

Governance Policies of the Board

Title: Asset Management		
Category: Executive Limitations		
Policy No. EL-6	Adopted: June 15, 1999 Chair: Larry Wilson	Latest Revision: Date inserted after Board approval Chair: Tony Estremera
The Board of Directors revised and adopted this policy at its public meeting on the latest revision date.		

The BAOs shall protect and properly maintain Valley Water assets.

Further, a BAO shall:

- 6.1. Not unnecessarily expose the organization, its Board, and employees to claims of liability, and maintain adequate property and liability insurance.
- 6.2. Protect intellectual property, information, and files from loss or damage.
 - 6.2.1. Maintain Valley Water’s intellectual property rights, including patents, copyrights, trademarks, and trade secrets.
 - 6.2.2. Maintain records according to the retention schedules approved by the Board.
 - 6.2.3. Maintain electronic data in easily accessible and usable file formats.
 - 6.2.4. Maintain backup storage of electronic data in a manner that prevents unauthorized access, modifications, or deletions.
- 6.3. Ensure Valley Water can quickly and effectively respond to emergencies or disasters to enable continuity of operations and maintenance of Valley Water facilities that provide essential public services.
- 6.4. Maintain an asset management program.
 - 6.4.1. Maintain desired levels of service provided by Valley Water facilities and infrastructure at acceptable levels of risk while minimizing asset life cycle costs.
 - 6.4.2. Manage Valley Water’s physical assets by incorporating a full life-cycle approach, starting with effective planning and design, and continuing through optimized operation and maintenance, appropriate rehabilitation, replacement, and asset disposition.

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- 6.5. Protect Valley Water's real property and infrastructure (including its facilities, land, rights-of-way, and easements).
 - 6.5.1. Regulate the alteration or use of, or entry onto, Valley Water's facilities, lands, rights-of-way, and easements to ensure such use or entry is consistent with and does not conflict with Valley Water's mission.
 - 6.5.2. Proactively address and resolve encroachments and enforce violations of terms and conditions regarding third-party use of Valley Water real property (including Valley Water's real property interests in fee and easement), prioritizing enforcement of violations posing a threat to public health, safety, and welfare; natural resources; and Valley Water's facilities, operations, or maintenance.
- 6.6. Protect Valley Water's water rights.
 - 6.6.1. Protect, preserve, and enforce Valley Water's water rights, including appropriative, riparian, groundwater, and contractual water rights.

Real Property

- 6.7. Acquire, grant, or relinquish real property interests, only when authorized by the Board or when one of the following exemptions applies:
 - 6.7.1. Valley Water's acquisition of the real property interest is part of a Board-approved project, the purchase price does not exceed \$500,000, and the acquisition meets all of the following criteria:
 - 6.7.1.1. The purchase price equals the statutory offer of just compensation established for the property interest by a State of California licensed appraiser.
 - 6.7.1.2. The negotiated purchase price does not exceed 10% above said statutory offer of just compensation.
 - 6.7.1.3. A summary of the properties that have been acquired under EL-6.7.1, including the respective statutory offer of just compensation for each acquired property and its final negotiated purchase price will be reported to the Board quarterly.
 - 6.7.2. Valley Water relinquishes a temporary construction easement (TCE) acquired by Valley Water on lands owned by others when the TCE is no longer needed.
 - 6.7.3. The execution of a correction deed is necessary to correct errors in the deed.

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- 6.7.4. Valley Water acquires a permanent or temporary real property interest or a dedication of such real property interest that is required to satisfy Valley Water's obligations to secure such interest under a contract eligible for federal funding, provided that such acquisition or acceptance of such dedication otherwise meets applicable legal requirements.
- 6.7.5. Valley Water receives an offer of a dedication of a real property interest and acceptance of such dedication is not anticipated to subject Valley Water to unreasonable liability.
- 6.7.6. Valley Water enters into a lease agreement that grants Valley Water a possessory interest in real property as a lessee or tenant, and Valley Water's total financial obligation under the lease agreement does not exceed the amount specified in the Board-approved annual budget for any such lease agreement.
- 6.7.7. Valley Water enters into a lease agreement that grants a lessee or tenant: (a) only possessory interest in Valley Water real property that Valley Water has no need to use during the term of the lease agreement; (b) can unilaterally be terminated at Valley Water's convenience by providing no more than 90 days prior notice; and (c) does not provide rights to construct any improvement whatsoever, without the lessee or tenant obtaining Valley Water's permission through a permit issued by Valley Water.
- 6.7.8. Valley Water enters into a real property license agreement granting Valley Water non-possessory interest in real property.
- 6.7.9. Valley Water grants a revocable license or right-of-entry that provides a non-possessory real property interest in Valley Water property so long as the term of any such license or right-of-entry does not exceed two years or Valley Water reserves the right to revoke any such license or right-of-entry at will, and any such license or right-of-entry does not grant the right to construct any permanent improvement on Valley Water real property that is incompatible with Valley Water's current or foreseeable future use of that real property.

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