa Ana</b>	
092420SA	Net due for FY 2020-21 Choice Programs and refund for FY 2019-20 Choice Programs	14.24
	*** Total ***	14.24
	<b>South Coast Water District</b>	
092420SCWD	Net due for FY 2020-21 Choice Programs and refund for FY 2019-20 Choice Programs	421.63
	*** Total ***	421.63
	<b>US Bank Voyager Fleet Systems</b>	
869434993039	8/25/20-9/24/20 Fuel & wash for Water Loss Control Shared Services vehicles	298.88
	*** Total ***	298.88
	<b>Yorba Linda Water District</b>	
092420YLWD	Net due for FY 2020-21 Choice Programs and refund for FY 2019-20 Choice Programs	4,157.92
	*** Total ***	4,157.92
	<b>Total Choice Expenditures</b>	<b>17,283.88</b>
<b>Other Funds Expenditures:</b>		
	<b>Best Best and Krieger LLP</b>	
55401-AUG20A	August 2020 Legal services	1,321.50
	*** Total ***	1,321.50
	<b>EcoTech Services, Inc.</b>	
1754	September 2020 Landscape Design/Maintenance program	5,475.00
	*** Total ***	5,475.00
	<b>Herndon Solutions Group LLC</b>	
100013	August 2020 Services to assist with America's Water Infrastructure Act compliance	149,557.90
	*** Total ***	149,557.90
	<b>Large Plumbing</b>	
25424	September 2020 Services for Pressure Regulating Valve Replacement program	3,320.00
	*** Total ***	3,320.00
	<b>Mission RCD</b>	
2887	August 2020 Field verifications for Water Use Efficiency rebate programs	7,808.00
2900	September 2020 Field verifications for Water Use Efficiency rebate programs	9,295.95
	*** Total ***	17,103.95
	<b>The Plant Nerd</b>	
6134	August 2020 Services for Landscape Design/Maintenance programs	11,800.00
6179	September 2020 Services for Landscape Design/Maintenance programs	18,020.00
	*** Total ***	29,820.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of October 2020**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>TerraWorks Studio</i></b>	
MW0007	August 2020 Landscape Design and Maintenance Assistance program	2,625.00
	*** Total ***	2,625.00
	<b><i>Water Systems Optimization, Inc.</i></b>	
1802	August 2020 Water Loss Control program	15,070.00
1835	September 2020 Water Loss Control program	17,765.00
	*** Total ***	32,835.00
	<b><i>Total Other Funds Expenditures</i></b>	<u>242,058.35</u>
	<b><i>Total Expenditures</i></b>	<u><u>571,277.87</u></u>

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of September 2020**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>Core Disbursements:</b>				
<b>139855</b>	<b>9/3/20</b>	<b>SPECTB</b>	<b>Spectrum Business</b>	
		0375210090120	September 2020 Telephone and internet expense	1,407.73
			***Total ***	1,407.73
<b>139856</b>	<b>9/3/20</b>	<b>VERIZO</b>	<b>Verizon Wireless</b>	
		9861412953	August 2020 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
<b>139860</b>	<b>9/15/20</b>	<b>CORTBU</b>	<b>Cort Business Services Corp.</b>	
		7320769	August 2020 Furniture lease for 2 temporary workstations	275.20
			***Total ***	275.20
<b>139865</b>	<b>9/15/20</b>	<b>USBANK</b>	<b>U.S. Bank</b>	
		0403/7659-AUG20	7/23/20-08/24/20 Cal Card charges	2,991.70
			***Total ***	2,991.70
			(See attached sheet for details)	
<b>139868</b>	<b>9/15/20</b>	<b>SPECTB</b>	<b>Spectrum Business</b>	
		0343564091020	September 2020 Telephone expense for 3 analog fax lines	109.25
			***Total ***	109.25
<b>ACH004931</b>	<b>9/15/20</b>	<b>FAHLBE</b>	<b>Beth Fahl</b>	
		083120	August 2020 Business expense	53.86
			***Total ***	53.86
<b>ACH004933</b>	<b>9/15/20</b>	<b>GUNAWA</b>	<b>Lina Gunawan</b>	
		063020A	June 2020 Business expense	150.00
			***Total ***	150.00
<b>ACH004936</b>	<b>9/15/20</b>	<b>RICOHMA</b>	<b>Ricoh USA, Inc.</b>	
		5060325611	June-August 2020 Reproduction costs	254.50
			***Total ***	254.50
<b>ACH004956</b>	<b>9/30/20</b>	<b>CHUMPI</b>	<b>Hilary Chumpitazi</b>	
		073120	July 2020 Business expense	54.67
			***Total ***	54.67
<b>ACH004957</b>	<b>9/30/20</b>	<b>CORODA</b>	<b>Corodata Records Management, Inc.</b>	
		RS4627178	August 2020 Archived document storage fees	52.13
			***Total ***	52.13
<b>ACH004960</b>	<b>9/30/20</b>	<b>FINNEG</b>	<b>Joan Finnegan</b>	
		083120	August 2020 Business expense	40.00
			***Total ***	40.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of September 2020**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
		<b>GUNAWA</b>	<b>Lina Gunawan</b>	
ACH004961	9/30/20	073120	July 2020 Business expense	20.00
ACH004962	9/30/20	083120	August 2020 Business expense	20.00
			***Total ***	40.00
		<b>HALEY</b>	<b>Melissa Baum Haley</b>	
ACH004963	9/30/20	083120	August 2020 Business expense	30.00
			***Total ***	30.00
		<b>ROBERTS</b>	<b>Judy Roberts</b>	
ACH004964	9/30/20	073120	July 2020 Business expense	141.36
			***Total ***	141.36
		<b>STALVE</b>	<b>Jeff Stalvey</b>	
ACH004970	9/30/20	083120	August 2020 Business expense	150.00
ACH004971	9/30/20	093020	September 2020 Business expense	59.78
			***Total ***	209.78
<b>Total Core Disbursements</b>				<b>5,924.21</b>

**Choice Disbursements:**

		<b>USBANK</b>	<b>U.S. Bank</b>	
139865	9/15/20	7659-AUG20A	7/23/20-08/24/20 Cal Card charges	26.95
			***Total ***	26.95
			(See attached sheet for details)	
		<b>THORSE</b>	<b>Jason Thorsell</b>	
ACH004946	9/15/20	083120	August 2020 Business expense	16.50
			***Total ***	16.50
<b>Total Choice Disbursements</b>				<b>43.45</b>

**Other Funds Disbursements:**

		<b>VERIZO</b>	<b>Verizon Wireless</b>	
139856	9/3/20	9861412953	August 2020 4G Mobile broadband unlimited service	76.02
			***Total ***	76.02
		<b>ATTUVEOC</b>	<b>AT&amp;T</b>	
139857	9/15/20	1812-SEP20	September 2020 U-verse internet service for WEROC N.EOC	64.20
			***Total ***	64.20

**Municipal Water District of Orange County**  
**Disbursement Ratification Report**  
**For the month of September 2020**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>139859</b>	<b>9/15/20</b>	<b>ATTCALN</b>	<b>AT&amp;T</b>	
		000015237900	August 2020 Telephone expense for WEROC N. EOC	113.63
		000015237899	August 2020 Telephone expense for WEROC N. & S. EOC	328.66
			***Total ***	442.29
<b>139861</b>	<b>9/15/20</b>	<b>HARRISD</b>	<b>Daniel Harrison</b>	
		073120	July 2020 Business expense	227.11
			***Total ***	227.11
<b>ACH004939</b>	<b>9/15/20</b>	<b>MESAWA</b>	<b>Mesa Water District</b>	
		10250	July 2020 Credit for Local Resources program	83,845.09
			***Total ***	83,845.09
		<b>DRIPPR</b>	<b>Spray to Drip Program</b>	
<b>139869</b>	<b>9/29/20</b>	S2D3-R-BP-39201-17501	D. Force	794.50
<b>139870</b>	<b>9/29/20</b>	S2D3-R-SM-39492-17588	M. Lynch	159.50
<b>139871</b>	<b>9/29/20</b>	S2D3-R-HB-39770-17695	R. Kikawa	778.00
<b>139872</b>	<b>9/29/20</b>	S2D3-R-IRWD-39546-17697	H. Chen	1,076.60
<b>139873</b>	<b>9/29/20</b>	S2D4-R-HB-39837-17702	K. Kocvara	1,269.50
<b>139874</b>	<b>9/29/20</b>	S2D3-R-BREA-39928-17722	J. Mai-Ngo	124.00
			***Total ***	4,202.10
		<b>TURFRP</b>	<b>Turf Removal Program</b>	
<b>139875</b>	<b>9/29/20</b>	TR13-R-TUST-39165-38032	R. Jones	3,666.00
<b>139876</b>	<b>9/29/20</b>	TR13-R-BP-39201-38069	D. Force	4,767.00
<b>139877</b>	<b>9/29/20</b>	TR13-R-HB-39341-38177	D. LeBlanc	921.00
<b>139878</b>	<b>9/29/20</b>	TR13-R-TUST-39453-38297	M. Ruiz	5,862.00
<b>139879</b>	<b>9/29/20</b>	TR13-R-SM-39492-38335	M. Lynch	957.00
<b>139880</b>	<b>9/29/20</b>	TR13-R-BREA-39539-38379	C. Balderrama	3,765.00
<b>139881</b>	<b>9/29/20</b>	TR13-R-IRWD-39546-38387	H. Chen	3,204.00
<b>139882</b>	<b>9/29/20</b>	TR13-R-BP-39551-38393	H. Fernandez	3,297.00
<b>139883</b>	<b>9/29/20</b>	TR13-R-SB-39569-38410	M. VanDine	948.00
<b>139884</b>	<b>9/29/20</b>	TR13-R-IRWD-39707-38540	S. Jatana	986.74
<b>139885</b>	<b>9/29/20</b>	TR13-R-HB-39770-38597	R. Kikawa	2,427.00
<b>139886</b>	<b>9/29/20</b>	TR13-R-HB-39837-38657	K. Kocvara	6,705.00
<b>139887</b>	<b>9/29/20</b>	TR13-R-BREA-39928-38755	J. Mai-Ngo	546.00
			***Total ***	38,051.74
<b>139890</b>	<b>9/30/20</b>	<b>SANTI1</b>	<b>Santiago Aqueduct Commission</b>	
		JUL2020	July 2020 SAC Pipeline Operation Surcharge	1,186.53
			***Total ***	1,186.53
<b>ACH004969</b>	<b>9/30/20</b>	<b>SANTAM</b>	<b>Santa Margarita Water District</b>	
		JUL2020	July 2020 SCP Pipeline Operation Surcharge	32,664.20
			***Total ***	32,664.20

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of September 2020**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>WIRE-200930</b>	<b>9/30/20</b>	<b>METWAT</b>	<b>Metropolitan Water District</b>	
		10149	July 2020 Water deliveries	15,269,763.33
			***Total ***	15,269,763.33
<b>Total Other Funds Disbursements</b>				<u>15,430,522.61</u>
<b>Total Disbursements</b>				<u><u>15,436,490.27</u></u>



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer



**Cal Card Charges**  
**Statement Date: August 24, 2020**  
**Payment Date: September 15, 2020**

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<b><u>Public Affairs Card</u></b>		
7/28/2020	7/28/20-10/27/20 Subscription for Wordtracker search engine optimization software	\$ 81.00
8/2/2020	8/2/20-9/1/20 Zoom Video Communications monthly fee with audio licenses	174.95
8/3/2020	Monthly Storage unit rental during MWDOC remodel	187.00
8/5/2020	6 storage shelving units and 27 storage bins for Public Affairs off-site storage unit	1,333.95
<b>Total</b>		<b><u>\$ 1,776.90</u></b>

**Cal Card Charges**  
**Statement Date: August 24, 2020**  
**Payment Date: September 15, 2020**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b><u>K. Seckel Card</u></b>		
7/22/2020	California Chamber of Commerce the Evolving Workplace webinar - Registration for K. Davanaugh	\$ 159.20
7/23/2020	Supplies for Water Loss Control Shared Services	26.95
7/24/2020	6/24/20-7/23/20 Web hosting service for MWDOC website	15.65
7/27/2020	30 Bottles of hand sanitizer and 12 boxes of gloves for COVID-19 prevention	457.08
7/29/2020	3 Toner cartridges	201.37
8/3/2020	70 Storage boxes for MWDOC office remodel project	76.39
8/5/2020	Gift card for employee recognition	25.00
8/14/2020	PreworSCREEN online subscription monthly fee for COVID-19 prevention	167.58
8/19/2020	2 Picture frames	32.60
8/19/2020	8/1/20-9/8/20 Adobe Acrobat license for new employee	13.49
8/19/2020	7/9/20-9/8/20 Adobe Acrobat license for new employee	26.98
8/19/2020	10 Picture mats	24.46
8/20/2020	Orange County Business Council Virtual Washington, D.C. Advocacy summit on Aug. 28, 2020 - Registration for H. Baez	15.00
<b>Total</b>		<b>\$ 1,241.75</b>

**Cal Card Charges**  
**Statement Date: August 24, 2020**  
**Payment Date: September 15, 2020**

Date	Description	Amount
<b><u>R. Hunter Card</u></b>		
	No Charges	
	<b>Total</b>	<b>\$ -</b>

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the month of September 2020**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Disbursements:</b>				
<b>EFT-200915</b>	<b>9/15/20</b>	<b>CALPER</b> 100000016150088	<b>CALPERS</b> FY 2019/20 GASB-68 reports and schedules fees	700.00
			***Total ***	700.00
<b>ACH004927</b>	<b>9/15/20</b>	<b>BLACKV</b> 1327105	<b>Black &amp; Veatch</b> 7/4-8/7/20 Hydraulic Model Phase 2 Build Model & Calik	4,502.50
			***Total ***	4,502.50
<b>ACH004959</b>	<b>9/30/20</b>	<b>FINLEY</b> SI0040976	<b>Finley &amp; Cook PLLC</b> 10/1/20-1/31/21 Navision software maintenance	2,225.05
			***Total ***	2,225.05
			<b>Total Core Disbursements</b>	<b>7,427.55</b>
<b>Choice Disbursements:</b>				
			<b>Total Choice Disbursements</b>	<b>-</b>
<b>Other Funds Disbursements:</b>				
			<b>Total Other Funds Disbursements</b>	<b>-</b>
			<b>Total Disbursements</b>	<b>7,427.55</b>



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.



## Item 3c

### Municipal Water District of Orange County Consolidated Summary of Cash and Investment August 31, 2020

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  
[www.mwdoc.com](http://www.mwdoc.com)

Sat Tamaribuchi  
President

Joan C. Finnegan  
Vice President

Division I  
Vacant

Larry D. Dick  
Director

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

Megan Yoo Schneider, P.E.  
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	\$3,830,240	17.54%
Grant & Project Cash Flow	1,500,000	6.87%
Election Expense	696,000	3.19%
Building Repair	444,186	2.03%
OPEB	297,147	1.36%
Total Designated Reserves	6,767,573	30.99%
General Fund	11,812,901	54.10%
Water Fund	1,877,943	8.60%
Conservation Fund	(140,775)	(0.64%)
WEROC Fund	1,495,687	6.85%
Trustee Activities	21,969	0.10%
<b>Total</b>	<b>\$21,835,298</b>	<b>100.00%</b>

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	1.42%	\$309,408	\$309,408
Short-term investment			
• LAIF	62.89%	\$13,733,398	\$13,733,398
• OCIP	22.63%	4,941,641	4,941,641
Long-term investment			
• Corporate Bond	5.27%	1,150,851	1,159,828
• Certificates of Deposit	7.79%	1,700,000	1,799,888
<b>Total</b>	<b>100.00%</b>	<b>\$21,835,298</b>	<b>\$21,944,163</b>

The average number of days to maturity/call as of August 31, 2020 equaled 107 and the average yield to maturity is 1.045%. During the month, the District's average daily balance was \$30,249,546.82. Funds were invested in Negotiable Certificate of Deposit's, Corporate Bonds, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of August 2020.

The \$108,865 difference between the book value and the market value on August 31, 2020 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

August 31, 2020

8/31/2020	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,700,000.00	1,799,888.00	1,700,000.00	7.90	905	2.566
Corporate Bond	1,150,000.00	1,159,827.50	1,150,850.90	5.34	647	1.765
Local Agency Investment Funds	13,733,397.67	13,733,397.67	13,733,397.67	63.80	1	0.782
Orange County Investment Pool	4,941,641.25	4,941,641.25	4,941,641.25	22.96	1	1.085
<b>Total Investments</b>	<b>21,525,038.92</b>	<b>21,634,754.42</b>	<b>21,525,889.82</b>	<b>100.00</b>	<b>107</b>	<b>1.045</b>
<b>Cash</b>						
Cash	309,408.42	309,408.42	309,408.42		1	0.00
<b>Total Cash and Investments</b>	<b>21,834,447.34</b>	<b>21,944,162.84</b>	<b>21,835,298.24</b>		<b>107</b>	<b>1.045</b>

<b>Total Earnings</b>	<b>Month Ending August</b>	<b>Fiscal Year to Date</b>
<b>Current Year</b>	<b>23,779.85</b>	<b>46,303.46</b>
<b>Average Daily Balance</b>	<b>30,249,546.82</b>	
<b>Effective Rate of Return</b>	<b>1.045%</b>	

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

10/08/2020

Date

  
Hilary Chumpitazi, Treasurer

10/08/2020

Date

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**August 31, 2020**

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Negotiable Certificate Of Deposit</b>									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	260,832.50	250,000.00	2.250	2.250	757	9/27/2022
Capital One Bank	14042TBQ9	8/7/2019	250,000.00	269,132.50	250,000.00	2.250	2.250	1,437	8/7/2024
Capital One NA	14042RMJ7	7/24/2019	250,000.00	268,495.00	250,000.00	2.200	2.200	1,423	7/24/2024
Comenity Capital	20033AUX2	7/25/2017	200,000.00	203,348.00	200,000.00	2.000	2.000	319	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	272,417.50	250,000.00	3.300	3.300	1,058	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	273,065.00	250,000.00	3.350	3.350	1,072	8/8/2023
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	252,597.50	250,000.00	2.500	2.500	154	2/1/2021
<b>Sub Total</b>			<b>1,700,000.00</b>	<b>1,799,888.00</b>	<b>1,700,000.00</b>	<b>2.566</b>	<b>2.566</b>	<b>905</b>	
<b>Corporate Bond</b>									
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	248,357.50	250,000.00	0.800	0.800	1,448	8/18/2025
National Rural Utili Coop	63743FE51	7/27/2017	200,000.00	203,676.00	200,000.00	2.500	2.500	683	7/15/2022
Societe Generale	83369MD25	8/19/2020	250,000.00	248,225.00	250,000.00	1.000	1.088	353	8/19/2025
Wells Fargo	94974BGR5	1/13/2016	250,000.00	251,525.00	250,088.28	2.550	2.409	98	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	208,044.00	200,762.62	2.500	2.278	666	6/28/2022
<b>Sub Total</b>			<b>1,150,000.00</b>	<b>1,159,827.50</b>	<b>1,150,850.90</b>	<b>1.815</b>	<b>1.765</b>	<b>647</b>	
<b>Total Investments</b>			<b>2,850,000.00</b>	<b>2,959,715.50</b>	<b>2,850,850.90</b>	<b>2.263</b>	<b>2.243</b>	<b>801</b>	
<b>Total Earnings</b>									
Current Year			5,161.88		10,680.84				

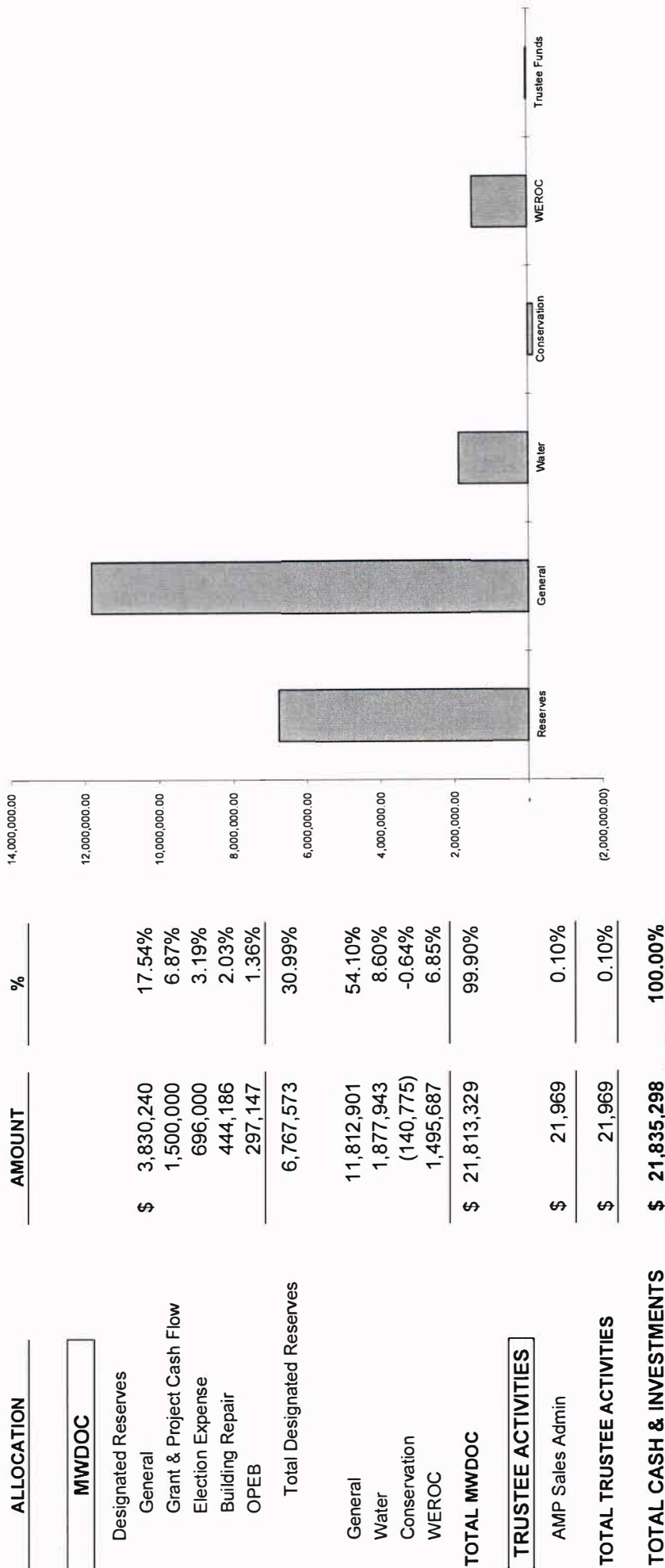


**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**August 31, 2020**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	13,733,397.67	13,733,397.67	13,733,397.67	0.782	0.782	1	N/A
<b>Sub Total</b>			<b>13,733,397.67</b>	<b>13,733,397.67</b>	<b>13,733,397.67</b>	<b>0.782</b>	<b>0.782</b>	<b>1</b>	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	4,941,641.25	4,941,641.25	4,941,641.25	1.085	1.085	1	N/A
<b>Sub Total</b>			<b>4,941,641.25</b>	<b>4,941,641.25</b>	<b>4,941,641.25</b>	<b>1.085</b>	<b>1.085</b>	<b>1</b>	
<b>Total Investments</b>			<b>18,675,038.92</b>	<b>18,675,038.92</b>	<b>18,675,038.92</b>	<b>0.862</b>	<b>0.862</b>		
<b>Cash</b>									
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	308,908.42	308,908.42	308,908.42	0.000	0.000	1	N/A
<b>Total Cash</b>			<b>309,408.42</b>	<b>309,408.42</b>	<b>309,408.42</b>	<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Total Cash and Investments</b>			<b>18,984,447.34</b>	<b>18,984,447.34</b>	<b>18,984,447.34</b>	<b>0.862</b>	<b>0.862</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year			18,617.97		35,622.62				



**Municipal Water District of Orange County  
Cash and Investments at August 31, 2020**



MUNICIPAL WATER DIST OF ORANGE COUNTY  
PARS Post-Employment Benefits TrustAccount Report for the Period  
8/1/2020 to 8/31/2020Rob Hunter  
General Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708

## Account Summary

Source	Balance as of 8/1/2020	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 8/31/2020
OPEB	\$2,359,583.37	\$0.00	\$69,100.46	\$1,129.64	\$0.00	\$0.00	\$2,427,554.19
PENSION	\$452,531.52	\$207,000.00	\$15,990.98	\$216.65	\$0.00	\$0.00	\$675,305.85
<b>Totals</b>	<b>\$2,812,114.89</b>	<b>\$207,000.00</b>	<b>\$85,091.44</b>	<b>\$1,346.29</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,102,860.04</b>

## 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	2.93%	8.52%	10.31%	7.16%	7.41%	-	10/26/2011
PENSION	2.81%	8.39%	10.18%	-	-	-	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 District of Orange County  
WATER USE EFFICIENCY PROJECTS  
Cash Flow as of 9/30/20

Cash - Beginning Balance	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021	TOTALS
REVENUES:	\$ (662,317.98)	\$ (714,498.92)	\$ (140,775.56)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$ (214,897.70)	\$
BUREC													-
City of Brea		253.00	222.00										475.00
City of Buena Park													-
City of Fountain Valley		126.50											126.50
City of San Clemente	250.00	625.00											875.00
City of San Juan Capistrano													-
City of Tustin	111.00	632.50	222.00										965.50
City of Newport Beach	111.00	126.50	333.00										570.50
City of Orange	111.00		333.00										444.00
City of Westminster													-
County of Orange	124,617.14												124,617.14
Department of Water Resources		236,887.19											236,887.19
East Orange County Water District													-
El Toro Water District	290.00	269.99											-
East Orange County Water District													-
Golden State Water Company													-
Irvine Ranch Water District	69.99	383.18											453.17
Laguna Beach County Water District	40.00												40.00
Mesa Water District		720.00											720.00
Metropolitan Water District	221,040.00	392,146.78											613,186.78
Moulton Niguel Water District	15,351.82	1,600.00	3,101.70										20,053.52
Santa Margarita Water District													-
Trabuco Canyon Water District		20.00											20.00
Yorba Linda Water District													-
Miscellaneous Revenues													-
Miscellaneous													-
Interest Revenue													-
<b>Total Revenues</b>	<b>361,991.95</b>	<b>633,790.64</b>	<b>4,211.70</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 998,994.29</b>
EXPENDITURES:													
Budget Based Tiered Rates, Raftelis													-
Ecotech, Ferguson	8,800.00		9,305.00										18,105.00
IRWD													-
GardenSoft Corp			9,205.00										-
Large Plumbing													9,205.00
Metropolitan Water District													-
MNWD	155,422.00												155,422.00
Mission RCD		10,935.25											10,935.25
Multi Family HET Direct	16,400.00												16,400.00
Plant Nerd	13,560.00		17,570.00										31,130.00
Recycled Water On Site Retrofit program													-
Spray to Drip program	7,994.30	4,393.37	4,202.10										16,589.77
TerraWorks Studio													-
Turf Removal													-
Trabuco Canyon WD	210,312.49	44,738.66	38,051.74										293,102.89
Water Systems Optimization	111.00												111.00
Miscellaneous Expenses													-
Miscellaneous													-
Interest Expense	1,573.10												1,573.10
Salary & Benefit													-
<b>Total Expenditures</b>	<b>414,172.89</b>	<b>60,067.26</b>	<b>78,333.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 552,574.01</b>
<b>Cash - Ending Balance</b>	<b>\$ (714,498.92)</b>	<b>\$ (140,775.56)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$ (214,897.70)</b>	<b>\$</b>

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**COMBINED FINANCIAL STATEMENTS**  
**AND**  
**BUDGET COMPARATIVE**  
**JULY 1, 2020 THRU AUGUST 31, 2020**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of August 31, 2020**

<b><u>ASSETS</u></b>	<b>Amount</b>
Cash in Bank	309,408.42
Investments	21,525,889.82
Accounts Receivable	31,401,012.74
Accounts Receivable - Other	161,972.77
Accrued Interest Receivable	51,276.95
Prepays/Deposits	377,485.74
Leasehold Improvements	4,284,127.08
Furniture, Fixtures & Equipment	649,773.62
Less: Accum Depreciation	<u>(3,313,510.76)</u>
<b>TOTAL ASSETS</b>	<b><u><u>\$55,447,436.38</u></u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>Liabilities</b>	
Accounts Payable	31,659,717.70
Accounts Payable - Other	93.77
Accrued Salaries and Benefits Payable	462,635.82
Other Liabilities	2,018,816.68
Unearned Revenue	<u>658,092.22</u>
Total Liabilities	<b><u>34,799,356.19</u></b>
 <b>Fund Balances</b>	
Restricted Fund Balances	
Water Fund - T2C	<u>1,027,819.80</u>
Total Restricted Fund Balances	<b><u>1,027,819.80</u></b>
Designated Reserves	
General Operations	3,830,240.00
Grant & Project Cash Flow	1,500,000.00
Election Expense	696,000.00
Building Repair	444,186.00
OPEB	<u>297,147.00</u>
Total Designated Reserves	<b><u>6,767,573.00</u></b>
General Fund	4,908,358.72
General Fund Capital	682,542.68
WEROC Capital	115,298.58
WEROC	<u>284,002.59</u>
Total Unrestricted Fund Balances	<b><u>12,757,775.57</u></b>
Excess Revenue over Expenditures	
Operating Fund	6,808,891.33
Other Funds	<u>53,593.49</u>
Total Fund Balance	<b><u>20,648,080.19</u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u><u>55,447,436.38</u></u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July thru August 2020**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>REVENUES</u></b>						
Retail Connection Charge	0.00	7,837,792.40	7,837,792.00	100.00%	0.00	(0.40)
Ground Water Customer Charge	0.00	595,323.00	595,323.00	100.00%	0.00	0.00
Water rate revenues	0.00	8,433,115.40	8,433,115.00	100.00%	0.00	(0.40)
Interest Revenue	23,466.51	45,611.65	458,000.00	9.96%	0.00	412,388.35
Subtotal	23,466.51	8,478,727.05	8,891,115.00	95.36%	0.00	412,387.95
Choice Programs	5,317.00	5,317.00	1,574,100.00	0.34%	0.00	1,568,783.00
Miscellaneous Income	17.68	53.04	3,000.00	1.77%	0.00	2,946.96
Revenue Other	1,258.00	1,258.00	0.00	0.00%	0.00	(1,258.00)
Transfer-In From Reserve	0.00	0.00	97,733.00	0.00%	0.00	97,733.00
Subtotal	6,592.68	6,628.04	1,674,833.00	0.40%	0.00	1,668,204.96
<b>TOTAL REVENUES</b>	<b>30,059.19</b>	<b>8,485,355.09</b>	<b>10,565,948.00</b>	<b>80.31%</b>	<b>0.00</b>	<b>2,080,592.91</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July thru August 2020**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>EXPENSES</u></b>						
Salaries & Wages	341,492.47	714,313.90	4,151,602.00	17.21%	0.00	3,437,288.10
Director's Compensation	18,663.51	37,981.88	258,909.00	14.67%	0.00	220,927.12
MWD Representation	12,769.77	22,265.24	157,070.00	14.18%	0.00	134,804.76
Employee Benefits	106,382.65	227,684.09	1,335,116.00	17.05%	0.00	1,107,431.91
CalPers Unfunded Liability Contribution	207,000.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	9,441.05	18,811.46	101,971.00	18.45%	0.00	83,159.54
Health Insurance for Retirees	3,949.34	8,187.88	87,449.00	9.36%	0.00	79,261.12
Training Expense	159.20	(1,730.80)	64,500.00	-2.68%	8,895.60	57,335.20
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	699,857.99	1,234,513.65	6,373,617.00	19.37%	8,895.60	5,130,207.75
Engineering Expense	12,454.42	22,361.92	340,000.00	6.58%	289,515.70	28,122.38
Legal Expense	30,695.77	31,761.27	210,500.00	15.09%	178,738.73	0.00
Audit Expense	0.00	7,500.00	29,725.00	25.23%	22,225.00	0.00
Professional Services	60,005.06	105,517.84	1,525,503.00	6.92%	709,628.60	710,356.56
Professional Fees	103,155.25	167,141.03	2,105,728.00	7.94%	1,200,108.03	738,478.94
Conference-Staff	15.00	715.00	26,515.00	2.70%	0.00	25,800.00
Conference-Directors	0.00	710.00	18,695.00	3.80%	0.00	17,985.00
Travel & Accom.-Staff	629.18	629.18	62,495.00	1.01%	0.00	61,865.82
Travel & Accom.-Directors	0.00	0.00	24,900.00	0.00%	0.00	24,900.00
Travel & Conference	644.18	2,054.18	132,605.00	1.55%	0.00	130,550.82
Membership/Sponsorship	11,000.00	53,411.64	127,161.00	42.00%	0.00	73,749.36
CDR Support	0.00	0.00	53,158.00	0.00%	53,100.32	57.68
Dues & Memberships	11,000.00	53,411.64	180,319.00	29.62%	53,100.32	73,807.04
Business Expense	0.00	0.00	4,500.00	0.00%	0.00	4,500.00
Maintenance Office	13,619.28	16,053.28	125,420.00	12.80%	109,931.72	(565.00)
Building Repair & Maintenance	2,305.66	5,103.20	15,000.00	34.02%	9,694.34	202.46
Storage Rental & Equipment Lease	52.13	106.93	1,750.00	6.11%	643.07	1,000.00
Office Supplies	898.49	1,586.80	39,000.00	4.07%	3,200.00	34,213.20
Supplies - Water Loss Control	26.95	489.29	10,000.00	4.89%	0.00	9,510.71
Postage/Mail Delivery	829.53	1,517.57	9,300.00	16.32%	2,202.30	5,580.13
Subscriptions & Books	0.00	119.97	1,000.00	12.00%	0.00	880.03
Reproduction Expense	1,588.45	3,371.14	83,700.00	4.03%	5,745.50	74,583.36
Maintenance-Computers	0.00	33.59	8,000.00	0.42%	0.00	7,966.41
Software Purchase	1,889.61	7,035.54	57,000.00	12.34%	9,831.12	40,133.34
Software Support	7,688.15	21,843.77	47,640.00	45.85%	0.00	25,796.23
Computers and Equipment	0.00	6,203.12	33,550.00	18.49%	0.00	27,346.88
Maintenance-Expense	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Automotive Expense	0.00	0.00	20,000.00	0.00%	0.00	20,000.00
Vehicle Expense	391.16	990.81	6,350.00	15.60%	0.00	5,359.19
Toll Road Charges	0.00	0.00	2,300.00	0.00%	0.00	2,300.00
Insurance Expense	11,523.52	22,958.18	110,000.00	20.87%	0.00	87,041.82
Utilities - Telephone	3,171.06	6,272.00	30,850.00	20.33%	1,142.94	23,435.06
Bank Fees	0.00	494.01	1,200.00	41.17%	0.00	705.99
Miscellaneous Expense	1,122.47	1,970.97	113,800.00	1.73%	4,912.19	106,916.84
MWDOC's Contrb. to WEROC	20,103.00	40,206.00	241,236.00	16.67%	0.00	201,030.00
Depreciation Expense	4,485.37	8,970.75	0.00	0.00%	0.00	(8,970.75)
Other Expenses	69,694.83	145,326.92	967,596.00	15.02%	147,303.18	674,965.90
Building Expense	16,516.78	30,541.34	726,883.00	4.20%	286,682.42	409,659.24
Capital Acquisition	0.00	43,475.00	79,200.00	54.89%	34,560.00	1,165.00
TOTAL EXPENSES	900,869.03	1,676,463.76	10,565,948.00	15.87%	1,730,649.55	7,158,834.69
NET INCOME (LOSS)	(870,809.84)	6,808,891.33	0.00			

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**From July thru August 2020**

	<b>Month to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>% Used</b>	<b>Budget Remaining</b>
<b><u>WATER REVENUES</u></b>					
Water Sales	14,296,138.30	28,277,647.30	208,407,327.00	13.57%	180,129,679.70
Readiness to Serve Charge	963,901.00	1,927,802.00	11,583,326.00	16.64%	9,655,524.00
Capacity Charge CCF	324,353.33	648,706.66	3,892,240.00	16.67%	3,243,533.34
SCP/SAC Pipeline Surcharge	35,006.98	68,857.71	315,000.00	21.86%	246,142.29
Interest	714.06	1,566.26	22,000.00	7.12%	20,433.74
<b>TOTAL WATER REVENUES</b>	<b>15,620,113.67</b>	<b>30,924,579.93</b>	<b>224,219,893.00</b>	<b>13.79%</b>	<b>193,295,313.07</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	14,296,138.30	28,277,647.30	208,407,327.00	13.57%	180,129,679.70
Readiness to Serve Charge	963,901.00	1,927,802.00	11,583,326.00	16.64%	9,655,524.00
Capacity Charge CCF	324,353.33	648,706.66	3,892,240.00	16.67%	3,243,533.34
SCP/SAC Pipeline Surcharge	35,006.98	68,857.71	315,000.00	21.86%	246,142.29
<b>TOTAL WATER PURCHASES</b>	<b>15,619,399.61</b>	<b>30,923,013.67</b>	<b>224,197,893.00</b>	<b>13.79%</b>	<b>193,274,879.33</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>714.06</b>	<b>1,566.26</b>	<b>22,000.00</b>		



**Municipal Water District of Orange County**  
**WUE Revenues and Expenditures (Actuals vs Budget)**  
**From July thru August 2020**

	Year to Date Actual	Annual Budget	% Used
<b>Spray To Drip Conversion</b>			
Revenues	6,888.06	38,900.00	17.71%
Expenses	13,273.40	38,900.00	34.12%
Excess of Revenues over Expenditures	(6,385.34)	0.00	
<b>Member Agency Administered Passthru</b>			
Revenues	0.00	175,000.00	0.00%
Expenses	0.00	175,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	340.00	2,000.00	17.00%
Expenses	340.00	2,000.00	17.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>HECW Rebate Program</b>			
Revenues	9,247.40	77,000.00	12.01%
Expenses	9,245.00	77,000.00	12.01%
Excess of Revenues over Expenditures	2.40	0.00	
<b>CII Rebate Program</b>			
Revenues	0.00	12,500.00	0.00%
Expenses	0.00	12,500.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Turf Removal Program</b>			
Revenues	180,795.57	648,000.00	27.90%
Expenses	257,815.56	648,000.00	39.79%
Excess of Revenues over Expenditures	(77,019.99)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	25,753.07	130,784.00	19.69%
Expenses	57,778.40	130,784.00	44.18%
Excess of Revenues over Expenditures	(32,025.33)	0.00	
<b>Recycled Water Program</b>			
Revenues	0.00	61,750.00	0.00%
Expenses	0.00	61,750.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>WSIP - Industrial Program</b>			
Revenues	0.00	30,000.00	0.00%
Expenses	13,471.46	30,000.00	44.90%
Excess of Revenues over Expenditures	(13,471.46)	0.00	
<b>Land Design Program</b>			
Revenues	27,275.00	404,000.00	6.75%
Expenses	39,720.00	404,000.00	9.83%
Excess of Revenues over Expenditures	(12,445.00)	0.00	
<b>WUE Projects</b>			
Revenues	250,299.10	1,579,934.00	15.84%
Expenses	391,643.82	1,579,934.00	24.79%
Excess of Revenues over Expenditures	(141,344.72)	0.00	
<b>WEROC</b>			
Revenues	281,442.00	482,472.00	58.33%
Expenses	78,238.82	482,472.00	16.22%
Excess of Revenues over Expenditures	203,203.18	0.00	



**CONSENT CALENDAR ITEM**

October 21, 2020

**TO: MWDOC Board of Directors**

**FROM: Planning & Operations Committee**  
(Directors McVicker, Dick, Yoo Schneider)

**Robert Hunter, General Manager**

**Staff Contact: Karl Seckel/Charles Busslinger**

**SUBJECT: Economic Benefit Studies and Modeling Work to Quantify the Benefits of Local Projects and to Understand the Potential Implications of MET's 2020 Integrated Resources Plan (IRP)**

**STAFF RECOMMENDATION**

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Staff recommends the Board authorize the General Manager to enter into a consulting contract with the Brattle Group to complete the economic benefit studies as outlined below in the estimated amount of \$245,000, plus additional support services by CDM Smith not to exceed \$25,000 for a total estimated cost not to exceed \$270,000.

**COMMITTEE RECOMMENDATION**

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The Committee recommended the Board adopt the staff recommendation.

**SUMMARY**

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Staff recommends that MWDOC proceed with the previously authorized reliability modeling work and add to the existing scope of work the additional economic studies described below. The combined effort is designed to more closely examine issues within the MET IRP as well as future reliability investments at both the MET level and at the Orange County level. This additional work is an important part of MWDOC's responsibility in representing our member agencies. An important note is that MWDOC has taken considerable time and effort to step back and discuss in detail the economic studies with MWDOC's member agencies.

<b>Budgeted (Y/N):</b> N	Budgeted amount: n/a	Core _X_	Choice __
<b>Action item amount:</b> \$270,000	Line item: 21-7010		
<b>Fiscal Impact (explain if unbudgeted):</b> Staff recommends the study costs be funded out of reserves as this issue arose after the budget discussions were completed for 2020-21 and due to the COVID impacts to our agencies.			

Following the April Committee meeting there was considerable push back from the agencies and a request for more time and discussion to understand the nature and scope of work for the economic studies. The need for the studies was discussed at several meetings with our agencies along with other items such as MWDOC's role and mission, the hydraulic model, and MWDOC's water rate resolution and ordinance. MWDOC committed to include Dr. David Sunding at a workshop in July where the entire meeting was dedicated to a discussion of the studies. The agencies input from the July meeting was captured and discussed at the Managers meeting with our agencies in August. Subsequently, a second dedicated workshop was held in September to focus entirely on the context of the economic studies and to further discuss the scope of work. Dr. David Sunding, Dr. Wallace Walrod, and Dan Rodrigo from CDM Smith were at the September workshop.

Good discussions occurred during the September 24, 2020 workshop; although with over 30 agency representatives in attendance, only about five agencies weighed in during the detailed discussions. Staff is of the opinion that the member agencies have a much better understanding of the studies and what might be at risk in the MET IRP discussions.

Undertaking \$270,000 in additional study work involves a significant investment. Staff believes that the investment will provide an improved basis for staff, directors, MET directors and MWDOC member agencies to do their planning and analysis as a result of a better overall understanding of the issues involved. Staff believes it is time to move forward with this work under the modified scope of work.

## **DETAILED REPORT**

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In April 2020, MWDOC staff recommended the Board consider authorizing staff to retain consultants to proceed with economic benefit studies that would describe and quantify the economic benefits of new local water supplies to the MWDOC service area. Staff is of the opinion that the studies will be useful to MWDOC and to our member agencies in better understanding the reliability benefits that come from the implementation of various local projects in Orange County. In April, input was provided by several member agencies requesting further discussion and time to digest the need for, and the scope of, the studies. At that time, MWDOC's agencies were not supportive of moving forward.

Since April 2020, discussions were held with our member agencies concerning the nature and scope of the economic studies at several meetings. The need for the studies was discussed at several meetings with our agencies along with other items such as MWDOC's role and mission, the hydraulic model, and MWDOC's water rate resolution and ordinance. MWDOC committed to include Dr. David Sunding at a workshop in July where the entire meeting was dedicated to a discussion of the economic studies. The agencies input from the July meeting was captured and discussed at the Managers meeting with our agencies in August. Subsequently, a second dedicated workshop was held in September to focus entirely on the context of the economic studies and to further discuss the scope of work. Dr. David Sunding, Dr. Wallace Walrod, and Dan Rodrigo from CDM Smith were at the September workshop.

Based upon member agency input, the approach previously considered in April has been broadened and the scope of work by Dr. David Sunding has been modified and reduced in cost. The survey work is now focused on surveying the business community to determine how they might be impacted by both emergency water shortages (i.e. earthquakes) which are severe shorter-term shortages; and by longer-term and less severe shortages (i.e. droughts). The residential impacts will now not require a survey of consumers. Dr. Sunding has indicated there is substantial information on the residential impacts of water shortages and he will rely on published data for this part of the study. Staff has amplified the background information to assist our agencies in understanding the nature of the work and why staff is interested in pursuing the work.

Below are notes from the July 23 workshop where input was captured in the discussions with our agencies. Items A. through G. below were the identified concepts of the potential study benefits and issues to provide a broader context for the economic studies. These items were then discussed with the agencies in August and again in the September 24 workshop discussions as potential goals of the economic studies:

- A. Quantify the value to residents & businesses from increased water reliability by investing in local projects
  - 💧 Helpful for updates of the reliability model; Dr. Sunding indicated that good data is not currently available on shortage impacts to businesses, so this information would be key.
  - 💧 Helpful for understanding and evaluating MET's IRP update and options for MET's Local Resources Program (LRP).
- B. How do MET reliability investments impact OC and MET member agencies? What are the costs paid through MET water rates and what reliability improvements will be achieved?
  - 💧 MET's Carson Regional Recycled Water Program
  - 💧 Delta Conveyance Project
  - 💧 Local Projects by MET member agencies and OC agencies
- C. What changes occur if MET moves to higher fixed charges by way of their rates and charges?
- D. What implications occur with changes in the structure of MET's LRP?
- E. Compare costs and reliability improvements at the MET level to the costs and reliability benefits of local projects
- F. Agencies could use the information developed by MWDOC to build their own reliability models. The CDM Smith scope of work includes options for providing interested retail agencies a spreadsheet template they can utilize in their own planning effort should they desire.
- G. What evaluations are included for OC to decide whether to support future investments being considered at the MET level?
  - 💧 For example, an investment by MET in the Carson Project may increase the cost of all MET water by \$200 per AF – is this a good investment for OC?

At the most recent workshop on September 24, 2020 staff discussed the items above and provided the following introduction and overview to the work:

There are potentially large dollar stakes involved in MET's IRP update. Staff believes the nature of the recommended work will provide valuable information towards an improved understanding of MET's IRP and where some of the policy issues may head. The recommended action item of \$270,000 is not an inexpensive endeavor; but what is at stake from the perspective of Orange County is the future reliability options under the MET IRP and upcoming decisions about investments in reliability both at the MET level and by the local agencies in Orange County. Staff believes these future investments will be large and having an improved understanding of how both MET and OC are impacted by these investments will serve our staff, directors and MET directors well in helping to represent our member agencies. It is also important for our agencies to benefit from these efforts to have an improved understanding of how local decisions impact our collective and individual reliability.

Our goal is to ensure that MET, the MET member agencies, and the local agencies do not collectively over-invest or under-invest from a reliability perspective at either the MET level or the OC level. Staff believes the type of work being pursued is consistent with MWDOC's mission of ensuring that policies and investments at the MET level work for Orange County; and to ensure investments made within OC complement MET's investments while meeting our local needs. When we presented this information on September 24<sup>th</sup>, staff was asked if this effort was a departure from MWDOC's historical role where our MET directors have acted at MET regarding what is in the best interests of Southern California and MET. Staff does not believe this is a departure from that role, as we have always kept in mind the end result of actions at MET as well as to understand how investments in water reliability within Orange County align with those investments.

In the September workshop, we included Dan Rodrigo from CDM Smith to remind the group of work already underway with which he has already been tasked. The CDM Smith work includes the following:

Why the Reliability Modeling Update? (This work was authorized by the MWDOC Board in August 2020)

- ◆ Greater Uncertainty Regarding Delta Conveyance Project
- ◆ MET IRP Update includes Scenario Planning for the first time
- ◆ Regional Water Demands Trending Downward
- ◆ Potential Changes in MET Water Rate Structure (e.g., greater fixed cost recovery) and Reduced Funding for LRP
- ◆ Update the OC Water Reliability Model

Additional Work by CDM Smith or Others

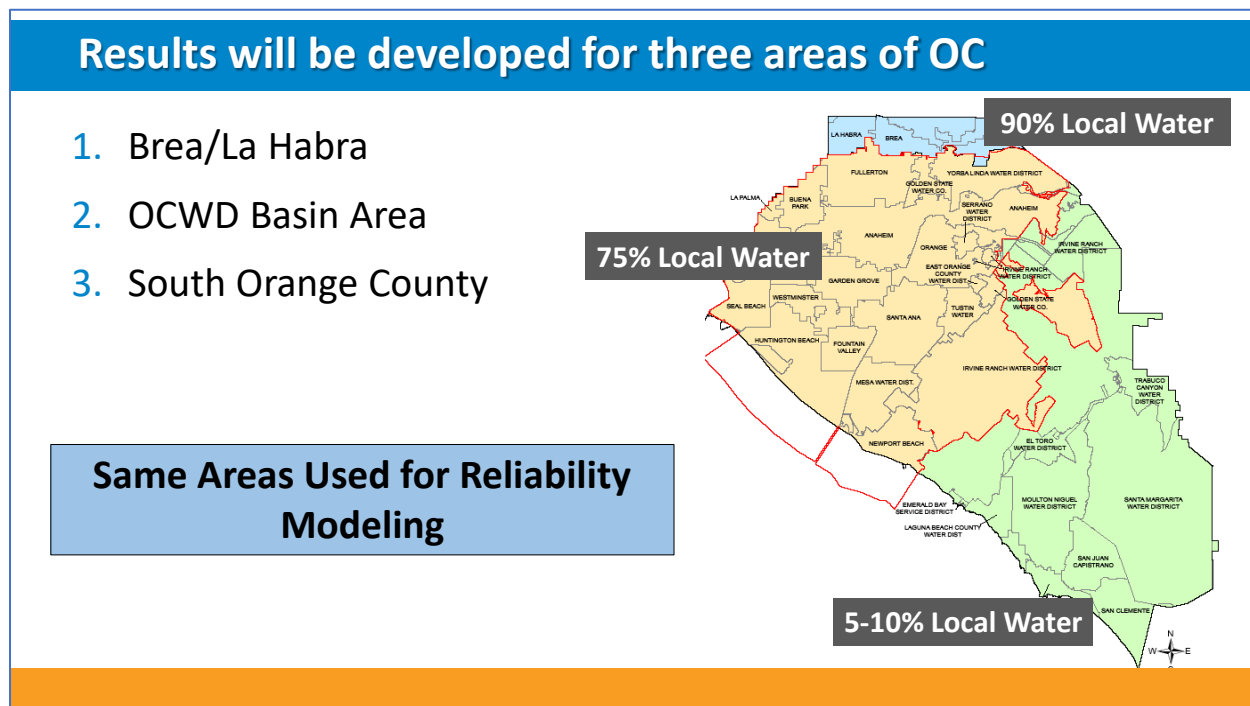
- ◆ Update Regional Water Demands (MET will complete as part of IRP Update in the December-January timeframe)

- ◆ Update OC Water Demands (CDM Smith proposal being reviewed jointly by MWDOC and OCWD for possible joint funding)
- ◆ New modeling of State Water Project (SWP) reliability with and without the Delta Conveyance Project (MET anticipates information will become available in October-November timeframe)

#### Benefits of the CDM Smith Scope of Work

- ◆ Useful to MWDOC and member agencies for planning purposes
  - ◆ New planning scenarios
  - ◆ CDM to provide member agencies templates for assessing local reliability and the benefits of local projects in their service area
  - ◆ Support for Urban Water Management Plans (e.g., demand forecasts)
- ◆ Support/evaluate MET's IRP Update
- ◆ Support for Proposed Study on Value of Water Supply Reliability

Dan Rodrigo reminded the group that the reliability modeling work will proceed at the level of the three reliability areas within Orange County based on what was done in the 2016 and 2018 reliability studies. Based on the reliability for these three areas, extrapolation templates can be provided at the agency level.



Dan Rodrigo also reminded the group that we will need to discuss and work through updated scenarios for the 2021 Reliability Study Update. Dan provided a first cut (see below) of potential scenarios that could be modeled in the upcoming work. Dan indicated that further discussions will be held concerning the nature of the scenarios to seek input

from the agencies. A good discussion ensued on the prospects of the Delta Conveyance Project and the likelihood under which it might proceed or be delayed over the course of several years. In the end, our agencies supported understanding the impacts of both scenarios, because it could be 20 years or more before a Delta Solution might begin operations.

# First Cut Draft of Proposed New Planning Scenarios

Changes from 2018 OC Study		Added a "significant stress" climate impact scenario	Lowered MET and OC demand projections based on recent trends	Added more variability in assumed supplies	Added more variability in assumed supplies	Added scenario in which project is not implemented
Scenario Name	Climate Change Impacts	MET & OC Water Demands	MET Water Transfers and GW Banking	MET Regional Recycled Water Program	Delta Conveyance Project	
Low Stress with some MET projects but <b>without Delta Conveyance</b>	Slight impact on SWP supplies only	Lower base MET and OC water demands	100,000 AFY	91,000 AFY (LB & Main Basin)	Not implemented	
Moderate Stress with some MET projects and <b>with Delta Conveyance</b>	Slight impact on SWP and local GW; moderate impact on CRA and water demands	Lower base MET and OC water demands	100,000 AFY	102,000 AFY (LB, West Basin & Main Basin)	Implemented with about 400,000 AFY improvement on average	
Moderate Stress with more MET projects but <b>without Delta Conveyance</b>	Slight impact on SWP and local GW; moderate impact on CRA and water demands	Lower base MET and OC water demands <b>with increased outdoor conservation</b>	250,000 AFY	116,000 AFY (full program without OC Basin)	Not implemented	
Significant Stress with some MET projects and <b>with Delta Conveyance</b>	Moderate impact on SWP local GW; significant impact on CRA and water demands	Lower base MET and OC water demands	100,000 AFY	168,000 AFY (full program)	Implemented with about 400,000 AFY improvement on average	
Significant Stress with more MET projects but <b>without Delta Conveyance</b>	Moderate impact on SWP local GW; significant impact on CRA and water demands	Lower base MET and OC water demands <b>with increased outdoor conservation</b>	250,000 AFY	168,000 AFY (full program)	Not implemented	



## **Economic Studies Work**

Dr. David Sunding from UC Berkeley and the Brattle Group discussed the project team which he will lead. The team includes Dr. Wallace Walrod of OC Business Council and Dr. Marlon Boarnet, Chair of the Urban Planning & Spatial Analysis Department at the USC Sol Price School of Public Policy. Dr. Sunding outlined how the information will be developed and used (his scope of work is attached):

- ◆ Information will be used to understand and quantify the economic benefits of local projects or projects serving local water into Orange County
- ◆ Consider periodic droughts and less frequent, extreme events such as earthquakes
- ◆ This effort is not specific to any one project but is intended to be applicable to any local projects that are being considered in Orange County.
- ◆ Project team will consider the value of reliability to both residential and business customers
- ◆ Will examine several measures of the value of reliability:
  - Willingness to pay
  - Jobs Losses
  - Lost economic activity
  - Regional (multiplier) impacts
- ◆ Value of reliability will be quantified at the agency level within MWDOC
- ◆ Residential losses will be calculated using retail demand relationships calibrated to socioeconomic and land use conditions within each district
- ◆ Business losses will be investigated with a survey of county businesses implemented by CSU Fullerton with Dr. Wallace Walrod
- ◆ Results will be a set of “loss functions” that capture the relationship between impacts and percentage shortages
- ◆ Final product will be draft and final reports, presentations to MWDOC and its member agencies and will include the survey results
- ◆ Cost ~ \$245,000 for the Brattle Group; the support costs for CDM Smith are separate and estimated not to exceed \$25,000; the total project costs are estimated not to exceed \$270,000.
- ◆ Timing ~ 6 months to complete after the CDM’s modeling work has been completed (target April 2021).

## **Schedule for the Work**

Due to the delayed start on this work in order to hold discussions with the member agencies, combined with the need to coordinate some of the modeling work with MET’s IRP modeling, the schedule will be phased such that some of the work products will become available during MET’s IRP discussions and others will become available during the policy discussions phase of MET’s IRP. The modeling and demand projections are slated for completion in January 2021 while the economic studies will trail this work and be completed in April 2021.

### **Input from the Member Agencies**

Good discussions occurred during the September 24, 2020 workshop; although with over 30 agency representatives in attendance, only about five agencies weighed in during the detailed discussions. Staff is of the opinion that the member agencies have a much better understanding of the studies and what might be at risk in the MET IRP discussions. Input during the discussions included the following:

- ◆ Some of the participants felt that the scope of work ultimately developed and the time taken for iterative discussions with the agencies was appreciated. Some noted that the clarifications and work plan would result in some good information being developed. This does not mean there was full consensus among the agencies to move forward (since we only heard from five agencies), but the mood can probably best be described as “reluctant concurrence” (MWDOC’s characterization).
- ◆ Some participants felt that understanding the impacts on businesses from both emergency shortages and longer-term drought driven shortages was very important.
- ◆ It was also noted that the economic damages from under or over investing was also an important consideration.
- ◆ Tracking project benefits based on a who is paying and who is receiving the benefits was also noted as a good objective.
- ◆ A question was raised as to whether this effort was duplicating the 2018 Reliability Study? Staff believes the CDM discussions noting the changes since the 2018 study (which was based on demand projection work completed in 2016) adequately characterized the need for the updated modeling work to be completed; this was why the CDM modeling work had previously been approved by the MWDOC Board in August 2020. The modeling work will proceed independent of the economic studies work.
- ◆ As previously noted, a question was raised as to whether this work represented a policy deviation by the MWDOC Board or MET Directors in how they look at what is best for Southern California. Staff noted that looking at what is best for Southern California does not mean MET Directors ignore potential impacts in OC. A main goal of the work MWDOC pursues, is to make sure we understand, to the greatest degree possible, what the ensuing implications are of MET policies on our member agencies. Staff believes this is an important aspect of this work and it is not a deviation from prior policy.
- ◆ A wide-ranging discussion occurred regarding the Delta Conveyance Project. In the end we agreed that while it may or may not proceed, if it does proceed, it may be 20 years or more before it begins operation. Therefore, we should evaluate future economic and reliability implications both with and without the Delta Conveyance Project. The discussion noted that one of the big obstacles in the Delta Conveyance Project is getting the Federal Central Valley Project contractors on board in some manner.
- ◆ IRWD continued to raise concerns that the survey of businesses could unduly alarm businesses that there might be shortages that could be unrealistic based on where the businesses are physically located. Dr. Sunding noted the concern and indicated

that extreme care would be taken in communications with the businesses being surveyed to clarify that we are simply seeking to generically understand potential business impacts of various levels of shortages to help our planning efforts. It will be emphasized that the range of shortages in the survey do not mean these shortages would occur specifically to any particular business. Staff believes these measures can alleviate the IRWD concerns.

- Two agencies indicated it might be preferable for them to “opt out” of the survey process (IRWD and MNWD). It was pointed out that not including the entire business community from Orange County would result in an incomplete analysis of the MET investment impacts in Orange County and was therefore not recommended. Other participants indicated they believed it would be a mistake if portions of Orange County were not included.

Undertaking \$270,000 in additional study work involves a significant investment. Staff believes that the investment will provide an improved basis for staff, directors, MET directors and MWDOC member agencies to do their planning and analysis as a result of a better overall understanding of the issues involved. Staff believes it is time to move forward with this work under the modified scope of work.

Staff indicated to the agencies that an agenda item would be prepared and presented at the October 5<sup>th</sup> Planning and Operations Committee and all are welcome to provide input. If the item clears the P&O Committee, it would then go to the Board on October 21<sup>st</sup>.

The Brattle Scope of Work for the Economic Studies is attached.

## BOARD OPTIONS

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### Option #1

- **Authorize the Economic Studies**

**Fiscal Impact:** Requires the expenditure of \$270,000 from reserves plus staff time. However, based on the outcome of MET’s IRP, there could be large swings in investments in local projects and MET projects by way of capital costs, O&M costs and water rate payments that could save Orange County agencies many times more than the amount being spent.

**Business Analysis:** Staff believes the type of work being pursued is consistent with MWDOC’s mission of ensuring that policies and investments at the MET level work for Orange County; and to ensure investments made within OC complement MET’s investments while meeting our local needs. Helps to ensure that we do not collectively over or under invest in water reliability in Orange County, both of which can be quite expensive.

### Option #2

- **Do Not Authorize the Economic Studies**

**Fiscal Impact:** Would save staff time and reduce expenditures by \$270,000 in FY 2020-21. However, based on the outcome of MET's IRP, there could be large swings in investments in local projects and MET projects by way of water rate payments that could potentially cost quite a bit more than would be spent in pursuing the studies.

**Business Analysis:** Staff would not be carrying out its full responsibilities to its member agencies in representing them at the MET level. Overall, it could result in Orange County collectively over or under investing in water reliability in Orange County which can be quite expensive.

## **STAFF RECOMMENDATION**

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### **Option #1**

## The Value of Water Supply Reliability: Study Proposal and Scope of Work

Marlon Boarnet, David Sunding, Wallace Walrod

September 22, 2020

Prepared for Municipal Water District of Orange County

### I. Introduction

This document describes a study of the value of water supply reliability in Orange County, California. The County faces two vastly different kinds of potential disruptions – periodic drought, typical of the region’s climate, and larger, potentially catastrophic disruptions in water availability.

A drought scenario is better understood as it is experienced more frequently. In dry periods, residents may face voluntary water use reductions, price increases, and in more extreme circumstances water rationing that in the past have yielded reductions in water use from 10 to 35 percent. Businesses, being high-value water users responsible for the local job base, are often shielded from water rationing efforts.

A more extreme event could require reductions in water supply of 50 percent or more, for possibly weeks or months, and it would likely not be possible to shield businesses from supply reductions in the case of a catastrophic event. The most commonly discussed source of extreme interruptions would be earthquake damage to water treatment or major distribution systems, such as the potential for an earthquake to damage the Robert B. Diemer water treatment plant in north Orange County.

In both circumstances – a drought or a catastrophic disruption – residents and businesses could experience a reduction in available water supply. ***Efforts to mitigate against those reductions require that the County have a credible estimate of the value of water supply reliability to ensure the avoidance of over-investing or under-investing in water supply projects.*** How much would residents and businesses be willing to pay to avoid reductions or interruptions in water supply? And how would this compare to mitigation costs to avoid shortages?

The most recent study which quantified the value of water supply reliability in Orange County was almost two decades ago (Orange County Business Council, 2003). Since then, little work has been done that can illuminate how residents and businesses would be economically harmed if water supply is reduced or interrupted. Water agencies do occasionally conduct customer surveys or opinion polls, and those surveys are useful for assessing customer satisfaction in

qualitative terms. That said opinion and satisfaction surveys do not provide insight into how residents and businesses value a reliable water supply, nor can satisfaction or opinion surveys give a quantified estimate of the value of a secure water supply. Similarly, satisfaction or opinion surveys cannot illuminate how residents and businesses would be willing to pay for investments that can increase the reliability of water supply.

We propose a detailed economic study that will quantify how the Orange County community values water supply reliability. The end products of our research will be quantified measures of the benefits that would accrue to the County from reducing small (e.g. drought) and large (e.g. catastrophic event) reductions in water availability. As the threat of earthquakes, changes in climate and related hydrology, or other possibly unforeseen events become more prominent in strategic policy-making, an understanding the value of investments that will increase the reliability of supply is vital.

## **II. Scope**

We will study two different classes of supply disruption: droughts and earthquakes. Those will model, respectively, normal supply reductions in ranges experienced in the recent past, and larger supply reductions that could occur due to catastrophic events.

For both the drought and earthquake scenarios, we will quantify the value of reliability by using willingness-to-pay or demand measures for residential consumers and measures of lost revenue, added costs, or employment reductions for business customers.

An important contribution of this study will be the quantification of business losses from large, infrequent and unplanned water supply reductions. As a general rule, business losses are typically substantially larger than aggregated losses from residential customers for water supply reductions of a given magnitude. As an example, Brozovic et al. (2007) estimated that business losses from hypothesized earthquakes in the Bay Area, focusing only on the resulting disruption to water supply from the Hetch Hetchy distribution system, would be from 30 to 70 times larger than resident valuations for the same water supply disruptions.

### **A. Drought Scenario**

**Residential Sector Losses:** We will quantify how Orange County residents value reductions in water supply by using updated residential water demand curves based on our prior work for Metropolitan Water District of Southern California and the State of California. These water demand relationships capture the relationship between quantity consumed and willingness to pay and are frequently employed to measure customer losses from episodes of mandatory rationing as in Buck et al. (2016). We propose to update these loss functions by using current rates, consumption levels and socioeconomic profiles for retail water agencies in Orange County.

It should be noted that the drought scenario only considers residential losses since there's not really a record of business shortages during droughts in CA. The residential sector is typically large enough to accommodate any needed changes in water use to accommodate business shortages.

The output of this portion of the study will be a set of “loss functions” which are mathematical equations describing the consumer loss for various levels of mandatory rationing. These loss functions will be developed separately for each retail water agency in Orange County. To parameterize loss functions for each community in the county, we will gather rate and consumption information to calibrate the functions, and will adjust demand elasticities for each agency based on characteristics of the customer base such as household income, housing density and the like. The exact method for developing residential loss functions is described in Buck et al. (2016).

## **B. Earthquake Scenario**

The earthquake (or catastrophic disruption) scenario will be an important innovation in this study. We know less about reliable valuations of large reductions than for smaller drought scenarios, and what is known indicates that the costs of catastrophic reductions in water supply could be larger than simple extrapolations from smaller reductions. For residents and businesses, a loss of half or more of water supply can be much more costly than the impact of a 10 or 20 percent reduction in water supply that would be typical in a drought.

**Residential Sector Losses:** We propose to follow the method outlined in Brozovic et al. (2007) to calculate residential losses from catastrophic water supply disruptions. This method is similar to the one used for drought impacts, since both approaches aim to measure customer willingness to pay to avoid a given water supply interruption. In the case of seismic events, however, there is a possibility that some customers may be totally without water (or see a significant disruption in the amount of water available) for some period of time while repairs are made. In these cases, emergency water supplies may need to be made available (potentially by truck or through distribution of bottled water), and the cost of these measures will form part of the welfare loss from the earthquake-induced disruption.

**Business Sector Losses:** A key innovation of this study will be extending business loss information into the Orange County context. The best available study of business losses from water supply reductions is a survey of firms conducted by MHB Consultants (1994). That work, albeit from 1994, is still the best available data on how businesses will reduce operations and employment in the face of large reductions in water supply. Yet, the MHB data are almost three decades old.

We will leverage the position of the Orange County Business Council to reach out to firms in an interview and survey approach. We will group industries in the county into approximately ten categories, and interview a small number of firms (approximately one to three) in each category. Those interviews will inform a survey to be implemented by CSU Fullerton that will query Orange County firms about how reductions in water supply will lead to reductions in revenues, increases in costs, and/or reductions in employment. The result will be a detailed understanding of how

water supply reductions could lead to business losses in the county. Those business survey results will be inputs into models (such as IMPLAN or other regional economic models) that quantify the economic effect of different magnitudes of water supply reductions on the local economy.

### **C. The Value of Water Supply Reliability**

The output of the study will be quantified estimates of the impact of water supply reductions, from the drought and earthquake scenarios, for both residents and firms. That will provide the best available insight into how Orange County residents and businesses value water supply reliability. The quantified estimates of supply reliability can be used in later studies as a decision tool to assess investments or strategies that could increase the reliability of water supply.

### **III. Timeline**

Six Months from project commencement.

### **IV. Deliverables**

The project deliverables will include a draft and final report of the research performed, as well as spreadsheets and computer code describing the formulas and methods for calculating the value of water supply reliability for MWD OC member agencies.

Part of our analysis will be based on an original survey of Orange County business owners in various sectors of the economy to be conducted by CSU Fullerton (Dr. Wallace Walrod will be using CSU Fullerton for the business survey). Upon completion of the project, we will make the survey responses available to MWD OC. We will also include a written summary of the survey's findings and implications in our draft and final reports.

### **V. Cost**

The cost for this project is \$245,000, inclusive of all direct and indirect costs. Following is a budget breakdown by task:

Residential Analysis	\$80,000
Survey of OC Businesses	\$85,000
Regional Economic Modeling	\$80,000
Total	\$245,000

### **VI. References**

Brozovic, Nicholas, David L. Sunding, and David Zilberman. 2007. Estimating Business and Residential Water Supply Interruption Losses from Catastrophic Events. *Water Resources Research*, vol. 43.



Buck, Steven, Max Auffhammer, Steven Hamilton and David L. Sunding. 2016. Measuring Welfare Losses from Urban Water Supply Disruptions. *Journal of the Association of Environmental and Resource Economists*, vol. 3.

MHB Consultants. 1994. *The Economic Impact of Water Delivery Reductions in San Francisco Water Department's Commercial and Manufacturing Customers*. Report to the San Francisco Public Utilities Commission.

Orange County Business Council. 2003. *Determining the Value of Water Supply Reliability in Orange County, California*. Report to the Metropolitan Water District of Orange County.



**CONSENT CALENDAR ITEM**

October 21, 2020

**TO:** Board of Directors

**FROM:** **Planning & Operations Committee**  
(Directors McVicker, Yoo Schneider, Dick)

Robert Hunter, General Manager

Staff Contact: Charles Busslinger

**SUBJECT: Award Construction Contract for Administration Building Seismic Retrofit & Remodel**

**STAFF RECOMMENDATION**

It is recommended that the Board of Directors approve entering into the following subject agreements for improvements to the MWDOC administration building:

- Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities.
- Receive the Bid Protest and any evidence presented by RT Contractor Corporation and reject the Bid Protest.
- Waive all discrepancies and deficiencies and award Optima RPM, Inc. the "MWDOC Administration Building Seismic Retrofit, ADA Compliance, and Tenant Improvement Project" construction contract as the lowest responsive and responsible bidder in the amount of \$1,606,878.00. Additionally, authorize a 20% contingency in the amount of \$321,375.40 for a total Not to Exceed amount of \$1,928,144.40. (Please note that the original bids are valid for 90-days from the July 31, 2020 receipt of bids which is until October 29, 2020.)
- Authorize the General Manager to enter into a license agreement with OCWD for the purposes of constructing the MWDOC administration building improvements and pay OCWD a one-time license fee of \$1,148.00.

<b>Budgeted (Y/N): Y</b>		Budgeted amount: \$2,038,772	Core X	Choice __
<b>Action item amount:</b>	Line item:			\$1,408,884
	FY 20-21-8811- Building Improvements (Mobilization, Phases 0-2)			
	FY 21-22-8811- (Phases 3-4, Exterior work, & Demobilization occurring in FY 21-22)			<u>\$629,888</u> \$2,038,772
<b>Fiscal Impact (explain if unbudgeted):</b>				

- Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of \$58,667.00 to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project.
- Authorize an increase in the ABS Owner's Representative Services Contract in the amount of \$36,900.00 to increase the contract scope of work to include move management services through the 4 phases of construction.
- Award SPS Data Communications a contract for IT Support Services for a total Not to Exceed amount of \$13,912.50.

Total of all items in this Action Item is \$2,038,771.90

### **COMMITTEE RECOMMENDATION**

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Committee recommends Option #2 with the clarification to **exclude construction of a storage room outside of Conference Room 101** and instead accept OCWD's offer to make additional resources available:

- OCWD to increase the size of the existing Board room storage area, for storage of MWDOC furniture,
- Storage of WEROC EOC support materials in the basement of the microfiltration building (which is designed to a higher seismic standard than the redesigned MWDOC building),
- OCWD to provide labor to setup/tear down tables for MWDOC Conference Room 101 meetings if the furniture is stored in the Board room storage area (at no cost to MWDOC).

Once construction is completed and after a period of time to see how these solutions are working, the Building Management Committee will re-visit the storage issue to see if additional actions are needed.

Note: The estimated cost savings from exclusion of the storage room is approximately \$36,000 credit; however, this needs to be negotiated with the Contractor. This item will be included with other Change Orders identified through the Change Order process and will become Change Order #1.

### **SUMMARY**

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Staff is seeking Board authorization to proceed with seismic improvements and a remodel of the administration building along with changes to Conference Room 101 to serve as a backup WEROC emergency operations center. The remodel will also address current space inefficiencies with the existing floor plan that will provide additional workspaces within the building.

### **DETAILED REPORT**

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In October 2017, staff presented to the Board the initial seismic study results of the MWDOC Administration Building. The Board approved staff to move forward with the seismic recommendations and approved contracts for IDS to prepare plans for non-structural retrofit elements of the Administration Building and additional engineering analysis and evaluation for structural retrofit elements of the building.

In November 2017, the Board authorized the General Manager to enter into a contract with IDS Group for architectural, space planning, interior design and construction administration services to conduct space planning analysis, improve floorplan efficiency, update and relocate conference rooms, relocate and maximize storage, provide for additional workstations, and determine the most favorable balance between shared work areas, private workstations and private offices that allow for collaboration and enhanced work flow processes.

In April 2018, staff presented to the Board a summary of the “Report on the Conceptual Seismic Retrofit Study of the MWDOC Administration Building” by IDS. The Board approved staff to move forward with seismic retrofit improvements of the MWDOC Administration Building, which are designed to bring the building up to a seismic performance level known as ‘Damage Control’ following American Society of Civil Engineers/Structural Engineering Institute standard ‘Seismic Retrofit of Existing Buildings’ (ASCE/SEI-41). ASCE/SEI-41 Damage Control level of seismic design is similar to the seismic performance standard used for school buildings. The Damage Control level of seismic improvements are designed to allow for re-occupancy of the building shortly after a seismic event and supports having Conference Room 101 serve as the back-up WEROC Emergency Operations Center. Current seismic codes are designed only to protect occupants for a sufficient duration to safely exit the building. The ability to re-occupy a building after an earthquake is not considered in the current minimum seismic codes and the seismic codes clearly state that buildings meeting minimum seismic standards will likely require significant repairs (if not demolition and re-placement) before re-occupancy.

Subsequent to the determination of the building seismic performance level needed to support WEROC Emergency Operations, IDS strongly recommended that the seismic retrofit and the architectural remodeling efforts be combined. IDS pointed out the two efforts had significant overlap with the amount of work needed for the retrofit, and the extent of partition wall removal and reconfiguration of office spaces to provide additional workspaces and improve efficiencies identified in the remodel design. IDS cautioned that should the two projects move to construction separately, there would be additional costs incurred that could be avoided by combining efforts into one project. The two efforts were combined into a single project which is now before the Board for consideration of award.

In February 2019, the Board authorized the General Manager to enter into a contract with ABS Consulting to provide Owner’s Representative/Project Management services for the administration building seismic retrofit and remodel.

Some elements of the project were determined to provide opportunities for reducing costs by being managed directly by MWDOC staff. These elements are specialty items that would

otherwise result in General Contractor mark up and pass-through of the work to sub-contractors, should they have been included in the Construction Schedule of Work Items. These items include directly contracting for:

- Fire Alarm System modifications and interface with the OCWD campus-wide alarm system
- Building Energy Management System modifications for the integrated energy management system between the MWDOC and OCWD buildings
- IT network cabling removal and installation
- Furnishings provider and installation of furniture. The furniture provider and installer contract will be coming to the A&F Committee on October 14, 2020 for consideration, and if recommended, to the full Board on October 21, 2020.

A 20% construction contingency is based upon recommendations from both IDS and ABS. Both consultants indicate that at minimum, a 15% contingency should be retained for retrofits & remodels and a 20% contingency is recommended. The majority of retrofits/remodels, including this case, do not undergo extensive destructive investigation to determine all of the issues that may be encountered during a retrofit/remodel project, and the contingency is set aside to address those issues as they are encountered. Additionally, there is one item concerning ADA requirements for backup power to the main lobby glass double doors that is not currently in the scope of work. IDS is currently investigating backup power requirements to meet ADA requirements for door operation during loss of power. This item will be addressed at some point during the 11-month construction schedule in time for final inspection.

### Background of Improvements to Date

Dates	Action
2009-2014	Window Replacement & Walkway Handrails
2013-2014	Air Handler Work
2014-2016	Boiler, Chiller & Energy Control System
2015-2016	Bathroom Remodel
2016	Fire Alarm System
2015-2016	Entry Area Remodel
2019	Electrical System Rehabilitation
2019	Computer Room Air Conditioner Replacement

### Project Bidding

The project was advertised for bidding through PlanetBids. A mandatory pre-bid meeting was held with 17 General Contractors in attendance. Formal bids were received from 7 bidders on July 31, 2020. The Low Bidder is Optima RPM, Inc.

### Bid Summary

1.	RT Contractor Corp.	Garden Grove	\$1,925,000.00
2.	Horizons Construction	Orange	\$2,137,000.00
3.	Faris Construction	Oceanside	\$2,077,000.00
4.	JRH Construction	Irvine	\$2,364,220.00

5.	Courts Construction	Glendora	\$2,042,764.00
6.	Nationwide General	Fountain Valley	\$3,575,000.00
7.	<b>Optima RPM Inc.</b>	Irvine	<b>\$1,606,878.00</b>

Engineer's Estimate	\$1,600,000 - \$2,600,000
Average Bid	\$2,246,837

#### Low Bid Breakdown (without Contingency)

No.	Item Description	Unit	Item Cost
1.	Mobilization	Lump Sum	\$364,623
2.	Phases 0-4	Lump Sum	\$1,226,939
3.	Exterior Work	Lump Sum	\$15,225

After the public posting of the August 2020 A&F Committee Agenda Packet, a bid protest was received on Friday August 7, 2020 from the second lowest bidder, RT Contractor Corporation, claiming:

1. The Apparent Low Bid failed to list an Asbestos Abatement Contractor (C-22 license) and pointed out that Optima RPM Inc. (Optima's) proposed demolition subcontractor only held a Demolition Contractor License (C-21).
2. Asbestos abatement work in the project exceeds the 0.5% threshold that requires disclosure of the work as a subcontractor.

The protest was submitted by e-mail and did not follow the required formalities in the bid documents. For this and the reasons explained below, staff recommends rejection of the protest.

#### Bid Review and Analysis

MWDOC staff and ABS investigated Optima's bid and found the bid did not indicate a direct subcontractor with a C-22 Asbestos Abatement License on their submitted Subcontractor List (Document 00430). The explanation given by Optima, was that the demolition subcontractor listed in their bid, Central Coast Demolition-4, Inc. intends to hire a second sub-tier contractor, PG&J Environmental Inc. (C-22 License #969005) as part of the demolition scope of work submitted in the bid.

The "Subletting and Subcontracting Fair Practices Act" requires that first-tier subcontractors (those hired by the prime contractor) be listed in the bid form, but it does not require listing of second-tier subcontractors. The bid documents therefore did not require listing of second-tier subcontractors.

Optima indicated that since their direct subcontractor, Central Coast Demolition-4, Inc., does indeed not hold a C-22 license; and as the bid documents did not indicate disclosure of second sub-tier contractors for any work, they did not indicate their demolition subcontractor as holding a C-22 license, nor include any second sub-tier contractors on the Subcontractor List. Optima reaffirmed that asbestos mitigation work will be carried out by a licensed C-22 second-tier subcontractor under their demolition subcontractor as part of \$88,995.00 scope of work listed their bid proposal.

Optima's bid otherwise conforms to the requirements of the bid documents, and staff's review indicates that Optima is qualified to perform the work. To the extent that there may be any minor discrepancies within the bid, such discrepancies would be inconsequential and may be waived. Staff therefore recommends that the Board award the bid to Optima and waive all discrepancies.

The 90-day time limitation on the bids accepted on July 31, 2020 will expire on October 29, 2020. If the Board were to instead reject Optima's bid, Rejection of Optima's bid at this point will likely result in the need to reject all bids and re-advertise the project. Staff has noted issues of varying levels of significance with many of the remaining bids and there is no guarantee that a second round of bids will not encounter similar bid issues.

### **License Agreement with OCWD**

OCWD has requested that MWDOC enter into a license agreement to use and occupy common areas of the campus during construction, comprising a portion of the western courtyard and portions of the parking lot on the north side of the campus. OCWD has also requested a one-time license fee of \$1,148.00, which is the standard fee for license agreements on OCWD properties and was previously approved by the OCWD Board as a standard fee.

The license agreement was brought to the OCWD Property Management Committee (PMC) for recommendation of approval in June 2020. The recommendation was deferred pending additional information to the July 2020 OCWD PMC. The recommendation was then further deferred to the August 28, 2020 OCWD PMC, pending more information and an OCWD legal review of the existing MWDOC lease to see if it allows for the construction of a storage room under the existing MWDOC roof and immediately adjacent to Conference Room 101. At the August 28, 2020 OCWD PMC, the OCWD Committee recommended approval of the license agreement with an exclusion for the construction of a storage room under the existing MWDOC roof; citing that it was an expansion of the MWDOC building footprint. The license agreement, with an exclusion for the construction of a storage room, was then approved by the OCWD Board on September 2, 2020.

At the MWDOC Special Board Meeting on September 3, 2020, the Board deferred award of the construction contract and directed staff to continue working with OCWD to explore other alternatives that would provide a suitable resolution to the furniture and storage needs for Conference Room 101. MWDOC staff was directed to bring back results of these efforts to the October 5, 2020 P&O Committee.

### **Discussions with OCWD**

MWDOC staff met with OCWD staff on September 28, 2020 to discuss various alternatives to the furniture and storage needs for Conference Room 101. During the meeting OCWD staff offered to make additional resources available:

- OCWD to look into increasing the size of the existing Board room storage area by consolidating IT equipment behind the video screen and opening up an existing wall,
- Provide labor to setup/tear down for MWDOC Conference Room 101 meetings if the furniture is stored in the Board room storage area (at no cost to MWDOC),

- Storing any WEROC EOC materials in the basement of the microfiltration building (which is designed to a higher seismic standard than the redesigned MWDOC building).

These proposals are welcome and helpful. The joint MWDOC/OCWD Building Management Committee is scheduled to meet and discuss these proposals prior to the October 21, 2020 MWDOC Board Meeting. Staff will look to include additional information in the final write-up for Board consideration of this item.

### Financial Summary

The table below provides an overall cost summary of the project.

	<b>Current Board Action Items:</b>	
1.	Construction Contract with 20% Contingency – Optima RPM, Inc.	\$1,928,144
2.	License Agreement - OCWD	\$1,148
3.	Additional Construction Support through Completion - IDS	\$58,667
4.	Move Management - ABS	\$36,900
5.	I.T. Support Services – SPS Data Communications	\$13,912.50
	<b>Total Project Items this Action:</b>	<b>\$2,038,772</b>
	<b>Previously Approved Project Items:</b>	
1.	ABS Owners Rep Services	\$257,706
2.	Architecture & Engineering Services IDS	\$103,366
3.	Asbestos Testing	\$4,700
4.	Sunbelt Controls Energy Mgmt. System modifications	\$4,449
5.	Fire Alarm System Modifications	\$18,600
6.	City Permits	\$7,278
7.	Fenagh Engineering – Certified Deputy Welding & Epoxy Inspector	\$10,294
8.	Pacific Environmental – Air Quality Monitoring during construction	\$17,600
	<b>Total of Project Items Previously Approved:</b>	<b>\$423,993</b>
	<b>Total Project Cost</b>	<b>\$2,462,765</b>

### BOARD OPTIONS

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**Option #1:**

- Authorize award of the construction contract and **exclude construction of a storage room** for Conference Room 101. Additionally, authorize supporting contracts and approve the license agreement with OCWD through the following actions:
  - Make a CEQA finding that the project is categorical exempt under: Class 1- Existing Facilities.
  - Receive the Bid Protest and any evidence presented by RT Contractor Corporation and reject the Bid Protest.
  - Waive all discrepancies and deficiencies and award Optima RPM, Inc. the “MWDOC Administration Building Seismic Retrofit, ADA Compliance, and Tenant Improvement Project” construction contract as the lowest responsive and responsible bidder in the amount of \$1,606,878.00. Additionally, authorize a 20% contingency in the amount of \$321,375.40 for a total Not to Exceed amount of \$1,928,144.40.
  - Authorize the General Manager to enter into a license agreement with OCWD for the purposes of constructing the MWDOC administration building improvements **containing an explicit exclusion for construction of a storage room outside of Conference Room 101**, and pay OCWD a one-time license fee of \$1,148.00.
  - Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of \$58,667.00 to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project.
  - Authorize an increase in the ABS Owner’s Representative Services Contract in the amount of \$36,900.00 to increase the contract scope of work to include move management services through all phases of construction.
  - Award SPS Data Communications a contract for IT Support Services for a total Not to Exceed amount of \$13,912.50.
  - Utilize the resource alternatives offered by OCWD and agreed to by the joint MWDOC/OCWD Building Committee.

**Fiscal Impact:** \$2,038,772

**Business Analysis:** Improve the seismic resilience of the building to accommodate use of Conference Room 101 as a WEROC emergency operations center, and continued business operations in the building following a major earthquake. Additionally, the project is designed to improve floorplan efficiency and provide for additional workstations for staffing flexibility. This Business analysis is common to Options 1, 2, & 3.

**Option #2**

- Receive the Bid Protest and any evidence presented by RT Contractor Corporation and reject the Bid Protest.

- Waive all discrepancies and deficiencies and award Optima RPM, Inc. the “MWDOC Administration Building Seismic Retrofit, ADA Compliance, and Tenant Improvement Project” construction contract as the lowest responsive and responsible bidder in the amount of \$1,606,878.00 **excluding construction of a storage room outside of Conference Room 101** with the expectation of resolving the furniture and storage needs for Conference Room 101 with OCWD **and instead accept OCWD’s offer to make additional resources available:**
  - OCWD to increase the size of the existing Board room storage area, for storage of MWDOC furniture,
  - Storage of WEROC EOC support materials in the basement of the microfiltration building (which is designed to a higher seismic standard than the redesigned MWDOC building),
  - OCWD to provide labor to setup/tear down tables for MWDOC Conference Room 101 meetings if the furniture is stored in the Board room storage area (at no cost to MWDOC).
- Additionally, authorize a 20% contingency in the amount of \$321,375.40 for a total Not to Exceed amount of \$1,928,144.40.
- Authorize award of the construction contract
- Additionally, authorize supporting contracts and approve the license agreement with OCWD through the following actions:
  - Make a CEQA finding that the project is categorical exempt under: Class 1- Existing Facilities.
  - Authorize the General Manager to enter into a license agreement with OCWD for the purposes of constructing the MWDOC administration building improvements **containing an explicit exclusion for construction of a storage room outside of Conference Room 101**, and pay OCWD a one-time license fee of \$1,148.00. **Direct staff to continue to work OCWD to resolve the furniture and storage needs for Conference Room 101, while leaving the option of future arbitration with OCWD open.**
  - Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of \$58,667.00

to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project.

- Authorize an increase in the ABS Owner's Representative Services Contract in the amount of \$36,900.00 to increase the contract scope of work to include move management services through all phases of construction.
- Award SPS Data Communications a contract for IT Support Services for a total Not to Exceed amount of \$13,912.50.

**Fiscal Impact:** \$2,038,772

### Option #3

- Authorize the award of the construction contract **including construction of a storage room for Conference Room 101 and authorize the General Manager to issue a letter of request for arbitration with OCWD for construction of a storage room outside of Conference Room 101**. Additionally, authorize supporting contracts and approve the license agreement with OCWD through the following actions:
  - Make a CEQA finding that the project is categorical exempt under: Class 1- Existing Facilities.
  - Receive the Bid Protest and any evidence presented by RT Contractor Corporation and reject the Bid Protest.
  - Waive all discrepancies and deficiencies and award Optima RPM, Inc. the "MWDOC Administration Building Seismic Retrofit, ADA Compliance, and Tenant Improvement Project" construction contract as the lowest responsive and responsible bidder in the amount of \$1,606,878.00. Additionally, authorize a 20% contingency in the amount of \$321,375.40 for a total Not to Exceed amount of \$1,928,144.40.
  - Authorize the General Manager to enter into a license agreement with OCWD for the purposes of constructing the MWDOC administration building improvements **and construction of a storage room pending the results of arbitration** and pay OCWD a one-time license fee of \$1,148.00.
  - Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of \$58,667.00

to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project.

- Authorize an increase in the ABS Owner's Representative Services Contract in the amount of \$36,900.00 to increase the contract scope of work to include move management services through all phases of construction.
- Award SPS Data Communications a contract for IT Support Services for a total Not to Exceed amount of \$13,912.50.

**Fiscal Impact:** \$2,038,772

#### Option #4

- Do not authorize the work.

**Business Analysis:** Continue to work in a less resilient building and risk the building becoming unusable as a WEROC emergency operations center following a major earthquake. Continue to deal with a floorplan that does not provide efficiencies or the needed number of workstations for all staff members.

#### STAFF RECOMMENDATION

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Seeking Board Direction

IDS SCOPE - Additional Construction Support through Completion

MWDOC Seismic & TI Bidding-CA Phase Additional Fees

Phase	Architectural	Structural	Mechanical HVAC	Plumbing	Electrical
Bid					
Construction	\$6,256.00	\$4,690.00	\$4,276.00	\$527.00	\$3,543.00
Meetings	\$9,272.00	\$556.00	\$540.00	\$974.00	\$3,028.00
	\$3,620.00	\$760.00	\$380.00	\$0.00	\$2,485.00
Total	\$36,908.00	\$6,006.00	\$5,196.00	\$1,501.00	\$9,056.00

Rate	Position	Arch		Struct		Mech		Plumbing		Elect		MWDOC	Rounded to:
		Hrs	Sub-Total	Hrs	Sub-Total	Hrs	Sub-Total	Hrs	Sub-Total	Hrs	Sub-Total		
3	Bid												
190	Principal	4	\$760.00	3	\$1,140.00	6	\$1,140.00			4	\$760.00		
135	PM/P.Arch./P.Eng.	24	\$3,240.00	16	\$2,160.00	0	\$0.00	1	\$135.00	8	\$1,080.00		
135	Cost Estimating	8	\$1,080.00		\$0.00		\$0.00			1	\$135.00		
98	Designer/Draftsperson	12	\$1,176.00	20	\$1,960.00	32	\$3,136.00	4	\$392.00	16	\$1,568.00		
	Subtotal	48	\$6,256.00	39	\$4,690.00	38	\$4,276.00	5	\$527.00	29	\$3,543.00	\$19,292.00	
4	FF&E												
190	Principal	16	\$3,040.00										
135	PM/P.Arch./P.Eng.	80	\$10,800.00										
135	Cost Estimating	0	\$0.00										
98	Designer/Draftsperson	40	\$3,920.00										
	Subtotal		\$17,760.00									\$17,760.00	
5	Construction Administration												
190	Principal	8	\$1,520.00	1	\$190.00			1	\$190.00	2	\$380.00		
135	PM/P.Arch./P.Eng.	40	\$5,400.00	2	\$270.00	4	\$540.00			8	\$1,080.00		
135	Cost Estimating	0	\$0.00		\$0.00								
98	Designer/Draftsperson	24	\$2,352.00	4	\$96.00	4	\$784.00	8	\$784.00	16	\$1,568.00		
	Subtotal	72	\$9,272.00	7	\$540.00	8	\$540.00	9	\$974.00	26	\$3,028.00	\$14,370.00	
6	Meetings												
190	Principal	2	\$380.00	4	\$760.00	2	\$380.00			1	\$190.00		
135	PM/P.Arch./P.Eng.	24	\$3,240.00		\$0.00					17	\$2,295.00		
135	Cost Estimating	0	\$0.00		\$0.00								
98	Designer/Draftsperson	0	\$0.00		\$0.00								
	Subtotal	26	\$3,620.00	4	\$380.00	2	\$380.00	0	\$0.00	18	\$2,485.00	\$7,245.00	
	Grand Total	146	\$36,908.00		\$5,196.00		\$5,196.00		\$1,501.00		\$9,056.00	\$58,667.00	

August 5, 2020

Mr. Charles Busslinger  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street  
Fountain Valley, CA 92728

Ph: (714) 292-2405  
Email: cbusslinger@mwdoc.com

**Subject:** *Proposal to Provide Additional Move Planning and Scheduling for Phases Two Through Four Occupants at Municipal Water District of Orange County Administration Building*  
(ABSG Consulting Inc. Proposal No. 4385398-005)

Dear Mr. Busslinger:

ABSG Consulting Inc. (ABS Consulting) is pleased to present this proposal to provide the subject move planning and scheduling services. The purpose of these services is to provide Phase 2 through Phase 4 move planning and scheduling services for Municipal Water District of Orange County (MWDOC) with ABS Consulting's Sub-Consultant, Blackman and Forsyth.

The services being provided by Blackman and Forsyth are for Phases 2 to 4 only. A complete breakdown of services being provided are included in Exhibit A. The additional services for Phases 2 through 4 are not within the ABS Consulting's 5% contingency fee for the project and are a change order to the contract budget and scope. The additional scope of work is identified in Exhibit A. For a complete fee breakdown, see Table 1.

## SCOPE OF WORK

The scope of work consists of the following task:

CO #2.doc

**Task 5 Perform Move Planning and Scheduling Services for Phases Two Through Four (Exhibit A).**

Below is a general move planning and scheduling scope of work for the project. For a comprehensive description of the services, see **Exhibit A**.

1. Attend client move-team meetings and conference calls.
2. Maintain the move matrix (From/To).
3. Assist with move vendor selection.
4. Prepare migration schedule.
5. Prepare relocation package and pack/label instructions

**EXCLUSIONS**

- All Phase 1 move-out services (included in a separate change order).
- Move vendor costs.
- ABS Consulting staff attendance at meetings and conference calls.

**COST & SCHEDULE**

The following section presents ABS Consulting's proposed fee breakdown for performing the project as described in our proposed scope of work. The proposed **Time and Materials Fees** includes all labor costs, travel costs and expenses to perform the proposed scope of work.

Description	Fee	Basis
Client Move Team Coordination	\$24,000	Time and Materials
Maintain Move Matrix	\$1,350	Time and Materials
Mover Coordination	\$900	Time and Materials
Migration Schedule	\$1,800	Time and Materials
Relocation Packaging	\$3,000	Time and Materials
B&F Sub-total Fee	\$31,050	Time and Materials
B&F Expenses (5%)	\$1,553	Time and Materials
B&F Total Fee	\$32,603	Time and Materials
ABS Consulting Mark-Up (10%)	\$3,260	Time and Materials
ABS Consulting Management (contract, invoices, etc.)	\$1,037	Time and Materials
<b>Total</b>	<b>\$36,900</b>	<b>Time and Materials</b>

Mr. Charles Busslinger

August 5, 2020

Page 3

This fee is valid for a period of 60 days from the date of this proposal, after which ABS Consulting reserves the right to retain or modify this cost to reflect changing economic conditions. Work performed by ABS Consulting will be billed monthly based on the actual expenses incurred.

### REQUIRED INFORMATION

Prior to commencement of work, we will need the following documents sent to our office:

- An executed change order.

**Please execute and return to us a copy of this letter contract to acknowledge your understanding of our proposal and to formally authorize us to proceed.**

We look forward to working with MWDOC on this important project. If you have any questions regarding this proposal, please do not hesitate to call.

Sincerely,

**ABSG Consulting Inc.**



Daniel J. Dopudja, S.E.  
Group Manager

Enclosures: *Exhibit A – B&F Scope of Work*

### APPROVED FOR MWDOC CORPORATION

**Task 5:** \_\_\_\_\_

**By:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_



## Exhibit A

July 27, 2020

Dan Dopudja  
ABS Consulting  
300 Commerce Drive, Suite 150  
Irvine, CA 92602  
Email: ddopudja@absconsulting.com

Subject: MWDOC - Blackman & Forsyth Proposal for Relocation Management

Dear Dan,

Thank you for requesting a relocation project management proposal for your client, MWDOC from Blackman & Forsyth. Blackman & Forsyth provides comprehensive move planning services for businesses and agencies. We know that advanced, thorough planning is essential for an effective and efficient move. Blackman & Forsyth is uniquely skilled to provide our move consulting services to manage an effective and efficient move plan for MWDOC.

We understand the project is as follows: MWDOC will initiate a seismic upgrade and tenant improvement project that delivers new paint, carpet and furniture at their current office, located at 18700 Ward Street, Fountain Valley. Notice to proceed is scheduled for late August 2020 and projected completion is September 2021.

The construction plan is scheduled into (4) phases, running from the West to East in the building. To support this construction activity, we suggest a (5) phase relocation plan that moves groups out prior to construction and back once construction in their area is completed. Construction durations by phase range from 2-4 months.

2. Move Back Phase 1 + Move Out Phase 2
3. Move Back Phase 2 + Move Out Phase 3
4. Move Back Phase 3 + Move Out Phase 4
5. Move Back Phase 4

This project is considered a multi-phase contents and equipment move for MWDOC's full floor and entire staff of approximately 45 employees. Furniture removal will follow each move-out, and is the responsibility of the general contractor.

Blackman & Forsyth proposes to initiate Move Team Meetings immediately to address critical details by discipline to develop a comprehensive plan for the project. Swing space needs, workplace prospects and storage options are essential criteria for evaluation. The details of this plan need to be resolved in order to hire supporting vendors (mover resource and possibly a furniture liquidator / disposal resource) and prior to engaging with employees on move instructions and expectations. Blackman & Forsyth understands that each move phase will involve different parameters determined by each phased impact zone. Move Team meetings will be scheduled at regular intervals for the duration of the project, with an estimated +/- 20 meetings total.

Prior to each move, Blackman & Forsyth will craft a migration schedule that details all of MWDOC's relocation activity by responsible party so that roles and objectives are clearly defined and achieved. Blackman & Forsyth will also provide Relocation Kits, packing and labeling instructions, for each employee affected in each move phase.

The Basic Scope of Services will include:

2. Client Move Team Coordination
3. Move Matrix: From-To(s)
4. Mover Selection
5. Migration Schedule(s)
6. Relocation Package / Pack & Label Instructions

Project activities by initiative are as follows:

- 2. Client Move Team Meetings:** We will initiate Move Team communication exchanges with the firm's representatives from Facilities, IT, HR, Operations and other relevant groups as they surface. Our Move Team meetings ensure two-way information exchange and facilitate discovery and resolution on all move-related

topics. Output from these meetings develops the relevant data for completing all of the move documentation. Blackman & Forsyth will manage these meetings from start to finish. Critical tasks involved are creating agendas, fostering and facilitating dialog, imparting expertise, providing notes and tracking follow-ups.

3. **Maintain the Move Matrix, From/To:** Blackman & Forsyth documents each staff member and their belongings, IT equipment, file cabinets as well as storage and common rooms to ensure thorough planning prior to the move and to verify proper delivery during the move. Mapping is the process of determining who and what is moving and where it is moving. Significant time and attention is spent in the discovery phase. Finally, all belongings and equipment are mapped to their final destination. In this process we augment your floor plans by adding colors for specific floors or areas and unique numbers for each user. These colors and numbers will expedite your move and minimize the occurrence of errors.
4. **Mover & Vendor Selection:** Blackman & Forsyth will develop and coordinate the RFP (Request for Proposal) process for Mover. With the Move Team we will develop the project scope for the request for proposal for the movers and we will conduct a job walk with qualified vendors, providing the RFP and a Basis of Estimate spreadsheet for their bids. Blackman & Forsyth will provide a qualitative and quantitative analysis of all bids to support the selection process and work with MWDOC to negotiate the "best" price.
5. **Migration Schedules:** The key to a successful move is ensuring that all of the players are following a clear schedule and responding quickly when changes are needed. Blackman & Forsyth will craft a Migration Schedule for each move phase that details all the move activities for the entire move period. The Migration Schedule has a clear sequencing order and accountability component. It is our job to communicate this schedule to all parties involved in the move.
6. **Relocation Package / Pack & Label Instructions:** Blackman & Forsyth will create comprehensive, personalized relocation kits for each employee affected in the move. The relocation kit is customized with the individuals unique move labels based on their destination address. The kit contains information on what to pack, what not to pack and how to pack and label belongings.

We are committed to using your budget in the most efficient, economical manner. Therefore, we will bill you only for hours expended and not necessarily the entire amount of the budget. Should you require fewer hours and services and your staff can handle additional tasks the fees will decrease accordingly. If the hours spent increase the fees due beyond those estimated in this agreement, we will notify you in writing and obtain your written consent before incurring any excess fees.

Our fees are \$150 per hour for a Principal, \$125 per hour for a Project Manager and \$100 per hour for a Site Supervisor. Expenses are not included in the fees as stipulated above. We are to be compensated for reimbursable expenses incurred in connection with the project. Expenses include: office services @ \$35 per hour, mileage @ \$0.575 cents per mile (or the prescribed rate); parking, copies, etc. to be invoiced at actual cost. Expenses are not to exceed 5% of fees unless authorized by you.

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**From:** Richie Tran  
**Sent:** Friday, August 7, 2020 4:07 PM  
**To:** Chris Lingad  
**Cc:** 'richie@rtcontractor.com'  
**Subject:** Re: MWDOC Planet Bids  
**Importance:** High

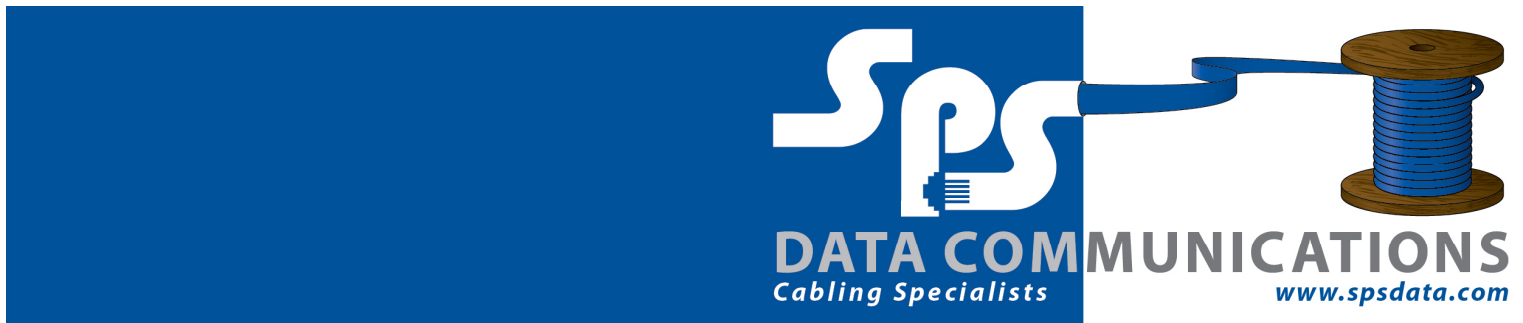
Chris,

Thank you for your prompt response to our inquiry and providing us with the low bidder, Optima RPM's bid package. Upon closer review, we would like to formally protest Optima RPM's low bid and ask that they be deemed non-responsive due to the following factor(s)

- They only listed Central Coast Demolition – 4, Inc. as their demo subcontractor and they are only licensed a C-21 contractor, with no asbestos sub-license or certification.
- There is asbestos abatement work within the project that exceeds ½ of 1 % of the contract and no asbestos abatement subcontractor (C-22 licensed) was listed

Given their omission of a C-22 licensed contractor in their listed sub, it is clear they omitted that scope of work and/or failed to list all required subcontractors doing at least ½ of 1% and as such need to be deemed non-responsive. Is this good enough or you want in our letter head letter?

Thank you for your time and have a good weekend



*Quote # 20200801*

*August 5, 2020*

*Project Name: Office Remodel Rev. a*

Item	Qty	Description	Unit Price	Extended Price
1	10,000	Cat 6 cable	\$0.28	\$2,800.00
2	50	Cat 6 conn.	\$7.25	\$362.50
3	125	Labor	\$85.00	\$10,625.00
4	1	Misc Parts (velcro, Hooks etc)	\$125.00	\$125.00
Grand Total				\$13,912.50

*Scope of Project:* Demo cables prior to construction, Recycle cables that are appropriate , install new cables where old can't be used (island cubicles, Conference room). My price does include sales tax, my knowledge of your facility, and over 15 year relationship with MWDOC.

Sincerely

**Steve Snyder**

SPS Data Communications

# Notice of Exemption

## Appendix E

**To:** Office of Planning and Research  
P.O. Box 3044, Room 113  
Sacramento, CA 95812-3044

County Clerk

County of: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**From:** (Public Agency): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Address)

Project Title: \_\_\_\_\_

Project Applicant: \_\_\_\_\_

Project Location - Specific:

Project Location - City: \_\_\_\_\_ Project Location - County: \_\_\_\_\_

Description of Nature, Purpose and Beneficiaries of Project:

Name of Public Agency Approving Project: \_\_\_\_\_

Name of Person or Agency Carrying Out Project: \_\_\_\_\_

Exempt Status: **(check one):**

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☐ Categorical Exemption. State type and section number: \_\_\_\_\_
- ☐ Statutory Exemptions. State code number: \_\_\_\_\_

Reasons why project is exempt:

Lead Agency \_\_\_\_\_

Contact Person: \_\_\_\_\_ Area Code/Telephone/Extension: \_\_\_\_\_

**If filed by applicant:**

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? ☐ Yes ☐ No

Signature: \_\_\_\_\_ Date: \_\_\_\_\_ Title: \_\_\_\_\_

☐ Signed by Lead Agency ☐ Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.  
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: \_\_\_\_\_

Bidder Name: Optima RPM Inc.

**DOCUMENT 00310  
BIDDING SHEET**

Price for construction of MWDOC Administration Building Improvements

Item	Description	Amount (Lump Sum)
1	Mobilization by General Contractor, General Contractor Bonds, General Contractor Overhead and Profit, General Contractor General Conditions	\$ <u>364,623.00</u>
2	Construction of all work in the contract for Phases 0 through 4 as included in <b>Table 1</b> of this section, except for work covered under the other bid items on this bidding sheet, as specified and shown on the drawings for the lump sum of	\$ <u>1,226,939.00</u>
3	Exterior work including parking lot refinishing and ADA parking lot improvements.	\$ <u>15,225.00</u>
<b>Total of Items 1 through 3:</b>		<u>\$ 1,606,878.00</u>

**Bidders shall complete Document 00310 "Bidding Sheet" and submit with other bid documents by the deadline Friday, July 31 at 2:00 PM. Bidders shall complete Table 1 on the following pages and submit by Monday, August 3 at 2:00 PM. Bid amounts on Table 1 and Bidding sheet may be handwritten. Illegible bids will be rejected.**

## Charles Busslinger

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**From:** Chris Lingad  
**Sent:** Tuesday, September 8, 2020 4:08 PM  
**To:** 'mkhalil@optimarpm.com'  
**Cc:** 'Mohamed Mamoon'; 'Maykel A. Hanna'; Charles Busslinger  
**Subject:** RE: MWDOC Seismic Retrofit and Tenant Improvement Project (Storage Room)

Thank you for the updated information Michael.

Chris Lingad  
Associate Engineer  
[clingad@mwdoc.com](mailto:clingad@mwdoc.com)  
714-593-5009

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**From:** mkhalil@optimarpm.com  
**Sent:** Tuesday, September 8, 2020 2:38 PM  
**To:** Chris Lingad  
**Cc:** 'Mohamed Mamoon' ; 'Maykel A. Hanna'  
**Subject:** MWDOC Seismic Retrofit and Tenant Improvement Project (Storage Room)

Hi Chris,

With reference to the above mentioned subject and as per the last board meeting discussion, kindly be informed that we priced all work related to the Conference room extension (Storage room) with total value of (\$36,750).

This is for your information and record.

Thanks,

**Michael Khalil**  
**Bidding & Procurement Director, PMP**



17945 Sky Park Circle, Suite D  
Irvine, CA, 92614  
O: (949)724-1399  
F : (949)724-1851  
Cell: (909)454-4439





**CONSENT CALENDAR ITEM**

October 21, 2020

**TO:** Board of Directors

**FROM:** **Planning & Operations Committee**  
(Directors McVicker, Yoo Schneider, Dick)

Robert Hunter, General Manager

Staff Contact: Harvey De La Torre

**SUBJECT: Approval of Agreement with Metropolitan Water District of Southern California and the Metropolitan Member Agencies of the Santa Ana River Conservation and Conjunctive Use Program**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize the General Manager to execute the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) agreement, subject to any non-substantive changes or modifications. This agreement is between Metropolitan Water District of Southern California (Metropolitan) and the four Metropolitan Member Agencies of Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, and MWD OC (collectively referred to as the SARCCUP-MWD Member Agencies).

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**REPORT**

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In early March, MWD OC staff presented an information item to the MWD OC Planning and Operation (P&O) Committee on the proposed terms of an agreement between Metropolitan and the four Metropolitan member agencies collectively referred to as the SARCCUP-MWD Member Agencies (Eastern Municipal Water District, Inland Empire Utilities Agency,

Budgeted (Y/N): N	Budgeted amount: N/A	Core _X_	Choice __
Action item amount: None	Line item:		
Fiscal Impact (explain if unbudgeted):			

Western Municipal Water District, and MWDOC) on a cooperative water banking program known as SARCCUP.

This agreement will allow these four SARCCUP-MWD Member Agencies the ability to purchase a portion of the surplus water that San Bernardino Valley Municipal Water District (Valley), a State Water Project Contractor, sells to Metropolitan for the purpose of storing such water in local groundwater basins throughout the Santa Ana River watershed and extract during dry years to reduce the impacts from multiyear droughts.

Since the P&O committee in March, an agreement (attached) has been finalized between the SARCCUP-MWD Member Agencies and Metropolitan, and now all of the agencies are seeking review and approval from their respective governing boards on the agreement. Metropolitan is expected to present this agreement to their Board for review on October 12 and for action on November 10. Below is background information on SARCCUP, the key terms of the final agreement, and MWDOC's involvement in the program.

### **Background**

In 2013, five regional water agencies within the Santa Ana River Watershed came together in a collaborative effort to identify a watershed-scale program and developed SARCCUP. The initial group included representatives from the following five regional water agencies:

- Eastern Municipal Water District
- Inland Empire Utilities Agency
- Western Municipal Water District
- Orange County Water District (OCWD)
- San Bernardino Valley Municipal Water District (Valley)

In 2016, SARCCUP was successful in receiving \$55 million in grant funds from Proposition 84 through the California Department of Water Resources (DWR). The overall SARCCUP program awarded by Proposition 84, consists of three main program elements:

- Watershed-Scale Cooperative Water Banking Program
- Water Use Efficiency: Landscape Design and Irrigation Improvements and Water Budget Assistance for Agencies
- Habitat Creation and *Arundo Donax* Removal from the Santa Ana River

The Watershed-Scale Cooperative Water Banking Program is the largest component of SARCCUP and the focus of this Board item.

Since 2016, Valley, Metropolitan, and the four SARCCUP-MWD Member Agencies, with MWDOC representing OCWD, have been discussing terms and conditions for the ability to purchase surplus water from Valley to be stored in the Santa Ana River watershed. With the Valley and Metropolitan surplus water purchase agreement due for renewal, it was the desire of Valley to establish a new agreement with Metropolitan that allows a portion of its surplus water to be stored within the Santa Ana River watershed.

Therefore, in the terms of the proposed new Metropolitan and Valley agreement, which is set for review and approval by the Metropolitan Board on November 10, Metropolitan will be given the right to purchase surplus Valley water under the condition that SARCCUP-MWD

Member Agencies may purchase from Metropolitan up to 50% of an equivalent amount of Valley water for storage in local banking facilities. Moreover, this water purchased by the SARCCUP-MWD Member Agencies could qualify as an “Extraordinary Supply” provided it meets the provisions of Appendix G of Metropolitan’s Water Supply Allocation Plan (Attached).

### **Key Terms of the Metropolitan & SARCCUP-MWD Member Agencies Agreement**

#### **Length of the Agreement**

This agreement is for 15 years (December 31, 2035), with an extension clause. This aligns with the new Metropolitan/Valley agreement.

#### **Purchasing Water**

In a year where Valley has surplus water available, Metropolitan will inform the SARCCUP-MWD Member Agencies of the amount of water Metropolitan will purchase and offer 50% of the equivalent amount purchased to the SARCCUP-MWD Member Agencies.

Then, each SARCCUP member agency will inform Metropolitan of the amount they seek to purchase. Because this water is purchased directly from Metropolitan, this water is considered “Metropolitan Water” and all of the Metropolitan full-service volumetric rates and charges will apply at the time of delivery, like any other Metropolitan water purchased. This will include: System Power Rate; Supply Rate; System Access Rate; Readiness-to-Serve (RTS) Charge; and the Alternative to the Water Stewardship Rate (Once adopted by the Board).

The MWD Capacity Charge will not apply because the water will be delivered at Metropolitan’s discretion. This is consistent with previous Metropolitan programs such as Conjunctive Use Program (CUP) and Cyclic water deliveries.

In addition, if such purchased water is stored and accounted for in accordance with Appendix G of the Metropolitan Water Supply Allocation Plan it can qualify as Extraordinary Supply.

To aid in the coordination of this program there will be a SARCCUP Operations & Finance Committee, which will consist of all SARCCUP participants, to convey the purchase amounts, delivery and recovery method, and accounting of the water to Metropolitan.

#### **Delivery Methods**

Metropolitan will coordinate the delivery of such water with each SARCCUP-MWD Member Agencies during the calendar year. There are three methods of delivering this water in a SARCCUP storage facilities:

- **Direct Metropolitan Delivery** – Water purchased by a SARCCUP-MWD Member Agency for direct delivery to its SARCCUP storage facilities.
- **Indirect Metropolitan Delivery** – Water purchased for one SARCCUP-MWD Member Agency for delivery to another SARCCUP-MWD member agency’s storage facilities.

- **Delivery to Valley** – Delivery of a SARCCUP-MWD Member Agency's water to Valley's SARCCUP recharge facilities (Metropolitan "virtual Meter") for storage in the San Bernardino Basin Area (SBBA) bank (outside the Metropolitan service area).

All deliveries are through Metropolitan facilities or an agreed upon Metropolitan virtual meter, as would be the case for deliveries into the SBBA bank.

#### Ways to the Recover the Water

When a SARCCUP-MWD Member Agency seeks to recover this banked water, there are two methods of recovery:

- **Direct Local Delivery** – Pumping and direct conveyance of stored water between SARCCUP-MWD Member Agencies using local interagency conveyance facilities.
- **In-lieu Metropolitan Delivery** – Pumping and local use of water by a SARCCUP-MWD Member Agency (pumping agency) that was stored on behalf of another SARCCUP-MWD Member Agency (benefitting agency), with an equivalent reduction in the pumping agency's Metropolitan deliveries and an equivalent increase in the benefitting agency's Metropolitan deliveries.

None of the recovered water is conveyed through the Metropolitan system. Recovery of stored water is either In-lieu or direct deliveries using local conveyance facilities between SARCCUP-MWD Member Agencies.

#### **MWDOC's Involvement in the Metropolitan & SARCCUP-MWD Member Agency Agreement**

Although MWDOC was not originally involved in the formation of SARCCUP, and not a financial contributor to the program, MWDOC staff has been involved in the Watershed-Scale Cooperative Water Banking Program as it relates to the purchasing of Valley surplus water from Metropolitan. As OCWD's Metropolitan member agency representative, all purchases from Metropolitan will be coordinated through MWDOC.

More importantly, because this agreement primarily involves the billing of Metropolitan water and receiving of Extraordinary Supply during a Water Supply Allocation, MWDOC must be party to the agreement. Thus, OCWD and MWDOC staff have been working together, and in coordination with the other SARCCUP-MWD Member Agencies, on the development of this agreement with Metropolitan.

Due to the unique arrangement in Orange County, to the coordinate purchasing, billing, and transfer of extraordinary supply credits, an additional SARCCUP agreement will also be developed between Metropolitan, OCWD, MWDOC, and the cities of Anaheim, Fullerton, and Santa Ana. This additional agreement is necessary for the potential future distribution of any extraordinary supplies to the cities of Anaheim, Fullerton, and Santa Ana; as MWDOC is limited in the distribution of extraordinary supplies only among its own member agencies.

#### **BOARD OPTIONS**

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**Option #1: Authorize the General Manager to execute the Agreement between Metropolitan and the SARCCUP-MWD Member Agencies, subject to any non-substantive changes or modifications**

**Fiscal Impact:** No fiscal impact to MWDOC

**Business Analysis:** Signing the Agreement will enhance our ability to add additional local storage and improve our reliability during multi-dry years.

**Option #2: Not authorize the General Manager to execute the Agreement between Metropolitan and the SARCCUP-MWD Member Agencies**

**Fiscal Impact:** No fiscal impact to MWDOC

**Business Analysis:** Not signing the Agreement could prevent the participation of MWDOC and OCWD in the Cooperative Water Banking Program of SARCCUP and limit the ability to enhance our local reliability with additional storage.

**STAFF RECOMMENDATION**

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**Option # 1**

**Attachments – (1) Metropolitan and SARCCUP-MWD Member Agencies' Final Agreement**

**(2) MET Water Supply Allocation Plan Appendix G – Extraordinary Supply**

**(3) PowerPoint Presentation on the Metropolitan and SARCCUP-MWD Member Agencies' Final Agreement**

**Agreement Among The Metropolitan Water District of Southern California,  
Eastern Municipal Water District, Inland Empire Utilities Agency,  
Municipal Water District of Orange County, and Western Municipal Water District  
Regarding the Santa Ana River Conservation and Conjunctive Use Program**

This Agreement Among The Metropolitan Water District of Southern California (Metropolitan), Eastern Municipal Water District (Eastern MWD), Inland Empire Utilities Agency (IEUA), Municipal Water District of Orange County (MWDOC), and Western Municipal Water District (Western MWD) Regarding the Santa Ana River Conservation and Conjunctive Use Program (Agreement) is hereby entered into as of \_\_\_\_\_, 2020. Metropolitan, Eastern MWD, IEUA, MWDOC, and Western MWD are collectively referred to as “Parties” and individually as a “Party.”

**RECITALS**

A. Metropolitan is a metropolitan water district organized under the Metropolitan Water District Act, codified at section 109-1, et seq. of West’s Appendix to the California Water Code, and is engaged in developing, storing, and distributing water in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura. Metropolitan has a long-term contract with the California Department of Water Resources (DWR) which sets forth the terms and conditions of Metropolitan’s participation in the State Water Project (SWP).

B. Eastern MWD is a California municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for the purpose of providing water services and certain other services. Eastern MWD’s powers and purposes include the acquisition within or without the district’s boundaries in the State of California of all necessary property or rights in property necessary or proper for

the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes and the power to contract with one or more public agencies in carrying out any of its powers. Eastern MWD is a member agency of Metropolitan.

C. IEUA is a California municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for the purpose of supplying supplemental water to the Chino Basin and certain other services. IEUA's powers and purposes include the acquisition within or without the agency's boundaries in the State of California of all necessary property or rights in property necessary or proper for the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes and the power to contract with one or more public agencies in carrying out any of its powers. IEUA is a member agency of Metropolitan.

D. MWDOC is a municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for purposes that include providing its 28 member agencies in Orange County, including Orange County Water District, with reliable, high quality supplies from Metropolitan and other sources to meet present and future needs, at an equitable and economic cost, and to promote water use efficiency for all of Orange County. MWDOC is a member agency of Metropolitan. One of MWDOC's member agencies, Orange County Water District (OCWD), undertakes the responsibilities associated with actively managing the OCWD groundwater basin. OCWD was formed by an act of the California State Legislature in 1933 for the purpose of protecting and managing the Orange County groundwater basin.

E. Western MWD is a California municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California

Water Code, for the purpose of providing water services and certain other services. Western MWD's powers and purposes include the acquisition within or without the district's boundaries in the State of California of all necessary property or rights in property necessary or proper for the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes and the power to contract with one or more public agencies in carrying out any of its powers. Western MWD is a member agency of Metropolitan.

F. In 2014, Eastern MWD, IEUA, OCWD, Western MWD, and the San Bernardino Valley Municipal Water District (Valley District) entered into a Memorandum of Understanding (2014 MOU). Valley District is engaged in developing, transporting, storing, treating, and wholesale delivery of water in portions of the counties of San Bernardino and Riverside. Like Metropolitan, Valley District has a long-term contract with DWR which set forth the terms and conditions of its participation in the SWP. Valley District recharges SWP water into the San Bernardino Basin Area (SBBA) for the benefit of its member agencies. The purpose of the 2014 MOU is to collaborate in the exploration, analysis and implementation of a large-scale, regional water supply reliability project, known as the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP). The SARCCUP is a multi-agency, watershed-wide groundwater storage and recovery project involving multiple basins in the Santa Ana Watershed. The goal is to store available water during wet years in local groundwater basins throughout the watershed and extract the stored water during dry years to reduce the impacts from multi-year droughts. Eastern MWD, IEUA, MWDOC, and Western MWD are collectively referred to as the "SARCCUP Member Agencies" and individually as a "SARCCUP Member Agency."

G. The SARCCUP includes four water banking sites. Three of the sites are located within Metropolitan's service area. More specifically, they are located in the service areas of



Eastern MWD, Western MWD, and MWDOC. The facilities within MWDOC's service area are located within, owned, and operated, by OCWD. The fourth site is the SBBA, which is located outside of Metropolitan's service area and within Valley District's service area. The owners of the four water banking sites are responsible for all operating decisions for those water banking facilities including the quantity of water that they store and extract within the water banks under the SARCCUP.

H. Valley District and Metropolitan entered into a Coordinated Operating and Surplus Water Agreement, dated \_\_\_\_\_, whereby Valley District may offer to sell to Metropolitan, and Metropolitan may purchase from Valley District, surplus water.

I. Under this Agreement, Metropolitan will sell to the SARCCUP Member Agencies an amount of water equivalent to the amount of water Metropolitan purchases from Valley District without such water counting against a SARCCUP Member Agency's annual Tier 1 limit or incurring Metropolitan's capacity charge. Some of the water Metropolitan sells to the SARCCUP Member Agencies under this Agreement may be temporarily stored in the SBBA. An amount of water equivalent to up to half of the water that Metropolitan purchases from Valley District may qualify as Extraordinary Supply under Metropolitan's Water Supply Allocation Plan. Metropolitan may also make a call on water stored by the SARCCUP Member Agencies in Valley District's SBBA pursuant to this Agreement that has not qualified as Extraordinary Supply.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals and the representations, warranties, covenants and agreements contained in this Agreement and for other good and

valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree to the following terms and conditions of this Agreement.

**1. Consultation between Metropolitan and the SARCCUP Member Agencies**

A. By June 15<sup>th</sup> of each calendar year subsequent to the execution of this agreement, Metropolitan will inform the SARCCUP Member Agencies of the amount of water, if any, that Metropolitan will purchase from Valley District and, of that amount, how much water, if any, Metropolitan is willing to deliver to the SARCCUP Member Agencies at Valley District's connection to the SWP and/or Metropolitan's service connections to the SARCCUP Member Agencies. Metropolitan has discretion whether to purchase any or all of the water Valley District offers to Metropolitan within a calendar year. No SARCCUP Member Agency may purchase water from Valley District.

B. Metropolitan will allocate equally to those SARCCUP Member Agencies requesting water an equivalent amount of water of at least 50% of the amount that Metropolitan purchases from Valley District during a calendar year, provided that those SARCCUP member agencies requesting water may modify the allocation by unanimous written agreement among themselves. Each SARCCUP Member Agency will inform Metropolitan of the amount, if any of the allocated water, that the SARCCUP Member Agency will purchase and accept for delivery at Valley District's connection to the SWP and/or Metropolitan's service connections to the SARCCUP Member Agencies. The SARCCUP Member Agencies will notify Metropolitan by August 15<sup>th</sup> of each year of these amounts.

**2.     Delivery to SARCCUP Member Agencies at Valley District's Connection to the SWP**

Metropolitan will deliver to the SARCCUP Member Agencies at Valley District's connection to the SWP during a calendar year the amount that the SARCCUP Member Agencies previously notified Metropolitan they would accept under Section 1(B). Such deliveries will be scheduled and delivered at times and rates acceptable to Metropolitan, Valley District, and the relevant SARCCUP Member Agencies. Water that Metropolitan delivers to Valley District's connection to the SWP may be stored temporarily within Valley District's service area but must be used in Metropolitan's service area during the term of this Agreement. Water purchased from Metropolitan and delivered into Valley District's service area that does not qualify as Extraordinary Supply shall be considered local supply under Metropolitan's Water Supply Allocation Plan.

**3.     Billing and Payment**

Metropolitan will bill each SARCCUP Member Agency individually and each SARCCUP Member Agency will pay Metropolitan's rate for full service untreated water or full service treated water in effect at the time of the sale of water to the SARCCUP Member Agency. Water purchased by a SARCCUP Member Agency will be counted as water delivered for purposes of meeting that SARCCUP Member Agency's purchase order commitment. Upon Metropolitan's approval of a SARCCUP Member Agency certification of each monthly delivery, the following exceptions will apply: (a) such purchases will not count against a SARCCUP Member Agency's annual Tier 1 limit; and (b) Metropolitan's capacity charge will not apply to such purchases. The sale of water under this Agreement will be included in the calculation of the Ten-Year Rolling Sales Average for purposes of Metropolitan's Readiness-to-Serve Charge at

the time water is sold to the SARCCUP Member Agencies. Metropolitan's invoices will separately identify the quantities of water subject to this Agreement.

**4. Extraordinary Supply Benefit**

An amount equivalent to up to half of the amount of water Metropolitan purchases from Valley District during a calendar year, if stored by the SARCCUP Member Agencies during the same calendar year in either a SARCCUP Member Agency's groundwater basin or in Valley District's SBBA, in accordance with Appendix G of Metropolitan's Water Supply Allocation Plan (or as any successor to such plan), will qualify as Extraordinary Supply. The amount of Extraordinary Supply available to each SARCCUP Member Agency under this Agreement may not exceed the allocation provided under Section 1(B). However, in the event that the SARCCUP Member Agencies' combined purchases exceed 50% of the amount that Metropolitan purchases from Valley District, the amount of Extraordinary Supply available to each SARCCUP Member Agency that purchases water will be equal, provided that those SARCCUP Member Agencies purchasing water may, by unanimous written agreement among themselves, re-allocate the total amount of Extraordinary Supply available to each SARCCUP Member Agency that purchases water.

**5. Extraordinary Supply Benefit Regarding OCWD**

Metropolitan will assign any Extraordinary Supply benefit that would accrue to MWDOC as result of actions taken by OCWD, in accordance with a separate agreement among Metropolitan, MWDOC, OCWD, and the Cities of Anaheim, Fullerton, and Santa Ana.

**6. Pumping of Stored Water and Reduction in Purchases from Metropolitan**

Upon written notice provided by Metropolitan, a SARCCUP Member Agency will pump a requested amount of water it has in storage in Valley District's SBBA at the time Metropolitan

makes the request, less the amount of water that has qualified as Extraordinary Supply at the time Metropolitan makes the request. The SARCCUP Member Agency will also reduce its purchases of water from Metropolitan by an equivalent amount. The SARCCUP Member Agency may pump stored water prior to the time Metropolitan makes a request.

**7. Record Keeping**

SARCCUP Member Agencies and Metropolitan will keep records of water purchased, delivered, and stored pursuant to this Agreement. The records of each Party relevant to this Agreement will be open to inspection by the other Parties upon reasonable notice. The Parties will cooperate to develop coordinated administrative procedures for the tracking required under this Agreement.

**8. Metropolitan's Administrative Code**

Unless otherwise specifically provided for in this Agreement, Metropolitan's Administrative Code will continue to apply to the relationship between Metropolitan and the SARCCUP Member Agencies.

**9. Termination**

This Agreement will terminate on December 31, 2035 unless the State Water Contract between Metropolitan and the State of California is extended past 2035, in which case, this Agreement will have the same termination date. After 2035, this Agreement may be terminated upon five-years' notice provided in writing by Metropolitan to all other Parties.

**10. Late Arising Claims**

If a claim arising under or with respect to one or more terms of this Agreement has not been resolved when such term terminates, or if such a claim is brought after this Agreement has terminated, but within the period of time for bringing such a claim under California law (Late

Arising Claim), the provisions of this Agreement shall continue in full force and effect for such additional period of time as is necessary to resolve such claims and to satisfy the rights and obligations of the Parties hereto with respect thereto.

**11. Indemnity Clause**

Liability and indemnification shall be determined pursuant to section 4502 of Metropolitan's Administrative Code. Metropolitan provides no warranty or guarantee regarding the quality or content of its untreated water or the suitability of its use for storage in groundwater basins. SARCCUP Member Agencies acknowledge that they accept untreated water "as is."

**12. Informal Mediation**

In the event of a dispute between the Parties regarding this Agreement, the Parties may attempt to resolve the dispute by using the services of a mutually acceptable mediator. If the Parties decide to use a mediator, they will equally share the mediator's fees and expenses.

**13. Successors and Assigns**

This Agreement shall bind and inure to the benefit of the successors and assigns of the Parties; provided, however, no Party shall assign any of its rights or obligations under this Agreement without the prior written consent of the other Parties. Nothing in this Agreement is intended to confer any right or remedy under this Agreement on any person other than the Parties to this Agreement and their respective successors and permitted assigns, or to relieve or discharge any obligation or liability of any person to any Party to this Agreement, or to give any person any right of subrogation or action over or against any Party to this Agreement.

**14. Waiver/Cure of Defaults**

The failure of any Party to enforce against another Party a provision of this Agreement shall not constitute a waiver of that Party's right to enforce such a provision at a later time. No

Party shall be deemed to be in default of any provision of this Agreement unless the other Party has given written notice specifically stating the alleged default and the Party in default fails to cure the default within sixty (60) days of receipt of such written notice.

**15. Construction of Agreement**

The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties, and Section 1654 of the Civil Code has no application to interpretation of this Agreement. The recitals and all exhibits and schedules to this Agreement are part of this Agreement and are incorporated herein by this reference.

**16. Entire Agreement**

This Agreement constitutes the final, complete and exclusive statement of the terms of the agreement among the Parties pertaining to the matters provided herein during the term and supersedes all prior and contemporaneous understandings or agreements of the Parties related thereto. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty outside those expressly set forth in this Agreement.

**17. Severability**

In the event that a court of competent jurisdiction determines that a provision included in this Agreement is legally invalid or unenforceable and such decision becomes final, the Parties to this Agreement shall use their best efforts to (i) within thirty (30) days of the date of such final decision, identify by mutual agreement the provisions of this Agreement which must be revised, and (ii) within three (3) months thereafter promptly agree on the appropriate revision(s). The time periods specified above may be extended by mutual agreement of the Parties. Pending the completion of the actions designated above, to the extent it is reasonably practical and can be

done without violating any applicable provisions of law, the provisions of this Agreement, which were not found to be legally invalid or unenforceable in the final decision, shall continue in effect. If the Parties cannot agree on appropriate revisions, this Agreement shall be terminated, and the Parties will return any water owed to each other.

**18. Force Majeure**

All obligations of the Parties other than monetary or payment obligations shall be suspended for so long as and to the extent the performance thereof is prevented, directly or indirectly, by earthquakes, fires, tornadoes, facility failures, floods, strikes, other casualties, acts of God, orders of court or governmental agencies having competent jurisdiction, or other events or causes beyond the control of the Parties. In no event shall any liability accrue against a Party, to its officers, agents or employees, for any damage arising out of or connected with a suspension of performance pursuant to this section. All time limits to perform and the term of the Agreement shall be extended by a period of time equivalent to the length of suspension.

**19. Notices**

All notices, requests, and demands hereunder (Notices) shall be in writing, including electronic communications, and shall be deemed to have been duly given when delivered (or, if mailed, postage prepaid, on the third business day after mailing, if that date is earlier than actual delivery). Notices shall be sent to a Party at the address of that Party set forth below or, if such Party has furnished notice of a change of that address as herein provided, to the address of that Party most recently so furnished.

Metropolitan Water District of Southern California  
Attention: General Manager  
P.O. Box 54153  
Los Angeles, CA 90054-0153



Eastern Municipal Water District  
Attention: General Manager  
P.O. Box 8300  
Perris, CA 92572-8300

Inland Empire Utilities Agency  
Attention: General Manager  
6075 Kimball Ave.  
Chino, CA 91708

Municipal Water District of Orange County  
Attention: General Manager  
P.O. Box 20895  
Fountain Valley, CA 92708

Western Municipal Water District  
Attention General Manager  
14205 Meridian Pkwy  
Riverside, CA 92518

**20. Further Assurances**

Each Party hereto, upon the request of the other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this instrument.

**21. Governing Law**

The validity, construction, and enforceability of this Agreement shall be governed in all respects by the laws of the State of California.

**22. Counterparts**

This Agreement may be executed in two or more counterparts, each of which, when executed and delivered, shall be an original and all of which together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

In WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the following duly authorized representatives.

**THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA**

By: \_\_\_\_\_  
Jeffrey Kightlinger  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Marcia L. Scully  
General Counsel

**EASTERN MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Paul D. Jones II  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Olivarez, Madrugá, Lemieux & O'Neill

By: \_\_\_\_\_  
Steven O'Neill

**INLAND EMPIRE UTILITIES AGENCY**

By: \_\_\_\_\_  
Shivaji Deshmukh  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

JC Law Firm

By: \_\_\_\_\_  
Jean Cihigoyenetché

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

By: \_\_\_\_\_  
Robert Hunter  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Best, Best & Krieger

By: \_\_\_\_\_  
Joseph Byrne

**WESTERN MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Craig Miller  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Best Best & Krieger LLP

By: \_\_\_\_\_  
Jeffrey F. Ferre

## **Appendix G: Board Policy Principles on Determining the Status of Extraordinary Supply**

At the June 8, 2010 Water Planning and Stewardship Committee meeting Metropolitan's Board of Directors adopted the following policy principles to guide staff in determining the Extraordinary Supply status of future member agency supply programs.

### **No Negative Impacts to Other Member Agencies**

A potential Extraordinary Supply for a member agency should not decrease the amount of Metropolitan water supply that would be available to the other member agencies in a WSAP. Programs that utilize Metropolitan supplies as a primary or in-lieu source or as a means of payback or future replenishment may have the effect of decreasing supplies, available to other agencies, if designated as Extraordinary Supply.

### **Provides Supply in Addition to Existing Regional Supplies**

A potential Extraordinary Supply should provide a water supply that increases the overall water supplies that are available to the region in a WSAP. A program that is designed to move existing regional supplies from year to year would not qualify.

### **Specifically Designed Program or Supply Action**

A potential Extraordinary Supply must be intentionally created and operated to provide additional supply yield. Normal variations in existing and planned local supply programs would not qualify.

### **Intended for Consumptive Use in a WSAP**

A potential Extraordinary Supply should be designed with the primary intention to deliver water supply to a member agency only at a time when Metropolitan is allocating supplies. Programs designed to deliver water on a regular basis would not qualify. Exceptions for reasonable use of a supply program for emergency or other extenuating local circumstances should be considered.

### **Fully Documented Resource Management Actions**

A potential Extraordinary Supply should have a full description as to the source, transmission, distribution, storage, and delivery of the water supply.

These principles are intended to identify deliberate actions taken by member agencies to augment supplies only when Metropolitan is allocating supplies through the WSAP. Production from existing local supplies, programs that are operated on an ongoing basis, and incidental increases in water supply would not qualify as Extraordinary Supply. The intent of the Extraordinary Supply designation is to recognize programs and actions that are additive to the total regional water supply as the region continues to confront the water supply challenges from drought and regulatory conditions. To that end, any supply actions taken after the initial implementation of the WSAP in July 2009 that utilize Metropolitan supplies either as a primary source, or to refill or replenish an incurred obligation or deficit at a future date would not qualify as Extraordinary Supply.



SANTA ANA REGIONAL CONSERVATION CONJUNCTIVE USE PROGRAM  
(SARCCUP)



MWDOC Planning & Operations Committee Meeting  
October 5, 2020

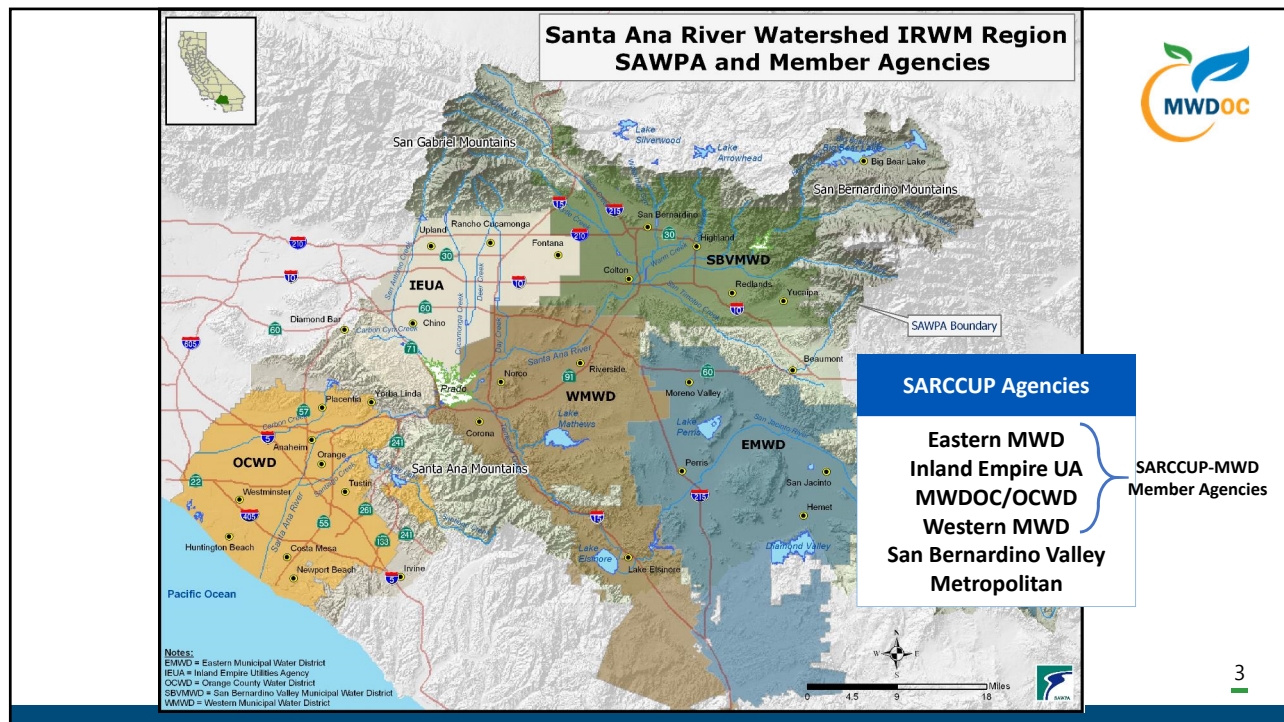
## Agenda



- 💧 **SARCCUP Overview/Background**
- 💧 **Agreement Key Terms**
- 💧 **Benefits to Orange County**

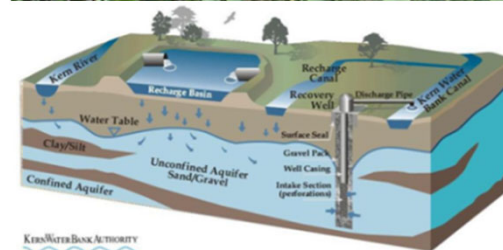
Agenda





## SARCCUP Overview

- 💧 **Water Use Efficiency:** Assistance for agencies to develop conservation-based rates
- 💧 **Habitat Creation:** Establish habitat for Santa Ana Sucker fish and water-consuming non-native *Arundo donax* removal along the Santa Ana River
- 💧 **Watershed-Scale Cooperative Water Banking Program:** Water banking facilities in four locations with coordinated operations to store water in wet years and provides a new extraordinary supply during droughts and emergencies resulting in additional regional Dry-Year Yield



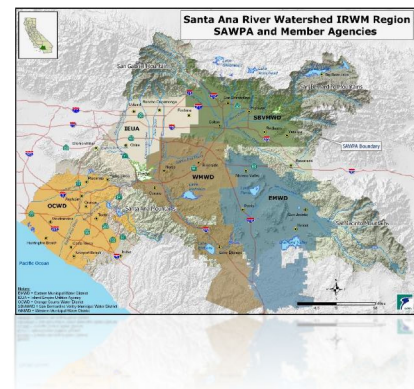
## SARCCUP Water Bank

- 💧 **SARCCUP's Banking Program** is a watershed-scale program that allows imported water to be banked in wet-years to enhance water supply reliability and increase available during dry-year supplies
  - 🔥 Water banking facilities in four locations with coordinated operations to store water in wet years and provides a **Extraordinary Supply** during a Metropolitan Allocation year
- 💧 \$150 million plus program developed by the five regional water agencies in a collaborative effort that secure Proposition 84 funding
- 💧 Successfully received \$55 million in grant funding in the last round of Proposition 84 funding

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## SARCCUP Water Bank's Key Elements

- 💧 **Land:** Four locations with coordinated operations
- 💧 **Water Supply:**
  - Access to Valley (SBVMWD) surplus water
    - Metropolitan 50%
    - SARCCUP-MWD Agencies 50%
- 💧 **Storage:** 137,000 AF
- 💧 **Conveyance:** Direct potable deliveries or In-lieu deliveries



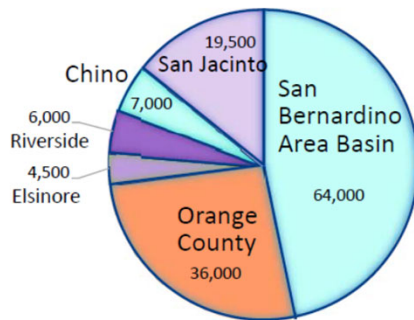
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## SARCCUP Water Bank's Key Elements (cont.)

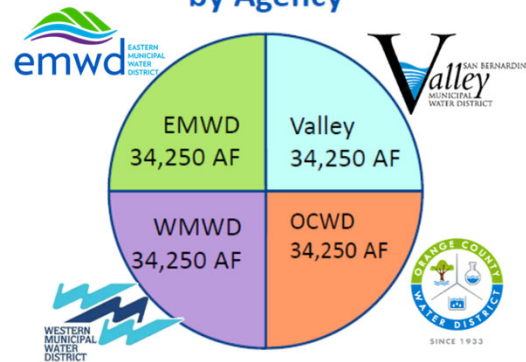


Storage by Location



Total = 137,000 AF

Storage Allocation by Agency



Total = 137,000 AF

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## Agreement Terms



- 💧 In all cases, Metropolitan purchases surplus water from Valley District
  - 🔥 Metropolitan makes available an amount equivalent to 50% of the amount purchased by Metropolitan to the SARCCUP-MWD Member Agencies
- 💧 SARCCUP-MWD Member Agencies pay Metropolitan the full service rate at **time of delivery**
  - 🔥 Metropolitan Full Service Tier 1 rate (includes Supply, System Access, and Power Rates, and the Alternative to the Water Stewardship Rate)
  - 🔥 No Capacity Charge because the water is purchased at Metropolitan's discretion
  - 🔥 All deliveries are through Metropolitan facilities or Metropolitan virtual meter
- 💧 These are Metropolitan purchases
  - 🔥 No SARCCUP-MWD member agency can purchase water from Valley

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## Agreement Terms (cont.)



- ▶ Such water purchased by a SARCCUP-MWD Member Agency can qualify as “Extraordinary Supply” and be used during a Metropolitan Allocation
  - ▶ Water must be managed according to the Metropolitan Water Supply Allocation Plan to qualify – Appendix G
- ▶ SARCCUP Operations as described are consistent with Metropolitan’s Administrative Code
- ▶ Term: 15 years (December 31, 2035), with an extension clause.
  - ▶ This aligns with the new Metropolitan/Valley agreement

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## Delivery Methods



- ▶ “Put” Scenarios (Delivery):
  - ▶ **Direct Metropolitan Delivery** – Water purchased by a SARCCUP-MWD Member Agency for direct delivery to its SARCCUP storage facilities
  - ▶ **Indirect Metropolitan Delivery** – Water purchased for one SARCCUP-MWD Member Agency for delivery to another SARCCUP-MWD Member Agency’s storage facilities
  - ▶ **Delivery to Valley** – Delivery of a SARCCUP-MWD Member Agency’s water to Valley District’s SARCCUP recharge facilities (Metropolitan’s “virtual meter”) for storage in the SBBA bank (outside the Metropolitan service area)

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## Ways to Recover the Water



### 💧 “Take” Scenarios (Recovery):

- 🔥 **Direct Local Delivery** – Pumping and direct conveyance of stored water of a SARCCUP-MWD Member Agency using local interagency conveyance facilities
- 🔥 **In-lieu Metropolitan Delivery** – Pumping and local use of water by a SARCCUP-MWD Member Agency (pumping agency) that was previously stored on behalf of another SARCCUP-MWD Member Agency (benefitting agency), accompanied by an equivalent reduction in the pumping agency’s Metropolitan deliveries and an equivalent increase in the benefitting agency’s Metropolitan purchases

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## Benefits to Orange County



- 💧 Orange County receives access to State Water Project (Valley) for drought or emergency purposes
  - 🔥 Purchased from Metropolitan at the full-service rate (via MWD OC)
  - 🔥 Access to Extraordinary Supply Credits
- 💧 Water can be stored locally (up to 36,000 AF in OCWD Basin)
- 💧 Flexibility in Put and Take operational scenarios
- 💧 Separate agreement between Metropolitan, MWD OC, OCWD and the three cities on the coordinating purchasing, billing, and transfer of extraordinary supplies within Orange County



## Next Steps



- 💧 All SARCCUP-MWD Member Agencies are currently seeking their Boards' approval for the SARCCUP-MWD Agreement
- 💧 In October, Metropolitan staff is bring an information item on the SARCCUP-MWD Agreement to their Water Planning & Stewardship Committee
- 💧 In November, the Metropolitan staff will seek Board action on the SARCCUP-MWD Agreement
- 💧 Coming months, Metropolitan, MWDOC, OCWD, and the three cities will be finalizing the separate agreement on the distribution of extraordinary supplies



## Action Item



### MWDOC Staff Recommendation:

#### Option 1:

***Authorize the General Manager to execute the Agreement between Metropolitan and the SARCCUP-MWD Member Agencies, subject to any non-substantive changes or modifications***

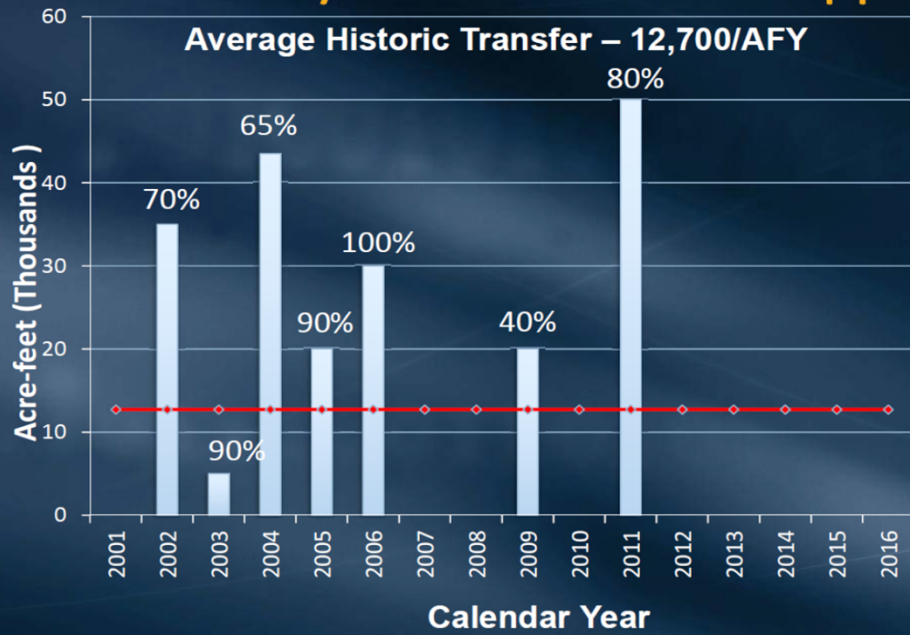
# BACKUP SLIDES

## Metropolitan Appendix G – Extraordinary Supply



- 💧 No negative impacts on member agencies
- 💧 Provides supply in addition to existing regional supplies
- 💧 Specifically designed program or supply actions
- 💧 Intended for consumptive use in allocation
- 💧 Fully documented resource management actions

## Historic Valley District Transfer Supplies





**CONSENT CALENDAR ITEM**  
October 21, 2020

**TO: Board of Directors**

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

Robert J. Hunter, General Manager

Staff Contacts: Cathy Harris, Administrative Services Manager  
Katie Davanaugh, Sr. Executive Assistant

**SUBJECT: Approve Health Savings Account (HSA) Elections for 2021/ New HSA Administrator and Revisions to District HSA Policy**

**STAFF RECOMMENDATION**

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**It is recommended that the Board of Directors approve Option 1, as follows:**

1. Establish HSA contribution amounts for 2021, per JPIA guidelines, which remain unchanged from 2020.
2. Approve proposed revisions to District Policy regarding HSA Accounts and revise the Personnel Manual.
3. Authorize distribution of the contributions to the 2021 HSA Accounts, per MWDOC policy and JPIA guidelines.
4. Authorize JPIA to administer the Health Savings Accounts through their vendor, Health Equity.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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Annually, at open enrollment, the Board of Directors reviews, establishes and approves the annual Health Savings Account (HSA) contributions to the Consumer Driven Health Plans (CDHP). In addition, in order to improve efficiencies, staff reviewed the current HSA administrator and is recommending a change in the Plan Administrator. Staff is also recommending revisions to the District Policy regarding contributions to ensure the process is consistent with enrollment in health/medical benefits.

Budgeted (Y/N): Y	Budgeted amount: \$3,900	Core <u>X</u>	Choice
Action item amount: varies by actual plan enrollment	Line item:		
Fiscal Impact (explain if unbudgeted):			

Recommended District Health Savings Account contributions for 2021 are the same as 2020, and are recommended as follows:

	Employee	2-party	Family
Proposed Annual District Contributions:			
Kaiser	\$1500	\$3000	\$3000
Anthem	1300	2600	2400
Employee 2021 max contributions:			
Kaiser	2100	600	4200
Anthem	2300	1000	4800
Total 2021 IRS maximum contribution:	3600	3600	7200
55+ Catch-up (Additional employee contribution allowable)	1000	1000	1000

## DETAILED REPORT

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### Background:

#### HSA Contributions

2021 will be the 6<sup>th</sup> year that the District has offered and participated in the Anthem PPO and Kaiser Consumer Driven Health Plans (CDHP). To continue to encourage participation in these plans, JPIA has suggested contribution amounts to participant's HSA to incentivize participation in the high deductible plans with the goal of cost savings to the District, and potentially the employee.

Currently, for 2020, two employees are enrolled in the Anthem PPO Consumer Driven Health Plan and two employees are enrolled in the Kaiser Consumer Driven Health Plan, representing 10.25% of enrollment participation.

The Board requested that this item be returned for review of annual contribution amounts. For 2021, JPIA recommends the District make the same contributions as for plan year 2020 and that the contributions be made at the beginning of the plan year to encourage participation and to minimize exposure to the participant.

#### **Proposed Revisions to the District HSA Policy:**

In reviewing the current policy regarding District contributions to HSA accounts, staff is recommending proposed changes so that the policy is consistent with benefit eligibility.

The District's current policy states (with proposed redline revisions):

"For employees enrolled in the Consumer Driven Health Plan, the District will deposit contributions, based on the amount approved by the Board, into the employee's HSA on the first payroll in January for employees enrolled in a CDHP, or switched to the CDHP during open enrollment; ~~or is hired in January~~. Employees hired after in January and thereafter will receive a pro-rated initial contribution to their HSA effective with their benefit eligibility date. Employees already enrolled in an HSA and have increased coverage during the calendar year will receive partial proration, not to exceed maximum tier contribution.

The MWDOC Board of Directors reserves the right to review, revise and alter the District's contributions to HSAs, depending on the cost of the program and the fiscal condition of the District.

## **PROPOSED CHANGE HSA ADMINISTRATOR**

WageWorks (vendor) currently administers the Health Savings Accounts for the employees enrolled in the Consumer Driven Health Plans. Staff is recommending a change in vendors to have JPIA administer those HSA accounts. Having JPIA administer that plan would help to streamline the process and coordinate those medical related benefits. It should be noted that Health Equity will be administering this benefit for JPIA starting in 2021.

## **BOARD OPTIONS**

---

### **Option #1**

1. Establish HSA contribution amounts for 2021, per JPIA guidelines, which remain unchanged from 2020.
2. Approve proposed revisions to District Policy regarding HSA Accounts, as redlined above and revise the Personnel Manual.
3. Authorize distribution of the contributions to the 2021 HSA Accounts, per MWDOC policy and JPIA recommendation.
4. Authorize JPIA to administer the Health Savings Accounts through their vendor, Health Equity.

**Business Analysis:** Providing District contributions encourages participation in the Plans and may reduce/increase costs to the District, depending on plan enrollment.

### **Option #2**

1. Do not authorize contributions to the HSA.

**Business Analysis:** If not approved, this may discourage enrollment.

## **STAFF RECOMMENDATION**

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### **Option #1**





**CONSENT CALENDAR ITEM**

October 21, 2020

**TO: Board of Directors**

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

Robert Hunter, General Manager

Staff Contacts: Cathy Harris, Administrative Services Manager  
Katie Davanaugh, Sr. Executive Assistant

**SUBJECT: Approve New Flexible Benefits and COBRA Administrator**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors approve Igoe as the administrator for the District's Flexible Spending Benefits Plan (Section 125 spending plans, including Health Care and Dependent Care) and COBRA administration for medical and vision plans, effective January 1, 2021.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**DETAILED REPORT**

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The District has utilized the services of WageWorks for the past 10 years and WageWorks is in the process of being acquired by Health Equity. Staff solicited quotes and received responses from four vendors through Alliant Benefits (broker). All four responses were reviewed and compared to evaluate and determine the most cost effective resource, along with reliability and services provided as the top criteria to meet the needs of the District and employees. Based on staff's review, staff is recommending Igoe as the vendor based on meeting the criteria.

In looking at the services provided by Igoe, it was determined that cost savings could be achieved by changing vendors, not only for the flexible benefits plans, but also adding COBRA administration services. Best practices recommend that a 3<sup>rd</sup> party administrator

Budgeted (Y/N): Y	Budgeted amount: \$2,400	Core XX	Choice
Action item amount:	Line item: Overhead		
Fiscal Impact (explain if unbudgeted): annual savings of approx. \$950			

handle the COBRA administration to allow for a seamless process, while minimizing liability to the benefits administrator.

A cost comparison of current WageWorks pricing and Igoe pricing (2021-2025) is listed below, including the addition of COBRA services:

Services	WageWorks (current)	Igoe (proposed)
Annual cost	\$2,400	\$1,440
2021 implementation set-up	n/a	250
less discount for annual payment	n/a	-240
Annual Cost	\$2,400	\$1,450

Rates for Igoe are guaranteed through 2025.

## BOARD OPTIONS

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### Option #1

- 1) Approve Igoe as the District's Flexible Spending Administrator for Health and Dependent Care spending accounts.
- 2) Approve Igoe as the District's COBRA administrator for medical and vision plans. (Note that the COBRA administration for the dental plan is administered through Special District's Risk Management Agency as part of their member services).
- 3) Authorize staff to provide appropriate cancellation notice to WageWorks.

**Business Analysis:** The benefits of changing to Igoe (vendor) include reducing administrative plan fees on an annual basis by \$950, improved on-line reporting features provide quicker and more accurate access to claim information, increased customer service availability to assist in resolving any claim concerns.

### Option #2

1. Do not authorize the change in vendor.

**Business Analysis:** If not approved, savings, improved efficiencies and increased services will not be realized.

---

## Staff Recommendation

### Option #1



**CONSENT CALENDAR ITEM**

October 21, 2020

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

**SUBJECT:** **Authorize FY20-21 Choice Programs Budget Revisions**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors: Approve the Choice Programs budget revisions.

**COMMITTEE RECOMMENDATION**

---

Committee concurred with staff recommendation.

**DETAILED REPORT**

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It was stated at the May 2020 board meeting the final Choice Programs budget will be presented in September 2020. This was pushed back one month to October 2020 due to issues having to do with the COVID-19 pandemic. This is when all the agencies participation numbers were final which usually result in some budget changes. There are three Choice Programs Water Use Efficiency, Public Affairs School Programs and Water Loss Control. The Choice Water Use Efficiency program remained unchanged from the budget approved in May 2020. The Public Affairs department received their final participation numbers from our member agencies in September 2020 for their Choice School Programs. The Choice High School program budget decreased from \$65,600 to \$64,800, Middle School budget decreased from \$45,865 to \$44,840 and the Elementary School program budget decreased from \$290,264 to \$285,123. The salaries and benefits changed slightly as well to align with the 3% administration fee promised to the agencies. The end result is a decrease in the School Programs budget of \$5,907 meaning the estimates presented in May 2020 were very close to the final agency commitments. The only change to the Water Loss Control Choice program was an increase to professional services of \$62,801. This is due to a change in accounting procedure whereby work done by third party vendors for meter accuracy testing will be recorded as offsetting revenue and expense instead of a pass thru on the balance sheet. The Core Budget remains unchanged from May 2020.

**Attachments:**

Attached hereto is the MWDOC FY20-21 Revised Budget Summary

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



## **Annual Budget for Fiscal Year 2020-21**

### **Revised Budget Summary**

**MWDOC's mission is:**

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

**Exhibit A7**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**FOR BUDGET REVISIONS**

	FY 2020-2021 CHOICE MAY BUDGET	FY 2020-2021 CHOICE REVISED BUDGET	FY 2020-2021 CORE MAY BUDGET	FY 2020-2021 CORE REVISED BUDGET	FY 2020-2021 CNSLD MAY BUDGET	FY 2020-2021 CNSLD REVISED BUDGET
<b>OPERATING EXPENSES:</b>						
Salaries & Wages	\$ 541,914	\$ 542,384	\$ 3,609,691	\$ 3,609,691	\$ 4,151,605	\$ 4,152,075
less for Recovery from Grants/Agencies			-	-	-	-
Employee Benefits	152,329	152,599	1,182,786	1,182,786	1,335,115	1,335,385
Director Compensation			258,909	258,909	258,909	258,909
Director Benefits			101,971	101,971	101,971	101,971
MWD Representation			157,070	157,070	157,070	157,070
CALPERS Unfunded Liability Contribution			207,000	207,000	207,000	207,000
Overhead Reimbursement	300,607	300,926	(300,607)	(300,926)	-	-
Health Insurance Coverage for Retirees			87,449	87,449	87,449	87,449
Audit Expense			29,725	29,725	29,725	29,725
Automotive & Toll Road Expenses	1,000	1,000	21,300	21,300	22,300	22,300
Vehicle Expense - Water Loss Control	6,350	6,350	-	-	6,350	6,350
Conference Expense - Staff			26,515	26,515	26,515	26,515
Conference Expense - Directors			18,695	18,695	18,695	18,695
Engineering Expense			340,000	340,000	340,000	340,000
Insurance Expense			110,000	110,000	110,000	110,000
Legal Expense - General			210,500	210,500	210,500	210,500
Maintenance Expense			131,420	131,420	131,420	131,420
Membership / Sponsorship			127,161	127,161	127,161	127,161
CDR Participation			53,158	53,158	53,158	53,158
Miscellaneous Expense	12,000	12,000	103,000	103,000	115,000	115,000
Postage / Mail Delivery	400	400	8,900	8,900	9,300	9,300
Professional Fees	529,301	585,136	996,202	996,202	1,525,503	1,581,338
Rents & Leases			1,750	1,750	1,750	1,750
Outside Printing, Subscription & Books			84,700	84,700	84,700	84,700
Office Supplies			39,000	39,000	39,000	39,000
Supplies - Water Loss Control	10,000	10,000	-	-	10,000	10,000
Building Repair & Maintenance			15,000	15,000	15,000	15,000
Computer Maintenance			8,000	8,000	8,000	8,000
Business Expense			4,500	4,500	4,500	4,500
Software Support & Expense	15,000	15,000	89,640	89,640	104,640	104,640
Computers and Equipment	2,000	2,000	31,550	31,550	33,550	33,550
Telecommunications Expense	1,200	1,200	29,650	29,650	30,850	30,850
Temporary Help Expense			5,000	5,000	5,000	5,000

(1)

(2)

**Exhibit A7**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**FOR BUDGET REVISIONS**

	FY 2020-2021 CHOICE MAY BUDGET	FY 2020-2021 CHOICE REVISED BUDGET	FY 2020-2021 CORE MAY BUDGET	FY 2020-2021 CORE REVISED BUDGET	FY 2020-2021 CNSLD MAY BUDGET	FY 2020-2021 CNSLD REVISED BUDGET
Training Expense	2,000	2,000	62,500	62,500	64,500	64,500
Tuition Reimbursement			5,000	5,000	5,000	5,000
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff			62,495	62,495	62,495	62,495
Travel & Accommodations - Directors			24,900	24,900	24,900	24,900
MWDOC's Contribution to WEROC: Operations			241,236	241,236	241,236	241,236
and to WEROC Capital Improvements			-	-	-	-
Capital Acquisition (excluding building)			154,200	154,200	154,200	154,200
Capital Acquisition Carryover			271,900	271,900	271,900	271,900
Capital Acq Prior year carryover credit			(346,900)	(346,900)	(346,900)	
<b>NORMAL OPERATING EXPENSES</b>	<b>\$ 1,574,101</b>	<b>\$ 1,630,995</b>	<b>\$ 8,264,966</b>	<b>\$ 8,264,647</b>	<b>\$ 9,839,067</b>	<b>\$ 9,895,642</b>
MWDOC's Building Expense			\$ 1,870,000	\$ 1,870,000	\$ 1,870,000	\$ 1,870,000
Building Expense to Carryover					\$ -	\$ -
Building Expense Prior Year Carryover Credit			\$ (1,143,117)	\$ (1,143,117)	\$ (1,143,117)	\$ (1,143,117)
Contribution to Election Reserve					\$ -	\$ -
Proj Additional Election Rsrv Contribution					\$ -	\$ -
Portion to be Funded by General Oper Fund					-	-
<b>TOTAL EXPENSES</b>	<b>\$ 1,574,101</b>	<b>\$ 1,630,995</b>	<b>\$ 8,991,849</b>	<b>\$ 8,991,530</b>	<b>\$10,565,950</b>	<b>\$ 10,622,525</b>
<b>REVENUES:</b>						
Retail Meter Charge			\$ 7,837,792	\$ 7,837,792	\$ 7,837,792	\$ 7,837,792
Ground Water Customer Charge			595,323	595,323	595,323	595,323
Interest Revenue			458,000	458,000	458,000	458,000
Miscellaneous Income			3,000	3,000	3,000	3,000
Choice Revenue	1,574,101	1,630,995			1,574,101	1,630,995
<b>TOTAL REVENUES</b>	<b>\$ 1,574,101</b>	<b>\$ 1,630,995</b>	<b>\$ 8,894,115</b>	<b>\$ 8,894,115</b>	<b>\$10,468,216</b>	<b>\$ 10,525,110</b>
<b>EFFECT ON RESERVES:</b>						
<b>TOTAL CONTRIBUTION (DRAW) FROM RESERVES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (97,734)</b>	<b>\$ (97,415)</b>	<b>\$ (97,734)</b>	<b>\$ (97,415)</b>

- (1) Total FY2020-2021 Salaries & Wages includes \$77,019 for intern support
- (2) Total FY2020-2021 Benefits includes \$8,232 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.
- (3) Carryover is for work and capital purchases on the building that were budgeted for but not completed and will be carried over to the next year as a carryover credit
- (4) Carryover credit is the cumulative dollars from prior years that was unspent and that will be applied toward work projected to be completed in future years
- (5) Based on correspondence with the O.C. Registrar of Voters on October 30, 2019 concerning election expense increases where costs per election will range from \$261,788 to \$333,185. The portion to be funded by the general operating fund is shown on the line below.



## **Annual Budget for Fiscal Year 2020-21**

**Final Budget with updated Choice Programs**

**MWDOC's mission is:**

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

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>OPERATING EXPENSES:</b>						
Salaries & Wages	\$ 3,516,650	\$ 3,364,258	\$ (152,392)	\$ 3,609,691	\$ 245,433	\$ 93,041
Employee Benefits	1,097,992	1,066,592	(31,401)	1,182,786	116,194	84,794
Director Compensation	268,133	205,000	(63,133)	258,909	53,909	(9,224)
Director Benefits	93,947	123,093	29,146	101,971	(21,123)	8,023
MWD Representation	153,218	112,000	(41,218)	157,070	45,070	3,852
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	(223,992)	(237,319)	(13,327)	(300,926)	(63,608)	(76,934)
Health Insurance Coverage for Retirees	70,287	61,376	(8,911)	87,449	26,073	17,162
Audit Expense	29,240	19,767	(9,473)	29,725	9,958	485
Automotive & Toll Road Expenses	20,200	22,038	1,838	21,300	(738)	1,100
Conference Expense - Staff	40,535	24,995	(15,540)	26,515	1,520	(14,020)
Conference Expense - Directors	28,440	22,225	(6,215)	18,695	(3,530)	(9,745)
Engineering Expense	435,000	277,600	(157,400)	340,000	62,400	(95,000)
Insurance Expense	140,000	105,000	(35,000)	110,000	5,000	(30,000)
Legal Expense - General	200,000	260,800	60,800	210,500	(50,300)	10,500
Maintenance Expense	138,527	110,345	(28,182)	131,420	21,075	(7,107)
Membership / Sponsorship	114,966	149,059	34,093	127,161	(21,898)	12,195
CDR Participation	50,156	50,156	-	53,158	3,002	3,002
Miscellaneous Expense	97,300	72,054	(25,246)	103,000	30,946	5,700
Postage / Mail Delivery	9,000	8,650	(350)	8,900	250	(100)
Professional Fees	920,445	770,546	(149,899)	996,202	225,656	75,757
Rents & Leases	3,616	2,800	(816)	1,750	(1,050)	(1,866)
Outside Printing, Subscription & Books	62,500	63,300	800	84,700	21,400	22,200
Office Supplies	36,000	30,500	(5,500)	39,000	8,500	3,000
Building Repair & Maintenance	20,000	12,845	(7,155)	15,000	2,155	(5,000)
Computer Maintenance	8,000	6,000	(2,000)	8,000	2,000	-
Business Expense	5,200	3,500	(1,700)	4,500	1,000	(700)
Software Support & Expense	93,634	91,000	(2,634)	89,640	(1,360)	(3,994)
Computers and Equipment	45,750	40,000	(5,750)	31,550	(8,450)	(14,200)
Telecommunications Expense	24,333	28,704	4,371	29,650	946	5,317
Temporary Help Expense	5,000	14,000	9,000	5,000	(9,000)	-
Training Expense	30,000	42,937	12,937	62,500	19,563	32,500
Tuition Reimbursement	5,000	5,000	-	5,000	-	-

(1)

(2)



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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff	89,131	48,887	(40,244)	62,495	13,608	(26,636)
Travel & Accommodations - Directors	46,625	24,591	(22,034)	24,900	309	(21,725)
MWDOC's Contribution to WEROC: Operations	228,978	228,978	-	241,236	12,258	12,258
and to WEROC Capital Improvements	44,389	44,389	-	-	(44,389)	(44,389)
Capital Acquisition (excluding building)	366,900	20,000	(346,900)	154,200	134,200	(212,700)
Capital Acquisition to Carryover		346,900	346,900	271,900	(75,000)	271,900
Capital Acq Prior Year Carryover Credit	(330,624)	(330,624)	-	(346,900)	(16,276)	(16,276)
<b>NORMAL OPERATING EXPENSES</b>	<b>\$ 8,191,477</b>	<b>\$ 7,518,943</b>	<b>\$ (672,534)</b>	<b>\$ 8,264,646</b>	<b>\$ 745,703</b>	<b>\$ 73,169</b>
MWDOC's Building Expense	\$ 1,259,057	\$ 410,410	\$ (848,647)	\$ 1,870,000	\$ 1,459,590	\$ 610,943
Building Expense to Carryover		\$ 848,647	\$ 848,647	\$ -	\$ (848,647)	\$ -
Building Expense Prior Year Carryover Credit	\$ (423,226)	\$ (423,226)	\$ -	\$ (1,143,117)	\$ (719,891)	\$ (719,891)
Contribution to Election Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Projected Additional Election Reserve Contribution		\$ 637,000	\$ 637,000		\$ (637,000)	\$ -
Portion to be Funded by General Operating Fund		(208,416)	(208,416)		208,416	-
<b>TOTAL EXPENSES</b>	<b>\$ 9,027,308</b>	<b>\$ 8,783,358</b>	<b>\$ (243,950)</b>	<b>\$ 8,991,529</b>	<b>\$ 208,171</b>	<b>\$ (35,779)</b>

<b>REVENUES:</b>						
Retail Meter Charge	\$ 7,888,930	\$ 7,888,930	\$ -	\$ 7,837,792	\$ (51,138)	\$ (51,138)
Ground Water Customer Charge	598,248	598,248	-	595,323	(2,925)	(2,925)
Interest Revenue	580,000	489,000	(91,000)	458,000	(31,000)	(122,000)
Miscellaneous Income	3,000	15,600	12,600	3,000	(12,600)	-
<b>TOTAL REVENUES</b>	<b>\$ 9,070,177</b>	<b>\$ 8,991,778</b>	<b>\$ (78,400)</b>	<b>\$ 8,894,116</b>	<b>\$ (97,662)</b>	<b>\$ (176,062)</b>

<b>EFFECT ON RESERVES:</b>						
<b>TOTAL CONTRIBUTION (DRAW) FROM RESERVES</b>	<b>\$ 42,870</b>	<b>\$ 208,420</b>	<b>\$ 165,550</b>	<b>\$ (97,413)</b>	<b>\$ (305,833)</b>	<b>\$ (140,283)</b>

- (1) Total FY2020-2021 Salaries & Wages includes \$15,840 for intern support
- (2) Total FY2020-2021 Benefits includes \$1,636 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.
- (3) Carryover is for work and capital purchases on the building that were budgeted for but not completed and will be carried over to the next year as a carryover credit
- (4) Carryover credit is the cumulative dollars from prior years that was unspent and that will be applied toward work projected to be completed in future years.
- (5) Based on correspondence with the O.C. Registrar of Voters on October 30, 2019 concerning election expense increases where costs per election will range from \$261,788 to \$333,185. The portion to be funded by the general operating fund is shown on the line below.
- (6) MWDOC FY2020-2021 designated reserve target is unfunded in the amount of \$109,715 with \$203,048 projected to be added to reserves from FY2019-2020 operations. Therefore the target needed draw from reserves for FY2020-2021 operations is \$109,715-\$203,048 = (\$93,333).

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>OPERATING EXPENSES:</b>						
Salaries & Wages	\$ 535,389	\$ 502,826	\$ (32,563)	\$ 542,384	\$ 39,558	\$ 6,995
less for Recovery from Grants	(5,500)	(18,728)	(13,228)	-	18,728	5,500
Employee Benefits	163,657	126,727	(36,930)	152,599	25,872	(11,058)
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	223,992	237,319	13,327	300,926	63,608	76,934
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	1,500	500	(1,000)	1,000	500	(500)
Vehicle Expense	13,160	5,246	(7,914)	6,350	1,104	(6,810)
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Engineering Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	12,000	12,669	669	12,000	(669)	-
Postage / Mail Delivery	400	233	(167)	400	167	-
Professional Fees	566,885	531,633	(35,252)	585,136	53,503	18,251
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	2,033	6,200	4,167	10,000	3,800	7,967
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	-	-	-	15,000	15,000	15,000
Telecommunications Expense	1,440	1,200	(240)	1,200	-	(240)
Computers and Equipment	3,700	2,400	(1,300)	2,000	(400)	(1,700)
Temporary Help Expense	-	-	-	-	-	-
Training Expense	2,000	2,000	-	2,000	-	-
Tuition Reimbursement	-	-	-	-	-	-

(1)

(2)

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
Capital Acquisition	70,180	76,519		-	(76,519)	(70,180)
Subtotal Expenses	\$ 1,590,836	\$ 1,486,743	\$ (110,432)	\$ 1,630,995	\$ 144,252	9.70%
<b>TOTAL EXPENSES</b>	<b>\$ 1,590,836</b>	<b>\$ 1,486,743</b>	<b>\$ (104,093)</b>	<b>\$ 1,630,995</b>	<b>\$ 144,252</b>	<b>\$ 40,159</b>

<b>REVENUES:</b>						
Choice Revenue	\$ 1,590,836	\$ 1,486,743	\$ (104,093)	\$ 1,630,995	\$ 144,252	\$ 40,159
<b>TOTAL REVENUES</b>	<b>\$ 1,590,836</b>	<b>\$ 1,486,743</b>	<b>\$ (104,093)</b>	<b>\$ 1,630,995</b>	<b>\$ 144,252</b>	<b>\$ 40,159</b>

- (1) Total FY2020-2021 Salaries & Wages includes \$61,179 for intern support
- (2) Total FY2020-2021 Benefits includes \$6,547 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.

**Exhibit A4**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CONSOLIDATED**

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>OPERATING EXPENSES:</b>						
Salaries & Wages	\$ 4,052,039	\$ 3,867,084	\$ (184,955)	\$ 4,152,075	\$ 284,991	\$ 100,036
less for Recovery from Grants	(5,500)	(18,728)	(13,228)	-	18,728	5,500
Employee Benefits	1,261,649	1,193,319	(68,330)	1,335,385	142,066	73,736
Director Compensation	268,133	205,000	(63,133)	258,909	53,909	(9,224)
Director Benefits	93,947	123,093	29,146	101,971	(21,123)	8,023
MWD Representation	153,218	112,000	(41,218)	157,070	45,070	3,852
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees	70,287	61,376	(8,911)	87,449	26,073	17,162
Audit Expense	29,240	19,767	(9,473)	29,725	9,958	485
Automotive & Toll Road Expenses	21,700	22,538	838	22,300	(238)	600
Vehicle Expense - Water Loss Control	13,160	5,246	(7,914)	6,350	1,104	(6,810)
Conference Expense - Staff	40,535	24,995	(15,540)	26,515	1,520	(14,020)
Conference Expense - Directors	28,440	22,225	(6,215)	18,695	(3,530)	(9,745)
Engineering Expense	435,000	277,600	(157,400)	340,000	62,400	(95,000)
Insurance Expense	140,000	105,000	(35,000)	110,000	5,000	(30,000)
Legal Expense - General	200,000	260,800	60,800	210,500	(50,300)	10,500
Maintenance Expense	138,527	110,345	(28,182)	131,420	21,075	(7,107)
Membership / Sponsorship	114,966	149,059	34,093	127,161	(21,898)	12,195
CDR Participation	50,156	50,156	-	53,158	3,002	3,002
Miscellaneous Expense	109,300	84,723	(24,577)	115,000	30,277	5,700
Postage / Mail Delivery	9,400	8,883	(517)	9,300	417	(100)
Professional Fees	1,487,330	1,302,179	(185,151)	1,581,338	279,159	94,008
Rents & Leases	3,616	2,800	(816)	1,750	(1,050)	(1,866)
Outside Printing, Subscription & Books	62,500	63,300	800	84,700	21,400	22,200
Office Supplies	36,000	30,500	(5,500)	39,000	8,500	3,000
Supplies - Water Loss Control	2,033	6,200	4,167	10,000	3,800	7,967
Building Repair & Maintenance	20,000	12,845	(7,155)	15,000	2,155	(5,000)
Computer Maintenance	8,000	6,000	(2,000)	8,000	2,000	-
Business Expense	5,200	3,500	(1,700)	4,500	1,000	(700)
Software Support & Expense	93,634	91,000	(2,634)	104,640	13,640	11,006
Computers and Equipment	49,450	42,400	(7,050)	33,550	(8,850)	(15,900)
Telecommunications Expense	25,773	29,904	4,131	30,850	946	5,077
Temporary Help Expense	5,000	14,000	9,000	5,000	(9,000)	-
Training Expense	32,000	44,937	12,937	64,500	19,563	32,500
Tuition Reimbursement	5,000	5,000	-	5,000	-	-

(1)

(2)

**Exhibit A4**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CONSOLIDATED**

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff	89,131	48,887	(40,244)	62,495	13,608	(26,636)
Travel & Accommodations - Directors	46,625	24,591	(22,034)	24,900	309	(21,725)
MWDOC's Contribution to WEROC: Operations	228,978	228,978	-	241,236	12,258	12,258
and to WEROC Capital Improvements	44,389	44,389	-	-	(44,389)	(44,389)
Capital Acquisition (excluding building)	437,080	96,519	(340,561)	154,200	57,681	(282,880)
Capital Acquisition to Carryover		346,900	346,900	271,900	(75,000)	271,900
Capital Acq Prior Year Carryover Credit	(330,624)	(330,624)	-	(346,900)	(16,276)	(16,276)
<b>NORMAL OPERATING EXPENSES</b>	<b>\$ 9,782,312</b>	<b>\$ 9,005,686</b>	<b>\$ (776,626)</b>	<b>\$ 9,895,641</b>	<b>\$ 889,955</b>	<b>\$ 113,329</b>
MWDOC's Building Expense	\$ 1,259,057	\$ 410,410	\$ (848,647)	\$ 1,870,000	\$ 1,459,590	\$ 610,943
Building Expense to Carryover		\$ 848,647	\$ 848,647	\$ -	\$ (848,647)	\$ -
Building Expense Prior Year Carryover Credit	\$ (423,226)	\$ (423,226)	\$ -	\$ (1,143,117)	\$ (719,891)	\$ (719,891)
Contribution to Election Reserve		\$ -	\$ -	\$ -	\$ -	\$ -
Proj Additional Election Rsrv Contribution		\$ 637,000	\$ 637,000	\$ -	\$ (637,000)	\$ -
Portion to be Funded by General Oper Fund		(208,416)	(208,416)	-	208,416	-
<b>TOTAL EXPENSES</b>	<b>\$ 10,618,143</b>	<b>\$ 10,270,101</b>	<b>\$ (348,042)</b>	<b>\$ 10,622,524</b>	<b>\$ 352,423</b>	<b>\$ 4,381</b>

<b>REVENUES:</b>						
Retail Meter Charge	\$ 7,888,930	\$ 7,888,930	\$ 0	\$ 7,837,792	\$ (51,138)	\$ (51,137)
Ground Water Customer Charge	598,248	598,248	0	595,323	(2,925)	(2,924)
Interest Revenue	580,000	489,000	(91,000)	458,000	(31,000)	(122,000)
Miscellaneous Income	3,000	15,600	12,600	3,000	(12,600)	-
Choice Revenue	1,590,836	1,486,743	(104,093)	1,630,995	144,252	40,159
<b>TOTAL REVENUES</b>	<b>\$ 10,661,013</b>	<b>\$ 10,478,521</b>	<b>\$ (182,492)</b>	<b>\$ 10,525,111</b>	<b>\$ 46,589</b>	<b>\$ (135,902)</b>

<b>EFFECT ON RESERVES:</b>						
<b>TOTAL CONTRIBUTION (DRAW) FROM RESERVES</b>	<b>\$ 42,870</b>	<b>\$ 208,420</b>	<b>\$ 165,550</b>	<b>\$ (97,413)</b>	<b>\$ (305,833)</b>	<b>\$ (140,283)</b>

- (1) Total FY2020-2021 Salaries & Wages includes \$77,019 for intern support
- (2) Total FY2020-2021 Benefits includes \$8,232 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 11.031% for Classic employees and 7.732% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2021.
- (3) Carryover is for work and capital purchases on the building that were budgeted for but not completed and will be carried over to the next year as a carryover credit
- (4) Carryover credit is the cumulative dollars from prior years that was unspent and that will be applied toward work projected to be completed in future years.
- (5) Based on correspondence with the O.C. Registrar of Voters on October 30, 2019 concerning election expense increases where costs per election will range from \$261,788 to \$333,185. The portion to be funded by the general operating fund is shown on the line below.
- (6) MWDOC FY2020-2021 designated reserve target is unfunded in the amount of \$109,715 with \$203,048 projected to be added to reserves from FY2019-2020 operations. Therefore the target needed draw from reserves for FY2020-2021 operations is \$109,715-\$203,048 = (\$93,333).

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>Water Revenues</b>			(1)			(2)
Water Sales	\$ 237,841,537	\$ 174,871,979	\$ (62,969,558)	\$ 213,288,586	\$ 38,416,607	\$ (24,552,951)
Local Resource Program Incentives	(5,465,263)	(5,449,864)	15,399	(4,881,259)	568,605	584,004
Readiness-To-Serve Charge	10,071,282	10,566,985	495,703	11,583,326	1,016,341	1,512,044
Capacity Charge	3,615,440	3,746,098	130,658	3,892,240	146,142	276,800
Interest Revenue - Tier 2 Cont.	20,000	21,000	1,000	22,000	1,000	2,000
SCP/SAC Pipeline Surcharge	350,000	312,432	(37,568)	315,000	2,568	(35,000)
<b>TOTAL WATER REVENUES</b>	<b>\$ 246,432,996</b>	<b>\$ 184,068,630</b>	<b>\$ (62,364,367)</b>	<b>\$ 224,219,893</b>	<b>\$ 40,151,263</b>	<b>\$ (22,213,103)</b>
<b>Water Expenses</b>						
Water Purchases	\$ 237,841,537	\$ 174,871,979	\$ (62,969,558)	\$ 213,288,586	\$ 38,416,607	\$ (24,552,951)
Local Resource Program Incentives	(5,465,263)	(5,449,864)	15,399	(4,881,259)	568,605	584,004
Readiness-To-Serve Charge	10,071,282	10,566,985	495,703	11,583,326	1,016,341	1,512,044
Capacity Charge	3,615,440	3,746,098	130,658	3,892,240	146,142	276,800
SCP/SAC Pipeline Surcharge	350,000	312,432	(37,568)	315,000	2,568	(35,000)
<b>TOTAL WATER EXPENSES</b>	<b>\$ 246,412,996</b>	<b>\$ 184,047,630</b>	<b>\$ (62,365,367)</b>	<b>\$ 224,197,893</b>	<b>\$ 40,150,263</b>	<b>\$ (22,215,103)</b>
<b>Changes to Fund Balance:</b>						
Tier 2 Contingency	\$ 20,000	\$ 21,000	\$ 1,000	\$ 22,000	\$ 1,000	\$ 2,000

(1) The large variance between FY19-20 Adopted Budget and Project Actuals is due to the below average water demands of MWDOC's retail agencies, but it is mostly the result of OCWD's decision not to purchase any replenishment water due to the anticipated PFAS regulations. Although there was 26,500 AF of total Cyclic water purchased from OCWD between September and December 2019 it did not replace the total budget estimate of 65,000 AF of replenishment water.

(2) Proposed Budget sales for FY2020-21 are estimated to be below last year's Adopted Budget as a result of OCWD's decision not to purchase 65,000 AF of replenishment water due to the PFAS regulations reducing groundwater production. Although PFAS will increase treated imported water purchases among a number of groundwater producers, total imported water purchases are still estimated to be below historical averages.

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

	FY 2019-2020 ADOPTED BUDGET	FY 2019-2020 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2020-2021 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2019-2020 BUDGET
<b>Funding</b>						
Metropolitan Water District	\$ 1,067,130	\$ 1,011,036	\$ (56,094)	\$ 788,114	\$ (222,922)	\$ (279,016)
USBR	77,850	140,291	62,441	137,354	(2,937)	59,504
DWR	150,162	972,345	822,183	465,836	(506,509)	315,674
Member Agencies	1,040,004	365,216	(674,788)	153,630	(211,586)	(886,374)
MWDOC	35,000	35,000	(0)	35,000	-	(0)
<b>TOTAL OUTSIDE FUNDING</b>	<b>\$ 2,370,147</b>	<b>\$ 2,523,887</b>	<b>\$ 153,741</b>	<b>\$ 1,579,934</b>	<b>\$ (943,954)</b>	<b>\$ (790,213)</b>
<b>Program Expenses Funded from Outside Sources</b>						
Project Administration - Staff Time	\$ 5,500	\$ -	\$ (5,500)	\$ -	\$ -	\$ (5,500)
Monitoring and Evaluation	-	-	-	-	-	-
Installation Verification	50,000	65,044	15,044	59,000	(6,045)	9,000
Rebate Incentives	2,320,539	2,458,843	138,304	1,520,934	(937,909)	(799,605)
Databasing	-	-	-	-	-	-
<b>TOTAL PROGRAMS EXPENSES</b>	<b>\$ 2,376,039</b>	<b>\$ 2,523,887</b>	<b>\$ 147,849</b>	<b>\$ 1,579,934</b>	<b>\$ (943,954)</b>	<b>\$ (796,105)</b>

**Exhibit B**  
**Expenditures by Program**

Cost Center	PROGRAM	FY 2019-2020 BUDGET FTE	FY 2020-2021 BUDGET FTE	FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
11	Administrative - Board	1.80	1.67	\$ 1,184,631	\$ 1,053,554	\$ 1,173,230
12	Administrative - General	3.54	3.75	638,939	692,049	695,341
13	Personnel / Staff Development	1.52	1.56	328,436	376,227	427,047
19	Overhead	4.27	4.43	1,154,272	1,083,276	1,068,235
21	Reliability Planning and Engineering	4.15	3.62	1,139,854	937,588	941,736
23	Metropolitan Issues and Water Policy	3.96	3.76	804,601	654,647	777,165
31	Governmental Affairs	0.94	0.97	495,902	469,764	514,960
35	Water Use Efficiency (Core)	0.97	1.04	485,759	373,724	461,443
32	Public Affairs	3.81	4.45	796,908	785,728	910,703
41	Finance	3.17	3.55	582,299	518,979	673,518
45	Information Technology	0.99	1.01	306,509	300,040	380,031
25	MWDOC's Contribution to WEROC	2.53	3.20	273,367	273,367	241,236
<b>CORE TOTAL</b>		<b>31.67</b>	<b>33.01</b>	<b>\$ 8,191,477</b>	<b>\$ 7,518,943</b>	<b>\$ 8,264,646</b>
62	Water Use Efficiency Program	5.07	4.85	874,517	776,962	900,920
63	School Programs	0.10	0.06	437,561	440,659	406,606
70	Water Loss Control	1.46	1.83	278,757	269,123	323,469
<b>CHOICE TOTAL</b>		<b>6.62</b>	<b>6.73</b>	<b>\$ 1,590,836</b>	<b>\$ 1,486,743</b>	<b>\$ 1,630,995</b>
<b>CORE &amp; CHOICE TOTAL</b>		<b>38.29</b>	<b>39.74</b>	<b>\$ 9,782,312</b>	<b>\$ 9,005,686</b>	<b>\$ 9,895,641</b>
Includes:	Full-time employees	33.12	33.00	(2)		
	Part-time employees	0.74	1.15			
	Interns	1.90	2.39	(3)		
	WEROC Full-time employees	2.53	2.72			
	WEROC Part-time employees	0.00	0.48	(3)		

(1)

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

(2) FTE's for 2019-2020 are calculated based on 2096 hours of work for the year. FTE's for 2020-2021 are calculated based on 2088 hours worked for the year. This corresponds to the actual working days for the fiscal year which varies year to year. MWDOC and WEROC combined are budgeted to have a total of 36 full-time employees, 1 part-time employee and 5 interns. MWDOC and WEROC share one of the full-time employees. Several full-time employees are budgeted to work less than 40 hours a week which explains the fractions of an FTE for full-time employees. Another reason for the fractions of an FTE are that employees are budgeted to work in multiple cost centers. This includes budgeting their vacation, sick and holiday hours to cost center 19 (overhead).

(3) The increase of one FTE overall is due to WEROC hiring one temporary part-time employee for the AWIA program and Water Loss Control hiring one part-time intern.



**Municipal Water District of Orange County**  
**2020-2021 FISCAL MASTER PLAN PROJECTIONS**  
(in thousands)

	Projected ACTUALS FY19-20	BUDGET FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26
Beginning Designated Reserve Balance - MWDOC	\$6,768	\$ 6,768	\$ 6,670	\$ 6,739	\$ 7,165	\$ 8,099	\$ 9,199
OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	6,471	6,471	6,373	6,442	6,868	7,802	8,902
<b>Revenues</b>							
Water Rate Revenues:							
Retail Meter Agency Charge	7,889	7,838	8,312	8,686	8,965	9,251	9,540
Ground Water Customer Charge	598	595	607	619	632	644	657
Subtotal	8,487	8,433	8,920	9,305	9,597	9,895	10,197
Other Revenues:							
Choice Revenues	1,487	1,631	1,664	1,697	1,731	1,765	1,801
Interest Earnings	489	458	597	608	632	674	723
Misc./Reimbursements	16	3	3	3	3	3	3
Subtotal	1,991	2,092	2,264	2,308	2,366	2,442	2,526
<b>Total Revenues</b>	10,479	10,525	11,183	11,613	11,963	12,338	12,724
<b>Expenses</b>							
Core Expenses	7,483	8,185	8,349	8,516	8,686	8,860	9,037
Choice Expenses	1,487	1,631	1,664	1,697	1,731	1,765	1,801
Capital Acquisitions (not including building)	36	79	20	20	20	20	20
<b>Total Expenses w/o Building &amp; Election</b>	9,006	9,896	10,033	10,233	10,437	10,646	10,858
<b>Revenue Over Expenses w/o Building &amp; Election</b>	1,473	629	1,151	1,380	1,525	1,692	1,865
<b>ELECTION Reserve Beginning Balance</b>	696	1,333	-	582	164	746	-
<b>Annual Election Reserve Contribution</b>	637	-	582	582	582	582	582
<b>Annual Election Expense</b>	-	1,333	-	1,000	-	1,333	-
<b>Election Reserve Ending Balance</b>	1,333	-	582	164	746	-	582
<b>BUILDING Reserve Beginning Balance</b>	444	444	444	71	433	433	433
<b>Annual Building Reserve Contribution</b>	836	727	500	372	10	10	10
<b>Annual Building Expense</b>	836	727	873	10	10	10	10
<b>and to WEROC Capital Improvements</b>	444	444	71	433	433	433	433
<b>CASH FLOW Reserve Beginning Balance</b>	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<b>Annual Cash Flow Reserve Contribution</b>	-	-	-	-	-	-	-
<b>Cash Flow Reserve Ending Balance</b>	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<b>Adjustments to the General Fund Reserve</b>	-	-	-	-	-	-	-
<b>Ending General Fund &amp; Cash Flow Reserves</b>	\$ 4,694	\$ 5,929	\$ 5,790	\$ 6,272	\$ 6,623	\$ 8,469	\$ 9,160
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
<b>MWDOC Water Rates</b>							
Total Retail Customer Meters	636,204	642,442	644,366	648,211	652,010	656,101	660,200
OCWD BPP %	75%	75%	75%	75%	75%	75%	75%
<b>Increment Rate</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Connection Charge</b>	\$ 12.40	\$ 12.20	\$ 12.90	\$ 13.40	\$ 13.75	\$ 14.10	\$ 14.45
Fixed Charge %		100%	100%	100%	100%	100%	100%
<b>Rate Increase Proposal:</b>							
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ (0.20)	\$ 0.70	\$ 0.50	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35

1 Assumptions for FMP:

Inflation factor:

2.00% per year

Rate of return on Investment of portfolio:

3.21% per year

**Working Capital and Interest Revenue Projections**

	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
<b>Working Capital:</b>					
Designated Reserve Fund	6,670	6,739	7,165	8,099	9,199
General Fund Float	8,000	8,000	8,000	8,000	8,000
WUE use of fund	(200)	(200)	(200)	(200)	(200)
Water Payment Float	3,850	3,875	3,900	3,925	3,950
Average Working Capital	18,320	18,414	18,665	19,824	20,949
Interest rate	3.26%	3.30%	3.35%	3.40%	3.45%
<b>Interest Revenue Projections:</b>					
Interest income - General	597	608	632	674	723
<b>Total Interest Revenue Projections</b>	<b>597</b>	<b>608</b>	<b>632</b>	<b>674</b>	<b>723</b>

## Total Core Expenses

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,516,650	3,364,258	3,609,691
6090	Directors Compensation - MWDOC	268,133	205,000	258,909
6095	Directors Compensation - MWD	153,218	112,000	157,070
6105	Benefits - Admin	1,097,993	1,066,592	1,182,786
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	(223,992)	(237,319)	(300,926)
6115	Benefits - Directors	93,947	123,093	101,971
6120	Health Insurance Coverage for Retirees	70,287	61,376	87,449
6205	Training	30,000	42,937	62,500
6210	Tuition Reimbursement	5,000	5,000	5,000
6220	Temporary Help	5,000	14,000	5,000
7010	Engineering - Outside Services	435,000	277,600	340,000
7020	Legal - General	200,000	260,800	210,500
7030	Audit	29,240	19,767	29,725
7040	Other Professional Fees	920,445	770,546	996,202
7110	Conference - Employee	40,535	24,995	26,515
7115	Conference - Directors	28,440	22,225	18,695
7150	Travel & Accommodations - Employee	89,131	48,887	62,495
7155	Travel & Accommodations - Director	46,625	24,591	24,900
7210	Membership / Sponsorship	114,966	149,059	127,161
7250	CDR Participation	50,156	50,156	53,158
7305	Business Expense	5,200	3,500	4,500
7310	Office Maintenance	138,527	110,345	125,420
7315	Building Repair & Maintenance	20,000	12,845	15,000
7320	Rents & Leases	3,616	2,800	1,750
7330	Office Supplies	36,000	30,500	39,000
7340	Postal / Mail Delivery	9,000	8,650	8,900
7350	Subscriptions / Books	1,500	600	1,000
7360	Reproduction Expense	61,000	62,700	83,700
7410	Computer & Peripherals Maint	8,000	6,000	8,000
7430	Software Purchase	34,500	32,000	42,000
7440	Software Support	59,134	59,000	47,640
7540	Computers and Equipment	45,750	40,000	31,550
7580	Maintenance Expense	-	-	6,000
7610	Automotive / Mileage	19,300	20,818	20,000
7615	Toll Road Charges	900	1,220	1,300
7620	Insurance Expense	140,000	105,000	110,000
7640	Utilities - Telephone	24,333	28,704	29,650
7650	Bank Fees	1,200	900	1,200
7670	Miscellaneous Expenses	96,100	71,154	101,800
8810	Capital Acquisition	366,900	20,000	154,200
	<b>Total Expenditure</b>	<b>8,248,735</b>	<b>7,229,300</b>	<b>8,098,410</b>
MWDOC's Contribution:				
	to WEROC Capital improvements	44,389	44,389	-
	to WEROC Operations	228,978	228,978	241,236
MWDOC's Contribution to Election Rsrv				
	Proj Additional Election Rsrv Contribution	-	637,000	-
	Portion to be Funded by Gen Oper Fund	-	(208,416)	-
Capital Acquisition to Carryover (8810)				
	Capitol Acq Prior Year Carryover Credit	(330,624)	(330,624)	(346,900)
MWDOC's Building Expense (8811)				
	Building Expense to Carryover	-	848,647	-
	Building Prior Year Carryover Credit	(423,226)	(423,226)	(1,143,117)
		<u>9,027,309</u>	<u>8,783,358</u>	<u>8,991,529</u>

### Total Choice Revenue and Expense

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
	Choice Revenue	1,289,894	1,289,893	1,234,354
4205	School Contracts	118,213	118,213	120,376
4705	Prior Year Carry Over	182,729	182,729	276,265
		-	-	-
	Choice billing over/under	-	(104,092)	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	<b>Total Revenue</b>	<b>1,590,836</b>	<b>1,486,743</b>	<b>1,630,995</b>

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	535,389	502,826	542,384
	S & B Reimb. DSC or Recov from Grants	(5,500)	(18,728)	-
6090	Directors Compensation - MWD	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	163,657	126,727	152,599
	Overhead Reimbursement	223,992	237,319	300,926
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	2,000	2,000	2,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Engineering - Outside Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	141,972	106,720	190,373
	Other Professional Fees - School Programs	424,913	424,913	394,763
7110	Conference - Employee	-	-	-
7115	Conference - Directors	-	-	-
7150	Travel & Accommodations - Employee	-	-	-
7155	Travel & Accommodations - Director	-	-	-
7210	Membership / Sponsorship	-	-	-
7250	CDR Participation	-	-	-
7310	Office Maintenance	-	-	-
7320	Rents & Leases	-	-	-
7330	Office Supplies	-	-	-
7332	Supplies - Water Loss Control	2,033	6,200	10,000
7340	Postal / Mail Delivery	400	233	400
7350	Subscriptions/Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	-	-	15,000
7440	Software Support	-	-	-
7540	Computers and Equipment	3,700	2,400	2,000
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	-	-
7612	Vehicle Expense	13,160	5,246	6,350
7615	Toll Road Charges	1,500	500	1,000
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	1,440	1,200	1,200
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	12,000	12,669	12,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	70,180	76,519	-
	<b>Total Expenditure</b>	<b>1,590,836</b>	<b>1,486,743</b>	<b>1,630,995</b>

## Total Core and Choice Expenses

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	4,052,039	3,867,084	4,152,075
	S & B Reimb. DSC or Recov from Grants	(5,500)	(18,728)	-
6090	Directors Compensation - MWDOC	268,133	205,000	258,909
6095	Directors Compensation - MWD	153,218	112,000	157,070
6105	Benefits - Admin	1,261,650	1,193,319	1,335,385
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	(0)	-	-
6115	Benefits - Directors	93,947	123,093	101,971
6120	Health Insurance Coverage for Retirees	70,287	61,376	87,449
6205	Training	32,000	44,937	64,500
6210	Tuition Reimbursement	5,000	5,000	5,000
6220	Temporary Help	5,000	14,000	5,000
7010	Engineering - Outside Services	435,000	277,600	340,000
7020	Legal - General	200,000	260,800	210,500
7030	Audit	29,240	19,767	29,725
7040	Other Professional Fees	1,062,417	877,266	1,186,575
	Other Professional Fees - School Programs	424,913	424,913	394,763
7110	Conference - Employee	40,535	24,995	26,515
7115	Conference - Directors	28,440	22,225	18,695
7150	Travel & Accommodations - Employee	89,131	48,887	62,495
7155	Travel & Accommodations - Director	46,625	24,591	24,900
7210	Membership / Sponsorship	114,966	149,059	127,161
7250	CDR Participation	50,156	50,156	53,158
7305	Business Expense	5,200	3,500	4,500
7310	Office Maintenance	138,527	110,345	125,420
7315	Building Repair & Maintenance	20,000	12,845	15,000
7320	Rents & Leases	3,616	2,800	1,750
7330	Office Supplies	36,000	30,500	39,000
7332	Supplies - Water Loss Control	2,033	6,200	10,000
7340	Postal / Mail Delivery	9,400	8,883	9,300
7350	Subscriptions / Books	1,500	600	1,000
7360	Reproduction Expense	61,000	62,700	83,700
7410	Computer & Peripherals Maint	8,000	6,000	8,000
7430	Software Purchase	34,500	32,000	57,000
7440	Software Support	59,134	59,000	47,640
7540	Computers and Equipment	49,450	42,400	33,550
7580	Maintenance Expense	-	-	6,000
7610	Automotive / Mileage	19,300	20,818	20,000
7612	Vehicle Expense	13,160	5,246	6,350
7615	Toll Road Charges	2,400	1,720	2,300
7620	Insurance Expense	140,000	105,000	110,000
7640	Utilities - Telephone	25,773	29,904	30,850
7650	Bank Fees	1,200	900	1,200
7670	Miscellaneous Expenses	108,100	83,823	113,800
8810	Capital Acquisition	437,080	96,519	154,200
	<b>Total Expenditure</b>	<b>9,839,570</b>	<b>8,716,043</b>	<b>9,729,405</b>

MWDOC's Contribution:

to WEROC Capital improvements	44,389	44,389	-
to WEROC Operations	228,978	228,978	241,236
MWDOC's Contribution to Election Rsv	-	-	-
Proj Additional Election Rsv Contribution	-	637,000	-
Portion to be Funded by Gen Oper Fund	-	(208,416)	-
Capital Acquisition to Carryover (8810)	-	346,900	271,900
Capitol Acq Prior Year Carryover Credit	(330,624)	(330,624)	(346,900)
MWDOC's Building Expense (8811)	1,259,057	410,410	1,870,000
Building Expense to Carryover	-	848,647	-
Building Prior Year Carryover Credit	(423,226)	(423,226)	(1,143,117)
	<b>10,618,144</b>	<b>10,270,101</b>	<b>10,622,524</b>

**Administrative - Board**  
**11**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	259,456	222,391	259,074
6090	Directors Compensation - MWDOC	268,133	205,000	258,909
6095	Directors Compensation - MWD	153,218	112,000	157,070
6105	Benefits - Admin	81,347	76,457	82,141
6115	Benefits - Directors	93,947	123,093	101,971
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General	195,000	210,800	200,500
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors	28,440	22,225	18,695
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director	46,625	24,591	24,900
7210	Membership / Sponsorship	28,072	27,333	38,771
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	4,500	4,000	4,500
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computers & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	12,500	12,318	12,500
7615	Toll Road Charges	500	745	800
7620	Insurance Expense			
7640	Utilities - Telephone	893	600	700
7650	Bank Fees			
7670	Miscellaneous Expenses	12,000	12,000	12,700
8410	Overhead Reimbursement			
8810	Capital Acquisition			
<b>Total Expenditure</b>		<b>1,184,631</b>	<b>1,053,554</b>	<b>1,173,230</b>

1	• Best, Best & Krieger	\$ 195,800
	• Aleshire & Wynder	\$ 15,000
		\$ 210,800
2	• Best, Best & Krieger	\$ 185,500
	• Aleshire & Wynder	\$ 15,000
		\$ 200,500
3	• See Exhibit F.	
4	• See Exhibit D.	
5	• Misc board expenses (supplies)	

MWDOC's Contribution to Election Rsrv	
Proj Additional Election Resrv Contribution	637,000
Portion to be Funded by Gen Oper Fund	(208,416)
	<u>1,184,631</u>
	<u>1,482,138</u>
	<u>1,173,230</u>

**Administrative - General**  
**12**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	269,650	296,698	317,748
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	103,684	119,012	124,835
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help	5,000	14,000	5,000
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	2,500	1,500	1,200
7110	Conference - Employee	40,535	24,995	26,515
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	89,131	48,887	62,495
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	86,894	121,726	88,390
7250	CDR Participation	50,156	50,156	53,158
7305	Business Expense	5,200	3,500	4,500
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	1,500	600	1,000
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	6,800	8,500	7,500
7615	Toll Road Charges	400	475	500
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,600	2,000	2,500
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>638,939</b>	<b>692,049</b>	<b>695,341</b>

1 • See Exhibit J.

2 • See Exhibit E.

3 • See Exhibit D.

4 • Center for Demographic Research at  
Cal State University Fullerton

**Personnel / Staff Development**  
**13**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	205,749	201,468	217,684	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	61,187	60,822	65,863	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	30,000	42,937	62,500	1
6210	Tuition Reimbursement	5,000	5,000	5,000	
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	5,000	50,000	10,000	2
7030	Audit				
7040	Other Professional Fees			36,000	3
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	21,500	16,000	30,000	4
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>328,436</b>	<b>376,227</b>	<b>427,047</b>	

1 • Staff Technical Training & Leadership  
Development Training

2 • Best, Best & Krieger

3 • Benchmark Study

4 • Employee Recognition \$ 5,000  
• Applicant Background Checks & Physical \$ 2,500  
• Team Building, Lunch meetings \$ 1,200  
• Holiday Lunch \$ 3,000  
• OCWD Health Fair \$ 300  
• Employee Flu Shots \$ 200  
• Job Ads Recruiting \$ 5,000  
• Staff & Executive Assessments \$ 12,800  
\$ 30,000

**Overhead**  
**19**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	524,930	535,033	552,260	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	158,034	167,972	173,883	
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	
6111	Overhead Reimbursement from Choice	(223,992)	(237,319)	(300,926)	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees	70,287	61,376	87,449	1
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	6,812	6,300	6,400	2
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance	138,527	110,345	125,420	3
7315	Building Repair & Maintenance	20,000	12,845	15,000	
7320	Rents & Leases	3,616	2,800	1,750	4
7330	Office Supplies	36,000	30,500	39,000	
7340	Postal / Mail Delivery	4,500	4,650	4,400	
7350	Subscriptions / Books				
7360	Reproduction Expense	4,500	6,200	7,200	
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense			6,000	5
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense	140,000	105,000	110,000	
7640	Utilities - Telephone	22,483	27,198	28,000	
7650	Bank Fees	1,200	900	1,200	
7670	Miscellaneous Expenses	4,100	6,200	4,200	6
8810	Capital Acquisition	366,900	20,000	75,000	7
	<b>Total Expenditure</b>	<b>1,484,896</b>	<b>1,067,000</b>	<b>1,143,235</b>	
	Capital Acquisition to Carryover (8810)		346,900	271,900	9
	Capitol Acq Prior Year Carryover Credit	(330,624)	(330,624)	(346,900)	
	MWDOC's Building Expense (8811)	1,259,057	410,410	1,870,000	8
	Building Expense to Carryover		848,647		
	Building Prior Year Carryover Credit	(423,226)	(423,226)	(1,143,117)	9
		<u>1,990,103</u>	<u>1,919,107</u>	<u>1,795,118</u>	

1 Retirees:  
• 15 Retirees

2 • Pension Plan administration by  
Dissinger Associates \$ 4,000  
• Cafeteria Plan Wagerworks \$ 2,400  
6,400

3 • Window Cleaning \$ 1,200  
• Sewer Flush & Extra Office Cleaning \$ 800  
• OCWD \$ 113,080  
• Plant Maintenance \$ 2,640  
• Landscape/Maintenance Atrium \$ 5,000  
• Binding Machine Renewal \$ 800  
• Carpet & Extra Office Cleaning \$ 1,900  
\$ 125,420

4 • Corodata \$ 750  
• El Toro Water District  
(South EOC site) 1,000  
\$ 1,750

5 Generator Maintenance

6 • Misc equipment repairs, fees etc.

7 • Office Furniture/Audio Visual  
See Exhibit H

8 • Bldg Improvements - Eval / Design /  
Seismic / Construction

9 • FY19-20 & FY20-21 carryover is for work and capital  
purchases on the building that were budgeted for but  
will not be completed and will be carried over to the next  
year as a carryover credit.  
• FY19-20 & FY20-21 carryover credit are the cumulative  
dollars from prior years that were unspent and will be  
applied toward work projected to be completed in future  
years.



**Reliability Planning and Engineering**  
**21**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	629,997	532,935	507,799
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	177,357	147,542	160,438
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	325,000	252,000	265,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone	500	456	500
7650	Bank Fees			
7670	Miscellaneous Expenses	7,000	4,654	8,000
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>1,139,854</b>	<b>937,588</b>	<b>941,736</b>

1 See Exhibit J

1

# Metropolitan Issues and Water Policy

23

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	528,844	488,670	530,160
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	165,757	140,377	172,005
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	110,000	25,600	75,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7045	Other Professional Fees - MET			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	<b>Total Expenditure</b>	804,601	654,647	777,165

• See Exhibit J

**Government Affairs**  
**31**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	125,148	124,974	137,153
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	44,755	44,790	49,606
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	314,000	292,000	314,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	12,000	8,000	14,200
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>495,902</b>	<b>469,764</b>	<b>514,960</b>

1 • BB&K \$ 96,000  
• Barker \$ 96,000  
• Travel/Miscellaneous \$ 8,000  
• Lewis Consulting \$ 32,000  
• Ackerman \$ 24,000  
• Grant Research & Acquisition \$ 36,000  
\$ 292,000

2 • BB&K \$ 96,000  
• Barker \$ 96,000  
• Travel/Miscellaneous \$ 8,000  
• Lewis Consulting \$ 42,000  
• Ackerman \$ 36,000  
• Grant Research & Acquisition \$ 36,000  
\$ 314,000

3 • Legislative Outreach & Briefings \$ 5,000  
• WACO \$ 5,000  
• D.C. Luncheon \$ 1,200  
• D.C. Dinner \$ 3,000  
\$ 14,200

**Public Affairs**  
**32**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	358,126	377,387	413,003	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	112,792	121,358	129,198	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	241,133	216,133	270,352	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	56,500	56,500	76,500	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone	457	450	450	
7650	Bank Fees				
7670	Miscellaneous Expenses	27,900	13,900	21,200	3
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>796,908</b>	<b>785,728</b>	<b>910,703</b>	

<b>1 Public Affairs Activities:</b>	
• Resolutions/Proclamations	\$ 4,500
• Member Agency Workshops PAW	\$ 4,000
• Consumer Confidence Reports	\$ 41,852
• Event Registration Fees	\$ 12,500
• Delta Conveyance Program Support	\$ 30,000
• Wyland Mayors Challenge	\$ 10,000
• Scouts Program	\$ 7,500
• CA Water, Energy & Education Alliance	\$ 5,000
• Environmental Literacy Initiative	\$ 20,000
Subtotal	\$135,352

<b>Communications Plan Activities:</b>	
• Strategic Digital Outreach	\$ 95,000
• Advertising	\$ 20,000
• Special Events AV Support	\$ 20,000
Subtotal	\$135,000
	<u>\$270,352</u>

<b>2 • Promotional Items, Branded Materials</b>	
• Info Items Handouts, Books, Folders	\$ 30,000
• Poster Slogan Award & Ceremony	6,500
	<u>\$ 76,500</u>

<b>3 • Ricki Maint and Repair</b>	
• Event Display Materials	\$ 4,000
• Legislative Staff Trip Travel Costs	\$ 5,000
• Sponsorship Contingency Fund	\$ 5,000
• Storage Facility	\$ 3,000
• Science Fair Sponsorship	\$ 100
	<u>\$ 21,200</u>

**Water Use Efficiency  
(Core)  
35**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	144,986	118,750	153,920
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	44,663	39,724	46,023
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	265,000	209,250	255,500
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,000	6,000
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>485,759</b>	<b>373,724</b>	<b>461,443</b>

1 • General Research	\$ 75,000
• Landscape Education	500
• Water Loss Control Work Grp	\$ 55,000
• WLC Business Plan Implement	\$ 25,000
• Aerial Imagery and Landscape Measurement Project	<u>\$100,000</u>
	<u>\$255,500</u>

**General Finance**  
**41**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	354,005	347,392	396,085
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	107,054	106,057	133,959
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit	29,240	19,767	29,725
7040	Other Professional Fees	91,000	45,363	112,750
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	400	1,000
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>582,299</b>	<b>518,979</b>	<b>673,518</b>

1 • Annual Audit	\$ 20,162
• Single Audit	\$ 4,563
• WUE Grant Review	\$ 5,000
	<u>\$ 29,725</u>

2 • Custodial Bank fees	\$ 6,500
• Financial Consulting	\$ 20,000
• OPEB Actuarial	\$ 3,750
• Rate Study	\$ 82,500
	<u>\$ 112,750</u>

**Information Technology**  
**45**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	115,761	118,561	124,804	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	41,365	42,478	44,837	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				1 • Misc repairs, maint & components
7110	Conference - Employee				
7115	Conference - Directors				2 • Misc software upgrades and license
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				3 • Laserfiche WORM Storage Cloud Backup \$ 1,000
7210	Membership / Sponsorship				• Exchange and AD Monitoring Software \$ 2,000
7250	CDR Participation				• MWDOC Website Support & Enhancements \$ 15,000
7310	Office Maintenance				• Investment software usage cost \$ 2,340
7320	Rents & Leases				• Accufund Annual Support \$ 9,600
7330	Office Supplies				• Wireless Aps and Router \$ 4,500
7340	Postal / Mail Delivery				• ACT Annual Support \$ 2,000
7350	Subscriptions / Books				• ECS Laserfiche Annual Support \$ 5,000
7360	Reproduction Expense				• Arcserv UDP License Renewal (2) \$ 2,000
7410	Computers & Peripherals Maint	8,000	6,000	8,000	1 • HR Insight Software Annual Maintenance \$ 5,000
7430	Software Purchase	34,500	32,000	42,000	2 \$ 48,440
7440	Software Support	59,134	59,000	47,640	3
7540	Computers and Equipment	45,750	40,000	31,550	4
7580	Maintenance Expense				
7610	Automotive / Mileage				4 • Cisco Core Switch Replacement \$ 6,000
7615	Toll Road Charges				• 6 Desktop Computers w/ Monitors \$ 8,000
7620	Insurance Expense				• RICOH Color Printer Support \$ 350
7640	Utilities - Telephone				• Message Archiver for E-mail (5 yrs) \$ 7,000
7650	Bank Fees				• Four Hard Drives for Data Server \$ 1,600
7670	Miscellaneous Expenses	2,000	2,000	2,000	• Maintenance for Plotter \$ 600
8810	Capital Acquisition			79,200	• Firewall for Wireless Network \$ 4,500
	<b>Total Expenditure</b>	<b>306,509</b>	<b>300,040</b>	<b>380,031</b>	• 2 Laptop Computers \$ 3,500
					<b>\$ 31,550</b>

**Water Use Efficiency  
(choice)  
62**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4215	Choice Revenue	754,860	754,860	803,364
4705	Prior Year Carry over	119,657	119,657	97,556
	Choice billing over/under		(97,556)	
	<b>Total Revenue</b>	874,517	776,962	900,920

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2020 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	424,388	395,631	415,748
6012	Salaries & Benefits - Recovery from Grants	(5,500)	(18,728)	
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	118,725	99,749	119,456
	Overhead Reimbursement	188,532	186,687	231,743
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	141,972	106,720	127,572
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	400	233	400
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,669	6,000
8810	Capital Acquisition			
	<b>Total Expenditure</b>	874,517	776,962	900,920

1 • Recovery from WUE Grants for some Salaries and Benefits:

2 • Marketing of WUE programs \$ 40,000  
 • Residential Installation Verification Inspec \$ 35,000  
 • Turf Rebate Processing Platform - Droplet \$ 39,072  
 • Drip Rebate Processing Platform - Droplet \$ 6,000  
 • E-Signature Rebate Processing \$ 7,500  
 \$ 127,572



**School Program  
(choice)  
63**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4215	Choice Revenue	256,276	256,276	107,521
4205	School Contracts	118,213	118,213	120,376
4705	Prior Year Carry over	63,072	63,072	178,709
	Choice billing over/under		3,098	
	<b>Total Revenue</b>	437,561	440,659	406,606

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2020 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	7,321	9,133	6,115
6105	Benefits - Admin	1,976	3,033	2,151
	Overhead Reimbursement	3,351	3,579	3,578
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	424,913	424,913	394,763
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	<b>Total Expenditure</b>	437,561	440,659	406,606

1 • High Schools	\$ 64,800
• Elementary Schools	\$ 285,123
• Middle Schools	44,840
	<u>\$ 394,763</u>

**Water Loss Control  
(choice)  
70**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4215	Choice Revenue	278,757	278,757	323,469
4705	Prior Year Carry over			
	Choice billing over/under		(9,634)	
	<b>Total Revenue</b>	278,757	269,123	323,469

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET			
6010	Salaries & Wages - Admin	103,680	98,061	120,521			
	Salaries & Wages - Reimb. from Grants						
6090	Directors Compensation - MWDOC						
6095	Directors Compensation - MWD						
6105	Benefits - Admin	42,955	23,944	30,992			
	Overhead Reimbursement	32,109	47,052	65,605			
6115	Benefits - Directors						
6120	Health Insurance Coverage for Retirees						
6205	Training	2,000	2,000	2,000	1	1	• Water Balance Validation Cert.
6210	Tuition Reimbursement						
6220	Temporary Help						
7010	Engineering - Outside Services						
7020	Legal - General						
7030	Audit						
7040	Other Professional Fees			62,801	2	2	• Meter Accuracy Testing
7110	Conference - Employee						
7115	Conference - Directors						
7150	Travel & Accomodations - Employee						
7155	Travel & Accomodations - Director						
7210	Membership / Sponsorship						
7220	CUWA Participation						
7240	AAWARF Participation						
7250	CDR Participation						
7310	Office Maintenance						
7320	Rents & Leases						
7330	Office Supplies						
7332	Supplies - Water Loss Control	2,033	6,200	10,000	3	3	• Gloves, Hats, Uniforms, Uniform Cleaning, etc.
7340	Postal / Mail Delivery						
7350	Subscriptions / Books						
7360	Reproduction Expense						
7410	Computer & Peripherals Maint						
7430	Software Purchase			15,000	4	4	• CMMS System
7440	Software Support						
7450	Software Development						
7510	Site Maintenance						
7540	Computers and Equipment	3,700	2,400	2,000			
7580	Maintenance Expense					5	• Vehicle Fuel & Oil \$ 5,000 • GPS Vehicle Tracking \$ 1,000 • Auto Insurance \$ 350 \$ 6,350
7610	Automotive / Mileage						
7612	Vehicle Expense	13,160	5,246	6,350	5		
7615	Toll Road Charges	1,500	500	1,000			
7620	Insurance Expense						
7640	Utilities - Telephone	1,440	1,200	1,200	6	6	• 2 Cell Phones
7650	Bank Fees						
7670	Miscellaneous Expenses	6,000	6,000	6,000			
8410	Overhead Reimbursement						
8610	Depreciation Expense						
8710	Election Expenses						
8810	Capital Acquisition	70,180	76,519		7	7	• See Exhibit H
	<b>Total Expenditure</b>	278,757	269,123	323,469			

**WEROC**  
**25**

		FY 2019-2020 BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	228,978	228,978	241,236
4210	WEROC Contracts	228,978	228,978	241,236
4205				
4230	Reimbursements			
4240				
4410				
4805				
	<b>Operational Revenue</b>	<b>457,956</b>	<b>457,956</b>	<b>482,472</b>
	Operational Reserves to Capital			
	Capital Projects Carryover	150,219	150,219	
	MWDOC Contribution to Capital Improvements	44,389	44,389	
	<b>TOTAL WEROC Revenue</b>	<b>652,564</b>	<b>652,564</b>	<b>482,472</b>

1 • OCSD \$ 47,282  
 • SOCWA \$ 18,334  
 • OCWD \$ 120,618  
 • 3 Cities -- \$18,334 ea \$ 55,002  
**\$ 241,236**

3 • WEROC Reserves  
 4 • See Exhibit H

		FY 2019-2020 PROPOSED BUDGET	FY 2019-2020 PROJECTED ACTUALS	FY 2020-2021 PROPOSED BUDGET
6010	Salaries & Wages - Admin	267,463	268,101	318,348
	Salaries & Benefits - Recovery from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	82,520	78,056	105,792
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	1,150	1,375	8,226
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	30,000	44,120	-
7110	Conference - Employee	2,800	2,800	3,800
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	8,380	5,182	4,750
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	1,105	1,105	1,105
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office & Radio Supplies	1,000	1,397	1,800
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	1,000	1,000	1,000
7410	Computer & Peripherals Maint	5,060	5,060	5,060
7430	Software Purchase			
7440	Software Support	7,441	7,088	9,491
7510	Site Maintenance	900	947	900
7540	Computers and Equipment			
7580	Maintenance - Generators	2,000	500	1,000
7581	Maintenance - Radios	1,838	1,838	2,000
7582	Maintenance - EOC's	2,000	2,056	2,000
7610	Automotive / Mileage	1,000	2,187	3,000
7615	Toll Road Charges	213	204	200
7620	Insurance Expense			
7640	Utilities - Telephone	10,000	13,106	10,000
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	1,005	1,000
7671	Miscellaneous Training	3,000	3,322	3,000
8810	Capital Acquisition			
	<b>Operations Expenditure</b>	<b>429,870</b>	<b>440,450</b>	<b>482,472</b>
	Contribution to Operating Reserves	28,086	-	
	<b>Total Operations Budget</b>	<b>457,956</b>	<b>440,450</b>	<b>482,472</b>
	Capital Expenditures	194,608	38,753	
	<b>TOTAL Expenditures</b>	<b>652,564</b>	<b>479,203</b>	<b>482,472</b>

5 • See Exhibit J

6 • See Exhibit E

7 • See Exhibit D

8 • See Exhibit H

# Exhibit D

## MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Proposed District Participation Costs Fiscal Year 2020-2021

	Budget FY 2019-2020	Projected FY 2019-2020 Actuals	Budget FY 2020-2021	Approval included in Budget Approval
<b>Required Participation or Service</b>				
LAFCO	\$ 28,000	\$ 27,233	\$ 38,431	√
<b>Subtotal Cost Center 11</b>	\$ 28,000	\$ 27,233	\$ 38,431	
Association of Calif. Water Agencies (ACWA)	\$ 19,736	\$ 21,610	\$ 22,691	√
South OC Watershed Management Area Dues	\$ 10,500	\$ 10,500	\$ 10,800	√
<b>Subtotal Cost Center 12</b>	\$ 30,236	\$ 32,110	\$ 33,491	
<b>Subtotal - Required Participation or Service</b>	<b>\$ 58,236</b>	<b>\$ 59,343</b>	<b>\$ 71,922</b>	
<b>Elective Participation</b>				
Colorado River Water Users Assn. (CRWUA 2-Directors)	\$ 72	\$ 30	\$ 60	√
Orange County Water Association (OCWA 4 Directors)	\$ -	\$ 70	\$ 280	√
<b>Subtotal Cost Center 11</b>	\$ 72	\$ 100	\$ 340	
Association of California Cities- Orange County (ACCOC)	\$ 5,279	\$ 5,279	\$ 5,500	√
American Water Works Association (AWWA)	\$ 1,720	\$ 1,729	\$ 1,800	√
Association of Metropolitan Water Agencies (AMWA)	\$ -	\$ 20,426	\$ 21,447	√
CA Chamber of Commerce (HR California)	\$ 481	\$ 541	\$ 568	√
CALDESAL	\$ 5,125	\$ 5,000	\$ 5,150	√
California Association of Public Information Officers (CAPIO)	\$ 765	\$ 225	\$ 825	√
California Council for Environmental & Economic Balance (CCEEB)	\$ -	\$ 24,500	\$ 25,725	√
California Environmental Literacy Initiative		\$ 2,500	\$ 2,500	√
California Municipal Treasurers Association (CMTA)	\$ 160	\$ 160	\$ 170	√
California Municipal Utilities Association (CMUA)	\$ 8,000	\$ 4,240	\$ 4,450	√
California Society of Municipal Finance Officers (CSMFO)	\$ 130	\$ 110	\$ 120	√
California Special Districts Assn. (CSDA)	\$ 7,433	\$ 7,615	\$ 7,996	√
CA Water Efficiency Partnership (formerly CA Urban Water Cnsv Cncl)	\$ 12,775	\$ 6,100	\$ 6,100	√
California Water, Energy and Education Alliance (CWEEA)	\$ -	\$ 2,500	\$ 2,500	√
Colorado River Water Users Assn. (CRWUA 3-staff)	\$ 108	\$ 90	\$ 90	√
Department of Water Resources Education Committee		\$ 2,500	\$ 2,500	√
Government Finance Officers Association (GFOA)	\$ 170	\$ 160	\$ 170	√
Indep. Special Districts of Or. Co. (ISDOC)	\$ 50	\$ 50	\$ 55	√
International Association of Business Communicators (IABC)	\$ 350	\$ 350	\$ 370	√
International Personnel Management Association (IPMA)	\$ 50	\$ 50	\$ 55	√
National Endangered Species Act Reform Coalition (NESARC)	\$ 1,000	\$ 1,000	\$ -	√
National Water Resources Assn., Mun. Caucus	\$ 510	\$ 510	\$ 535	√
OC Chapter-Calif. Landscape Contractors Assoc.	\$ 1,835	\$ 1,835	\$ 1,835	√
Orange County Business Council (OC Chamber)	\$ 5,125	\$ 5,000	\$ 5,150	√
Orange County Public Affairs Association (OCPAA)	\$ 205	\$ 205	\$ 615	√
Orange County Water Association (OCWA)	\$ 105	\$ 105	\$ 110	√
Public Relations Society of America/O.C. (PRSA)	\$ 728	\$ 1,020	\$ 1,600	√
Society of Human Resources Management (SHRM)	\$ 214	\$ 209	\$ 220	√
Southern California Personnel Management Assoc. (SCPMA)	\$ 55	\$ 55	\$ 60	√
South Orange County Economic Coalition (SOCEC)	\$ 1,530	\$ 1,530	\$ 1,600	√
Southern California Water Committee (SCWC)	\$ 865	\$ 865	\$ 900	√
Urban Water Institute	\$ 1,250	\$ 1,250	\$ 1,300	√
Water Environment Federation	\$ 50	\$ 50	\$ 55	√
Water Education Foundation	\$ 590	\$ -	\$ -	
<b>Subtotal Cost Center 12</b>	\$ 56,658	\$ 97,759	\$ 102,071	
<b>Subtotal - Elective Participation</b>	<b>\$ 56,730</b>	<b>\$ 97,859</b>	<b>\$ 102,411</b>	
International Association of Emergency Managers	\$ 380	\$ 380	\$ 380	√
California Emergency Services Association	\$ 225	\$ 225	\$ 225	√
California Utilities Emergency Association	\$ 500	\$ 500	\$ 500	√
<b>WEROC Program Total</b>	<b>1,105</b>	<b>1,105</b>	<b>1,105</b>	
<b>GRAND TOTAL - General Fund</b>	<b>\$ 114,966</b>	<b>\$ 157,202</b>	<b>\$ 174,333</b>	

# Exhibit E

## MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Summary of Proposed Staff Registration & Travel Budget <sup>(1)</sup> Fiscal Year 2020-2021

Conference / Meeting	Location/Date/Staff	Registration	Travel <sup>(1)</sup>	Approval included in
				Budget Approval
Association of California Water Agencies (ACWA)	DC Conference, TBD	\$ 2,235	\$ 5,400	✓
	Fall Conference, Indian Wells, December 1-4, 2020	3,000	3,600	✓
	Spring Conference, May 4-7, 2021, Monterey, Ca	2,250	3,000	✓
	Region 10, TBD	80	-	
	Legislative Symposium, TBD	285	1,200	✓
Association of Metropolitan Water Agencies(AMWA)	Misc. Conference TBD	950	1,800	✓
	Water Policy Conference TBD	950	1,800	✓
American Water Works Association (AWWA)	National Water Infrastructure Conference, Nov 2-5, 2020, Philadelphia, PA	1,150	2,000	✓
	Cal Nevada Spring Conference, TBD,	1,725	4,800	✓
	ACE Annual Conference , San Diego, Ca, June 13-16,2021	1,150	1,800	✓
	Sustainable Water Management 2021, TBD	1,150	3,200	✓
AWWA/Water Environment Federation	Utility Management Conference TBD	725	1,200	✓
California Association of Public Information Officials (CAPIO)	Northern California, TBD	1,250	1,245	✓
California Council for Environmental & Economic Balance (CEEBC)/CED	Meetings, TBD	-	4,800	✓
California Environmental Literacy Initiative	Sacramento Ca		1,500	✓
California Employees Public Retirement System(CalPERS)	Annual Employer Education Forum, Anaheim, Ca September 30, October 2, 2020	800	-	✓
California Municipal Utilities Association (CMUA) Capitol Days	Sacramento, TBD	195	800	✓
California Municipal Utilities Association (CMUA) Annual Conference	April 11-13, 2021, San Diego, Ca	900	500	✓
Colorado River Water Users Association (CRWUA)	Las Vegas - December 14-16, 2020	1,500	3,000	✓
California Special Districts Association (CSDA)	Legislative Days, TBD, Sacramento	400	2,000	✓
California Water Efficiency Partnership (CalWEP) Membership (formerly CUWCC)	Membership Meetings, 1=No. Cal & 2=So. Cal		600	✓
	Board Meetings, 2=No. Cal & 2=So. Cal		900	✓
	Peer to Peer, TBD	1,120	2,800	✓
Department of Water Resources Education Committee	Sacramento		2,250	✓
Department of Water Resources (DWR)/State Water Resources Control Board (SWRCB)	Urban Advisory Group Meetings, Sacramento		3,000	✓
Legislative Advocacy	Sacramento		7,500	✓
	Washington DC	-	3,600	✓
Liebert, Cassidy Whimore	Annual Public Sector Conference, TBD	800	600	✓
Urban Water Institute	Spring Conference, TBD	2,300	2,000	✓
Miscellaneous*		3,500	4,000	✓
<b>General Fund Total **</b>		<b>\$ 28,415</b>	<b>\$ 70,895</b>	
<b>Conferences/Meetings/Trainings</b>				
International Assoc. of Emergency Managers	Long Beach, Ca November 13-18, 2020	\$ 2,400	\$ 350	✓
California Emergency Services Association (Fall)	Fish Camp, Ca, October 5-8, 2020	1,400	3,200	✓
TEEX Mgt346/Mgt 314 (College Station)	College Station, TX, September 14-18, 2020	-	1,200	✓
<b>WEROC Program Total</b>		<b>\$ 3,800</b>	<b>\$ 4,750</b>	
<b>PROPOSED GENERAL FUND BUDGET</b>		<b>\$ 28,415</b>	<b>\$ 70,895</b>	

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

\*\* Excludes automotive mileage.

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

**Exhibit F**

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Summary of Proposed Board Registration & Travel Budget <sup>(1)</sup>  
Fiscal Year 2020-2021**

<b>Conference</b>	<b>Location/Date/Directors</b>	<b>Registration</b>	<b>Travel <sup>(1)</sup></b>	<b>Approval included in Budget Approval</b>
Association of California Water Agencies (ACWA)	DC Conference, TBD	\$ 745	\$ 2,000	✓
	Fall Conference, Indian Wells, December 1-4, 2020	\$ 750	\$ 900	✓
	Spring Conference, May 4-7, 2021, Monterey, Ca	\$ 2,250	\$ 4,800	✓
	Region 10, TBD	\$ 150	\$ -	✓
(ACCOC)	Sacramento, TBD	\$ 800	\$ 500	
	Washington DC, TBD	\$ 2,550	\$ 1,600	✓
American Water Works Association/Water Environment Federation (AWWA/WEF)	Utility Management Conference, TBD	\$ 725	\$ 1,200	✓
Bond Buyers	Conference, TBD	\$ 300	\$ 200	✓
California Council for Environmental & Economic Balance (CEEBC)	Meetings, TBD	\$ -	\$ 3,600	✓
California Special Districts Association (CSDA)	Legislative Days, Sacramento	\$ 200	\$ 1,000	✓
Colorado River Water Users Association(CRWUA)	Las Vegas, December 14-16, 2020	\$ 500	\$ 1,000	✓
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento	\$ 1,900	\$ 1,000	✓
	Advocacy Trip-DC	\$ 3,600	\$ 1,600	✓
Legislative Advocacy	Sacramento	\$ -	\$ 1,000	✓
Legislative Advocacy	Washington DC	\$ -	\$ 3,600	✓
Urban Water Institute	Spring Conference	\$ 1,725	\$ 1,500	✓
Miscellaneous*		\$ 2,500	\$ 3,000	✓
<b>TOTAL**</b>		<b>\$ 18,695</b>	<b>\$ 28,500</b>	

**PROPOSED GENERAL FUND BUDGET**

<b>\$ 18,695</b>	<b>\$ 28,500</b>
------------------	------------------

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

\*\* Excludes automotive mileage.

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

## Exhibit G

### MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

### Proposed Total Membership that Includes Registration & Travel Costs <sup>(1)</sup> Fiscal Year 2020-2021

Conference / Meeting	Membership	Registration	Travel	Total
American Water Works Association (AWWA)	\$ 1,800	\$ 6,625	\$ 14,200	\$ 22,625
Association of California Cities- Orange County (ACCOC)	5,500	3,350	2,100	10,950
Association of Calif. Water Agencies (ACWA)	22,691	11,745	20,900	55,336
Association of Metropolitan Water Agencies (AMWA)	21,447	1,900	3,600	26,947
California Association of Public Information Officers (CAPIO)	825	1,250	1,245	3,320
California Council for Environmental & Economic Balance	25,725		8,400	34,125
California Environmental Literacy Initiative	2,500		1,500	4,000
California Municipal Utilities Association (CMUA)	4,450	1,095	1,300	6,845
California Special Districts Assn. (CSDA)	7,996	600	3,000	11,596
California Water Efficiency Partnership	6,100	1,120	4,300	11,520
Colorado River Water Users Assn. (CRWUA)	90	2,000	4,000	6,090
Department of Water Resources Education Committee	2,500		2,250	4,750
Orange County Business Counsel (OC Chamber)	5,150	5,500	2,600	13,250
Urban Water Institute	1,300	4,025	3,500	8,825
<b>Grand Total for Memberships with Conferences/Travel:</b>	<b>\$ 108,074</b>	<b>\$ 39,210</b>	<b>\$ 72,895</b>	<b>\$220,179</b>

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

## Exhibit H

### MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Schedule of Capital Expenditures Fiscal Year 2020-2021

	Proposed Budget	Approval included in <u>Budget Approval</u>
<b>Finance - 45-8810:</b>		
Accufund ERP Software and Implementation	\$ 79,200	√
<b>Subtotal Cost Center 45</b>	<b>\$ 79,200</b>	
 <b>Furniture and Fixtures- 19-8810:</b>		
MWDOC Office Improvements (Audio-Visual Equipment/ Workstations/Furnishings)	\$ 346,900	√
* Prior Year Projects Carryover from FY2017 through FY2021	\$ (346,900)	√
<b>Subtotal 8810 Improvements</b>	<b>\$ -</b>	
 <b>Building Improvements- 19-8811:</b>		
Eval / Design / Roof / Seismic / Construction	\$ 1,870,000	√
* Prior Year Projects Carryover from FY2017 through FY2021	(1,143,117)	√
<b>Subtotal 8811 Improvements</b>	<b>726,883</b>	
 <b>New Realized Costs - Cost Center 19</b>	<b>\$ 726,883</b>	

\* Prior year projects carryover is the cumulative dollars from prior years that will be applied toward work projected to be completed in FY20-21.



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

Department	Consultant	Service	Budget FY 19-20	Budget FY 20-21	* Approval included in Budget Approval
<b>Engineering Expenses</b>					
<b>Planning &amp; Operation (21)</b>	(To be determined)	Hydraulic Model	151,000	0	
	(To be determined)	Other Engineering Efforts	174,000	135,000	
<b>Total Planning &amp; Operations Expenses</b>			<b>325,000</b>	<b>135,000</b>	
<b>Met Issues &amp; Special Projects (23)</b>	Ed Means Consulting	Consulting on MET issues	45,000	25,000	√
	(To be determined)	MET and Reliability Planning	65,000	50,000	
<b>Total MET Issues &amp; Special Projects Expenses</b>			<b>110,000</b>	<b>75,000</b>	
<b>Total Engineering Expenses</b>			<b>435,000</b>	<b>210,000</b>	
<b>Legal Expenses</b>					
<b>Administration (11 &amp; 13)</b>	Best, Best & Krieger	General Legal Counsel Services	182,500	185,500	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	12,500	15,000	√
	Best, Best & Krieger	Labor Counsel Services	5,000	10,000	√
<b>Total Legal Expenses</b>			<b>200,000</b>	<b>210,500</b>	
<b>Audit Expenses</b>					
<b>Finance (41)</b>	Vasquez & Company LLP	Annual Financial Audit and Federal Single Audit	29,240	29,725	√
<b>Training</b>					
<b>Administration (13)</b>	TBD/Cal State University Fullerton/Municipal Resources Group/Center for Organization Effectiveness/CPS HR Consulting	Staff Development/Technical Training/Leadership Training	30,000	62,500	√
<b>Professional Fees</b>					
<b>Administration (12 &amp; 13 &amp; 19)</b>	Dissinger Associates	Pension Plan Administration	4,500	4,000	√
	Wage Works	Cafeteria Plan Administration	2,312	2,400	√
	Ralph Anderson & Associates	Benchmark Study		36,000	√
	Gladwell Services	Records Management Consulting	2,500	1,200	√
<b>Governmental Affairs (31)</b>	BBK Legislation	State Legislative Advocate	96,000	96,000	√
	James C. Barker	Federal Legislative Advocate	96,000	96,000	√
	Lewis Consulting	County Issues Consulting	42,000	42,000	√
	Soto Services	Grant Research and Acquisition Assistance	36,000	36,000	√
	Ackerman	Legal and Regulatory	36,000	36,000	√
	(To be determined)	Miscellaneous	8,000	8,000	
<b>Public Affairs (32)</b>	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	40,633	41,852	√
	So Cal Water Coalition	Delta Conveyance Program Support	30,000	30,000	√
	(To be determined)	Collateral materials update and resolutions/proclamations	4,500	4,500	
	(To be determined)	Event Registration Fees	4,500	12,500	
	Hashtag Pinpoint	Strategic Digital Outreach Contract	95,000	95,000	√
	(To be determined)	CA Water, Energy & Education Alliance		5,000	
	(To be determined)	Client Agency Workshops for PAW	6,500	4,000	
	(To be determined)	Wyland Mayors Challenge	10,000	10,000	
	PSAV	Special Events AV Support	15,000	20,000	√
	(To be determined)	Advertising	20,000	20,000	
<b>WUE - Core (35)</b>	(To be determined)	General WUE Research	75,000	75,000	
	Blue Watchdog Conservation, Inc	Landscape Education - QWEL License	5,000	500	√
	Water Systems Optimization	Water Loss Control Work Grp (WLC)	55,000	55,000	√
	Water Systems Optimization	WLC Business Plan Implementation	30,000	25,000	√
	SAWPA	Aerial Imagery and Landscape Measurement Project	100,000	100,000	√
<b>Finance &amp; IT (41 &amp; 45)</b>	U.S. Bank	Custodial Bank fees	6,500	6,500	√
	(To be determined)	Business Continuity Consultant	40,000		
	Davis Farr	Financial Consulting	40,000	20,000	√
	Demsey Filliger & Assoc., LLC	OPEB Actuarial	4,500	3,750	√
	(To be determined)	Rate Study		82,500	
<b>Total Professional Fees</b>			<b>920,445</b>	<b>996,202</b>	

**WEROC**

Department	Consultant	Service	Budget FY 19-20	Budget FY 20-21	* Approval included in Budget Approval
<b>Professional Fees</b>					
<b>WEROC</b>	(To be determined)	Consultant for Security Act Implementation	30,000		
<b>Total Professional Fees</b>			<b>30,000</b>	<b>-</b>	

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

[1] Hydraulic Modeling expense of \$130,000 is being paid for from reserves.

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

Department	Consultant	Service	Budget FY 19-20	Budget FY 20-21	* Approval included in Budget Approval
<b>Training</b>					
<b>Water Loss Control (70)</b>	(To be determined)	Water Balance Validation Certification	2,000	2,000	
<b>Professional Fees</b>					
<b>Water Loss Control (70)</b>	Westerley & McCall's	Meter Accuracy Testing		62,801	√
	Various Printers	Printing of marketing materials for all WUE programs	40,000	40,000	√
<b>Water Use Efficiency (62)</b>	Enterprise Information Systems	CSANS Webhosting & Annual Maintenance	14,400		√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	45,072	45,072	√
	Droplet	E-Signature Rebate Processing	7,500	7,500	√
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	35,000	35,000	√
<b>School Program (63)</b>	Discovery Cube/Shows That	Assemblies (Elementary School)	305,651	285,123	√
	Bolsa Chica Conservancy	Assemblies (High School)	60,000	64,800	√
	Discovery Cube	Assemblies (Middle School)	59,262	44,840	√
<b>Total Professional Fees</b>			<b>566,885</b>	<b>585,136</b>	

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

**Municipal Water District of Orange County  
Fiscal Year 2019-2020 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers <sup>(1)</sup>	Less Inter-Fund Transfers <sup>(1)</sup>	Consolidated Budget Total
<b>Revenues:</b>								
Water Sales		\$ 251,878,259				\$ 251,878,259		\$ 251,878,259
Local Resource Program Incentives		(5,465,263)				(5,465,263)		(5,465,263)
Retail Meter Charge	7,888,930					7,888,930		7,888,930
Ground Water Customer Charge	598,248					598,248		598,248
Water Increment Charge	-					-		-
Interest Revenue	580,000	20,000				600,000		600,000
MWDOC's Contribution	-			273,367		273,367	(273,367)	-
Outside Fundings	-		2,370,147	228,978	-	2,599,125		2,599,125
Carryover Funds	-			150,219		150,219		150,219
Choice Revenue	1,782,434					1,782,434		1,782,434
Miscellaneous Income	3,000					3,000		3,000
<b>Total Revenues</b>	<b>10,852,611</b>	<b>246,432,996</b>	<b>2,370,147</b>	<b>652,564</b>	<b>-</b>	<b>260,308,318</b>	<b>(273,367)</b>	<b>260,034,951</b>
<b>Expenses:</b>								
Water Purchases		246,412,996				246,412,996		246,412,996
Salaries & Wages	4,055,637			267,463		4,323,100		4,323,100
less S & W Reimb. DSC or Recov from Grants	(5,500)					(5,500)		(5,500)
Employee Benefits	1,470,174			82,520		1,552,694		1,552,694
Engineering Expense	435,000					435,000		435,000
Professional Fees	1,672,407			30,000		4,072,554		4,072,554
Contribution to Election Reserve	-		2,370,147			-		-
Legal Expense - General	200,000					200,000		200,000
Maintenance Expense	158,527			4,738		163,265		163,265
Insurance Expense	140,000			-		140,000		140,000
Membership / Sponsorship	114,966					116,071		116,071
Director Compensation	268,133			1,105		268,133		268,133
MWDOC Contribution to WEROC Operations	228,978					228,978	(228,978)	-
MWDOC Contribution to WEROC Capital Improv	44,389					44,389	(44,389)	-
<b>Others:</b>								
MWD Representation	153,218					153,218		153,218
Director Benefits	93,947					93,947		93,947
Health Insurance Coverage for Retirees	70,287					70,287		70,287
Audit Expense	29,240					29,240		29,240
Automotive & Toll Road Expenses	34,860			1,213		36,073		36,073
Conference Expense - Staff	40,535			2,800		43,335		43,335
Conference Expense - Directors	28,440					28,440		28,440
CDR Participation	50,156					50,156		50,156
Business Expense	5,200					5,200		5,200
Miscellaneous Expense	109,300			6,000		115,300		115,300
Postage / Mail Delivery	9,400					9,400		9,400
Rents & Leases	3,616					3,616		3,616
Outside Printing, Subscription & Books	62,500			1,000		63,500		63,500
Office Supplies	38,033			1,000		39,033		39,033
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	93,634			7,441		101,075		101,075
Computers and Equipment	49,450					49,450		49,450
Telecommunications Expense	25,773			10,000		35,773		35,773
Temporary Help Expense	5,000					5,000		5,000
Training Expense	32,000			1,150		33,150		33,150
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	89,131			8,380		97,511		97,511
Travel & Accommodations - Directors	46,625					46,625		46,625
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	835,831					835,831		835,831
Contribution to Operating Reserves	-			28,086		28,086		28,086
Capital Acquisition	106,456			194,608		301,064		301,064
All Other Expenses	2,025,632			266,738		2,292,370		2,292,370
<b>Total Expenses</b>	<b>10,808,543</b>	<b>246,412,996</b>	<b>2,370,147</b>	<b>652,564</b>	<b>-</b>	<b>260,244,250</b>	<b>(273,367)</b>	<b>259,970,883</b>
<b>EFFECT ON RESERVES / FUND BALANCE</b>	<b>\$ 44,068</b>	<b>\$ 20,000</b>	<b>(2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 64,068</b>	<b>\$ -</b>	<b>\$ 64,068</b>

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

**Municipal Water District of Orange County  
Fiscal Year 2020-2021 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers <sup>(1)</sup>	Consolidated Budget Total
<b>Revenues:</b>								
Water Sales		\$ 229,079,152				\$ 229,079,152		\$ 229,079,152
Local Resource Program Incentives		(4,881,259)				(4,881,259)		(4,881,259)
Retail Meter Charge	7,837,792					7,837,792		7,837,792
Ground Water Customer Charge	595,323					595,323		595,323
Water Increment Charge	-					-		-
Interest Revenue	458,000	22,000				480,000		480,000
MWDOC's Contribution	-		1,579,934	241,236	-	241,236	(241,236)	-
Outside Fundings	-			241,236		1,821,170		1,821,170
Carryover Funds	1,630,995			-		1,630,995		1,630,995
Choice Revenue	3,000					3,000		3,000
Miscellaneous Income								
<b>Total Revenues</b>	<b>10,525,111</b>	<b>224,219,893</b>	<b>1,579,934</b>	<b>482,472</b>	<b>-</b>	<b>236,807,409</b>	<b>(241,236)</b>	<b>236,566,173</b>
<b>Expenses:</b>								
Water Purchases		224,197,893				224,197,893		224,197,893
Salaries & Wages	4,152,075			318,348	-	4,470,423		4,470,423
less S & W Reimb. DSC or Recov from Grants	-					-		-
Employee Benefits	1,542,385			105,792	-	1,648,177		1,648,177
Engineering Expense	340,000					340,000		340,000
Professional Fees	1,581,338			-		3,161,272		3,161,272
Contribution to Election Reserve	-		1,579,934			-		-
Legal Expense - General	210,500			-	-	210,500		210,500
Maintenance Expense	146,420			3,900		150,320		150,320
Insurance Expense	110,000			-		110,000		110,000
Membership / Sponsorship	127,161			1,105		128,266		128,266
Director Compensation	258,909					258,909		258,909
MWDOC Contribution to WEROC Operations	241,236					241,236	(241,236)	-
MWDOC Contribution to WEROC Capital Improv	-					-		-
<b>Others:</b>								
MWD Representation	157,070					157,070		157,070
Director Benefits	101,971					101,971		101,971
Health Insurance Coverage for Retirees	87,449					87,449		87,449
Audit Expense	29,725					29,725		29,725
Automotive & Toll Road Expenses	28,650			3,200		31,850		31,850
Conference Expense - Staff	26,515			3,800		30,315		30,315
Conference Expense - Directors	18,695					18,695		18,695
CDR Participation	53,158					53,158		53,158
Business Expense	4,500					4,500		4,500
Miscellaneous Expense	115,000			6,000		121,000		121,000
Postage / Mail Delivery	9,300					9,300		9,300
Rents & Leases	1,750			-		1,750		1,750
Outside Printing, Subscription & Books	84,700			1,000		85,700		85,700
Office Supplies	49,000			1,800		50,800		50,800
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	104,640			9,491		114,131		114,131
Computers and Equipment	33,550			-		33,550		33,550
Telecommunications Expense	30,850			10,000		40,850		40,850
Temporary Help Expense	5,000					5,000		5,000
Training Expense	64,500			8,226		72,726		72,726
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	62,495			4,750		67,245		67,245
Travel & Accommodations - Directors	24,900					24,900		24,900
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	726,883			-		726,883		726,883
Contribution to Operating Reserves								
Capital Acquisition	79,200			-		79,200		79,200
All Other Expenses	1,912,501			53,327		1,965,828		1,965,828
<b>Total Expenses</b>	<b>10,622,524</b>	<b>224,197,893</b>	<b>1,579,934</b>	<b>482,472</b>	<b>-</b>	<b>236,882,823</b>	<b>(241,236)</b>	<b>236,641,588</b>
<b>EFFECT ON RESERVES / FUND BALANCE</b>	<b>\$ (97,413)</b>	<b>\$ 22,000</b>	<b>(2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (75,414)</b>	<b>\$ -</b>	<b>\$ (75,415)</b>

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



**CONSENT CALENDAR ITEM**

October 21, 2020

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Cathy Harris, Directors of Human Resources &  
Administration

**SUBJECT: AWARD CONTRACT FOR PURCHASE OF OFFICE FURNITURE TO  
INTERIOR OFFICE SOLUTIONS (IOS)/DBA PEOPLESPLACE UNDER  
THE COUNTY OF ORANGE REGIONAL COOPERATIVE  
AGREEMENT (RCA)**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors award contract for the purchase of office furniture to Interior Office Solutions, DBA PeopleSpace in the total amount of \$300,000 (Phases 1-3; FY2020-21) under the County of Orange Regional Cooperative Agreement. Use of this agreement is in accordance with the District's Administrative Code and the final contract is subject to review and approval by District Counsel. Use of the agreement discounts the Haworth brand furniture list price by 55% to 68%. This contract amount has been further reduced to incorporate the proposed partial use of Joint Board Room furniture. Additional purchases under this contract will be included in the FY2021-22 budget (Phase 4 & Glass Walls Construction) and brought to the Board of Directors next fiscal year.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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Construction work for the Seismic Retrofit and Remodel project is scheduled to take place beginning in November 2020, subject to Board approval. This construction will significantly

<b>Budgeted (Y/N):</b> N	Budgeted amount:#8810: \$346,900	Core X	Choice _
<b>Action item amount:</b> \$300,000			
<b>Fiscal Impact (explain if unbudgeted):</b> Additional funding for Phase 4 furniture and Glass Walls construction to be included in FY2021-2022 budget.			

modify the functional layout of the office space and will shift the proportion of work stations and offices in order to improve capacity. Over the past year, consideration has been given not only to the office configuration but also to the safety issues related to COVID-19 implications. These issues have contributed to important changes, including the selection of furniture options. The proposed vendor (Interior Office Solutions, DBA PeopleSpace) provides a significant cost savings to MWDOC through use of the County of Orange Regional Cooperative Agreement. Construction is scheduled to occur in four phases; with the first three phases occurring in the current fiscal year (FY2020-21). This action item includes the furniture for the first three phases which will be delivered, installed and billed by phase during FY2020-21. Phase 4 furniture and the installation of glass walls (construction cost) will occur next fiscal year and will be brought to the MWDOC Board of Directors for approval as a modification to this contract.

There has been extensive discussion between MWDOC and OCWD concerning the construction of a new storage room adjacent to the current Room 101. The agreement has been reached that in lieu of constructing the new storage room at this time OCWD will (1) make additional storage space available to MWDOC through reconfiguration of the Joint Boardroom storage and projector rooms and provision of space in the Microfiltration Building, (2) MWDOC will use some of the Board Room furniture to mitigate costs, (3) OCWD will provide the labor free of cost to MWDOC to move furniture between MWDOC and the storage space and (4) the arrangement will be evaluated after a trial period to assess the need for the additional storage room. The results of that assessment will be discussed by the Joint Building Management Committee to determine further actions, if any, regarding the new storage room.

## DETAILED REPORT

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Construction work for the Seismic Retrofit and Remodel is scheduled to take place beginning in November 2020, subject to Board approval. In 1992, when the District relocated to Fountain Valley, furniture was brought over from the previous office location and some additional furniture was purchased from OCWD as they were refurbishing their offices. Over the 28-year period, staff has replaced pieces of furniture as necessary and as a result there is a diverse mix of furniture styles and ages throughout the office. The proposed office remodel would create additional workstations to accommodate all staff as well as provide a more efficient building footprint. This will require an investment in new furniture to accommodate the efficient layout. It will also provide a 30-year update and provide a consistent and professional look throughout the office. A single large purchase of quality furniture through the County of Orange Regional Cooperative Agreement will improve efficiencies in the sourcing of replacement parts, reduce the need for future repair parts; and should repair work become necessary, the recommended furniture has a lifetime warranty from the manufacturer. In addition to the majority of the furniture providing a consistent look throughout the office, it will not require replacement for another 20+ years. These improvements will provide sufficient workspaces for all District employees and will provide additional flexibility depending on the specific needs.

The proposal includes replacement of most office furniture except the lunch room, atrium and WEROC office. The proposal includes:

- Ergonomic sit/stand desks and file cabinets for private offices
- Ergonomic sit/stand workstations

- Partition walls with glass extensions to provide physical barriers as recommended by CDC guidance for infection control
- Board Conference Room (CR101) tables with electrical outlets and Board Conference chairs (tables are designed to seat 12 to include MWDOC and MET Directors, General Manager, Assistant General Manager and support staff recording the meeting)
- Partial replacement of task chairs for desks and workstations (Only staff that have requested a chair will get a replacement)
- Guest chairs for private offices and conference rooms
- Storage cabinets for meeting areas and the copier room
- Additional training tables with electrical outlets to replace existing tables and supplement Joint Board Room furniture. The proposed tables have casters for ease of movement, lighter to transport, are one unit and foldable, include a modesty panel and larger in size (30x60)
- Monitor arms for the workstations and desks
- Furniture for a new privacy room/lactation room

Staff has been working with PeopleSpace representatives to ensure that the office furnishings are well designed and constructed, provide flexibility, are aesthetically pleasing and reasonably priced. Based on the current construction project schedule, furniture will be purchased and ordered in phases, consistent with each phase of the remodel, totaling four phases, over two fiscal years.

Upon completion of each construction phase, it is anticipated that staff can safely return to the completed portions of the office and to the new workspaces which will be available for use. Office areas not under active construction will be available for use.

Upon completion of the entire project, there will be:

- 45 workstations
- An addition of two collaboration rooms (with seating for two people each)
- An additional small conference room for 6 people
- A new Privacy Room/Lactation Room (pursuant to Labor Code 1030)

The large conference room (CR101) will remain in its current location and will be expanded, while the small conference room (CR102) and the Board of Directors office will be relocated during the remodel.

MWDOC's Administrative Code allows for the use of Cooperative Agreements from other Public Agencies for procurement of goods and services and in an effort to achieve savings through economies of scale, lower administrative costs and obtain more favorable terms and conditions. The County of Orange conducted a formal bidding process for office furnishings in 2017, which contains the types and styles of furniture desired for MWDOC'S facilities. The furniture being proposed for the office is produced by Haworth, Inc. and has been discounted at 55% to 68% off their normal list price. Haworth is a financially stable company that was established in 1948 and produces well made, high quality furnishings. Additionally, they offer lifetime warranty on their products.

Several other local government agencies have utilized the County of Orange's competitive bid process, Regional Cooperative Agreement, to purchase furniture for their facilities with good results including the Cities of Buena Park, Laguna Niguel, Westminster, Newport

Beach, La Habra and Brea. The County of Orange Cooperative Agreement is a five-year agreement ending in 2022. Attached is the County of Orange Regional Cooperative Agreement for review. MWDOC's District Counsel will review and both the purchase agreement and the Regional Cooperative Agreement prior to contract signature to verify consistency with District Policy.

Total budgeted amount for capital expenditures for FY2020-/21 is \$346,900 and will be allocated to Phases 1 through 3. Capital expenditures for furniture in Phase 4 will be included in the 21/22 budget.

Staff is recommending the Board of Directors award contract for the purchase of office furniture to Interior Office Solutions, DBA PeopleSpace in the total amount of \$300,000; under the County of Orange Regional Cooperative Agreement.

## BOARD OPTIONS

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### Option #1

- Award contract for the purchase of office furniture to Interior Office Solutions, DBA PeopleSpace in the amount of \$300,000; under the County of Orange Regional Cooperative Agreement.

**Fiscal Impact:** The Phase 1-3 contract amount is less than the FY2020-21 budgeted amount of \$346,900

**Business Analysis:** Provides a cost savings to the District by participating in the County of Orange Regional Cooperative Agreement; provides workstations to accommodate all staff along with additional meeting rooms; large purchasing of new furniture for the office will reduce costs over time in not having to replace various furniture items for 20+ years.

### Option #2

- Do not authorize the contract for office furniture to Interior Office Solutions, DBA Peoplepace under the County of Orange Regional Cooperative Agreement.

**Fiscal Impact:** Delay and possible increase in budgeted expenditure.

**Business Analysis:** Additional furniture will be needed to complete the additional workstations needed for staff. Staff will need to continue to use existing furniture and incur additional costs of moving the furniture multiple times during construction with some breakage occurring. The existing furniture would need to be evaluated and retrofitted to accommodate for the recommended CDC guidance for infection control. The furniture order would need to be rebid. Staff believes the pricing under the Regional Cooperative Agreement is the best available and represents exceptional value.





**REGIONAL COOPERATIVE AGREEMENT (RCA)  
CONTRACT #RCA-017-18010014  
BETWEEN  
COUNTY OF ORANGE /COUNTY PROCUREMENT OFFICE  
AND  
INTERIOR OFFICE SOLUTIONS  
FOR  
OFFICE FURNITURE, INSTALLATION AND RELATED SERVICES**

This Agreement, hereinafter referred to as "Contract", is made and entered into as of the date fully executed by and between the County of Orange, a political subdivision of the State of California; hereinafter referred to as "County," and Interior Office Solutions, with a place of business at 17800 Mitchell North, Irvine, CA 92614-6004; hereinafter referred to as "Contractor," with County and Contractor sometimes referred to as "Party" or collectively as "Parties."

**ATTACHMENTS**

This Contract is comprised of this document and the following Attachments, which are incorporated by reference into this Contract herein:

Attachment A – Scope of Work  
Attachment B – Compensation, Payment and Invoicing Instructions  
Attachment C – Pricing/Discount Schedule and Other Fees

**RECITALS**

**WHEREAS**, Contractor responded to a Request for Proposal ("RFP") for providing Office Furniture, Installation and Related Services as further set forth herein; and

**WHEREAS**, Contractor responded and represented that its proposed products/services shall meet or exceed the requirements and specifications of the RFP; and

**WHEREAS**, County of Orange Board of Supervisors has authorized the Purchasing Agent or his designee to enter into this Contract for Office Furniture, Installation and Related Services with Contractor;

**NOW, THEREFORE**, the Parties mutually agree as follows:

**ARTICLES**

**County General Terms and Conditions:**

- A. Governing Law and Venue:** This Contract has been negotiated and executed in the state of California and shall be governed by and construed under the laws of the state of California, without reference to conflicts of law provisions. In the event of any legal action to enforce or interpret this Contract, the sole and exclusive venue shall be a court of competent jurisdiction located in Orange County, California, and the Parties hereto agree to and do hereby submit to the jurisdiction of such court, notwithstanding California Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.
- B. Entire Contract:** This Contract, when accepted by Contractor either in writing or by the shipment of any article or other commencement of performance hereunder, contains the entire Contract between the Parties with respect to the matters herein, and there are no restrictions, promises, warranties or undertakings other than those set forth herein or referred to herein. No exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing. Electronic acceptance of any additional terms, conditions or supplemental

Contracts by any County employee or agent, including but not limited to installers of software, shall not be valid or binding on County unless accepted in writing by County's Purchasing Agent or his designee, hereinafter "Purchasing Agent."

- C. Amendments:** No alteration or variation of the terms of this Contract shall be valid unless made in writing and signed by the Parties; no oral understanding or agreement not incorporated herein shall be binding on either of the Parties; and no exceptions, alternatives, substitutes or revisions are valid or binding on County unless authorized by County in writing.
- D. Taxes:** Unless otherwise provided herein or by law, price quoted does not include California state sales or use tax.
- E. Delivery:** Time of delivery of services is of the essence in this Contract. Time of the essence is not waived in any way by County's waiver of or failure to take action with respect to any one particular time of the essence breach. County reserves the right to refuse any services and to cancel all or any part of the descriptions or services that do not conform to the prescribed Attachment A, Scope of Work. Delivery shall not be deemed to be complete until all services have actually been received and accepted in writing by County pursuant to paragraph "F".
- F. Acceptance/Payment:** Unless otherwise agreed to in writing by County, 1) acceptance shall not be deemed complete unless in writing and until all the goods/services have actually been received, inspected, and tested to the satisfaction of County, and 2) payment shall be made in arrears after satisfactory acceptance by County and in accordance to Attachment B, Compensation, Payment and Invoice Instructions for Contracted Services.
- G. Warranty:** Contractor expressly represents and warrants that the goods/services covered by this Contract are fit for the particular purpose for which they are intended. Contractor will indemnify, defend and hold County and County Indemnities, as more fully described in paragraph "Z", harmless from liability, loss, damage and expense, including reasonable counsel fees, incurred or sustained by County by reason of the failure of the services to conform to such representations and warranties, faulty work performance, negligent or unlawful acts, and non-compliance with any applicable state or federal codes, ordinances, orders, or statutes, including the Occupational Safety and Health Act (OSHA) and the California Industrial Safety Act. Such remedies shall be in addition to any other remedies provided by law.
- H. Patent/Copyright Materials/Proprietary Infringement:** Unless otherwise expressly provided in this Contract, Contractor shall be solely responsible for clearing the right to use any patented or copyrighted materials in the performance of this Contract. Contractor warrants that any software as modified through services provided hereunder will not infringe upon or violate any patent, proprietary right, or trade secret right of any third party. Contractor agrees that, in accordance with the more specific requirement contained in paragraph "HH" below, it shall indemnify, defend and hold County and County Indemnities harmless from any and all such claims and be responsible for payment of all costs, damages, penalties and expenses related to or arising from such claim(s), including, but not limited to, attorney's fees, costs and expenses.
- I. Assignment:** The terms, covenants, and conditions contained herein shall apply to and bind the heirs, successors, executors, administrators and assigns of the Parties. Furthermore, neither the performance of this Contract nor any portion thereof may be assigned by Contractor without the express written consent of County. Any attempt by Contractor to assign the performance or any portion thereof of this Contract without the express written consent of County shall be invalid and shall constitute a breach of this Contract.
- J. Non-Discrimination:** In the performance of this Contract, Contractor agrees that it will comply with the requirements of Section 1735 of the California Labor Code and not engage nor permit any subcontractors to engage in discrimination in employment of persons because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical

condition, marital status, or sex of such persons. Contractor acknowledges that a violation of this provision shall subject Contractor to all the penalties imposed for a violation of Section 1720 et seq. of the California Labor Code.

- K. Termination:** In addition to any other remedies or rights it may have by law and those set forth in this Contract, County has the right to terminate this Contract without penalty immediately with cause or after thirty (30) days' written notice without cause, unless otherwise specified. Cause shall be defined as any breach of Contract, any misrepresentation or fraud on the part of the Contractor. Exercise by County of its right to terminate the Contract shall relieve County of all further obligations.
- L. Consent to Breach Not Waiver:** No term or provision of this Contract shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- M. Independent Contractor:** Contractor shall be considered an independent contractor and neither Contractor, its employees nor anyone working under Contractor shall be considered an agent or an employee of County. Neither Contractor, its employees nor anyone working under Contractor shall qualify for workers' compensation or other fringe benefits of any kind through County.
- N. Performance Warranty:** Contractor shall perform all work under this Contract, taking necessary steps and precautions to perform the work to County's satisfaction. Contractor shall be responsible for the professional quality, technical assurance, timely completion and coordination of all documentation and other services furnished by Contractor under this Contract. Contractor shall perform all work diligently, carefully, and in a good and workman-like manner; shall furnish all labor, supervision, machinery, equipment, materials, and supplies necessary therefore; shall at its sole expense obtain and maintain all permits and licenses required by public authorities, including those of County required in its governmental capacity, in connection with performance of the work; and, if permitted to subcontract, shall be fully responsible for all work performed by sub-contractors.
- O. Insurance Provision:** Prior to the provision of services under this Contract, Contractor agrees to purchase all required insurance at Contractor's expense, including all endorsements required herein, necessary to satisfy County that the insurance provisions of this Contract have been complied with and to keep such insurance coverage and the certificates therefore on deposit with County during the entire term of this Contract. In addition, all subcontractors performing work on behalf of Contractor pursuant to this Contract shall obtain insurance subject to the same terms and conditions as set forth herein for Contractor.

Contractor shall ensure that all subcontractors performing work on behalf of Contractor pursuant to this Contract shall be covered under Contractor's insurance as an Additional Insured or maintain insurance subject to the same terms and conditions as set forth herein for Contractor. Contractor shall not allow subcontractors to work if subcontractors have less than the level of coverage required by County from Contractor under this Contract. It is the obligation of Contractor to provide notice of the insurance requirements to every subcontractor and to receive proof of insurance prior to allowing any subcontractor to begin work. Such proof of insurance must be maintained by Contractor through the entirety of this Contract for inspection by County representative(s) at any reasonable time.

All self-insured retentions (SIRs) shall be clearly stated on the Certificate of Insurance. Any SIR in an amount in excess of Fifty Thousand Dollars (\$50,000) shall specifically be approved by County's Risk Manager, or designee, upon review of Contractor's current audited financial report. If Contractor's SIR is approved, Contractor, in addition to, and without limitation of, any other indemnity provision(s) in this Contract, agrees to all of the following:

- 1) In addition to the duty to indemnify and hold County harmless against any and all liability, claim, demand or suit resulting from Contractor's, its agents, employee's or subcontractor's performance of this Contract, Contractor shall defend County at its sole cost and expense with counsel approved by Board of Supervisors against same; and
- 2) Contractor's duty to defend, as stated above, shall be absolute and irrespective of any duty to indemnify or hold harmless; and
- 3) The provisions of California Civil Code Section 2860 shall apply to any and all actions to which the duty to defend stated above applies, and Contractor's SIR provision shall be interpreted as though Contractor was an insurer and County was the insured.

If Contractor fails to maintain insurance acceptable to County for the full term of this Contract, County may terminate this Contract.

### **Qualified Insurer**

The policy or policies of insurance must be issued by an insurer with a minimum rating of A- (Secure A.M. Best's Rating) and VIII (Financial Size Category as determined by the most current edition of the **Best's Key Rating Guide/Property-Casualty/United States or ambest.com**). It is preferred, but not mandatory, that the insurer be licensed to do business in the state of California (California Admitted Carrier).

If the insurance carrier does not have an A.M. Best Rating of A-/VIII, the CEO/Office of Risk Management retains the right to approve or reject a carrier after a review of the company's performance and financial ratings.

The policy or policies of insurance maintained by Contractor shall provide the minimum limits and coverage as set forth below:

<b>Coverage</b>	<b>Minimum Limits</b>
Commercial General Liability	\$1,000,000 per occurrence \$2,000,000 aggregate
Automobile Liability including coverage for owned, non-owned and hired vehicles	\$1,000,000 combined single limit per occurrence
Workers' Compensation	Statutory
Employers' Liability Insurance	\$1,000,000 per occurrence

### **Required Coverage Forms**

The Commercial General Liability coverage shall be written on Insurance Services Office (ISO) form CG 00 01, or a substitute form providing liability coverage at least as broad.

The Business Auto Liability coverage shall be written on ISO form CA 00 01, CA 00 05, CA 0012, CA 00 20, or a substitute form providing coverage at least as broad.

### **Required Endorsements**

The Commercial General Liability policy shall contain the following endorsements, which shall accompany the Certificate of Insurance:

- 1) An Additional Insured endorsement using ISO form CG 20 26 04 13 or a form at least as broad naming the ***County of Orange, its elected and appointed officials, officers, agents and employees*** as Additional Insureds, or provide blanket coverage, which will state ***AS REQUIRED BY WRITTEN CONTRACT.***

- 2) A primary non-contributing endorsement using ISO form CG 20 01 04 13, or a form at least as broad evidencing that Contractor's insurance is primary and any insurance or self-insurance maintained by the County of Orange shall be excess and non-contributing.

The Workers' Compensation policy shall contain a waiver of subrogation endorsement waiving all rights of subrogation against the *County of Orange, its elected and appointed officials, officers, agents and employees* or provide blanket coverage, which will state **AS REQUIRED BY WRITTEN CONTRACT**.

All insurance policies required by this Contract shall waive all rights of subrogation against the County of Orange, its elected and appointed officials, officers, agents and employees when acting within the scope of their appointment or employment.

Contractor shall notify County in writing within thirty (30) days of any policy cancellation and ten (10) days for non-payment of premium and provide a copy of the cancellation notice to County. Failure to provide written notice of cancellation may constitute a material breach of the Contract, upon which County may suspend or terminate this Contract.

The Commercial General Liability policy shall contain a severability of interests clause also known as a "separation of insureds" clause (standard in the ISO CG 0001 policy).

Insurance certificates should be forwarded to the department address listed in paragraph "36", Notices.

If Contractor fails to provide the insurance certificates and endorsements within seven (7) days of notification by CEO/Purchasing or the department purchasing division, award may be made to the next qualified Offeror.

County expressly retains the right to require Contractor to increase or decrease insurance of any of the above insurance types throughout the term of this Contract. Any increase or decrease in insurance will be as deemed by County of Orange Risk Manager as appropriate to adequately protect County.

County shall notify Contractor in writing of changes in the insurance requirements. If Contractor does not deposit copies of acceptable Certificates of Insurance and endorsements with County incorporating such changes within thirty (30) days of receipt of such notice, this Contract may be in breach without further notice to Contractor, and County shall be entitled to all legal remedies.

The procuring of such required policy or policies of insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this Contract, nor act in any way to reduce the policy coverage and limits available from the insurer.

**P. Changes:** Contractor shall make no changes in the work or perform any additional work without County's specific written approval.

**Q. Change of Ownership:** Contractor agrees that if there is a change or transfer in ownership of Contractor's business prior to completion of this Contract, the new owners shall be required under terms of sale or other transfer to assume Contractor's duties and obligations contained in this Contract and complete them to the satisfaction of County.

County reserves the right to immediately terminate the Contract without penalty in the event County determines that the assignee is not qualified or is otherwise unacceptable to County for the provision of services under this Contract.

**R. Force Majeure:** Contractor shall not be assessed with liquidated damages or unsatisfactory performance penalties during any delay beyond the time named for the performance of this Contract caused by any act of God, war, civil disorder, employment strike or other cause beyond its reasonable control, provided Contractor gives written notice of the cause of the delay to

County within thirty-six (36) hours of the start of the delay and Contractor avails himself of any available remedies.

- S. **Confidentiality:** Contractor agrees to maintain the confidentiality of all County and County-related records and information pursuant to all statutory laws relating to privacy and confidentiality that currently exist or exist at any time during the term of this Contract. All such records and information shall be considered confidential and kept confidential by Contractor and Contractor's staff, agents and employees.
- T. **Compliance with Laws:** Contractor represents and warrants that services to be provided under this Contract shall fully comply, at Contractor's expense, with all standards, laws, statutes, restrictions, ordinances, requirements, and regulations (collectively "laws"), including, but not limited to those issued by County in its governmental capacity and all other laws applicable to the services at the time services are provided to and accepted by County. Contractor acknowledges that County is relying on Contractor to ensure such compliance, and pursuant to the requirements of paragraph "HH" below, Contractor agrees that it shall defend, indemnify and hold County and County Indemnities harmless from all liability, damages, costs, and expenses arising from or related to a violation of such laws.
- U. **Freight (F.O.B. Destination):** Prior to County's express acceptance of delivery of products. Contractor assumes full responsibility for all transportation, transportation scheduling, packing, handling, insurance, and other services associated with delivery of all products deemed necessary under this Contract.
- V. **Severability:** If any term, covenant, condition, or provision of this Contract is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- W. **Attorney Fees:** In any action or proceeding to enforce or interpret any provision of this Contract, or where any provision hereof is validly asserted as a defense, each party shall bear its own attorney's fees, costs and expenses.
- X. **Interpretation:** This Contract has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Contract. In addition, each Party has been represented by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each Party further acknowledges that it has not been influenced to any extent whatsoever in executing this Contract by any other Party hereto or by any person representing them, or both. Accordingly, any rule or law (including California Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Contract against the Party that has drafted it is not applicable and is waived. The provisions of this Contract shall be interpreted in a reasonable manner to affect the purpose of the Parties and this Contract.
- Y. **Employee Eligibility Verification:** Contractor represents and warrants that it is and will remain in full compliance with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this Contract meet the citizenship or alien status requirement set forth in Federal statutes and regulations. Contractor shall obtain, from all employees, consultants and subcontractors performing work hereunder, all verification and other documentation of employment eligibility status required by Federal or State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, 8 U.S.C. §1324 et seq., as they currently exist and as they may be hereafter amended. Contractor shall retain all such documentation for all covered employee, consultants and subcontractors for the period prescribed by the law. Contractor shall indemnify, defend with counsel approved in writing by County, and hold harmless, County, its agents, officers, and

employees from employer sanctions and any other liability which may be assessed against Contractor or County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this Contract.

**Z. Indemnification Provisions:** Contractor agrees to indemnify, defend with counsel approved in writing by County, and hold County, its elected and appointed officials, officers, employees, agents and those special districts and agencies which County's Board of Supervisors acts as the governing Board ("County Indemnitees") harmless from any claims, demands or liability of any kind or nature, including but not limited to personal injury or property damage, arising from or related to the services, products or other performance provided by Contractor pursuant to this Contract. If judgment is entered against Contractor and County by a court of competent jurisdiction because of the concurrent active negligence of County or County Indemnitees, Contractor and County agree that liability will be apportioned as determined by the court. Neither Party shall request a jury apportionment.

**AA. Audits/Inspections:** Contractor agrees to permit County's Auditor-Controller or the Auditor-Controller's authorized representative (including auditors from a private auditing firm hired by County) access during normal working hours to all books, accounts, records, reports, files, financial records, supporting documentation, including payroll and accounts payable/receivable records, and other papers or property of Contractor for the purpose of auditing or inspecting any aspect of performance under this Contract. The inspection and/or audit will be confined to those matters connected with the performance of the Contract including, but not limited to, the costs of administering the Contract. County will provide reasonable notice of such an audit or inspection.

County reserves the right to audit and verify Contractor's records before final payment is made.

Contractor will maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated under this Contract or by law. Contractor will allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor will include a similar right to County to audit records and interview staff of any subcontractor related to performance of this Contract.

Should Contractor cease to exist as a legal entity, Contractor's records pertaining to this agreement shall be forwarded to the surviving entity in a merger or acquisition or, in the event of liquidation, to County's project manager.

**BB. Contingency of Funds:** Contractor acknowledges that funding or portions of funding for this Contract may be contingent upon state budget approval; receipt of funds from, and/or obligation of funds by, the state of California to County; and inclusion of sufficient funding for the services hereunder in the budget approved by County's Board of Supervisors for each fiscal year covered by this Contract. If such approval, funding or appropriations are not forthcoming, or are otherwise limited, County may immediately terminate or modify this Contract without penalty.

**CC. Expenditure Limit:** Contractor shall notify the County of Orange assigned Deputy Purchasing Agent in writing when the expenditures against the Contract reach seventy-five percent (75%) of the dollar limit on the Contract. County will not be responsible for any expenditure overruns and will not pay for work exceeding the dollar limit on the Contract unless a change order to cover those costs has been issued.

#### **Additional Terms and Conditions**

**1. Scope of Contract:** This Contract specifies the contractual terms and conditions by which County will procure goods from Contractor as further detailed in the Scope of Services, identified and incorporated herein by this reference as "Attachment A"

2. **Contract Term:** This Contract shall commence on **November 15, 2017**, upon all necessary signatures, and shall continue for five (5) calendar years from that date, through and including **November 14, 2022**, unless otherwise terminated by County. This Contract is non-renewable.
3. **Regional Cooperative Agreement (RCA):** The provisions and pricing of this Contract will be extended to other California local or state governmental entities. Governmental entities wishing to use this Contract will be responsible for issuing their own purchase documents/price agreements, providing for their own acceptance, and making any subsequent payments. Contractor shall be required to include in any Contract entered into with another agency or entity that is entered into as an extension of this Contract a Contract clause that will hold harmless the County of Orange from all claims, demands, actions or causes of actions of every kind resulting directly or indirectly, arising out of, or in any way connected with the use of this contract. Failure to do so will be considered a material breach of this Contract and grounds for immediate Contract termination. The cooperative entities are responsible for obtaining all certificates of insurance and bonds required. Contractor is responsible for providing each cooperative entity a copy of the Contract upon request by the cooperative entity. County of Orange makes no guarantee of usage by other users of this Contract.
- Contractor shall be required to maintain a list of the cooperative entities using this Contract. The list shall report dollar volumes spent annually and shall be provided on an annual basis to County, at the County's request.
4. **Americans with Disabilities Act (ADA):** Section 504 of the Rehabilitation Act of 1973 as amended; Title VI and VII of the Civil Rights Act of 1964 as amended; Americans with Disabilities Act, 42 USC 12101; California Code of Regulations, Title 22; California Government Code, Sections 11135 et seq; and other federal and state laws and executive orders prohibit discrimination. All programs, activities, employment opportunities, and services must be made available to all persons, including persons with disabilities.
5. **Authorization Warranty:** Contractor represents and warrants that the person executing this Contract on behalf of and for the Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition and obligation of this agreement and that all requirements of the Contractor have been fulfilled to provide such actual authority.
6. **Breach of Contract:** The failure of Contractor to comply with any of the provisions, covenants or conditions of this Contract shall be a material breach of this Contract. In such event the County may, and in addition to any other remedies available at law, in equity, or otherwise specified in this Contract:
- i. Terminate the Contract immediately, pursuant to Section K herein;
  - ii. Afford Contractor written notice of the breach and ten (10) calendar days or such shorter time that may be specified in this Contract within which to cure the breach;
  - iii. Discontinue payment to Contractor for and during the period in which Contractor is in breach; and
  - iv. Offset against any monies billed by Contractor but yet unpaid by County those monies disallowed pursuant to the above.
  - v. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.
7. **Calendar Days:** Any reference to the word "day" or "days" herein shall mean calendar day or calendar days, respectively, unless otherwise expressly provided.
8. **Civil Rights:** Contractor attests that services provided shall be in accordance with the provisions of Title VI and Title VII of the Civil Rights Act of 1964, as amended; Section 504 of the



Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975 as amended; Title II of the Americans with Disabilities Act of 1990, and other applicable State and federal laws and regulations prohibiting discrimination on the basis of race, color, national origin, ethnic group identification, age, religion, marital status, sex or disability.

9. **Compensation:** Contractor agrees to accept the specified compensation as set forth in Attachment B, Compensation, Payment and Invoice Instructions, as full remuneration for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by Contractor of all its duties and obligations hereunder.
10. **Conditions Affecting Work:** Contractor shall be responsible for taking all steps reasonably necessary, to ascertain the nature and location of the work to be performed under this Contract and to know the general conditions which can affect the work or the cost thereof. Any failure by Contractor to do so will not relieve Contractor from responsibility for successfully performing the work without additional cost to County. County assumes no responsibility for any understanding or representations concerning the nature, location(s) or general conditions made by any of its officers or agents prior to the execution of this Contract, unless such understanding or representations by the county are expressly stated in the Contract.
11. **Contractor – Change in Ownership:** Contractor agrees that if there is a change in ownership prior to completion of this Contract, the new owner will be required, under terms of sale, to assume this Contract and complete it to the satisfaction of County.
12. **Conflict of Interest – Contractor’s Personnel:** Contractor shall exercise reasonable care and diligence to prevent any actions or conditions that could result in a conflict with the best interests of County. This obligation shall apply to the Contractor; Contractor’s employees and agents, associated with accomplishing work and services hereunder. Contractor’s efforts shall include, but not be limited to establishing precautions to prevent its employees or agents from making, receiving, providing or offering gifts, entertainment, payments, loans or other considerations which could be deemed to appear to influence individuals to act contrary to the best interests of County.
13. **Conflict of Interest – County Personnel:** County of Orange Board of Supervisors policy prohibits its employees from engaging in activities involving a conflict of interest. Contractor shall not, during the period of this Contract, employ any County employee for any purpose.
14. **Conflict with Existing Law:** Contractor and County agree that if any provision of this Contract is found to be illegal or unenforceable, such term or provision shall be deemed stricken and the remainder of Contract shall remain in full force and effect. Either Party having knowledge of such term or provisions shall promptly inform the other of the presumed non-applicability of such provision. Should the offending provision go to the heart of the Contract, Contract shall be terminated in a manner commensurate with interests of both Parties to the maximum extent reasonable.
15. **Contingent Fees:** Contractor warrants that no person or selling agency has been employed or retained to solicit or secure this agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except bona fide employees of Contractor or bona fide established commercial or selling agencies maintained by Contractor for the purpose of securing business.

For breach or violation of this warranty, County shall have the right to terminate this Contract in accordance with the termination clause and at its sole discretion to deduct from the Contract price or consideration, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee from Contractor.

16. **Contractor's Expense:** Contractor will be responsible for all costs related to photo copying, telephone communications, fax communications, and parking while on County sites during the performance of work and services under this Contract. County will not provide free parking for any service in County Civic Center.
17. **Contractor Personnel-Reference Check:** Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to accept the kind of responsibility anticipated under this Contract. Contractor's employees assigned to this project must meet character standards as demonstrated by background investigation and reference checks, coordinated by the department issuing this Contract.
18. **Contractor Personnel-Uniform/Badges/Identification:** Contractor warrants that all persons employed to provide service under this Contract have satisfactory past work records indicating their ability to accept the kind of responsibility under this Contract.
- All Contractor's employees shall be required to wear uniforms, badges, or other means of identification which are to be furnished by Contractor and must be worn at all times while working on County property. The assigned buyer must be notified in writing, within seven days of notification of award of Contract of the uniform and /or badges and/or other notification to be worn by employees prior to beginning work and notified in writing seven days prior to any changes in this procedure.
19. **Contractor's Power and Authority:** Contractor warrants that it has the full power and authority to grant the rights herein granted and will hold County hereunder harmless from and against any loss, cost, liability and expense, including reasonable attorney fees, arising out of any breach of this warranty. Further, Contractor avers that it will not enter into any arrangement with any third party which might abridge any rights of County under this Contract.
20. **Contractor's Project Manager & Key Personnel:** Contractor shall appoint a project manager to direct the Contractor's efforts in fulfilling Contractor's obligations under this Contract. This project manager shall be subject to approval by the County and shall not be changed without the written consent of County's Project Manager, whose consent shall not be unreasonably withheld.
- Contractor's Project Manager and key personnel shall be assigned to this project for the duration of this Contract and shall diligently pursue all work and services to meet the project time lines. Key personnel are those individuals who report directly to Contractor's project manager.
21. **Contractor's Records:** Contractor shall keep true and accurate accounts, records, books and data which shall correctly reflect the business transacted by Contractor in accordance with generally accepted accounting principles. These records shall be stored in Orange County for a period of seven (7) years after final payment is received from County. Storage of records in another county will require written approval from the County of Orange assigned DPA.
22. **Contractor Work Hours and Safety Standards:** Contractor shall ensure compliance with all safety and hourly requirements for employees in accordance with federal, state and County's safety regulations and laws.
23. **County Of Orange Child Support Enforcement:** Contractor certifies it is in full compliance with all applicable federal and state reporting requirements regarding its employees and with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments and will continue to be in compliance throughout the term of the Contract with County of Orange. Failure to comply shall constitute a material breach of the Contract and failure to cure such breach within 60 calendar days of notice from County shall constitute grounds for termination of the Contract."
24. **Data- Title To:** All materials, documents, data or information obtained from County data files or any County medium furnished to Contractor in the performance of this Contract will at

all times remain the property of County. Such data or information may not be used or copied for direct or indirect use by Contractor after completion or termination of this Contract without the express written consent of County. All materials, documents, data or information, including copies, must be returned to County at the end of this Contract.

25. **Debarment:** Contractor shall certify that neither Contractor nor its principles are presently debarred, proposed for debarment, declared ineligible or voluntarily excluded from participation in the transaction by any Federal department or agency. Where Contractor as the recipient of federal funds, is unable to certify to any of the statements in the certification, Contractor must include an explanation with their proposal. Debarment, pending debarment, declared ineligibility or voluntary exclusion from participation by any Federal department or agency may result in the proposal being deemed non-responsible.
26. **Default:** In case of default by Contractor, County of Orange may procure the goods and/or services from other sources. If the cost for those goods and/or services is higher than under the terms of the existing Contract, Contractor will be responsible for paying County the difference between the Contract cost and the price paid, and County may deduct this cost from any unpaid balance due Contractor. The price paid by County shall be the prevailing market price at the time such purchase is made. This is in addition to any other remedies available under this Contract and under law.
27. **Delivery Location – No Loading Dock:** Delivery locations may not have loading docks. Contractor is required to make all necessary arrangements for lift trucks or other means necessary to complete delivery. Inside delivery to secured facilities may be required.
28. **Disputes – Contract:**
- a. The Parties shall deal in good faith and attempt to resolve potential disputes informally. If the dispute concerning a question of fact arising under the terms of this Contract is not disposed of in a reasonable period of time by the Contractor's project manager and the County's project manager, such matter shall be brought to the attention of the County Purchasing Agent by way of the following process:
    - i. Contractor shall submit to the department assigned DPA a written demand for a final decision regarding the disposition of any dispute between the Parties arising under, related to, or involving this Contract, unless County, on its own initiative, has already rendered such a final decision.
    - ii. Contractor's written demand shall be fully supported by factual information, and, if such demand involves a cost adjustment to the Contract, Contractor shall include with the demand a written statement signed by a senior official indicating that the demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the Contract adjustment for which Contractor believes County is liable.
  - b. Pending the final resolution of any dispute arising under, related to, or involving this Contract, Contractor agrees to diligently proceed with the provision of services under this Contract. Contractor's failure to diligently proceed shall be considered a material breach of this Contract.

Any final decision of County shall be expressly identified as such, shall be in writing, and shall be signed by County Purchasing Agent or his designee. If County fails to render a decision within ninety (90) days after receipt of Contractor's demand, it shall be deemed a final decision adverse to Contractor's contentions. Nothing in this section shall be construed as affecting County's right to terminate the Contract for Cause or Terminate for Convenience as stated in Section K herein.

29. **Drug-Free Workplace:** Contractor hereby certifies compliance with Government Code Section 8355 in matters relating to providing a drug-free workplace. Contractor will:
- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations, as required by Government Code Section 8355(a).
  - b. Establish a drug-free awareness program as required by Government Code Section 8355(b) to inform employees about all of the following:
    - i. The dangers of drug abuse in the workplace;
    - ii. The organization's policy of maintaining a drug-free workplace;
    - iii. Any available counseling, rehabilitation and employee assistance programs; and
    - iv. Penalties that may be imposed upon employees for drug abuse violations.
  - c. Provide as required by Government Code Section 8355(c) that every employee who works under this Contract:
    - i. Will receive a copy of the company's drug-free policy statement; and
    - ii. Will agree to abide by the terms of the company's statement as a condition of employment under this Contract.

Failure to comply with these requirements may result in suspension of payments under the Contract or termination of the Contract or both, Contractor may be ineligible for award of any future County Contracts if the County determines that any of the following has occurred:

- a. Contractor has made false certification, or
  - b. Contractor violates the certification by failing to carry out the requirements as noted above.
30. **EDD Independent Contractor Reporting Requirements:** Effective January 1, 2001, County of Orange is required to file in accordance with subdivision (a) of Section 6041A of the Internal Revenue Code for services received from a "service provider" to whom the County pays \$600 or more or with whom County enters into a contract for \$600 or more within a single calendar year. The purpose of this reporting requirement is to increase child support collection by helping to locate parents who are delinquent in their child support obligations.

The term "service provider" is defined in California Unemployment Insurance Code Section 1088.8, subparagraph B.2 as "an individual who is not an employee of the service recipient for California purposes and who received compensation or executes a contract for services performed for that service recipient within or without the state." The term is further defined by the California Employment Development Department to refer specifically to independent Contractors. An independent Contractor is defined as "an individual who is not an employee of the ... government entity for California purposes and who receives compensation or executes a contract for services performed for that ... government entity either in or outside of California."

The reporting requirement does not apply to corporations, general partnerships, limited liability partnerships, and limited liability companies.

Additional information on this reporting requirement can be found at the California Employment Development Department web site located at [http://www.edd.ca.gov/Employer\\_Services.htm](http://www.edd.ca.gov/Employer_Services.htm)

31. **Firm Price Quotes:** Prices quoted herein shall be firm for the duration of the Contract.
32. **Gratuities:** Contractor warrants that no gratuities, in the form of entertainment, gifts or otherwise, were offered or given by Contractor or any agent or representative of Contractor to any officer or employee of County with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, County shall have the right to terminate the Contract, either

in whole or in part, and any loss or damage sustained by County in procuring on the open market any services which Contractor agreed to supply shall be borne and paid for by Contractor. The rights and remedies of County provided in the clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

33. **Interpretation of Contract:** In the event of a conflict or question involving the provisions of any part of this Contract, interpretation and clarification as necessary shall be determined by County's assigned buyer. If disagreement exists between Contractor and County's assigned buyer in interpreting the provision(s), final interpretation and clarification shall be determined by County's Purchasing Agent or his designee.
34. **Lobbying:** On best information and belief, Contractor certifies no federal appropriated funds have been paid or will be paid by, or on behalf of, Contractor to any person for influencing or attempting to influence an officer or employee of Congress; or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
35. **News/Information Release:** Contractor agrees that it will not issue any news releases in connection with either the award of this Contract or any subsequent amendment of or effort under this agreement without first obtaining review and written approval of said news releases from County through County's Project Manager.
36. **Notices:** Any and all notices, requests demands and other communications contemplated, called for, permitted, or required to be given hereunder shall be in writing, except through the course of the Parties' project managers' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four calendar days after being mailed by US certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated herein or such other address as the Parties hereto may designate by written notice from time to time in the manner aforesaid.

**For Contractor:** Interior Office Solutions  
Attention: Paula Ray  
17800 Mitchell North  
Irvine, CA 92614  
Phone No: (949) 724-9444  
Email: [Pray@iosinc.net](mailto:Pray@iosinc.net)

**For County:** County of Orange  
County Procurement Office  
Attention: Gabriela George  
1300 S. Grand Ave., Bldg., A, 2nd Floor  
Santa Ana, CA 92705  
Phone No: (714) 567-7641  
Email: [Gabriela.George@ocgov.com](mailto:Gabriela.George@ocgov.com)

37. **Orders:** Contractor shall receive written or verbal requests from individual County departments on an as-needed basis form items in this Contract, subject to the terms, conditions, and pricing listed herein.

38. **Order Confirmation by Contractor:** Contractor shall be responsible for confirming specifications, quantities, and pricing with the contracting department contract person prior to order entry/delivery.
39. **Order Dates:** Orders may be placed during the term of the Contract even if delivery may not be made until the term of the Contract. Order dates take precedence over delivery dates. Contractor must clearly identify the order date on all invoices to County.
40. **Parking for Delivery Services:** County of Orange will not provide free parking for delivery services.
41. **Precedence:** The Contract documents consist of this Contract and its attachments and exhibits. In the event of a conflict between or among the Contract documents, the order of precedence shall be the provisions of the main body of this Contract, i.e., those provisions set forth in the articles of this Contract, and then the exhibits and attachments.
42. **Prevailing Wage (Labor Code § 1773):** Pursuant to the provisions of Section 1773 of the Labor Code of the state of California, the contractor shall comply with the general prevailing rates of per diem wages and the general prevailing rates for holiday and overtime wages in this locality for each craft, classification, or type of worker needed to execute this contract. The rates are available from the Director of the Department of Industrial Relations at the following website: <http://www.dir.ca.gov/dlsr/DPreWageDetermination.htm>. The contractor shall post a copy of such wage rates at the job site and shall pay the adopted prevailing wage rates. The contractor shall comply with the provisions of Sections 1775 and 1813 of the Labor Code.
43. **Price Increase/Decrease:** No price increases will be permitted during the first period of the Contract. All price decreases will automatically be extended to the County of Orange. County requires bona fide proof of cost increases on Contracts prior to any price adjustment. A minimum of thirty (30)-days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. County may enforce, adjust, negotiate, or cancel escalating price Contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Adjustments increasing Contractor's profit will not be allowed.
44. **Project Manager, County:** County shall appoint a project manager to act as liaison between County and Contractor during the term of this Contract. County's Project Manager shall coordinate the activities of County staff assigned to work with Contractor.
- County's Project Manager shall have the right to require the removal and replacement of Contractor's Project Manager and key personnel. County's Project Manager shall notify Contractor in writing of such action. Contractor shall accomplish the removal within 14 calendar days after written notice by County's project manager. County's Project Manager shall review and approve the appointment of the replacement for Contractor's Project Manager and key personnel. Said approval shall not be unreasonably withheld.
45. **Project Schedule:** The services performed under this Contract shall be done in accordance with the approved project schedule incorporated herein which may be revised at the option of County with Contractor's concurrence. Contractor shall be responsible for schedule adherence as outlined herein.
46. **Publication:** No copies of sketches, schedules, written documents, computer based data, photographs, maps or graphs, including graphic at work, resulting from performance or prepared in connection with this Contract, are to be released by Contractor and/or anyone acting under the supervision of Contractor to any person, a partnership, company, corporation, or agency, without prior written approval by the County, except as necessary for the performance of the services of this Contract. All press releases, including graphic display information to be published in

newspapers, magazines, etc., are to be administered only by County unless otherwise agreed to by both Parties.

47. **Reports/Meetings:** Contractor shall develop reports and any other relevant documents necessary to complete the services and requirements as set forth in this Contract. The County's project manager and Contractor's project manager will meet on reasonable notice to discuss the Contractor's performance and progress under this Contract. If requested, Contractor's project manager and other project personnel shall attend all meetings. Contractor shall provide such information that is requested by County for the purpose of monitoring progress under this Contract.
48. **Sub-Contracting:** In the event that Contractor is authorized by County to sub-contract, this Contract shall prevail and the terms of the sub-contract shall incorporate by reference and not conflict with the terms of this Contract. In the manner in which County expects to receive services, County shall look to Contractor for performance and not deal directly with any sub-Contractor. All matters related to this Contract shall be handled by Contractor with County; County will have no direct contact with the sub-Contractor in matters related to the performance of this Contract. All work must meet the approval of the County of Orange.
49. **Substitutions:** Contractor is required to meet all specifications and requirements contained herein. No substitutions will be accepted without prior County written approval.
50. **Tax ID Number:** Contractor shall include its taxpayer ID number on all invoices submitted to County for payment to ensure compliance with IRS requirements and to expedite payment processing.
51. **Transportation Charges:** Prices quoted shall include transportation charges governed by the minimum rate tariff established by the Public Utilities Commission (PUC) of the state of California. Should the prices be affected by the action of the PUC, the County of Orange will, with 30 days' notice and submission of proper evidence thereof by Contractor, make the necessary price adjustment during the term of this Contract.
52. **Usage:** No guarantee is given by County to Contractor regarding the discretionary components of this Contract. Usage figures, if provided, are approximate, based upon the last usage. Contractor agrees to supply services and/or commodities requested, as needed by the County of Orange, at prices listed in the Contract, regardless of quantity requested.
53. **Usage Reports:** Contractor shall submit usage reports as requested by County. Contractor shall provide usage reports within fourteen days of such request. The usage report shall include all information requested by County, in a format specified by County.
54. **Validity:** The invalidity in whole or in part of any provision of this Contract shall not void or affect the validity of any other provision of the Contract.
55. **Waivers - Contract:** The failure of County in any one or more instances to insist upon strict performance of any of the terms of this Contract or to exercise any option contained herein shall not be construed as a waiver or relinquishment to any extent of the right to assert or rely upon any such terms or option on any future occasion.

SIGNATURE PAGE FOLLOWS

## CONTRACT SIGNATURE PAGE

Parties hereto have executed this Contract on the dates shown opposite their respective signatures below.

### INTERIOR OFFICE SOLUTIONS

*\*If Contractor is a corporation, signatures of two specific corporate officers are required as further set forth. The first corporate officer signature must be one of the following: 1) the Chairman of the Board; 2) the President; 3) any Vice President.*

*In the alternative, a single corporate signature is acceptable when accompanied by a corporate resolution demonstrating the legal authority of the signature to bind the company.*

<u>Jesse Bagley</u>	<u>President</u>
Print Name	Title
<u>[Signature]</u>	<u>11/10/2017</u>
Signature	Date

*\*The second corporate officer signature must be one of the following: 1) Secretary; 2) Assistant Secretary; 3) Chief Financial Officer; 4) Assistant Treasurer.*

<u>Brian Airth</u>	<u>Secretary</u>
Print Name	Title
<u>[Signature]</u>	<u>11/10/2017</u>
Signature	Date

\*\*\*\*\*

### COUNTY OF ORANGE, a political subdivision of the State of California

<u>Gabriela George</u>	<u>Deputy Purchasing Agent</u>
Print Name	Title
<u>[Signature]</u>	<u>11/13/17</u>
Signature	Date



## **ATTACHMENT A**

### **SCOPE OF WORK**

#### **1. GENERAL INFORMATION**

- 1.1. **Introduction:** The County of Orange is a public sector governmental entity governed by a five member Board of Supervisors and comprised of 22 Departments with over 17,500 employees. Of these, about 3,500 are executives, managers and supervisors.

County's core businesses are public safety, public health, environmental protection, regional planning, public assistance, social services and aviation.

- 1.2. **Statement:** County solicited proposals for the provision of Office Furniture, Installation and Related Services, on an "as needed" basis and usage is not guaranteed, throughout the County of Orange. Products shall meet all specifications under this Contract and Attachments.

Contractor shall be able to manage separate contracts, as well as set-up separate accounts and invoice each County Department separately.

#### **2. DEFINITIONS**

- 2.1. **Authorized Dealer:** A furniture reseller that is authorized by a Manufacturer to distribute and/or resell their products.
- 2.2. **Base of Design:** A specific range of manufacturer's product, design, color, and style that is approved by the County.
- 2.3. **CAD Drawing:** Computer-Aided Design drawing that conveys the architectural design of the materials, processes and dimensions of the space plan. The purpose of a CAD Drawing is to ensure that all compliances are met for a project (e.g. ADA requirements, aisle space, seismic bracing, etc.).
- 2.4. **Catalog/Manufacturer Retail Price List:** Catalog/Retail Price list published by a furniture manufacturer.
- 2.5. **Consulting/Design Services:** Contractor shall conduct site visit to determine functionality and current office aesthetics, workplace productivity, design intent, ergonomics, and environmental concerns; provide layout/floor plan/CAD drawing under established budget communicating any and all cost savings methods; assist with selecting materials and finishes; create specifications and prepare preliminary and final proposal for County approval.
- 2.6. **Contractor Project Manager:** Verify delivery and installation schedule; process and track orders, attend meeting and oversee delivery and installation; complete punch list in a timely manner communicating any delays in writing to ensure on-time completion of furniture project.
- 2.7. **County Project Manager:** County department assigned project lead responsible for coordinating furniture projects.
- 2.8. **D-34 Classification:** Contractor's State License Board (CSLB) requirement for Contractor and/or subcontractors to maintain valid and current licensing classification status to perform installations of prefabricated and modular office systems per the California Code of Regulations, Division 8, Title 16, Article 3. Classification. Contractor is responsible for providing a current and valid copy of the D-34 classification license prior to award and must maintain said license during the entire Contract term.
- 2.9. **E-Catalog:** Contractor shall have available a list of products, including description and/or photo and prices published in an electronic document form on the internet.

- 2.10. **Floorplan/Layout:** A diagram, usually to scale, showing a view from above of the relationship between the physical layout of Systems and Free-Standing Modular Furniture objects with interior walls, hallways, windows and door locations.
- 2.11. **Inside Delivery:** Deliveries made to a building or warehouse that will be the end destination of the ordered product. If the deliveries are to be made in a secure area, Contractor shall make efforts to contact the location to arrange delivery. Contractor is to dispose of all packaging from the project location.
- 2.12. **Installer:** Contractor staff assigned to install and uninstall any prefabricated modular furniture. Contractor must have a current and valid D34 – Prefabricated Equipment Contractor Classification License with the CSLB. Prevailing Wages may apply.
- 2.13. **Lead Ship Time:** Quantity of time between product order and product ship time from manufacturer.
- 2.14. **Manufacturer's Warranty:** Preprinted written warranty published by each individual manufacturer for a particular product and specifically endorsed by manufacturer to County.
- 2.15. **New Products:** Items that have not previously been incorporated into another project or facility.
- 2.16. **Pre-Qualified Product Specifications:** Where a specific manufacturer's product is named as the "Basis of Design", to establish the significant quantities related to type, function, dimension, in-service performance, physical properties, appearance, and other characteristics.
- 2.17. **Products:** Items purchased using this RFP for installation on to county facilities. The term "product" includes the terms "material," "equipment," "systems," and terms of similar intent.
- 2.18. **Reconfiguration Services:** To change or re-arrange the elements or setting of current furniture configurations to meet the changing needs of the County Department, which shall include consulting and design services and updated floor plan/layout/CAD drawings. To change the shape of formation of existing furniture. Remodel or restructure existing furniture pieces.
- 2.19. **Showroom:** Designated location where Contractor displays products for viewing and demonstration purposes.
- 2.20. **Special Warranty:** Written warranty required by or incorporated into this RFP, either to extend the time limit provided by manufacturer's warranty or to provide more rights for the County.
- 2.21. **Standard Range:** Where specifications include the phrase "standard range of colors, patterns, textures" or similar phrase, County will select color, pattern, or texture from manufacturer's product line that will be determined at a later date, and should not include premium items.
- 2.22. **Systems and Free-Standing Modular Furniture and Installation Services:** Under this Contract, Systems and Free-Standing Modular Furniture and Installation Services is defined as the efficient production, delivery and installation of furniture, related products and subsequent services that meets or exceeds all County, State and Federal requirements.
- 2.23. **Warehouse/Storage:** The safekeeping of goods in a depository or space available in a warehouse managed by Contractor. Action or method to store something for future use.
- 2.24. **Warehouseman (Storage):** A person who works or is responsible to manage a storage or warehouse facility, duties may include, but not limited to, moving goods, preserving goods and keeping inventory of items in the warehouse. Warehouseman shall only be used for inventory requests.

### 3. **CONTRACTOR REQUIREMENTS AND RESPONSIBILITIES**

Contractor shall perform all service(s) and duties, including but not be limited to, the following:

#### 3.1. **Product**

- 3.1.1. **Catalog/Manufacturer Retail Price List:** Contractor shall provide catalogs and manufacturer's retail price list at no cost to County, as requested by County. Contractor shall provide updated catalogs that include price lists thirty (30) days in advance of being effective for County's approval. County prefers catalogs to be available in e-catalog format. During the contract period, Contractor shall provide updated catalogs and manufacturer's price list at no cost to County when they become available.
- 3.1.2. **Household Furniture:** Contractor shall be required to provide quotes for household furniture (i.e., sofas, chairs and ottomans) that are available by manufacturer catalog as needed.
- 3.1.3. **Missing Parts:** At County's request, Contractor shall provide usable and good quality loaner furniture for County's use until missing parts are received and successfully installed to the satisfaction of the County.
- 3.1.4. **Order Size:** Contractor shall not require a minimum quantity and/or cost per order. Contractor agrees to supply Contract items, as needed by County, at quoted discount regardless of size or order.
- 3.1.5. **Quality of Furniture:** All products must show first class workmanship in all phases of construction and shall be free from sharp edges, paint sags, etc., must be resistant to wear and ADA Compliant or merchandise will be rejected at Contractor's expense.
- 3.1.6. **Sample Products:** At County's request, Contractor shall provide chair samples to requesting Departments for a period of up to thirty (30) days for evaluation purposes and Contractor shall pick up sample products upon completion of the evaluation, at no cost to County.

#### 3.2. **Service**

- 3.2.1. **Damage/Insurance Claims:** Responsibility for filling and handling of any insurance claims with any freight company lies with Contractor.
- 3.2.2. **Delivery and Installation:** Contractor will be responsible for coordinating all routine and complex deliveries with the Department's County Project Manager.
  - 3.2.2.1. Product(s) ordered must be uncrated, assembled (as applicable) and ready for delivery.
  - 3.2.2.2. Contractor shall pre-inspect furniture for quality, damages and/or completeness of order prior to scheduling delivery.
  - 3.2.2.3. Contractor shall be responsible for the disposal of all packaging materials from products ordered by County off and on County site.
  - 3.2.2.4. Uncrating at location of delivery will not be allowed unless authorized by County Project Manager in writing.
  - 3.2.2.5. Furniture shall be delivered blanket wrapped, unwrapped, assembled, set in place, wiped clean of all fingerprints and function demonstrated to County Project Manager and/or designee(s).
  - 3.2.2.6. Contractor shall notify County of any missing parts or manufacturer defects. County will not accept any defective products or products with missing parts.

- 3.2.2.7. Contractor will be completely responsible for all damages that may occur during delivery and installation. Factory direct shipping/delivery will not be accepted by County. Contractor shall ensure delivery site is left in a clean and orderly manner after installation is complete.
- 3.2.2.8. County will not take title until installation is complete and to the satisfaction of County.
- 3.2.3. **Defective/Damaged Products/Missing Parts:** Contractor shall notify County of defective/damaged/missing part products prior to delivery and place such products on re-order. Contractor shall notify County of lead time on re-ordered products.
- 3.2.4. **Existing Facility with Showroom:** County may request to visit Contractor's Showroom for viewing and demonstration of products.
- 3.2.5. **Lead Ship Time**
- 3.2.5.1. **Quick Ship Program:** Contractor shall inform County departments of available items from the various manufacturers' quick ship program and their lead/ship time.
- 3.2.5.2. **Lead Ship Time:** Upon order placement, Contractor shall notify County of ship time for orders placed.
- 3.2.5.3. **Manufacturer/Factory Delays:** Contractor shall notify County of any manufacturer/factory delays. County reserves the right to cancel orders due to manufacturer/factory delays, if it is in the best interest of the County. County may elect to cancel order(s) and seek equivalent product from another source. Contractor shall be held liable for price difference and County may seek damages.
- 3.2.5.4. **Partial Shipments:** Partial shipments will not be accepted by County unless authorized by the County Project Manager.
- 3.2.6. **Quote Process:** Contractor shall provide quotes on all projects and shall receive written confirmation, in a way of a Subordinate Contract or Purchase Order, prior to starting on any project.
- 3.2.6.1. Quotes for any project must be provided directly to the requesting Party (ies) as soon as possible or within one (1) business day from initial call/e-mail/meeting.
- 3.2.6.2. Quotes shall be coordinated and approved directly by each individual department. All County user Department(s) shall follow County Procurement Guidelines. No further approval from CPO is required.
- 3.2.6.3. All quotes submitted to County must include at a minimum, but not limited to:
- 1) Ordering Department Name;
  - 2) Order Date;
  - 3) Purchase Order (PO or CT) or Contract No. (MA)
  - 4) Requestor's Full Name and Phone Number;
  - 5) Details of the Project/ Item Description;
  - 6) Quantity;
  - 7) Quantity shipped/backordered;
  - 8) Product Unit of Measure;
  - 9) Manufacturer's current and published Catalog Suggested Retail List Price;

- 6) Applicable Percentage Discount;
- 7) County's Price;\*
- 8) Total Price of Project;
- 9) Estimated Date of Delivery; and,
- 10) Estimated Completion of Project.

3.2.6.4. All quotes shall be invoiced separately and shall be sent directly to each requesting Department.

3.2.6.5. County Departments are not required to post quotes on BidSync.

3.2.6.6. County Departments shall be responsible to submit a copy of the quote with invoice at the time of invoice payment.

\* Pricing shall be listed as Contractor's Published List Price, minus percentage and net price for each item listed on quote.

### 3.2.7. **Storage**

3.2.7.1. Contractor shall offer storage for products that arrive before projects start date at no additional cost to County.

3.2.7.2. Contractor shall provide a bonded warehouse facility separate and secured from other tenants, for the storage of furniture as agreed between Contractor and County until project start date.

3.2.7.3. Contractor's warehouse facility must be secured and have the required fire sprinklers.

3.2.7.4. Contractor's warehouse shall be owned or leased by Contractor and must be insured against theft, fire and any liability that may occur.

3.2.7.5. Contractor shall be able to store County's existing furniture when doing a reconfiguration project at any facility if and when needed. In addition, Contractor shall provide an inventory list of County owned warehoused items at no additional cost within three (3) business days of County request.

3.2.8. **Warehousing:** Contractor shall have the capacity to provide storage for office furniture ordered by County when project delay occurs. Contractor must provide warehousing at no cost to County for a minimum of thirty (30) days. If warehousing is still required after 30 days, warehousing charges shall be billed/invoiced according to Attachment B – Compensation, Payment and Invoice Instructions.

3.2.9. **Warranty:** Contractor must provide warranty information when providing quotes for any and all products.

3.2.10. **Warranty-Chairs:** All seating purchased against this RCA will bear a permanent, non-removable label attached under the seat indicating the manufacturer, model number of the chair, date of manufacturer completion date, date of order and warranty at time of seating.

3.3. County reserves the right to revise, remove or add additional requirements/responsibilities as deemed necessary throughout the term of this Contract.

## 4. **REQUIRED SERVICES**

Services shall include but not be limited to:

### 4.1. **Assembly and Installation Services**

- 4.1.1. Installation services shall include all material tools and labor necessary for acceptance of materials from carrier at ordering Departments.
- 4.1.2. Job site to be left clean and neat.
- 4.1.3. Any damage to County property incurred by Contractor will be repaired at Contractors' expense and any repairs will not be accepted unless approved by County.
- 4.1.4. If installation is required during evening and weekend hours, at times normally considered "overtime" as provided under state law, Contractor shall provide a hourly charge and the total estimated time of completion before work is too be done.

#### **4.2. Design Services**

- 4.2.1. For all County furniture orders, the design labor dollars required to program and development new furniture plans, furniture colors, materials and finishes, furniture specifications, and subsequent project management required to facilitate a well-managed and efficient jobsite installation will be priced separately the cost of the furniture.
- 4.2.2. Contractor shall provide precise electrical needs and exact number of electrical circuits required for proper operations of electrical equipment to be used within the furniture.

#### **4.3. Space Planning Services**

- 4.3.1. In the event that a qualified office furniture Contractor may offer additional design services, an hourly design rate shall be offered and negotiated with Contractor, by County.
- 4.3.2. Additional design services would include, but not be limited to feasibility studies, space plan conceptual modeling, full building finish schedules to include paint schedules, wall finishes, flooring, tile, carpeting, cove base, wall-covering, reflective ceiling plans, reconfiguration planning, move management and technology planning.
- 4.3.3. The qualified Contractor shall have employees that are certified interior designers with NCIDQ or CCIDC certifications with licenses and/or 4-year architectural degrees.

#### **4.4. Special Project Management**

- 4.4.1. Contractor shall provide project management for future Special Furniture Projects, in coordination with Contractor's Architects identified by County for a Building Retrofit, of which furnishings is a subset. County desires a partnership, allowing for flexibility and responsiveness during periods involving construction efforts.
- 4.4.2. Contractor shall be responsible for inventorying, refurbishing, designing, space-planning, moving, storing, matching, ordering, receiving, transporting, delivering, staging, installing, and inspecting furnishings, as indicated, and as needed, throughout the duration of the specific project.
- 4.4.3. Contractor shall provide a dedicated project team for the duration of this project.

### **5. PRODUCTS/SYSTEMS/MODULAR FURNITURE REQUIREMENTS**

#### **5.1. Selection:**

Contractor shall provide systems/modular furniture including but not be limited to:

- 5.1.1. Product by a major manufacturer that meets all Occupational Safety and Health Administration (OSHA) standards and regulations, all Business and Institutional Furniture Manufacturers Association (BIFMA) acceptance test levels, and all Underwriters Laboratory (UL) requirements.
- 5.1.2. Compliance with specific building and fire code restrictions.

- 5.1.3. Meet all ADA (American Disability Act)/Section 504 requirements of design for all County buildings installations.
- 5.1.4. Multiple options available including materials, finishes, designs, sizes, functions, etc.
- 5.1.5. Provide ergonomically designed systems.
- 5.1.6. High quality steel lateral files, shelving and storage in various widths and heights.
- 5.1.7. Accessories such as paper management, keyboard trays, pencil drawers and other work tools.
- 5.1.8. Standard and Quick Ship Lead Times.

## **5.2. Products Minimum Requirements:**

### **Systems/Modular Furniture**

- 5.2.1. The complete catalog of all systems/modular furniture, lines, and accessories available from Contractor, to include all types of panel based modular componentry which can be customized to accommodate multiple workspace designs and applications. Systems should ideally include data, voice, and electrical cabling management systems within the system in a racetrack either at the top of the panel or along the bottom of the panel. All pieces of a system should be interchangeable to allow for design and remodel alterations at a future date. All electrical outlets and circuitry must be UL listed and CSA certified.
- 5.2.2. This description covers office systems/modular furniture designed to provide comprehensive office furniture environments through the ability to form a variety of workstation configurations. The systems/modular furniture shall consist of connecting, structural panels with provisions for mounting a wide range of furniture components, panel supported and/or freestanding work surfaces and drawer pedestals meeting the requirements specified herein.
- 5.2.3. All panels and components shall be of a design, material, and workmanship to withstand hard, daily usage over an extended life with a minimum of maintenance and repair. All panels shall stand erect and rest firmly on their bases to assure safety, good appearances, and provide for a stationary work position. All panels shall be plumb and level. Panels and components shall have identical range of modularity so that they are interchangeable between workstations. The system shall be capable of being installed over finished flooring without penetration or demarcation or the use of floor fasteners so as to allow for reconfiguration without any floor patching.
- 5.2.4. Contractor shall guarantee that the items offered, or functionally similar items that will interface with the system offered under the RFP, shall remain available and/or be compatible for a period of ten (10) years from date of award.
- 5.2.5. Contractor shall warrant their product against defects in materials and workmanship for a period of two (2) years from date of shipment.
- 5.2.6. Panels offered under this description shall include acoustical and non-acoustical, safety glazed, open, tackable, electrified and non-electrified with raceways. Wire management provisions shall be field convertible from powered to non-powered. Fabric is to be mid-grade or better.
- 5.2.7. All panels offered shall have a maximum smoke development rating of 150 and a maximum flame spread rating of 25 when tested as specified herein. The fabric covering shall be flame resistant.

- 5.2.8. Acoustical panels shall have a Noise Reduction Co-efficient (NRC) of approximately 0.85 and a Sound Transmission Class (STC) of approximately 40. 9. Panels shall be available in a variety of nominal heights and widths ranging from 28" to 80" high and 12" to 72" wide.
- 5.2.9. Panel raceways shall be designed to provide distribution of electrical, data, and communications cables in one or more raceways that are an integral part of the panel. The raceway(s) shall be totally accessible from both sides of the panel through the use of covers that are hinged or operable without the use of tools.
  - 5.2.9.1. The electrical power distribution system shall be an integral component of the systems/modular furniture.
  - 5.2.9.2. All electrical system components shall be CSA approved.
  - 5.2.9.3. Power shall be supplied from the building wiring system to the systems/modular furniture through base or ceiling feeds.
  - 5.2.9.4. In addition to the power distribution system, the raceway system shall be capable of containing both data and communication cabling equivalent to eight 25-pair category 5 awg 24 cables without interference from raceway electrical system.
- 5.2.10. The panel system shall be capable of connecting in a variety of configurations including connection of panels of differing heights and connection of two, three, or four panels from a single point.
- 5.2.11. The system shall provide for suspending components at varying heights on both sides of the panel. The system shall provide precise alignment of adjacent panels and shall include leveling glides to compensate for uneven floors. A minimum 3/4" adjustment range is required. When placed on a level surface with the glides fully retracted the maximum distance between the panel and the floor shall be 1 inch.
- 5.2.12. The furniture system shall include work surfaces that are panel supported and/or freestanding. When panel supported and freestanding surfaces are offered, they shall be of similar construction and appearance and shall allow the integration of both types within a workstation.
- 5.2.13. Top surfaces shall be high-pressure plastic laminate. The top shall be balanced to resist warping, and the underside shall be smoothly finished. Edges shall be vinyl T-molding or self-edge. When self-edging is used, the corners shall be eased.
- 5.2.14. The system shall include a variety of work surface depths between 18" and 30" and widths between 30" and 72". Dimensions outside these ranges are also acceptable, but shall be compatible with panel widths. The furniture system shall include drawer pedestals or individual drawer units that can form pedestals. Types may include surface mounted, freestanding and mobile pedestals. Freestanding and mobile pedestals shall be designed to allow use beneath a work surface. Finish options for drawer fronts to be metallic paint or wood veneer.
- 5.2.15. Drawer types shall include pencil or personal drawers, box drawers, and file drawers.
- 5.2.16. Pedestals shall be available with locks or locking devices. Units may be gang locks or may be individual drawer locks.
- 5.2.17. The furniture system shall include shelves and cabinets ranging from 2'-0" to 6'-0" widths (minimum). Cabinets shall be provided with a receding door or may be formed from a shelf and separate top and door assembly. Cabinet locks shall be available.



- 5.2.18. Panel supported lateral files and file bins may be offered. Freestanding lateral files, specifically designed to be used beneath a work surface may be included. Panel supported lateral files and file bins may be offered. Freestanding lateral files, specifically designed to be used beneath a work surface may be included.
- 5.2.19. The furniture systems/modular shall include task lighting. As a minimum, task lights shall be capable of mounting beneath a shelf or cabinet. Articulated arm, task lights which are panel mounted, ambient lights and under counter or panel mounted lights are also acceptable. Variable intensity or adjustable task lights are also acceptable. All lights offered shall be CSA approved. Task lights shall have individual on/off switches and shall be equipped with a diffusion lens to provide glare free light. Lights shall be shielded to prevent direct viewing of the lamp or bulb at eye level from a seated position.
- 5.2.20. Contractor shall provide, as an integral part of the systems/modular furniture product line, paper management items. These items shall be used for the sorting and organization of letter, legal, ADP printout sized paper and rolled drawings "A" through "E" sheet sizes. These items may be suspended by rails attached to the panel and/or provided as inserts to the pedestal drawers, overhead storage bins, and lateral file drawers.
- 5.2.21. All dimensions, shapes, etc. illustrated are to describe the typical range of a workstation and components that County expects to procure. Specific orders shall be placed with Contractor for those items from his contract that will meet the actual needs of the project.
- 5.2.22. Only those components available under Contractor's current systems/modular furniture product line shall be offered.
- 5.2.23. The various components (work surfaces, shelves, storage drawers, etc.) shall be positioned in a task related manner within easy reach of station occupant(s). Sufficient panels shall be provided to effectively house the specified components and to facilitate the indicated tasks. Any components not shown in the illustrations, which are needed to conform to the manufacturer's recommendations for installation shall be included.
- 5.2.24. Include complete catalogs of all case goods, furniture lines, and accessories available from Contractor to include all types of case goods; such as freestanding conventional desks and credenzas and matching pedestals (freestanding) with various drawer and accessory configurations. Included also in this group are computer desks, stationary tables, mobile tables, occasional tables, mobile pedestals, fax/printer stands, screens, cable management devices, mobile filing cabinets, and other innovative/mobile storage cabinets. The complete catalog of all filing systems/modular, freestanding filing cabinets, equipment and accessories available from Contractor; to include all types of vertical files, lateral files, high-density storage files, freestanding pedestals, lockers, storage cabinets, and specialized storage. All products offered for this category shall be deemed of commercial grade and must meet or exceed ANSI/BIFMA standards for durability and performance.
- 5.2.25. All products in the vertical, lateral, high-density storage, and pedestal products must include interlock devices (allowing only a single drawer to be open at one time, precluding the possibility of the unit becoming dis-weighted and tipping over unexpectedly), single locking mechanisms (locking all drawers and doors with one lock), and tectonic devices (to preclude the unit tipping over during earthquakes).
- 5.2.26. All products in this category must be ANSI/BIFMA rated for commercial grade performance characteristics, functionality, durability and longevity of performance.

## **Seating**

- 5.2.27. The County requires that all seating offered on contract must have a minimum of five (5) years parts and labor warranty and (10) year minimum on all moving/stationary hard surfaces. The complete catalog of chairs and other seating available from Contractor; to include desk and task chairs, group/conference room chairs, executive chairs. This category shall also include lounge seating, reception seating, side seating, and stacking seating. Labor is included with repairs.
- 5.2.27.1. All Chairs must meet a minimum weight acceptance of 250 lb. minimum. Have at least 5 spoke base.
- 5.2.27.2. All Task/Office Chair backs are to be Ratchet (no post) height adjustment, offer optional adjustment for angle and extra lumbar support.
- 5.2.27.3. All Task/Office Chair seat pan with depth and tilt adjustment.
- 5.2.27.4. All Task/Office Chair arms will have height adjustment, offer optional adjustments for adjusting away from seat pan, adjustment for forward/backward, swivel and quick disconnect from chairs.
- 5.2.28. All desk/task chairs must meet or exceed OSHA program standards. Meet or exceed ANSI (American National Standards Institute) General and Office Ergonomics Standards. Meet or exceed BIFMA (Business Institutional Furniture Manufacturers Association) G1-2013 Ergonomics Standards.
- 5.2.29. Loaner chairs must be offered for a minimum of thirty (30) days. The chair will be brought to that particular site for the employee to sample and picked up by Contractor upon completion of the evaluation.

## **6. RECONFIGURATION OF COUNTY EXISTING FURNITURE**

At a minimum, Contractor shall provide reconfiguration services for existing office furniture, which may include de-installing or reinstalling of furniture located on the same floor, between floors, or in different County buildings, but not be limited to:

- 6.1. Contractor shall conduct field study for site measurements. Identify conditions of site for obstructions of columns, switches, HVAC vents, etc., and provide a drawing to County as specified per requirements.
- 6.2. Contractor shall review drawing for completeness, accuracy, and proper application of product. Review plan to determine quantity of each panel connection, hinge, two-way, three-way, or four-way connection.
- 6.3. Coordinate with County representative for electrical, phone and data installation, and other trades as necessary.
- 6.4. Contractor shall coordinate delivery of product to the job sites and schedule with County representative time of installation.
- 6.5. When working on reconfiguration projects, Contractor shall have the ability to match (manufacturer, style, etc.) and purchase additional product(s) to complete the reconfiguration project faultlessly.

## **7. RE-UPHOLSTERY OF EXISTING COUNTY FURNITURE**

- 7.1. Contractor shall offer re-upholstery services to the County. If and when requested by the County, Contractor shall inspect condition of item(s) and prepare a written quote for re-upholstery to include all labor, material, and any other fees necessary to re-upholster the items requested.

## 8. ERGONOMIC PRODUCTS

- 8.1. Contractor shall offer manufacturers that provide furniture that is ergonomically adjustable and prevents injury to users of its furniture. The manufacturer shall have substantial research and resources to support ergonomics product design and provide access to information and resources for users on the adjustments of its furniture (i.e. in-house ergonomist, etc.).

## 9. HOURS OF OPERATION AND DELIVERY INSTRUCTIONS

### 9.1. Hours of Operation

Contractor shall maintain, at Contractor's expense, a telephone answering system, which, at a minimum provides eight (8) hours per day, five (5) days per week live coverage from the hours of 8:00 a.m. to 5:00 p.m. (PST) and an email address to place all requests/orders, as well as a contact name and number for 24-hour access number for emergency orders.

General Ordering Phone Number:	(949) 724-9444
*Account Representative Name:	PAULA RAY
Telephone No:	(949) 724-9444
E-mail Address:	<a href="mailto:PRAY@IOSINC.NET">PRAY@IOSINC.NET</a>
<b>AFTER-HOURS CONTACT</b>	
Account Representative Name	PAULA RAY
Telephone No:	(949) 697-8714 (CELL)

\* Any changes in Account Representative or After-Hours Account Representative shall be notified in writing to County, County Procurement Buyer listed under Articles 36-Notices.

Contractor shall complete all work within regular County business hours, Monday through Friday 8:00 a.m. to 5:00 p.m. (PST), unless other arrangements are made by County Site Coordinator or Project Manager. Each Department may have different service needs due to facility organization and/or hours of operation, Contractor shall accommodate requests based on each Facility needs and hours of operation.

### 9.2. Delivery Instructions

- 9.2.1. There are numerous locations throughout the County that require delivery inside and outside the various County Departments. Contractor will be required to make deliveries throughout the County of Orange as required by requesting Department(s). Each County Department is responsible to notify Contractor of delivery locations at time of ordering.
- 9.2.2. Contractor shall be responsible for any parking fees. County will not provide free parking for delivery services, parking fees will not be reimbursed, and parking passes will not be issued.
- 9.2.3. All deliveries must be made and coordinated directly with the requesting Department.
- 9.3. **Contractor Support Team:** Contractor shall provide a support team capable of handling all ordering and related customer services. Contractor guarantees that County Procurement Office will be satisfied with the sales representation for the account and will replace anyone on the team that does not meet the approval of County Procurement Office.

## **10. REBATES**

- 10.1. Contractor shall provide rebates to County based on Attachment C – Pricing/Discount Schedule and Other Fees, Section 8 – Rebates.
- 10.2. Contractor may extend County pricing to other governmental entities under this Agreement. For this instance, County spend will include any purchases by outside entities using the County of Orange Contract with Interior Office Solutions. Contractor shall report to County all outside purchases under this Contract. The calculating and reporting of rebates will be completed and provided to the County Purchasing Department at the end of each Contract year.
- 10.3. Rebate checks shall be generated on an annual basis (November 15 – November 14) through the term of this Contract.
- 10.4. Contractor shall make checks payable to **“County of Orange”** and mailed to the attention of CPO Buyer within 30-days from issuance. Refer to Article 36 – Notices for mailing address.
- 10.5. Contractor shall include a detailed accounting report with each rebate check. Each report must have a breakdown to include the using Department(s).

## **11. COUNTY RESPONSIBILITIES**

- 11.1. County Department(s) shall be responsible for creating their own subordinate contracts against this RCA.
- 11.2. Each County Department shall appoint a County Project Manager for each project and/or service order.
- 11.3. County Department(s) shall be responsible for creating and amending their subordinate contracts and add or delete facility locations, change hours of operation, at any time during the term of the contract.
- 11.4. County Department(s) establishing subordinate contract(s) against this RCA shall coordinate their delivery and billing addresses/locations directly with Contractor.
- 11.5. County shall assist Contractor in obtaining data, including system access, as needed to assist Contractor.
- 11.6. County reserves the right to obtain competitive bids on any material or service and to utilize the data provided under this Contract relative to necessary materials and services.
- 11.7. County Project Manager shall ensure Contractor has necessary access to service locations and facilities.
- 11.8. County shall answer questions related to various County procedures, as needed.
- 11.9. County reserves the right to revise, remove or add additional requirements as deemed necessary throughout the term of this Contract.

## **12. SECURITY REQUIREMENTS**

County operates several secured facilities: most notable are several Probation, Sheriff and Airport operated sites. Contractor and their employees who perform services in these facilities will be required to strict operation policies and may be required to pass a background check prior to their employment due to security requirements for certain facilities covered under this Contract. During performance of the work, especially at detention facilities, workers shall closely monitor all tools, equipment and other materials at all times. Workers shall have no contact verbal or physical, with any inmate of these facilities. These policies have been designed with the primary purpose of ensuring a safe and secure environment for all involved.

- 12.1. Contractor will provide a list of all personnel/employees who will be directly performing tasks associated with the Contract. Contractor's personnel/employees providing service in a secured detention facility, a Probation facility or a Sheriff's facility, will be expected to pass two (2) separate background checks performed by the Orange County Sheriff's Department and the Orange County Probation Department. No changes shall be authorized to the approved list without a request in writing submitted by the Contractor and approved by County Site Coordinator. At no time will unauthorized Contractor employees perform any task associated with this Contract. If this occurs, the Contractor will be notified that they have not complied with the terms of this Contract and are subject to Contract termination. The list of all Personnel/Employees working on County projects shall be submitted prior to award of this Contract.
- 12.2. Contractor shall prepare and submit a Security Clearance form to the County Site Coordinator for all persons who will be working on or who will need access to secured facilities.
- 12.3. Security Clearance forms shall be submitted at least five (5) working days prior to the start of work or prior to the use of any person subsequent to the start of work.
- 12.4. Said Security Clearance forms shall be thoroughly and accurately complete. Omissions or false statements, regardless of the nature or magnitude, may be grounds for denying clearance.
- 12.5. No person shall be employed on this work who has not received prior clearance from the Probation Department, Sheriff's Department or John Wayne Airport.
- 12.6. The County, John Wayne Airport, the Probation Department and the Sheriff's department are not under any obligation to give a reason clearance is denied.
- 12.7. The Contractor shall be responsible to sign in with the County Site Coordinator or designee, as required. Upon arrival at any secure facility (eg., JWA, Probation) Contractor shall report to the Central Control Center (Control). Contractor personnel shall have no contact, either verbal or physical, with internees in secured detention facilities.  
Specifically:
  - a) Do not give names or addresses to internees.
  - b) Do not receive any names or addresses from internees.
  - c) Do not disclose the identity of any internee to anyone outside the facility.
  - d) Do not give any materials to internees.
  - e) Do not receive any materials from internees (including materials to be passed to another individual or internee).

*\*Failure to comply with these requirements is a criminal act and can result in prosecution.*

- 12.8. Any Contractor personnel/employee(s) engaged in the performance of work under this Contract shall be expected to pass the screening requirements and abide by all of the security requirements set forth by the Federal Aviation Administration (FAA) and the County of Orange.

*"The Federal Aviation Administration (FAA) approved security program for John Wayne Airport requires that each person issued a John Wayne Airport security badge is made aware of his/her responsibilities regarding the privilege of access to restricted areas of the airport".*

All persons within the restricted air operation areas of the airport are required to display, on their person, a John Wayne Airport security badge, unless they are specifically exempted for reasons or they are under escort by a properly badge individual. Each airport employee or airport tenant employee who has been issued a John Wayne Airport security badge is responsible for challenging any individual who is not properly displaying an airport issued or approved and valid identification badge. Any person who is not properly displaying or who

cannot produce a valid John Wayne Airport security badge must immediately be referred to the Sheriff's Department Airport Detail Office for proper handling.

The John Wayne Airport security badge is the property of the County of Orange and must be returned upon termination of employment at John Wayne Airport. The loss of a badge shall be reported within twenty-four (24) hours to the Sheriff's Department Airport Dispatch Center (949) 252-5000. A report shall be made before a replacement badge will be issued.

- 12.9. All vehicles parked on-site shall be locked and thoroughly secured at all times.
- 12.10. All equipment and materials shall remain in Contractor possession at all times and shall never be left unattended. All or misplaced equipment or materials shall be reported immediately to the (a) security staff or Control in secured detention facilities or (b) the escort or Control in Sheriff's facilities.
- 12.11. Personnel shall not smoke or use profanity or other inappropriate language while on-site.
- 12.12. Personnel shall not enter the facility while under the influence of alcohol, drugs or other intoxicants and shall not have such materials in their possession.
- 12.13. Personnel shall plan their activities to minimize the number of times they must enter and exit a facility, i.e. transport all equipment and materials needed for the day at the start of work and restrict all breaks to the absolute minimum.
- 12.14. Contractor's employee(s) shall be well-disposed to the public and County staff utilizing the facilities but shall be responsive only to the requests of the County Site Coordinator unless otherwise directed and shall direct all inquiries or requests to the County Site Coordinator.

**ATTACHMENT B**  
**COMPENSATION, PAYMENT AND INVOICE INSTRUCTIONS**

1. **COMPENSATION:** This is a fixed priced Contract between County and Contractor for goods and services as provided in this Contract. Contractor agrees to supply all goods and services required to perform the services as listed in Attachment A – Scope of Work.

Contractor agrees to accept the specified compensation as set forth in this Contract as full remuneration for performing all services and furnishing all staffing and materials required, for any reasonably unforeseen difficulties which may arise or be encountered in the execution of the services until acceptance, for risks connected with the services, and for performance by Contractor of all its duties and obligations hereunder. **County shall have no obligation to pay any sum in excess of total Contract amount specified herein unless authorized by amendment in accordance with paragraphs “C” and “P” of the County Contract Terms and Conditions.**

2. **PRICE INCREASES/DECREASES:** No price increases will be permitted during the first period of the Contract. All price decreases will automatically be extended to County. County requires bona fide proof of cost increases on contracts prior to any price adjustment. A minimum of ninety (90) days advance notice in writing is required to secure such adjustment. No retroactive price adjustments will be considered. County may enforce, adjust, negotiate, or cancel escalating price contracts or take any other action it deems appropriate, as it sees fit. The net dollar amount of profit will remain firm during the period of the Contract. Adjustments increasing Contractor’s profit will not be allowed.

3. **FIRM DISCOUNT AND PRICING STRUCTURE:** Contractor guarantees that prices quoted are equal to or less than prices quoted to any other local, State or Federal government entity for services of equal or lesser scope. Contractor agrees that no price increases shall be passed along to County during the term of this Contract not otherwise specified and provided for within this Contract.

4. **INVOICE/PAYMENT INSTRUCTIONS:**

A. **Invoicing Instructions:** Contractor will provide an invoice on Contractor’s letterhead for goods rendered. Invoices must be submitted to address indicated on the Subordinate Contract created by the individual Department. The invoice must have a unique number and must include the following information:

1. Contractor’s name and address;
2. Contractor’s remittance address;
3. Name of County Department serviced;
4. Service address;
5. Contract Number (MA) or respective “Subordinate” Contract Number for each Department.
6. Date of services rendered;
7. Service description, including number of hours or fraction thereof.
8. Copy of any materials purchase invoices plus percentage mark-up (attached invoice)
9. Sales Tax, if applicable
10. Total

Invoices shall cover goods not previously invoiced and submitted coincidentally with Contractor’s payroll period. Payments made by County shall not preclude the right of County from thereafter disputing any items or services involved or billed under the Subordinate Contracts, and shall not be construed as acceptance of any part of the services.

Invoices shall itemize all fees, including all applicable Federal, State Tax and/or any other applicable tax and/or environmental fees as separate line items when invoicing.

**County reserves the right to require a copy of the quote to be submitted, as an attachment, with each invoice.**

**5. PAYMENT TERMS:**

- A. The Invoice is to be submitted in arrears to the user department to the bill to address, unless otherwise directed in this Contract. Contractor shall reference Contract number on invoice. Payment will be net 30 days after receipt of the invoice in a format acceptable to County and verified and approved by the department and subject to routine processing requirements. The responsibility for providing an acceptable invoice rests with Contractor.
- B. Billing shall cover goods not previously invoiced. Contractor shall reimburse County for any monies paid to Contractor for goods not provided or when services do not meet Contract requirements.
- C. Payments made by County shall not preclude the right of County from thereafter disputing any goods involved or billed under this Contract and shall not be construed as acceptance of any part of the goods.

**6. PAYMENT (ELECTRONIC FUNDS TRANSFER EFT):**

County of Orange offers Contractors the option of receiving payment directly to their bank account via an Electronic Fund Transfer (EFT) process in lieu of a check payment. Payment made via EFT will also receive an Electronic Remittance Advice with the payment details via e-mail. An e-mail address will need to be provided to the County of Orange via an EFT Authorization Form. The County of Orange, Auditor-Controller Agency will control and initiate payment. To request a form, please contact the department representative listed in the Contract.



**ATTACHMENT B**  
**PRICING / DISCOUNT SCHEDULE AND OTHER FEES**

**1. SYSTEMS FURNITURE**

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
001	Compose	Haworth	6-8 Weeks	64.5%	60.5%
002	Premise	Haworth	5-7 Weeks	64%	60%
003	Unigroup + Unigroup Too	Haworth	6-8 Weeks	64%	60%
004	Compose Connections	Haworth	6-8 Weeks	64%	60%
005	Intuity	Haworth	7-9 Weeks	44%	40%
006	Patterns	Haworth	7-9 Weeks	44%	40%
001	IOS Ideation Lab		6-12 Weeks	Cost +7.5%	Cost +7.5%
002	AMQ		2-3 Weeks	61.5%	61.5%
003	DeskMakers		2-5 Weeks	58.1%	58.1%
004	Enwork		3-4 Weeks	64.2%	64.2%
005	First Office + OFS		2-6 Weeks	53%	53%
006	Mayline		3-4 Weeks	55.7%	55.7%

**2. FREESTANDING/MODULAR/CASE GOODS FURNITURE**

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
001	Compose/Adaptable	Haworth	6-8 Weeks	64.5%	60.5%
002	X Series	Haworth	6-8 Weeks	58.5%	54.5%
003	Masters	Haworth	6-8 Weeks	44%	40%
004	Reside Desking	Haworth	6-8 Weeks	46%	42%
005	Vancouver, Tripoli, Orlando,	Haworth	6-8 Weeks	44%	40%
006	Suite	Haworth	10-12 Weeks	41%	37%
007	Hop/Hat/Jump Height	Haworth	4-6 Weeks	41%	37%
008	Planes Tables	Haworth	4-6 Weeks	44%	40%
009	IOS Ideation Lab		6-12 Weeks	Cost +7.5%	Cost +7.5%
010	Boss Office Products		2-3 Weeks	37.3%	37.3%
011	Carolina		2-6 Weeks	53.5%	53.5%
012	CCN		6-12 Weeks	36%	36%
013	Cherryman		2-3 Weeks	52.1%	52.1%
014	DeskMakers		2-5 Weeks	58.1%	58.1%
015	Enwork		3-4 Weeks	64.2%	64.2%
016	First Office + OFS		2-6 Weeks	53%	53%
017	Fullbright + Company		2-6 Weeks	38 %	38 %
018	Global Total Office +		6-8 Weeks	64.6%	64.6%
019	High Point Furniture		4-6 Weeks	50.6%	50.6%
020	Krug		5-7 Weeks	48.8%	48.8%
021	Krug Healthcare		5-7 Weeks	44.1%	44.1%

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
022	Mayline		2-3 Weeks	53.7%	53.7%
023	National Office Furniture		3-4 Weeks	57.6%	57.6%
024	Nienkamper		6-8 Weeks	60.1%	60.1%
025	Nevins		5-9 Weeks	52%	52%
026	Nucraft		8-10 Weeks	50.1%	50.1%
027	Paoli		3-8 Weeks	54.2 %	54.2 %
028	Spacestor		6-8 Weeks	36%	36%
029	Tuohy		6-12 Weeks	37%	N/A

### 3. FILING/FILING SYSTEMS FURNITURE

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
001	X Series	Haworth	6-8 Weeks	58.5%	54.5%
002	V Series	Haworth	6-8 Weeks	52%	48%
003	A Series	Haworth	6-8 Weeks	40%	36%
004	Beside	Haworth	7-9 Weeks	44%	40%
005	Compose	Haworth	7-9 Weeks	44%	40%
001	Coalesse		6-8 Weeks	46.1%	46.1%
002	Davis		6-8 Weeks	44.5%	44.5%
003	Loewenstein		2-6 Weeks	49.1%	49.1%
004	Mayline		6-8 Weeks	53.7%	53.7%
005	National Office Furniture		3-4 Weeks	57.6%	57.6%
006	Nienkamper		6-8 Weeks	60.1%	60.1%
007	Phoenix Safe		1-2 Weeks	49.5%	49.5%
008	Safco		1-2 Weeks	49.5%	49.5%
009	Spacestor		6-8 Weeks	36%	36%
010	Tuohy		6-12 Weeks	37%	N/A

### 4. SEATING FURNITURE

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
001	Very Task	Haworth	4-5 Weeks	48%	44%
002	Very Other	Haworth	4-5 Weeks	50%	46%
003	Zody	Haworth	4-5 Weeks	48.5%	44.5%
004	Fern	Haworth	4-5 Weeks	45%	41%
005	X99	Haworth	4-5 Weeks	52%	48%
006	Improv, Tag, System 12	Haworth	4-5 Weeks	54%	51%
007	Wood Guest, Openest, Harbor Worklounge, Poppy	Haworth	5-6 Weeks	41%	37%
008	Cassis, Candor, Lively	Haworth	4-5 Weeks	41%	37%
009	Look	Haworth	4-5 Weeks	52%	48%
010	Haworth Collection	Haworth	6-12 Weeks	15%	N/A
011	9 to 5 Seating		1-4 Weeks	63.1%	63.1%

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
012	Aceray		3-6 Weeks	46.1%	46.1%
013	Afra Furniture		4-12 Weeks	Cost	Cost +10.5%
014	Allseating		2-3 Weeks	56.1%	56.1%
015	Allermuir		2-6 Weeks	51.1%	51.1%
016	AMO		2-3 Weeks	44%	44%
017	Arcadia		7-8 Weeks	48.3%	48.3%
018	Boss Office Products		2-3 Weeks	37%	37%
019	Cabot Wrenn		6-8 Weeks	31.9%	N/A
020	Carolina		2-6 Weeks	52.1%	52.1%
021	Cherryman		1-2 Weeks	52.1%	52.1%
022	Coalesse		6-8 Weeks	45.1%	45.1%
023	Community		6-7 Weeks	51.1%	51.1%
024	Dauphin		2-5 Weeks	51.1%	51.1%
025	Davis		6-8 Weeks	46.1%	46.1%
026	Emeco		6-8 Weeks	30%	N/A
027	Encore		6-8 Weeks	53.5%	53.5%
028	Enwork		3-4 Weeks	61.5%	61.5%
029	Eurotech		1-3 Weeks	42%	42%
030	ERG		4-6 Weeks	48.8%	48.8%
031	First Office + OFS		2-6 Weeks	53.5%	53.5%
032	Global Total Office + Globalcare		6-8 Weeks	55.5%	55.5%
033	Grand Rapids Chair		4-6 Weeks	46.5%	N/A
034	HBF		7-9 Weeks	46.5%	46.5%
035	Highmark		2-6 Weeks	53.5%	53.5%
036	High Point Furniture Industries		4-6 Weeks	40%	40%
037	Humanscale		4-6 Weeks	48.5%	48.5%
038	iDesk		1-3 Weeks	53.5%	53.5%
039	Integra Seating		4-8 Weeks	46.5%	46.5%
040	IZZYZ+		5-7 Weeks	46.5%	46.5%
041	Janus et Cie		4-12 Weeks	38%	38%
042	JSI		6-7 Weeks	51.5%	51.5%
043	Keilhauer		7-9 Weeks	46.5%	46.5%
044	KFI Seating		1-3 Weeks	53.5%	53.5%
045	Krug		5-7 Weeks	48.8%	48.8%
046	Krug Healthcare		5-7 Weeks	44%	44%
047	Landscape Forms		3-12 Weeks	Cost +12%	Cost +12%
048	La-Z-Boy		5-6 Weeks	51.5%	51.5%
049	Leland		4-6 Weeks	49.7%	49.7%
050	Lesro Reception Seating		1-4 Weeks	39%	39%
051	Loewenstein		2-6 Weeks	53.5%	53.5%
052	Martin Brattrud		8-10 Weeks	46.5%	46.5%
053	Mayline		3-4 Weeks	54.7%	54.7%
054	National Office Furniture		2-3 Weeks	58.4%	58.4%
055	Nienkamper		6-8 Weeks	46.5%	46.5%
056	Nevins		5-9 Weeks	48.8%	48.8%
057	Okamura		8-11 Weeks	46.5%	46.5%
058	Paoli		3-4 Weeks	54.5%	54.5%
059	Safco		1-3 Weeks	50%	50%
060	Senator Seating		2-9 Weeks	55%	N/A
061	SitOnIt		3-6 Weeks	53.7%	53.7%
062	Source International		5-7 Weeks	48.8%	48.8%

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
063	Stylex Seating		4-8 Weeks	46.5%	46.5%
064	Tuohy		6-12 Weeks	39.5%	N/A
065	Via Seating		1-2 Weeks	51.5%	51.5%
066	Vitra		8-12 Weeks	46.4%	46.4%
067	Woodstock Marketing		1-2 Weeks	51.5%	N/A

## 5. LIBRARY, LOBBY AND OTHER FURNITURE

Item No	Seating Lines	Estimated Delivery	Discount Off List	Quick Ship Off List
001	Very Task	4-5 Weeks	48%	44%
002	Very Other	4-5 Weeks	50%	46%
003	Zody	4-5 Weeks	48.5%	44.5%
004	Fern	4-5 Weeks	45%	41%
005	X99	4-5 Weeks	52%	48%
006	Improv, Tag, System 12	4-5 Weeks	54%	51%
007	Wood Guest, Openest, Harbor Worklounge, Poppy	5-6 Weeks	41%	37%
008	Cassis, Candor, Lively	4-5 Weeks	41%	37%
009	Look	4-5 Weeks	52%	48%
010	Haworth Collection	6-12	15%	N/A
011	Aceray	3-6 Weeks	46.1%	46.1%
012	Allermuir	2-6 Weeks	51.1%	51.1%
013	Appenx Signage	4-5 Weeks	47.5%	47.5%
014	Arcadia	7-8 Weeks	48.3%	48.3%
015	Atriadi	4-6 Weeks	37%	37%
016	Boss Office Products	1-2 Weeks	47.5%	47.5%
017	Cabot Wrenn	6-8 Weeks	31.9%	N/A
018	CCN	4-8 Weeks	35%	35%
019	Claridge	2-6 Weeks	48%	48%
020	Clarus	2-3 Weeks	42%	42%
021	Coalesse	6-8 Weeks	45.1%	45.1%
022	Community	6-7 Weeks	51.1%	51.1%
023	Davis	6-8 Weeks	46.1%	46.1%
024	Egan Visual	2-6 Weeks	46.5%	46.5%
025	Emeco	6-8 Weeks	30%	N/A
026	EMU Americas	2-12	35%	35%
027	Encore	6-7 Weeks	53.5%	53.5%
028	ERG International	4-6 Weeks	48.8%	48.8%
029	Fullbright + Company	2-6 Weeks	38 %	38 %
030	Grand Rapids Chair	4-6 Weeks	46.5%	N/A
031	HBF	7-9 Weeks	46.5%	46.5%

Item No	Seating Lines	Estimated Delivery Time	Discount Off List	Quick Ship Off List
032	High Point Furniture Industries	4-5 Weeks	40%	40%
033	Humanscale	4-6 Weeks	48.5%	48.5%
034	Integra Seating	4-8 Weeks	46.5%	46.5%
035	IZZYZ+	5-7 Weeks	46.5%	46.5%
036	Janus et Cie	4-12	38%	38%
037	JSI	6-7 Weeks	51.5%	51.5%
038	Keilhauer	7-9 Weeks	46.5%	46.5%
039	Krug	5-7 Weeks	48.8%	48.8%
040	Krug Healthcare	5-7 Weeks	44%	44%
041	Landscape Forms	3-12	Cost +12%	Cost +12%
042	La-Z-Boy	5-6 Weeks	51.5%	51.5%
043	Leland	4-6 Weeks	49.7%	49.7%
044	Martin Bratrud	8-10	46.5%	46.5%
045	Mayline	3-4 Weeks	54.7%	54.7%
046	National Office Furniture	2-6 Weeks	58.4%	58.4%
047	Nienkamper	6-8 Weeks	46.5%	46.5%
048	Nevins	7-9 Weeks	48.8%	48.8%
049	Paoli	3-8 Weeks	54.5%	54.5%
050	Peter Pepper	2-6 Weeks	42.5%	N/A
051	Safco	1-3 Weeks	50%	50%
052	SitOnIt	3-6 Weeks	53.7%	53.7%
053	Source International	5-7 Weeks	48.8%	48.8%
054	Source Outdoor	3-12	42.5%	42.5%
055	Spacestor	6-8 Weeks	36%	36%
056	Spec Furniture	4-6 Weeks	45%	N/A
057	Stylex Seating	4-8 Weeks	46.5%	46.5%
058	Tuohy	6-12	39.5%	39.5%
059	Via Seating	1-2 Weeks	51.5%	51.5%
060	Vitra	8-12	46.4%	46.4%
051	West Coast Industries	7-9 Weeks	45%	45%
052	Woodstock Marketing	1-2 Weeks	51.5%	N/A

## 6. ERGONOMIC FURNITURE

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
001	Belong	Haworth	6-8 Weeks	48%	44%
002	Jump	Haworth	4-5 Weeks	44%	40%
003	AMQ		1-2 Weeks	44%	N/A
004	ESI		1-2 Weeks	55.5%	N/A

Item No	Series	Brand	Estimated Delivery Time	Discount Off List	Quick Ship Off List
005	Humanscale		4-6 Weeks	58%	58%
006	National Office Furniture		2-4 Weeks	58.4%	58.4%
007	Safco		1-3 Weeks	50%	50%
008	Spaceco		2-3 Weeks	57.5%	N/A
009	Workrite		1-2 Weeks	55.5%	N/A

## 7. ADDITIONAL/SPECIAL SERVICES

- A. **Reconfiguration and Labor Charges:**\* Charge for reconfiguring any manufacturer's furniture at the request of County or in storage including installation and disassemble of furniture. The labor cost shall be billed separate from Design Services and Project Management charges. Express in dollar per hour charge. INCLUDE PREVAILING WAGES

	<u>Regular Hours</u> Monday - Friday 8 AM to 5 PM (PST)	<u>After Hours</u> Monday - Friday 5:01 P.M. - 7:59 A.M. (PST)	<u>Weekend/Holiday</u> All Day (PST)
PREVAILING WAGE PER HOUR	\$66.00	\$99.00	\$132.00
NON-PREVAILING WAGE PER HOUR	\$44.00	\$66.00	\$88.00

\*This shall only apply when reconfiguring existing County furniture.

- B. **Design Services:** Design charge for the purchase of new furniture or reconfigured furniture. Express in dollars per hour charge. INCLUDE PREVAILING WAGES

	<u>Regular Hours</u> Monday - Friday 8 A.M. to 5 P.M.(PST)	<u>After Hours</u> Monday - Friday 5:01 P.M. - 7:59 A.M. (PST)	<u>Weekend/Holiday</u> All Day(PST)
PREVAILING WAGE PER HOUR	\$85.00	\$127.50	\$170.00
NON-PREVAILING WAGE PER HOUR	\$85.00	\$127.50	\$170.00

- C. **Space Planning:** Charge for space planning including any architectural designing and blueprinting. Expressed in dollars per hour per charge. INCLUDE PREVAILING WAGES.

	<u>Regular Hours</u> Monday - Friday 8 A.M. to 5 P.M.(PST)	<u>After Hours</u> Monday - Friday 5:01 P.M. - 7:59 A.M. (PST)	<u>Weekend/Holiday</u> All Day (PST)
PREVAILING WAGE PER HOUR	\$85.00	\$127.50	\$170.00
NON-PREVAILING WAGE PER HOUR	\$85.00	\$127.50	\$170.00

- D. **Special Project Management:** Charge for managing a special project, including but not limited to Planning, Expediting, Installing, and Inventorying.

	<b><u>Regular Hours</u></b> <b>Monday – Friday</b> 8 A.M. to 5 P.M.(PST)	<b><u>After Hours</u></b> <b>Monday - Friday</b> 5:01 A.M. - 7:59 A.M. (PST)	<b><u>Weekend/Holiday</u></b> <b>All Day (PST)</b>
<b>WAGE PER HOUR</b>	\$85.00	\$127.50	\$170.00

- E. **Warehousing Cost:** Contractor shall provide warehousing at no additional cost to County for a minimum of thirty (30) days. If warehousing is still required after 30 days, Contractor shall list warehousing cost per day, per vault, per pallet, or per square foot.

<b>WAREHOUSING FEES</b> <b>(after 30-days)</b> <b>Per Day, Per Vault, Per Pallet,</b> <b>Per Square “ft”</b>	<b>WAREHOUSEMAN</b> <b>HOURLY RATE</b> <b>(after 30-days)</b>
\$50.00 Day	\$44.00

- F. **Additional Products/Services:** At the request of Department(s), Contractor shall submit a **written** quote for requested goods/services, to include but not be limited to:

- Express Shipping
- Other Customer Related Services

*\*Delivery shall be coordinated between requesting department(s) and Contractor.*

## 8. REBATES

- A. Contractor shall provide rebates based on the breakdown listed below, on an annual basis (November 15 – November 14), through the term of this Contract.

<b>Item No</b>	<b>Aggregate Total</b>	<b>Rebate %</b>
001	Purchases from \$1.00 to \$999,999.99	1.25%
002	Purchases exceeding \$2,500,000.00	1.75%
003	Purchases exceeding 4,000,000.00 or more	2.5%

- B. Rebate check is due to County no later than the 15<sup>th</sup> of December, through the term of this Contract.
- C. The rebate check must be mailed to CPO designated buyer as listed under Additional Terms and Conditions, Article 36 – Notices.

**EXHIBIT 2**  
**PREVAILING WAGE REQUIREMENTS**

- A. All or a portion of the Scope of Work in the Contract or Purchase Order (as applicable) requires the payment of prevailing wages and compliance with the following requirements.**

**1. Determination of Prevailing Rates:**

Pursuant to Labor Code sections 1770, et seq., the County has obtained from the Director of the Department of Industrial Relations (DIR) pursuant to the California Labor Code, the general prevailing rates of per diem wages and the prevailing rates for holiday and overtime work in the locality in which the Scope of Work is to be performed. Copies of said rates are on file with the County, will be made available for inspection during regular business hours, may be included elsewhere in the specifications for the Scope of Work, and are also available online at [www.dir.ca.gov](http://www.dir.ca.gov). The wage rate for any classification not listed, but which may be required to execute the Scope of Work, shall be commensurate and in accord with specified rates for similar or comparable classifications for those performing similar or comparable duties. In accordance with Labor Code section 1773.2, the Contractor shall post, at appropriate and conspicuous locations on the jobsite, a schedule showing all applicable prevailing wage rates and shall comply with the requirements of Labor Code sections 1773, et seq.

**2. Payment of Prevailing Rates**

Each worker of the Contractor, or any subcontractor, engaged in the Scope of Work, shall be paid not less than the general prevailing wage rate, regardless of any contractual relationship which may be alleged to exist between the Contractor or any subcontractor, and such worker.

**3. Prevailing Rate Penalty**

The Contractor shall, as a penalty, forfeit two hundred dollars (\$200.00) to the County for each calendar day or portion thereof, for each worker paid less than the prevailing rates as determined by the Director of the DIR for such work or craft in which such worker is employed by the Contractor or by any subcontractor in connection with the Scope of Work. Pursuant to California Labor Code section 1775, the difference between such prevailing wage rates and the amount paid to each worker for each calendar day, or portion thereof, for which each worker was paid less than the prevailing wage rate, shall be paid to each worker by the Contractor.

**4. Ineligible Contractors:**

Pursuant to the provisions of Labor Code section 1777.1, the Labor Commissioner publishes and distributes a list of contractors ineligible to perform work as a contractor or subcontractor on a public works project. This list of debarred contractors is available from the DIR website at <http://www.dir.ca.gov/Public-Works/PublicWorks.html>. Any contract entered into between a contractor and a debarred subcontractor is void as a matter of law. A debarred subcontractor may not receive any public money for performing work as a subcontractor on a public works contract, and any public money that may have been paid to a debarred subcontractor by a contractor on the project shall be returned to the County. The Contractor shall be responsible for the payment of wages to workers of a debarred subcontractor who has been allowed to work on the Scope of Work.

**5. Payroll Records:**

Pursuant to California Labor Code section 1776, the Contractor and each subcontractor, shall keep accurate certified payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker or other employee



employed by them in connection with the Scope of Work. The payroll records enumerated herein shall be verified by a written declaration made under penalty of perjury that the information contained in the payroll record is true and correct and that the Contractor or subcontractor has complied with the requirements of the California Labor Code sections 1771, 1811, and 1815 for any Scope of Work performed by his or her employees. The payroll records shall be available for inspection at all reasonable hours at the principal office of the Contractor on the following basis:

- (1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to such employee or his/her authorized representative on request;
- (2) A certified copy of all payroll records shall be made available for inspection or furnished upon request to the County, the Division of Labor Standards Enforcement of the DIR;
- (3) A certified copy of payroll records shall be made available upon request to the public for inspection or copies thereof made; provided, however, that a request by the public shall be made through either the County or the Division of Labor Standards Enforcement. If the requested payroll records have not been previously provided to the County or the Division of Labor Standards Enforcement, the requesting Party shall, prior to being provided the records, reimburse the cost of preparation by the Contractor, subcontractor and the entity through which the request was made; the public shall not be given access to such records at the principal office of the Contractor;
- (4) The Contractor shall file a certified copy of the payroll records with the entity that requested such records within ten (10) days after receipt of a written request; and
- (5) Copies provided to the public, by the County or the Division of Labor Standards Enforcement shall be marked or obliterated in such a manner as to prevent disclosure of an individual's name, address and social security number. The name and address of the Contractor or any subcontractor, performing a part of the Scope of Work shall not be marked or obliterated. The Contractor shall inform the County of the location of payroll records, including the street address, city and county and shall, within five (5) working days, provide a notice of a change of location and address. The Contractor shall have ten (10) days from receipt of the written notice specifying in what respects the Contractor must comply with the above requirements. In the event Contractor does not comply with the requirements of this section within the ten (10) day period, the Contractor shall, as a penalty to the County, forfeit one-hundred dollars (\$100.00) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, such penalty shall be withheld from any portion of the payments then due or to become due to the Contractor.

## **6. Limits of Hours of Work:**

Pursuant to California Labor Code section 1810, eight (8) hours of labor shall constitute a legal day's work. Pursuant to California Labor Code section 1811, the time of service of any worker employed at any time by the Contractor or by a subcontractor, upon the Scope of Work or upon any part of the Scope of Work, is limited and restricted to eight (8) hours during any one calendar day and forty (40) hours during any one calendar week, except as provided for under Labor Code section 1815. Notwithstanding the foregoing provisions, work performed by employees of Contractor or any subcontractor, in excess of eight (8) hours per day and forty (40) hours during any one week, shall be permitted upon compensation for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.

## **7. Penalty of Excess Hours:**

The Contractor shall pay to the County a penalty of twenty-five dollars (\$25.00) for each worker employed on the Scope of Work by the Contractor or any subcontractor, for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any calendar day and forty (40) hours in any one calendar week, in violation of the provisions of the California Labor Code, unless compensation to the worker so employed by the Contractor is not less than one and one-half (1½) times the basic rate of pay for all hours worked in excess of eight (8) hours per day.

## **8. Senate Bill 854 (Chapter 28, Statutes of 2014) Requirements:**

1. Contractor shall comply with Senate Bill 854 (signed into law on June 20, 2014). The requirements include, but are not limited to, the following:
  - a. No contractor or subcontractor may be listed on a bid proposal (submitted on or after March 1, 2015) for a public works project unless registered with the DIR pursuant to Labor Code section 1725.5, with limited exceptions from this requirements for bid purposes only as allowed under Labor Code section 1771.1(a).
  - b. No contractor or subcontractor may be awarded a contract for public work or perform work on a public works project (awarded on or after April 1, 2015) unless registered with the DIR pursuant to Labor Code section 1725.5.
  - c. This project is subject to compliance monitoring and enforcement by the DIR.
  - d. As required by the DIR, Contractor is required to post job site notices, as prescribed by regulation, regarding compliance monitoring and enforcement by the DIR.
  - e. **Contractors** and all subcontractors must submit certified payroll records online to the Labor Commissioner for all new public works projects issued on or after April 1, 2015, and for all public works projects, new or ongoing, on or after January 1, 2016.
    - a. The certified payroll must be submitted at least monthly to the Labor Commissioner.
    - b. The County reserves the right to require Contractor and all subcontractors to submit certified payroll records more frequently than monthly to the Labor Commissioner.
    - c. The certified payroll records must be in a format prescribed by the Labor Commissioner.
2. As required by Labor Code 1771.1(a) "A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded."

## **B. STATE PUBLIC WORKS APPRENTICESHIP REQUIREMENTS**

### **1. State Public Works Apprenticeship Requirements:**

The Contractor is responsible for compliance with Labor Code section 1777.5 and the California Code of Regulations, title 8, sections 230 – 230.2 for all apprenticeable occupations (denoted with “#” symbol next to craft name in DIR Prevailing Wage Determination), whether employed by the Contractor, subcontractor, vendor or consultant.

Included in these requirements is (1) the Contractor's requirement to provide notification (i.e. DAS-140) to the appropriate apprenticeship committees; (2) pay training fund contributions for each apprenticeable hour employed on the Contract; and (3) utilize apprentices in a minimum ratio of not less than one apprentice hour for each five journeyman hours by completion of Contract work (unless an exception is granted in accordance with Labor Code section 1777.5) or request for the dispatch of apprentices.

Any apprentices employed to perform any of the Scope of Work shall be paid the standard wage to apprentices under the regulations of the craft or trade for which such apprentice is employed, and such individual shall be employed only for the work of the craft or trade to which such individual is registered. Only apprentices, as defined in California Labor Code section 3077, who are in training under apprenticeship standards and written apprenticeship agreements under California Labor Code sections 3070 et seq. are eligible to be employed for the Scope of Work. The employment and training of each apprentice shall be in accordance with the provisions of the apprenticeship standards and apprentice agreements under which such apprentice is training.

**2. Compliance with California Labor Code section 1777.5 requires all public works contractors to:**

**1) Submit Contract Award Information (DAS-140)**

- a. Although there are a few exemptions (identified below), all Contractors, regardless of union affiliation, must submit contract award information when performing on a California public works project.
- b. The DAS-140 is a notification "announcement" of the Contractor's participation on a public works project—it is not a request for the dispatch of an apprentice.
- c. Contractors shall submit the contract award information (you may use form DAS 140) within 10 days of the execution of the prime contractor subcontract, but in no event later than the first day in which the Contractor has workers employed on the public work.
- d. Contractors who are already approved to train apprentices (i.e. check "Box 1" on the DAS-140) shall only be required to submit the form to their approved program.
- e. Contractors who are NOT approved to train apprentices (i.e. those that check either "Box 2" or "Box 3" on the DAS-140) shall submit the DAS-140 TO EACH of the apprenticeship program sponsors in the area of your public works project. For a listing of apprenticeship programs see <http://www.dir.ca.gov/Databases/das/pwaddrstart.asp>.

**2) Employ Registered Apprentices**

- a. Labor Code section 1777.5 requires that a contractor performing work in an "apprenticeable" craft must employ one (1) hour of apprentice work for every five (5) hours performed by a journeyman. This ratio shall be met prior to the Contractor's completion of work on the project. "Apprenticeable" crafts are denoted with a pound symbol "#" in front of the craft name on the prevailing wage determination.
- b. All Contractors who do not fall within an exemption category (see below) must request for dispatch of an apprentice from an apprenticeship program (for each apprenticeable craft or trade) by giving the program actual notice of at least 72 hours (business days only) before the date on which apprentices are required.
- c. Contractors may use the "DAS-142" form for making a request for the dispatch of an apprentice.
- d. Contractors who are participating in an approved apprenticeship training program and who did not receive sufficient number of apprentices from their initial request

must request dispatch of apprentices from ALL OTHER apprenticeship committees in the project area in order to fulfill this requirement.

- e. Contractor should maintain and submit proof (when requested) of its DAS-142 submittal to the apprenticeship committees (e.g. fax transmittal confirmation). A Contractor has met its requirement to employ apprentices only after it has successfully made a dispatch request to all apprenticeship programs in the project area.
- f. Only “registered” apprentices may be paid the prevailing apprentice rates and must, at all times work under the supervision of a Journeyman (Cal. Code Regs., tit 8, § 230.1).

### **3) Make Training Fund Contributions**

- a. Contractors performing in apprenticeable crafts on public works projects, must make training fund contributions in the amount established in the prevailing wage rate publication for journeymen and apprentices.
- b. Contractors may use the “CAC-2” form for submittal of their training fund contributions.
- c. Contractors who do not submit their training fund contributions to an approved apprenticeship training program must submit their contributions to the California Apprenticeship Council (CAC), PO Box 420603, San Francisco, CA 94142-0603.
- d. Training fund contributions to the CAC are due and payable on the 15th day of the month for work performed during the preceding month.
- e. The “training” contribution amount identified on the prevailing wage determination shall not be paid to the worker, unless the worker falls within one of the exemption categories listed below.

### **3. Exceptions to Apprenticeship Requirements:**

The following are exempt from having to comply with California apprenticeship requirements. These types of contractors do not need to submit a DAS-140, DAS-142, make training fund contributions, or utilize apprentices.

- a. When the Contractor holds a sole proprietor license (“Owner-Operator”) and no workers were employed by the Contractor. In other words, the contractor performed the entire work from start to finish and worked alone.
- b. Contractors performing in non-apprenticeable crafts. “Apprenticeable” crafts are denoted with a pound symbol “#” in front of the craft name on the prevailing wage determination.
- c. When the Contractor has a direct contract with the Public Agency that is under \$30,000.
- d. When the project is 100% federally-funded and the funding of the project does not contain any city, county, and/or state monies (unless the project is administered by a state agency in which case the apprenticeship requirements apply).
- e. When the project is a private project not covered by the definition of public works as found in Labor Code section 1720.

### **4. Exceptions from Apprenticeship Ratios:**

The Joint Apprenticeship Committee shall have the discretion to grant a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the Contractor from the 1-to-5 ratio set forth in this Section when it finds that any one of the following conditions are met:

- a. Unemployment for the previous three-month period in such area exceeds an average of fifteen percent (15%); or
- b. The number of apprentices in training in such area exceeds a ratio of 1-to-5 in relation to journeymen; or

- c. The Apprenticeable Craft or Trade is replacing at least one-thirtieth (1/30) of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis; or
- d. If assignment of an apprentice to any work performed under the Contract Documents would create a condition which would jeopardize such apprentice's life or the life, safety or property of fellow employees or the public at large, or if the specific task to which the apprentice is to be assigned is of such a nature that training cannot be provided by a journeyman.

When such exemptions from the 1-to-5 ratio between apprentices and journeymen are granted to an organization which represents contractors in a specific trade on a local or statewide basis, the member contractors will not be required to submit individual applications for approval to local Joint Apprenticeship Committees, provided they are already covered by the local apprenticeship standards.

**5. Contractor's Compliance:**

The responsibility of compliance with this Section for all Apprenticeable Trades or Crafts is solely and exclusively that of the Contractor. All decisions of the Joint Apprenticeship Committee(s) under this Section are subject to the provisions of California Labor Code section 3081 and penalties are pursuant to Labor Code section 1777.7 and the determination of the Labor Commissioner.



**ACTION ITEM**  
October 21, 2020

**TO: MWDOC Board of Directors**

**FROM: Planning & Operations Committee**  
(Directors McVicker, Dick, Yoo Schneider)

**Robert Hunter, General Manager**

**Staff Contact: Karl Seckel/Charles Busslinger**

**SUBJECT: Joint Contract Between MWDOC and OCWD to Hire CDM Smith to Update Demand Projections for Agencies in Orange County**

**STAFF RECOMMENDATION**

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Staff recommends the Board authorize the General Manager to enter into a consulting contract with Orange County Water District (OCWD) and/or consultant CDM Smith to update demand projections in Orange County for use in various planning efforts. The cost for CDM Smith is estimated at \$56,465, with the Municipal Water District of Orange County (MWDOC)'s cost share estimated at \$38,000 based on sharing the OCWD service area on a 50/50 basis and MWDOC paying for the South County and North County agencies outside of OCWD.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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MWDOC and OCWD initiated discussions with CDM Smith regarding an update to the 2016 demand projections developed as part of the 2016 OC Water Reliability Study. Projections by many agencies in 2015 differ significantly from actual water use over the past five years. The projections completed by MWDOC and CDM Smith have been more closely aligned to actual water use over the past five years. Retail agencies will provide water use survey data for their agencies to MWDOC and OCWD. The information will be reviewed and then provided to CDM Smith. CDM Smith will then develop updated water demand forecasts for all water agencies in Orange County to support planning for MWDOC and OCWD efforts. CDM Smith anticipates this work to take 8 weeks to complete once survey data is received.

Budgeted (Y/N): Yes	Budgeted amount: n/a	Core _X_	Choice __
Action item amount: \$38,000	Line item: 21-7010		
Fiscal Impact (explain if unbudgeted):			

## DETAILED REPORT

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MWDOC and OCWD can share the cost of developing updated demand forecasts for the retail agencies in Orange County. The information developed will be used in various planning efforts within the County, including MET's Integrated Resource Plan (IRP) and the District's 2020 Urban Water Management Plan. It will benefit both agencies to have a common set of demand forecasts.

CDM Smith will develop updated water demand forecasts for all water agencies in Orange County to support planning for MWDOC and OCWD. CDM Smith will provide retail agency-level demand forecasts from 2020 to 2050 for review by MWDOC, OCWD and the retail agencies.

MWDOC and OCWD will work together to provide CDM Smith current and future projections of household population, single-family housing units and multifamily housing units by agency. In addition, MWDOC and OCWD will work together to collect historical water use information by customer classification from 2015 through 2019 to include with the historical data collected in 2015. This information will be provided to CDM Smith for calibration of their demand models.

CDM Smith will analyze historical agency water demands and demographic data provided to develop updated demand forecasts:

1. Current indoor household-level residential water use for single-family (SF) and multifamily (MF) will be estimated using end-uses of water (toilet flushing, showers, clothes washing, dishwashing, leaks, etc.) from the most recent literature/research on per capita use rates and flow rates of major fixtures. It is expected from CDM Smith's most recent demand forecasting for other water agencies in Southern California that the current residential indoor water use will be approximately 55 to 60 gallons per capita per day (gpcd). By 2030, CDM Smith will assume that indoor water use for all current homes will decrease to approximately 50 gpcd as a result of agency rebate programs and remodeling.
2. Current outdoor household residential water demands for SF and MF will be estimated taking the difference between total household water use, estimated from agency surveys, and indoor water use estimated in step 1. Each year from 2020 to 2050, an assumed level of participation for landscape transformation rebates will be made which will reduce current household levels of outdoor water demands.
3. For future indoor and outdoor household-level SF and MF water use, a maximum efficiency level assuming 50-gpcd indoor use and the Model Water Use Efficiency Landscape Ordinance (MWELo) compliant outdoor use will be established.
4. For non-residential water uses (commercial, institutional, industrial), we will estimate current water demands by agency.
5. The demand forecasts will be summarized by the three analysis areas for Orange County, Brea/La Habra, OCWD and South County areas outside of OCWD.

OCWD will work with IRWD to determine a methodology for separating IRWD demands between the basin and non-basin areas.

6. CDM will review the 2015 Projections for the three areas in Orange County to explain differences between the 2015 projections and actual weather adjusted demands for 2015 through 2019.

### **Water Demand Forecasts**

For each water agency in Orange County, CDM Smith will prepare a water demand forecast from 2020-2050 based on the following steps for the baseline scenario:

1. Single-Family Residential Demands – Current SF water demands based on current household-level indoor and outdoor water use from the agency surveys, with gains in efficiency levels from 2020 to 2050, multiplied by current and future single-family households.
2. Multifamily Residential Demands – Current MF water demands based on current household-level indoor and outdoor water use from the agency surveys, with gains in efficiency levels from 2020 to 2050, multiplied by current and future multifamily households.
3. Non-Residential Demands – Current Commercial/Industrial/Institutional (CII) water demands held constant through 2020 to 2050.
4. Non-Revenue Water – NRW will be estimated based on the difference between agency's total water production and consumptive use, expressed as a percentage through 2050. Furthermore, data may be used from the MWDOC water loss program, as appropriate.
5. In addition to the baseline demand forecast scenario, up to three additional demand scenarios will be developed by way of discussions with MWDOC and OCWD staff. Potential example scenarios might include the following:
  - a. Baseline Demands Plus Climate Change – A weather factor (based on the statistical analysis of water production for the OC Reliability Study) will be applied to baseline water demands to account for future climate change.
  - b. Baseline Demands Plus Climate Change and Slight Increase in Non-Residential Demands – A slight increase in non-residential water demands, tied to growth of housing units, will be assumed.
  - c. Baseline Demands Plus Climate Change and Slight Decrease in Non-Residential Demands – A slight decrease in non-residential water demands, assuming greater levels of non-residential water efficiency.

CDM Smith will prepare a short report documenting the methodology used and results of the demand forecast. A draft report will be prepared for MWDOC and OCWD review. Comments from MWDOC and OCWD will be incorporated into a final report. Both the final report and spreadsheet results will be delivered to MWDOC and OCWD.



## BOARD OPTIONS

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### Option #1

- Authorize the study work

**Fiscal Impact:** Would result in additional expenditures of \$38,000 plus staff time.

**Business Analysis:** Preparing regional demand forecasts for our agencies helps to keep our water demand information consistent in Orange County. Cost-sharing and working cooperatively with OCWD in this effort will improve relations between the two organizations. It is likely more cost-effective for MWDOC and OCWD to prepare regional forecasts rather than have each retail agency approach this on their own. In any instances where the MWDOC and OCWD forecasts are not supported by the local agencies, we can utilize the local agency forecast.

### Option #2

- Do not authorize the study work
- **Fiscal Impact:** Would save expenditures in the amount of \$38,000.
- **Business Analysis:** We would not be carrying out MWDOC's role and mission of conducting planning for water resources in Orange County and helping to represent and assist our agencies. Each of our agencies would have to do this on their own and it may create inconsistent demand projections in the County.

## STAFF RECOMMENDATION

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### Option #1



## Cost Proposal

*To: Karl Seckel, Municipal Water District of Orange County  
Greg Woodside, Orange County Water District*

*From: Dan Rodrigo, CDM Smith*

*Date: September 30, 2020*

*Subject: Cost Proposal for Development of Orange County Water Demand Forecasts*

CDM Smith is pleased to submit our cost proposal to develop a water demand forecast for each retail water agency in Orange County to support planning for the Municipal Water District of Orange County (MWDOC) and Orange County Water District (OCWD). We will provide an agency-level demand forecast from 2020 to 2050. The following describes our approach and level of effort to complete the following tasks:

### **Task 1 – Develop Database**

MWDOC and OCWD will work together to provide CDM Smith current and future projections of household population, single-family housing units and multifamily housing units by agency.

CDM Smith will develop a spreadsheet template water use data request that MWDOC and OCWD will send out to every water agency in Orange County, including Cities of Anaheim, Fullerton, and Santa Ana. MWDOC and OCWD will jointly be responsible for initial communication and follow-up in order to assure that the water use data is provided in a timely manner. All completed agency spreadsheets will be turned over to CDM Smith and we will develop a full database that joins water use and demographic data to be used in Task 2. MWDOC and OCWD will receive a spreadsheet copy of the database for those agencies served by each of them.

- CDM Smith Level of Effort: 38 hours
- Time to Complete Effort: 1 week after we receive the last of agency spreadsheets

### **Task 2 – Conduct Demand Analysis**

CDM Smith will analyze historical agency water demands and demographic data from Task 1 with the following basic methodology:

1. Current indoor household-level residential water use for single-family and multifamily will be estimated using end-uses of water (toilet flushing, showers, clothes washing, dishwashing, leaks, etc) from the most recent literature/research on per capita use rates and flow rates of major fixtures. It is expected from CDM Smith's most recent demand forecasting for other water agencies in Southern California that the current residential indoor water use will be approximately 55 to 60 gpcd. By 2030, CDM Smith will assume that indoor water use for all current homes will decrease to approximately 50 gpcd as a result of agency rebate programs and remodeling.

2. Current outdoor household residential water demands for single-family and multifamily will be estimated taking the difference between total household water use, estimated from agency surveys, and indoor water use estimated in step 1. Each year from 2020 to 2050, an assumed level of participation for landscape transformation rebates will be made which will reduce current household levels of outdoor water demands.
  3. For future indoor and outdoor household-level single-family and multifamily water use, a maximum efficiency level assuming 50-gpcd indoor use and Model Water Use Efficiency Landscape Ordinance (MWELo) compliant outdoor use will be established.
  4. For non-residential water uses (commercial, institutional, industrial), we will estimate current water demands by agency.
- CDM Smith Level of Effort: 78 hours
  - Time to Complete Effort: 2 weeks after completion of Task 1

### **Task 3 – Develop Water Demand Forecast**

For each water agency in Orange County, CDM Smith will prepare a water demand forecast from 2020-2050 based on the following steps for the baseline scenario:

1. Single-Family Residential Demands – Current SF water demands based on current household-level indoor and outdoor water use, with gains in efficiency levels from 2020 to 2050 per Task 2, multiplied by current and future single-family households.
2. Multifamily Residential Demands – Current MF water demands based on current household-level indoor and outdoor water use, with gains in efficiency levels from 2020 to 2050 per Task 2, multiplied by current and future multifamily households.
3. Non-Residential Demands – Current CII water demands held constant through 2020 to 2050.
4. Non-Revenue Water – NRW will be estimated based on the difference between agency's total water production and consumptive use, expressed as a percentage through 2050. Furthermore, data may be used from the MWDOC's water loss program, as appropriate, for each agency.
5. The demand forecasts will be summarized by the three analysis areas for Orange County, Brea/La Habra, OCWD and South County areas outside of OCWD. OCWD will work with IRWD to determine a methodology for separating IRWD demands between the basin and non-basin areas.
6. CDM will review the 2015 Projections for the three areas in Orange County to explain differences between the 2015 projections and actual weather adjusted demands for 2015 through 2019.

In addition to the baseline demand forecast scenario, up to three additional water demand scenarios will be developed through discussions with MWDOC and OCWD. Potential example scenarios might include the following:

1. Baseline Demands Plus Climate Change – A weather factor (based on the statistical analysis of water production for the OC Reliability Study) will be applied to baseline water demands to account for future climate change.
  2. Baseline Demands Plus Climate Change and Slight Increase in Non-Residential Demands – A slight increase in non-residential water demands, tied to growth of housing units, will be assumed.
  3. Baseline Demands Plus Climate Change and Slight Decrease in Non-Residential Demands – A slight decrease in non-residential water demands, assuming greater levels of non-residential water efficiency.
- CDM Smith Level of Effort: 56 hours
  - Time to Complete Effort: 2 weeks after completion of Task 2

#### **Task 4 – Prepare Report and Deliverables**

A short report will be prepared documenting the methodology used and results of the demand forecast. A draft report will be prepared for MWDOC and OCWD review. Comments from MWDOC and OCWD will be incorporated into a final report. Both the final report and spreadsheet results will be delivered to MWDOC and OCWD.

- CDM Smith Level of Effort: 54 hours
- Time to Complete Effort: 3 weeks after completion of Task 3

#### **Task 5 – Project Management, QA/QC and Meetings**

Budget and schedule will be tracked for duration of project. A short summary of work completed will be included with monthly invoices. In addition, the results of the demand forecast and the report will be reviewed by CDM Smith senior staff not involved with day-to-day analysis in accordance with CDM Smith's QA/QC protocols. Three presentations are also assumed, with CDM Smith preparing and delivering the presentations. The presentations will occur within the schedule for Task 4.

- CDM Smith Level of Effort: 54 hours

#### **Schedule and Budget**

CDM Smith will complete this project in eight (8) weeks after we receive all of the agency water use surveys collected by MWDOC. The budget for this effort is shown below:

Cost Proposal for Orange County Water Demand Forecast  
September 30, 2020  
Page 4

Task	PI - Acevedo	Technical Director - Rodrigo	Project Manager - Fernandez	Lead Engineer - Zimmer	Engineer - Caswell	Planner - Shepard	Contract Admin - Wood	Total Hours	Total Labor
Task 1 - Database Development	0	6	0	6	24	2	0	38	\$ 6,850
Task 2 - Demand Analysis	0	15	0	8	10	45	0	78	\$ 14,035
Task 3 - Water Demand Forecast and Sensitivity	0	12	0	12	0	32	0	56	\$ 10,420
Task 4 - Report (draft and final) and Deliverables	2	12	0	8	0	32	0	54	\$ 10,390
Task 5 - PM/QAQC and Presentations (3)	6	20	20	0	0	0	8	54	\$ 14,770
<b>Total</b>	<b>8</b>	<b>65</b>	<b>20</b>	<b>34</b>	<b>34</b>	<b>111</b>	<b>8</b>	<b>280</b>	<b>\$56,465</b>

CDM Smith looks forward to working with MWDOC and OCWD on this important project.

cc. Alberto Acevedo, CDM Smith



**ACTION ITEM**  
October 21, 2020

**TO: Public Affairs and Legislation Committee**  
(Directors Yoo Schneider, Dick, and McVicker)

**FROM: Robert Hunter, General Manager**

Staff Contact: Heather Baez

**SUBJECT: ISDOC ELECTION OF OFFICERS**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors review the list of candidates for the ISDOC Executive Committee and authorize President Sat Tamaribuchi or his designee to vote on MWD OC's behalf.

**COMMITTEE RECOMMENDATION**

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Committee will review this item on October 19, 2020 and make a recommendation to the Board.

**REPORT**

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Last month, the Independent Special Districts of Orange County (ISDOC) sent out its Notice of Election and Call for Candidates to all member districts. Nominations were received for all positions and ballots were mailed to all eligible voting members.

At this time, ISDOC is conducting a vote of Regular Special District Members for the election of officers. The notice of election, ballot, and statements from candidates are attached for the Board's review.

The ISDOC bylaws indicate, "At the end of the nominating period if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected." This is the case for the 1<sup>st</sup> Vice President, 2<sup>nd</sup> Vice President, 3<sup>rd</sup> Vice President, Secretary and Treasurer

<b>Budgeted (Y/N):</b> n/a	Budgeted amount: n/a	Core X	Choice __
<b>Action item amount:</b> None	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			

positions; therefore, they are not on the ballot. Arlene Schafer from the Costa Mesa Sanitary District, Larry Dick from the Municipal Water District of Orange County, Mary Aileen Matheis from Irvine Ranch Water District, Greg Mills from Serrano Water District, and Bill Green from South Coast Water District, respectfully, have been selected to these seats.

The other candidates are as follows:

President – Mark Monin, El Toro Water District  
Lucille Kring, Orange County Mosquito and Vector Control District

Candidates were invited to submit a candidate statement to be included in the packet of materials that was sent to all ISDOC members along with the ballot and ballot instructions. Those statements are included for your review.

To be included in the count, all ballots must be received no later than 5:00 p.m. on October 23, 2020. Election results will be announced at ISDOC's Quarterly Meeting on October 29, 2020. Officers will assume their positions in January 2021.

**Attached:**

ISDOC Executive Committee Election of Officers Ballot  
Ballot Cover Letter  
(2) Candidate Statements

September 10, 2020

Honorable Saundra Jacobs

Dear Ms. President,

My name is Lucille Kring, Councilwoman Anaheim and am applying for the position of President of ISDOC.

I am completing 16 years on City Council. and during that time was very active in the OC League of Cities.

I was on the following committees: Employee Relations, Energy, Environment and Natural Resources, Legislative and Public Affairs, Community Services, Conference Delegate and attended their Councilmember Academy.

I currently sit on these boards: Transportation Corridor Agencies, OC Sanitation District, OC Mosquito and Vector Control, where I was President twice, Anaheim Regional Medical Center and Palm Lane Charter School.

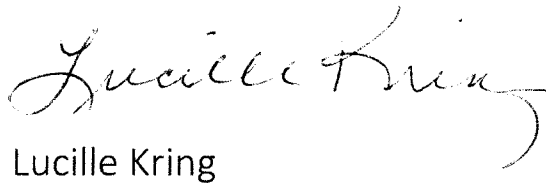
Anaheim is a member city with Association of California Cities-OC Division, and I am on the executive board.



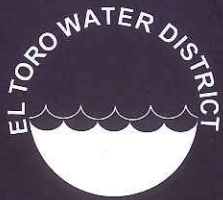
I am very active in non-profits: currently on boards: Cops 4 Kids and Anaheim Family YMCA.

I believe I bring a wealth of elected and appointed experience to this board. I think I would well suited to be President.

Sincerely

A handwritten signature in cursive script that reads "Lucille Kring". The signature is written in dark ink and is positioned above the printed name.

Lucille Kring



# El Toro Water District

"A District of Distinction"

Serving the Public - Respecting the Environment

## Board of Directors

Mark L. Monin  
President

Mike Gaskins  
Vice President

Jose F. Vergara  
Director

Kathryn Freshley  
Director

Kay Havens  
Director

## General Manager

Dennis P. Cafferty

## Treasurer

Neely Shahbakhti



**Re: Mark Monin for ISDOC Executive Committee, President**

I would be honored to serve as President for the Independent Special Districts of Orange County. I have been an active participant in ISDOC for 5 years and firmly believe in the benefits it brings to the Special Districts in Orange County. ISDOC's achievements were recently recognized by CSDA in awarding ISDOC the CSDA Chapter of the Year Award. I would be proud to help guide the continued success of this critical collaboration of agencies with similar interests and needs.

I currently serve on the ISDOC Executive Committee as the 1st Vice President, chairing the Program Committee. Duties include planning the Quarterly Luncheon Program and inviting and coordinating with the invited speakers. I arranged speakers such as Supervisor Lisa Bartlett and recently Supervisor Donald Wagner. Even though it was not my duty, I brought in a new associate member to ISDOC this year.

In the past I served on the ISDOC Executive Committee as the 2nd Vice President chairing the Membership Committee. Duties included maintaining a list of current regular and associate members and follow up with any outstanding membership dues as needed.

I am a Director on the El Toro Water District Board of Directors and currently serve as President. In addition, I am a Commissioner on the Orange County Airport Land Use Commission, currently serving as Vice Chairman. I was also a PCF Fire Fighter with the Orange County Fire Authority. I have proven to be a fiscally responsible individual with a "think out of the box mentality" and I look forward to working with the other ISDOC Board members to achieve greatness. I love Orange County and want to work hard here and in Sacramento to help Special Districts progress into the future. With the exception of one meeting, I have attended every ISDOC Executive Committee meeting in the last 4 years and I know the issues that have affected ISDOC in the past and what is important to propel this fine organization in the future. My qualifications for this position include:

**>EXPERIENCED LEADER >COMMITTED TO SPECIAL DISTRICTS >FISCALLY RESPONSIBLE  
>DEDICATED**

As you know ISDOC is a membership association that was formed more than 30 years ago to serve the needs of Orange County's independent special districts. I want to continue to build on that fine tradition, work hard with others to achieve a higher degree of member satisfaction and make ISDOC even stronger. I feel I can collaborate with the Executive Committee and the membership to provide valuable information and presentations on issues that affect Special Districts which can help you with important discussions in the future.

Please see the accompanying resume outlining my experience and education. I would love to hear your thoughts on how we can make ISDOC even better and please contact me with your input, ideas or questions on my experience or platform. I can be reached at (949) 939-6612 or [markmonin@msn.com](mailto:markmonin@msn.com).

Sincerely,

Mark L. Monin  
El Toro Water District  
President

**Mark L. Monin**  
1 Orchard, Suite 130  
Lake Forest, CA 92630  
(949) 939-6612  
Mark.Monin@raymondjames.com



Mark Monin serves as President, Board of Directors at the EL Toro Water District. Senior Vice President at Raymond James, with over 39 years in the securities industry. Mark is also a former firefighter and has experience in the aviation industry, with pilot FAA Licenses private, commercial, instrument and multi engine FAA licenses and has over 2000 total hours PIC.

## **Professional Experience**

### **Water District**

- El Toro Water District, President Board of Directors, Lake Forest, CA 2015 -Present
- ISDOC 1<sup>st</sup> Vice President 2016- Present
- ACWA Chair of Education Sub Committee 2019-Present
- ACWA Finance Committee 2016 – Present
- ACWA Energy Committee 2017 – 2020
- ACWA Business Development Committee 2017-2020
- ACWA monitored many Breakout sessions at the ACWA conferences 2016 – Present

### **Financial Investment/Securities Industry (39 Years)**

- Raymond James Financial Services, Newport Beach 2009-current
- Oppenheimer & Co. Newport Beach, California 2005-2009
- Morgan Stanley, Sales Manager / Financial Advisor, Los Angeles / Orange County 1998 - 2005
- Merrill Lynch, Manager / Financial Advisor, Los Angeles / Orange County 1994 - 1998
- Prudential Securities, Assistant Manager, Anaheim 1991 – 1994

### **Aviation Experience / Aviation Organizations / Community Involvement**

- Pilot Data & FAA Licenses
  - Private
  - Commercial
  - Instrument
  - Multi engine
  - Over 2000 total hours PIC since 1977
- Vice Chairman of the Orange County Airport Commission (Land Use) 2015-present
- Adjunct Professor at California Baptist University, Riverside, CA 2015- 2016
  - Teaches Aviation Law and Aviation Finance
- Civil Air Patrol (Auxiliary United States Air Force) from 1992-1996
  - *Aerial and ground search & rescue,*
- *Civil Air Patrol Aerial Disaster inspection, Orange County, CA*
  - *DEA and Customs assistance in aerial surveillance, air transport from 1992-1996*
- Flying Samaritans/ Liga
  - Free medical clinics; fly physicians/medical professionals to Mexico 1995-present
- Angel Flight Pilot
  - Provides transportation to medical treatment for those who cannot afford/tolerate public transportation, 1998-present
- Southern California Pilots Association
  - To provide a collective voice for General Aviation at our So CA Airports.
  - Develop a positive working relationship with the airport administration.
  - Foster camaraderie amongst So CA Pilots with aviation related
  - Enhance safety and education in the So CA Pilot community.
- Orange County Pilots Association (OCPA)
  - OCPA is an association of aviation enthusiasts with the purpose of promoting aviation at the Orange County Airport
- Experimental Aviation Association (EAA)



- Experimental Aircraft Association based in Oshkosh, Wisconsin, encourages and supports recreational aviation.

### **Security Experience**

- Saddleback Church
  - Supervisor Irvine South Campus 2014-2018

### **Firefighter Experience**

- Orange County Fire Authority
  - PCF/ Firefighter/Engineer/ search & rescue/ medical training (first responder) 1988-1995
- Twin District Fire Department, Lancaster, NY
  - Firefighter/ Engineer/ search & rescue/ medical training (first responder) 2005-2006
- Lancaster Fire Department, Lancaster, NY
  - Firefighter/ Engineer/ search & rescue/ medical training (first responder) 1982-1984
- Egypt Fire Department, Rochester/Perrington, NY
  - Firefighter/ Engineer/ search & rescue/ medical training (first responder) 1985-1987

### **Boards/Committees/Community Involvement**

- El Toro Water District, Board of Directors 2015 – Present
- Vice Chairman of the Orange County Airport Land Use Commission 2015 – Present
- Finance Committee of The Association of California Water Agencies and its Education Subcommittee, Investment Subcommittee 2015 – Present
- South Orange County Watershed Management Area Executive Committee
- Independent Special Districts of Orange County (ISDOC)
- Water Advisory Committee of Orange County (WACO)
- Orange County Water Association (OCWA)
- City of Laguna Woods Public Safety Committee Chairman 2012-2015 Past Chairman
- City of Laguna Woods Landscape Committee, Past Member
- Newport Beach Chamber of Commerce, Past Member
- Irvine Chamber of Commerce, Past Member

### **Education/Licensure**

- Pepperdine University, Malibu California, Masters in Business Administration, 2002
- The Wharton School, University Of Pennsylvania, Senior Financial Advisor
- The Wharton School, University Of Pennsylvania, Management Training Program
- Institute of Investment Management Consulting, Investment Management Consultant
- The Institute of Business & Finance: Certified Annuity & Fund Specialist
- Board Certified in Asset Allocation
- Canisius College, Buffalo New York, BS/Finance, 1981
- University of Buffalo, Aeronautical Engineering, 1978
- Federal Aviation Administration, Multi Engine, 2000
- New York Stock Exchange, Series 8, Branch Manager, 1990
- National Association of Securities Dealers, Series 65, Financial Planning, since 1989
- California Department of Real Estate, since 1988
- National Association of Securities Dealers, Series 3, Futures, since 1988
- National Association of Securities Dealers, Series, Options Principal, since 1983
- National Association of Securities Dealers, Series 24, Principal Supervisor, since 1983
- National Association of Securities Dealers, Series 63, State Licensing, since 1981
- Securities Licensed in California, Colorado, Connecticut, Delaware, Georgia, Iowa, Illinois, Indiana, Louisiana, Maryland, New Jersey, New York, Ohio, Pennsylvania
- National Association of Securities Dealers, Series 7, 1981, Financial Advisor
- Federal Aviation Administration, Commercial, 1979
- Federal Aviation Administration, Instrument, 1978
- Federal Aviation Administration, Private, 1977



**Mailing Address**

P.O. Box 20895  
Fountain Valley, CA 92728

**Meeting Location**

MWDOC/OCWD  
18700 Ward Street  
Fountain Valley, CA 92708

(714) 963-3058  
(714) 964-5930 fax

[www.mwdoc.com/isdoc](http://www.mwdoc.com/isdoc)

**Executive Committee**

**President**

**Hon. Saundra F. Jacobs**  
*Santa Margarita Water District*

**1<sup>st</sup> Vice President**

**Hon. Mark Monin**  
*El Toro Water District*

**2<sup>nd</sup> Vice President**

**Hon. Arlene Schafer**  
*Costa Mesa Sanitary District*

**3<sup>rd</sup> Vice President**

**Hon. Mary Aileen Matheis**  
*Irvine Ranch Water District*

**Secretary**

**Hon. Bill Green**  
*South Coast Water District*

**Treasurer**

**Hon. Joan C. Finnegan**  
*Municipal Water District of Orange County*

**Immediate Past President**

**Hon. James R. Fisler**  
*Mesa Water District*

**Staff Administration**

**Heather Baez**

*Municipal Water District of Orange County*

**Christina Hernandez**

*Municipal Water District of Orange County*

September 15, 2020

**RE: Election of Independent Special Districts of Orange County (ISDOC) Officers**

Dear Member Districts,

The nomination period for Executive Committee officer positions closed on September 11<sup>th</sup>, 2020. At this time, ISDOC is conducting a vote of Regular Special District Members for the election of officers. This letter serves as official notice of the election.

The names of nominated candidates are printed on the ballot. Please vote for one candidate per seat.

The Executive Committee meets at 7:30 am on the first Tuesday of the month. Meetings are open to the public. Duties of Executive Committee members are contained in the ISDOC bylaws, which may be found at the ISDOC website - <http://www.mwdoc.com/ISDOC>.

Each Regular Member District in good standing shall be entitled to one vote. In accordance with current bylaws, the district's presiding officer or an alternate must cast (signed) select the vote by the district board.

You may submit your ballot via mail or email to Heather Baez: P.O. Box 20895, Fountain Valley, CA 92728 (mail) or [hbaez@mwdoc.com](mailto:hbaez@mwdoc.com) (email). **Ballots must be received by 5:00 p.m. on Friday, October 23, 2020 in order to be counted. Even if positions are uncontested, it is important to submit a ballot since a quorum of voting members is required for the election of officers.**

The names of officers elected will be announced at the October 29th quarterly meeting.

If you have any questions or wish to discuss the election process further, please contact Heather Baez (MWDOC) at [hbaez@mwdoc.com](mailto:hbaez@mwdoc.com) or (714) 593-5012.

Sincerely,

*Saundra F. Jacobs*

Saundra F. Jacobs, President  
Independent Special Districts of Orange County

**Enclosed:** Ballot for ISDOC Election of Officers  
Candidates' Statements

# INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY

## ELECTION OF OFFICERS

The ISDOC Executive Committee consists of the President, First Vice President, Second Vice President, Third Vice President, Secretary, Treasurer and Immediate Past President. Officers are elected in October of even numbered years for two-year terms. Please vote for one candidate per seat.

The ISDOC bylaws indicate, "At the end of the nominating period if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected." This is the case for the First Vice President, Second Vice President, Third Vice President, Secretary, and Treasurer positions; therefore they are not on the ballot. Arlene Schafer from Costa Mesa Sanitary District, Larry Dick from the Municipal Water District of Orange County, Mary Aileen Matheis from Irvine Ranch Water District, Greg Mills from Serrano Water District, and Bill Green from South Coast Water District, respectfully, have been selected to these seats.

**Cast your Vote:** Please cast your vote for the remaining seats by placing an "X" on the line next to the individual for which you wish to vote in each position. If you are writing in a candidate, please include their district affiliation and position.

### President

\_\_\_\_\_ Mark Monin, Director  
El Toro Water District

\_\_\_\_\_ Lucille Kring, President  
Orange County Mosquito & Vector Control District

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\_\_\_\_\_  
DISTRICT NAME

\_\_\_\_\_  
SIGNATURE OF VOTING REPRESENTATIVE

**Ballots must be received no later than 5 p.m. October 23, 2020.**

You may return your ballot by mail or email to:

Heather Baez  
P.O. Box 20895  
Fountain Valley, CA 92728  
**Attention: ISDOC Executive Committee Election**  
OR Email: [hbaez@mwdoc.com](mailto:hbaez@mwdoc.com)

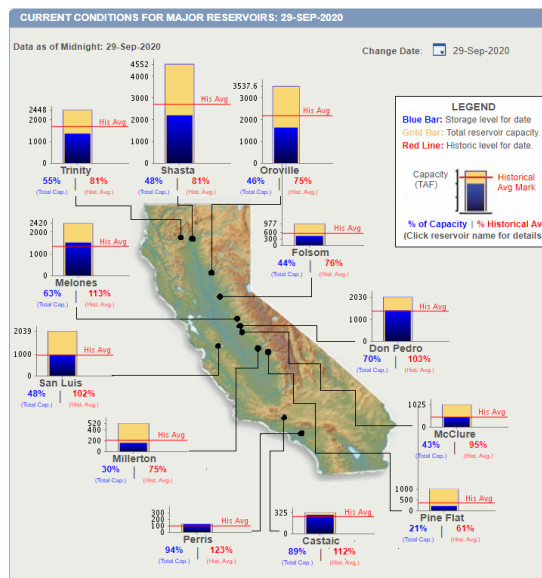
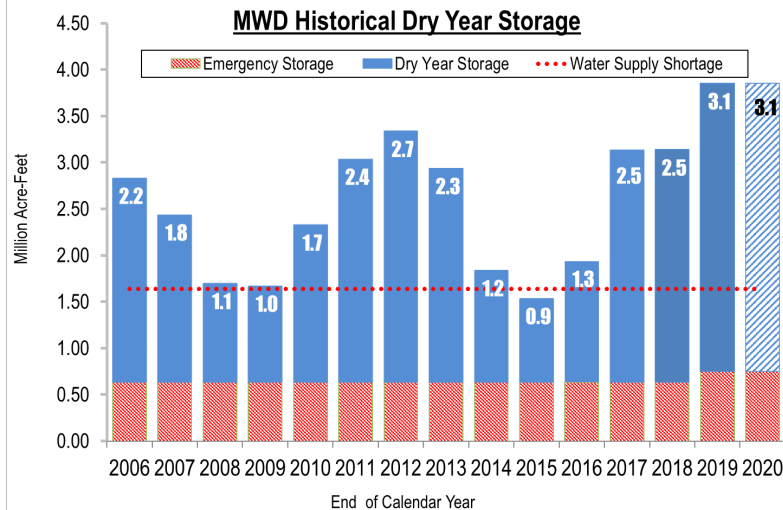
# GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES OCTOBER 2020

<b>MWDOC Agencies Managers Meeting</b>	<p>MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on September 17, 2020.</p> <p><b>In attendance were:</b> M. McGee – Buena Park, L. Ohlund – East Orange County WD, D. Cafferty – El Toro WD, H. Lee – Fountain Valley, C. Pasillas – Garden Grove, P. Cook, P. Weghorst – Irvine Ranch WD, D. Youngblood – Laguna Beach County WD, J. Chavira – La Palma, D. Atwater, L. Rocha, M. Collings – Moulton Niguel WD, S. Catron, M. Vukojevic– Newport Beach, M. Markus, J. Kennedy – Orange County WD, E. Bauman – San Juan Capistrano, D. Feron, R. Grantham – Santa Margarita WD, S. Myrter – Seal Beach, F. Paludi – Trabuco Canyon WD, S. Miller – Westminster</p> <p><b>Staff in attendance were:</b> R. Hunter, K. Seckel, H. De La Torre, C. Busslinger, V. Osborn, M. Baum-Haley, H. Baez, K. Hostert, A. Heide, C. Lingad</p> <p><b>Information/Discussion Items:</b></p> <ul style="list-style-type: none"> <li>• MWDOC Board Draft Agendas</li> <li>• COVID-19 Update</li> <li>• WEROC Program Assessment</li> <li>• The next meeting will tentatively be held on September 17, 2020.</li> </ul> <p><b>Updates:</b></p> <ul style="list-style-type: none"> <li>• Metropolitan Item Updates <ul style="list-style-type: none"> <li>a. Impacts of the COVID-19 crisis on Metropolitan's Budget and Rates</li> <li>b. Metropolitan General Manager Recruitment update</li> <li>c. IRP Status Update</li> </ul> </li> <li>• Metropolitan Shutdown Update <ul style="list-style-type: none"> <li>a. Second Lower Feeder</li> <li>b. Orange County Feeder</li> <li>c. AMP</li> </ul> </li> <li>• Urban Water Management Plan Update</li> <li>• Economic Benefits Study Next Steps</li> </ul> <p>The next meeting is <u>tentatively</u> scheduled for October 15, 2020.</p>
<b>Meetings</b>	<p>➤ Charles Busslinger and Chris Lingad attended MET's 2020 Member Agency Engineering Managers Forum via Zoom on September 1, 2020. MET co-hosted the forum with EMWD.</p>

<b>Meetings - continued</b>	<ul style="list-style-type: none"> <li>➤ Charles Busslinger and Chris Lingad participated in a Zoom meeting on September 1, 2020, with ABS Consulting to discuss phase zero of the Administration building seismic retrofit and remodel project.</li> <li>➤ Charles Busslinger, Cathy Harris, Katie Davanaugh, Hilary Chumpitazi, Patrick Dinh, and Chris Lingad have participated in several meetings throughout September with consultants ABS Group and Blackman and Forsyth to discuss move management for the MWDOC building retrofit and remodel project.</li> <li>➤ Chris Lingad attended a meeting at the MWDOC office on September 9, 2020, with consultant IDS Group and door specialist consultant ASSA ABLOY to inspect the entryway doors for ADA compliance modifications.</li> <li>➤ Chris Lingad participated in a conference call on September 10, 2020, with MET, the City of Buena Park, and the City of Fullerton to discuss the upcoming West Orange County Feeder Shutdown.</li> <li>➤ Karl Seckel and Charles Busslinger attended the Santiago Aqueduct Commission Quarterly Meeting on September 17, 2020. Charles Busslinger was sworn in and seated as the Alternate Commissioner for the meeting (Director Thomas had a conflict with the SAC meeting due to MWDOC's Executive Committee meeting at the same time). The Commission approved engineering and environmental permitting work to address a 350-linear feet section of the SAC Baker pipeline crossing Santiago Creek (within Irvine Regional Park) that has been exposed due to erosion. The proposed solution is to lower the pipeline in the affected reach by an additional 10-feet. The cost-share for this project is based on capacity ownership in Reach 1.</li> </ul>
<h2 style="margin: 0;">MET ITEMS CRITICAL TO ORANGE COUNTY</h2>	
<b>MET's Water Supply Conditions</b>	<p>With estimated total demands and losses of 1.54 million acre-feet (MAF), and with a 20% SWP Table A Allocation, MET projects that demand will meet supply levels in Calendar Year (CY) 2020. Based on this, the estimated total dry-year storage for MET at the end of <i>CY 2020 will remain at approximately 3.1 MAF.</i></p> <p>A projected dry-year storage supply of <i>3.1 MAF will be the highest amount for MET.</i> A large factor in the increase in water storage is because <i>water demands regionally have been at approximately <u>36-year lows</u>.</i></p>



## MET's Water Supply Conditions - continued



## MET's Finance and Rate Issues

### Current Update

The prior fiscal year 2019/2020 financial results were reported to the Finance and Insurance Committee on August 17, 2020. Water Transactions for July 2020 totaled 138.9 thousand acre-feet (TAF), which were 15.8 TAF lower than the 154.7 TAF budget. This translates to \$120.2 million in revenues for July 2020, which were \$20.2 million lower than budget.

At MET's September 14, 2020 Finance and Insurance Committee, the Board received a review of the impacts of COVID-19. From this review, the Board approved the following recommended cost-containment measures to address the COVID-19 financial impacts as amended:

- Continue to track COVID-19 impacts to the member agencies with a focus on retail payment delinquencies. If interest from the member agencies

<b>MET's Finance and Rate Issues - continued</b>	<p>develops a payment deferral program that exempts penalties or interest for those agencies that record and report significant delinquencies and likewise grant deferrals to their customers. Bring back any deferral program criteria to the Board for review and consideration</p> <ol style="list-style-type: none"> <li>b. Monitor water demands, sales and expenditures and prepare additional cost-containment measures, as needed, for mid-cycle budget review.</li> <li>c. Maintain the current rates adopted by the Board to address the impacts of lower water sales and lower revenues while maintaining current credit ratings.</li> <li>d. Include in the mid-cycle budget review new revenue generation options, including through a groundwater replenishment program.</li> <li>e. Implement a moratorium on non-emergency unbudgeted proposals for the remaining part of the fiscal year that have not been anticipated in the budget.</li> </ol> <p><b><u>Rate Issues</u></b></p> <p>In December 2019, the MET Board voted to discontinue the collection of the Water Stewardship Rate (WSR) as part of the upcoming 2021 and 2022 rates and charges (<a href="#">December 2019 Board Letter</a>; <a href="#">Presentation</a>). The Demand Management program will use program reserves to cover the costs of LRP, Conservation, and the Future Supply Actions Program for the next two years, or until a new funding mechanism is in place. Board discussion will resume in fall 2020.</p>
<b>MET's General Manager Recruitment Process</b>	<p><b><u>Current Update</u></b></p> <p>On August 18, the MET Board authorized an agreement with The Hawkins Company as the executive search firm for the General Manager recruitment. The Hawkins Company previously recruited the General Counsel (Jeff Kightlinger and Marcia Scully) and General Auditor (Gerry Riss) positions.</p> <p>At the September 22, Special Organizational Personnel &amp; Technology (OP&amp;T) Committee, the Board discussed the input process for the job description versus executive profile and discussed the stakeholder engagement process.</p> <ul style="list-style-type: none"> <li>• A <i>Job Description</i> is a high-level description of expectations and responsibilities, including specific goals and objectives. It is established via the General Manager's business plan, performance goals, and approved budget.</li> <li>• An <i>Executive Profile</i> defines leadership core competencies used to identify, screen, and evaluate candidates. It informs and guides the recruitment strategy.</li> </ul> <p>At the October 13 OP&amp;T Committee, the Metropolitan Board will discuss the draft <i>Job Description</i>, including an additional responsibility for Human Resources processes and policies, including diversity and inclusion.</p> <p>The Hawkins will develop the <i>Executive Profile</i> after stakeholder engagement. The <i>Executive Profile</i> will then be marketed to pursue candidates for the position.</p>

<b>Colorado River Issues</b>	<p><b><u>Colorado River Basin August 24-Month Study Issued</u></b></p> <p>The U.S. Bureau of Reclamation (Reclamation) issued the August 24-Month Study for Colorado River Basin for Water Year 2021. The August 24-Month Study projections of January 1, 2021 reservoir elevations set the operating tiers for Lake Powell and Lake Mead and project annual release volumes from Lake Powell to Lake Mead. Inflow into Powell is projected to be 8.7 million acre-feet (MAF), 80 percent of average inflow. That inflow would put Lake Powell in the Upper Elevation Balancing Tier, and based on the most probable scenario, trigger a 9 MAF release from Lake Powell. Release volumes may be adjusted downward to 8.23 MAF based on next year's April 24-Month Study. Lake Mead is projected to operate in a Normal/Intentionally Created Surplus (ICS) Condition with Lower Basin Drought Contingency Plan Contributions and Minute 323 water savings contributions. ICS and system conservation water are also projected to be created.</p> <p><b><u>Colorado River Basin Salinity Control Program</u></b></p> <p>The Paradox Valley Salinity Control Unit (PVU) is one of the original salinity control projects authorized under Title II of the 1974 Colorado River Basin Salinity Control Act (P.L. 93- 320, as amended). The PVU is comprised of a series of brine collection wells and deep injection disposal well that has prevented approximately 100,000 tons of salt per year from entering the waters of the Colorado River until its closure in March 2019 due to seismic activity. Reclamation identified four PVU replacement alternatives in the Draft EIS released on December 6, 2019, including A) No Action, B) New Injection Well, C) Evaporation Ponds, and D) Zero Liquid Discharge.</p> <p>Reclamation released the Administrative Draft of the Final EIS on April 17, 2020. A preferred alternative was expected to be identified in the final EIS during the summer of 2020. However, Reclamation has not yet released the Final EIS. The Record of Decision, anticipated to follow shortly after the Final EIS, will officially present the Reclamation's decision on brine disposal at the PVU.</p>
<b>Delta Conveyance Activities and State Water Project Issues</b>	<p><b><u>Timeline for Future MET Board Discussions &amp; Actions</u></b></p> <p>MET staff discussed the cost comparison of recently released cost estimates from the Delta Conveyance Design and Construction Authority 6,000 cfs project compared to the 9,000 cfs project alternative at the September 22, 2020, Bay-Delta Committee meeting.</p> <p>By the end of 2020, the Board will be asked to commit to planning costs for the Delta Conveyance Project for 2021 and 2022. The estimated planning fees are \$160 million to get the project through a draft stage of the environmental reports. Roger Patterson estimated that the MET Board would be asked to cover about \$100 million of those costs. Of note, <i>The Biennial Budget already includes MET's planned contribution of \$25 million per year for Delta conveyance project planning activities. This, in addition to State Water Contract expenditures.</i></p>

### Delta Conveyance Activities and State Water Project Issues - continued

By the end of 2022, the MET Board will be asked to provide additional funding for continued planning costs. A final decision point on the level of MET's participation in the project is expected to occur in the latter half of 2024.



### Delta Conveyance

As part of the effort to formally engage the U.S Army Corps of Engineers (USACE) in the Delta Conveyance Project, the California Department of Water Resources (DWR) recently submitted a permit application to USACE for Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act. During the federal National Environmental Policy Act (NEPA) Environmental Impact Statement (EIS) scoping period, stakeholders, including the public, will have an opportunity to comment on the permit application and EIS. Additionally, DWR must get a permit from USACE to identify and address potential impacts to federal flood control projects. To initiate this process, DWR requested and received approval from the Central Valley Flood Protection Board (CVFPB). This approval allows DWR to engage in early coordination with USACE and the CVFPB during environmental document development. DWR expects decisions on the permit after the CEQA and NEPA processes are complete, and the design process has progressed.

<b>Delta Conveyance Activities and State Water Project Issues - continued</b>	<p>DWR adopted the Final Initial Study/Mitigated Negative Declaration (MND) for soil investigations in the Sacramento-San Joaquin Delta on July 9, 2020. Soil investigation will include data collection, soil samples, and surveys supporting DWR's efforts to understand the region's geology better to support the evaluation of the proposed Delta Conveyance Project. On August 10, the Central Delta Water Agency, the South Delta Water Agency, and the North Delta's Local Agencies filed a lawsuit in California's Superior Court, Sacramento County, against DWR challenging DWR's adoption of the MND.</p> <p><b><u>Joint Powers Authorities</u></b></p> <p>The Delta Conveyance Design and Construction Authority (DCA) approved the Biennial Board of Director Officer Appointments and Resolution Updating the Bylaws Regarding Officer Terms and subsequently appointed officers by motion at its regularly scheduled meeting on July 16, 2020. The results of the Tunnel Independent Technical Review No. 2 and DCA responses to the review were also presented. The next DCA meeting was held on August 20, where the DCA Board has introduced a preliminary cost assessment on the proposed Delta Conveyance Project. The cost information developed at this early stage in the planning process will be refined over time as planning, environmental review proceeds, and more precise design and engineering are available, based on industry-standard methodology. Early planning cost assessments, such as the above, include large allowances to account for unknown factors that will have a greater definition later in the process. The DCA Board also approved Amendment #3 to the Joint Exercise of Powers Agreement. This amendment generally relates to the DCA's budget process. Other informational items provided to the DCA board included the DCA Monthly report, updates on the Stakeholder Engagement Committee (SEC), and DCA leadership spotlight, allowing DCA team members to be introduced and describe the work they perform.</p> <p>The Delta Conveyance Finance Authority (DCFA) approved changes to the DCFA's investment policy at its regularly scheduled board meeting on July 16, 2020. The DCFA scheduled periodically August 20 board meeting was canceled.</p> <p>The August 26 SEC meeting focused on updated traffic histograms, updates on intake designs, and a briefing regarding a new Delta Conveyance alternative.</p> <p><b><u>Sites Reservoir</u></b></p> <p>On July 28, 2020, Governor Newsom released a final version of the Water Resilience Portfolio, the Administration's blueprint for equipping California to cope with more extreme droughts and floods, rising temperatures, declining fish populations, over-reliance on groundwater, and other challenges. Fast-tracking the construction of Sites Reservoir, the off-stream storage facility, was among the final portfolio elements.</p> <p>A Strategic Planning Session Workshop was held on August 13 to engage the Authority Board and the Reservoir Committee on various strategic elements and identify and discuss the significant opportunities, challenges, and activities that will</p>
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<b>Delta Conveyance Activities and State Water Project Issues - continued</b>	<p>guide and direct the mission's achievement and goals. Future work after the workshop will align the activities and milestones, strengthen the organization, and describe process reporting and performance measures. A draft Strategic Plan is scheduled to be delivered in September 2020.</p> <p><b><u>Regulatory Activities</u></b></p> <p>MET staff continues to participate in the newly formed groups called for in the 2019 Biological Opinion for the State Water Project (SWP) and Central Valley Project (CVP), and the 2020 Incidental Take Permit (ITP) for Long-term Operation of the SWP, to address science needs for management and operation of the water projects. The Delta Coordination Group coordinates the CVP and SWP management for listed species and is currently focused on Delta smelt summer/fall actions. The Longfin smelt Science Program is the new cooperative science technical team to inform Longfin's management smelt under the 2020 ITP.</p> <p><b><u>Science Activities</u></b></p> <p>MET staff continued participating in the Collaborative Science and Adaptive Management Program, including participation on the Collaborative Adaptive Management Team (CAMT). The August 18 CAMT meeting included an update on the Suisun Marsh Salinity Control Gates action, a project to provide increased low salinity habitat for Delta smelt. The presentation included results from 2019 gate operations and the proposed monitoring and assessment work plan for 2020. CAMT also received an update on the Delta smelt Structured Decision-Making project and discussed a proposal to develop a Delta smelt adaptive management framework.</p> <p>Metropolitan staff continued to participate in the State Water Contractors (SWC) science program. On August 11, the SWC released the "SWC Annual Science Report 2019-2020" (<a href="https://swc.org/wpcontent/uploads/2020/08/Report_2019-2020-Annual-Science-Report_8.10.20_FINAL.pdf">https://swc.org/wpcontent/uploads/2020/08/Report_2019-2020-Annual-Science-Report_8.10.20_FINAL.pdf</a>). The report highlights the importance of investing in science and research to provide a more reliable water supply for California and to protect, restore and enhance the Delta ecosystem. The report also highlights the accomplishments and areas of scientific research. The SWC invested more than \$2.7 million in science and research efforts in FY 2019/20, which will help develop new management approaches to managing protected species and water supply.</p> <p>Metropolitan staff also participated in other collaborative Delta science forums to provide input to work plans and studies, including the Delta Independent Science Board, the Delta Regional Monitoring Program, the Interagency Ecological Program Stakeholder meeting, and the Delta Science Program Science Needs Assessment Workshop.</p>
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<b>Delta Conveyance Activities and State Water Project Issues - continued</b>	<p><b><u>Delta Flood Emergency Management Plan</u></b></p> <p>DWR is conducting emergency response exercises to train personnel, test response effectiveness, and upgrade Delta emergency preparedness plans. A large-scale emergency exercise is planned in spring 2021 involving multiple-island failures requiring robust response measures of the Delta Flood Emergency Management Plan (DFEMP), including the emergency freshwater pathway. It is planned as a tabletop exercise requiring preliminary testing in fall 2020 to prepare for a more comprehensive spring exercise. DWR is preparing input materials and manuals for the exercise and will use findings to prepare an after-action report and update the DFEMP. In connection with these processes, DWR conducts monthly meetings to review DWR and USACE emergency stockpile inventories and local emergency supplies and machinery for levee breach repairs.</p>
<h2 style="text-align: center;">ENGINEERING &amp; PLANNING</h2>	
<b>OC-70 Meter Testing Update</b>	<p>MWDOC staff continues to work with staff from MET and East Orange County Water District (EOCWD) to investigate the billing meter's accuracy at Service Connection OC-70 under MET Administrative Code Section 4506 Metering of Water. As part of this investigation, MET and MWDOC agreed to a testing methodology using Utah State Water Research Laboratory (UWRL). After an initial portable ultrasonic flow meter failure at UWRL in August 2020, new portable ultrasonic flow meter tests were successfully completed on September 17, 2020.</p> <p>Field testing at OC-70 is scheduled for October 6, 2020. Following the field testing, the quantification of any billing metering error is estimated to be completed by early November 2020.</p>
<b>Doheny Ocean Desalination Project</b>	<p>South Coast Water District (SCWD) continues working on the project:</p> <ul style="list-style-type: none"> <li>• SCWD submitted its NPDES permit application on March 13, 2020. SCWD anticipates approval of the NPDES permit in Early/Mid 2021. The next step would be the Coastal Commission, with a permit expected in Mid-2021.</li> <li>• Work is progressing on the Financial Analysis for a 2 mgd and 5 mgd scenario through Clean Energy Capital. SCWD is coordinating the financial analysis with the Alternative Energy Study.</li> <li>• Work is also progressing on an Alternative Energy Study for the project. A draft report is under review by SCWD.</li> <li>• Working groups are underway for a third party hydrogeology review. Two meetings have taken place in July and a third in August 2020.</li> </ul> <p>On June 25, 2020, the SCWD Board approved an amendment to the Clean Energy Capital Financial Analysis to evaluate alternative project options that meet reliability benefits for SCWD similar to the Doheny Desalination Project, along with reducing overall life-cycle costs in light of the uncertain economic situation moving forward due to the COVID-19 pandemic.</p>

<b>Doheny Ocean Desalination Project - continued</b>	<p>The Doheny Desalination Project is currently sized at a capacity of up to 5 MGD, which exceeds SCWD's average potable water demand expected during emergencies. SCWD has only received interest from SMWD for about 1 mgd of supply from Doheny. This leaves South Coast with potential capacity for others in a 5 MGD facility. Based on this, along with regional financial hardships caused by the COVID-19 pandemic and possible economic recession, SCWD believes that it is necessary to consider alternative, potentially lower-cost project options to utilize and potentially expand existing assets as a means to meet their reliability needs.</p> <p>This amended study will review design parameters and existing conditions at SCWD's existing Groundwater Recovery Facility (GRF) to obtain a comprehensive understanding of the actual production capacity of the GRF and current limitations and reliability concerns. A range of additional water production volumes needed to maintain emergency reliability for SCWD will be developed. Current estimates are that 1.2 to 2.2 mgd of additional reliability will be needed for SCWD based on a GRF production volume of 0.8 mgd.</p>
<b>SMWD San Juan Watershed Project</b>	<p>Santa Margarita WD focuses on diversifying its water supply portfolio for south Orange County residents, businesses, schools, and visitors through the San Juan Watershed Project.</p> <p>The original project had three Phases; Phase 1 was three rubber dams recovering about 700 AFY; Phase 2 added up to 8 more rubber dams with the introduction of recycled water into the creek to improve replenishment of the basin for up to 6,120 AFY, and Phase 3 added more recycled water topping out at approximately 9,480 AFY. Under this arrangement, most or all of the production and treatment involved the existing San Juan Groundwater Desalter with expansions scheduled along the way to increase production beyond 5 mgd. Fish passage and regulatory hurdles to satisfy subsurface travel time requirements are being tackled.</p> <p>SMWD is working with the Ranch on the next phase of development within SMWD and have access to riparian groundwater from the Ranch. Furthermore, they have discovered that the local geology has high vertical percolation rates and sufficient groundwater basin travel time to potentially allow percolation of treated recycled water with an ability to meet the required travel time. SMWD believes that groundwater production and groundwater treatment can be initiated in a relatively short time-frame while permitting for percolation augmentation using recycled water from the nearby Trampas reservoir can be added as permitting allows. SMWD believes the new project area may ultimately produce 4,000 to 5,000 AF per year; they believe the original project will continue to be developed for production out of the wells and treatment provided by San Juan Capistrano as the two agencies merge. Ultimate production out of the basin could exceed 10,000 AF per year if all goes well.</p>



<b>South Orange County Emergency Service Program</b>	<p>MWDOC, IRWD, and Dudek have completed the study to determine if the existing IRWD South Orange County Interconnection capacity for providing emergency water to South Orange County can be expanded and/or extended beyond its current time horizon of 2030.</p> <p>Dudek participated in the November 6, 2019, SOC workshop to re-engage with the SOC agencies on this project. Support from the agencies was expressed to take a small next step to install Variable Frequency Drives at a pump station within IRWD, which SOC would pay to help move water from the IRWD system to SOC in an emergency. The Variable Frequency Drives will provide more flexibility to the IRWD operations staff to allow additional water to be sent to SOC while meeting all IRWD needs.</p>
<b>Strand Ranch Project</b>	<p>MWDOC and IRWD are continuing to exchange ideas on implementing the program to capture the benefits of developing “extraordinary supplies” from the Strand Ranch Project. Staff from MWDOC and IRWD met in August 2020 and will begin reaching out to other agencies to determine the project's level of interest.</p>
<b>Poseidon Resources Huntington Beach Ocean Desalination Project</b>	<p>The Santa Ana Regional Water Quality Control Board (SARWQCB) continues to work with Poseidon to renew the National Pollutant Discharge Elimination System (NPDES) Permit for the proposed HB Desalination Project.</p> <p>The renewal of the NPDES permit for the proposed desalination facility requires a California Water Code section 13142.5(b) determination in accordance with the State's Ocean Plan (a.k.a. the Desalination Amendment). To make a consistency determination with the Desalination Amendment, the Regional Board is required to analyze the project using a two-step process:</p> <ol style="list-style-type: none"> <li>1. Analyze separately as independent considerations a range of feasible alternatives for the best available alternative to minimize intake and mortality of all forms of marine life:             <ol style="list-style-type: none"> <li>a. Site</li> <li>b. Design</li> <li>c. Technology</li> <li>d. Mitigation Measures</li> </ol> </li> <li>2. Then consider all four factors collectively and determine the best combination of feasible alternatives.</li> </ol> <p>Regional Board staff reviewed hundreds of documents and input from both an independent reviewer and a neutral 3rd party reviewer to develop Tentative Order R8-2020-0005.</p> <p>The key areas required by the Ocean Plan on which the Santa Ana Water Board is required to decide includes:</p>

<b>Poseidon Resources Huntington Beach Ocean Desalination Project - continued</b>	<ul style="list-style-type: none"> <li>• Facility onshore location;</li> <li>• Intake considerations including subsurface and surface intake systems;</li> <li>• Identified need for the desalinated water;</li> <li>• Concentrated brine discharge considerations;</li> <li>• Calculation of the marine life impacts; and</li> <li>• Determination of the best feasible mitigation project available.</li> </ul> <p>In evaluating the proposed project, Santa Ana Regional Board staff interpreted “the identified need for the desalinated water” as to whether or not the project is included in local area water planning documents, rather than a reliability need as analyzed in the OC Water Reliability Study. The Regional Board staff referenced several water planning documents; Municipal Water District of Orange County’s (MWDOC) 2015 Urban Water Management Plan (UWMP), the OC Water Reliability Study, OCWD’s Long Term Facilities Plan, and other OCWD planning documents in their evaluation of Identified Need.</p> <p>On December 6, 2019, SARWQCB, Regional Board staff conducted a workshop in Huntington Beach that was heavily attended with a considerable range of views expressed at the meeting. Several of the SARWQCB members were somewhat confused about the evaluation of “Identified Need” for the project (inclusion in local water planning documents vs. an identified reliability need for the project) and requested staff to better understand the issue.</p> <p>On May 15, 2020, SARWQB held a second workshop, which focused on the identified need for the desalinated water and marine life mitigation requirements. Karl Seckel presented to the Regional Board on several topics including MWDOC’s role in Orange County, alternative definitions of “need” for a water supply project and the role of water agencies, Urban Water Management Plans, non-mandated planning documents, and what was and was NOT in the 2018 OC Water Reliability Study.</p> <p>On September 15, 2020, the Regional Board postponed action on the waste discharge permit renewal at Poseidon's request. Poseidon requested additional time to address concerns raised in three days of public hearings, among them: the need and cost of desalinated water; OCWD’s commitment to purchase the supply; the harm to marine life caused by the facility’s intake process; and whether the Bolsa Chica wetlands Marine Life Mitigation Plan satisfies the state’s Ocean Plan requirements for seawater desalination plants. Poseidon informed the Regional Board that it plans to evaluate the mitigation recommendations, work with resource agency and board staffs, and expects to complete the process within 45-60 days.</p> <p>Assuming success at the Regional Board, Poseidon would then seek its final permits from the California Coastal Commission (CCC). The CCC has committed to reviewing the permit within 90 days of the SARWQCB NPDES permit issuance.</p>
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<b>Trampas Canyon Dam and Reservoir</b>	<p>Trampas Canyon Reservoir and Dam (Trampas Reservoir) is a seasonal recycled water storage reservoir with a total capacity of 5,000 AF, of which 2,500 AF is available to meet Santa Margarita Water District's projected base recycled water demands, and 2,500 AF to meet future water supply needs. When completed, the Trampas Reservoir will allow SMWD to store recycled water in the winter and draw on that water during the peak summer months.</p> <p>The construction of the Trampas Canyon Recycled Water Seasonal Storage Reservoir consists of three main components:</p> <ol style="list-style-type: none"> <li>1. Trampas Canyon Dam (Dam)</li> <li>2. Conveyance facilities to transport recycled water into and out of the Reservoir (Pipelines)</li> <li>3. Trampas Canyon Pump Station (Pump Station)</li> </ol> <p>The construction of the facilities is being completed in three phases:</p> <ol style="list-style-type: none"> <li>1. Preconstruction/Site Preparation for the Dam and Pump Station Construction Project Status - Complete</li> <li>2. Dam and Pipelines Project Status – Extensive and productive work continues on this project, but the Critical Path on the overall schedule has become constrained by the following issues: <ol style="list-style-type: none"> <li>a. Defective concrete that requires repair at the Inlet/Outlet Structure.</li> <li>b. Potential for the need to replace structural slurry in the cut off the wall of the West Dam.</li> <li>c. The need to replace five piezometer deep wells on the Main Dam face.</li> <li>d. Material and equipment shipping delays resulting from the effects of the Covid-19 Pandemic.</li> </ol> </li> <li>3. Pump Station Project Status – Trampas Pump Station project has made significant progress over the past few months and remains on track to be substantially complete by September 30, 2020. The building structure is done, and the main electrical, control panels, and pumping equipment are scheduled to be installed by the end of September.</li> </ol> <p>SMWD operates under the intention that the basic Project Overview will be suitable for presentation at the Dedication Ceremony currently scheduled for October 9, 2020. Three more months of smaller-scale activity to include startup and commissioning will likely be required following October 9, 2020.</p>
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<b>NAWI – National Alliance of Water Innovation</b>	<p>Karl Seckel has continued meeting as part of the Municipal Water Core Team process. The overall vision of NAWI is developing non-traditional water sources at pipe-parity costs of existing water sources today - this is an <i>aspiration</i>, not a <i>prediction</i>!</p> <p>Roadmaps are being prepared for five water end-user types and will be blended into an overall Roadmap by the end of the calendar year:</p> <ol style="list-style-type: none"> <li>1. Power</li> <li>2. Resource Extraction</li> <li>3. Industrial</li> <li>4. Municipal</li> <li>5. Agricultural</li> </ol> <p>The Road-mapping Process includes the following steps:</p> <ol style="list-style-type: none"> <li>1. Vision (current step, soon moving into the others)</li> <li>2. Targets/Milestones</li> <li>3. GAPS/Challenges</li> <li>4. Solutions</li> <li>5. Action Plans</li> </ol> <p>Hopefully, by the end of this calendar year, solutions and action plans to fill the GAPS and resolve challenges will emerge to prioritize investments, starting with \$100M from the Electric Power Research Institute. Water sources being considered in the Water Roadmap includes:</p> <ol style="list-style-type: none"> <li>1. Ocean water</li> <li>2. Inland brackish groundwater</li> <li>3. Industrial wastewater</li> <li>4. Municipal wastewater</li> <li>5. Mining wastewater</li> <li>6. Conventional produced water</li> <li>7. Unconventional produced water</li> <li>8. Power/cooling wastewater</li> <li>9. Agricultural wastewater</li> </ol>
<b>AMP Shutdown in 2021 to Replace PCCP Sections</b>	<p>In 2016, MET initiated a Prestressed Concrete Cylinder Pipe (PCCP) rehabilitation program to install 100 miles of steel liner throughout the MET system to address structural issues associated with prestressed steel wire failures in PCCP. As part of the program, MET monitors PCCP for wire breaks regularly.</p> <p>MWDOC staff was notified that a recent internal inspection of the AMP, which included electromagnetic surveys of the pipeline, revealed two pipe segments with increased wire breaks within the PCCP portion South of OC-70. Metropolitan Engineering considers this section of the pipeline high-risk, which will require relining. The minimum relining length needed would be approximately 1,000 feet, which would require a minimum 1-month shutdown only South of OC-70. A longer shutdown duration would allow Metropolitan to reline about 3,300 feet, reducing the</p>

<b>AMP Shutdown in 2021 to Replace PCCP Sections - continued</b>	<p>number of shutdowns needed for future relining of the entire PCCP portion of the AMP and reducing the overall construction shutdown costs. MET had initially scheduled the AMP PCCP relining to begin in about five years, but based on the survey, this initial section's relining has been accelerated.</p> <p>MET's engineering group considers three pipe segments within a 1,000 linear foot reach downstream of OC-70 as an increased risk due to the segments having 20 or more wire breaks. MET does not recommend that repairs to these segments wait until Fall 2021.</p> <p>MWDOC staff coordinated a meeting with all AMP participants on May 13, 2020, to discuss the proposed shutdown options.</p> <p>Two MWDOC member agency projects are also scheduled around the same time as the pending AMP shutdown; a South Coast Water District vault rehabilitation on the JTM that was previously postponed due to the previous Diemer shutdown, and Santa Margarita Water District relocation of a portion of the Aufdenkamp Connection Transmission Main (ACTM) to accommodate the I-5 widening project. The South Coast project is scheduled for completion by the beginning of February 2021.</p> <p>SMWD notified the MWDOC staff of pipe supply delays that could delay returning the ACTM to service. As the ACTM is needed to provide water during an AMP shutdown, this would delay the AMP shutdown. MWDOC staff asked SMWD to explore options for expediting the ACTM project. The pipe manufacturer indicated that overtime work would expedite pipe delivery at the cost of approximately \$35,000, increasing the likelihood of completing the ACTM relocation by March 31, 2021, and allowing time for the AMP shutdown to occur before high water demand months.</p> <p>MWDOC staff coordinated a meeting with all affected AMP participants on August 12, 2020, to discuss the regional value of expediting the ACTM relocation and possible cost-sharing options. The SOC agencies agreed to share the costs of expediting the pipe manufacture work.</p> <p>The shutdown is planned for April 3, 2021, through May 2, 2021.</p> <p>Staff is continuing to work with affected agencies and will keep both the Board and the AMP Participants informed as more information becomes available.</p>
<b>Other Shutdowns</b>	<p><b>Orange County Feeder</b></p> <p>MET is planning to reline and replace valves in a section of the Orange County Feeder from Bristol Ave to Corona Del Mar – this is the last section of this 80-year old pipeline to be lined. A meeting was held on August 27, 2020, between staff from MET, MWDOC, and Mesa WD, and a plan was developed to allow the shutdown to move forward while addressing MWDOC member agency concerns. Staff will continue to work with our member agencies and MET through this shutdown.</p>

<b>Other Shutdowns - continued</b>	<p>Due to CIP budgeting changes, MET has proposed new shutdown dates of September 15, 2021, through June 15, 2021. MET will be re-evaluating this Orange County Feeder relining project in the June 2021 budget review.</p> <p><b>Second Lower Feeder</b></p> <p>MET has completed a shutdown of the Second Lower Feeder just below the Diemer Treatment Plant. A pipeline survey identified increased wire breaks in some of the Prestressed Concrete Cylinder Pipe (PCCP) sections, which required an accelerated replacement schedule. This shutdown impacted the Golden State Water Company's (GSWC) service connection OC-56 and began on June 22, 2020. MWDOC and GSWC have been coordinating with MET on this shutdown. MET completed the bulkhead installation on June 30, 2020, to allow GSWC to take water through OC-56 while the remaining repairs were completed. In early August 2020, MET notified MWDOC and GSWC that the pressure on the Second Lower Feeder had to be lowered because a surge event had potentially impacted the bulkhead and the workers' safety on the other side of the bulkhead was a concern. GSWC agreed to take OC-56 out of service earlier than scheduled to remove the bulkhead. GSWC worked collaboratively with the City of Fullerton to potentially take water through a shared interconnection in the event GSWC needed additional supplies. MWDOC staff worked with MET and the City of Fullerton to assist with transferring accounting information for any increases in flows over to GSWC, in the event Fullerton peaked their capacity charge during the period (May – September). MET completed the Second Lower Feeder shutdown ahead of schedule on August 29, 2020. It returned the pipeline to service, thereby avoiding the need for GSWC to take water from the City of Fullerton. Golden State Water Company and the City of Fullerton are to be congratulated on the cooperative manner in which they worked through the issues presented by this shutdown.</p> <p><b>West Orange County Feeder</b></p> <p>MET will be shutting down the West Orange County Feeder from September 28-30, 2020, to perform maintenance. During the shutdown, the City of Buena Park's service connection, OC-25, will be out of service.</p> <p><b>Joint Transmission Main</b></p> <p>SCWD is planning a rehabilitation project of their CM-10 vault in early 2021 on the Joint Transmission Main (JTM), including replacing existing valves. MWDOC coordinates this work with MET and SCWD, so the above referenced AMP shutdown and this project do not overlap.</p> <p><b>Aufdenkamp Connection Transmission Main</b></p> <p>SMWD is currently working on a relocation of the ACTM pipeline for the I-5 widening project. We are also coordinating with MET and SMWD, so the above referenced AMP shutdown and this project do not overlap.</p>
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<b>Other Shutdowns - continued</b>	<p><b>OC Feeder extension</b></p> <p>MET is planning to reline 300-linear feet of the OC Feeder extension affecting the City of Newport Beach. Due to CIP budgeting changes, MET has proposed revised shutdown dates of June 16, 2022, through July 10, 2022. MET will be re-evaluating this Orange County Feeder relining project in the June 2021 budget review.</p> <p><b>Lake Mathews Forebay</b></p> <p>MET is also planning a shutdown of the Lake Mathews Forebay for maintenance and repair work, which will affect the Santiago Lateral from March 1-14, 2021. Staff is currently coordinating with MET and IRWD &amp; Trabuco Canyon WD on this shutdown.</p> <p><b>Irvine Cross Feeder</b></p> <p>MET is planning a PCCP Inspection of the Irvine Cross Feeder November 2-8, 2020, affecting Newport Beach, Huntington Beach, and Mesa WD. Staff is currently coordinating with MET and our affected agencies on this shutdown.</p>
<h2 style="text-align: center;">EMERGENCY PREPAREDNESS</h2>	
<b>COVID-19 (Corona Virus) Coordination</b>	<p>Current Action Items:</p> <ul style="list-style-type: none"> <li>➤ On September 2, FEMA released an interim policy to clarify eligible work under the Public Assistance program as part of the coronavirus (COVID-19) pandemic response. The temporary policy "<a href="#">COVID-19 Pandemic: Work Eligible for Public Assistance</a>" applies to eligible applicants only and is exclusive to emergency and major disaster declarations for the COVID-19 pandemic. This policy applies to work performed on or after September 15, 2020. This means water and wastewater will no longer be eligible based on definitions of an emergency responder used in the policy and how it is written.</li> <li>➤ On September 9, Vicki attended a webinar hosted by CalOES on the newly released FEMA interim policy. Vicki posed the following question to CalOES</li> <li>➤ "Water and Wastewater Special Districts are part of the state Medical Health Operational Area Coordination (MHOAC) system as one of the 17 essential functions for medical health system so will water, and wastewater Special Districts qualify for the PPE reimbursement as the services provided support the critical facility being used for medical COVID response. Under C-4 of the policy, we are now disallowed, but we are asking for this to be reconsidered." CalOES replied they are reaching out to FEMA on this issue. As of September 29, the question is still open and has been sent again.</li> <li>➤ On September 8, the County of Orange moved into the red tier of the new State 4-tier COVID-19 County monitoring system. As of September 29,</li> </ul>

<b>COVID-19 (Corona Virus) Coordination - continued</b>	<p>Orange County will remain in the red tier due to its numbers over the past two weeks. WEROC provides updated information from the County Health Care Agency and the state as it is released and available.</p> <ul style="list-style-type: none"> <li>➤ Agencies continue to provide updates to the WEROC COVID-19 Matrix, including business practices with the changes occurring for field and office staff (50/50 schedule, full staffed, staggered, telecommuting).</li> <li>➤ On the September 1 WEROC Coordination Conference Call, the agencies discussed looking at the schools re-opening to assist with a benchmark of staff returning to the offices and other business resumption activities.</li> <li>➤ WEROC continues to monitor the State and County for changing information and is sharing information with agencies as it becomes available.</li> <li>➤ WEROC is participating in the weekly Operational Area Conference calls.</li> <li>➤ WEROC continues to hold bi-weekly conference calls on Tuesdays with member agencies to report on Federal, State, and County changes. Calls continue to support the sharing of information between agencies, logistics, legislation, and recovery updates. Additionally, agencies have an opportunity to share best practices or ask other agencies for input on an issue they are encountering. Post COVID-19, these calls will transition into different topics and continue as long as the agencies' information benefits.</li> <li>➤ WEROC has procured, transported, warehoused, and distributed over 110,000 various pieces of personal protective equipment and sanitizing products. These supplies have been and will continue to be made available to all WEROC member agencies in times of need. Daniel is leading logistics coordination.</li> <li>➤ WEROC is monitoring the legislation related to COVID-19. The Governor signed AB1945, which clarifies in the California Emergency Services Act by adding to section 8562 which defines the definition of a first responder in California which is an employee of the state or a local public agency who provides emergency response services, including a peace officer, firefighter, paramedic, emergency medical technician, public safety dispatcher, or public safety telecommunicator. Water and Wastewater employees are not within this classification. WEROC will be creating a white paper for agencies that explain the difference between a first responder and an emergency responder.</li> <li>➤ WEROC continues to support agencies daily by answering their questions. Vicki has provided agency assistance with OSHA training and guidance on requirements due to the current COVID conditions.</li> </ul>
<b>September Incidents/ Events: Public Safety Power Shutoff, Heat Advisory, Smoke Advisory, and Orange County Demonstrations</b>	<ul style="list-style-type: none"> <li>➤ Following the WEROC PSPS Standard Operating Procedure, WEROC sent information to agencies on the weather and Southern California Edison and San Diego Gas and Electric mapping and identified circuits. No power was shut off during this event.</li> <li>➤ Vicki is working with SCE on notification issues a couple of agencies had during this past event. As of September 29, and follow up, the notification issue has been resolved.</li> </ul>



<b>September Incidents/ Events: Public Safety Power Shutoff, Heat Advisory, Smoke Advisory, and Orange County Demonstration - continued</b>	<ul style="list-style-type: none"> <li>➤ WEROC developed a Smoke Advisory Procedure following a request from a couple of agencies inquiring if WEROC has anything per the regulations under the Injury and Illness Prevention Program under Title 8 section 3203 of the California Code of Regulations and as required under section 5141 (Control of Harmful Exposure to Employees). This information was implemented in September due to the Bobcat and El Dorado fire's impact on the air quality in Orange County.</li> <li>➤ Due to recent national and local events, multiple protests and demonstrations were scheduled in different member agency service areas. Open-source information was shared with the member agencies on these events to brief field operations and employees where these locations are for safety reasons.</li> <li>➤ Heat Advisory information for the last week of September was shared with the agencies.</li> </ul>
<b>WEROC Program Assessment</b>	<ul style="list-style-type: none"> <li>➤ Vicki has completed the WEROC Assessment Report. She conducted interviews with employees, member agencies, governing documents, and national standards to perform her assessment. This document is shared with the MWDOC Board of Directors in a three-part series during the P&amp;O Committee meetings. Part One covers what emergency management is, the organization, the history of WEROC, and the assessment process were presented on September 8. This same presentation was made at the MWDOC Manager, MET Managers, and WEROC Funding agencies meetings.</li> </ul>
<b>America's Water Infrastructure Act (AWIA)</b>	<ul style="list-style-type: none"> <li>➤ WEROC and its consultant, Herndon Solutions Group (HSG), are continuing to work with WEROC agencies to comply with America's Water Infrastructure Act (AWIA).</li> <li>➤ There are 18 agencies (both tier I &amp; II) working concurrently on their AWIA requirements.</li> <li>➤ Final Emergency Response Plan presentation workshops occurred in September for the Tier 1 agencies with their plans due to EPA by September 30, 2020. All agencies did successfully self-certify by the due date.</li> <li>➤ Tier II virtual meetings continue to occur for the Risk and Resiliency Assessments (RRA) due in December 2020. Agencies are already receiving their full draft reports for review.</li> <li>➤ The city of Seal Beach reached out to WEROC in September and is rejoining the AWIA project as a Tier 3 agency for Phase 2 and Three. Additionally, the East Orange County Water District will be proceeding with Phase 3.</li> <li>➤ Janine is processing all AWIA contact hour requests received.</li> </ul>

<b>Communication and Coordination With Member Agencies and Outside Agencies</b>	<ul style="list-style-type: none"> <li>➤ WEROC has submitted the non-disclosure agreement to the US Army Corp of Engineers and requested the dam inundation maps affecting Orange County that the USACE owns.</li> <li>➤ On September 8, the WEROC Quarterly Meeting was held and focused on training, PSPS, planning action items; CalOES Dam Division spoke to the program's changes. Going over challenges with plan approvals that many of our agencies have been having.</li> <li>➤ Vicki has reviewed three dam plans this month for agencies.</li> <li>➤ On September 22, Vicki attended the ACWA wildfire needs and resources meeting. These meeting targeted agencies were affected by the recent wildland fires but were educational to share information with everyone. One topic included what CalWarn is and how it works. WEROC was able to communicate the CalWarn website information and information regarding some recovery questions.</li> <li>➤ On September 24, Vicki attended the County of Orange Area Safety Taskforce (COAST) meeting. Members of this group include Federal, State, City, and County agencies and local fire-safe councils and homeowner associations. The focus is on wildland interface planning aligning with the Countywide Community Wildfire Protection Plan. This meeting's interest items included the agency's fire mitigation activities and the winter season's current fire outlook.</li> <li>➤ On September 25, Vicki participated in the South Orange County Community College Districts Hazard Mitigation Planning Task Force meeting. This was the second meeting. WEROC represents water agencies as part of the task force to help SOCCCD meet the federal hazard mitigation regulation for planning with outside partners.</li> <li>➤ Vicki attended two National Weather Service workshops focused primarily on current weather patterns and the winter season outlook. We are entering into a mild La Nina season.</li> <li>➤ The city of Tustin is signing the WEROC (VEPO) agreement. This is going to their City Council on October 6. Vicki has offered to attend this meeting for support to the agency.</li> </ul>
<b>Emergency Operations Center Readiness</b>	<ul style="list-style-type: none"> <li>➤ Daniel has been focusing on system checks and ensuring the Emergency Operations Centers' operational and communication systems are functioning.</li> <li>➤ Daniel is working on the annual recertification of fire safety systems at the EOCs.</li> <li>➤ The WEROC team is working on the data management of all files.</li> </ul>
<b>Training and Exercises</b>	<ul style="list-style-type: none"> <li>➤ Standardized Emergency Management System and the National Incident Management System training is set October 6-8th.</li> <li>➤ ICS 300 – Intermediate Command System training is set and has two offerings, October 12- 16th and October 26 – 30th.</li> <li>➤ Vicki has created the WEROC Training and Exercise Plan for the next five years. This document was finalized at the September 8, WEROC Quarterly</li> </ul>

<b>Training and Exercises - continued</b>	<p>Meeting. ** Note: this is a living document and will change based on the WEROC members agencies' needs.</p> <p>➤ ICS 400 – Advance Incident Command System course was submitted to the state for approval. As of September 29, it is still waiting for that approval for the November class offering.</p>
<b>WATER USE EFFICIENCY</b>	
<b>California Water Efficiency Partnership (CalWEP) Board Meeting</b>	<p>On September 9, Joe Berg participated in the CalWEP quarterly Board meeting. Thirteen Board members attended. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Approve Consent Calendar</li> <li>• Approve 2019 Audit</li> <li>• Executive Directors' Report</li> <li>• Advocacy Update</li> <li>• Programs Update</li> <li>• Strategic Planning</li> <li>• Approve CalWEP Policies and Procedures</li> <li>• Board Recruitment and Elections</li> </ul> <p>The next meeting is scheduled for December during the virtual Peer-to-Peer Conference.</p>
<b>City of Tustin Leak Detection Survey Kick-Off Meeting</b>	<p>On September 10, Rachel Davis, Joe, and Jason Thorsell held a leak detection survey kick-off meeting via Zoom with the City of Newport Beach staff. Items discussed included:</p> <ul style="list-style-type: none"> <li>• Year I Survey versus Year II <ul style="list-style-type: none"> <li>○ Refinements to Technique</li> <li>○ Measuring Leak Rates</li> </ul> </li> <li>• Survey Area, Schedule, and Scope</li> <li>• Reporting</li> <li>• Questions and Concerns</li> </ul>
<b>2020 Urban Water Management Plan Kick-Off Meeting</b>	<p>On September 10, Joe and Rachel Waite attended the MWDOC-hosted Urban Water Management Plan (UWMP) kick-off meeting. The meeting was attended by Arcadis, the consultant selected for UWMP assistance, and staff from participating Orange County retail agencies. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Workshop Objectives</li> <li>• New 2020 UWMP Requirements</li> <li>• Scope of Work and Work Plan <ul style="list-style-type: none"> <li>○ Base Scope</li> <li>○ Contingency Items</li> <li>○ Schedule and Milestones</li> <li>○ Data Needs and Survey</li> <li>○ Communication and Logistics</li> </ul> </li> </ul>

<b>Trabuco Canyon Water District Leak Repair Process</b>	<p>On September 11, Rachel D., Joe, and Jason met via Zoom with Trabuco Canyon Water District staff to give an overview of the leak detection survey and answer questions. Items discussed included:</p> <ul style="list-style-type: none"> <li>• Overview of Leak Detection Approach <ul style="list-style-type: none"> <li>○ Walking Survey</li> <li>○ Validations</li> </ul> </li> <li>• Request for Repair Data <ul style="list-style-type: none"> <li>○ Data Collection Forms</li> </ul> </li> <li>• Methods for Measuring Leak Rates</li> </ul>
<b>Orange County Data Acquisition Partnership (OCDAP) Meeting</b>	<p>On September 14, Steve Hedges and Rachel W. attended the OCDAP meeting. Those in attendance included the imagery provider, EagleView, and regular OCDAP working group members. Topics on the agenda included an informational presentation by EagleView and the following Working Group items:</p> <ul style="list-style-type: none"> <li>• Participation Agreement Tracking Log</li> <li>• OCDAP Cycle 1 Payment</li> <li>• OCDAP Timeline and Lessons Learned</li> <li>• Discussion on OCDAP Steering Committee</li> <li>• OCDAP Website Ideas</li> <li>• OCDAP Cycle 1 FAQ</li> </ul> <p>The next meeting is scheduled for October 12.</p>
<b>AccuFund Client Webinar</b>	<p>On September 15, Steve and Rachel W. participated in an AccuFund Client Webinar titled: Grants and Programs Management Modules. This webinar provided information on how grants and programs may be managed in the AccuFund accounting software.</p>
<b>CalWEP Landscape Task Force Meeting</b>	<p>On September 15, Andrea Antony-Morr attended the CalWEP Landscape Task Force Meeting via Zoom. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Task Force Priorities</li> <li>• Suggested Topics for Further Research</li> </ul>
<b>City of Newport Beach Distribution System Leak Detection Survey Wrap-Up Meeting</b>	<p>On September 16, Joe, Rachel D., and Jason met via Zoom with the City of Newport Beach staff to discuss the Leak Detection Survey results performed by MWDOC staff. Emphasis was placed on making timely repairs, measuring leak flow rates, and compiling the cost of repairs. MWDOC surveyed 20 miles of water main, including water services. The survey began on August 31 and concluded on September 11.</p>

<b>Metropolitan Water District of Southern California (MWD) Water Use Efficiency Workgroup Meeting</b>	<p>On September 17, Beth Fahl and Andrea participated in MWD's Water Use Efficiency Workgroup meeting via Zoom. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Welcome</li> <li>• MWD External Affairs Update</li> <li>• September MWD Board Presentations <ul style="list-style-type: none"> <li>○ September Conservation Board Report</li> <li>○ Leak Detection Assistance Program Proposal</li> </ul> </li> <li>• Member Agency Administered Expenditures Update – FY18-20 Review</li> <li>• Online Landscape Classes Update</li> <li>• MWD Water Affordability Study</li> <li>• Member Agency Roundtable <ul style="list-style-type: none"> <li>○ Walnut Valley Marketing of MWD's Residential Large Landscape Survey Program</li> <li>○ Agency New Projects</li> <li>○ Agency Updates</li> </ul> </li> </ul> <p>The next workgroup meeting is scheduled for October 15 via Zoom.</p>
<b>California Department of Water Resources (DWR) Landscape Ordinance Workgroup</b>	<p>On September 17, Joe attended the DWR Landscape Ordinance Workgroup via webinar. The meeting was attended by more than 120 representatives from throughout the state. The meeting's purpose was to introduce stakeholders to a new guidebook to assist cities and counties throughout the state in complying with the landscape ordinance requirements and collecting input to finalize the guidebook. It is anticipated that the guidebook will be published by the end of the year, at which time MWDOC will introduce it to the County and all Orange County city planning departments.</p>
<b>Environmental Protection Agency (EPA) WaterSense Award Winners Conference Call</b>	<p>On September 17, Joe, Steve, and Rachel W. joined the EPA WaterSense Award Winners conference call. The meeting went over logistics and important dates regarding the 2020 WaterSense Awards announcement and ongoing recognition. Those in attendance included EPA WaterSense staff and other award-winning agencies/companies.</p>
<b>Pressure Regulating Valve (PRV) Program Meeting with EcoTech Services, Inc.</b>	<p>On September 18 and October 8, Joe, Steve, Rachel, Andrea, and Sam Fetter met with EcoTech to discuss their activity as contractors in the PRV Program. The discussion focused on their past work, future work, training plans, meeting their new full-time employee, and scheduling a time for MWDOC staff to shadow.</p>

<b>Yorba Linda Water District Distribution System Leak Detection Survey Wrap-Up Meeting</b>	On September 21, Joe, Rachel D., and Jason met via Zoom with Yorba Linda Water District staff to discuss the Leak Detection Survey results performed by MWDOC staff. Emphasis was placed on making timely repairs, measuring leak flow rates, and compiling the cost of repairs. MWDOC surveyed 110 miles of water main, including water services. The survey began on July 20 and concluded on August 28.
<b>CalWEP Virtual Fall Plenary Meeting</b>	On September 24, Beth, Andrea, and Rachel W. attended the CalWEP Virtual Fall Plenary Meeting. Topics on the agenda included: <ul style="list-style-type: none"> <li>• Welcome and Opening Remarks</li> <li>• Host Presentation</li> <li>• What's Happening at CalWEP</li> <li>• What's New at the Alliance</li> <li>• New Member Spotlights</li> <li>• COVID 19 and Water Efficiency</li> <li>• Wrap-Up and Closing</li> </ul>
<b>CalWEP Strategic Planning Committee Meeting</b>	On September 29 and October 1, Joe Berg participated in CalWEP Strategic Planning Committee meetings. Four to six Board members participated in each meeting. The purpose of the meeting is to prioritize the Calendar Year 2021 goals and objectives contained in the Partnership's five-year strategic plan. The prioritization placed member compliance tools as a focus for the coming year. The committee's recommendations will be considered at the December Board Meeting.
<b>Orange County Water Use Efficiency Coordinators Workgroup Meeting</b>	On October 1, Joe, Beth, Rachel W., Andrea, and Rachel D. hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting via Zoom. Highlights on the agenda included: <ul style="list-style-type: none"> <li>• MWDOC Updates</li> <li>• Agency Roundtable/Problem Solving</li> <li>• Water/Energy Nexus</li> <li>• Metropolitan Updates <ul style="list-style-type: none"> <li>○ September Conservation Board Report</li> <li>○ New Landscape Design Online Class</li> <li>○ Water Affordability Study</li> </ul> </li> <li>• Water Use Efficiency Programs Update <ul style="list-style-type: none"> <li>○ Rebate Processing Platform RFP- Request for Volunteers</li> <li>○ Participation Trends</li> <li>○ Grant Tracking Update</li> </ul> </li> <li>• CalWEP Update</li> </ul> <p>The next meeting is scheduled for November 5.</p>

<b>South Orange County Watershed Management Area Management Committee Meeting</b>	<p>On October 5, Joe and Rachel W. attended the South Orange County Watershed Management Area (SOCWMA) Management Committee meeting. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• SOCWMA Special Study Update – FH183 Viability and Natural Bacteria Speciation</li> <li>• Update: Salt and Nutrient Management Plan</li> <li>• South OC WQIP Outfall Capture Feasibility Study</li> <li>• South OC IRWM Updates <ul style="list-style-type: none"> <li>○ Prop 1 Grant Funding</li> <li>○ IRWM Roundtable of Regions Interview</li> <li>○ November 5<sup>th</sup> Executive Committee Meeting</li> <li>○ Cooperative Agreement 10<sup>th</sup> Anniversary</li> <li>○ Potential Project Development</li> </ul> </li> </ul> <p>The next meeting is scheduled for December 7.</p>
<b>Water Use Efficiency Discussion with City of Garden Grove</b>	<p>On October 6, Joe, Rachel D., Beth, Rachel W., and Andrea met with the City of Garden Grove to discuss their participation in MWDOC's water use efficiency and water loss control programs and services. Topics discussed included involvement in the Turf Removal and Spray-to-Drip Programs. MWDOC's offered assistance with dedicated irrigation landscape area measurement per SB 606 and AB 1668 and the various services offered through MWDOC's Water Loss Control Programs.</p>
<b>PRV Program Check-in with Irvine Ranch Water District (IRWD)</b>	<p>On October 7, Steve, Andrea, Rachel W., and Sam met over Zoom with Amy McNulty, Nola Hastings, and Joey Baquerizo from IRWD to discuss MWDOC commencing the PRV Program in the IRWD service area. Topics included the goal of the program, legal agreements, implementation details, and marketing. IRWD agreed to launch the program in its service area starting around November 2020.</p>
<b>Trampas Canyon Reservoir Dedication</b>	<p>On October 9, Joe attended, via a website, the Santa Margarita Water District (SMWD) Trampas Canyon Reservoir Dedication. The Trampas Canyon Reservoir is SMWD's newest recycled water reservoir, with a capacity of 500-acre feet of recycled water. The ceremony recognized SMWD and Rancho Mission Viejo's continued partnership to plan and develop water resources to meet the region's growing needs.</p>
<h2 style="text-align: center;">PUBLIC/GOVERNMENT AFFAIRS</h2>	
<b>Member Agency Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Designed and delivered bill inserts for the Municipal Water District of Orange County's (MWDOC) member agencies</li> <li>• Attended Moulton Niguel Water District's Community Forum</li> <li>• Attended Santa Margarita Water District's Trampas Canyon Dam and Reservoir Dedication</li> <li>• Attended Orange County Water District Seawater Intrusion Barrier Webinar</li> </ul>

<b>Member Agency Relations - continued</b>	<p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Provided an update on the policy principles and the upcoming WACO program/s to the MWDOC Member Agency Managers meeting</li> <li>• Attended the Economic Benefits Study meeting with MWDOC member agencies</li> <li>• Attended Moulton Niguel Water District's Virtual Community Forum</li> <li>• Sent a "Request for Feedback" from ACWA to all member agencies regarding COVID-19 shutoffs, collected and sent responses back to ACWA staff to share with SWRCB staff</li> <li>• Sent reminder to member agencies regarding input on the MWDOC Policy Principles</li> <li>• Provided 2020 legislation information to SCWD</li> </ul>
<b>Community Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Attended CalMatters Policy Matters 20-21 school year webinar</li> <li>• Attended Orange County Business Council's Workforce Development meeting</li> <li>• Met with University of California Cooperative Extension Master Gardeners, Orange County Coastkeeper, Moon Valley Nurseries, and MWDOC social media contractors to conduct interviews for and produce OC is Garden Smart social media video campaign</li> <li>• Participated in CalDesal Outreach and Communications committee and Website subcommittee meetings.</li> <li>• Chaired the Social Media subcommittee meeting</li> <li>• Prepared and distributed October eCurrents</li> <li>• Met with the Wyland Foundation to discuss details of an exclusive partnership to achieve mutual aims and objectives related to water-saving education programs, campaigns, and initiatives</li> </ul> <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Attended a portion of the ACC-OC Municipal Issues Virtual Summit</li> <li>• Attended the October meeting of the South Orange County Economic Coalition</li> <li>• Attended the PPIC Discussion – a 2020 Election Preview</li> </ul>
<b>Media Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Participated in weekly County Operational Area PIO COVID-19 Conference Calls</li> <li>• Distributed Water Policy Forum press release</li> <li>• Responded to OC Register media inquiries</li> </ul>
<b>Education</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Participated in the monthly Department of Water Resources (DWR) Water Education Committee (WEC) Meeting</li> </ul>



<b>Education - continued</b>	<ul style="list-style-type: none"> <li>• Met with DWR, Inland Empire Resource Conservation District, and Valley Water to plan the bi-annual DWR WEC conference.</li> <li>• Secured a speaker from the Orange County Department of Education (OCDE) on trauma-informed education and participated as a conference co-host.</li> <li>• Participated in the bi-weekly Metropolitan Water District of Southern California's (Metropolitan) Education Coordinator's Meeting</li> <li>• Participated in a California Environmental Literacy Leadership Council meeting</li> <li>• Worked with MWDOC Choice School Program contractors on developing and finalizing pre- and post-activities for the K-12 school programs</li> <li>• Met with the State Education and Environment Roundtable and OCDE to discuss learning outcomes for the MWDOC Choice School Programs</li> <li>• Attended the CalMatters Webinar on navigating the coronavirus pandemic during the 2020-21 school year through virtual instruction</li> <li>• Worked with OCDE to complete two additional MWDOC Grab-and-Go Water Activities on the Bay Delta ecosystem and a home water audit</li> <li>• Provided information to the City of Anaheim regarding the FY 19-20 MWDOC Choice School Programs</li> <li>• Sent participating member agencies login information for the MWDOC Choice School Programs shared Google Calendar</li> <li>• Provided the City of Brea, the City of Fountain Valley, City of Garden Grove, City of San Clemente, and El Toro Water District with information regarding the FY 20-21 MWDOC Choice School Programs</li> <li>• Provided information to the Mesa Water regarding the MWDOC Choice School Programs structure and processes</li> <li>• Reviewed and provided feedback to contractors on final scripts, presentations, and activities for the MWDOC Elementary (3-6), Middle (7-8), and High (9-12) School Programs</li> </ul>
<b>Special Projects</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Hosted MWDOC's first Virtual Water Policy Forum with a total of 208 participants</li> <li>• Published and distributed video of MWDOC Virtual Water Policy Forum</li> <li>• Completed several websites and electronic and print updates for MWDOC Water Use Efficiency (WUE) rebate programs</li> <li>• Participated in Orange County Water Summit planning and committee meetings</li> <li>• Met with California Environmental Education Foundation, Metropolitan, and Los Angeles Department of Water and Power to discuss agenda items for the Water-Energy Education Alliance (WEEA) Leadership Roundtable meeting</li> <li>• Developed a logo for WEEA</li> </ul>

<b>Special Projects</b>	<ul style="list-style-type: none"> <li>• Developed and distributed an invitation to the WEEA Leadership Roundtable meeting</li> <li>• Developed two surveys – one for industry and one for educators - to help determine water and energy industry workforce needs, as well as interest in developing or bolstering Career Technical Education programs (CTE)</li> <li>• Met with Juanita Chan, MAEd, the STEM and College and Careers Pathway Coordinator for Rialto Unified School District</li> <li>• Worked with MWDOC Human Resources and conducted interviews for vacant WEEA Education Assistant job position</li> <li>• Coordinated with Urban Water Institute for October 21<sup>st</sup> Virtual Event featuring Jeff Kightlinger</li> <li>• Attended International Association of Business Communicators webinar Hosting Virtual Events</li> <li>• Prepared for office construction and moved all MWDOC promotional and marketing items into a storage unit with fire code inspection by HR</li> <li>• Promoted National Preparedness month by promoting tips and resources on social media</li> <li>• Coordinated with community contacts to develop and plan video interviews for the Imagine a Day Without Water campaign</li> <li>• Updated MWDOC database contacts</li> <li>• Updated MWDOC annual financial covers</li> <li>• Updated Water Use Efficiency rebate flyers</li> </ul> <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Attended the OC LAFCO meeting where the Commission voted to approve MWDOC's Municipal Service Review and confirmed the Sphere of Influence.</li> <li>• Coordinated logistics, presentations, and format with September WACO speaker, Nancy Vogel</li> <li>• Staff the monthly WACO meeting with speaker Nancy Vogel who outlined the Water Resiliency Portfolio</li> <li>• Drafted a letter of interest for Director Dick to run for ISDOC 2<sup>nd</sup> Vice President (Membership)</li> <li>• Finalized the RFP for both federal and state advocacy services</li> <li>• Coordinated with potential speakers for the October WACO meeting</li> <li>• Staffed the WACO Planning Committee meeting</li> <li>• Distributed/posted the RFPs for federal and state advocacy services</li> <li>• Responded to questions and prepared an addendum to the RFP for federal advocacy services</li> <li>• Prepared and distributed the ISDOC Quarterly Luncheon invite</li> <li>• Met with PeopleSpace to review office furniture</li> <li>• Prepared scoring sheets to review proposals received for state and federal RFPs</li> <li>• Prepared draft interview questions for state and federal advocacy firms</li> <li>• Staffed the WACO October meeting on salt in the Colorado River Aqueduct</li> <li>• Edited a draft response to Chair Gray from ISDOC regarding MWD activity</li> </ul>
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<b>Special Projects - continued</b>	<ul style="list-style-type: none"> <li>• Staffed the ISDOC Executive Committee meeting</li> <li>• Distributed WaterSMART drought contingency planning grants information to the grants working group</li> </ul>
<b>Legislative Affairs</b>	<p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Met with CSDA legislative staff to discuss proposed legislation</li> <li>• Attended the CMUA Regulatory Committee meeting</li> <li>• Participated in the MWD Legislative conference call</li> <li>• Met with Directors Yoo Schneider and Tamaribuchi regarding proposals for the upcoming legislative year</li> <li>• Attended the CalDesal Legislative Committee meeting</li> <li>• Attended the ACWA Federal Affairs Infrastructure and Agriculture Subcommittee meeting</li> <li>• Participated in the ACWA/CMUA, SB 200 Implementation and Needs Assessment Working Group meeting</li> <li>• Attended the ACWA Federal Affairs Water Supply Subcommittee meeting</li> <li>• Attended the ACWA Federal Affairs Drinking Water Subcommittee meeting</li> <li>• Participated in the ACWA Federal Affairs Committee meeting</li> <li>• Met with CSDA legislative staff to discuss proposed legislation and their thoughts on the proposal</li> <li>• Coordinated and attended a meeting with Director Dick, ISDOC President Sandra Jacobs, and CSDA legislative staff regarding a legislative proposal on the ISDOC agenda</li> <li>• Drafted letters on H.R. 7978 (Panetta) and S. 4431 (Feinstein)</li> <li>• Participated in the CMUA Regulatory Committee meeting</li> <li>• Met with MWD's Kathy Viatella to catch up on legislation and other related matters</li> </ul>

**INFORMATION CALENDAR**

**MWDOC GENERAL INFORMATION  
ITEMS**

**MWDOC BOARD OF DIRECTORS**

- Vacant
- Larry D. Dick
- Bob McVicker
- Joan Finnegan
- Sat Tamaribuchi
- Jeffery M. Thomas
- Megan Yoo Schneider