

February 13, 2015

Board of Directors
East Orange County Water District
185 N. McPherson Road
Orange, California 92869

Dear Members of the Board,

Please be advised that a regular meeting of the Board of Directors of the East Orange County Water District will be held on Thursday, **February 19, 2015**, at **5:00 p.m.** in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. Enclosed please find the agenda for the meeting.

Very truly yours,

EAST ORANGE COUNTY WATER
DISTRICT

By:  Joan C. Arneson
Secretary

JCA/

Enclosures

cc: Mailing List

150473

AGENDA

EAST ORANGE COUNTY WATER DISTRICT
(EOCWD)

Thursday,
February 19, 2015
5:00 p.m.

1. **Call Meeting to Order and Pledge of Allegiance – President VanderWerff**
2. **Public Communications to the Board**
3. **Addition of Items Arising After Posting of Agenda Requiring Immediate Action**
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present)

Recommended Motion: "THAT IT BE DETERMINED THAT THE NEED TO TAKE IMMEDIATE ACTION ON [SPECIFY ITEM(S)] CAME TO THE DISTRICT'S ATTENTION AFTER POSTING OF THE AGENDA AND THAT SUCH ITEM(S) BE ADDED TO THE AGENDA"

4. **General Manager's Report (Exhibit "A")**

Recommended Motion: "THAT THE GENERAL MANAGER'S REPORT BE RECEIVED AND FILED"

5. **Approval of Minutes of January 15, 2015 Meeting (Exhibit "B")**
6. **Operation, Management and Construction Matters**

A. Memorandum of Understanding – City of Orange (Exhibit "C")

Recommended Motion: "THAT THE MEMORANDUM BETWEEN THE CITY OF ORANGE AND THE EAST ORANGE COUNTY WATER DISTRICT, REGARDING THE PROVISION OF SEWER SERVICE IN THE CITY SPHERE OF INFLUENCE, BE APPROVED"

B. Adoption of District motto (Exhibit "D")

Recommended Motion: "THAT THE DISTRICT MOTTO BE ADOPTED"

C. Strategic planning facilitation services (Exhibit "E")

Recommended Motion: "THAT THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR STRATEGIC PLANNING FACILITATION SERVICES BE APPROVED, AND THAT STAFF BE

DIRECTED TO PRESENT A CONTRACT FOR SUCH SERVICES FOR CONSIDERATION AT THE NEXT BOARD MEETING"

7. Financial Matters

- A. Approval of schedules of disbursements (Exhibit "F")
- B. Report on investments/ ratification of investment activity (Exhibit "G")
- C. Receipt and filing of financial statements (December 31) – (Exhibit "H")

Recommended Motion: "THAT THE SCHEDULES OF DISBURSEMENTS BE APPROVED AS SUBMITTED, THAT THE SCHEDULES OF INVESTMENTS BE RATIFIED AND APPROVED, AND THAT THE FINANCIAL STATEMENTS BE RECEIVED AND FILED"

8. Miscellaneous Matters

- A. Reports from committees and representatives to organizations
- B. Directors' reports on meetings attended
- C. Authorization of conference attendance (Exhibit "I")
 - (1) Orange County Collaborative Services Summit, February 26, Costa Mesa
- D. Local sewer service transfer (Orange County San #7 reorganization) - status report (Exhibit "J")
- E. Wholesale and retail water usage report (Exhibit "K")

Recommended Motion: "THAT THE WHOLESALE AND RETAIL WATER USAGE REPORT BE RECEIVED AND FILED"

- F. Drought response report (Exhibit "L")

Recommended Motion: "THAT THE DROUGHT RESPONSE REPORT BE RECEIVED AND FILED"

9. Informational Items

- A. General interest publications (Exhibit "1")

10. Adjournment

The scheduled date of the next Regular Meeting of the Board of Directors is **March 19, 2015**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California

Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the East Orange County Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board are available for public inspection in the District's office, 185 N. McPherson Road, Orange, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available at the reception desk of the District Office during business hours at the same time as they are distributed to the Board members, except that if such writings are distributed less than one hour prior to, or during, the meeting, they will be available in the meeting room of the District Office.

Disability-related accommodations: The East Orange County Water District Board of Directors meeting room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.) please contact Sylvia Prado in the District Office at (714) 538-5815 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternative format upon written request to Sylvia Prado in the District Office, at least seventy-two (72) hours prior to the scheduled meeting.

EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT

February 2014

The following report is a summary of the District's activities over the past month.

GENERAL MATTERS

Reviewed correspondence, conferred with customers regarding billing issues and vendors/other interested parties regarding business with the District, and met with staff members regarding daily activities and on-going projects.

SEWER

A. OCSD Transfer

See Agenda Item

WHOLESALE ZONE

A. Peters Canyon (6 MG) Reservoir Status Update

Security System – Staff is still working out final details with AT&T regarding the installation of the fiber line and internet connection prior to commencement of construction; we expect the agreement authorizing the construction to be signed soon.

B. Master Plans and Treatment Plant Feasibility Study Update

Master Plan Status:

- a) Following the field condition assessment inspections carried out in December, the draft condition assessment technical memorandum (TM-01) was prepared. The report was submitted to EOCWD on January 30th.
- b) A preliminary age-based condition assessment was completed, and presented at a meeting on January 13th. Pipe age information is being reviewed and augmented in coordination with ID Modeling. C
- c) The reservoir assessment (new scope) was completed and a Draft Report was submitted to EOCWD on January 30th.
- d) Letter to the four wholesale agencies requesting information regarding their water demand projections were sent out on January 30th.
- e) Quotations for non-destructive testing of steel pipes has been obtained.

Feasibility Study:

- a) The draft Basis of Design technical memorandum (TM-03) was submitted on January 9th.
- b) An updated version of TM-03 incorporating comments from EOCWD was submitted on January 27th.
- c) Work began on TM-04, Process Evaluation and Selection.

Carollo will be completing TM-04, deciding on the approach for non-destructive testing of pipelines and conducting a Process Selection Workshop in the upcoming month.

C. 11.5 MG Reservoir Valve Project – Installation of Isolation Valves to Retail Zone and Wholesale Zone Systems

In 1980, as part of the 11.5 and 1 MG reservoir projects, a 20" transmission line was installed from the 11.5 MG reservoir to Newport Blvd., connecting to the 18" transmission line on Newport Blvd. A 16" transmission line was also installed off this 20" line to connect the 11.5 MG reservoir to the Retail Zone. When these lines were constructed, only one valve was installed on the 16" line near the "tee" connection to the 20" line. Normally at a "tee" connection, there would be more than one valve installed mainly for the reason of having the ability to isolate different sides of the tee. In this case, without these "isolation valves," staff is concerned about the current inability to isolate the 20" transmission line from the 11.5 MG reservoir to the 1 MG reservoir without putting the Retail Zone out of water. This project will also give staff operational flexibility to feed different parts of the system with imported water.

Staff has been working through the different aspects of the project - contacting impacted residents, working with legal counsel on securing written agreements for accessing the project site (we have to traverse two backyards) and determining the quickest and most effective methods to use to complete the project. In order to ensure reliability while this work is being done, staff has also identified the need to install emergency transfer (electrical) switches at the McPherson yard for the East and West Wells and the Barrett Pump Station so that if power was lost, we can quickly bring up standby power to ensure uninterrupted water supply. Staff is anticipating that this project will begin towards the end of February and be completed by the 1st part of March. The actual valve installation work will take 8 hours after all the prep work is completed.

D. WZ Connection Permits

None to Report

RETAIL ZONE

1) Well / Booster Station Operations

East Well – No issues to report. 100% of the Retail Zone demand is being met by this well.

OCWD Coastal Pumping Transfer Program (CPTP) Participation – Beginning in May 2014, the RZ has been participating in the CPTP, a program that has coastal producers pumping below the Basin Production Percentage (70% of their demand) and some inland producers pumping above the BPP so that the net basin pumping is neutral. The CPTP is designed to reduce water losses to LA County as well as the gradient that encourages seawater intrusion. MET has been storing 44,000 AF of water in the Orange County Groundwater Basin and now wants to use it – this means that additional pumping will be required by other inland pumpers over and above the 70%, because the agencies that have been participating in the CPTP can't meet the additional demand. The RZ participation means that we will pay \$115/AF less for MET water due to incentives from OCWD and the mitigation value that additional pumping will have on the MET Ready-to-Serve Charge.

West Well and Stoller Booster Pump Repair Project – The West Well and booster station have been offline since February 2013 due to worn pump assemblies; the East Well can and has been meeting our entire RZ demand.

As mentioned in the previous months' General Manager's reports, staff has delayed sending out RFPs for the West Well and Stoller booster pump repair over concerns with the declining water levels in the groundwater basin and the fact that well companies are very busy at this time. Well water levels have been recovering over the last month from 290 to 280 feet (below ground surface).

2) Vista Panorama Reservoir Booster Station

In July of 2014, the District contracted with Hidden Valley Pump Systems to replace the two 15hp booster pumps at the reservoir site. These pumps maintain pressure to the Vista Panorama hydro-pneumatic system. In December, staff noticed that one of the pumps was making an unusual noise and notified the contractor. After some clarification as to the contractual obligation under the warranty clause of the agreement, the contractor corrected the issue with the pump, reinstalled, and tested it to ensure proper functioning.

3) Water Smart Home Certification Program

The District has 20 customers participating in this MWDOC sponsored program; this is unchanged from November 2014. The customers apply online to have a home inspection performed by the Mission Conservation District (MCD). The customers, located on Circula Panorama, Crawford Canyon Road, Miriam Place, Panorama View, Via Aventura, Via Del Cerro, Barrett Lane, El Roy Drive, View Ridge, St. Jude, Daniger Road, Greenwald Lane, Carmel Way and Kassy Drive met with District and MCD representatives between November 2013 and July 2014 to go through each interior and exterior plumbing fixture and evaluate their water efficiency.

Eighteen customers have received a water use report with recommendations on how to make their home water efficient. In order to achieve a Water Smart Home certification, the customer must have an efficiency score of 100. The high possible score is 120 which will give the home Gold certification status. The scores so far have ranged between 40 and 71 points. The customer then has 90 days to implement the recommendations and provide proof to MWDOC by providing invoices, receipts, and photographs. If all program criteria are met, the homeowner will receive a certificate stating that their home has been certified as being water efficient.

4) System Leaks

None to report for this month.

Anecdotally, we have noticed a substantial increase in system leaks since the beginning of August when the increased drought awareness and public outreach began; this appears consistent with what other agencies are experiencing also. As realized during the 2009-2011 drought, system use patterns may be changing (watering on one day per week during the same time of the day as neighbors) and it may be stressing the system. We are noting this information for the condition assessment/hydraulic element of the Master Plan Study, so that the engineers can assess the long-term impacts on the system and suggest operational changes and/or effective capital improvements to mitigate these impacts.

5) **Water Availability Request**

Received a request for water service on Panorama Crest; new 7,000 sq.ft. single family residence. Staff is reviewing architectural drawings to determine appropriate service lateral and meter size to the property.

Joint System (WZ & RZ) Activities

A. Drought Report

Please see related agenda item; this item will be included as a standing report until the drought emergency regulations are rescinded.

B. Monthly Operations Activities

- Performed traffic control on Crawford Canyon Rd. to allow contractor to make asphalt repairs.
- Rebuilt fire hydrant on Los Arboles.
- Reviewed Piping inventory – RZ and WZ and provided corrections and missing data to ID Modeling. (Superintendent)
- Reviewed GIS with ID Modeling and provided information and corrections (Superintendent).
- Worked on correspondence to pump contractor to resolve warranty claim for Vista Panorama reservoir booster pumps (Superintendent).
- Met with AT&T to review Fiber Optic run on Jamboree (Superintendent).
- Risk Transfer Seminar (Staff).
- Met with Residents in Rocking Horse Ridge to discuss project (Superintendent).
- Met with Crown Castle to discuss various issues (Staff).
- Attended Consumer Confidence Report kick off meeting at MWODC (Superintendent).
- Met with OCSD to discuss job shadowing (Staff).
- Met with Customers next to Barrett reservoir site to discuss tree removal (Superintendent).
- Weed Abatement at the 6MG and 11.5 MG reservoir sites.
- RZ Meter reading
- Perform Vehicle and equipment maintenance
- Cleanup and organize shop
- Tested backup generators and emergency pumps at Daniger and Vista Panorama Sidehill.
- Meter change-outs – Barrett Lane (1), Vista Del Valle (3), St. Marks (1), Winwood (4), Daniger (1), Viewridge (1), Smiley (1), Hewes Ave. (1), Fowler (1).
- Final Reads – Circula Panorama (1), Vista Panorama (1), Baja Panorama (1).
- High Water Bills – Baja Panorama (1).
- Customer Leaks – Barrett (1), Vista Del Valle (3), Fairhaven Ext. (1), Crawford Canyon Rd. (1), Panorama Place (1).
- Meter Leak – Barrett Lane (1).
- Meter Connect – Alta Panorama (1), Vista Panorama (2).
- Water Quality Complaints – Vista Panorama (1).
- Conservation outreach – Baja Panorama (1).
- Low Pressure – Brae Glen (1).
- Meter Disconnect – Vista Panorama (1), Baja Panorama (1).

Weekly Tasks

- Attend weekly safety meetings (All field staff)
- Performed weekly water quality sampling
- Measure static and pumping water levels in wells.
- Performed USA locations
- Responded to utility requests from the County and city of Orange
- Picked up water quality supplies and changed reagent bottles
- Clean-up, organize and restock service trucks
- Clean-up and organized shop
- Vehicle maintenance

Monthly Tasks

- Attend monthly staff meeting with General Manager (all employees)
- Attend committee meetings – Operations and Engineering (Superintendent)
- Prepared monthly CDPH water quality reports
- Prepared monthly CRWQCB report for well discharge
- Report retail water system production to State
- Performed dead-end flushing
- Read WZ meters
- Check WZ meter data; assist with preparation of WZ Billing
- Delivered Board agenda packages
- Participated in WEROC radio test

MISCELLANEOUS ITEMS

1) Meetings

District Staff attended the following meetings:

A. MWDOC Manager's Meeting – January 22, 2015

Meeting Summary: 1) Finalization of MWDOC Drought Allocation Plan – Final adjustments were made to the plan; it is scheduled to go to the MWDOC Board in March. 2) Water Supply Update – MWDOC staff reported that we can expect a full Colorado River allocation of 1 MAF, however the State Water Project allocation is 15% at this time (~150,000 AF); this will create a shortfall of about 700,000 AF (at normal use). MET will begin to consider allocation plans at their March meeting; the implementation date will be 30-60 days from MET action. There is going to be a 17- day shutdown of the Colorado River Aqueduct for maintenance. It was also noted that the SWRCB may adopt a one-day per week watering schedule under the emergency regulations. 3) MWDOC Budget Schedule – MWDOC will take a draft conceptual budget to their Administration & Finance Committee in February; a first draft budget will be presented to member agencies on or before March 1. After review and comments in April, budget will go to MWDOC Board at their May Meeting. 4) Legislative Policy Principles – staff reviewed changes to MWDOC's legislative policy covering imported water supply, local water resources, water use efficiency, water transfers, water infrastructure financing, energy, fiscal policy and governance. 5) Urban Water Management Plan (UWMP) Update – Similar to the 2010 UWMP Update, MWDOC will be sending out an RFP to jointly prepare these updates. 6) Drought Messaging – The Public Affairs Workgroup (PAW) has met twice to discuss messaging; focus is on messaging related to helping people meet reductions. The group is developing talking points that can be used

throughout Orange County to create a cohesive message. Discussion is including the difficulty that is faced because of demand hardening, the investment that has been made in storage, etc., but the perception statewide is that Southern California is not doing its part during the drought. 7) Value of Water Communications Choice Plan – the priority is to create PSA for use in movie theaters, radio PSAs and general media. Collateral materials - bill inserts and a customized presentation will also be developed as well as a field staff tool kit so field staff can address pre-identified issues. 8) Water Policy Forum – Dr. Lucy Jones, USGS will be speaking at the Forum.

B. MWDOC Reliability Study Meeting – January 22, 2015

Meeting Summary: Presentations on the Santa Margarita Cadiz Project and IRWD Strand Ranch Project were provided. The Cadiz Project is a reliability project for SMWD and the projected cost is \$1,500/AF. Strand Ranch is an extraordinary supply for IRWD and would only be used if allocations were declared. OCWD noted that they are working with Poseidon to develop a term sheet and hope to have it developed by March.

C. Finance Committee Meeting – January 21, 2015

Meeting Summary: 1) Report on Transfer of Accounting System – there were a few hiccups with the transfer of data from the MAS-90 System to QuickBooks, but all was worked out and the transfer is complete; the first checks were written in early January. 2) Drought Related Revenue Impacts – staff reported that revenues are down due to conservation and this would be somewhat sustainable, but if MET enacts allocations (and the possibility of penalties), the loss of revenue is not sustainable. A rate study was planned for later this year, but might be launched earlier. Significant discussion ensued regarding penalties and how to collect them if customers exceed their water budgets; the Finance Committee prefers the penalty structure contained in the Conservation Ordinance. Staff will return with further information on how this will be implemented if allocations are enacted. 3) Strategic Planning Meeting – staff noted that the District has never had a strategic plan and that it is a fundamental and necessary document used to guide the District in setting goals and priorities. Discussion ensued regarding how the process would be conducted; staff requested assistance with the process and requested that professional services be retained, the Committee agreed to recommend this to the Board. Staff will prepare an RFP and identify a funding source and bring it to the February Board Meeting. 4) Budget Report, December 2014 – both the WZ and RZ are tracking within the budget; there are surpluses in both zones as the December property tax payments have been received.

D. Operations, Planning & Personnel Committee Meeting – February 10, 2015

Meeting Summary: 1) Vista Panorama Booster Pump Issue – the supplier of the pump has completed repairs to the pump under the warranty after initially refusing to do so; the pump has been reinstalled and is functioning well. 2) Meter Replacement Program Status – Staff is proceeding to replace RZ customer meters that are 20+ years old as time allows; 28 were replaced in January. 3) RZ New Connections – Requests for water service have been received for developments on Panorama Crest and St. Jude; fire flow availability runs are being conducted as is meter sizing review. 4) Installation of Water Level Transducers for Wells – we have received a quote of \$9,100 to add automatic reading of well levels to our SCADA system; this is high, staff will review the quote and examine other options. 5) East Well Pumping Water Level – the water level has risen to 276 bgs. 6) RZ Water Use – water use decreased by 22% in January over 2013. 7) 6 MG Reservoir Site – SCE has requested permission to remove three inactive transformers; staff will be consulting with SCE, Project Manager Bill Everest and Carollo to determine the effect of this removal on current or future activities at the 6 MG site. 8) 11.5 MG Reservoir Isolation Valve Project – the Committee was updated on the status of this project; installation of the isolation valve is projected for late February. 9) Jamboree Connection – the connection has been operational since December; construction of IRWD improvements is set for March/April. 10) OC-70 Issues Update – Staff is working with MWDOC staff to address the backup

generator issue as well as the unaccounted-for water issues. 11) WZ Unaccounted-for Water – Update – staff updated the Committee on our efforts to identify unaccounted for water losses in the WZ; attention is now centered on the meter at OC-70. 12) Master Plan/Feasibility Study Update – the Committee was briefed on the status of the study; the Process Selection Workshop is scheduled for the February 17th Engineering Committee Meeting.

E. Groundwater Producers Meeting – February 11, 2015

Meeting Summary: 1) Poseidon Update – OCWD is negotiating a term sheet, they expect to take it to their Board as an information item on March 18; the OCWD Board is selecting a Citizens Advisory Committee selections are expected by February 18th. 2) Classification of Recycled Water as Supplemental Water – IRWD is requesting that recycled water be included in the BPP calculation; this would negatively affect most of the basin agencies financially. 3) Replenishment Assessment and Additional Replenishment Assessment – OCWD will prepare a Prop 218 notice possibly rescinding the existing 50 % agricultural subsidy; there is a small amount of agriculture left in the County. 4) De-chlorination System Demonstration – a dechlorinator developed by a former Garden Grove Superintendent was demonstrated at the meeting. 5) OCSD Service Area 7 – OCWD staff reported on EOCWD's application for the sewers. OCWD has written a letter to LAFCO requesting that a transfer condition be added that maintains flows in the GWRS tributary area. 6) GWRS Initial and Final Expansion Status – The expansion is set to startup in April; now producing 70 MGD with all units operating. The final expansion EIR will be out in April; OCSD is evaluating source water options including potentially allowing SARI flows that have been heretofore excluded. 7) Other Items - The Colorado River Aqueduct will be down for three weeks starting in February for repairs - Lake Matthews water will not be available to OCWD for recharge water.

F. LAFCO Meeting – February 11, 2015

Meeting Summary: 1) New Commission Members – Alternate (County) Commissioner Spitzer is the new regular (County) Commissioner and Supervisor Lisa Bartlett is the other new regular (County) Commissioner; Supervisor Do is the new Alternate (County) Commissioner. Dr. Allan Bernstein, the Alternate (City) Commissioner, was appointed to the Regular (City) seat; an Alternate (City) Commissioner will be appointed at a later date. 2) Chair and Vice-Chair – Public Member Derek MacGregor was elected Chair and Regular (Special District) Commissioner John Withers was elected Vice-Chair. 3) EOCWD Local Sewer Transfer Application – Staff provided a schedule update in which they related that they will have the draft MSR-Lite out by the end of March and will commence the public outreach effort in April – prior to receiving comments from EOCWD or finalizing the report. The schedule would then provide for bringing the final report to the Board in May. IRWD announced that they will be filing a formal application for the sewers. Commissioner Spitzer asked Commissioner Withers if he has a conflict on this issue; LAFCO counsel responded that under LAFCO's unique laws, there is no conflict for any agency. Commissioner Withers noted that in the past he has not voted on items affecting IRWD, but had not made up his mind on whether he would participate in voting on this item. 4) Alternate Public Member – Four candidates were interviewed for the Alternate (Public) Member seat; the Commission appointed Kathryn Freshly from Laguna Woods to the seat.

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
EAST ORANGE COUNTY WATER DISTRICT

January 15, 2015

1. Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by WILLIAM VANDERWERFF, President of the Board of Directors, at 5:00 p.m. on Thursday, January 15, 2015, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, Secretary, recorded the minutes of the meeting.

The following Directors were present: RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN and WILLIAM VANDERWERFF.

Also present were:

LISA OHLUND	General Manager
JERRY MENDZER	Maintenance & Operations Superintendent
JOAN ARNESON	District Secretary and Legal Counsel
WILLIAM EVEREST	Consultant
HARVEY DEL LA TORRE	Municipal Water District of Orange County
SYLVIA PRADO	District Administrative Assistant

2. Public Communications to the Board. None.

3. Items Arising After Posting of Agenda. None.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, it was determined that the need to take immediate action on the proposed request came to the District's attention after posting of the agenda and such item was added to the agenda.

4. General Manager's Report. Ms. OHLUND said she did not have anything to add to the written report. There were no comments or questions.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Everett absent), the General Manager's Report was received and filed.

5. Minutes.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Everett absent), the minutes of the meeting of December 18, 2014 were approved as submitted.

6. Operation, Management and Construction Matters.

A. Committee Appointments. President VANDERWERFF said he was not proposing any changes as the current assignments are working well, but asked that anyone desiring a change let him know.

B. Metropolitan Water District/Municipal Water District of Orange County Water Supply Allocation Plan. HARVEY DEL LA TORRE provided an informational presentation on the Water Supply Allocation Plan (WSAP). As background, he presented slides showing recent precipitation and temperature history and outlook graphics, 2014 supply and demand balance, and State Water Project allocation. Next he described MWDOC's WSAP, which is based on MWD's, and is needs-based and intended to achieve equity among the MWDOC agencies. The WSAP steps are to establish a baseline use for 2015, using 2013 and 2014, and determine a regional shortage level according to the applicable shortage stage. Mr. DEL LA TORRE then discussed the methodology for credits and adjustments that are applied, as well as MWDOC's melded method and proportional allocation of any penalties to those agencies exceeding the allocation. He said a third member agency workshop is scheduled for January 22, and MWDOC Board review will occur in February and March.

7. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$532,363.54 from Wholesale and Retail Operating Funds, \$2,174.82 for directors' payroll, and \$49,873.85 for employees' payroll.

B. Investment Activity. Schedules of investments were presented.

C. Financial Statements (November 30). The financial statements were presented.

On behalf of the Finance Committee, Director DULEBOHN recommended approval of the schedule of disbursements and investment schedules, and receipt and filing of the financial statements.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Everett absent), the schedules of disbursements were approved as submitted, the schedules of investments were ratified and approved, and the financial statements were received and filed.

8. Miscellaneous Matters.

A. Reports from Committees and Representatives to Organizations. None.

B. Directors' Reports on Meetings Attended. President VANDERWERFF reported that he was reviewing the current use and extent of a telecommunications easement granted by the County in 1947 at the Panorama Heights tank site.

C. Authorization of Conference Attendance.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Everett absent), all Directors were authorized to attend the MWDOC Water Policy Forum, February 5, 2015, Costa Mesa, and Directors BELL, DAVERT and EVERETT were authorized to attend the Urban Water Institute (UWI) Spring Conference, March 4-6, 2015, Palm Springs.

D. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND reported that a letter of support was received from the City of Orange, and that LAFCO Executive Officer Emery anticipates that the municipal services review will not be released until this Spring.

E. Water Demand Status Report.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Everett absent), the Water Demand Status Report was received and filed.

F. Drought Response Report.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously (Everett absent), the Drought Response Report was received and filed.

9. Informational Items.

A. General Interest Publications. Included were a press release – OCWD enters into negotiations for desalinated water; *Los Angeles Times* – Delta smelt legal battle heads to Supreme Court; *SFGate* – San Joaquin Valley farmers reach secret deal in water dispute.

10. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 6:10 p.m., the next regular meeting date and time being Thursday, February 19, 2015, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

Joan C. Arneson

DRAFT

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: MEMORANDUM OF UNDERSTANDING WITH CITY OF ORANGE
DATE: FEBRUARY 19, 2015

Background

At their December 9th Meeting, the Orange City Council directed their staff to work with EOCWD to develop a Memorandum of Understanding (MOU) that would memorialize the agreement between the two agencies regarding EOCWD's provision of sewer service within the sphere of the City of Orange.

In response, Orange and EOCWD staff and attorneys developed the attached MOU which includes the following provisions:

1. The City agrees to support and not oppose, EOCWD's LAFCO application.
2. If our application is approved, EOCWD would:
 - a. Not oppose the detachment of the sewers within Orange's Sphere of Influence upon the annexation of this area to the City.
 - b. Upon such detachment, EOCWD would transfer 5% of accrued reserves to the City.
 - c. EOCWD agrees to maintain the infrastructure at or above industry standards; additionally, they can verify the condition of the infrastructure prior to the City's acceptance.

The Orange City Council considered this MOU and support letter at their January 13th meeting. During the comments on this item, IRWD requested that the Council support IRWD instead. The Council noted that IRWD has not submitted an application for the sewers nor agreed to the MOU as EOCWD had. The City Attorney noted that EOCWD could consider this action as a violation of the MOU's provision that the City wouldn't oppose our application. The Council voted to approve the MOU and the support letter for EOCWD, subject to the EOCWD Board's agreement that Orange's submission of a support letter for IRWD would not be a violation of the MOU.

After consulting with Special Counsel Bakker, it is his opinion that should the City Council actually vote to send a letter of support for IRWD, it would not, in and of itself, be an act of opposition, and therefore, not a violation of the MOU. Staff recommends approval of the MOU.

Recommendation

The Board approve the Memorandum of Understanding Between the City of Orange and the East Orange County Water District Regarding the Provision of Sewer Service in the City of Orange Sphere of Influence.

**MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY
OF ORANGE AND THE EAST ORANGE COUNTY WATER
DISTRICT REGARDING THE PROVISION OF SEWER SERVICE
IN THE CITY OF ORANGE SPHERE OF INFLUENCE**

THIS MEMORANDUM OF UNDERSTANDING (“Agreement”) is made and entered into as of _____, 2015 (the “Effective Date”), by and between the City of Orange (“the City”) and the East Orange County Water District (“EOCWD” or “the District”). The City and the District are referred to collectively as “the Parties.”

RECITALS

A. The Orange County Sanitation District (“OCSD”) owns and operates regional wastewater collection, conveyance, treatment, and disposal facilities within its service area and also owns and operates local wastewater collection and conveyance systems in certain portions of its service area, including an area encompassing approximately 174 linear miles of sewer within an area that OCSD designates as Service Area 7 (“SA 7”). OCSD is desirous of transferring the ownership of and operating responsibilities for SA 7.

B. The territory that encompasses OCSD Local Service Area 7 is primarily overlain by the East Orange County Water District, and, consistent with OCSD’s policy desires, OCSD and EOCWD have entered into an agreement for the transfer of ownership of those local sanitary sewer lines and the responsibility for operating and maintaining them from OCSD to EOCWD.

C. Accordingly, EOCWD is pursuing a proposal with the Orange County Local Agency Formation Commission (“LAFCO”) to take over responsibility for providing “retail” sewer service to the territory that makes up SA 7 by activating the latent power to provide sewer service and by annexing certain territory that is not currently within EOCWD’s service area boundary and sphere of influence.

D. Some of the territory that EOCWD proposes for reorganization is outside of the City but within the City’s Sphere of Influence (the “Orange SOI Area,” which is depicted in Exhibit A) and, although the territory in question is outside of the City’s boundaries, the City provides the property within the territory with water service. These areas are referenced as numbers 1, 2, 3, 4, 5 and 6 on Exhibit A and represent 5% of the total service area of SA7.

E. The City desires to protect its future annexation rights of the Orange SOI Area.

F. The purpose of this agreement is to reduce to writing the terms of the agreement that the Parties would enter into should the proposal be approved and the City's obligation to support the EOCWD proposal to LAFCO.

AGREEMENT

Based upon the above recitals and based on the good and valuable consideration set forth herein, it is mutually agreed upon by and between the Parties hereto as follows:

1. *Support of EOCWD Proposal.* The City agrees to support, and not oppose, EOCWD's pending LAFCO proposal (even if amended in non-material respects by LAFCO) ("the Proposal").

2. *Agreement.* If the Proposal is approved, EOCWD shall enter into an agreement on the following general terms:

2.1 In the event that any portion of the Orange SOI Area is annexed to the City, EOCWD would not oppose its detachment from that portion of the Orange SOI Area and that EOCWD would not require compensation for transferring the local sanitary sewers to the City.

2.2 Upon the events described in 2.1 occurring, EOCWD would transfer 5% of the EOCWD reserves accrued from SA7 to City.

2.3 EOCWD agrees to maintain the infrastructure within the Orange SOI at or above industry standards and to make any necessary repairs prior to transferring the Orange SOI to City. City retains the right to video camera the Orange SOI to verify the condition of the infrastructure prior to City's acceptance.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

CITY OF ORANGE

EAST ORANGE COUNTY WATER
DISTRICT

By:_____

John W. Sibley

Its: City Manager

By:_____

Lisa Ohlund

Its: General Manager

2371063.5



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: ADOPTION OF DISTRICT MOTTO
DATE: FEBRUARY 19, 2015

Background

The District's Mission Statement is:

"To provide the most cost effective, reliable and highest quality water services for the present as well as the future, by operating in the most cost efficient manner possible, keeping the cost of water to our customers affordable and providing a safe working environment for our employees. Serve the community in an open manner and, at all times, communicate and deliberate in public meetings where open discussions are promoted."

As part of their work with the District, Communications LAB (CommLAB) developed a PowerPoint presentation for a recent Independent Special Districts of Orange County (ISDOC) meeting that provided background on the District and our operations. In the development of this presentation, CommLAB developed a tag line that, in staff's opinion, provides an excellent summary of the District's mission and values:

Hometown Service Fiscal Discipline Direct Accountability

Adoption of this tag line as the District's motto would capture the District's mission statement in a much more relatable way, both for our customers and for other stakeholders. Staff proposes to append this to our District Seal, our communications documents (letterhead, memorandums, email signatures, etc.) and other areas where communications of our mission and values are appropriate, needed and lawful.

Implementation costs are expected to be less than \$1,000: a graphic artist will be needed to add the motto into our existing Seal, new letterhead is about to be ordered and this can be incorporated into the letterhead, other incorporations can be done at little to no cost. This cost can be accommodated within the District Office Supplies budget.

Recommendation

The Board approve the adoption of the District's Motto of Hometown Service, Fiscal Discipline, Direct Accountability and direct staff to incorporate it into District communications.

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: REQUEST TO ISSUE REQUEST FOR PROPOSAL FOR STRATEGIC PLANNING FACILITATOR SERVICES
DATE: FEBRUARY 19, 2015

Background

At the January 21, 2015 Finance Committee Meeting, the Finance Committee discussed the need for a strategic plan for the district. Staff noted that the district has not conducted a formal strategic planning process. After further discussion of the process, the Committee recommended development of a strategic plan and that it be done with the assistance of a professional facilitator to enable staff's participation and to increase the effectiveness of the process.

Strategic planning is the core function of an organization as it provides the framework for where the organization is going, why they want to go there, and how to get there. This process takes you outside the day-to-day activities and provides you with the "big picture," providing clarity about what you actually want to achieve.

Strategic planning should enable the answer to questions such as:

- What is our mission?
- What capacity do we have/what can we do?
- What problems are we addressing?
- Which critical issues must we respond to?
- Where should we allocate our resources/what should our priorities be?

Staff has developed the attached RFP to solicit proposals from 2-3 experienced facilitators, relying on recommendations from Board Members, District staff and other agencies to develop a list of recommended respondents.

The RFP has four tasks:

- 1) Preparatory meetings with individual Board members and General Manager
- 2) Board workshop.
- 3) Follow up with Board to review results.
- 4) Preparation of final report.

Proposals are due March 6th; the General Manager will review the proposals and prepare a recommendation for the March 19th Board Meeting. It is proposed that the Strategic Plan Workshop be held on Saturday April 18th or April 25th at the District Office from 9:00 a.m. to 4:00 p.m. with a one-hour break for lunch.

It is estimated that the cost for the facilitator would range from \$15,000-\$20,000. Funds were not budgeted for this effort, however, there are savings from the Accounting Software project that could be used to fund this effort.

Recommendation

The Board approve the issuance of the Request for Proposal and direct staff to bring back a recommended consultant contract to the March 19th Board Meeting.

**EAST ORANGE COUNTY WATER DISTRICT
REQUEST FOR PROPOSALS
For
STRATEGIC PLANNING FACILITATION SERVICES**



Lisa Ohlund
General Manager
East Orange County Water District
185 N. McPherson Rd.
Orange, CA. 92869

INTRODUCTION

The East Orange County Water District seeks a consultant to facilitate a strategic planning process to carry the District through the next five years. The ultimate plan should identify and discuss at least five and no more than ten critical district issues, and set goals that include measurable objectives that will meet our system and customer needs for the five year period 2015-2020.

The proposal must be received no later than **4:00 P.M. on March 6, 2015.** Only electronic submissions will be accepted. Please submit proposal as a single pdf file to Lisa Ohlund, General Manager at lohlund@eocwd.com. The District reserves the right to reject any or all proposals submitted.

During the evaluation process, the East Orange County Water District reserves the right, where it may serve the District's best interest, to request additional information or clarification from proposers, or to allow corrections of errors or omissions. At the discretion of the East Orange County Water District, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

The District reserves the right to retain all proposals submitted and to use any idea(s) in a proposal regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the firm of the conditions contained in the request for proposals, unless clearly and specifically noted in the proposal submitted and confirmed in the contract between the East Orange County Water District and the firm selected.

BACKGROUND INFORMATION

The East Orange County Water District (District) was formed in 1961 under Section 30000 of the California Water Code to supply wholesale imported water to mutual water companies serving 100,000 acres in the developing unincorporated areas of East Orange and the Tustin Foothills. Today, the District continues to provide imported wholesale water service to this area through four retail water entities: the cities of Tustin and Orange, the Irvine Ranch Water District and the Golden State Water Company. These retail agencies serve a population of approximately 100,000. Figure 1 is a map of the District showing the existing service area and the service areas of the underlying retail agencies. The provision of imported water to the four retail agencies is generally referred to as the "Wholesale Zone" operations.¹

Up until 1997, the District purchased untreated water from the Metropolitan Water District of Southern California (MET) through MET member agency, the Municipal Water District of Orange County (MWDOC). The District treated this water at its treatment plant and then sold that water to the retail water purveyors. After examining the costs to upgrade the treatment plant to meet new water treatment regulations, the District began purchasing treated MET/MWDOC water and continues to do so currently.

¹ The District's Retail Zone (RZ) is also a customer of the Wholesale Zone (WZ), purchasing imported water in the same manner as the other WZ customers.

Because of extraordinary increases to the price of MET/MWDOC treated water, the District is examining the potential of reconstructing its treatment facilities and again purchasing untreated water and treating it, if the opportunity for additional reliability, water quality improvement and price stability would be achieved as a result.

In 1985, the retail operations of the County of Orange's Waterworks District #8 were transferred to the District, expanding the district's duties and responsibilities to providing imported and local groundwater to 1,209 retail customers located in the Vista Panorama unincorporated area (also shown on Figure 1). The provision of imported and groundwater water to the 1,209 retail customers is generally referred to as the "Retail Zone" operations.

SCOPE OF WORK

In an effort to clearly define the East Orange County Water District's priorities and to establish goals and objectives in a defined time frame, the Board wishes to utilize the services of a professional facilitator to assist with its strategic planning effort, prioritize and rank District issues and actions, and to create a document to memorialize this effort.

The District is looking for an objective voice, someone who is not likely to have strong predispositions about the organization's strategic issues and ideas in order for the entire District to benefit, however the facilitator must have an intimate knowledge of regional and statewide water issues. The District is ultimately seeking consensus among its elected officials.

1. Specific Tasks:
 - i. Preparatory meetings with individual Board members and General Manager
 - ii. Board workshop.
 - iii. Follow up with Board to review results.
 - iv. Preparation of final report.
2. The Strategic Planning Workshop would include:
 - i. Assessment of the District's strengths weaknesses, opportunities and threats;
 - ii. Review of the District's mission, vision and core value statements,
 - iii. Identify and develop specific short-term and long-term goals and priorities for the District,
 - iv. Identify potential fiscal constraints and opportunities in order to achieve strategic goals and objectives
3. The Workshop would be held on a Saturday in April, 2015 at the District Office between 9 a.m. and 4:00 p.m. with a one-hour break for lunch.
4. Facilitator must summarize the results of the workshop prepare a document that confirms the District's Mission, Vision and Core values, as well as identifies the Board's

strategic goals and objectives for the next five years and prioritizes and ranks the District's programs and services based on their ability to achieve these goals.

QUALIFICATIONS:

The firm or individual responding to this RFP must provide the following:

- i. Evidence of substantial knowledge and experience developing strategic plans/goal setting efforts for local government organizations.
- ii. Evidence of substantial knowledge and experience in facilitating strategic plans/goals setting efforts at the elected official level.

CONTENT AND FORMAT OF PROPOSALS

The proposals must contain the following information in order to be considered:

1) Cover Letter:

A cover letter on firm letterhead must provide the name and title of the person(s) who are authorized to answer questions about this RFP. The cover letter should not exceed one (1) page length and should summarize key elements of the proposal. The letter must include the telephone, fax number, email address and physical address of your office.

2) References:

Provide the name and contact information for three (3) special districts or cities, where the facilitator has worked in a goal setting/strategic planning effort. Provide a copy of one strategic plan developed for one of these elected bodies.

3) Process:

- i) Describe how you would format and handle the Board workshop.
- ii) Describe the format for your final annual strategic plan document.

4) Costs:

Please provide "not to exceed" costs for the following categories:

- i) Preparatory meetings with Board members and General Manager
- ii) Board Workshop
- iii) Follow up meeting with Board to review results and
- iv) Preparation of final report.

5) Proposer's Responsibilities

- i) Proposer is an Independent Contractor

- ii) The proposer shall act under the agreement as an independent contractor and will not be an agent or employee of the District.
- iii) Compliance with the Law
- iv) The proposer agrees that performance under the Professional Services Agreement (PSA) shall comply with applicable laws of the United States of America, the State of California, and the proposer also comply with all applicable policies and regulations of the East Orange County Water District.

6) Insurance Requirements:

- i) All proposers with the District must show proof of insurance. A certificate of insurance and endorsement will be required indicating compliance with the following minimum insurance requirements and the contractor shall maintain such insurance in effect during the entire term of the PSA with the District.
- ii) Workers' Compensation Insurance to cover the contractor's employees as required by California Labor Code. Before execution of an agreement with the District, contractor shall file with the District a signed Workers' Compensation Insurance Certification. In the event that the Contractor has no employees, it will be required to file a certification to that fact. The District and its officers, employees and agents will not be responsible for any claims in the law or equity occasioned by failure of contractor to comply with its PSA with the District.
- iii) Commercial General Liability, personal injury and property damage liability, contractual liability, independent contractor's liability and automobile liability, with minimum combined liability limits of one million dollars (\$1,000,000) per occurrence.
 - (a) The insurance must be issued by companies that hold a current policy holder's alphabetic and financial size category rating of net less than A-VII, according to the current Best's Key Rating Guide or company of equal financial stability that is approved by the District's Attorney.
 - (b) Name and list as additional insureds the District, District's officers, employees and agents.
 - (c) Specify it acts a primary insurance and that no insurance held or owned by the District shall be called upon to cover a loss under said policy.
 - (d) Covers the operations of the contractor pursuant to the terms of this PSA.

7) Review of Proposals:

- i) All proposals will be reviewed and evaluated for responsiveness to this RFP. In reviewing the proposals the District will consider the following:
 - (a) The experience and past performance of the proposer, its agents, employees and subcontractors in completing projects of similar type, size

- and complexity.
- (b) The proposer's timely and accurate completion of similar projects within budget.
- (c) The proposer's understanding of the work to be completed based upon the clarity of the proposal and responsiveness to this RFP.
- ii) Evaluation criteria include, but are not limited to, the understanding of the proposed requirements as evidenced by the quality of the proposal response, relevant experience conducting similar strategic planning facilitation for elected municipal and/or county officials, qualifications of staff to be assigned, project understanding, recent experience and proposal costs. The District may not necessarily select the lowest cost proposer.

8) Award of a Professional Service Agreement

Once a proposer has been selected the District will negotiate a professional services agreement. The District shall not be contractually obligated to any proposer until duly authorized representatives of both the proposer and District sign an agreement.

CONTACT INFORMATION AND SUBMISSION DEADLINE

Written questions about this RFP may be sent by email to lohlund@eocwd.com prior to the submission deadline. Responses will be shared by all interested responders to the RFP.

PROPOSALS ARE DUE BY 4:00 P.M. ON MARCH

EAST ORANGE COUNTY WATER DISTRICT

DISBURSEMENT SUMMARY

February 19, 2015

WHOLESALE AND RETAIL BILLS	\$213,623.33
DIRECTOR'S PAYROLL	\$2,055.05
EMPLOYEE'S PAYROLL	\$41,067.65
DISBURSEMENT TOTAL	<u>\$256,746.03</u>

TRANSFER SUMMARY

TRANSFERS	\$ 200,000.00
TRANSFER TOTAL	<u>\$200,000.00</u>

NOTE: THE EXPLANATION OF FUNDS TRANSFERRED IS SHOWN ON THE FUNDS TRANSFERRED SHEET ATTACHED.

East Orange County Water District
Bills for Consideration
January 21 through February 10, 2015

Date	Num	Name	Amount
1250011 · CB&T CHECKING ACCOUNT-WZ-0218			
01/21/2015	10091	ACWA- WORKERS COMP	-2,841.00
01/21/2015	10092	ACWA-JPIA (EMP INSURANCE)	-10,084.30
01/21/2015	10093	AT&T	-501.03
01/21/2015	10094	C WELLS PIPELINE MATERIALS INC	-1,847.82
01/21/2015	10095	COASTLINE EQUIPMENT	-199.54
01/21/2015	10096	COMMUNICATIONS LAB	-5,152.37
01/21/2015	10097	COUNTY OF ORANGE	-32,254.74
01/21/2015	10098	CR&R INC.	-50.75
01/21/2015	10099	GENERATOR SERVICES CO, INC	-3,141.56
01/21/2015	10100	GOLDEN METERS SERVICE	-1,934.91
01/21/2015	10101	HOME DEPOT CREDIT SERVICES	-775.99
01/21/2015	10102	ID MODELING, INC.	-800.00
01/21/2015	10103	MATT-CHLOR, INC	-164.88
01/21/2015	10104	PLATINUM CONSULTING GROUP	-4,925.00
01/21/2015	10105	SOUTHERN CALIFORNIA EDISON	-6,376.19
01/21/2015	10106	TRUESDAIL LABORATORIES, INC	-1,804.50
01/21/2015	10107	UNDERGROUND SERVICE ALERT	-40.50
01/21/2015	10108	XEROX CORPORATION	-49.18
02/02/2015	10109	AT&T	0.00
02/02/2015	10110	BOWIE ARNESON WILES & GIANNONE	-2,607.50
02/02/2015	10111	DOTY BROS EQUIPMENT CO.	-2,102.68
02/02/2015	10112	EISEL ENTERPRISES, INC	-121.50
02/02/2015	10113	HACH COMPANY	-384.13
02/02/2015	10114	HD SUPPLY WATERWORKS, LTD	-3,403.95
02/02/2015	10115	Katie Foster	-50.00
02/02/2015	10116	NICOLE HOPP	-195.66
02/02/2015	10117	Orange County Sanitation District	-384.27
02/02/2015	10118	PETTY CASH	-139.03
02/02/2015	10119	TRUESDAIL LABORATORIES, INC	-313.00
02/02/2015	10120	WINWATER	-254.31
02/02/2015	10121	CALIFORNIA CONCRETE READY MIX, I...	-385.00
02/03/2015	10122	AT&T	-403.31
02/10/2015	10123	ALLCOM	-195.00
02/10/2015	10124	AT&T	-77.74
02/10/2015	10125	AT&T LONG DISTANCE	-195.18
02/10/2015	10126	CA BANK & TRUST	-1,590.23
02/10/2015	10127	COASTLINE EQUIPMENT	-179.33
02/10/2015	10128	COMMUNICATIONS LAB	-3,956.25
02/10/2015	10129	G O RODRIGUEZ TRUCKING, INC	-987.50
02/10/2015	10130	INSTANT LUBE, INC.	-49.00
02/10/2015	10131	ISDOC	-200.00
02/10/2015	10132	MATT PLUMMER	-470.14
02/10/2015	10133	MCCALL'S METER SALES & SERVICE	-4,249.03
02/10/2015	10134	MWDOC	-109,733.39
02/10/2015	10135	ORANGE COUNTY WATER ASSOC.	-50.00
02/10/2015	10136	PARADISE DRINKING WATERS	-63.60
02/10/2015	10137	PLATINUM CONSULTING GROUP	-4,935.00
02/10/2015	10138	SADDLEBACK EQUIP. RENTALS, INC	-543.38
02/10/2015	10139	SOUTHERN CALIFORNIA EDISON	-1,646.73
02/10/2015	10140	SYLVIA PRADO	-90.97
02/10/2015	10141	TRUESDAIL LABORATORIES, INC	-397.00
02/10/2015	10142	VERIZON WIRELESS	-268.59
02/10/2015	10143	WINWATER	-56.67
Total 1250011 · CB&T CHECKING ACCOUNT-WZ-0218			-213,623.33
TOTAL			-213,623.33

EAST ORANGE COUNTY WATER DISTRICT
CALIFORNIA BANK & TRUST
Prior Month's Checks To Ratify
DIRECTORS' PAYROLL*
19-Feb-15

**PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF
October 2014**

DATE	CHECK NO	AMOUNT	PAYABLE TO
01/15/15	172	\$388.66	BOARD DIRECTOR
01/15/15	173	\$160.03	BOARD DIRECTOR
01/15/15	174	\$160.03	BOARD DIRECTOR
01/15/15	175	\$889.59	BOARD DIRECTOR - PRESIDENT

<u>\$1,598.31</u>	TOTAL PAYROLL CHECKS
-------------------	----------------------

**PAYROLL TAXES, ADP CHARGE, AND PERS EFT
(PERS TRANSFERRED WITH EMPLOYEE PAYROLL)**

1/15/2015	\$317.94	ADP TAXES
1/15/2015	\$138.80	PERS ELECTRONIC FUNDS TRANSFER
	<u>\$456.74</u>	TOTAL CHARGES & TRANSFER

<u>\$2,055.05</u>	GRAND TOTAL PAYROLL
-------------------	---------------------

***** NOTE: DOUG DAVERT DECLINES PAYMENT FOR ALL MEETINGS**

*Note: Payroll is processed by ADP (Automatic Data Processing)

EAST ORANGE COUNTY WATER DISTRICT
 CALIFORNIA BANK & TRUST
 Prior Month's Checks To Ratify
 EMPLOYEES' PAYROLL*
 19-Feb-15

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	1/7/2015	\$ 1,177.16	WATER DISTRIBUTION I
AUTO DEPOSIT	1/7/2015	\$ 1,419.99	MANAGEMENT ASSISTANT
AUTO DEPOSIT	1/7/2015	\$ 1,925.77	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	1/7/2015	\$ 1,897.15	GENERAL MANAGER
AUTO DEPOSIT	1/7/2015	\$ 2,032.40	WATER DISTRIBUTION II
AUTO DEPOSIT	1/7/2015	\$ 1,544.28	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	1/21/2015	\$ 1,469.39	WATER DISTRIBUTION I
AUTO DEPOSIT	1/21/2015	\$ 1,490.29	MANAGEMENT ASSISTANT
AUTO DEPOSIT	1/21/2015	\$ 2,424.86	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	1/21/2015	\$ 1,854.79	GENERAL MANAGER
AUTO DEPOSIT	1/21/2015	\$ 1,817.42	WATER DISTRIBUTION II
AUTO DEPOSIT	1/21/2015	\$ 1,696.17	ADMINISTRATIVE ASSISTANT
<u>\$ 20,749.67</u>			TOTAL PAYROLL CHECKS

PAYROLL TAXES, ADP CHARGES, AND PERS EFT

1/7/2015	\$6,278.11	ADP TAXES
1/7/2015	\$2,133.38	PERS ELECTRONIC FUNDS TRANSFER
1/7/2015	\$242.78	PERS PEPRA MEMBER
1/7/2015	\$1,150.00	CAL PERS 457 - ING BANK
1/21/2015	\$7,002.60	ADP TAXES
1/21/2015	\$2,118.33	PERS ELECTRONIC FUNDS TRANSFER
1/21/2015	\$242.78	PERS PEPRA MEMBER
1/21/2015	\$1,150.00	CAL PERS 457 - ING BANK
<u>\$20,317.98</u>		TOTAL TRANSFERS
<u>\$41,067.65</u>		GRAND TOTAL PAYROLL

PAYROLL 1/7/2015	PAYROLL 1/21/2015
\$9,996.75	\$10,752.92
\$9,804.27	\$10,513.71
<u>\$19,801.02</u>	<u>\$21,266.63</u>

*Note: Payroll is processed by ADP (Automatic Data Processing)

EAST ORANGE COUNTY WATER DISTRICT
FUNDS TRANSFERRED BETWEEN ACCOUNTS
19-Feb-15

<u>DATE</u>	<u>TRANSFER NO</u>	<u>AMOUNT</u>	<u>FROM</u>	<u>TO</u>	<u>REASON FOR FUND TRANSFER</u>
1/13/2015	T45	\$ 200,000.00	CB&T MONEY MARKET	CHECKING	TRANSFER TO COVER EXCESS FUNDS TRANSFER INTO LAIF
1/16/2015	T46	\$ 200,000.00	CHECKING	LAIF	EXCESS FUNDS



Treasurer's Report

February 12, 2015

Board of Directors
East Orange County Water District

DIRECTORS

Richard E. Barrett
Richard B. Bell
Douglass S. Davert
John Dulebohn
William Vanderwerff

Lisa Ohlund
General Manager

The accompanying information contained in Schedule 1, Distribution of Investment Activity for the month January 2015, and Schedule 2, Investment Portfolio, as of January 31, 2015 (which are presented only for supplementary analysis purposes) have been prepared by management who is responsible for their integrity and objectivity. These schedules have not been compiled, reviewed or audited by outside accountants.

East Orange County Water District maintains a system of internal accounting control designed to provide reasonable assurance that assets are safeguarded and that transactions are properly executed, recorded and summarized to produce reliable records and reports.

To the best of management's knowledge and belief, the schedules and related information were prepared in conformity with generally accepted accounting principles, and are based on recorded transactions and management's best estimates and judgments.

Carl R. Schoonover

Carl R. Schoonover
Treasurer

185 N Mc Pherson Road
Orange, CA 92869-3720

www.eocwd.com

Ph: (714) 538-5815
Fax: (714) 538-0334

**EAST ORANGE COUNTY WATER DISTRICT
SCHEDULE 1 - INVESTMENT ACTIVITY
MONTH OF JANUARY 2015**

	SECURITY TYPE	BOOK VALUE
BEGINNING BALANCES JANUARY 1, 2015		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	6,256,033
RAYMOND JAMES-CDs	DEMAND BROKERAGE	1,532,278
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
Total		7,788,311
ACTIVITY		
ADDITIONS		
	DEMAND MM	0
DEPOSIT TO LAIF-FROM CHECKING	DEMAND LAIF	200,000
DEPOSIT TO LAIF-INTEREST	DEMAND LAIF	4,009
DEPOSIT TO RAYMOND JAMES-FROM CHECKING	DEMAND BROKERAGE	0
DEPOSIT TO RAYMOND JAMES-INTEREST	DEMAND BROKERAGE	221
SOLD MS LS US TREAS	MUTUAL FUND	0
TRANSFERS BETWEEN FUNDS	DUE TO/FROM	0
REDUCTIONS		
TRANSFER FROM LAIF TO CHECKING	DEMAND LAIF	0
TRANSFERS BETWEEN FUNDS	DUE TO/FROM	0
TRANSFERS TO CHECKING	DEMAND MM	0
TRANSFER TO RAYMOND JAMES	DEMAND MM	0
SOLD US TREASURY BOND	US TREASURY BOND/NOTE	0
MATURITY OF US TREASURY NOTE	US TREASURY NOTE	0
PURCHASE US TREASURY BOND FED STRIP	TREASURY BOND	0
ENDING BALANCES JANUARY 31, 2015		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	6,460,042
RAYMOND JAMES-CDs and CASH	CERTIFICATES OF DEPOSIT	1,532,499
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
TOTAL		7,992,541

**EAST ORANGE COUNTY WATER DISTRICT
SCHEDULE 2 - INVESTMENT PORTFOLIO
JANUARY 31, 2015**

NAME	SECURITY TYPE AND NUMBER	PURCHASE DATE	MATURITY DATE	INTEREST		MARKET VALUE	PURCHASE PRICE	PREMIUM OR (DISCOUNT) *	ACCRUED INTEREST *	FACE VALUE	% TO PORTFOLIO
				STATED	YIELD						
LAIF	DEMAND	N/A	N/A	0.262%	0.262%	6,460,042	6,460,042	0	0	6,460,042	80.86%
RJ-CD	AMERICAN EXPRESS	10/25/12	07/27/15	1.000%	1.000%	100,281	100,000	0	0	100,000	1.25%
RJ-CD	BMW BANK OF N AMERICA	11/19/12	11/12/15	2.000%	2.000%	101,097	102,937	2,898	38	100,000	1.25%
RJ-CD	CIT BANK	03/06/13	03/06/18	1.100%	1.100%	144,176	145,000	0	0	145,000	1.81%
RJ-CD	DISCOVER BANK	10/17/12	10/17/16	1.200%	1.200%	100,714	100,000	0	0	100,000	1.25%
RJ-CD	DISCOVER BANK	02/20/13	02/20/18	1.100%	1.100%	147,678	150,000	0	0	150,000	1.88%
RJ-CD	EVERBANK	01/30/15	11/15/19	1.500%	1.740%	145,280	148,818	-1,650	468	150,000	1.88%
RJ-CD	GE MONEY BANK	10/25/12	08/31/17	1.650%	1.650%	100,647	100,998	754	244	100,000	1.25%
RJ-CD	GE CAPITAL RETAIL BANK	11/19/12	11/09/16	1.350%	1.350%	100,589	100,536	499	37	100,000	1.25%
RJ-CD	GE CAPITAL RETAIL BANK	02/22/13	02/22/18	1.100%	1.100%	147,665	150,000	0	0	150,000	1.88%
RJ-CD	GOLDMAN SACHS BANK	02/13/13	02/13/18	1.200%	1.200%	148,184	150,000	0	0	150,000	1.88%
RJ-CD	GOLDMAN SACHS BANK	10/11/12	10/03/17	1.550%	1.550%	100,462	99,977	-11	34	100,000	1.25%
RJ-CD	SYNCHRONY BANK	01/30/15	01/30/20	1.800%	1.800%	150,000	150,000	0	0	150,000	1.88%
RJ	CASH	N/A	N/A	0.000%	0.020%	34,231	34,231			34,231	0.43%
				0.472%		\$7,981,045	\$7,992,541	\$2,492	\$823	\$7,989,274	100.00%

* Monthly adjustments to interest income should be made to amortize accrued interest and premiums/discounts to face value at maturity.

LAIF=LOCAL AGENCY INVESTMENT FUND
RJ=RAYMOND JAMES

CERTIFICATION

I CERTIFY THAT (1) ALL INVESTMENT ACTIONS EXECUTED SINCE THE LAST REPORT HAVE BEEN MADE IN FULL COMPLIANCE WITH THE DISTRICT'S INVESTMENT POLICY AND,(2) THE DISTRICT WILL MEET ITS EXPENDITURE OBLIGATIONS FOR THE NEXT SIX MONTHS AS REQUIRED BY CALIFORNIA GOVERNMENT CODE SECTIONS 53646(b)(2) AND (3), RESPECTIVELY.

Carl R. Schoonover
CARL R. SCHOONOVER, TREASURER

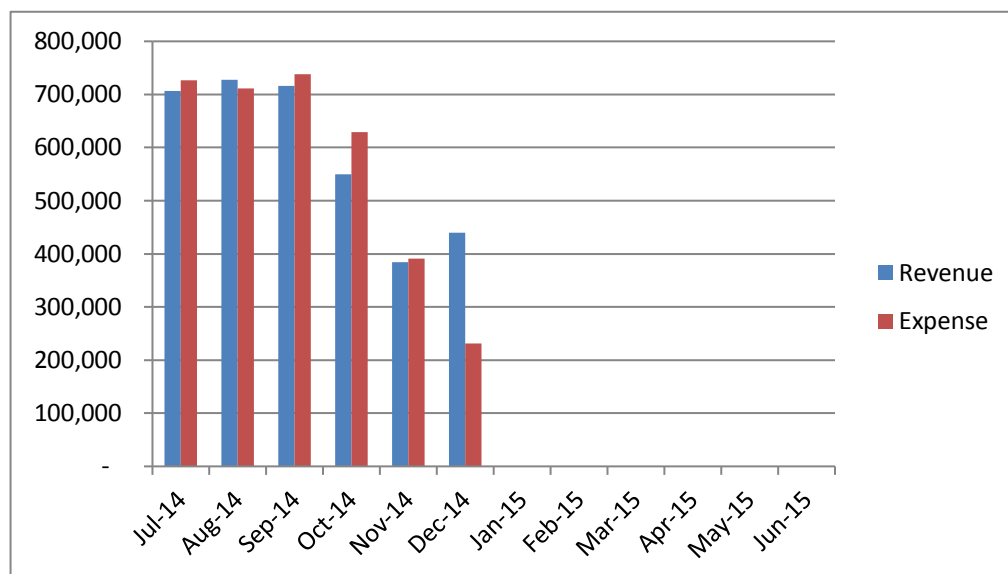
Wholesale Zone Financial Summary

For Period Ending December 31, 2014

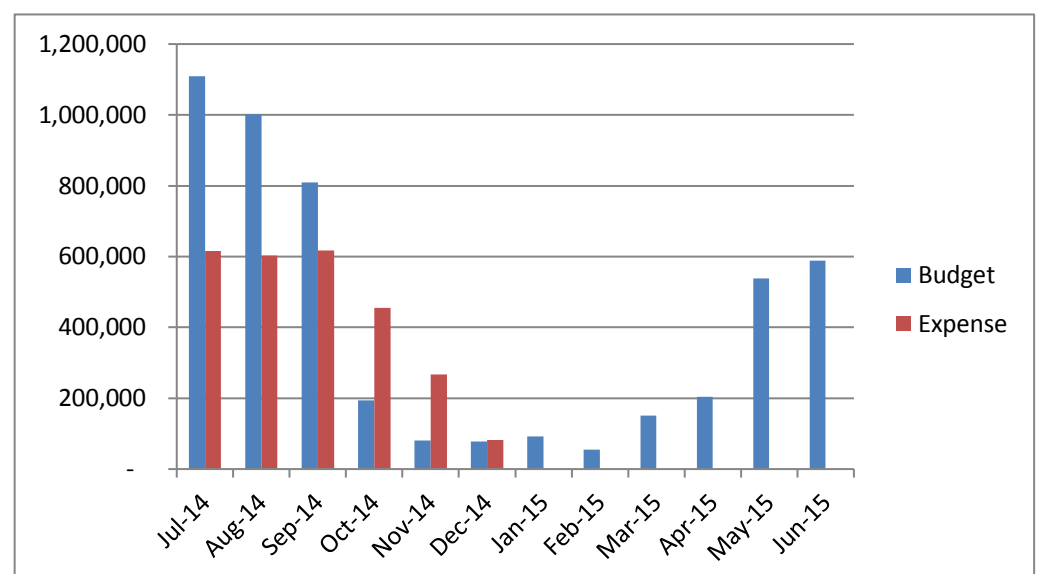
YTD Operating Income \$ 3,523,780

YTD Operating Expense \$ 3,428,283

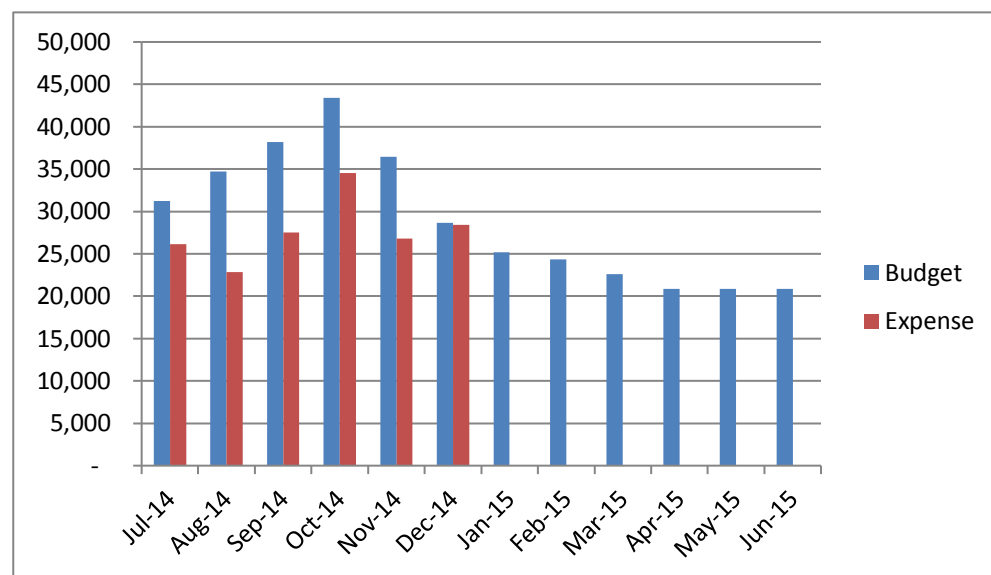
Revenue vs. Expenses



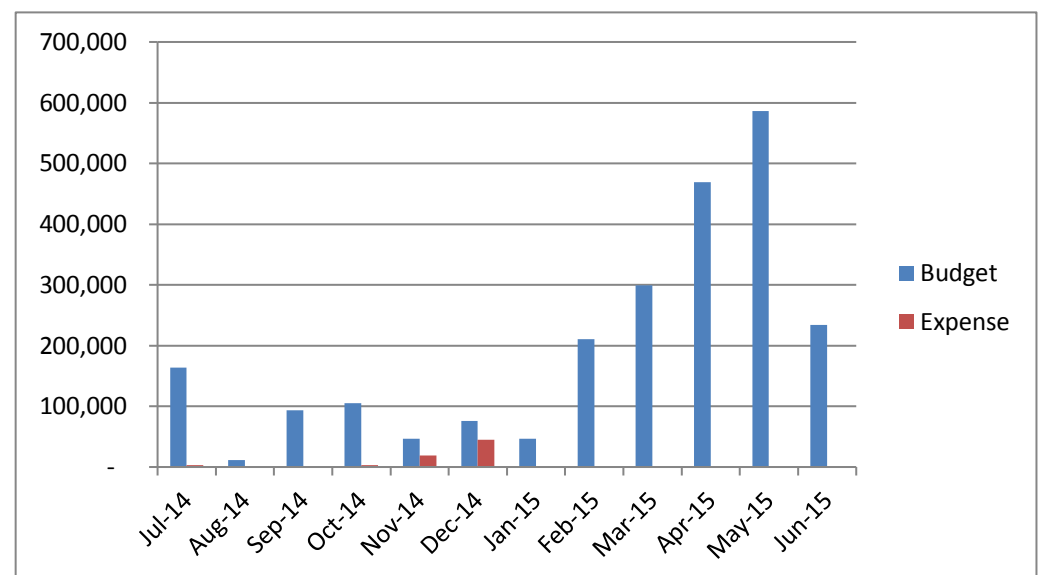
Water Purchased Budget vs. Actual



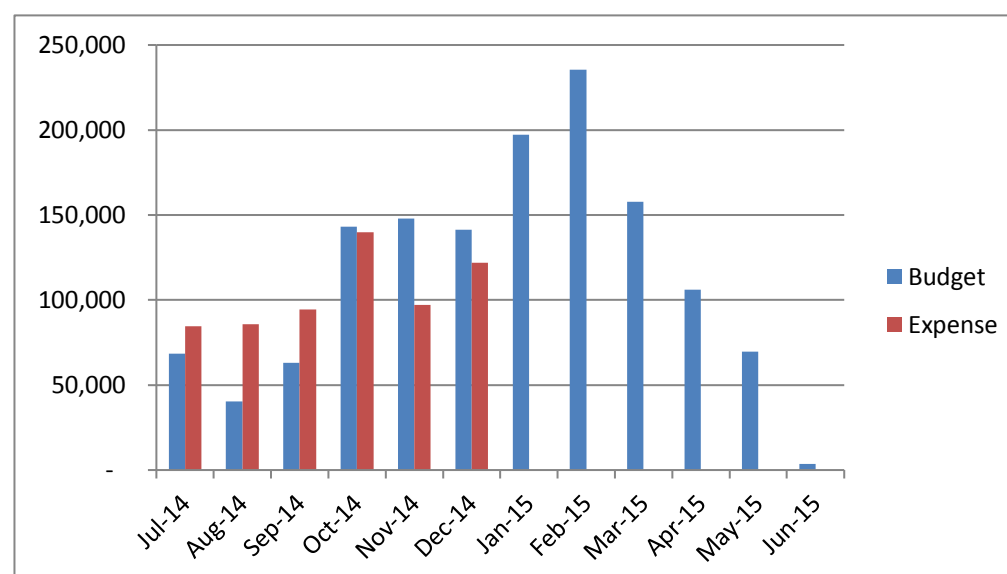
Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



O&M Budget vs. Actual



WHOLESALE ZONE

**EAST ORANGE COUNTY WATER DISTRICT
2014-2015 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: DECEMBER 2014**

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	OPERATING REVENUE:					
2	WATER SALES	81,515	2,639,408	4,900,985	(2,261,577)	53.85%
3	FIXED CHARGES	46,435	283,722	569,135	(285,413)	49.85%
4	EOCWD FIXED CHARGES	24,050	146,599	301,136	(154,537)	48.68%
5	REIMBURSED EXP-IRWD	(13,659)	(6,314)	25,000	(31,314)	-25.25%
6	OTHER CHARGES	5,398	21,283	11,388	9,894	186.88%
7	TOTAL OPERATING REVENUE:	143,739	3,084,698	5,807,645	(2,722,946)	
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES	287,454	344,172	674,000	(329,828)	51.06%
10	RENTAL INCOME - CELLULAR ANTENNAS	8,242	84,250	106,000	(21,750)	79.48%
11	INTEREST & INVESTMENT EARNINGS	755	9,919	20,141	(10,221)	49.25%
12	NOTE RECEIVABLE - AMP	-	142	20,000	(19,858)	0.71%
13	MISCELLENIOUS INCOME (EXPENSE)	50	598	500	98	119.62%
14	TOTAL NON-OPERATING REVENUES, NET	296,502	439,082	820,641	(381,559)	
15	NET OPERATING INCOME	440,240	3,523,780	6,628,285	(3,104,505)	

EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
16	OPERATING EXPENSE:					
17	SOURCE OF SUPPLY	81,481	2,638,373	4,900,984	(2,262,611)	53.83%
18	MET/MWDOC FIXED CHARGE	28,253	180,991	365,462	(184,471)	49.52%
19	EOCWD FIXED CHARGE	18,183	109,095	212,050	(102,955)	51.45%
20	ENERGY	130	947	2,600	(1,653)	36.43%
21	OPERATIONS & MAINTENANCE	36,089	227,397	596,456	(369,059)	38.12%
22	GENERAL & ADMINISTRATIVE	40,264	132,370	324,176	(191,806)	40.83%
23	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	22,015	132,091	220,391	(88,300)	59.93%
24	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
25	MARKET VALUE ADJUSTMENT ON INVESTMENTS	5,326	7,018	-	7,018	0.00%
26	TOTAL OPERATING EXPENSE	231,740	3,428,283	6,622,119	(3,193,836)	
27	NET INCOME FROM OPERATIONS	208,500	95,497	6,166,248,725	89,331	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	(6,167)	6,167	
29	NET INCOME (LOSS)	208,500	95,497	(0)	83,164	

Wholesale Zone

December 2014 Variance Report - 50% of Budget Year Expended

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
<u>New</u>				
REIMBURSED EXPENSES-IRWD	I	(6,314)	-25.25%	YTD is negative due to billing IRWD in PY
MISCELLANEOUS INCOME	I	598	119.62%	YTD is high due to unanticipated revenue
RESERVOIRS R&M	E	20,238	101.19%	YTD is high due to tree services
<u>Ongoing</u>				
LATE CHARGE	I	30	60.00%	YTD is high due to unanticipated revenue
MET-MWDOC CHOICE-WS	I	8,377	100.00%	Yearly payment made in July
REFUNDS	I	11,789	0.00%	Unanticipated MWDOC refund for Tier 2 water relating to PY
TAXES-UNSECURED	I	17,727	118.18%	YTD is high due to full receipt of taxes
TAXES SUPPLEMENTAL ROLL	I	6,615	132.30%	YTD is high due to full receipt of taxes
RENT INCOME- CROWN CASTLE	I	57,386	112.52%	YTD is high due to payment received relating to prior years
EOCF #2 NONINTERR OC 48	E	820,685	83.81%	YTD is high due to time of year (selling more water)
EQUIPMENT RENTAL	E	10,916	97.90%	YTD is high due to generator rental
COMPUTER CONSULTING	E	1,835	73.40%	YTD is high due to under budgeted account
OFFICE EQUIPMENT R&M	E	527	175.59%	YTD is over budget due to work performed by KMS Network Solutions
UTILITIES- OFFICE- ELECT & WTR	E	1,834	54.35%	YTD is over budget due to unanticipated expenses
<u>Capital Projects</u>				
<u>New</u>				
REPLACE BACKHOE	E	40,150	160.60%	YTD is high due to expenses being higher than anticipated
<u>Ongoing</u>				

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE
MONTH: DECEMBER 2014**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 WATER SALES	81,515	2,639,408	4,900,985	(2,261,577)	53.85%
2 METER CHARGE	177	1,087	2,961	(1,874)	36.71%
3 LATE CHARGE	15	30	50	(20)	60.00%
4 CONNECTION FEES	-	2,300	16,136	(13,836)	14.25%
5 EOCWD RESERVE FUND CHARGE	19,286	115,714	228,000	(112,286)	50.75%
6 EOCWD READINESS TO SERVE CHARGE	4,764	28,585	57,000	(28,415)	50.15%
7 RETAIL SERVICE CONNECTIONS	18,183	109,095	212,050	(102,955)	51.45%
8 MET-MWDOC READINESS TO SERVE	18,098	113,701	222,000	(108,299)	51.22%
9 MET-MWDOC CAPACITY CHARGE	10,154	60,926	135,085	(74,159)	45.10%
10 MET-MWDOC CHOICE-WS	-	8,377	8,377	(0)	100.00%
11 REIMBURSED EXPENSES-IRWD	(13,659)	(6,314)	25,000	(31,314)	-25.25%
12 REFUNDS	5,206	11,789	-	11,789	0.00%
13 Total OPERATING REVENUE:	143,739	3,084,698	5,807,645	(2,722,946)	
14 NON OPERATING INCOME					
15 INTEREST EARNED-DEMAND ACCOUNTS	-	-	-	-	0.00%
16 INTEREST EARNED-MORGAN STANLEY	-	-	-	-	0.00%
17 INTEREST-MORGAN STANLEY- CONT	-	-	-	-	0.00%
18 INTEREST EARNED-LAIF	-	984	3,409	(2,425)	28.86%
19 INTEREST-LAIF-CONT.	-	31	-	31	0.00%
20 INTEREST EARNED-U.S. TREASURY BONDS	-	-	-	-	0.00%
21 INTEREST US TREASURY BOND	-	-	-	-	0.00%
22 INTEREST EARNED-COUNTY OF ORANGE	-	-	-	-	0.00%
23 INTEREST EARNED-ACWA	-	-	-	-	0.00%
24 INTEREST EARNED - RAYMOND JAMES	755	8,904	16,732	(7,828)	53.22%
25 TAXES-SECURED	284,494	315,456	585,000	(269,544)	53.92%
26 TAXES-UNSECURED	668	17,727	15,000	2,727	118.18%
27 TAXES SUPPLEMENTAL ROLL	1,406	6,615	5,000	1,615	132.30%
28 TAXES PRIOR YEARS	886	4,375	15,000	(10,625)	29.17%
29 TAXES HOMEOWNER'S SUBVENTION	-	-	4,000	(4,000)	0.00%
30 TAXES PUBLIC UTILITY	-	-	10,000	(10,000)	0.00%
31 TAXES TUSTIN RDA	-	-	40,000	(40,000)	0.00%
32 TAXES MISC	-	-	-	-	0.00%
33 TAXES ACCRUED	-	-	-	-	0.00%
34 STATE TAXES CONFISCATED	-	-	-	-	0.00%
35 PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
36 RENT INCOME- AT&T	4,490	26,864	55,000	(28,136)	48.84%
37 RENT INCOME- CROWN CASTLE	3,752	57,386	51,000	6,386	112.52%
38 AMP SALE INSTALLMENTS	-	142	20,000	(19,858)	0.71%
39 MISCELLANEOUS INCOME	50	598	500	98	119.62%
40 Total NON OPERATING INCOME:	296,502	439,082	820,641	(381,559)	
41 Total OPERATING REVENUE	440,240	3,523,780	6,628,285	(3,104,505)	
42 NET OPERATING INCOME:	440,240	3,523,780	6,628,285	(3,104,505)	

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE
MONTH: DECEMBER 2014**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
EXPENSES					
43 EOCF #2 NONINTERR OC 43	6,234	623,261	1,473,786	(850,525)	42.29%
44 EOCF #2 NONINTERR OC 48	12,912	820,685	979,199	(158,515)	83.81%
45 WATER PURCHASED AMP	62,335	1,194,428	2,447,999	(1,253,571)	48.79%
46 WATER PURCHASED	-	-	-	-	0.00%
47 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
48 WATER PURCHASED-IN LIEU CREDIT	-	-	-	-	0.00%
49 AMP_FAP LEASE EXPENSE	1,250	7,500	-	7,500	0.00%
50 MET-MWDOC CHOICE BUDGET	-	11,475	8,377	3,098	0.00%
51 MET-MWDOC READINESS TO SERVE	18,098	108,590	222,000	(113,410)	48.91%
52 MET-MWDOC CAPACITY FEES	10,154	60,926	135,085	(74,159)	45.10%
53 MWDOC RETAIL SERVICE CONNECT	18,183	109,095	212,050	(102,955)	51.45%
54 UTILITY- SCADA RTU	130	947	2,600	(1,653)	36.43%
55 SMALL TOOLS	232	1,838	3,500	(1,662)	52.50%
56 GASOLINE, OIL & DIES-WS	-	-	-	-	0.00%
57 GASOLINE, OIL & DIESEL FUEL	202	2,044	5,413	(3,369)	37.76%
58 REGULATORY PERMITS	309	2,854	5,000	(2,146)	57.08%
59 NPDS PERMIT	-	-	-	-	0.00%
60 PROF SERV WATER QUAL. CONTROL	1,689	7,089	25,000	(17,911)	28.36%
61 SCADA REPLACEMENTS / UPGRADES	81	81	9,198	(9,117)	0.88%
62 OPERATIONS REPORTING SOFTWARE	648	2,945	19,845	(16,900)	14.84%
63 METER PURCHASE/REPAIR	-	-	15,000	(15,000)	0.00%
64 PRESSURE REGULATORS R&M	-	515	5,000	(4,485)	10.30%
65 R/M- MAINS	66	150	25,000	(24,850)	0.60%
66 DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
67 SERVICE CONNECTIONS R&M	-	88	1,500	(1,413)	5.83%
68 RESERVOIRS R&M	435	20,238	20,000	238	101.19%
69 R/M- VAULTS	-	521	10,000	(9,479)	5.21%
70 R/M- CATHODIC PROTECTION	181	1,015	20,500	(19,485)	4.95%
71 MAINTAIN & OPERATE EOCF#2	1,417	8,500	50,000	(41,500)	17.00%
72 METER TESTING	262	262	3,000	(2,738)	8.72%
73 SAC LINE R&M	-	-	10,000	(10,000)	0.00%
74 EQUIPMENT RENTAL	1,728	10,916	11,150	(234)	97.90%
75 EQUIPMENT MAINTENANCE	16	318	3,571	(3,253)	31.90%
76 VEHICLE MAINTENANCE	174	1,092	2,723	(1,631)	40.09%
77 MAINTENANCE-BUILDINGS AND GROUNDS	248	690	3,750	(3,060)	18.41%
78 WAGES	20,292	118,408	212,633	(94,225)	55.69%
79 PAYROLL TAXES- FICA & MEDICARE	1,631	9,485	17,737	(8,253)	53.47%
80 RETIREMENT- PERS	1,881	12,781	36,048	(23,267)	35.46%
81 PAYROLL TAXES- SUI & ETT	12	297	804	(506)	37.00%
82 HEALTH & ACCIDENT INSURANCE	3,673	20,029	63,478	(43,450)	31.55%
83 DENTAL INSURANCE	309	1,692	4,687	(2,995)	36.11%
84 VISION INSURANCE	63	344	1,205	(861)	28.53%
85 LIFE INSURANCE	32	174	893	(719)	19.48%

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE
MONTH: DECEMBER 2014**

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
86	WORKER'S COMP INSURANCE	404	2,421	7,589	(5,168)	31.90%
87	UNIFORMS	107	612	2,232	(1,620)	27.40%
88	DISTRICT WEBSITE	-	-	2,250	(2,250)	0.00%
89	MCPHERSON FAX	30	178	300	(122)	59.49%
90	MCPHERSON INTERNET	56	333	2,000	(1,667)	16.65%
91	MCPHERSON OFFICE PHONES	194	1,335	2,300	(965)	58.05%
92	ANSWERING SERVICE	14	83	250	(167)	33.15%
93	PHONE CIRCUITS TO CTRL EQUIP	409	1,913	4,851	(2,938)	39.44%
94	CELLPHONES	131	884	2,000	(1,116)	44.20%
95	UNDERGROUND SERVICE ALERT	39	168	425	(257)	39.53%
96	TRAINING/SCHOOLS	104	415	6,732	(6,317)	6.16%
97	CONSERVATION EDUCATION	-	-	15,000	(15,000)	0.00%
98	TRAVEL- CONF/SEMINARS	198	2,880	9,500	(6,620)	30.31%
99	MILEAGE	76	295	402	(107)	73.47%
100	DUES & MEMBERSHIP- ACWA	-	1,566	3,750	(2,184)	41.76%
101	DUES & MEMBERSHIPS- OCWA	-	-	75	(75)	0.00%
102	DUES & MEMBERSHIPS- AWWA	-	-	400	(400)	0.00%
103	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
104	DUES & MEMBERSHIP- CSDA	-	1,501	3,500	(1,999)	42.89%
105	DUES- ISDOC/URBAN WTR	250	250	1,100	(850)	22.73%
106	MISCELLANEOUS EXP	148	323	500	(177)	64.61%
107	DIRECTOR- R. BARRETT	-	-	-	-	0.00%
108	DIRECTOR- W. VANDERWERFF	525	3,363	6,000	(2,638)	56.04%
109	DIRECTOR- D. CHAPMAN	-	-	-	-	0.00%
110	DIRECTOR- J. DULEBOHN	150	863	3,600	(2,738)	23.96%
111	DIRECTOR- R. BELL	150	1,363	3,600	(2,238)	37.85%
112	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
113	DIRECTOR- W. EVERETT	88	525	3,600	(3,075)	14.58%
114	BOARD MEETING EXPENSE	188	500	3,000	(2,500)	16.67%
115	POSTAGE	121	183	3,400	(3,217)	5.38%
116	OFFICE SUPPLY/FURN/SMALL EQUIP	186	1,311	7,000	(5,689)	18.73%
117	PUBLICATIONS & LEGAL NOTICES	22	359	5,000	(4,641)	7.19%
118	COPIER CONTRACT	25	146	625	(479)	23.43%
119	BANK CHARGES	179	1,023	3,000	(1,977)	34.09%
120	OUTSIDE SERVICES	705	2,900	5,000	(2,100)	58.00%
121	AUDITING	615	4,424	8,200	(3,776)	53.95%
122	TAX COLLECTION FEES	717	845	6,000	(5,155)	14.09%
123	TREASURER	-	718	7,000	(6,282)	10.25%
124	ACCOUNTING- SERRANO	595.00	13,393	25,000	(11,607)	53.57%
125	LEGAL	1,356	31,380	50,000	(18,620)	62.76%
126	COMPUTER CONSULTING	428	1,835	2,500	(665)	73.40%
127	ENGINEERING-WS	3,600	6,278	-	6,278	0.00%
128	LAFCO	2	5,683	40,000	(34,317)	14.21%
129	INSURANCE-AUTO & GEN LIABILITY	797	5,028	12,000	(6,972)	41.90%
130	INSURANCE-PROPERTY	231	1,385	3,750	(2,366)	36.92%
131	INSURANCE-EMP. FIDELITY BOND	18	109	371	(262)	29.50%

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE
MONTH: DECEMBER 2014**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
132 OFFICE EQUIPMENT R&M	-	527	300	227	175.59%
133 UTILITIES-DUMPSTER	25	127	1,000	(873)	12.69%
134 UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
135 UTILITIES- OFFICE- ELECT & WTR	-	1,834	3,375	(1,541)	54.35%
136 SECURITY	197	197	1,500	(1,303)	13.14%
137 ELECTION EXPENSE	26,449	26,449	64,000	(37,551)	41.33%
138 DEPRECIATION EXP.	-	-	-	-	0.00%
139 TRANS. TO WRCI-CAPITAL PROJECT	-	-	-	-	0.00%
140 TRANS TO CAPITAL PROJECTS	2,729	16,377	32,753	(16,376)	50.00%
141 TRANSFER TO (FROM) RESERVES	19,286	115,714	187,638	(71,924)	61.67%
142 MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
143 MARKET VALUE ADJUST-INVESTMENT	5,326	7,018	-	7,018	0.00%
144 MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
145 Total EXPENSES:	231,740	3,428,283	6,622,119	(3,193,836)	
146 NET INCOME FROM OPERATIONS:	208,500	95,497	6,166	89,331	
147 OTHER INCOME AND EXPENSE					
148 PRIOR YEARS INCOME (EXPENSES)	-	-	(6,167)	6,167	0.00%
149 Total OTHER INCOME AND EXPENSE	-	-	(6,167)	6,167	0.00%
150 NET INCOME (LOSS)	208,500	95,497	(0)	83,164	

WHOLESALE ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT

2014-2015 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

MONTH: DECEMBER 2014

REVENUE					
DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1 FUNDS PROVIDED BY RESERVE	-	-	-	-	0.00%
2 CAPITAL PROJECTS REVENUE					
3 INTEREST EARNINGS	-	1,875	15,000	(13,125)	12.50%
4 INTEREST RECEIVABLE- AMP SALE	-	-	13,000	(13,000)	0.00%
5 REIMBURSEMENT FROM IRWD	-	-	200,000	(200,000)	0.00%
6 REIMBURSEMENT FOR STORM DAMAGE REPAIRS	-	-	-	-	0.00%
7 REIMBURSEMENT FOR SECURITY UPGRADES	-	-	-	-	0.00%
8 TRANSFER FROM OPERATING EXPENSES	2,729	16,377	225,000	(208,623)	7.28%
9 NET OPERATING INCOME	2,729	18,252	453,000	(434,748)	
EXPENSES					
DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
10 CAPITAL PROJECTS EXPENSES					
11 CAPITALIZED ACCOUNTING COSTS	-	-	5,000	(5,000)	0.00%
12 SECURITY GATE AT 6 MG SITE-CONST	-	-	11,000	(11,000)	0.00%
13 SECURITY SYSTEM AT PETERS CANYON RESERVOIR	-	-	20,000	(20,000)	0.00%
14 BACKUP GENERATOR AT OC70 PUMP STATION	-	-	81,000	(81,000)	0.00%
15 PIPELINE INSPECTIONS-ENGINEERING	-	-	26,000	(26,000)	0.00%
16 MASTER PLAN/CONDITION ASSESSMENT	-	9,277	125,000	(115,723)	7.42%
17 FEASABILITY ENVIRONMENTAL	-	569	-	569	0.00%
18 6 MG RESERVOIR ROOF REPAIRS	-	10,971	1,320,000	(1,309,029)	0.83%
19 6 MG RESERVOIR - LANDSCAPE/V-DITCH	-	-	36,000	(36,000)	0.00%
20 CATHODIC PROTECTION - PIPELINES	-	-	31,000	(31,000)	0.00%
21 MCPHERSON OFFICE/YARD IMPROVEMENTS	-	-	13,000	(13,000)	0.00%
22 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM	-	-	36,000	(36,000)	0.00%
23 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
24 6 MG TREATMENT PLANT	-	2,069	305,000	(302,931)	0.68%
25 SECURITY UPGRADES-ANDRES RESERVOIR	-	-	15,000	(15,000)	0.00%
26 VALVE REPLACEMENTS (12" - 27")	-	-	23,000	(23,000)	0.00%
27 REPLACE BACKHOE	40,150	40,150	25,000	15,150	160.60%
28 NEWPORT RESERVOIR MIXING SYSTEM	-	-	31,000	(31,000)	0.00%
29 ISOLATION VALVES - 11.5 & 1 MG RESERVOIRS - ENGINEERING	-	-	41,000	(41,000)	0.00%
30 FINANCIAL SOFTWARE	4,368	6,698	25,000	(18,302)	26.79%
31 OC33 RECONNECTION	-	-	45,000	(45,000)	0.00%
32 VULNERABILITY UPGRADES-OC-70 TURNOUT & PUMP STATION	-	-	12,000	(12,000)	0.00%
33 VULNERABILITY UPGRADES-PETER'S CANYON RESERVOIR	-	-	70,000	(70,000)	0.00%
34 VULNERABILITY UPGRADES-OC-48 MET TURNOUT	-	-	3,000	(3,000)	0.00%
35 UWMP UPDATE	-	-	30,000	(30,000)	0.00%
36 TOTAL OPERATING EXPENSE	44,517	69,734	2,344,000	(2,274,266)	
37 NET INCOME FROM OPERATIONS	(41,788)	(51,482)	(1,891,000)	1,839,518	
38 PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
39 NET INCOME (LOSS)	(41,788)	(51,482)	(1,891,000)	1,839,518	

**FOR WHOLESALE
MONTH: DECEMBER 2014**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
FUNDED BY RESERVES	-	-		-	
1 INTEREST- RAYMOND JAMES	-	-	-	-	0.00%
2 INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
3 INTEREST-LAIF-CAP	-	1,875	15,000	(13,125)	12.50%
4 INTEREST-US TREASURY BOND	-	-	-	-	0.00%
5 INTEREST INCOME-AMP SALE	-	-	13,000	(13,000)	0.00%
6 REIMBURSEMENT FROM IRWD	-	-	200,000	(200,000)	0.00%
7 REIMBURSEMENT- STORM DAMAGE	-	-	-	-	0.00%
8 REIMBURSEMENT-SECURITY UPGRADE	-	-	-	-	0.00%
9 TRANSFER FROM WZ OPERATIONS	2,729	16,377	225,000	(208,623)	7.28%
10 Total NON OPERATING INCOME:	2,729	18,252	453,000	(434,747)	
11 Total OPERATING REVENUE	2,729	18,252	453,000	(434,747)	
12 NET OPERATING INCOME:	2,729	18,252	453,000	(434,747)	
EXPENSES					
13 CAPITALIZED ACCOUNTING COSTS	-	-	5,000	(5,000)	0.00%
14 SECURITY GATE AT 6 MG SITE-CONST (WZ PORTION)	-	-	10,000	(10,000)	0.00%
15 SECURITY GATE AT 6 MG SITE-LABOR (WZ PORTION)	-	-	1,000	(1,000)	0.00%
16 SECURITY SYSTEM AT PETERS CANYON RESERVOIR-CONSTRUCTION	-	-	15,000	(15,000)	0.00%
17 SECURITY SYSTEM AT PETERS CANYON RESERVOIR-LABOR	-	-	5,000	(5,000)	0.00%
18 BACKUP GENERATOR AT OC70 PUMP STATION-CONST	-	-	80,000	(80,000)	0.00%
19 BACKUP GENERATOR AT OC70 PUMP STATION-LABOR	-	-	1,000	(1,000)	0.00%
20 PIPELINE INSPECTIONS-ENGINEERING (CARRYOVER)	-	-	25,000	(25,000)	0.00%
21 PIPELINE INSPECTIONS-LABOR	-	-	1,000	(1,000)	0.00%
22 MASTER PLAN/CONDITION ASSESSMENT	-	9,277	125,000	(115,723)	7.42%
23 FEASABILITY AND ENVIRONMENT	-	569	-	569	0.00%
24 6 MG RESERVOIR ROOF REPAIRS-CONSTRUCTION	-	-	1,150,000	(1,150,000)	0.00%
25 6 MG RESERVOIR ROOF REPAIRS-ENGINEERING	-	10,971	150,000	(139,029)	7.31%
26 6 MG RESERVOIR ROOF REPAIRS-LABOR	-	-	20,000	(20,000)	0.00%
27 6 MG RESERVOIR - LANDSCAPE/V-DITCH-CONSTRUCTION	-	-	30,000	(30,000)	0.00%
28 6 MG RESERVOIR - LANDSCAPE/V-DITCH-ENGINEERING	-	-	5,000	(5,000)	0.00%
29 6 MG RESERVOIR - LANDSCAPE/V-DITCH-LABOR	-	-	1,000	(1,000)	0.00%
30 CATHODIC PROTECTION - PIPELINES-CONSTRUCTION	-	-	25,000	(25,000)	0.00%
31 CATHODIC PROTECTION - PIPELINES-ENGINEERING	-	-	5,000	(5,000)	0.00%
32 CATHODIC PROTECTION - PIPELINES-LABOR	-	-	1,000	(1,000)	0.00%
33 MCPHERSON OFFICE/YARD IMPROVEMENTS-CONSTRUCTION	-	-	10,000	(10,000)	0.00%
34 MCPHERSON OFFICE/YARD IMPROVEMENTS-LABOR	-	-	3,000	(3,000)	0.00%
35 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-CONSTRUCTION	-	-	25,000	(25,000)	0.00%
36 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-ENGINEERING	-	-	10,000	(10,000)	0.00%
37 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-LABOR	-	-	1,000	(1,000)	0.00%
38 VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
39 6 MG TREATMENT PLANT FEASIBILITY STUDY-ENGINEERING	-	2,069	275,000	(272,931)	0.75%
40 6 MG TREATMENT PLANT -LABOR	-	-	5,000	(5,000)	0.00%
41 6 MG TREATMENT PLANT - ENGINEERING	-	-	25,000	(25,000)	0.00%
42 SECURITY - ANDRES RESERVOIR-CONSTRUCTION	-	-	9,000	(9,000)	0.00%
43 SECURITY -ANDRES RESERVOIR-ENGINEERING	-	-	5,000	(5,000)	0.00%
44 SECURITY -ANDRES RESERVOIR-LABOR	-	-	1,000	(1,000)	0.00%
45 VALVE REPLACEMENTS (12" - 27")-CONSTRUCTION	-	-	12,000	(12,000)	0.00%
46 VALVE REPLACEMENTS (12" - 27")-ENGINEERING	-	-	5,000	(5,000)	0.00%
47 VALVE REPLACEMENTS (12" - 27")-LABOR	-	-	6,000	(6,000)	0.00%
48 REPLACE BACKHOE	40,150	40,150	25,000	15,150	160.60%
49 NEWPORT RESERVOIR MIXING SYSTEM - ENGINEERING	-	-	5,000	(5,000)	0.00%
50 NEWPORT RESERVOIR MIXING SYSTEM - CONTSTRUCTION	-	-	25,000	(25,000)	0.00%
51 NEWPORT RESERVOIR MIXING SYSTEM - LABOR	-	-	1,000	(1,000)	0.00%
52 ISOLATION VALVES - 11.5 & 1 MG RESERVOIRS - ENGINEERING	-	-	5,000	(5,000)	0.00%
53 ISOLATION VALVES - 11.5 & 1 MG - CONSTRUCTION	-	-	30,000	(30,000)	0.00%
54 ISOLATION VALVES - 11.5 & 1 MG - LABOR	-	-	6,000	(6,000)	0.00%
55 FINANCIAL SOFTWARE	4,368	6,698	25,000	(18,302)	26.79%
56 CONTSTRUCTION- OC33 RECONNECTION	-	-	25,000	(25,000)	0.00%
57 ENGINEERING - OC 33 RECONNECTION	-	-	10,000	(10,000)	0.00%
58 LABOR - OC33 RECONNECTION	-	-	10,000	(10,000)	0.00%
59 VULNERABILITY UPGRADES-OC-70 TURNOUT & PUMP STATION-CONSTRUCTION	-	-	12,000	(12,000)	0.00%
60 VULNERABILITY UPGRADES-PETER'S CANYON RESERVOIR-CONSTRUCTION	-	-	70,000	(70,000)	0.00%
61 VULNERABILITY UPGRADES-OC-48 MET TURNOUT-CONSTRUCTION	-	-	3,000	(3,000)	0.00%
62 UWMP UPDATE-LABOR (WS PORTION)	-	-	5,000	(5,000)	0.00%
63 UWMP UPDATE-ENGINEERING (WS PORTION)	-	-	25,000	(25,000)	0.00%
64 Total EXPENSES:	44,517	69,734	2,344,000	(2,274,266)	
65 NET INCOME (LOSS)	(41,788)	(51,482)	(1,891,000)	1,839,518	

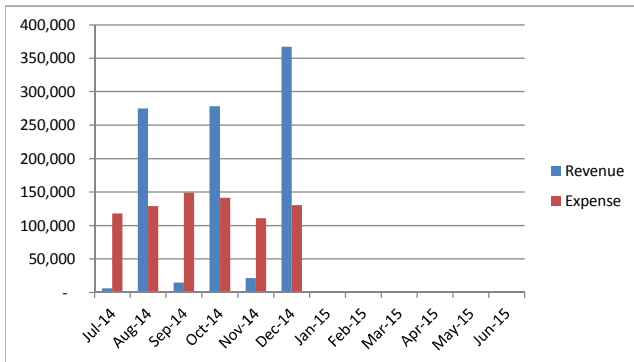
Retail Zone Financial Summary

For Period Ending December 31, 2014

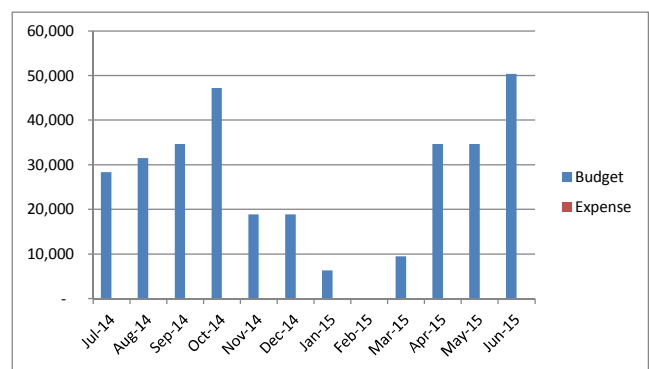
YTD Operating Income \$ 962,437

YTD Operating Expense \$ 779,679

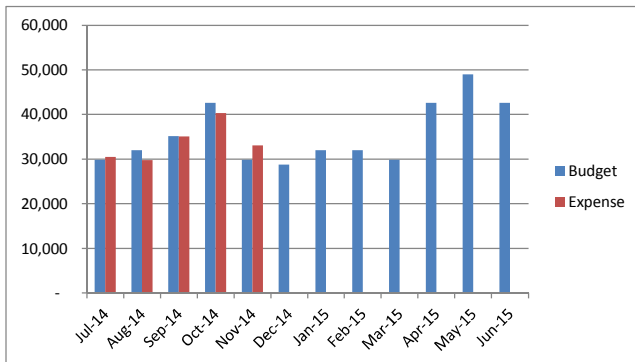
Revenue vs Expenses



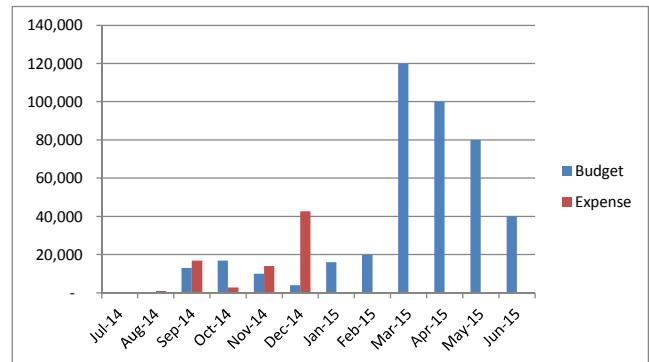
Water Purchased Budget vs. Actual



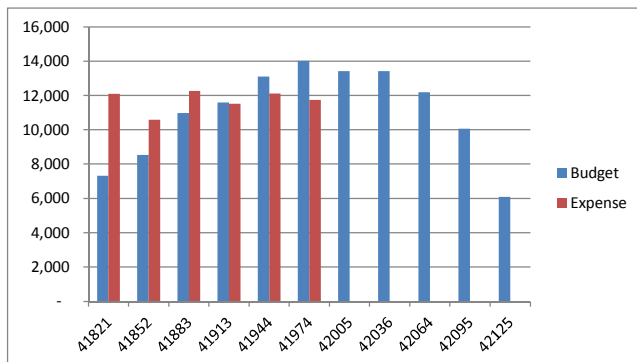
Salaries & Benefits Budget vs. Actual



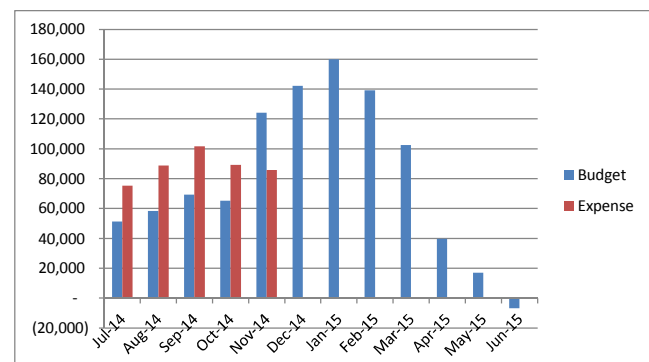
CIP Budget vs. Actual



Electrical Budget vs. Actual



O&M Budget vs. Actual



RETAIL ZONE

EAST ORANGE COUNTY WATER DISTRICT
2014-2015 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: DECEMBER 2014

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	OPERATING REVENUE:					
2	WATER SALES	144,279	576,330	1,102,160	(525,830)	52.29%
3	METER CHARGE	59,268	179,216	360,000	(180,784)	49.78%
4	OTHER CHARGES	(90)	6,389	8,625	(2,236)	74.08%
5	TOTAL OPERATING REVENUE:	203,457	761,934	1,470,785	(708,851)	51.80%
6	NON-OPERATING REVENUES (EXPENSES):					
7	PROPERTY TAXES	163,623	195,934	372,200	(176,266)	52.64%
8	INTEREST & INVESTMENT EARNINGS	3	748	915	(167)	81.74%
9	MISCELLANEOUS INCOME	-	3,821	500	3,321	764.26%
10	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
11	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
12	TOTAL NON-OPERATING REVENUES, NET	163,626	200,503	373,615	(173,112)	
13	NET OPERATING INCOME	367,084	962,437	1,844,400	(881,963)	

EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	20,706	168,545	531,704	(363,159)	31.70%
16	MET/MWDOC FIXED CHARGE	1,057	6,345	12,500	(6,155)	50.76%
17	WZ FIXED CHARGE	1,385	8,312	15,660	(7,348)	53.08%
18	PIPELINE CAPACITY LEASE	3,506	21,037	45,500	(24,463)	46.24%
19	ENERGY	11,264	67,996	118,500	(50,504)	57.38%
20	OPERATIONS & MAINTENANCE	51,054	277,039	607,711	(330,672)	45.59%
21	GENERAL & ADMINISTRATIVE	17,576	85,631	223,275	(137,644)	38.35%
22	TRANSFER TO CAPITAL PROJECTS EXPENSE	13,713	82,275	164,550	(82,275)	50.00%
23	RETAIL OPERATIONS CONTINGENCY FUND	6,250	37,500	75,000	(37,500)	50.00%
24	FUNDED TO/BY RESERVE	4,167	25,000	50,000	(25,000)	50.00%
25	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
26	TOTAL OPERATING EXPENSE	130,678	779,679	1,844,400	(1,064,721)	
27	NET INCOME FROM OPERATIONS	236,405	182,758	0	182,758	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	NET INCOME (LOSS)	236,405	182,758	0	182,758	

Retail Zone

December 2014 Variance Report - 50% of Budget Year Expended

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
Operating				
<u>New</u>				
LATE CHARGE	I	6,249	54.82%	CM is negative due to refund from prior month.
R/M- MAINS	E	16,750	72.83%	YTD is high due to unexpected main leaks
METER TESTING	E	1,838	183.83%	YTD is high due to unanticipated expenses
MCPHERSON FAX	E	344	114.57%	YTD is high due to fees being higher than anticipated
<u>Ongoing</u>				
TAXES UNSECURED	I	10,112	77.78%	YTD is high due to full receipt of taxes
TAXES SUPPLEMENTAL ROLL	I	3,765	171.15%	YTD is high due to full receipt of taxes
MISCELLANEOUS INCOME	I	3,821	764.26%	YTD is high due to an ACWA insurance refund and reimbursement for an auto accident
OCWD- REPLENISH ASSESSMENT	E	167,343	77.12%	YTD is high due to more pumping than purchased water
STOLLER RESERVOIR/BOOSTER R&M	E	5,775	96.24%	YTD is high due to the purchase of measurement control systems
R&M VISTA PANORAMA RESERVOIR	E	6,078	114.68%	YTD is high due to work performed by Hidden Valley Pumps
CHLORINE GENERATOR	E	3,428	114.27%	YTD is high due to unanticipated expenses
SERVICE LATERALS R&M	E	10,545	52.73%	YTD is high due to work performed by Hardy & Harper
BANK CHARGES	E	3,954	84.12%	YTD is high due to credit card fees being higher than anticipated
COMPUTER BILLING (RZ BILLS)	E	4,346	62.08%	YTD is high due to yearly CUSI fees
OFFICE EQUIPMENT R&M	E	527	131.70%	YTD is high due to unanticipated expenses
UTILITIES- OFFICE- ELECT & WTR	E	2,305	68.31%	YTD is high due to fees being higher than anticipated
Capital				
<u>New</u>				
REPLACE BACKHOE-CONSTRUCTION	E	40,150	160.60%	YTD is high due to expenses being higher than anticipated

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 WATER SALES	144,279	576,330	1,102,160	(525,830)	52.29%
2 METER CHARGE	59,268	179,216	360,000	(180,784)	49.78%
3 LATE CHARGE	(90)	6,249	11,400	(5,151)	54.82%
4 RETURNED CHECK CHARGE	-	90	950	(860)	9.47%
5 TURN OFF CHARGE	-	50	1,400	(1,350)	3.57%
6 OTHER CHARGES	-	-	-	-	0.00%
7 UNCOLLECTIBLE ACCOUNTS	-	-	(5,125)	5,125	0.00%
8 TURN ON NEW SERVICE	-	-	-	-	0.00%
9 REFUNDS	-	-	-	-	0.00%
10 SERVICE UPGRADE FEE	-	-	-	-	0.00%
11 Total OPERATING REVENUE:	203,457	761,934	1,470,785	(708,851)	
12 INTEREST INCOME-MM	3	12	15	(3)	78.80%
13 INTEREST-MORGAN STANLEY-OP	-	-	-	-	0.00%
14 INTEREST-LAIF-OP	-	736	900	(164)	81.79%
15 INTEREST- US TREASURY BOND	-	-	-	-	0.00%
16 INTEREST INCOME-CTY OF ORANGE	-	-	-	-	0.00%
17 TAXES SECURED	161,937	179,561	326,000	(146,439)	55.08%
18 TAXES UNSECURED	380	10,112	13,000	(2,888)	77.78%
19 TAXES SUPPLEMENTAL ROLL	800	3,765	2,200	1,565	171.15%
20 TAXES PRIOR YEARS	505	2,496	8,000	(5,504)	31.20%
21 TAXES HOMEOWNER'S SUBVENTION	-	-	3,000	(3,000)	0.00%
22 TAXES PUBLIC UTILITY	-	-	5,000	(5,000)	0.00%
23 TAXES TUSTIN RDA	-	-	20,000	(20,000)	0.00%
24 TAXES MISC	-	-	-	-	0.00%
25 TAXES ACCRUED	-	-	(5,000)	5,000	0.00%
26 STATE TAXES CONFISCATED	-	-	-	-	0.00%
27 PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
28 MISCELLANEOUS INCOME	-	3,821	500	3,321	764.26%
29 Total NON OPERATING INCOME:	163,626	200,503	373,615	(173,112)	
30 Total OPERATING REVENUE	367,084	962,437	1,844,400	(881,963)	
31 NET OPERATING INCOME:	367,084	962,437	1,844,400	(881,963)	

EXPENSES

32 WATER PURCHASED	25	1,202	314,704	(313,502)	0.38%
33 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
34 WATER PURCHASED IN LIEU CREDIT	-	-	-	-	0.00%
35 OCWD- REPLENISH ASSESSMENT	20,681	167,343	217,000	(49,657)	77.12%
36 MET-MWDOC READINESS TO SERVE	2,590	15,543	30,500	(14,957)	50.96%
37 MET-MWDOC CAPACITY FEES	916	5,495	15,000	(9,506)	36.63%
38 MWDOC RETAIL SERVICE CONNECT	1,057	6,345	12,500	(6,155)	50.76%
39 EOCWD WR READINESS TO SERVE	277	1,662	3,300	(1,638)	50.37%
40 EOCWD WR RESERVE FUND CHARGE	1,108	6,650	12,360	(5,711)	53.80%
41 UTILITY STOLLER RESERVOIR	5,600	31,355	53,100	(21,745)	59.05%
42 UTILITY VISTA PANORAMA BOOSTER	316	2,421	7,500	(5,079)	32.28%
43 ULTILITIES- WELLS- EAST/WEST	5,348	34,220	57,900	(23,680)	59.10%
44 SMALL TOOLS	169	1,876	3,500	(1,624)	53.61%
45 GASOLINE, OIL & DIES-RZ	-	-	-	-	0.00%
46 GASOLINE, OIL & DIESEL FUEL	392	3,159	6,712	(3,553)	47.07%
47 REGULATORY PERMITS	277	3,601	5,500	(1,899)	65.46%
48 NPDS PERMIT	-	-	-	-	0.00%
49 PROF SERV WATER QUAL. CONTROL	1,003	5,345	20,000	(14,655)	26.72%
50 CHLORINE GENERATOR/SALT PURCH	-	355	1,400	(1,045)	25.36%
51 WEST WELL MAINTENANCE	-	263	3,250	(2,987)	8.09%
52 EAST WELL MAINTENANCE	255	519	3,250	(2,731)	15.96%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: DECEMBER 2014

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
53	STOLLER RESERVOIR/BOOSTER R&M	72	5,775	6,000	(225)	96.24%
54	VISTA PANORAMA BOOSTER R&M	8	45	4,200	(4,155)	1.08%
55	R&M VISTA PANORAMA RESERVOIR	263	6,078	5,300	778	114.68%
56	CHLORINE GENERATOR	1,891	3,428	3,000	428	114.27%
57	SCADA REPAIR/UPGRADE	81	81	5,402	(5,321)	1.50%
58	OPERATIONS REPORTING SOFTWARE	381	3,807	11,655	(7,848)	32.66%
59	HYDRANT REPAIR & REPLACEMENTS	230	2,648	16,100	(13,452)	16.45%
60	METER PURCHASE REPAIR	287	989	9,200	(8,211)	10.76%
61	PRV- R & M	-	297	2,050	(1,753)	14.49%
62	R/M- MAINS	8,424	16,750	23,000	(6,250)	72.83%
63	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
64	SERVICE LATERALS R&M	-	10,545	20,000	(9,455)	52.73%
65	RESERVOIRS R&M	414	419	2,000	(1,581)	20.94%
66	R/M- VAULTS	-	382	1,500	(1,118)	32.16%
67	R/M- CATHODIC PROTECTION	-	-	5,000	(5,000)	0.00%
68	METER TESTING	1,838	1,838	1,000	838	183.83%
69	EQUIPMENT RENTAL	1,413	6,694	11,150	(4,456)	60.04%
70	BACKHOE R&M	19	445	4,429	(3,984)	10.05%
71	VEHICLES R&M	299	1,472	3,377	(1,905)	43.58%
72	BUILDING/GROUNDS R&M	248	410	3,750	(3,340)	10.95%
73	WAGES	23,347	137,183	263,696	(126,513)	52.02%
74	PAYROLL TAXES- FICA & MEDICARE	1,866	10,937	21,997	(11,060)	49.72%
75	RETIREMENT- PERS	2,154	14,638	39,981	(25,344)	36.61%
76	PAYROLL TAXES- SUI & ETT	12	327	996	(670)	32.79%
77	HEALTH & ACCIDENT INSURANCE	4,616	29,574	78,722	(49,148)	37.57%
78	DENTAL INSURANCE	344	2,392	5,813	(3,421)	41.15%
79	VISION INSURANCE	77	493	1,495	(1,001)	33.01%
80	LIFE INSURANCE	39	247	1,107	(860)	22.30%
81	WORKER'S COMP INSURANCE	504	3,027	9,411	(6,384)	32.16%
82	UNIFORMS	131	1,000	2,768	(1,768)	36.13%
83	DISTRICT WEBSITE	-	-	2,250	(2,250)	0.00%
84	MCPHERSON FAX	30	344	300	44	114.57%
85	MCPHERSON INTERNET	56	333	4,000	(3,667)	8.32%
86	MCPHERSON OFFICE PHONES	194	1,335	2,300	(965)	58.05%
87	ANSWERING SERVICE	14	83	250	(167)	33.15%
88	PHONE CIRCUITS TO CTRL EQUIP	236	1,119	2,849	(1,730)	39.27%
89	CELLPHONES	131	719	2,000	(1,281)	35.94%
90	UNDERGROUND SERVICE ALERT	39	168	425	(257)	39.53%
91	TRAINING/SCHOOLS	104	508	6,268	(5,760)	8.11%
92	CONSERVATION EDUCATION	279	2,100	4,000	(1,900)	52.50%
93	TRAVEL-CONF/SEMINARS	198	2,880	9,500	(6,620)	30.31%
94	MILEAGE	70	287	498	(211)	57.58%
95	DUES & MEMBERSHIPS- ACWA	-	1,566	3,750	(2,184)	41.76%
96	DUES & MEMBERSHIPS- OCWA	-	-	75	(75)	0.00%
97	DUES & MEMBERSHIPS- AWWA	-	-	400	(400)	0.00%
98	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
99	DUES & MEMBERSHIP-CSDA	-	1,911	3,500	(1,589)	54.59%
100	DUES- ISDOC/URBAN WTR	250	250	1,100	(850)	22.73%
101	MISCELLANEOUS EXP	148	148	500	(352)	29.61%
102	DIRECTOR- R. BARRETT	-	-	-	-	0.00%
103	DIRECTOR- W. VANDERWERFF	525	3,363	6,000	(2,638)	56.04%
104	DIRECTOR- D. CHAPMAN	-	-	-	-	0.00%
105	DIRECTOR- J. DULEBOHN	150	863	3,600	(2,738)	23.96%
106	DIRECTOR- R. BELL	150	1,363	3,600	(2,238)	37.85%
107	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
108	DIRECTOR- W. EVERETT	88	525	3,600	(3,075)	14.58%
109	BOARD MEETING EXPENSE	188	500	2,000	(1,500)	25.01%
110	POSTAGE	796	2,623	3,400	(777)	77.15%
111	OFFICE SUPPLY/FURN/SMALL EQUIP	186	1,347	6,750	(5,403)	19.95%
112	PUBLICATIONS & LEGAL NOTICES	22	638	7,550	(6,912)	8.46%
113	COPIER CONTRACT	25	146	625	(479)	23.43%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: DECEMBER 2014

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
114	VERSATERM CONTRACT (RZ BILLS)	-	550	3,750	(3,200)	14.67%
115	BANK CHARGES	1,103	3,954	4,700	(746)	84.12%
116	OUTSIDE SERVICES	555	2,082	6,000	(3,918)	34.70%
117	AUDITING	585	4,076	8,200	(4,124)	49.71%
118	TAX COLLECTION FEES	408	481	5,000	(4,519)	9.62%
119	COMPUTER BILLING (RZ BILLS)	402	4,346	7,000	(2,654)	62.08%
120	TREASURER	-	717	7,000	(6,283)	10.25%
121	ACCOUNTING- SERRANO	595	13,393	25,000	(11,607)	53.57%
122	LEGAL	1,356	9,521	35,000	(25,479)	27.20%
123	COMPUTER CONSULTING	428	1,695	2,500	(805)	67.80%
124	ENGINEERING-RZ	1,120	4,288	-	4,288	0.00%
125	LAFCO	2	2,398	4,590	(2,192)	52.25%
126	INSURANCE-AUTO & GEN LIABILITY	554	3,494	7,750	(4,256)	45.08%
127	INSURANCE-PROPERTY	77	462	3,000	(2,538)	15.38%
128	INSURANCE-EMP. FIDELITY BOND	16	97	400	(303)	24.27%
129	OFFICE EQUIPMENT R&M	-	527	400	127	131.70%
130	UTILITIES-DUMPSTER	25	127	1,000	(873)	12.69%
131	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
132	UTILITIES- OFFICE- ELECT & WTR	471	2,305	3,375	(1,070)	68.31%
133	SECURITY	197	197	1,500	(1,303)	13.14%
134	ELECTION EXPENSE	5,806	5,806	16,000	(10,194)	36.29%
135	INTEREST EXPENSE DWR	-	-	-	-	0.00%
136	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
137	DEPRECIATION EXP.	-	-	-	-	0.00%
138	PRIOR YEAR ADJUSTMENTS	-	-	-	-	0.00%
139	TRANS TO CAPITAL PROJECT AF	-	-	-	-	0.00%
140	TRANS TO CAPITAL PROJECTS	13,713	82,275	164,550	(82,275)	50.00%
141	RZ- CONTINGENCY FUND	6,250	37,500	75,000	(37,500)	50.00%
142	FUNDED TO/BY RESERVE-RZ	4,167	25,000	50,000	(25,000)	50.00%
143	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
144	TOTAL OPERATING EXPENSES:	130,678	779,679	1,844,400	(1,064,721)	
145	NET INCOME FROM OPERATIONS:	236,405	182,758	0	182,758	
146	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
147	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
148	Total OTHER INCOME AND EXPENSES	-	-	-	-	
149	NET INCOME (LOSS)	236,405	182,758	0	182,758	

RETAIL ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT
2013-2014 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: DECEMBER 2014

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	FUNDS PROVIDED BY RESERVE	-	-	313,750	(313,750)	0.00%
2	CAPITAL PROJECTS REVENUE					
3	CAPITAL PROJECTS FEES	47,345	143,102	277,000	(133,898)	51.66%
4	CONNECTION FEES	-	7,135	10,450	(3,315)	68.27%
5	INTEREST EARNINGS	-	81	500	(420)	16.10%
6	TRANSFER FROM OPERATING EXPENSES	13,713	82,275	164,550	(82,275)	50.00%
7	FUNDS BORROWED FROM WHOLESALE ZONE	-	-	-	-	0.00%
8	REIMBURSEMENT- RZ BILL RATE STUDY	-	-	-	-	0.00%
9	NET OPERATING INCOME	61,058	232,592	766,250	(533,658)	
EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
10	CAPITAL PROJECTS EXPENSES					
11	RZ CAPITALIZED ACCOUNTING COST	-	-	5,000	(5,000)	0.00%
12	BETTERMENT & REPLACEMENT PLAN	-	12,811	81,000	(68,189)	15.82%
13	MCPHERSON OFFICE/YARD IMPROVEMENT	-	-	15,000	(15,000)	0.00%
14	CATHODIC PROTECTIONS	-	-	5,500	(5,500)	0.00%
15	USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
16	VP VAULT PIPING/METER UPGRADE	-	-	27,000	(27,000)	0.00%
17	VISTA PANORAMA RESERVOIR REPAIR	-	-	120,000	(120,000)	0.00%
18	VP PUMP REBUILD	-	-	5,250	(5,250)	0.00%
19	VALVE RAISING-CRAWFORD CANYON	-	-	18,000	(18,000)	0.00%
20	VALVE REPLACEMENTS- SYSTEM	-	-	20,000	(20,000)	0.00%
21	ALLOW FOR SYSTEM RELOCATION	-	-	110,000	(110,000)	0.00%
22	BACKUP GENERATOR FOR VP BOOSTER	-	-	50,000	(50,000)	0.00%
23	REPLACE BACKHOE	40,150	40,150	25,000	15,150	160.60%
24	FINANCIAL SOFTWARE	2,500	4,831	25,000	(20,169)	19.32%
25	BACKUP SYSTEM PRV - CIRCULA PANORAMA	-	-	50,000	(50,000)	0.00%
26	SECURITY IMPROVEMENTS - RESERVOIR SITES	-	-	15,000	(15,000)	0.00%
27	JOINT WELL - ENGINEERING	-	-	30,000	(30,000)	0.00%
28	WELL DISINFECTION CONVERSION	-	-	57,500	(57,500)	0.00%
29	WEST WELL REHABILITATION -REPLACEMENT	-	-	72,000	(72,000)	0.00%
30	SIDEHILL BOOSTER	-	19,602	-	19,602	-
31	SCADA SYSTEMS SITE ADDITIONS - VP SIDEHILL AND RZ FIRE PUMP	-	-	20,000	(20,000)	0.00%
32	TOTAL OPERATING EXPENSE	42,650	77,393	766,250	(688,857)	
33	NET INCOME FROM OPERATIONS	18,408	155,199	-	155,199	
34	PRIOR YEARS EXPENSES	-	-	-	-	
35	NET INCOME (LOSS)	18,408	155,199	-	155,199	

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 FUNDED BY RESERVES	-	-	313,750	(313,750)	
2 WATER SALES-CAPITAL PROJECTS	47,345	143,102	277,000	(133,898)	51.66%
3 CONNECTION FEES	-	7,135	10,450	(3,315)	68.27%
4 INTEREST INCOME- CHAPMAN AVE	-	-	-	-	0.00%
5 INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
6 INTEREST-LAIF-CAP	-	81	500	(420)	16.10%
7 INTEREST US TREASURY BOND	-	-	-	-	0.00%
8 REIMBURSEMENT- RZ BILL RATE STUDY	-	-	-	-	0.00%
9 TRANSFER IN CAPITAL PROJECTS	13,713	82,275	164,550	(82,275)	50.00%
10 Total NON OPERATING INCOME:	61,058	232,592	766,250	(533,658)	
11 Total OPERATING REVENUE	61,058	232,592	766,250	(533,658)	
12 NET OPERATING INCOME:	61,058	232,592	766,250	(533,658)	

EXPENSES

13 RZ CAPITALIZED ACCOUNTING COST	-	-	5,000	(5,000)	0.00%
14 BETTERMENT & REPLACEMENT PLAN	-	-	10,000	(10,000)	0.00%
15 BETTERMENT & REPLACEMENT PLAN	-	12,811	70,000	(57,189)	18.30%
16 BETTERMENT & REPLACEMENT PLAN	-	-	1,000	(1,000)	0.00%
17 MCPHERSON OFFICE/YARD IMPROVE-CONST.	-	-	10,000	(10,000)	0.00%
18 MCPHERSON OFFICE/YARD IMPROVE-LABOR	-	-	5,000	(5,000)	0.00%
19 CATHODIC PROTECTIONS-CONST.	-	-	5,000	(5,000)	0.00%
20 CATHODIC PROTECTION-LABOR	-	-	500	(500)	0.00%
21 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
22 VP VAULT PIPING/METER UPGRADE-CONST.	-	-	20,000	(20,000)	0.00%
23 VP VAULT PIPING/METER UPGRADE-ENG.	-	-	5,000	(5,000)	0.00%
24 VP VAULT PIPING/METER UPGRADE-LABOR	-	-	2,000	(2,000)	0.00%
25 VISTA PANORAMA RESERVOIR REPAIR-CONST.	-	-	100,000	(100,000)	0.00%
26 VISTA PANORAMA RESERVOIR REPAIR-ENG.	-	-	15,000	(15,000)	0.00%
27 VISTA PANORAMA RESERVOIR REPAIR-LABOR	-	-	5,000	(5,000)	0.00%
28 VP PUMP REBUILD-CONST.	-	-	5,000	(5,000)	0.00%
29 VP PUMP REBUILD-LABOR	-	-	250	(250)	0.00%
30 VALVE RAISING-CRAWFORD CANYON-CONST.	-	-	17,000	(17,000)	0.00%
31 VALVE RAISING-CRAWFORD CANYON-ENG.	-	-	500	(500)	0.00%
32 VALVE RAISING-CRAWFORD CANYON-LABOR	-	-	500	(500)	0.00%
33 VALVE REPLACEMENTS- SYSTEM CONST.	-	-	15,000	(15,000)	0.00%
34 VALVE REPLACEMENTS- SYSTEM LABOR	-	-	5,000	(5,000)	0.00%
35 ALLOW FOR SYSTEM RELOCATION-CONST.	-	-	100,000	(100,000)	0.00%
36 ALLOW FOR SYSTEM RELOCATION-ENG.	-	-	5,000	(5,000)	0.00%
37 ALLOW FOR SYSTEM RELOCATION-LABOR	-	-	5,000	(5,000)	0.00%
38 BACKUP GENERATOR FOR VP BOOSTER-CONST.	-	-	50,000	(50,000)	0.00%

FOR RETAIL
MONTH: DECEMBER 2014

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
39 REPLACE BACKHOE-CONSTRUCTION	40,150	40,150	25,000	15,150	160.60%
40 FINANCIAL SOFTWARE	2,500	4,831	25,000	(20,169)	19.32%
41 BACKUP SYSTEM PRV - CIRCULA PANORAMA-CONSTRUCTION	-	-	30,000	(30,000)	0.00%
42 BACKUP SYSTEM PRV - CIRCULA PANORAMA-ENGINEERING	-	-	10,000	(10,000)	0.00%
43 BACKUP SYSTEM PRV - CIRCULA PANORAMA-LABOR	-	-	10,000	(10,000)	0.00%
44 SECURITY IMPROVEMENTS - RESERVOIR SITES-CONSTRUCTION	-	-	10,000	(10,000)	0.00%
45 SECURITY IMPROVEMENTS - RESERVOIR SITES-LABOR	-	-	5,000	(5,000)	0.00%
46 JOINT WELL - ENGINEERING	-	-	25,000	(25,000)	0.00%
47 JOINT WELL - LABOR	-	-	5,000	(5,000)	0.00%
48 WELL DISINFECTION CONVERSION -CONST/EQUIP	-	-	45,000	(45,000)	0.00%
49 WELL DISINFECTION CONVERSION-ENGINEERING	-	-	10,000	(10,000)	0.00%
50 WELL DISINFECTION CONVERSION - LABOR	-	-	2,500	(2,500)	0.00%
51 WEST WELL REHABILITATION -REPLACEMENT-CONSTRUCTION	-	-	70,000	(70,000)	0.00%
52 WEST WELL REHABILITATION -REPLACEMENT-LABOR	-	-	2,000	(2,000)	0.00%
53 SIDEHILL BOOSTER-CONSTRUCTION	-	18,562	-	18,562	0.00%
54 SIDEHILL BOOSTER-LABOR	-	1,040	-	1,040	0.00%
55 SCADA SYSTEMS SITE ADDITIONS - VP SIDEHILL AND RZ FIRE PUMP	-	-	20,000	(20,000)	0.00%
56 TOTAL OPERATING EXPENSES:	42,650	77,393	766,250	(688,857)	
57 Net Income (Loss):	18,408	155,199	-	155,199	



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: CONFERENCE AND MEETING ATTENDANCE REQUEST
DATE: FEBRUARY 19, 2015

BACKGROUND

Pursuant to District Resolution No. 658, prior authorization for Board Member conference/meeting attendance and travel is required. There are two upcoming events that Board Members may wish to attend:

- Collaborative Services Summit – Thursday, February 26; 8:00-Noon
Registration: Free
Location: Costa Mesa Country Club

Information regarding the Summit is attached.

RECOMMENDATION

The Board approve attendance at the Collaborative Services Summit for designated Board Members as desired.

[To register, click here](#)

2015 OC COLLABORATIVE SERVICES SUMMIT



Orange County Local Agency Formation Commission invites you to join us for a dynamic forum connecting local and regional leaders partnering for innovative government.



Featuring Ted Gaebler

recipient of ICMA's prestigious Management Innovation Award, and
local leaders in innovative government.



John Withers
LAFCO Commissioner



Tim O'Donnell
Brea City Manager



Wendy Bucknum
Mission Viejo City Councilmember



Paul Cook
IRWD General Manager



Darrell Johnson
OCTA CEO

Event Partners:

City of Costa Mesa
Irvine Ranch
Water District

Thursday, February 26, 2015

8:00 am - Networking Event

8:30 am - 12 noon - Event Program

Costa Mesa Country Club
1701 Golf Course Drive

Cost: Free!

For more information, contact OC LAFCO staff at (714) 834-2556.

[To register, click here](#)

Carolyn Emery

Executive Officer

ORANGE COUNTY LAFCO

cemery@oclafco.org



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LOCAL SEWER TRANSFER – STATUS UPDATE
DATE: JANUARY 19, 2015

ACTIVITIES UPDATE

Outreach & Communications

On January 13th, the Ad-Hoc Consolidation Committee and staff met attended the City of Orange Council Meeting where the City considered a letter of support for EOCWD and the Memorandum of Understanding.

On January 21st, General Manager Ohlund provided background information to the Orange County Water District Board regarding EOCWD's sewer transfer application. The Board directed their staff to return to them with further information and consideration of a letter of support for EOCWD.

On January 29th, General Manager Ohlund gave a brief background presentation on EOCWD at the Independent Special Districts of Orange County (ISDOC) quarterly meeting; the sewer acquisition was included as part of the briefing. Directors Vanderwerff and Dulebohn were also present at this meeting.

City of Orange

At the City's January 13^h Meeting, the City Council discussed the Memorandum of Understanding that had been developed between the City and EOCWD (pursuant to Council direction from their December meeting), as well as the letter of support for the District's acquisition of Sewer Area 7. After discussion, the Council approved the support letter as well as the Memorandum of Understanding, contingent upon EOCWD's approval of the Memorandum of Understanding.

OC LAFCO

There was no LAFCO meeting in January due to the relocation of LAFCO's offices.

RECOMMENDATION

Information item only; no action required.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – January 2015
DATE: February 19, 2015

Wholesale Zone Water Demands

Attached is a graphical representation of the Wholesale Zone water demand through January 31, 2015. Total water sales for the month of January totaled 135.4 AF; total year-to-date sales are 3,098.19 AF. This is a 409.84 AF or 75.2% reduction in demand from January, 2014.

Retail Zone Water Demands

Please note that MWDOC has changed the format of the Retail Zone Water Usage Report effective November 1, 2014.

Page 1 of the report is an overview of the sources of water supply and our monthly usage. Currently, all water used for the RZ is groundwater. Since the beginning of the 2014/15 water year, imported water has provided only 2% of the total supply, while groundwater provides 98%. However, during the month of January, our imported water use spiked to 25%, while groundwater provides 75%. Due to the EOCWD participating in the Coastal Pumping Transfer Program (CPTP), our groundwater usage is much higher currently than it has been historically.

Page 2 of the report depicts our 10-year water usage and how much of this was groundwater versus imported water. As shown on this graph, after several years of declining water demand, last year's demand is approaching our 10 year average. We expect that this will decrease this year due to the enhanced conservation required under the drought.

Page 3 provides a comparison of water demand versus precipitation, water demand versus average high temperature and water demand versus unemployment rates. As would be expected, generally in wet years, demand is lower than in dry years, whereas average temperature doesn't have as much of a cause/effect relationship. There does appear to be a slight relationship between unemployment rates and water demand, with increasing demand occurring as unemployment rates decrease.

As shown on Page 4, total demand for the month of January was 59 AF; this is 22 AF (27%) lower than our demand for January, 2014 and 9 AF or (13%) below our average demand for the last 6 years.

Also attached are graphs depicting the Retail Zone's water demand; they have deleted Page 5 that graphed our historic water use by year and added a table that shows "gallons per capita per day" or GPCD. The table shows our residents' per person, per day water consumption for the month of January 2015 (190) compared to the January 2014 (262). This number is derived by dividing the total amount of water used by the population (a

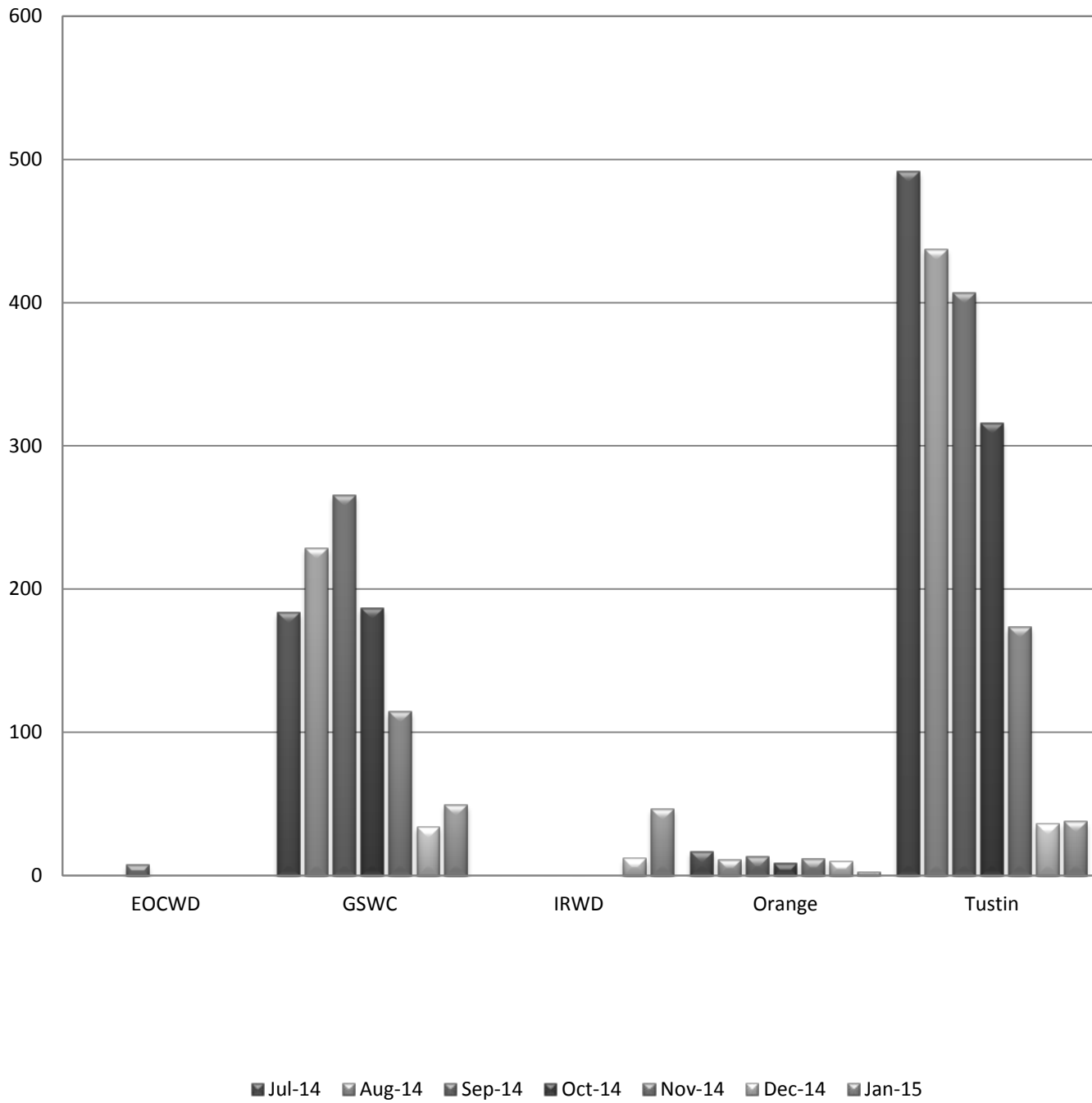
number calculated by the Center for Demographics at Cal State Fullerton). For comparison, the average GPCD for the South Coast area of California is 176 GPCD (Source: Department of Water Resources).

Staff has concerns that this number is not reflective of our actual GPCD due to potential small sample error (our service area is small and irregular; the population may not be easily calculated as a larger area or a city that has easily defined boundaries). Additionally, our service area is typified by large residential lots that have significant landscaping, and this, combined with the fact that there may not be a lot of people that live on the lot, make the GPCD seem high compared to an area that has smaller lots and more multi-family housing.

Wholesale Zone Water Demand

Total Monthly Sales for January, 2015 = 135.40 AF

Total YTD Sales for July, 2014 - January, 2015 = 3098.19 AF



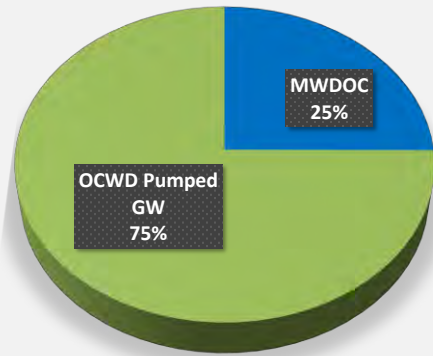
East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Overview of Usage FY 2014-15 Monthly Water Use

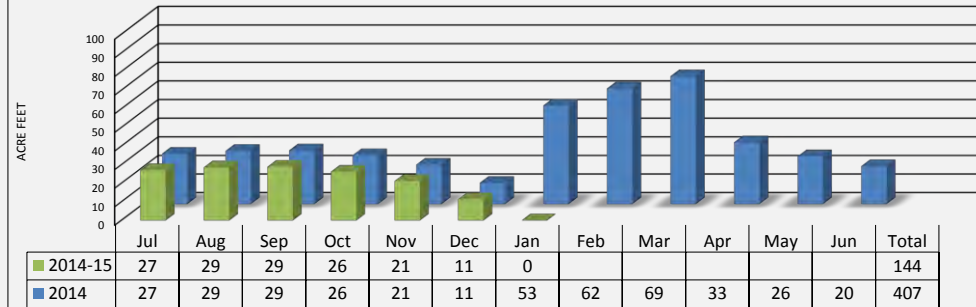
Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	27	29	29	26	21	11	0						144
OCWD Pumped GW	73	75	73	67	53	29	59						429
Total	100	104	102	93	74	41	59						573

2014 MWDOC Usage	27	29	29	26	21	11	53	62	69	33	26	20	407
------------------	----	----	----	----	----	----	----	----	----	----	----	----	-----

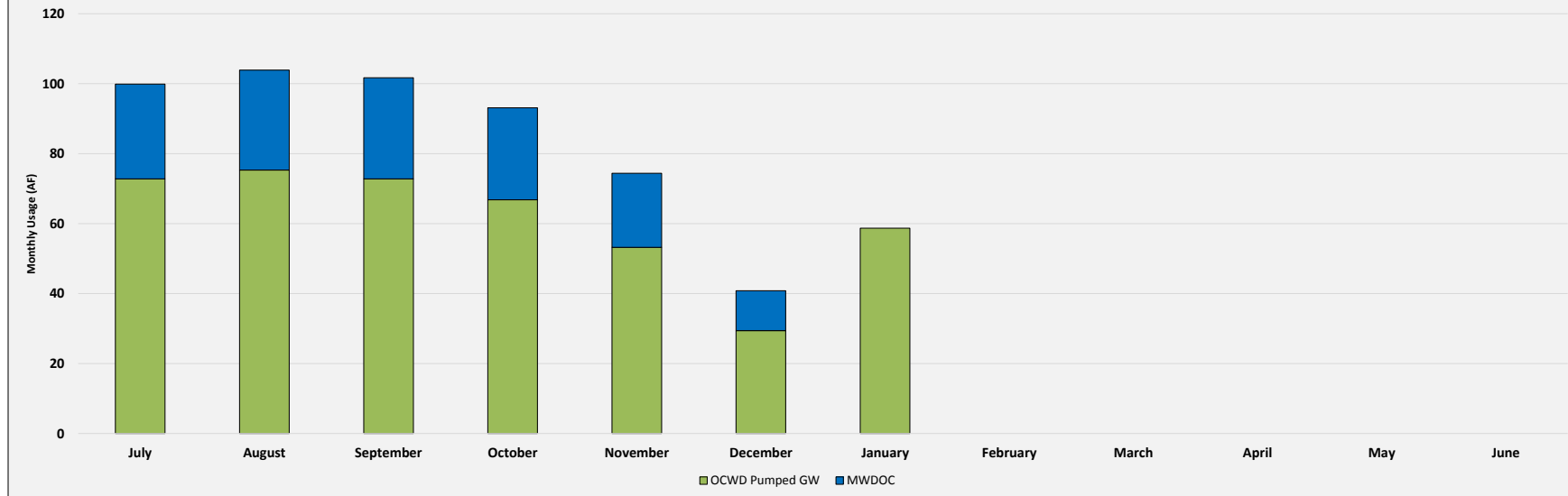
2014-15 Sources of Water Supply



MWDOC Calendar Year and Fiscal Year Purchases



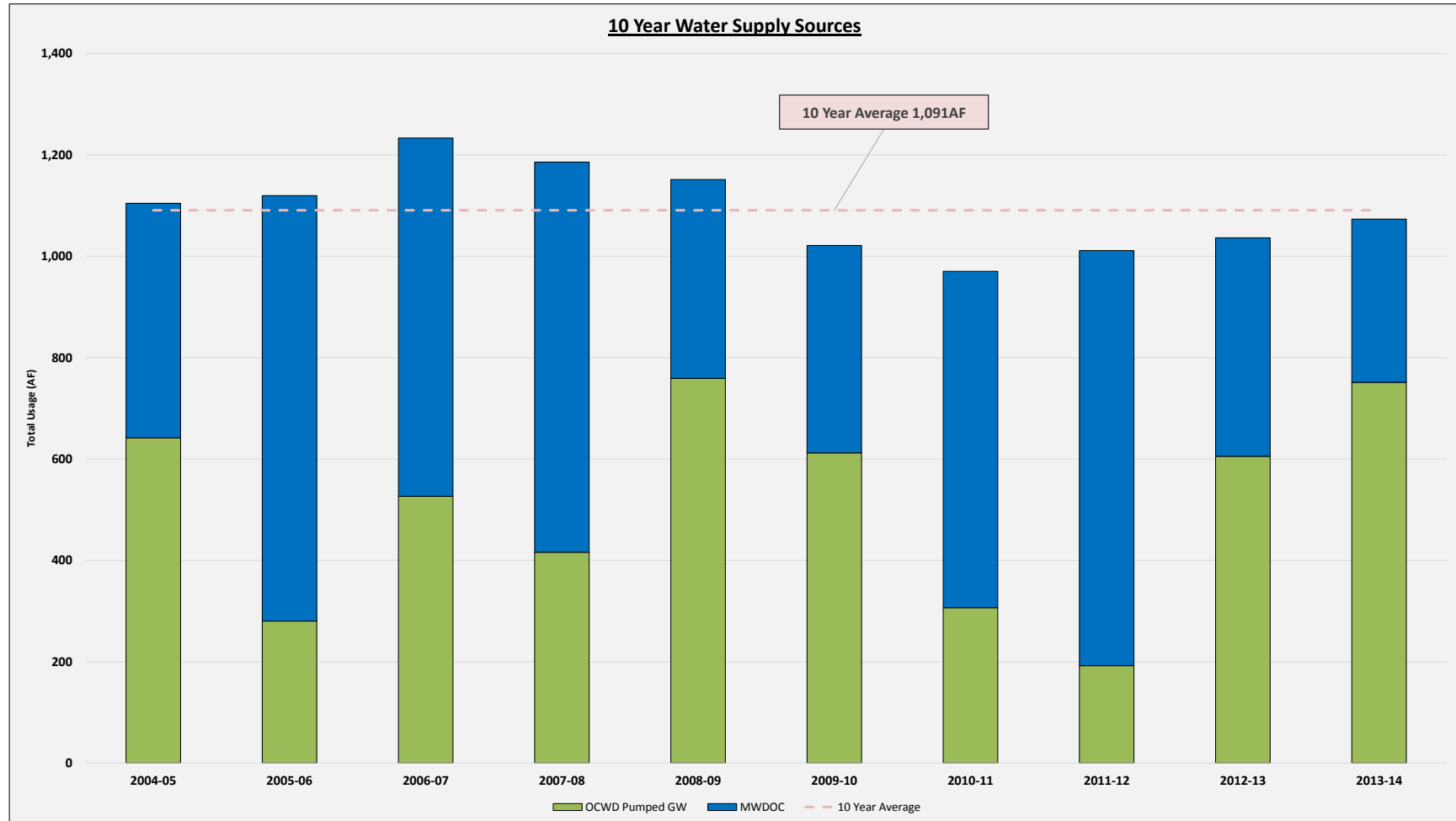
2014-15 Water Supply Sources



East Orange County Retail Zone Water Usage Report

Annual Water Usage

Type of Supply	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Average
MWDOC	462.7	839.5	707.1	770.0	392.3	409.3	663.8	819.1	431.3	322.0	581.7
OCWD Pumped GW	641.9	280.2	526.3	416.0	759.1	612.0	306.5	192.1	605.2	751.3	509.1
Total	1,105	1,120	1,233	1,186	1,151	1,021	970	1,011	1,037	1,073	1,091

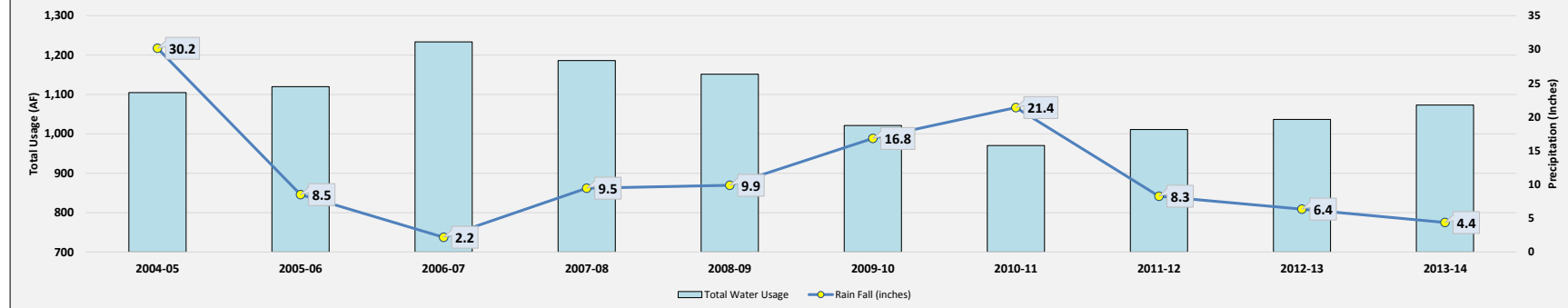


East Orange County Retail Zone Water Usage Report

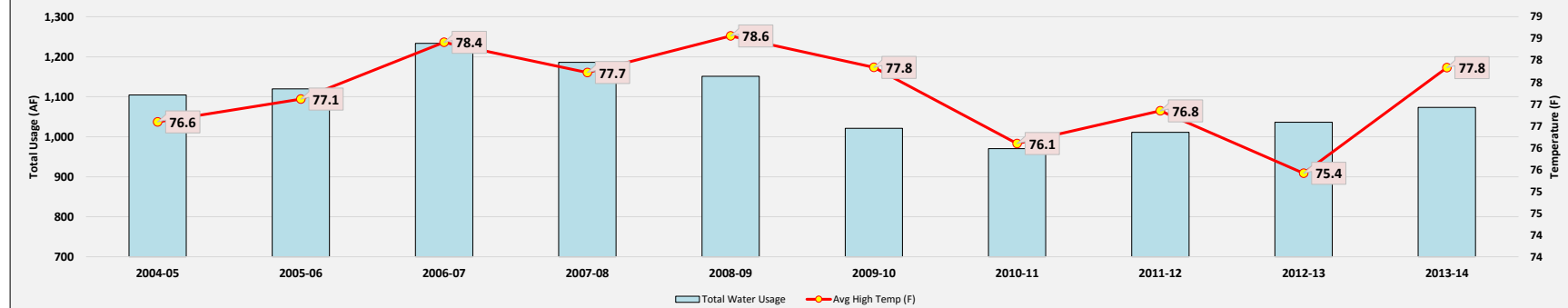
Water Usage Variables

Type of Supply	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Average
Rain Fall (inches)	30.2	8.5	2.2	9.5	9.9	16.8	21.4	8.3	6.4	4.4	11.7
Avg High Temp (F)	76.6	77.1	78.4	77.7	78.6	77.8	76.1	76.8	75.4	77.8	77.2
LA Unemployment %	5.5%	4.6%	4.4%	5.5%	9.1%	11.6%	11.7%	10.9%	9.5%	8.2%	8.1%
Total Water Usage	1,105	1,120	1,233	1,186	1,151	1,021	970	1,011	1,037	1,073	1,091

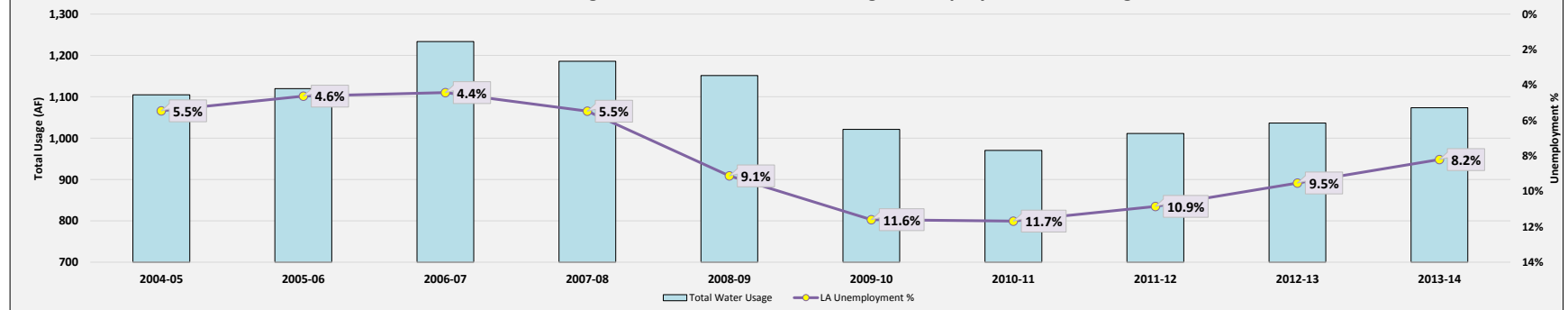
10 Year Water Usage VS Precipitation (SNA #121 Station)



10 Year Water Usage VS Average High Temperature (John Wayne Airport)



10 Year Water Usage VS L.A. Metro Annual Average Unemployment Percentages



East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Detailed Usage 10 Year Monthly (Fiscal Year, July-June)

Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	Total
2007-08 Usage	139	125	114	110	89	72	50	58	88	108	114	119	1,186
2008-09 Usage	127	127	114	108	96	57	91	46	83	101	103	100	1,152
2009-10 Usage	123	124	112	97	86	55	52	35	59	74	96	110	1,021
2010-11 Usage	112	118	109	76	73	49	58	55	54	78	92	98	970
2011-12 Usage	120	119	98	88	63	68	70	60	65	72	95	100	1,017
2012-13 Usage	114	118	107	99	75	42	58	62	73	85	101	103	1,037
2013-14 Usage	104	108	111	94	87	66	81	63	69	80	108	103	1,073
Average of Last 6 FYs	116	119	108	94	80	56	68	54	67	82	99	102	1,045
Monthly Usage Percentage	11%	11%	10%	9%	8%	5%	7%	5%	6%	8%	9%	10%	100%

Water Usage By Source

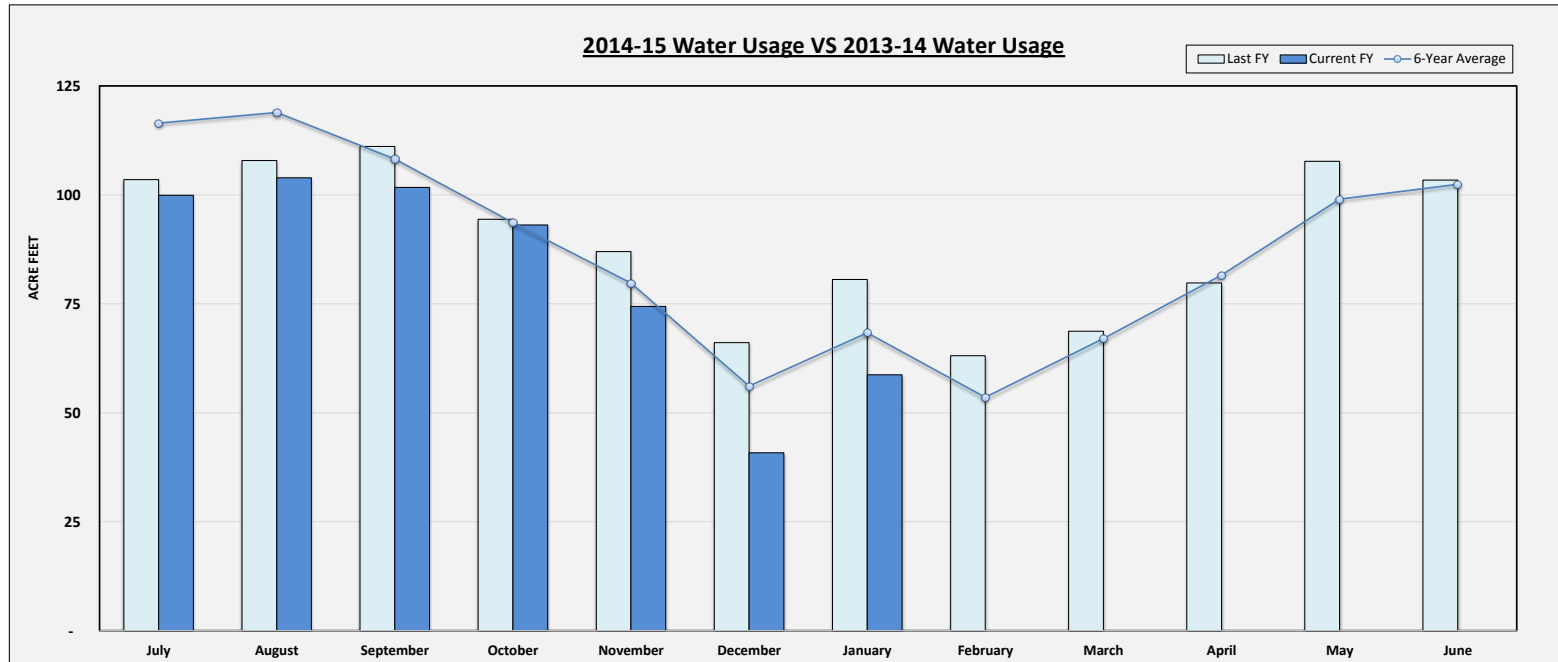
Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	0.0	0.0	7.3	0.0	0.0	0.0	0.0						7.3
CPTP	27.1	28.6	21.6	26.3	21.2	11.4							136.2
Imported Total	27	29	29	26	21	11	-	-	-	-	-	-	144

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	99.9	103.9	94.4	93.1	74.4	40.8	58.7						565.2
Less CPTP	(27.1)	(28.6)	(21.6)	(26.3)	(21.2)	(11.4)							(136.2)
Local Total	73	75	73	67	53	29	59	-	-	-	-	-	429

Total Usage 2014-15	100	104	102	93	74	41	59	-	-	-	-	-	573
----------------------------	------------	------------	------------	-----------	-----------	-----------	-----------	----------	----------	----------	----------	----------	------------

FY 14-15 versus FY 13-14

-3% -4% -8% -1% -14% -38% -27%

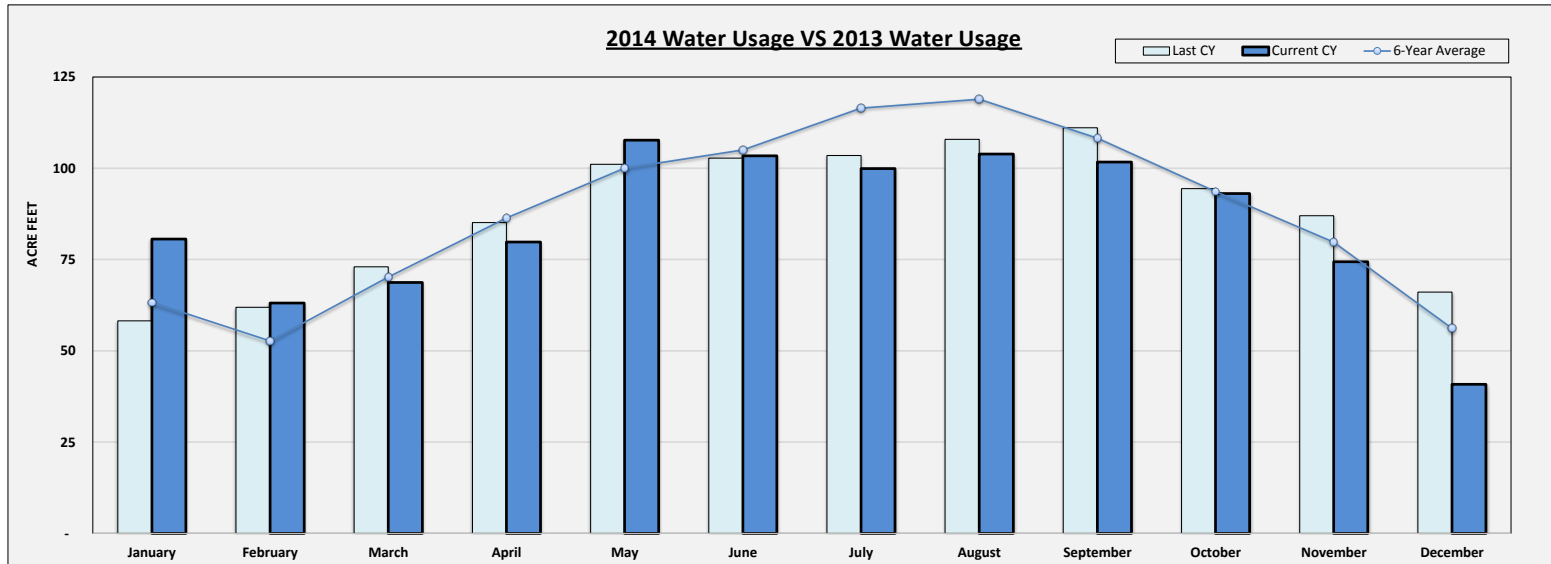


East Orange County Retail Zone Water Usage Report

10 Year Monthly (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2008	50	58	88	108	114	119	127	127	114	108	96	57	1,164
2009	91	46	83	101	103	100	123	124	112	97	86	55	1,120
2010	52	35	59	74	96	110	112	118	109	76	73	49	962
2011	58	55	54	78	92	98	120	119	98	88	63	68	990
2012	70	60	65	72	95	100	114	118	107	99	75	42	1,016
2013	58	62	73	85	101	103	104	108	111	94	87	66	1,052
6 year Average	63	53	70	86	100	105	116	119	108	94	80	56	1,051

Total Water Usage 2014	81	63	69	80	108	103	100	104	102	93	74	41	1,017
2014 VS 2013 Usage	+38%	+2%	-6%	-6%	+7%	+1%	-3%	-4%	-8%	-1%	-14%	-38%	-3%



	Population	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2013 Usage (AF)	3,233	58	62	73	85	101	103	104	108	111	94	87	66	1,052
2013 GPCD		189	223	237	286	329	345	337	351	373	307	292	215	291
2014 Usage (AF)	3,247	81	63	69	80	108	103	100	104	102	93	74	41	1,017
2014 GPCD		261	226	222	267	349	346	323	336	340	301	249	132	280
CY over CY change in GPCD		+72	+3	-15	-19	+20	+1	-13	-14	-33	-6	-43	-83	-11

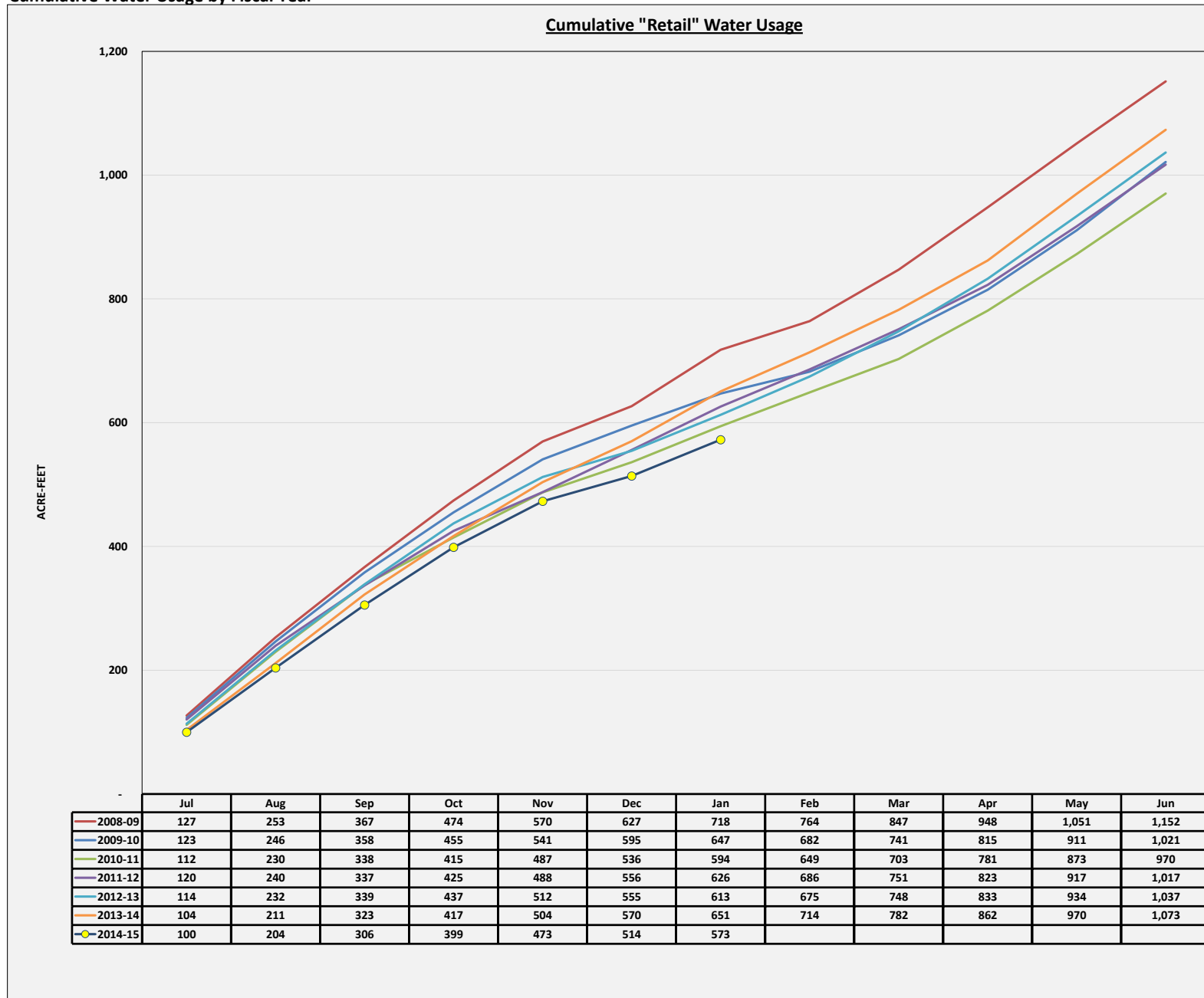
	Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2013-14 Usage (AF)	3,233	104	108	111	94	87	66	81	63	69	80	108	103	1,073
2013-14 GPCD		337	351	373	307	292	215	262	227	223	268	350	347	296
2014-15 Usage (AF)	3,247	100	104	102	93	74	41	59	-	-	-	-	-	-
2014-15 GPCD		323	336	340	301	249	132	190	-	-	-	-	-	-
FY over FY change in GPCD		-13	-14	-33	-6	-43	-83	-72						

cumulative through the end of the last month shown

* GPCD = Total Monthly Production/ Population/days in the month

East Orange County Retail Zone Water Usage Report

Cumulative Water Usage by Fiscal Year



MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: DROUGHT RESPONSE REPORT

DATE: February 19, 2015

BACKGROUND

On July 15, 2014 the SWRCB enacted emergency regulations for urban retail water suppliers. The regulations consist of three requirements: 1) a prohibition on certain types of water use; 2) an order for all urban water suppliers to implement mandatory conservation measures; and 3) an order to provide monthly data on water production.

On August 7th, the Board approved measures to implement the emergency regulations, including activating Level 1 of our Conservation Ordinance. The attached report is presented to the Board on a monthly basis to summarize staff's activities in implementing the Level 1 requirements.

RECOMMENDATION

Information only; no Board action required.

Drought Education/Enforcment Efforts - January 2015

<i>Activity</i>	<i>Date</i>	<i>Action</i>
Meetings		
Water Use Efficiency (WUE) Meeting - Nicole Hopp	January 1, 2015	Wue Coordinators Meeting was canceled due to landing on a holiday. Meetings will resume next month on February 5, 2015.
Ratemaking Seminary - Lisa Ohlund	January 7, 2015	Water ratemaking seminar that included extensive information on drought rates/penalties and compliance with Propositions 218 and 26.
Urban Water Institute Conference Planning	January 6 & 20	Conference planning for drought related speaker panels and interactive sessions.
MWDOC Manager's Meeting	January 22, 2015	Discussed MET & MWDOC Water Supply Allocation Plan for implementaiton due to continuing drought.
Water Waste/High Water Bill Phone Calls		

Water Waste - Jerry Mendzer, Ty Coston, Nicole Hopp	January 20, 2015	Jerry discovered water running down View Ridge and Miriam Place. When he found the source of runoff coming from property on View Ridge. They are overwatering so much that the water is reaching the catch basin on Azusa and Barrett and the customers on Miriam are also impacted by this overwatering as it deteriorates the asphalt on their private road. Ty spoke with customer that was on vacation at the time and customer said to shut of irrigation for now. The View Ridge customer said they would speak with owner about irrigation runoff issue when they get back. Guys will follow up when customer returns.
Water Waste - Nicole Hopp	January 20, 2015	Barrett Lane, EOCWD customer, called about water running down View Ridge and Miriam Place every morning. The guys were already aware of this problem and were working on resolving it. Nicole informed Barrett Lane customer that this issue was discovered and we are working on getting it resolved but, we appreciate the call.
WUE Materials		
Lawn Signs - Nicole Hopp	January 23, 2015	El Roy Drive, EOCWD customer, has shown great reduction in water use since last year. In recognition of the customers that are achieving over the 20% reduction effort, EOCWD has produced a limited number of reusable lawn signs congratulating their efforts that they may display in their yard. El Roy Drive customer agreed to display lawn sign.
Lawn Signs - Nicole Hopp	January 23, 2015	High Crest Circle, EOCWD customer, has shown great reduction in water use since last year. In recognition of the customers that are achieving over the 20% reduction effort, EOCWD has produced a limited number of reusable lawn signs congratulating their efforts that they may display in their yard. High Crest Circle customer very grateful for opportunity but declined.

Lawn Signs - Nicole Hopp	January 23, 2015	Crawford Canyon Road, has shown great reduction in water use since last year. In recognition of the customers that are achieving over the 20% reduction effort, EOCWD has produced a limited number of reusable lawn signs congratulating their efforts that they may display in their yard. Crawford Canyon Road customer agreed to display lawn sign.
Lawn Signs - Nicole Hopp	January 23, 2015	Barrett Lane, EOCWD customer, has shown great reduction in water use since last year. In recognition of the customers that are achieving over the 20% reduction effort, EOCWD has produced a limited number of reusable lawn signs congratulating their efforts that they may display in their yard. Barrett Lane customer agreed to display lawn sign.
Lawn Signs - Nicole Hopp	January 23, 2015	Vista Del Valle, EOCWD customer, has shown great reduction in water use since last year. In recognition of the customers that are achieving over the 20% reduction effort, EOCWD has produced a limited number of reusable lawn signs congratulating their efforts that they may display in their yard. Vista Del Valle customer agreed to display lawn sign.
Drought Social Media/Print Messaging Efforts		
Facebook - Nicole Hopp	January 1, 2015	In an effort to keep customers more informed, EOCWD posts any Drought or EOCWD Status updates as well as Water Conservation Daily Tweets.
Twitter - Active all Month	January 1, 2015	In an effort to keep customers informed, EOCWD posts any Drought or EOCWD Status updates as well as Water Conservation Daily Tweets. EOCWD, since last September, has begun to build a larger following and received many comments and retweets. Fellow tweeters ask about better water saving or provide information about others wasting water and ask questions on how to prevent runoff.
EOCWD Website Drought Page	January 1, 2015	Drought Page objective is to keep Customers Informed about: SWRCB Updates, Reservoir Level Updates. Information of Rebates, MET Drought outreach Campaign, EOCWD Level 1 Water Conservation Material.

Foothill Sentry Ad - Nicole Hopp	January 1, 2015	Signed contract with the Foothill Sentry to produce a Drought Messaging Ad each month for outreach to customers and get their attention to be water efficient. Starting January, the EOCWD is requesting permission of customers that meet the SWRCB 20% reduction to allow us to produce future Ad's with their names on it. The ad will recognize these customers for significant water savings and thank them for their outstanding efforts.
Custom Recognition Ad - Nicole Hopp	January 23, 2015	The District requested permission from El Roy Drive, EOCWD Customer, to use their name in an advertisement. This advertisement will appear in the Foothill Sentry and will be congratulating and thanking this customer on their water reduction efforts. El Roy Drive customer was thankful and agreed and signed release form to display their name in the ad for the month of January.
Custom Recognition Ad - Nicole Hopp	January 23, 2015	The District requested permission from High Crest Circle, EOCWD Customer, to use their name in an advertisement. This advertisement will appear in the Foothill Sentry and will be congratulating and thanking this customer on their water reduction efforts. High Crest Circle customer was thankful but did not agree to sign the release form to display their name in the ad for the month of January.
Custom Recognition Ad - Nicole Hopp	January 23, 2015	The District requested permission from Crawford Canyon Road, EOCWD Customer, to use their name in an advertisement. This advertisement will appear in the Foothill Sentry and will be congratulating and thanking this customer on their water reduction efforts. Crawford Canyon Road customer was thankful and agreed and signed release form to display their name in the ad for the month of January.

Customer Recognition Ad - Nicole Hopp	January 23, 2015	The District requested permission from Barrett Lane, EOCWD Customer, to use their name in an advertisement. This advertisement will appear in the Foothill Sentry and will be congratulating and thanking this customer on their water reduction efforts. Barrett Lane customer was thankful and agreed and signed release form to display their name in the ad for the month of January.
Customer Recognition Ad - Nicole Hopp	January 23, 2015	The District requested permission from Vista Del Valle, EOCWD Customer, to use their name in an advertisement. This advertisement will appear in the Foothill Sentry and will be congratulating and thanking this customer on their water reduction efforts. Vista Del Valle customer was thankful and agreed and signed release form to display their name in the ad for the month of January.
Customer Rebate Activities		
High Efficiency Toilets and Clothes Washers - Nicole Hopp	January 9, 2015	Country Haven, EOCWD customer, called EOCWD and spoke with Nicole to get information on Water Efficient Toilet and Clothes Washer Rebates. Nicole directed the customer to the OC Water Smart website (MWDOC's official WUE site), and informed that they need to look under the residential rebates to apply. Nicole also stated if the customer is having issues find the correct rebate, she can find it and send a link to there email. Customer was grateful but said he/she would call if he/she had any trouble.
WUE Programs		
AWWA WUE Grade 1 Practitioner Certification - Nicole Hopp	January 22, 2015	On June 18-19, Nicole Hopp, the EOCWD Conservation Coordinator, attended AWWA's CA-NV Section Water College. A two day program to prepare students to become specialists in the field of water use efficiency. In December Nicole applied to take the written exam for Grade 1 WUE, was approved and took the exam on January 22, 2015. She will receive her results in the months of either February or March.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: GENERAL INTEREST PUBLICATIONS
DATE: FEBRUARY 19, 2015

Background

Attached to this memo is a copy of information pertinent to current events in the water industry:

- LAFCO upholds SSJID takeover of PG&E (RecordNet, February 12, 2015)
- Opinion: Old water conflicts open again (Sacramento Bee, February 12, 2015)
- Mandatory water rationing could start July 1 (San Gabriel Valley Tribune, February 15, 2015)
- Water Bond Funds Will Target Statewide Integrated System, Lawmakers Told (ACWA, February 10, 2015)

Recommendation

Information only; no action required.

>

By Alex Breitler
Record Staff Writer

[Print Page](#)

February 12, 2015 8:41PM

Local board upholds SSJID takeover of PG&E

If the arguments sounded familiar, so did the outcome Thursday as a local board stood by its earlier decision allowing a south-county water district to take over retail electric service from Pacific Gas and Electric Co.

PG&E had challenged the original December decision, which followed 16 hours of hearings over two days.

The utility argued Thursday that the obscure Local Agency Formation Commission failed in its watchdog role when it approved the Manteca-based South San Joaquin Irrigation District's takeover bid.

While the commission decided in December that the water district could afford the venture, the commission did not require that South San Joaquin achieve a permanent 15 percent discount over PG&E rates — a promise that the water district had advertised widely to the community.

That 15 percent promise was a fundamental part of the water district's plan, PG&E said Thursday, while acknowledging that it would be difficult for the commission to judge the merits of that promise since it's unknown how much it will cost the water district to acquire the utility's assets via eminent domain.

"The challenge of getting your arms around it and saying, 'Does this pencil out forever?' is really formidable," PG&E attorney George Soneff told the commission "There's no doubt it's difficult. There's also no doubt the California Legislature has said it's your job."

But commissioners, made up mostly of local elected officials, were loath to overturn a vote that the same commission had taken barely two months earlier, although two of the five voting members have since been replaced due to term limits.

Tracy Mayor Michael Maciel, the commission's chair, recalled how water board representatives testified at the December hearing that if they can't provide a 15 percent reduction for their customers, they won't move forward with the plan.

"I continue to have faith in that board, that they will honor their word," Maciel said.

The takeover does include a condition that South San Joaquin provides a 15 percent rate reduction for the first 10 years.

Another much-discussed aspect of the plan has been the potential loss of property tax and fee revenue for public agencies across the county, including school districts. Investor-owned PG&E pays property tax while public South San Joaquin is not required to.

South San Joaquin has committed to make payments to offset that potential \$1.7 million in lost revenue. Even with that commitment, critics have warned that the money could be lost if property owners within the water district force a vote on the matter.

A Jan. 20 court decision in a case involving the Redding Electric Utility increases the likelihood of such a challenge, PG&E said Thursday.

But the court ruling came after the utility had filed its appeal, so while some commissioners expressed concern Thursday, they could not consider the recent ruling as part of the appeal.

In the end, whether the tax reimbursement to other public agencies is challenged or not, South San Joaquin must make up for those lost payments. That's a condition attached to the takeover plan, commission attorney Rod Attebery told members.

"If they don't accomplish it," Attebery said told commissioners, "they don't have a project."

Their unanimous vote came moments later.

Thursday's vote marks the end of the line for PG&E's protests before the local commission — and the clearing of a significant hurdle for South San Joaquin.

The water district says it will next make an offer to purchase PG&E's assets, but the two sides are hundreds of millions apart on how much those assets are worth. So, eventually, the case is likely to go to eminent domain court, where a judge would determine the value.

South San Joaquin's board then would decide whether to press forward with the takeover.

— Contact reporter Alex Breitler at (209) 546-8295 or abreitler@recordnet.com. Follow him at recordnet.com/breitlerblog and on Twitter @alexbreitler.

<http://www.recordnet.com/article/20150212/NEWS/150219837>

[Print Page](#)

Dan Walters

SUBSCRIBE



Dan Walters

THE SACRAMENTO BEE
Stay Connected >> sacbee.com

[Facebook](#)[Twitter](#)[Share](#)[Google](#)[Pinterest](#)[LinkedIn](#)[Email](#)

Opinion: Old water conflicts open again

BY DAN WALTERS - DWALTERS@SACBEE.COM

02/12/2015 3:53 PM | Updated: 02/12/2015 11:16 PM

Exactly six months ago, the Capitol's politicians were hailing a new era of bipartisan comity and cooperation with the overwhelming passage of \$7.5 billion in bonds to improve the state's water supply.

Voters, motivated by a severe drought, added their voices three months later with an overwhelming approval of the bond measure, Proposition 1.

Now, however, the money must be spent and some of the state's age-old conflicts over how water should be managed are re-emerging, along with the Capitol's perennial jousting over who will control the allocation of funds.

Unlike previous water bonds, Proposition 1 did not contain specific projects, but rather general categories of water spending. And Gov. Jerry Brown has submitted a plan to allocate \$533 million in bond funds in the 2015-16 budget, just 7 percent of the total.

However, Brown is also asking the Legislature, in effect, to give the administration control over the entire pot of money for as many as 12 years, encompassing the rest of his governorship and all of his successor's, subject to the bond's general categories.

That stance didn't sit well with members of the Senate Budget Committee during an initial hearing Thursday, reflecting not only the long-standing institutional friction between the two branches of state government, but the obvious differences among legislators on what projects should have priority.

Some of those differences are ideological – whether new reservoirs and other storage projects should be speeded up, for instance, or whether the emphasis should be placed on conservation programs or watershed restoration.

Some, meanwhile, are parochial, reflecting pressures from local water officials and politicians on legislators to get money for long-pending projects.

Senators of all ideological stripes, however, worried aloud that if they allocate all of the money now, they'll lose control over which specific projects receive bond money. The committee chairman, Sen. Mark Leno, D-San Francisco, was clearly irked that “now we're up against deadlines.”

The Legislative Analyst's Office, in a report on Proposition 1, says the Legislature should set parameters for spending the money and oversee how it is spent.

Administration officials defend the governor's approach as reflecting the long-range nature of water project planning and construction, and cite the perils of stop-and-go development if funds are subject to the annual budget process.

They also uttered reassuring words about “transparency” and “accountability” in choosing projects that survive the competitive selection process they are now devising.

“I'm very open,” state water director Mark Cowin told the committee, adding, “I have no desire to stretch this out over 10 years. We don't want to leave a dime on the table.”

Call The Bee's Dan Walters, (916) 321-1195 (tel:(916)%20321-1195). Back columns, sacbee.com/dan-walters (<http://sacbee.com/dan-walters>). Follow him on Twitter @WaltersBee.

Mandatory water rationing could start July 1, water officials say

By Steve Scauzillo , San Gabriel Valley Tribune

sgvtribune.com

The Metropolitan Water District, the agency that supplies the bulk of the water for Southern California, is considering water rationing by summer unless statewide drought conditions radically improve, the agency announced Monday.

Metropolitan's Water Planning and Stewardship Committee considered varying scenarios Monday and concluded it may recommend to its governing board allocating a limited supply per member agency. If the full board approves the allocation plan at its April meeting, rationing would begin July 1, according to Metropolitan.

Such a move would mark the second time water rationing was imposed by MWD in six years.

"Southland consumers have responded to the water conservation challenge this past year. We all, however, need to be prepared to take water saving to another level this summer if water-supply conditions don't improve," said MWD General Manager Jeffrey Kightlinger in a statement.

Cutbacks could amount to 5 percent, 10 percent or more from last year's deliveries, Metropolitan reported.

"They're saying, 'This is all the water we will give you,' " said Adan Ortega, a former MWD administrator and a water consultant for smaller water districts.

An allocation plan is different than simply meeting the water demands of its member agencies, as MWD normally does, he said. The new approach could trigger more restrictive conservation measures for customers of retail water districts and cities throughout Southern California.

"Cities would be required to go to mandatory conservation," said Shane Chapman, general manager of the Upper San Gabriel Valley Municipal Water District, which buys water from MWD for nearly 1 million residents.

Chapman says his agency and others may have to live with a lot less water. For Upper District, that means less water to replenish shrinking groundwater basins.

Advertisement

The committee entertained numerous scenarios, depending on whether the next several weeks bring rain and more importantly, snowfall to the Sierra Nevada Mountains. Snowpack levels are at 23 percent of average for this time of year, MWD reported in a committee report.

A pineapple express storm inundated Northern California and the Pacific Northwest over the weekend, but the warm storm only dropped snow in very high elevations, experts said. Melting snow feeds rivers and reservoirs in Northern California, the source of water for the State Water Project. The state Department of Water Resources allowed just 5 percent of the SWP in 2014 but may increase that amount.

However, the region may be slipping into a fourth straight year of drought, Kightlinger said. If rain and snow are below average by the end of winter, the MWD will have to dip deeper into reserves both in the ground and in reservoirs. Reservoir levels stand at 1.2 million acre-feet, less than half of what MWD held in reserve in 2012, the agency reported.

"This is a serious situation," Kightlinger said.

Reach the author at Steve.Scauzillo@sgvn.com or follow Steve on Twitter: [@stevscaz](https://twitter.com/stevscaz).

- [Full bio and more articles by Steve Scauzillo](#)
- [Back to top](#)



Published on *Association of California Water Agencies* (<http://www.acwa.com>)

[Home](#) > [News](#) > [Water News](#) > [Printer-friendly](#)

Water Bond Funds Will Target Statewide, Integrated System, Lawmakers Told

Submitted by Pamela Martineau on Tue, 02/10/2015 - 12:45pm

in [State Budget, Fees](#) ^[1] [All](#) ^[2] [Water News](#) ^[3]

 [2014-water-bond.jpg](#) ^[4]

California departments that oversee the state's water and environmental resources are gearing up to disburse the \$7.5 billion in water bond funds approved by the voters in 2014 and are aiming to use the funds to build an integrated, resilient statewide water system.

That was the overarching message delivered today by agency leaders who spoke during an informational hearing at the Capitol that provided lawmakers with an overview of the process and goals of disbursement of Proposition 1 monies.

Nearly every state leader who spoke to lawmakers emphasized that Gov. Jerry Brown's California Water Action Plan will be the framework that provides policy guidance for disbursement of the funds. Brown's CWAP is a five-year plan for building an integrated, statewide water system that focuses on integrated regional water management and water reliability.

"The bond used the water action plan as a framework," John Laird, secretary of the Natural Resources Agency, told lawmakers, adding: "We need an all-of-the-above water policy."

Laird was speaking during an informational hearing of the Assembly Water, Parks and Wildlife Committee. The hearing was titled: "Proposition 1, Californian's Water Bond: Where do we go from here and How Will We Know We Got There?" Committee Chair Marc Levine (D- San Rafael) opened the meeting by saying that the bond is an opportunity to "integrate" and "maximize California's water supply."

State leaders also stressed that the process for disbursement of the funds will be a transparent, public process. Laird said several public meetings will be held throughout the state to take public input before finalizing the regulations for disbursement of the funds.

Mark Cowin, director of the Department of Water Resources, stressed that the department is attempting to accelerate the disbursement of the funds, but will not do so at the expense of accountability.

"Putting these funds out in a more deliberate schedule adds to our ability to be more accountable," said Cowin.

Chuck Bonham, director of the Department of Fish and Wildlife, said his department set the goal to approve the first set of grant recipients for bond funds by the end of this calendar year. It will release its

draft guidelines this month, begin public meetings next month and put out a solicitation package in July.

Felicia Marcus, chair of the State Water Resources Control Board, said the bond funds offer an opportunity to do “transformative work for a lot of people.” She said the State Board is especially looking for input from stakeholders on stormwater and groundwater clean-up.

California Water Commission Chair Joe Byrne outlined the competitive process the commission will use to award funds for the public benefits of storage projects. He said that no project will be funded unless it provides improvements to the Delta and 50% of the funding awarded needs to go to ecosystem improvements. Byrne said the commission cannot allocate funding until December of 2016.

ACWA Deputy Executive Director for Government Affairs Cindy Tuck testified to the committee during the stakeholder comment period. She stressed that efficiency, effectiveness and accountability need to be addressed throughout the disbursement process.

Tuck said it is important that the process be transparent and the public be able to comment but “we do think it is important that these funds get out the door.”

Tuck said recycling funds especially could be disbursed quickly. She said the effectiveness of the projects needs to be ensured.

“We need to make sure that real projects go forward that make a difference,” she said.

Tuck added that it is important to measure outcomes, for instance how much additional storage actually will be created by a storage project.

Lester Snow, executive director of the California Water Foundation, said the state has experienced a “steady decline in water reliability” for the past few decades, partly because of climate change. He said the bond is a “jump-start in terms of reinvesting” in the water system, but it is not enough.

“The drought has revealed fundamental weaknesses in our system,” Snow said, adding that more money will be needed later to keep the state’s water system reliable.

Before agency heads spoke, Anton Favorini-Csorba, a fiscal and policy analyst with the Legislative Analyst’s Office, detailed a report on principles the LAO believes should be adhered to as the funds are disbursed. The goals include prioritizing projects that leverage other funds, prioritizing projects that employ new technology, and providing incentives for water agencies to collaborate on regional water management.

The LAO report is [here](#) [5].

©2007-2015 Association of California Water Agencies.

Source URL: <http://www.acwa.com/news/state-budget-fees/water-bond-funds-will-target-statewide-integrated-system-lawmakers-told>

Links:

[1] <http://www.acwa.com/category/issues/state-budgetfees>

[2] <http://www.acwa.com/category/region/all>

[3] <http://www.acwa.com/category/news-type/water-news>

[4] http://www.acwa.com/sites/default/files/news_icons/state-budget-fees/2015/02/2014-water-bond.jpg

[5] <http://www.lao.ca.gov/Publications/Detail/3170>