

AGENDA

EAST ORANGE COUNTY WATER DISTRICT
(EOCWD)

Thursday, March 21, 2013

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

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

5. **Approval of Minutes of February 19, 2013 Meeting (Exhibit "B")**
6. **Operation, Management and Construction Matters**

- A. Peters Canyon (6 MG) Reservoir roof rehabilitation - engineering services contract with Brady Engineering (Exhibit "C")

Recommended Motion: "APPROVE THE BRADY ENGINEERING PROPOSAL FOR SERVICES RELATED TO THE IMPLEMENTATION OF SHORT AND LONG-TERM IMPROVEMENTS TO THE PETERS CANYON RESERVOIR ROOF, FOR A NOT-TO-EXCEED COST OF \$33,594, AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE AN AGREEMENT FOR SAID SERVICES"

- B. Huntington Beach desalination plant project – discontinuation of EOCWD participation (Exhibit "D")

Recommended Motion: "DISCONTINUE PARTICIPATION IN POSEIDON DESALINATION WORKING GROUP"

- C. Wholesale and retail water usage report (Exhibit "E")

7. Financial Matters

- A. Approval of schedules of disbursements (Exhibit "F")

Recommended Motion: "THAT THE SCHEDULES OF DISBURSEMENTS BE APPROVED"

- B. Report on investments/ ratification of investment activity (Exhibit "G")

Recommended Motion: "THAT THE SCHEDULES OF INVESTMENTS BE RATIFIED AND APPROVED"

- C. Receipt and filing of financial statements (January 31) – (Exhibit "H")

Recommended Motion: "THAT THE FINANCIAL STATEMENTS BE RECEIVED AND FILED"

- D. Amendment to contract for special legal services – Meyers Nave (Exhibit "I")

Recommended Motion: "APPROVE EXPANDING THE SCOPE OF WORK WITH THE LEGAL FIRM OF MEYERS NAVE AND INCREASE THE EXISTING CONTRACT AMOUNT BY \$50,000"

8. Miscellaneous Matters

- A. Letter of support – legislation to amend OCWD Act (Exhibit "J")

Recommended Motion: "THAT THE GENERAL MANAGER SEND A LETTER OF SUPPORT FOR CHANGES TO THE OCWD ACT GROUNDWATER WATER QUALITY PROVISIONS"

- B. Letter of support – San Onofre Nuclear Generating Station restart (Exhibit "K")

Recommended Motion: "THAT THE GENERAL MANAGER SEND A LETTER OF SUPPORT FOR SAN ONOFRE NUCLEAR GENERATING STATION RESTART"

- C. Authorization of conference attendance (Exhibit "L")

(1) MWDOC Elected Officials Forum

(2) 2013 Water Summit

- D. Reports from committees and representatives to organizations

- E. Directors' reports on meetings attended

9. Informational Items

10. Closed Session

- A. Closed session – conference with legal counsel – anticipated litigation – initiation of litigation pursuant to Government Code Section 54956.9(d)(4) (two potential cases)

Open Session

Reconvene in open session and report or take action(s) (if any) regarding litigation items

11. Adjournment

The scheduled date of the next Regular Meeting of the Board of Directors is **April 18, 2013**, 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 Denise Dobson 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 Denise Dobson in the District Office, at least seventy-two (72) hours prior to the scheduled meeting.

EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT

March 2013

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.

WHOLESALE ZONE

1) Peters Canyon (6 MG) Reservoir Status Update

Annual Reservoir Draining/Inspection/Maintenance/Cleaning – to perform this work, staff filled the reservoir full and using raft, employed a cordless shop-vac to clean around all the interior vents and siding. Once this work was complete, staff drained the reservoir by moving water to the Andres reservoir (a high line was run to the Cox Communications building keep them in water). Staff also install a new 20-inch magnetic flow meter ("mag meter") on the outlet of the reservoir. Staff also performed an inspection of the interior liner of the reservoir and found no change from the last cleaning. A few dozen stainless steel joist hanger nails were discovered laying on the floor of the reservoir. Staff believes that the nails worked their way out during wind events. Staff also performed a thorough cleaning of the interior of the reservoir and Matt-Chlor disinfected the reservoir prior to filling. A wharf-head hydrant was also added in the vault for flushing purposes. The reservoir was then filled half way and 2 bacteriological samples were collected on 2 consecutive days. The reservoir was returned to service once both sets of samples were confirmed clear. Staff is working with our SCADA company to connect the mag meter signal to our SCADA system which will allow staff to monitor the flow exiting the reservoir.

Security System – Awaiting AT&T installation of T-1 line to site; estimated completion, May, 2013.

RETAIL ZONE

1) Well / Booster Station Operations

East Well Rehabilitation Project – Tri County Pump completed installation of the new water lube pump on February 19th. The well was disinfected and surged. A series of bacteriological samples were collected and clean results were received on February 22. Staff could not put the well online at that time due to the Peters Canyon reservoir work. On March 1, staff put the East well online only to discover production was half of what it should have been (e.g. ~500 GPM instead of 1,000 GPM). After verifying drawdown, discharge pressure, and flow, staff contacted Tri County Pump and asked them to verify the information on the pump they installed and after review of their records, confirmed that they had installed the incorrect pump. The correct pump was ordered that day and was delivered on Thursday, March 14. Staff utilized the existing pump until the new pump was installed. The new pump was completely installed on Friday, March 15th. The well was disinfected and placed back in service on Sunday, March 17th.

Stoller 75hp Pump – The Stoller Pump Station’s 75 hp pump is the “workhorse” pump for that station; recent inspection has revealed an extremely worn rotation element (impeller and shaft); cavitation due to entrained air in our groundwater is the most probable cause of the surface fatigue seen in the bronze metal. Costs to replace these parts are within \$2,000 of replacing the entire pump; staff is obtaining prices on both replacement bronze and stainless steel pumps, however, we anticipate that stainless steel may add significantly to the cost of the replacement pump. Lead time for a new pump has been estimated at 12 to 14 weeks; because of price and lead time issues, staff is looking at replacing the existing pump with a different manufacturer. Russ Hulse with AECOM is assisting staff with this task. The backup 150hp pump provides 1300 GPM and can easily meet system demands while we work to replace the 75hp pump.

2) Retail Zone Emergency Fire Pump

The design of the emergency fire pump is complete, however, staff noted that both this project and the emergency backup generator at the Vista Panorama Sidehill Booster Station have several elements in common and the District would benefit from bidding both projects together. Both projects require construction of a concrete pad and a retaining wall; we have asked PSOMAS to prepare plans and specifications for a combined project and will be soliciting bids during the first week of April, with the intent to award the bid at the April Board Meeting.

3) System Leaks

Two leaks have occurred since the last Board Meeting: 1) a 2-inch service line to an air vacuum release valve located inside Peters Canyon Park was replaced. The galvanized nipple connected to the 24-inch water main was severely corroded. Staff isolated the main and performed the repairs which included installing new 2-inch piping, shutoff valves, a new air vacuum release valve, and a concrete pad. This work took 2 ½ days to complete. 2) a 1-inch copper service at 19021 Fairhaven Extension was found to be leaking at a compression fitting. Staff shut the corporation stop and replaced 2-feet of copper and one compression nut and gasket. This work took 1 day to complete.

Staff has followed up with the customers at 10637 Crawford Canyon Road that have several large trees over our 4” pipeline, the roots of one of these trees caused a break in our line last month. In fixing the leak, we removed approximately ¼ of the tree’s roots on one side of it, potentially rendering it unstable, and staff was concerned about the potential for it failing suddenly or killing the tree – staff is also concerned about future root-caused breaks to our pipeline. We met with one of the homeowners and explained our concerns and they were not interested in removing the tree, but were willing to consider a release of liability for any damage caused to or by the tree. District Counsel Arneson drafted a release of liability letter and it will be delivered to the homeowners on March 18th. Additionally, staff discussed any future problems with our pipeline and the trees and indicated that the District may request reimbursement for the cost of the repair, as the trees should not have been planted over the pipeline. The owners indicated that they did not plant the trees, a previous homeowner did, but they would take the situation under consideration.

4) Vista Panorama Hydrant Replacement

Staff has been delayed in their efforts to replace the wharf-head hydrants on Vista Panorama with barrel hydrants due to rain, unplanned leak repairs, employee vacation and sick leave and the 6 MG reservoir maintenance project. All of the prep work has been done; staff hopes to complete the work by the end of March.

5) Operational Activities

- Coordinated work to take Peters Canyon reservoir out of service to clean and install new meter. (Superintendent)
- Repaired leak in Peters Canyon Park
- Repaired service leak at 19021 Fairhaven Extension
- Excavated for hydrant replacements on Vista Panorama
- Inspected work on East Well and performed bacteriological testing
- Met with OC Parks to discuss easement rights (Superintendent)
- Installed water lube line for new East Well pump
- Met with AT&T to review construction work on Handy Creek Rd. (Superintendent)
- Performed Turf Removal survey
- Went to County Records Office to verify grant deed (Superintendent)
- Work Order – Turn water on at 19021 Smiley Drive, 13161 Barrett Hill Circle, 12700 Barrett Lane, 242 Crawford Canyon Rd. #20.
- Dig Alert – Marked for underground service alerts at Carmel / Fairhaven Extension, end of Park View Terrace, and Periwinkle.

Daily Tasks

- Attend daily staff meeting with General Manager (Superintendent only)
- Performed well rounds and reservoir rounds
- Performed general administrative, clerical and supervisory tasks
- Obtain price quotes for miscellaneous parts
- Picked up parts from various vendors, Home Depot
- Review incoming USA tickets to verify if there is a conflict.

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
- Cleanup, organize and restock service trucks
- Cleanup 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
- 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. Urban Water Management Conference, February 20-22, 2013)

Meeting Summary: The conference theme, “Can We Impact the Costs of Water and Power,” was well reflected through the array of speakers and panels at the conference. The following is a brief report on some of the speakers/panels:

Dr. Douglas Kenney, Director of the Natural Resources Law Center at the University of Colorado Law School, highlighted the fact (in 2005) power plants withdrew as much water as farms did and four times as much as all U.S. residents, and that in Southern California, it is not unusual for water management to require 2,00-3,000 KWh/acre-foot (ocean desalination is approximately 4,00 kWh/AF). With reduced hydroelectric generating and nuclear generating capacity in the West, there is more pressure to build coal fired power generating stations; a cheap source of power, but high water use. In 2006, the Energy Information Administration predicted that water consumption by power plants could double by 2030. Dr. Kenney advocates a mix of natural gas generating stations and renewable energy to reduce water demand for power generation.

Adam Probolsky of Probolsky Research presented the results of polling he conducted on the public's awareness of water/energy issues. He reported that the primary issues on the minds of the public are jobs and the economy followed by public safety. They are unsure of what the greatest contributors are to the cost of water; most thought that the treatment/purification process was the biggest cost driver. Most of the surveyed people felt that the cost of water was acceptable, and if there were problems, it was because of corrupt and wasteful practices by managers, employees, board members, corporations, lawsuits, environmental regulations, unions, global warming deniers, the price of gasoline. Most of the respondents (70%) were unaware that there was a relationship between energy costs and water costs. When advised that the cost of implementing renewable energy will impact water agencies, most respondents (49%) said that water agencies should cut costs or dip into reserves rather than raise water rates.

Carole D'Elia, Deputy Executive Director of the Little Hoover Commission, stated that the Commission, which is a bipartisan, independent commission that reviews the performance of the executive branch, questions whether the Year 2020 Energy Portfolio of getting 33% of energy needs from renewables can be achieved under the existing governance structure? They note that there are six entities coordinating and regulating electricity in California: 1) federal government, 2) Governor's office, 3) California Public Utilities Commission, 4) California Energy Commission, 5) California Independent System Operator and 6) California Environmental Protection Agency – and there is no clear leadership among them to ensure that not only are renewable goals met, but that in the interim, the lights stay on. The Commission recommends that the Governor appoint one entity that establishes a comprehensive plan to prioritize the current and future energy goals.

Lisa Ohlund, General Manager of East Orange County Water District moderated the panel presentation, "The Water/Energy Nexus, the Necessity for an Integrated Fuels Portfolio. Ms. Ohlund noted that even with green energy that many agencies and individuals have installed, there is a potential energy shortfall looming in the near future for Southern California (and perhaps all of California) due to the unexpected shutdown of the San Onofre Nuclear Generating Station – what options are available to mitigate the effects of the shortfall and the cost impacts?

- Panelist Charlie Wilson from SCE noted that for many reasons (growing demand, infrastructure needs, supply inadequacy, regulatory impacts and long-term uncertainty) the cost of service is increasing faster than energy sales resulting in higher customer rates. Despite the fact that they deliver more renewable power than any other utility in the country, renewables aren't as reliable as the fossil-fuel or nuclear generating stations (sun doesn't shine/wind doesn't blow). With regards to costs, Mr. Wilson noted that SCE offers incentive funding for qualifying projects, technical assistance to evaluate projects and is looking to the demand response program (mandatory shutdowns) to address energy shortfalls in the coming months.
- Panelist Steve Sciortino from the City of Anaheim, which owns its electrical and water utilities, reviewed the efforts that the City has taken internally to mitigate energy cost impacts and plan for reliability (the Water Department can crop up to 7 MW of power to shave their daily peak or peak day issues. Anaheim is also integrating the Year 2020 33% renewables requirement city-wide (this program will also cover their water department so they won't have a separate compliance requirement) – it will represent an 8-10% increase over the next 10 years for Anaheim.
- Sempra Energy (The Gas Company) panelists Ranjiv Goonetilleke and Mike Bolin discussed the role of natural gas engines and natural gas vehicles in meeting AB32 (Year 2020 33% from renewable energy sources) requirements. Current AQMD permitting regulations present a barrier to installing natural gas engines instead of electric motors for power; however natural gas costs the equivalent of \$.04/hp versus \$.09/hp or 62% less. Mr. Goonetilleke recounted a case study from the Tehachapi-Cummings Water District that achieved both lower costs and operational reliability by changing their electric motors out to natural gas engines. Mr. Bolin presented information Compressed Natural Gas (CNG) vehicles for light, medium and heavy-duty applications; many of these engines are meeting the ultra low emissions standards and the price of natural gas is currently around the equivalent of \$2.00/gallon (as opposed to gas which is more than \$4.00/gallon). Expansion of sales of CNG vehicles has been limited because of the lack of fueling stations, however many gasoline stations are installing CNG pumps alongside regular gas pumps.

B. Finance Committee Meeting (February 27, 2013)

Meeting Summary: 1) Shared Accounting Services – The status of the shared accounting services with Serrano Water District was reviewed; General Manager Ohlund recommended hiring Andrew Hamilton, CPA of AH Consulting to review internal controls and the efficiency and effectiveness of the shared services program. 2) Web Site/Email/Credit Card Processing Issues – In 2007 when the District purchased its

current water billing software from Continental Utility Billing Systems (CUSI), they also entered into an agreement with YourWebPress.com to provide website and email services as well as a payment portal for customers to pay their water bill through our website. Recently we were notified that YourWebPress was acquired by Aristotle.com and that they were no longer going to provide website payment services, and the cost of the website and email services was going to increase significantly (from \$1,500 to \$2,500/year). CUSI notified us that they have developed their own ability to support website bill payment (partly because of the change from YourWebPress to Aristotle, and also because of security concerns they have regarding this payment process). but they will charge \$2,000 annually for this service and they won't support the website or email; this means that services we were paying \$1,500/year would now cost \$4,500/year. Investigation has determined that we don't have any alternative to CUSI for website portal payment hosting because they will not allow anyone else access into the billing software. There is a lower cost website/email hosting option that we found with a company called JubJub in Irvine, however, we will need to redesign our website to be able to use them, but we anticipate that annual costs will be under \$1,000/year. We have negotiated an agreement that will allow us to continue our services with Aristotle through the end of July. 3) Budget Report – January, 2013: The Committee reviewed the Budget Report in detail, discussing the variances and the causes for them.

C. Engineering Committee (January 22, 2013)

Meeting Summary: 1) Emergency Fire Pump & Side Hill Booster Station Back-Up Power Project – Recommendation to Combine Projects – Design for the emergency fire pump is nearing completion, however, staff reported that both of these projects will require construction of concrete pads and building of retaining walls around each site. Staff recommends that both projects be combined and bid as one project to encourage construction savings and efficiencies; the Committee agreed. Staff noted that this may delay the fire pump project going to bid by one month. 2) Peters Canyon (6 MG) Reservoir Rehabilitation Project – Brady Engineering Proposal – Staff reviewed the recommendations Brady presented at the October 2012 Board Meeting and noted that the Board had approved staff's request to solicit a proposal from Brady to move forward with a design for this work. Brady's proposal includes addressing both the short – and long-term issues, as well as perform a site survey. Staff indicated it would be placed on the next Board Agenda in March; the Committee recommended that the Board approve the proposal. 3) Water Network Modeling & Management System – Staff reviewed three proposals to provide water management system software to the District from three companies, ID Modeling, Nobel Systems and iWater. Staff noted that interest in this software, which would not only transfer the District's current atlas maps from CAD drawings into GIS maps, but would also allow staff to easily set up work orders, track work/maintenance performed on the system, document problems (including leak repairs) and have all of the information that is now contained in several different places (and in some cases, staff memory) in one accessible site. The three proposal received however, varied greatly in their costs, however, with one company proposing a low initial cost that could steeply increase in coming years (they are also new to this field), with another company proposing a high initial cost, but low costs over succeeding years. Analysis over a 5-year period revealed that the high-upfront cost system might be less expensive in the long-run. After discussion, staff was directed to place funds in the upcoming year's budget, update the costs at that time and return to the Committee with a recommendation.

D. MWDOC Manager's Meeting (February 28, 2013)

Meeting Summary: 1) Status of MWDOC's Management Team – Karl Seckel noted that he was appointed Interim General Manager. 2) MWDOC Budget Focus Areas for 2013/14 – Staff indicated that the budget would focus on four key areas: a) MWDOC key initiatives (MET rate/stability, Bay/Delta, reliability, Water Use Efficiency Master Plan, public outreach), b) Reserves (review policy), c) Choice Programs (3 of the Choice Programs could significantly affect staffing) and, d) Potential New Choice Programs (no new programs are being proposed at this point). 3) Proposed Regional Communications Plan – MWDOC is proposing to formulate a county-wide communications plan pursuant to input received during the 2012 Strategic Planning Workshops held with member agencies; goal of plan is to cost-effectively provide a common message to customers on challenges facing water supply and costs. 4) Draft FY 2013/14 Budget – First draft of MWDOC budget proposed increasing the Core Budget from \$5.300 million to \$5.473 million (increases primarily due to increases in professional fees, OPED contribution, software support, legal expenses and employee benefits) – a 3.3% increase. MWDOC projects that the Meter Charge will increase from \$7.25 to \$8.40/meter while the water increment charge would decrease from \$3.75/AF to \$3.25/AF – MWDOC will fund 90% of their cost from this fixed fee this year and by 2015/16, will fund 100% of their costs from the fixed meter charge.

E. Poseidon Meeting (February 28, 2013)

Meeting Summary: 1) Transparency – Discussion regarding confidentiality was held, Poseidon was advised that until a formal negotiating relationship was entered into, all non-proprietary information would not be non-confidential. 2) Standardized Staff Report for Letter of Intent Consideration – MWDOC staff provided a standardized report that could be used to provide information to Boards/Councils when considering the Poseidon issue. 3) Project costs: analysis & comparison – a Capital Budget and Unit Costs Summary was handed out. 4) Choice Budget – FY 13/14 – MWDOC staff are estimating a budget of \$500,000 to pursue this project. 5) Desired discussion points for meeting with San Diego County Water Authority representative – SDCWA is sending one of their staff to discuss details of how their Desalination Agreement was developed.

F. Meeting with San Diego County Water Authority (March 5, 2013)

Ken Weinberg, San Diego County Water Authority's Water Resources Director reviewed the Water Authority's experience in negotiating their agreement to purchase water from Poseidon Resources' Carlsbad Desalination Plant. He reviewed the history of the discussions (which have been on-and-off since 1993). The Water Authority determined that under a multi-dry year scenario, they had a shortfall of 111 TAF, with the Carlsbad Project that would be reduced to 55 TAF and reduce their worst-case cutback scenario from 30% to 23%.

The 30-year agreement provides for the purchase of a minimum of 48,000 AFY at a cost of \$2,290/AF and a maximum of 56,000 AFY at a cost of \$2,041/AF delivered to their CWA aqueduct. The total project cost is \$922 million, with \$167 million (9.66% interest) provided by private equity (Stonepeak Infrastructure Partners) and \$733 from bonds sold through the California Pollution Control Financing Authority (4.84% interest) – blended cost of capital is 5.99%.

The Water Authority retained risks such as changes in law, intake changes (up to \$20 million capital), \$2.5 million operating costs (indexed), changes in seawater, uncontrollable circumstances and force majeure, bond interest rates, general inflation, general electricity rates, and operations of the conveyance pipelines. Poseidon retained risks such as construction and operating cost overruns, intake costs over the CWA limits, contract disputes, schedule delays, site conditions, permitting, technology efficiency, capital maintenance replacement repairs, labor supply and relations, electricity consumption. At the end of the 30 year term, the Water Authority can purchase the plant for \$1.00; at the end of 10 years they can purchase it for the outstanding bond debt+plus the equity return (projected at 11-12%)+unpaid contractor costs.

G. Operations, Planning and Personnel Committee (March 12, 2013)

Meeting Summary: 1) East Well Rehabilitation Project, Pump Bowl Size Error – when the East Well was placed back in service, it was discovered that Tri County Pump had installed undersized pump bowls; correct bowls were on order and due to be installed on March 14th; after disinfection, the well was projected to be back on-line by March 17 or 18th. 2) Stoller 75 HP Pump Repair Bids – the bids to repair the pump came in very high with a long lead time; staff recommends getting bids from other pump manufacturers, however this main mean changing piping and other impacts. AECOM is looking at potential pump changeout issues, as well as the potential cost benefit of changing to stainless steel rotating elements for this workhorse pump. Backup 150 hp pump can handle pump demands. 3) Vista Panorama Hydrant Upgrade Project – Staff is behind schedule due to unexpected leaks, absences and WZ reservoir maintenance, working toward completion by end of March. 4) Weed Removal at Reservoir Sites – Staff is recommending that we combine tree trimming with weed removal at reservoir sites this year due to workload impacts (weed removal takes several weeks away from regular duties); Committee concurred. 6) 6 MG Reservoir Annual Maintenance – The draining, cleaning and inspection of the 6 MG Reservoir was reviewed, as well as the installation of a new mag meter at the reservoir outlet. 7) Newport (1 MG) Reservoir Annual Maintenance – annual maintenance for this reservoir is scheduled for completion in March. 8) Poseidon Desal Project Update – Staff noted that Poseidon is asking for Letters of Intent from interested parties; staff will be recommending to the Board that the District not proceed further. 9) Additional Bathroom for Superintendent's Residence – the Superintendent's residence has once small bathroom and will soon be used by three adults and three children; staff is recommending that an additional small bathroom with a shower/sink/toilet be constructed; staff will return with cost estimates. 11) Vacation Hours Accrual – the small staff size and the necessity to accommodate vacation time so that employees don't exceed the accrual limit is making work planning difficult; the Committee referred the issue to the Board for discussion. 12) Support Letters for OCWD and SONGS Restart – staff will be presenting support letters for Board approval for changes to OCWD's formation act and the San Onofre Nuclear Generating Station restart; the Committee recommended approval. 13) Upcoming Meetings – staff noted that the MWDOC Elected Officials Forum will be held on Thursday, April 4th and the Orange County Water Summit will be held on May 17th. 14) Tree Liability Issue at Crawford Canyon Residence – District Counsel has drafted a release of liability letter; it will be delivered to the homeowners on March 18th for their review and signature.

H. Groundwater Producers Meeting

Meeting Summary: 1) Water Quality – Presentation regarding the 2012 Consumer Confidence Report and Public Health Goal Report. 2) Letters supporting OCWD Act Change – OCWD is pursuing legislative action to change its formation act so that they

can recover the costs of performing water quality investigations and cleanup actions; they are requesting member agencies write letters of support to legislators. 3) OCWD FY13-14 Budget – OCWD is proposing to increase the RA from \$266/AF to either \$273 or \$277/AF (depending upon whether or not they purchase land for an additional recharge basin. 4) Riverbed Filtration Demonstration Project – OCWD has examined several methods to remove sediment prior to discharging water into the recharge basins in order to prevent the basins from clogging and thus increasing recharge. Staff presented the results of their demonstration project to filter Santa Ana River water by constructing a subsurface collection gallery that sends filtered water to the Olive Basin for recharge. They now will be increasing the capacity of the pilot scale system to see if it will lead to increased recharge over a 2 year study period. 5) Continued review of draft Annexation information – The draft EIR for the annexation is expected to be release by the end of March.

Water Availability Request

No requests were received during this reporting period for the Retail Zone.

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

February 19, 2013

1. **Call to Order.** A Special 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 Tuesday, February 19, 2013, 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 minutes with respect to Items 10(B), 10(C) and 11 were recorded by General Manager OHLUND).

The following Directors were present: RICHARD BARRETT, 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
DOUG CHAPMAN	Former Director
RAY BENNETT	Irvine Ranch Water District
MIKE MARKUS	Orange County Water District

2. **Public Communications to the Board.** None.

3. **Items Arising After Posting of Agenda.** None.

6. **Operation, Management and Construction Matters.**

B. **Orange County Water District Annexation Proposal.** President VANDERWERFF recognized OCWD General Manager MIKE MARKUS, who made a powerpoint presentation regarding the pending annexation proposal. Mr. MARKUS reviewed slides covering several topics: the OCWD annexation policy, uniform cost and equal access, non-adjudicated environment, the 1933 map of OCWD, annexations since 1933, the currently requested annexation areas of YLWD, IRWD and Anaheim, the 2010 MOU with the applicants regarding the CEQA document preparation and cost reimbursement, modeling of pumping locations, the annexation fee and annexation agreement business terms, demand table at varying basin production percentages, drainage and incidental recharge from the foothill areas, production

facilities to be used or constructed for the annexation areas, the annexation fee formula, financial impacts not evaluated under CEQA, BPP history, the Board's recently adopted policy to maintain a 75% BPP and the challenges in doing so, variability of factors that impact the BPP, BPP impact of annexation over time and by individual producer, and schedule. President VANDERWERFF asked what issue was most controversial, and Mr. MARKUS responded that it was the cost impact of the shift of production within the BPP, but that was always OCWD's policy. Director BELL asked about the sources of runoff and actual incidental recharge and OCWD's exploration of approaches to the loss of water to the Los Angeles basin, and commented on the history and commonwealth nature of the Orange County basin. Ms. OHLUND expressed appreciation to Mr. MARKUS for presenting timely information on a complex issue.

A. Memorandum of Understanding For Joint Well Feasibility Investigation. Ms. OHLUND introduced RAY BENNETT and explained that the current recommendation grew out of the issues and discussion with IRWD concerning their plan to construct a second well to serve its area in Orange Park Acres and Orange. She said this led to a discussion of a joint well study to evaluate whether EOCWD's or IRWD's site would be more advantageous. The cost sharing would be 50-50, and the team of Richard Slade/Tetrattech has been mutually selected in a request for proposals process as their approach was considered the best. President VANDERWERFF said the Engineering Committee recommended approval with the addition of clarifying text stating that both parties would have access to all data notwithstanding that IRWD would manage the study. Mr. BENNETT responded that this would be acceptable.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the memorandum of understanding for joint well feasibility investigation between the District and IRWD was approved with the revision proposed by the Committee.

4. General Manager's Report. Responding to questions from Director BARRETT, Ms. OHLUND and Mr. MENDZER updated the information about the East Well rehabilitation work. In response to Director DULEBOHN, Ms. OHLUND elaborated on the coastal pumping shift implemented through underpumping and overpumping by the involved producers and equalization of costs.

ACTION TAKEN:

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

5. Minutes.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the minutes of the meetings of January 17 and January 25, 2013, were approved as submitted.

6. Operation, Management and Construction Matters.

C. Local Agency Formation Commission 2013-18 Municipal Services Review/Sphere of Influence Report. Ms. OHLUND noted that LAFCO is working on a proposal to extend the length of the municipal services and sphere review cycle and modify the approach so as to be more of a resource.

D. Water Demand Status Report. Ms. OHLUND said with the recent downward trends it remains to be seen whether the upward Fall trends will continue this Spring.

8. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$334,471.16 from Wholesale and Retail Operating Funds, \$0 from the Chapman Avenue Account (closed), \$1,555.80 for directors' payroll, and \$35,657.35 for employees' payroll. On behalf of the Finance Committee, Director DULEBOHN recommended approval.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the schedules of disbursements were approved as submitted.

B. Investment Activity. Ms. OHLUND said she had spoken with Mr. Dewane regarding the last reinvestment placement, he was waiting to see if rates will move up and it will probably be placed in the next 30-60 days. On behalf of the Finance Committee, Director DULEBOHN recommended approval of the investment schedules.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the schedules of investments were ratified and approved.

C. Financial Statements (December 31). Ms. OHLUND reviewed newly added summary pages. On behalf of the Finance Committee, Director DULEBOHN recommended receipt and filing of the financial statements.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the financial statements were received and filed.

D. Municipal Water District of Orange County Refund of Tier 2 Contributions. Ms. OHLUND explained that a stabilization fund was funded by MWDOC using a melded rate, to cover possible purchase of an amount of water at the Tier 2 rates in response to Metropolitan

Water District's take or pay purchase order requirement. The melded rate was discontinued after 2009 and with decreasing sales and decreasing risk of Tier 2 purchases, MWDOC decided on the recommendation of its Managers to refund a portion of the funds to the agencies. She said the wholesale system credit of \$72,318 will be distributed to the retailers in proportion to their 2007, 2008 and 2009 (first six months) purchases.

8. Miscellaneous Matters.

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

B. Directors' Reports on Meetings Attended. None.

9. Informational Items. Ms. OHLUND noted that the City of Tustin presented former director DOUG CHAPMAN with a proclamation expressing appreciation for his services to the District.

10. Closed Sessions. President VANDERWERFF announced that the Board would meet in the following closed session as listed in the agenda: (A) conference with legal counsel – anticipated litigation – significant exposure to litigation (Government Code Section 54956.9(d)(2) (one potential case – notice of breach of Crown telecommunications lease, on file with the District).

OPEN SESSION

Open session was resumed. No action was reported from the closed session. Ms. ARNESON was excused and left the meeting.

President VANDERWERFF then announced that the Board would meet in the following closed session as listed in the agenda: (B) conference with labor negotiators (Government Code Section 54957.6), Agency designated representatives: Directors Bell and VanderWerff, Unrepresented employee: General Manager.

OPEN SESSION

Open session was resumed. No action was reported from the closed session.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the following modifications were approved to the agreement for the General Manager's employment: 1) a 4.8% increase in the hourly rate to \$49.26/hour in recognition that this rate has not been increased since January, 2010, and 2) a \$2,000 annual allowance to be used for educational opportunities such as the CSDA Public Agency manager certification, other related training or participation in professional organizations.

President VANDERWERFF then announced that the Board would meet in the following closed session as listed in the agenda: (C) conference with legal counsel – anticipated litigation – initiation of litigation pursuant to Government Code Section 54956.9(d)(4) (two potential cases).

OPEN SESSION

Open session was resumed. No action was reported from the closed session.

11. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 7:23 p.m., the next regular meeting date and time being Thursday, February 21, 2013, 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

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: PETERS CANYON (6 MG) RESERVOIR ROOF – REPAIR & REHABILITATION
DESIGN SERVICES - BRADY ENGINEERING
DATE: MARCH 14, 2013

Background

At the October 2013 Meeting, Brady Engineering presented the results of their investigation of the condition of the Peters Canyon (6 MG) Reservoir's roof. The initial investigation was initiated due to the unusual deterioration (i.e., spalling concrete on the block wall that supports the roof rafters, and small holes (1/8" -1/4" diameter) that were developing in the aluminum roof over reservoir) that staff had noticed; staff was also concerned about the effect of a high wind event on the roof and a possible failure similar to that which occurred in 1997.

Brady reported to the Board that overall, the roof was in fair condition, but that there were several short and long-term improvements they recommended (see attached excerpt from Brady's October 2012 Report). The Board directed staff to request a proposal from Brady to design these improvements.

At the February 28th Engineering Committee Meeting, the Committee reviewed the attached proposal from Brady to perform the following services:

- 1) Conduct a field survey of the reservoir site
- 2) Select the optimal wind deflection barrier and prepare a design for its implementation
- 3) Prepare a schedule & estimate for bolt tightening and replacement
- 4) Prepare a cost estimate for re-screening of vents and application of new weather seal
- 5) Prepare a schedule and cost estimate for replacing joist hangers and attaching drag strut joist connectors
- 6) Prepare an inspection schedule/checklist to use when inspecting structural members
- 7) Recommend 3 vendors for SPF roof application, a cost estimate and an implementation schedule
- 8) Recommend actions and prepare cost estimate for masonry wall spalling repair.

Brady proposes to perform these services for a fee of \$33,594; they estimate that they will complete this work within 3-4 months. The Engineering Committee recommended the Board approve this contract.

Recommendation

The Board approve the proposal from Brady Engineering for a not-to-exceed cost of \$33,594.

CONCLUSIONS

Based on the observations and findings discussed above and a general comparison with current building code requirements relating to seismic resistant design, the following conclusions have been reached regarding the property condition of the Peters Canyon Six Million Gallon Reservoir.

a. Roofing

Condition: Fair

The aluminum cladding is not likely to suffer a repeat of the wind event that occurred in 1996, however multiple leaks are evident and the overall system fails to provide the necessary structural diaphragm that the structure requires. Roofing repairs are necessary to exclude water entry into the reservoir.

b. Structural

Material Condition: Good

The existing structural members are in generally good condition and can be expected to remain sound as long as current general conditions persist. Inspections should be conducted annually to detect any rot or damage at the ends of each beam and at the interior hinge connections mid span.

Regulatory Compliance: Poor

The structure does not meet current building code standards for seismic analysis. The addition of a structural diaphragm to the existing structure will bring the structure into code compliance. Some connections included in the construction drawings are not incorporated into the existing structure.

c. Reservoir

Condition: Good

The observed leakage from the reservoir is within allowable limits. Some intrusion of debris and pollen was observed but this could be reduced to a minimum with simple maintenance and repairs.

RECOMMENDATIONS

Immediate Improvements

Structural Diaphragm Installation: A diaphragm of 23/32" wood panel sheathing should be installed over the entire roof surface to meet current seismic code requirements.

Structural Upkeep: Bolt tightening and replacement of non-conforming hardware will greatly contribute to extending the longevity of the reservoir system.

Structural connectors: It is recommended that the drag strut joists along every bent line be reattached with connectors as specified in the original construction drawings.

Venting and weather sealing: Re-screening the reservoir vents with a tighter mesh screen material may help alleviate some of these problems over time. Much of the existing weather seal also appeared dry and cracked allowing insect and foreign matter intrusion.

Long Term Recommendations

Roof insulation: It is possible to insulate the roof with a spray on polyurethane foam (SPF) to provide multiple benefits to the reservoir system. First, the spray foam will act as a monolithic barrier to water intrusion at all roof seams and penetrations. Second, the foam will insulate the structure lowering the internal temperature, thus lowering amount of internal condensation forming on wood and metal structures inside the reservoir and reduce overall evaporation. This option will cost between \$ 250,000 - \$ 500,000 for complete roof coverage.

Wind Screening: To prevent damaging wind forces from impacting the reservoir again, the implementation of wind barrier should be considered. 200 to 300 LF of the Northwest corner of the building will need to be covered with a wind boundary to prevent further damage from extreme wind events. Some of the following options are available for wind screening.

- **Deflection Walls:** A simple wall structure built outside the existing access road would deflect strong direct winds. A wall 6' in height would effectively negate all wind in the area behind the wall, but eddies and currents would continue to affect the structure behind the wall. Estimated Cost: \$ 75,000.
- **Chain Link Fencing:** Numerous ascetic and conceptual solutions are available for chain link wind screens. These vary from slat style fences to full screen fence liners. (Tennis Court Screens) Most options can be installed for minimal cost, but suffer from fading and damage under extended solar exposure. Estimated Cost: \$ 25,000 – \$ 50,000.

- Natural Wind Screen: Evergreen trees such as spruce can create a dense wind and privacy screens. This is a natural solution to the problem of wind but will require more care and maintenance than other solutions. Trimming water and general gardening services all add to the overall cost of this solution. Estimated cost \$ 50,000.
- Deflection Fencing: High durability galvanized steel fencing is available that provides wind deflection and privacy at airports and other secure installations. Suitable as both a security boundary and wind abatement the fencing is an engineered solution to multiple problems at the site. Estimated Cost: \$ 250,000.



December 6, 2012

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

Subject: Proposal for Recommended Engineering Improvements
For 6 MG Peters Canyon Reservoir

Dear Ms. Ohlund,

Thank you for inviting Richard Brady & Associates (BRADY) to submit this Proposal for Engineering Services for recommended improvements to the 6 MG Peters Canyon Reservoir. After our initial investigation and analysis, we had suggested various short-term and long-term improvements to prolong the life of the reservoir. It is understood that EOCWD would now like to move forward with exploring these potential options in extended detail, and begin to implement some of the more immediate fixes. Long term, we do not believe that the entire roof needs to be removed and replaced, as it has withstood the test of time of more than 50 years. However, by the 2010 CBC, the roof does not have a proper diaphragm. In the end, the EOCWD Board needs to make this final risk based decision. Assuming this will be the case, we suggest a strategy to mitigate destructive wind forces, as well as applying a Spray Polyurethane Foam (SPF). All things considered, the reservoir is in good shape, and its life can be prolonged through a series of improvements.

Our proposed scope of services, to be submitted in a letter report format, is as follows. In all cases, BRADY can self perform this work using our in-house construction resources and provide all project management, design, supervision, and inspection services. In order of priority:

1. Conduct a supplemental field survey at the Peters Canyon Reservoir site to include the area for a proposed water treatment plant and other adjacent areas (Optional).
2. Select the optimal wind deflection barrier option considering cost and effectiveness. Include cost estimate and schedule of implementation for the selected option. Prepare the civil site layout and design for the implementation of the recommended wind barrier.
3. Prepare a schedule and cost estimate for bolt tightening and replacement of non-conforming hardware.



4. Prepare a cost estimate for re-screening existing vents and application of new weather seal to prevent contamination from outside sources.
5. Prepare a schedule and cost estimate for replacing joist hangers and properly attaching drag strut joists with connectors per original construction drawings.
6. Prepare an inspection schedule to ensure structural integrity of internal members and connectors.
7. Select three (3) vendors for SPF roof application, along with a cost estimate and schedule of implementation for each. Recommend preferred vendor for SPF roof application.
8. Recommend course of action and prepare cost estimate to repair masonry wall spalling due to poor installation of venting screens by contractor.

Let us know if you think this schedule of priority is in line with your thinking and expectations. We can then prepare a line by line fee estimate for your consideration.

Thank you again for allowing BRADY to serve the EOCWD. Please call me if you have any questions or comments.

Sincerely,

Richard Brady, P.E., BCEE
President and CEO

6 MG Peters Reservoir

Tasks	6 MG Peters Reservoir	Rick Brady		Lee Biggers				Sean Sudol		Administrative Support				Subconsultant		Subtotal of Hours	SCC \$/HR	Total
		\$225		\$175				\$95		\$55								
		Hours	Fee	Hours	Fee	Hours	Fee	Hours	Fee	Hours	Fee	Hours	Fee		Fee			
	Task Description																	
	Recommended Engineering Improvements																	
1	Supplement Survey (Optional)							8	\$760						\$4,000	8	\$48	\$4,808
2	Wind Deflection Barrier Design	2	\$450	8	\$1,400			80	\$7,600							90	\$540	\$9,990
3	Schedule and Cost Estimate - Bolt Tightening	0.5	\$113	2	\$350			8	\$760							10.5	\$63	\$1,286
4	Cost Estimate for Vents, Weather Sealing	0.5	\$113	2	\$350			8	\$760							10.5	\$63	\$1,286
5	Schedule and Cost Estimate - Joist Hangers	0.5	\$113	2	\$350			8	\$760							10.5	\$63	\$1,286
6	Inspection Schedule	0.5	\$113					8	\$760							8.5	\$51	\$924
7	SPF Roof Improvements; Schedule, Cost	4	\$900					60	\$5,700	12						76	\$456	\$7,056
8	Masonry Wall Repair	0.5	\$113	4	\$700			8	\$760							12.5	\$75	\$1,648
9	Meetings and Presentations (As Required)	16	\$3,600					16	\$1,520							32	\$192	\$5,312
	Subtotal	25	\$5,513	18	\$3,150			204	\$19,380	12					\$4,000	258.5	\$1,551	\$33,594
	Grand Total	25	\$5,513	18	\$3,150			204	\$19,380	12					\$4,000	258.5	\$1,551	\$33,594



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: POSEIDON DESALINATION PLANT – RECOMMENDATION TO DISCONTINUE EOCWD PARTICIPATION IN WORKING GROUP
DATE: MARCH 17, 2013

Background

In 2008, ten (10) Orange County retail water agencies, Municipal Water District of Orange County (MWDOC) and Poseidon Resources entered into a Memorandum of Understanding (MOU) to ascertain interest in purchasing desalinated water from the Huntington Beach Desalination Project that Poseidon was proposing to build¹. Except for the obligation to negotiate in good faith and keep some proprietary information confidential, the MOU was non-binding and didn't create any rights on the part of either party. The group of agencies and MWDOC is generally referred to as the "Poseidon Working Group."

At the March 2012 Board Meeting, staff requested and received approval for EOCWD's participation in the working group (on behalf of both EOCWD and the City of Tustin) primarily because the underlying water supply reliability issues that caused a 10% cutback in water allocations and a 34% increase in the cost of MET water from 2009-2012 were unresolved; obtaining a seat at the table for this water reliability project was deemed an appropriate way to assess the potential interest we may have in this project. The cost for participation was relatively small, \$2,183 for FY 2012-13.

Over the past year the working group developed a term sheet which provides the parameters for negotiating a Water Purchase Agreement. Additionally, Poseidon recently released an "Estimated Capital Budget and Unit Cost" (see attached), that priced the water at between \$1,796-\$1,847/AF² depending upon a northern or southern delivery route.³ Unlike the San Diego County Water Authority's recent agreement with Poseidon, where the project is part of the overall water reliability plan for the county, MWDOC is not, at this time, intending to be the customer for the water, instead, Poseidon is proposing to negotiate individual contracts with interested parties, so the ultimate price to each customer could vary. It should be noted that MWDOC calculated that the cost to meld the Poseidon water into the base-load for MWDOC water would add \$194/AF to the cost of water (see attached table).

¹ If built, the plant would supply a maximum of 56,000 acre-feet per year (AFY) of desalinated ocean water or 8% of Orange County's water supply.

² Note that the \$/AF Unit Costs shown in the Estimated Capital Budget and Unit Costs sheet include the \$250/AF MET subsidy.

³ This price doesn't include transmission costs for the local system that the water may need to be wheeled through to get to its ultimate destination.

Poseidon desires to obtain non-binding Letters of Intent to participating in continuing negotiations with the intent of developing a binding Water Purchase Agreement. While participating doesn't obligate an agency to any future purchase related to the Project, Poseidon announced in January that they were discontinuing their practice of subsidizing the cost of the consulting assistance they had previously paid for. MWDOC is estimating that in excess of \$500,000 in consulting assistance will be required in the next year, and possibly up to several million before the Agreement is finally negotiated; it is assumed that agencies executing the Letters of Intent will be sharing these costs as a MWDOC Choice Program.

In examining this project, staff has several reservations: 1) it's difficult to assess the value presented by the price as few specifics are available for review without entering into a Letter of Intent and committing to spending a large amount of money vetting the proposal; 2) it's doubtful that "wet" water would be available to the District as delivery options are limited; 3) the current approach of individual agencies negotiating with Poseidon may not yield consistent terms or pricing, and may imperil the ability to finance the project and; 4) there may be other lower cost options that provide as much reliability, but are less costly (see attached table); specifically, conservation, whether through specific projects and/or rate increases that send pricing signals that cause reductions in usage, may yield more cost effective results. For these reasons, staff recommends terminating District participation in this project, and notification to Tustin of this decision and the reasons for it.

As a wholesale provider of supplemental water to several agencies, we have noted that three of our member agencies, Orange, IRWD and GSWC also participated in the working group; Tustin participated through the District's membership. It is staff's intent to continue to pursue supplemental water supply reliability through the update of our Master Plan; the scope of which staff has been working with the Engineering Committee to refine over the past several months.

Recommendation

The Board direct staff to discontinue participation in the Poseidon Desalination Working Group.

Huntington Beach Desalination Project, Poseidon Resources
Estimated Capital Budget and Unit Costs

Numbers below are January 2013 estimates based on information available at that time and assumptions, subject to inflation and change thereafter.
 Costs shared between Plant and Delivery System are allocated pro-rata based on relative EPC cost; thus Plant costs vary slightly depending on the delivery alternative.
 (Numbers shown in millions of dollars as of January 2013, unless otherwise noted)

	Capital Budget with Regional South Delivery Alternative			Capital Budget with Regional North Delivery Alternative		
	Project	Plant	Delivery System	Project	Plant	Delivery System
Construction Costs						
Engineering, Procurement, & Construction (EPC)	526	424	101	491	424	67
Substation EPC	13	10	3	13	11	2
Total Construction Costs	538	434	104	504	435	69
Other Costs	142	119	23	142	124	18
(Site Purchase, Development, Insurance, Construction Period Costs, Permit Compliance, Project Contingency)						
Interest During Const. (incl. contingency)	126	98	28	121	101	19
(Interest on debt for the construction period plus add'l six months of interest contingency)						
Other Financing, Closing, & Reserve Costs	92	76	16	90	79	11
(Financing & Closing Costs for Legal, Underwriting, Equity, Rating Agencies, Etc. Includes the following Reserves: Debt Service, Working Capital, Fixed Cost, WRA Contract, & State Lands Commission Performance)						
Total Project Budget	899	728	171	857	740	117

	Unit Costs with Regional South Delivery Alternative			Unit Costs with Regional North Delivery Alternative		
	Project	Plant	Delivery System	Project	Plant	Delivery System
\$/AF Unit Costs (@ 56,000 AF/Yr)	1,597	1,424 ¹	173 ²	1,546	1,425 ³	121 ⁴

¹ Plant unit cost is net of \$250/AF MWD Subsidy (\$1,424 = \$1,674 - \$250)

² Delivery System unit cost includes \$138/AF for debt service plus \$35/AF for O&M (incl. electricity)

³ Plant unit cost is net of \$250/AF MWD Subsidy (\$1,433 = \$1,675 - \$250)

⁴ Delivery System unit cost includes \$94/AF for debt service plus \$27/AF for O&M (incl. electricity)

Average Cost Impact to Agencies for Ocean Desal Water Replacing Imported Water

DRAFT 2/11/13

SUPPLY COST/AF		
MET/MWDOC Import	\$ 920	1
OCWD GW	\$ 400	2
Desal	\$ 1,590	3

Water Supply cost	40%	4
as percentage of total costs		

OCWD Basin Agency			
Import	\$ 920	x 30% =	\$ 276
GW	\$ 400	x 70% =	\$ 280
Baseline Supply Cost/AF			\$ 556
Desal	\$ 1,590	x 15% =	\$ 239
Import	\$ 920	x 15% =	\$ 138
GW	\$ 400	x 70% =	\$ 280
Supply Cost w/Desal/AF			\$ 657
Increased supply cost/AF			\$ 101
Percentage increase			18%
Percentage increase to total costs			7%
Avg of Typical Monthly Bills	\$ 50		
Avg Increase per month on bills	\$ 4		

South County Agency			
Import	\$ 920	x 100% =	\$ 920
GW	\$ 400	x 0% =	\$ -
Baseline Supply Cost/AF			\$ 920
Desal	\$ 1,590	x 15% =	\$ 239
Import	\$ 920	x 85% =	\$ 782
GW	\$ 400	x 0% =	\$ -
Supply Cost w/Desal/AF			\$ 1,021
Increased supply cost/AF			\$ 101
Percentage increase			11%
Percentage increase to total costs			4%
Avg of Typical Monthly Bills	\$ 60		
Avg Increase per month on bills	\$ 3		

IMPORTED WATER COST IF DESAL MELDED INTO MWDOC'S COSTS (AF)			
56,000	29%	Desal AFY	Ocean Desal rate \$ 1,590 x 29% = \$ 461
137,000	71%	MWD AFY	MWDOC imported rate \$ 920 x 71% = \$ 653
193,000	100%	Total AFY	Calculated MWDOC Melded rate \$ 1,114
			Increase to rate w/Desal melded \$ 194
			Percentage increase 21%

NOTES:

1. MET/MWDOC Import water rate includes commodity, plus equivalent rates for RTS & Capacity Charge, but does not include MWDOC's Retail Meter charge, Increment or Choice programs.
2. Estimated groundwater pumping cost includes OCWD's RA, energy for pumping, and O&M.
3. Desal Cost includes estimated Plant and Regional South Delivery System costs plus O&M, minus the MWD \$250/AF incentive.
4. The percentage that water supply cost is of total costs varies significantly among agencies/cities.

Current Water Supply Options, Costs & Reliability

Reliability, for purposes of this analysis, is defined as including normal hydrologic variations combined with regulatory/environmental limitations as as they now exist since 2007. It does not include emergency reliability (earthquake/flood), local capital or operations & maintenance reliability

All Reliability %'s shown are best professional judgment estimates; Costs do not include incentives, grants, avoided costs

Options	Reliability	2013 Cost (AF)	Comment
Groundwater - BPP	75-99%	\$266.00	Price increases to ~\$277 as of 7/1/13; reliability is affected by drought and reduced annual base recharge rates
Tier 1 MET/MWDOC	75-99%	\$850.75	Price increases to \$893.75 on 1/1/14; reliability is affected by drought (CRA & SWP) and Delta environmental/regulatory issues
Conservation	90-95%	\$0-800	Could be structured as incentive for permanent reductions (i.e. constructing hardscape; title limitations) similar to Las Vegas. Reliability affected by permanence of conservation item; higher water rates increase incentive for conservation.
EOCWD Treatment Plant	75-90%	\$875.00	Current estimated cost; price could drop to the present cost equivalent of \$775.00/AF after capital costs paid off; reliability affected by same MET Tier 1 issues, however loss of Diemer plant wouldn't affect reliability of raw water supply.
Tier 2 MET/MWDOC	50-60%	\$1,000.75	Price increases to \$1032 by 1/1/14; reliability is affected by drought (CRA & SWP) and Delta environmental/regulatory issues
Poor quality groundwater	95-99%	\$1200-\$1300	Not currently available to EOCWD
Transfer from Agriculture (Central Valley)	85-95%	\$1233 - ?	MET Tier 2 cost + System Access Rate +?; supply/demand forces could potentially increase cost
Recycled Water/Direct Recharge	95-98%	\$1300-\$1500	Not currently available to EOCWD or not allowed under current regulations
Desalination	85-99%	\$1,796-\$1,847 + transmission costs	Unknown cost to deliver to EOCWD system; reliability could be affected by backup power and electrical grid reliability; price could be affected by unknown regulatory requirements



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – FEBRUARY, 2013
DATE: MARCH 14, 2012

Wholesale Zone Water Demands

Attached is a graphical representation of the Wholesale Zone water demand through February 28, 2013. Total water sales for the month of February totaled 271.90 AF; total year-to-date sales are 3,521.09 AF. This is a 199.35 AF or 136% increase in demand over February, 2012.

Retail Zone Water Demands

Also attached are graphs depicting the Retail Zone's water demand. As shown in Figure 1, total demand for the month of December was 62 AF; this is 13 AF or 26% above our average demand for the last 4 years. Figure 2 shows that after a decrease in demand in December/January, demand is now tracking slightly higher than FY 10-11 demand, but still quite a bit lower than the highest demand in our recent history: 2008/2009.

Wholesale Zone Water Demand

Total Monthly Sales for February 2013 = 271.90 AF
 Total YTD Sales for July - February 2013= 3,521.09(AF)

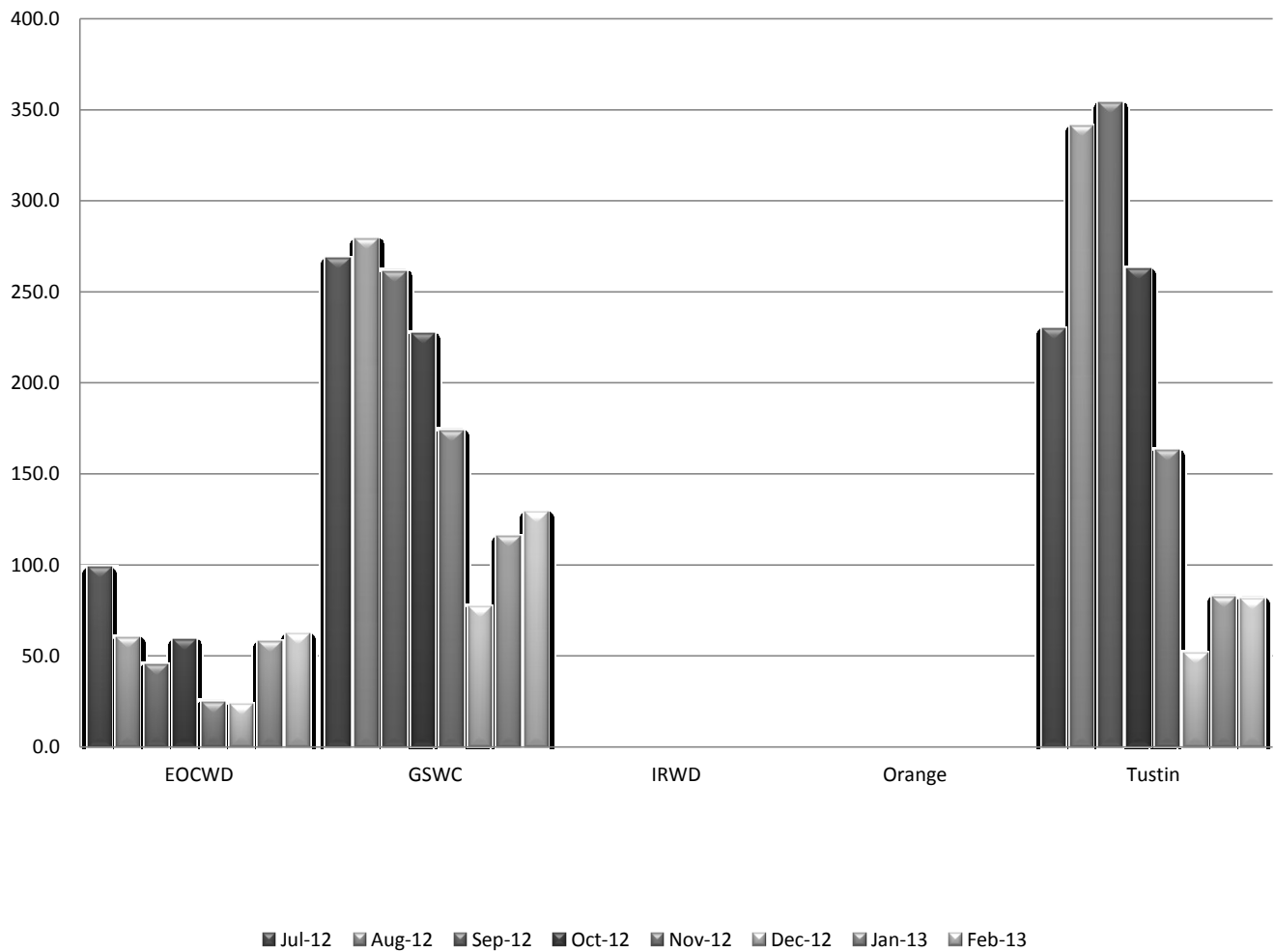


Fig. 1

Monthly Retail Water Usage: FY 12-13 "Retail" Water [1] versus Average

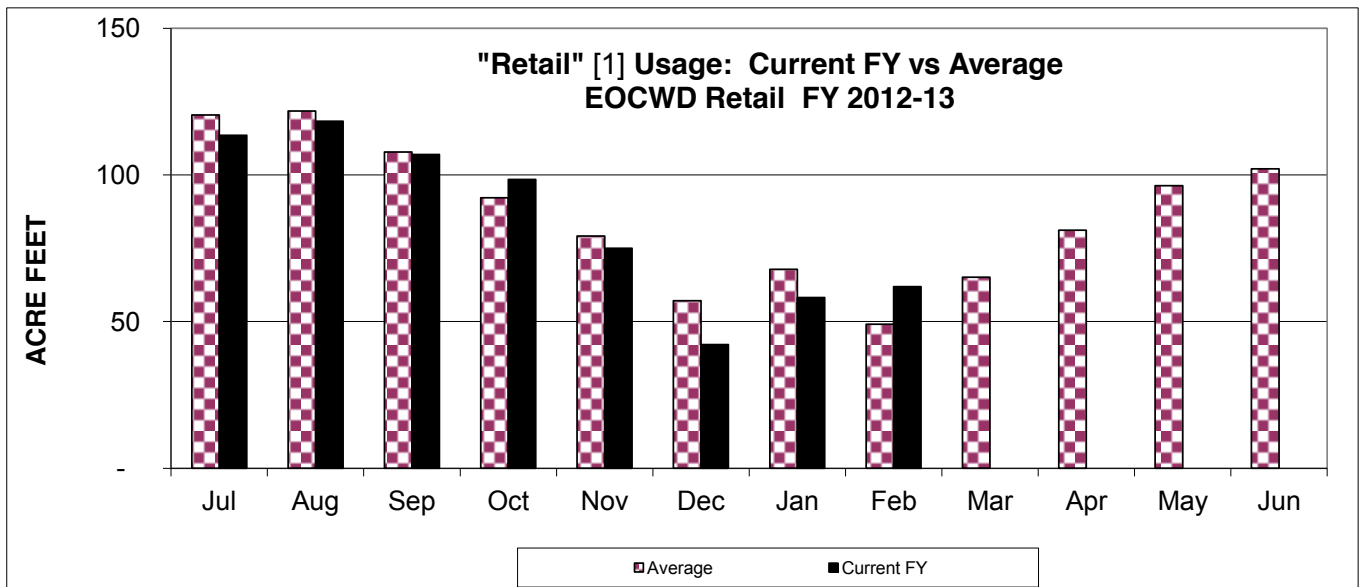
Retail Agency: **EOCWD Retail Zone**

*Preliminary
numbers subject to change*

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
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
Average Usage	120	122	108	92	79	57	68	49	65	81	96	102	1,040

Current Year "Retail" [1] Usage, by Source

MET water purch.													-
plus CUP-IN	-	-	-	-	-	-	-	-	-	-	-	-	-
MET purch. via EO Whole:	98.1	60.0	45.0	58.5	24.4	23.3	57.7	61.9	-	-	-	-	428.9
subtract In-Lieu	-	-	-	-	-	-	-	-	-	-	-	-	-
MET sold to													-
MET Total	98	60	45	59	24	23	58	62	-	-	-	-	429
OCWD Pumped GW	15.4	58.3	62.0	40.0	50.6	18.9	0.5	-					245.7
OCWD In-Lieu	-	-	-	-	-	-	-	-					-
other:													-
other:													-
other:													-
Local Total	15	58	62	40	51	19	1	-	-	-	-	-	246
"Retail" [1] Usage 12-13	114	118	107	99	75	42	58	62	-	-	-	-	675
Current FY vs Average	-6%	-3%	-1%	+7%	-5%	-26%	-14%	+26%					



[1] "Retail" usage includes MET water and Local water but **excludes recycled water**.

Preliminary

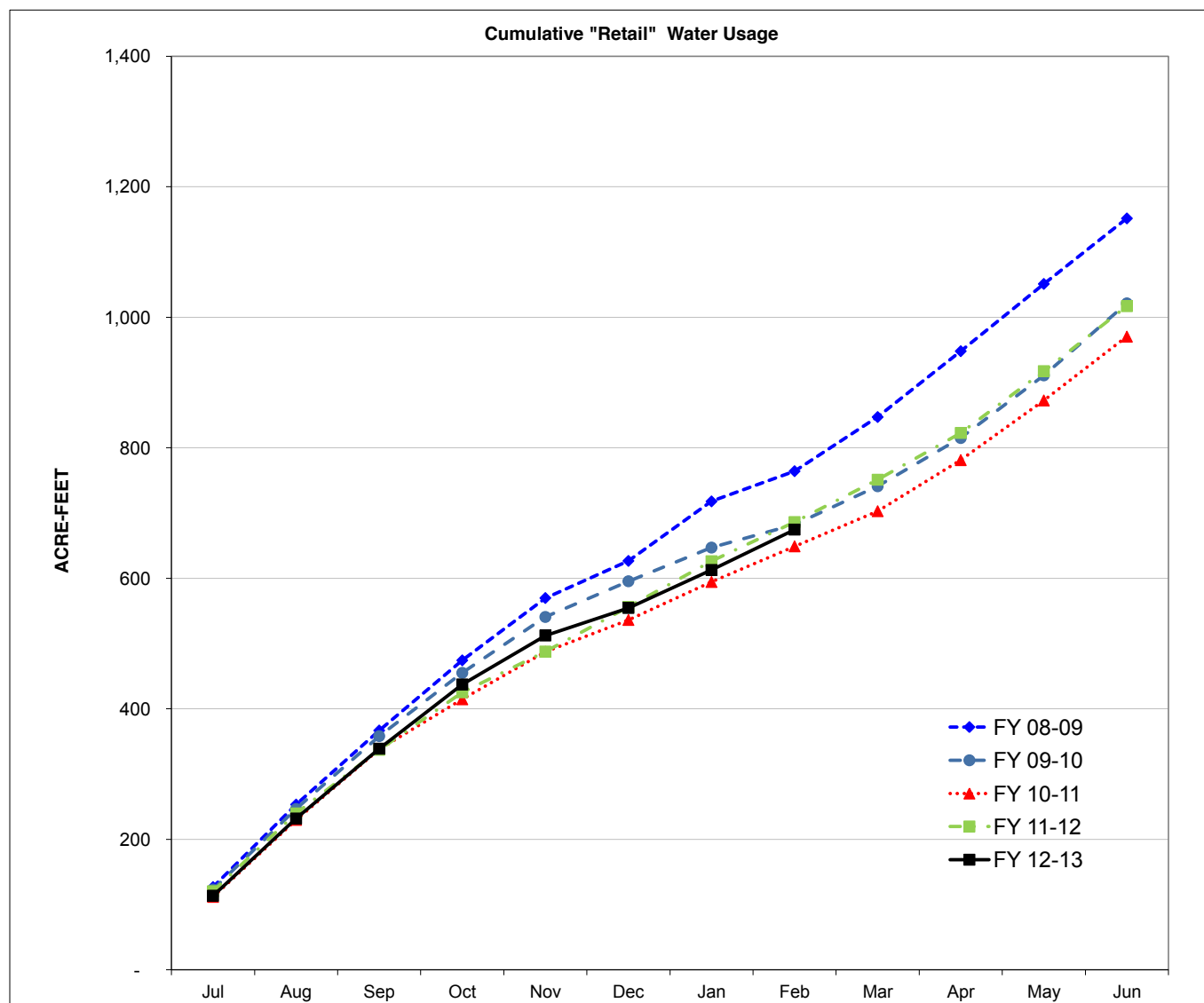
*Preliminary
numbers subject to change*

Fig. 2
Cumulative Monthly "Retail Water" [1] Demand In Current and Previous Fiscal Years

cumulative through the end of the last month shown

EOCWD Retail Zone

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 08-09	127	253	367	474	570	627	718	764	847	948	1,051	1,152
FY 09-10	123	246	358	455	541	595	647	682	741	815	911	1,021
FY 10-11	112	230	338	415	487	536	594	649	703	781	873	970
FY 11-12	120	240	337	425	488	556	626	686	751	823	917	1,017
FY 12-13	114	232	339	437	512	555	613	675				



[1] "Retail" usage includes MET water and Local water (excluding recycled water).

EAST ORANGE COUNTY WATER DISTRICT

DISBURSEMENT SUMMARY

MARCH 21, 2013

WHOLESALE AND RETAIL BILLS	\$414,953.86
CHAPMAN AVENUE ACCOUNT (ACCOUNT CLOSED)	\$0.00
DIRECTOR'S PAYROLL (02/19/2013 PAYROLL)	\$3,443.77
EMPLOYEE'S PAYROLL (02/06/2013 + 02/20/2013)	\$34,431.30
DISBURSEMENT TOTAL	<u>\$452,828.93</u>

TRANSFER SUMMARY

MARCH 21, 2013

TRANSFERS	\$ 99,000.00
TRANSFER TOTAL	<u>\$99,000.00</u>

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

Check History Report
Sorted By Check Number
Activity From: 2/20/2013 to 3/14/2013

EAST ORANGE COUNTY WATER DIST (EOC)

Bank Code: A CHECKING- CA BANK & TRUST

Check Number	Check Date	Vendor Number	Name	Check Amount	Check Type
008063	2/20/2013	A034150	ACWA-JPIA (EMP INSURANCE)	8,915.56	Auto
008064	2/20/2013	A724082	AT&T	492.46	Auto
008065	2/20/2013	C267854	CHAMPION PAVING INC.	8,501.00	Auto
008066	2/20/2013	C647974	CR&R INC.	49.12	Auto
008067	2/20/2013	H004494	HACH COMPANY	757.13	Auto
008068	2/20/2013	K026049	MAIN GRAPHICS	1,055.39	Auto
008069	2/20/2013	M028769	MATRIX COMPUTER SERVICE	53.99	Auto
008070	2/20/2013	M188342	MEYERS NAVE RIBACK SILVER	3,165.84	Auto
008071	2/20/2013	S178859	SERRANO WATER DISTRICT	3,038.40	Auto
008072	2/20/2013	S563332	SOUTHERN CALIFORNIA EDISON	2,440.11	Auto
008073	2/20/2013	T764656	TRUESDAIL LABORATORIES, INC	350.50	Auto
008074	2/20/2013	W325309	WINWATER	106.38	Auto
008075	3/5/2013	A034151	ACWA JPIA	3,572.00	Auto
008076	3/5/2013	A435319	ALLCOM	170.00	Auto
008077	3/5/2013	A647854	ARAMARK UNIFORM SERVICES	118.68	Auto
008078	3/5/2013	A724082	AT&T	297.99	Auto
008079	3/5/2013	A724083	AT&T	115.15	Auto
008080	3/5/2013	B565648	BOWIE ARNESON WILES & GIANNONE	4,530.27	Auto
008081	3/5/2013	C002110	CA BANK & TRUST	1,380.81	Auto
008082	3/5/2013	CUST RZ	BRANDON OGDEN	11.15	Auto
008083	3/5/2013	G647638	GRAINGER	615.87	Auto
008084	3/5/2013	I678193	IRVINE PIPE SUPPLY	1,229.65	Auto
008085	3/5/2013	K026049	MAIN GRAPHICS	1,542.76	Auto
008086	3/5/2013	M029877	MATT-CHLOR, INC	3,450.00	Auto
008087	3/5/2013	M842327	MWDOC	172,321.68	Auto
008088	3/5/2013	O649654	ORANGE COUNTY TREASURER	29,389.14	Auto
008089	3/5/2013	P025940	PARADISE DRINKING WATERS	18.35	Auto
008090	3/5/2013	P706224	PSOMAS	12,359.70	Auto
008091	3/5/2013	S077326	SC FUELS	808.35	Auto
008092	3/5/2013	S563332	SOUTHERN CALIFORNIA EDISON	334.13	Auto
008093	3/5/2013	T002605	TAB ANSWER NETWORK	31.25	Auto
008094	3/5/2013	T658954	TRI COUNTY PUMP COMPANY	70,166.00	Auto
008095	3/5/2013	T764656	TRUESDAIL LABORATORIES, INC	420.00	Auto
008096	3/5/2013	U499787	UNDERGROUND SERVICE ALERT	67.50	Auto
008097	3/5/2013	W032432	C WELLS PIPELINE MATERIALS INC	20,346.70	Auto
008098	3/5/2013	Y533326	YO FIRE	3,227.74	Auto
008099	3/5/2013	X178697	XEROX CORPORATION	35.97	Auto
008100	3/14/2013	A034150	ACWA-JPIA (EMP INSURANCE)	8,915.56	Auto
008101	3/14/2013	A156872	AECOM	448.00	Auto
008102	3/14/2013	A724082	AT&T	29.42	Auto
008103	3/14/2013	C647974	CR&R INC.	49.12	Auto
008104	3/14/2013	E028422	EAST ORANGE COUNTY WATER DIST.	44,403.02	Auto
008105	3/14/2013	H004494	HACH COMPANY	247.57	Auto
008106	3/14/2013	H550882	HOME DEPOT CREDIT SERVICES	49.52	Auto
008107	3/14/2013	M842327	MWDOC	75.00	Auto
008108	3/14/2013	N558967	NORTHROP GRUMMAN SYSTEMS CORP	500.00	Auto
008109	3/14/2013	S178859	SERRANO WATER DISTRICT	2,734.56	Auto
008110	3/14/2013	S563332	SOUTHERN CALIFORNIA EDISON	1,175.90	Auto
008111	3/14/2013	T764656	TRUESDAIL LABORATORIES, INC	186.50	Auto
008112	3/14/2013	V178373	VERIZON WIRELESS	197.21	Auto
008113	3/14/2013	W325309	WINWATER	455.76	Auto

Bank A Total: 414,953.86

Report Total: 414,953.86

EAST ORANGE COUNTY WATER DISTRICT
CALIFORNIA BANK & TRUST
Prior Month's Checks To Ratify
DIRECTORS' PAYROLL*
MARCH 21, 2013

**PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF
JANUARY 2013**

COMPLETED- 03/13/2013

DATE	CHECK NO	AMOUNT	PAYABLE TO
02/19/13	579	\$319.73	RICHARD BARRETT
02/19/13	580	\$388.24	RICHARD BELL
02/19/13	581	\$776.48	JOHN DULEBOHN
02/19/13	582	\$1,159.00	WILLIAM VANDER WERFF
		<u>\$2,643.45</u>	TOTAL PAYROLL CHECKS

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

2/19/2013	\$535.77	ADP TAXES
2/19/2013	\$86.40	ADP CHARGE
2/19/2013	\$178.15	PERS ELECTRONIC FUNDS TRANSFER
	<u>\$800.32</u>	TOTAL CHARGES & TRANSFER
	<u>\$3,443.77</u>	GRAND TOTAL PAYROLL

*** NOTE; DOUG DAVERT DECLINED 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*
MARCH 21, 2013

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	2/6/2013	\$ 1,579.12	DENISE DOBSON
AUTO DEPOSIT	2/6/2013	\$ 400.00	DENISE DOBSON- SAVINGS
AUTO DEPOSIT	2/6/2013	\$ 1,823.89	RANDY DUNN
AUTO DEPOSIT	2/6/2013	\$ 1,922.63	JERRY MENDZER
AUTO DEPOSIT	2/6/2013	\$ 1,328.03	LISA OHLUND
AUTO DEPOSIT	2/6/2013	\$ 1,475.86	MATTHEW PLUMMER
AUTO DEPOSIT	2/6/2013	\$ 409.46	NICOLE HOPP
AUTO DEPOSIT	2/20/2013	\$ 1,579.12	DENISE DOBSON
AUTO DEPOSIT	2/20/2013	\$ 400.00	DENISE DOBSON- SAVINGS
AUTO DEPOSIT	2/20/2013	\$ 2,140.16	RANDY DUNN
AUTO DEPOSIT	2/20/2013	\$ 1,820.32	JERRY MENDZER
AUTO DEPOSIT	2/20/2013	\$ 1,328.74	LISA OHLUND
AUTO DEPOSIT	2/20/2013	\$ 1,232.11	MATTHEW PLUMMER
AUTO DEPOSIT	2/20/2013	\$ 445.84	NICOLE HOPP - TEMP
<u>\$ 17,885.28</u>			TOTAL PAYROLL CHECKS

PAYROLL TAXES, ADP CHARGES, AND PERS EFT

2/6/2013	\$4,979.54	ADP TAXES
2/6/2013	\$2,027.34	PERS ELECTRONIC FUNDS TRANSFER
2/6/2013	\$1,250.00	CAL PERS 457 - ING BANK
2/6/2013	\$86.72	ADP CHARGE
2/20/2013	\$4,803.77	ADP TAXES
2/20/2013	\$2,061.93	PERS ELECTRONIC FUNDS TRANSFER
2/20/2013	\$1,250.00	CAL PERS 457 - ING BANK
2/20/2013	\$86.72	ADP CHARGE & ADJUSTMENT

PAYROLL 2/6/2013	PAYROLL 2/20/2013
\$8,938.99	\$8,946.29
\$8,343.60	\$8,202.42
\$17,282.59	\$17,148.71

<u>\$16,546.02</u>	TOTAL TRANSFERS
<u>\$34,431.30</u>	GRAND TOTAL PAYROLL

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

FUNDS TRANSFERRED BETWEEN ACCOUNTS
MARCH 21, 2013

<u>DATE PAID</u>	<u>TRANSFER NO</u>	<u>AMOUNT</u>	<u>FROM</u>	<u>TO</u>	<u>REASON FOR FUND TRANSFER</u>
3/6/2013	T13	\$ 99,000.00	CB&T MONEY MARKET	CB&T CHECKING	REDUCED MONEY MARKET FUND
<u>\$ 99,000.00</u>					GRAND TOTAL



Treasurer's Report

March 18, 2013

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 February 2013, and Schedule 2, Investment Portfolio, as of February 28, 2013 (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
FEBRUARY 28, 2013**

	SECURITY TYPE	BOOK VALUE
BEGINNING BALANCES FEBURARY 1, 2013		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	4,415,117
MORGAN STANLEY SMITH BARNEY-MM	DEMAND MONEY MARKET	0
RAYMOND JAMES-CDs	DEMAND BROKERAGE	1,500,040
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
Total		5,915,157
ACTIVITY		
ADDITIONS		
DEPOSIT TO MORGAN STANLEY SMITH BARNEY	DEMAND MM	0
DEPOSIT TO LAIF-FROM CHECKING	DEMAND LAIF	0
DEPOSIT TO LAIF-INTEREST	DEMAND LAIF	0
DEPOSIT TO RAYMOND JAMES-FROM CHECKING	DEMAND BROKERAGE	0
DEPOSIT TO RAYMOND JAMES-INTEREST	DEMAND BROKERAGE	832
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	
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 FEBRUARY 28, 2013		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	4,415,117
MORGAN STANLEY SMITH BARNEY-MM	DEMAND MONEY MARKET	0
RAYMOND JAMES-CDs and CASH	CERTIFICATES OF DEPOSIT	1,500,872
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
TOTAL		5,915,989

**EAST ORANGE COUNTY WATER DISTRICT
SCHEDULE 2 - INVESTMENT PORTFOLIO
FEBRUARY 28, 2013**

NAME	SECURITY TYPE AND NUMBER	PURCHASE DATE	MATURITY DATE	INTERI		MARKET VALUE	PURCHASE PRICE	PREMIUM OR (DISCOUNT)	ACCRUED INTEREST	FACE VALUE	% TO PORTFOLIO
				STATED	YIELD						
LAIF	DEMAND	N/A	N/A	0.286%	0.286%	4,415,117	4,415,117	0	0	4,415,117	74.69%
MS SB	MONEY MARKET	N/A	N/A	0.000%	0.000%	0	0	0	0	0	0.00%
RJ-CD	ALLY BANK	12/05/12	12/05/14	0.750%	0.750%	200,546	200,000	0	0	200,000	3.38%
RJ-CD	AMERICAN EXPRESS	10/25/12	01/26/15	0.850%	0.850%	100,204	100,000	0	0	100,000	1.69%
RJ-CD	AMERICAN EXPRESS	10/25/12	07/27/15	1.000%	1.000%	100,279	100,000	0	0	100,000	1.69%
RJ-CD	BMW BANK OF N AMERICA	11/19/12	11/12/15	2.000%	2.000%	103,208	102,937	2,898	38	100,000	1.69%
RJ-CD	DISCOVER BANK	10/17/12	10/17/16	1.200%	1.200%	100,555	100,000	0	0	100,000	1.69%
RJ-CD	DISCOVER BANK	02/20/13	02/20/18	1.100%	1.100%	148,953	150,000	0	0	150,000	2.54%
RJ-CD	GE MONEY BANK	10/25/12	08/31/17	1.650%	1.650%	100,646	100,998	754	244	100,000	1.69%
RJ-CD	GE CAPITAL RETAIL BANK	11/19/12	11/09/16	1.350%	1.350%	100,256	100,536	499	37	100,000	1.69%
RJ-CD	GE CAPITAL RETAIL BANK	02/22/13	02/22/18	1.100%	1.100%	148,944	150,000	0	0	150,000	2.54%
RJ-CD	GOLDMAN SACHS BANK	02/13/13	02/13/18	1.200%	1.200%	148,988	150,000	0	0	150,000	2.54%
RJ-CD	GOLDMAN SACHS BANK	10/11/12	10/03/17	1.550%	1.550%	101,024	99,977	-11	34	100,000	1.69%
RJ	CASH	N/A	N/A	0.000%	0.000%	146,423	146,423			146,423	2.48%
						\$5,915,143	\$5,915,989	\$4,142	\$354	\$5,911,541	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
MS SB=MORGAN STANLEY SMITH BARNEY
RJ=RAYMOND JAMES

CERTIFICAT

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

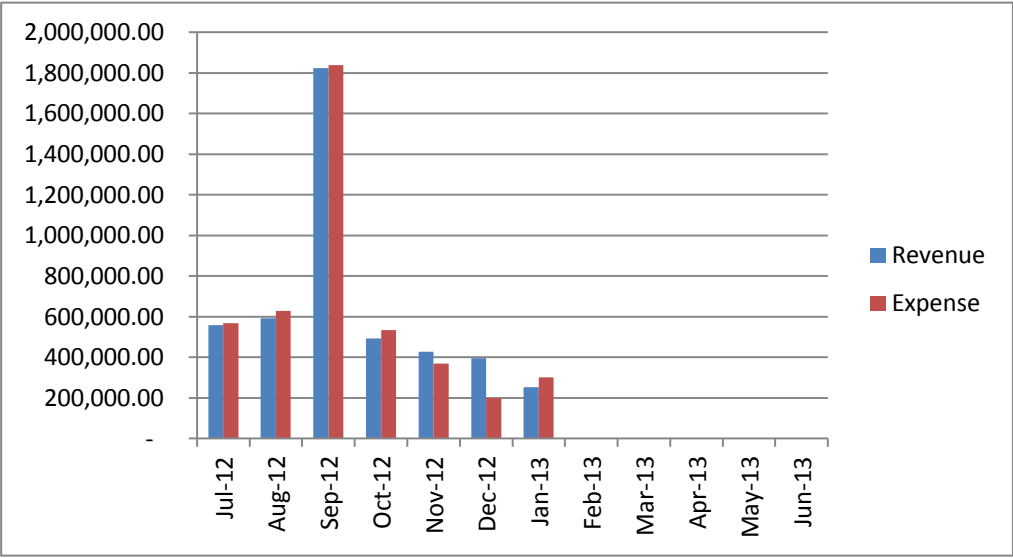
Wholesale Zone Financial Summary

For Period Ending January 31, 2013

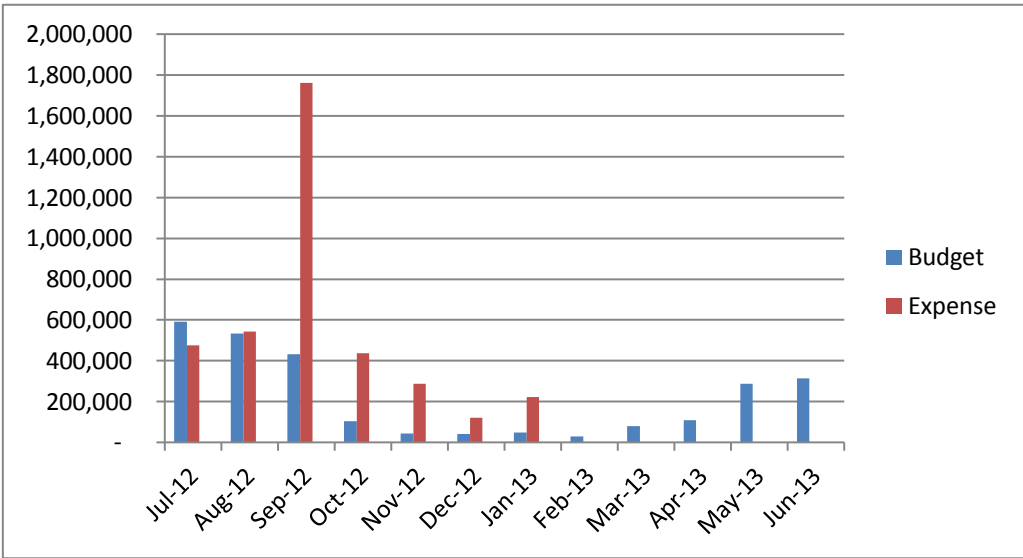
YTD Operating Income \$ 4,539,653

YTD Operating Expense \$ 4,437,207

Revenue vs. Expenses

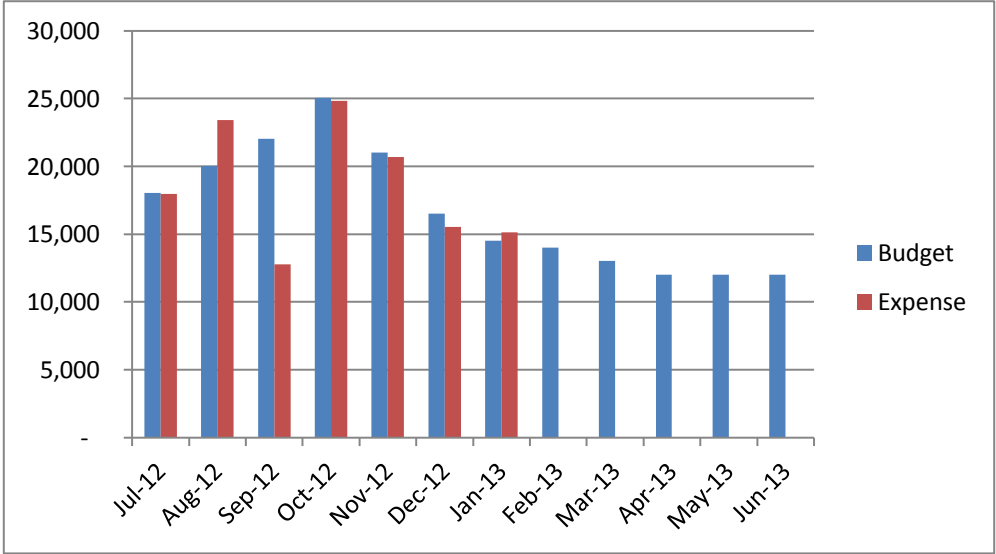


Water Purchased Budget vs. Actual

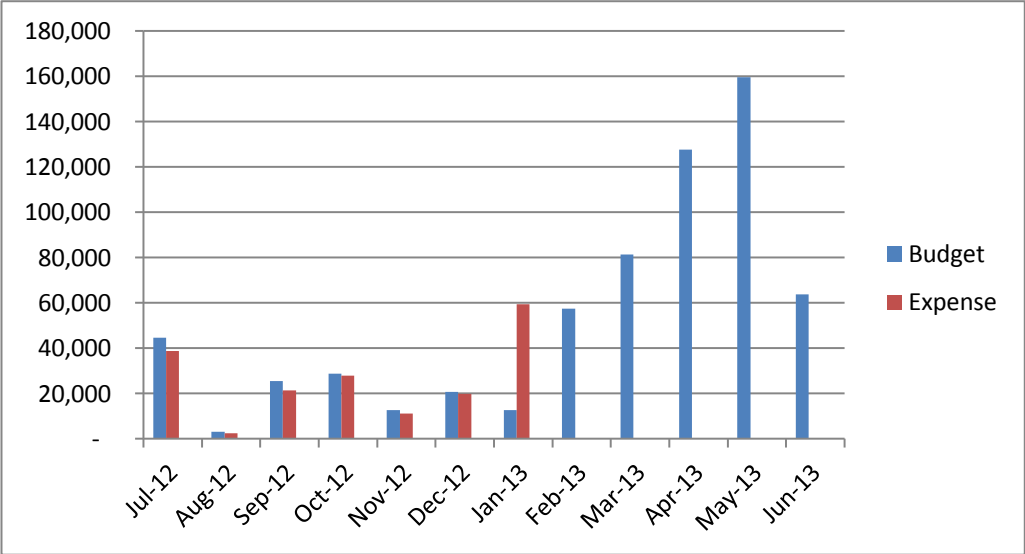


¹ September Water Purchased included Tustin's Correction of In-Lieu Water Purchased in

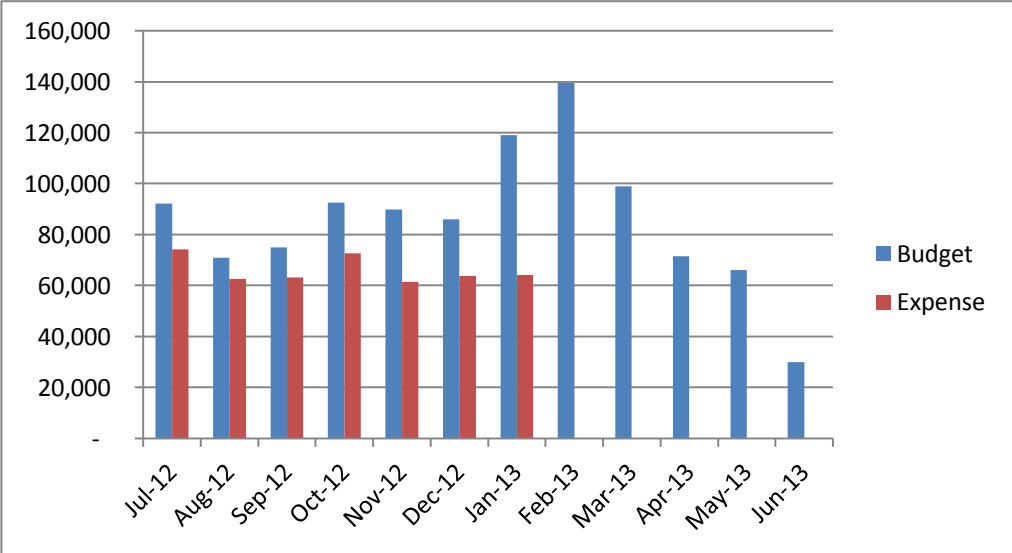
Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



O&M Budget vs. Actual

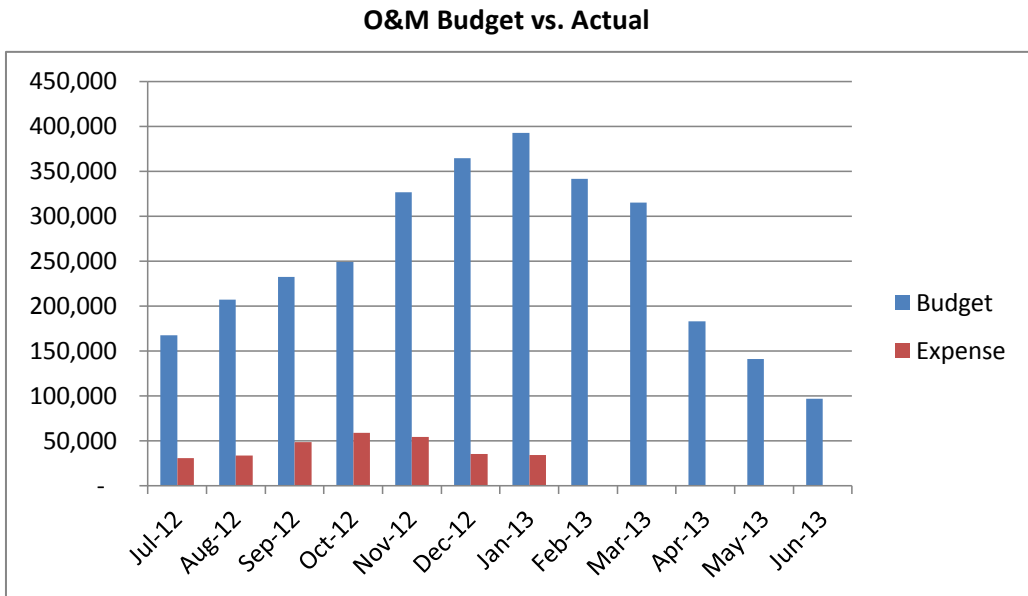
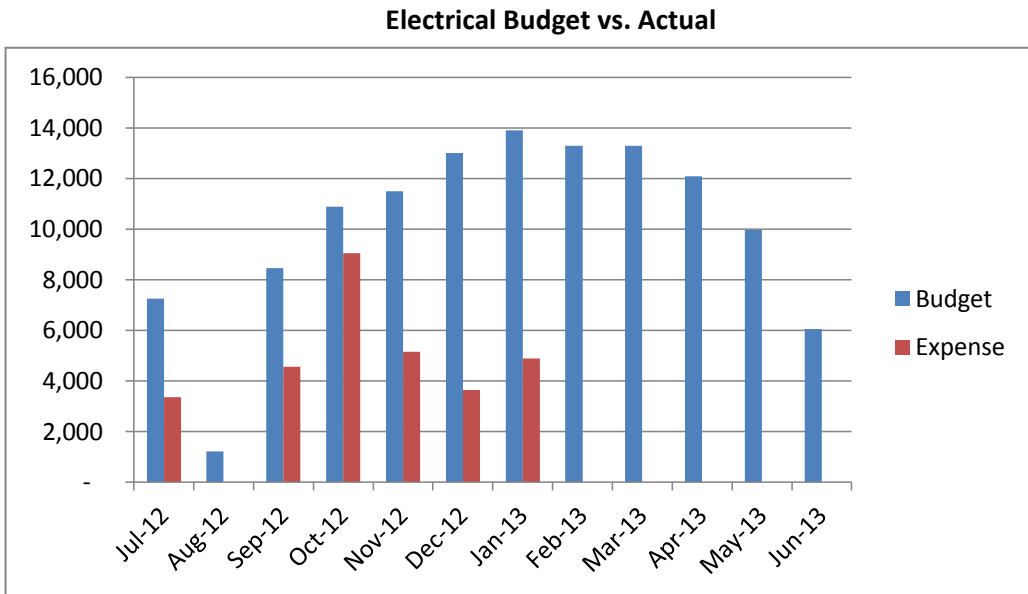
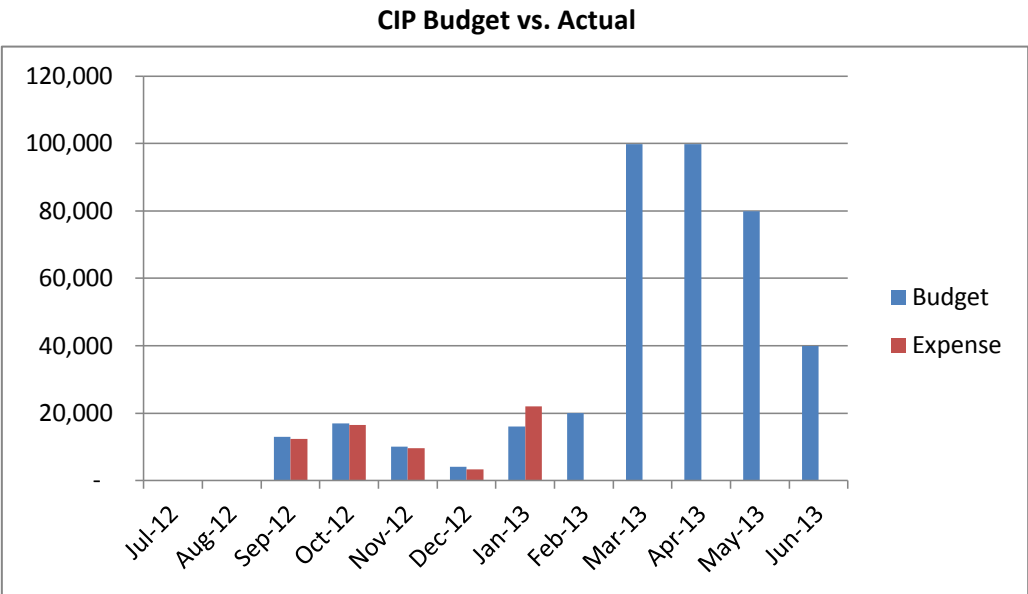
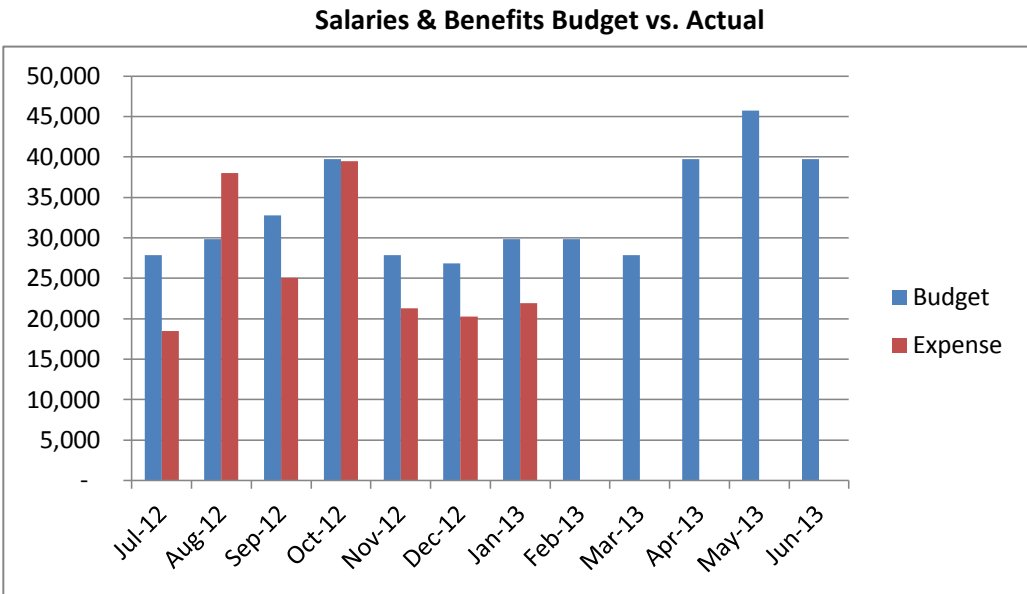
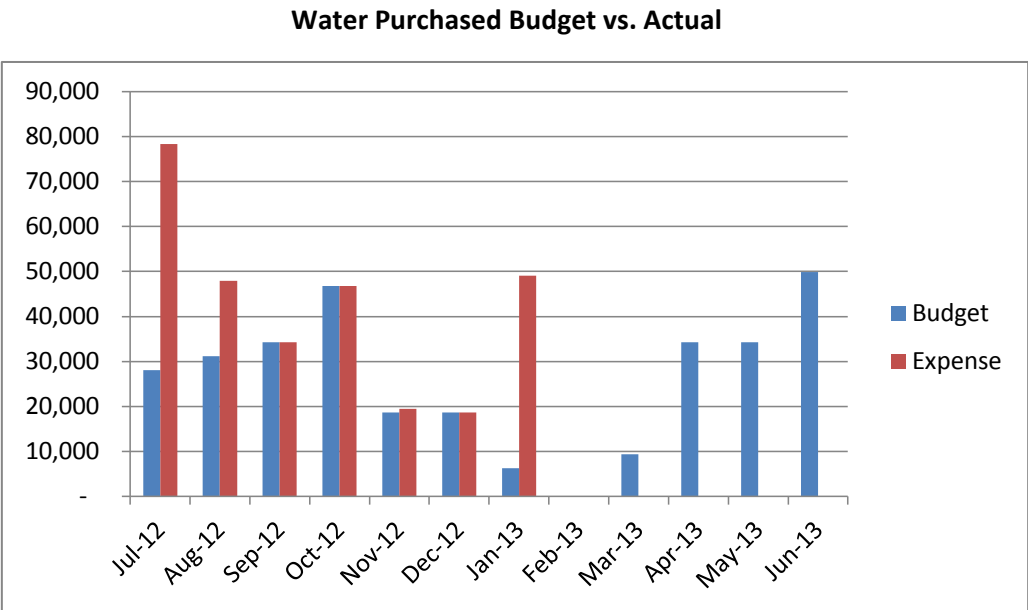
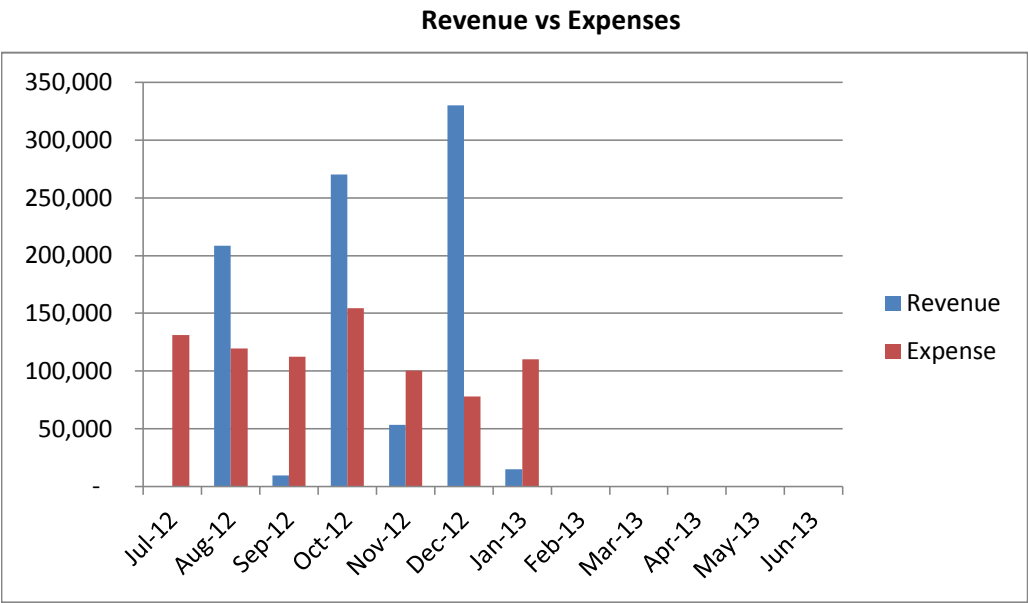


Retail Zone Financial Summary

For Period Ending January 31, 2013

YTD Operating Income \$ 886,994

YTD Operating Expense \$ 805,858



WHOLESALE ZONE

EAST ORANGE COUNTY WATER DISTRICT
2012-2013 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: JANUARY 2013

REVENUE	MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION	ACTUAL	ACTUAL	2012-13	OVER	OF
	REVENUE	REVENUE	BUDGET	(UNDER)	BUDGET
OPERATING REVENUE:					
WATER SALES	149,296.52	3,773,110.35	2,616,994.00	1,156,116.35	144.18%
MWDOC CONNECTION FEES	35,618.14	267,593.69	466,600.00	(199,006.31)	57.35%
REIMBURSED EXP-IRWD	4,083.06	16,052.16	19,040.00	(2,987.84)	84.31%
OTHER CHARGES	279.75	1,668.25	280.00	1,388.25	595.80%
TOTAL OPERATING REVENUE:	189,277.47	4,058,424.45	3,102,914.00	955,510.45	
NON-OPERATING REVENUES (EXPENSES):					
PROPERTY TAXES	45,717.93	379,929.72	609,500.00	(229,570.28)	62.33%
RENTAL INCOME - CELLULAR ANTENNAS	12,443.00	60,107.98	94,000.00	(33,892.02)	63.94%
INTEREST & INVESTMENT EARNINGS	107.55	203.67	1,900.00	(1,696.33)	10.72%
NOTE RECEIVABLE - AMP	5,037.21	40,635.21	40,500.00	135.21	100.33%
MISCELLANEOUS INCOME	50.00	352.19	500.00	(147.81)	70.44%
MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
TOTAL NON-OPERATING REVENUES, NET	63,355.69	481,228.77	746,400.00	(265,171.23)	
NET OPERATING INCOME	252,633.16	4,539,653.22	3,849,314.00	690,339.22	

EXPENSES	MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION	ACTUAL	ACTUAL	2012-13	OVER	OF
	EXPENSES	EXPENSES	BUDGET	(UNDER)	BUDGET
OPERATING EXPENSE:					
SOURCE OF SUPPLY	221,535.31	3,845,571.66	2,616,994.00	(1,228,577.66)	146.95%
PIPELINE CAPACITY LEASE	36,785.20	272,895.96	479,600.00	206,704.04	56.90%
ENERGY	165.92	1,176.90	2,500.00	1,323.10	47.08%
OPERATIONS & MAINTENANCE	22,618.03	172,574.07	378,060.00	205,485.93	45.65%
GENERAL & ADMINISTRATIVE	8,551.93	66,192.18	236,660.00	170,467.82	27.97%
TRANSFER TO CAPITAL PROJECTS EXPENSE	11,250.00	78,750.00	135,000.00	56,250.00	58.33%
DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
TOTAL OPERATING EXPENSE	300,906.39	4,437,160.77	3,848,814.00	(588,346.77)	
NET INCOME FROM OPERATIONS	(48,273.23)	102,492.45	500.00	101,992.45	
PRIOR YEARS EXPENSES	(72,318.00)	(109,774.94)	500.00	110,274.94	
NET INCOME (LOSS)	24,044.77	212,267.39	-	212,267.39	

2/26/2013

Wholesale Zone

January 2013 Variance Report - 58% of Budget Year Expended

Account Number	Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
<u>January 2013</u>					
<u>New</u>					
5327-0001-1	PROF SERV WATER QUAL CONTROL	E	17,224.41	66.25%	Department of Health Fee was \$3,150 higher than budgeted expense
5610-0009-1	MCPHERSON FAX	E	129.40	64.70%	Utility Rate Increase, Researching other options.
5610-0010-1	MCPHERSON INTERNET	E	301.78	63.53%	Utility Rate Increase, Researching other options.
<u>Ongoing</u>					
4110-0001-1	WATER SALES	I	3,773,110.35	144.18%	City of Tustin over-estimated In-Lieu taken.
5130-0043-1	EOCF #2 NONINTERR OC 43	E	600,313.07	76.46%	City of Tustin over-estimated In-Lieu taken; revenue balances expense
5130-0048-1	EOCF #2 NONINTERR OC 48	E	1,023,700.31	195.59%	City of Tustin over-estimated In-Lieu taken; revenue balances expense
5130-0070-1	WATER PURCHASED AMP	E	2,220,930.28	169.73%	City of Tustin over-estimated In-Lieu taken; revenue balances expense
5149-0001-1	AMP_FAP LEASE EXPENSE	E	8,166.65	62.82%	Budget error; Should have been budgeted at \$14,000.
5467-0001-1	WAGES	E	98,127.24	78.63%	Budgeted Split 33/67. YTD Split 54/46.
5607-0001-1	DISTRICT WEBSITE	E	642.86	85.71%	Prepaid Expense
5610-0015-1	MCPHERSON OFFICE PHONES	E	854.10	68.33%	Utility Rate Increase, Researching other options.
5610-0017-1	PHONE CIRCUITS TO CTRL EQUIP	E	2,509.59	61.21%	Utility Rate Increase.
5618-0031-1	DUES & MEMBERSHIPS- AWWA	E	243.67	97.47%	Prepaid Expense

Wholesale Zone

January 2013 Variance Report - 58% of Budget Year Expended

Account Number	Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
5620-0022-1	DIRECTOR-W. VANDERWERFF	E	2,400.00	60.00%	Unbudgeted Committee & Outside Agency Meetings
5639-0001-1	OUTSIDE SERVICES	E	2,278.41	99.06%	Includes reclassified Office Drinking Water as Outside Services (instead of Utilities-Office-Elect & Wtr.); also includes unbudgeted new employee physical and return to work physical.
5640-0001-1	AUDITING	E	6,661.04	78.37%	Prepaid Expense
5650-0052-1	INSURANCE-EMP FIDELITY BOND	E	132.72	66.36%	Rate Increase

Capital Projects

January 2013

New

7913-103-1	6 MG SLOPE REPAIRS/ASPHALT/CURB	E	52,168.50	85.52%	Project was 100% complete as of 1/31/13.
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Ongoing

7912-105-1	SECURITY SYSTEM AT PETERS CANYON RESERVOIR	E	60,709.77	289.09%	Account under examination; labor and materials cost for security system exceed estimates
7912-109-1	METERING IMPROVEMENT FOR WZ BILLING	E	38,717.57	120.99%	Purchase of one additional non-budgeted meter caused budget exceedence

REVENUE

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
4110-0001-1	WATER SALES	149,296.52	3,773,110.35	2,616,994.00	1,156,116.35	144.18%
4111-0001-1	METER CHARGE-WS	219.75	1,563.25	250.00	1,313.25	625.30%
4112-0001-1	LATE CHARGE	60.00	105.00	30.00	75.00	350.00%
4130-0001-1	RETAIL SERVICE CONNECTIONS	12,540.09	87,780.63	157,100.00	(69,319.37)	55.88%
4131-0001-1	READINESS TO SERVE	15,154.05	110,749.84	193,500.00	(82,750.16)	57.24%
4133-0001-1	MET-MWDOC CAPACITY CHARGE	7,924.00	69,063.22	116,000.00	(46,936.78)	59.54%
4160-0060-1	REIMBURSED EXP- IRWD	4,083.06	16,052.16	19,040.00	(2,987.84)	84.31%
4160-0065-1	REFUNDS	-	-	-	-	0.00%
Total OPERATING REVENUE:		189,277.47	4,058,424.45	3,102,914.00	955,510.45	

NON OPERATING INCOME

4914-0001-1	INTEREST INCOME-RAYMOND JAMES	15.30	40.24	-	40.24	0.00%
4915-0001-1	INTEREST INCOME-WS	-	5.09	-	5.09	0.00%
4916-0001-1	INTEREST-MORGAN STANLEY-OP	-	8.90	100.00	(91.10)	8.90%
4916-0957-1	INTEREST-MORGAN STANLEY- CONT	-	0.10	50.00	(49.90)	0.20%
4917-0001-1	INTEREST- LAIF- OP	-	11.71	100.00	(88.29)	11.71%
4917-0957-1	INTEREST-LAIF-CONT.	44.19	89.57	-	89.57	0.00%
4918-0001-1	INTEREST-US TREASURY BOND	-	-	200.00	(200.00)	0.00%
4918-0957-1	INTEREST US TREASURY BOND	-	-	-	-	0.00%
4922-0001-1	INTEREST INCOME-CTY OF ORANGE	48.06	48.06	50.00	(1.94)	96.12%
4923-0001-1	INTEREST INCOME-ACWA	-	-	1,400.00	(1,400.00)	0.00%
4930-0030-1	TAXES SECURED	15,632.97	301,771.05	575,000.00	(273,228.95)	52.48%
4930-0031-1	TAXES UNSECURED	3,977.93	17,398.96	15,000.00	2,398.96	115.99%
4930-0032-1	TAXES SUPPLEMENTAL ROLL	-	4,861.92	5,000.00	(138.08)	97.24%
4930-0040-1	TAXES PRIOR YEARS	439.25	5,452.18	15,000.00	(9,547.82)	36.35%
4930-0052-1	TAXES HOMEOWNER'S SUBVENTION	1,640.18	2,343.10	4,000.00	(1,656.90)	58.58%
4930-0054-1	TAXES PUBLIC UTILITY	5,271.00	5,271.00	10,000.00	(4,729.00)	52.71%
4930-0055-1	TAXES TUSTIN RDA	-	24,074.91	-	24,074.91	0.00%
4930-0056-1	TAXES MISC	18,756.60	18,756.60	500.00	18,256.60	3751.32%
4930-0057-1	TAXES ACCRUED	-	-	(15,000.00)	15,000.00	0.00%
4930-0058-1	STATE TAXES CONFISCATED	-	-	-	-	0.00%
4930-0059-1	PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
4975-0001-1	RENT INCOME- AT&T	8,745.86	34,723.01	50,000.00	(15,276.99)	69.45%
4977-0001-1	RENT INCOME- CROWN CASTLE	3,697.14	25,384.97	44,000.00	(18,615.03)	57.69%
4980-0001-1	AMP SALE INSTALLMENTS	5,037.21	40,635.21	40,500.00	135.21	100.33%
4990-0001-1	MISCELLANEOUS INCOME	50.00	352.19	500.00	(147.81)	70.44%
Total NON OPERATING INCOME:		63,355.69	481,228.77	746,400.00	(265,171.23)	
Total OPERATING REVENUE		252,633.16	4,539,653.22	3,849,314.00	690,339.22	
NET OPERATING INCOME:		252,633.16	4,539,653.22	3,849,314.00	690,339.22	

EXPENSES

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
5130-0043-1	EOCF #2 NONINTERR OC 43	2,382.10	600,313.07	785,098.00	184,784.93	76.46%
5130-0048-1	EOCF #2 NONINTERR OC 48	10,294.08	1,023,700.31	523,399.00	(500,301.31)	195.59%
5130-0070-1	WATER PURCHASED AMP	208,859.13	2,220,930.28	1,308,497.00	(912,433.28)	169.73%
5138-0001-1	WATER PURCHASED	-	-	-	-	0.00%
5139-0001-1	WATER PURCHASED IN-LIEU	-	628.00	-	(628.00)	0.00%
5141-0001-1	WATER PURCHASED-IN LIEU CREDIT	-	-	-	-	0.00%
5149-0001-1	AMP_FAP LEASE EXPENSE	1,166.67	8,166.65	13,000.00	4,833.35	62.82%
5161-0001-1	MET-MWDOC READINESS TO SERVE	15,154.36	105,627.34	193,500.00	87,872.66	54.59%
5163-0001-1	MET-MWDOC CAPACITY FEES	7,924.09	69,063.37	116,000.00	46,936.63	59.54%

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE

MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
5164-0001-1	MWDOC RETAIL SERVICE CONNECT	12,540.08	90,038.60	157,100.00	67,061.40	57.31%
5219-0001-1	UTILITY- SCADA RTU	165.92	1,176.90	2,500.00	1,323.10	47.08%
5313-0001-1	SMALL TOOLS	11.84	1,292.75	2,400.00	1,107.25	53.86%
5320-0001-1	GASOLINE, OIL & DIES-WS	-	-	-	-	0.00%
5320-0022-1	GASOLINE, OIL & DIESEL FUEL	289.97	2,372.48	8,600.00	6,227.52	27.59%
5324-0001-1	REGULATORY PERMITS	-	896.28	5,000.00	4,103.72	17.93%
5326-0001-1	NPDS PERMIT	-	-	-	-	0.00%
5327-0001-1	PROF SERV WATER QUAL. CONTROL	7,120.92	17,224.41	26,000.00	8,775.59	66.25%
5338-0001-1	SCADA REPAIR/UPGRADE	-	152.58	12,000.00	11,847.42	1.27%
5339-0001-1	OPERATIONS REPORTING SOFTWARE	-	551.25	1,500.00	948.75	36.75%
5343-0001-1	METER PURCHASE/REPAIR	-	1,175.49	15,000.00	13,824.51	7.84%
5345-0001-1	PRESSURE REGULATORS R&M	-	-	3,000.00	3,000.00	0.00%
5350-0035-1	R/M- MAINS	220.34	556.53	10,000.00	9,443.47	5.57%
5350-0039-1	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
5350-0041-1	SERVICE CONNECTIONS R&M	-	-	1,000.00	1,000.00	0.00%
5350-0051-1	RESERVOIRS R&M	-	1,374.45	10,000.00	8,625.55	13.74%
5350-0052-1	R/M- VAULTS	-	-	10,000.00	10,000.00	0.00%
5350-0402-1	R/M- CATHODIC PROTECTION	157.16	822.46	15,000.00	14,177.54	5.48%
5357-0001-1	MAINTAIN & OPERATE EOC#2	(511.48)	13,465.01	45,000.00	31,534.99	29.92%
5358-0001-1	METER TESTING	-	-	3,000.00	3,000.00	0.00%
5359-0001-1	SAC LINE R&M	155.33	1,087.35	2,000.00	912.65	54.37%
5365-0001-1	EQUIPMENT RENTAL	-	-	200.00	200.00	0.00%
5370-0070-1	BACKHOE R&M	-	83.03	2,000.00	1,916.97	4.15%
5370-0071-1	VEHICLES R&M	22.53	932.56	2,500.00	1,544.31	37.30%
5370-0080-1	BUILDING/GROUNDS R&M	-	178.76	3,500.00	3,321.24	5.11%
5467-0001-1	WAGES	12,714.08	98,127.24	124,800.00	26,672.76	78.63%
5469-0069-1	PAYROLL TAXES- FICA & MEDICARE	494.85	5,160.39	11,960.00	6,799.61	43.15%
5469-0083-1	RETIREMENT- PERS	909.91	9,970.95	24,000.00	14,029.05	41.55%
5480-0070-1	PAYROLL TAXES- SUI & ETT	161.70	347.59	650.00	302.41	53.48%
5480-0072-1	HEALTH & ACCIDENT INSURANCE	1,274.58	13,619.22	28,000.00	14,380.78	48.64%
5480-0075-1	DENTAL INSURANCE	106.96	1,123.14	2,000.00	876.86	56.16%
5480-0076-1	VISION INSURANCE	18.93	208.78	550.00	341.22	37.96%
5480-0080-1	LIFE INSURANCE	18.44	175.15	400.00	224.85	43.79%
5480-0082-1	WORKER'S COMP INSURANCE	(613.94)	1,080.82	6,000.00	4,919.18	18.01%
5486-0001-1	UNIFORMS	65.91	595.40	2,000.00	1,404.60	29.77%
5607-0001-1	DISTRICT WEBSITE	-	642.86	750.00	107.14	85.71%
5610-0009-1	MCPHERSON FAX	37.28	129.40	200.00	70.60	64.70%
5610-0010-1	MCPHERSON INTERNET	87.75	301.78	475.00	173.22	63.53%
5610-0015-1	MCPHERSON OFFICE PHONES	197.05	854.10	1,250.00	395.90	68.33%
5610-0016-1	ANSWERING SERVICE	31.26	125.24	240.00	114.76	52.18%
5610-0017-1	PHONE CIRCUITS TO CTRL EQUIP	355.97	2,509.59	4,100.00	1,590.41	61.21%
5610-0019-1	CELLPHONES	222.02	663.24	1,600.00	936.76	41.45%
5610-0020-1	UNDERGROUND SERVICE ALERT	20.25	157.50	400.00	242.50	39.38%
5611-0001-1	TRAINING/SCHOOLS	-	200.60	1,000.00	799.40	20.06%
5613-0001-1	CONSERVATION EDUCATION	-	-	25,000.00	25,000.00	0.00%
5614-0001-1	TRAVEL- CONF/SEMINARS	49.95	1,615.49	3,000.00	1,384.51	53.85%
5616-0001-1	MILEAGE	(4.49)	91.88	200.00	108.12	45.94%
5618-0029-1	DUES & MEMBERSHIP- ACWA	-	1,265.78	2,750.00	1,484.22	46.03%
5618-0030-1	DUES & MEMBERSHIPS- OCWA	-	25.00	75.00	50.00	33.33%
5618-0031-1	DUES & MEMBERSHIPS- AWWA	-	243.67	250.00	6.33	97.47%
5618-0032-1	DUES & MEMBERSHIP- FCA	-	-	20.00	20.00	0.00%
5618-0033-1	DUES & MEMBERSHIP- CSDA	-	1,286.00	-	(1,286.00)	0.00%
5618-0037-1	DUES- ISDOC/URBAN WTR	100.00	367.00	900.00	533.00	40.78%
5619-0001-1	MISCELLANEOUS EXP	-	-	500.00	500.00	0.00%
5620-0021-1	DIRECTOR- R. BARRETT	87.50	650.00	2,500.00	1,850.00	26.00%
5620-0022-1	DIRECTOR- W. VANDERWERFF	275.00	2,400.00	4,000.00	1,600.00	60.00%
5620-0023-1	DIRECTOR- D. CHAPMAN	-	750.00	3,600.00	2,850.00	20.83%

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE
MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
5620-0024-1	DIRECTOR- J. DULEBOHN	87.50	837.50	3,600.00	2,762.50	23.26%
5620-0026-1	DIRECTOR- R. BELL	150.00	1,250.00	3,600.00	2,350.00	34.72%
5620-0027-1	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
5621-0001-1	BOARD MEETING EXPENSE	-	380.41	1,000.00	619.59	38.04%
5632-0001-1	POSTAGE	19.49	227.55	750.00	522.45	30.34%
5633-0001-1	OFFICE SUPPLY/FURN/SMALL EQUIP	409.24	2,585.67	7,000.00	4,414.33	36.94%
5634-0001-1	PUBLICATIONS & LEGAL NOTICES	-	-	500.00	500.00	0.00%
5635-0001-1	COPIER CONTRACT	22.57	109.90	400.00	290.10	27.48%
5638-0001-1	BANK CHARGES	111.43	706.55	3,200.00	2,493.45	22.08%
5639-0001-1	OUTSIDE SERVICES	435.46	2,278.41	2,300.00	21.59	99.06%
5640-0001-1	AUDITING	304.22	6,661.04	8,500.00	1,838.96	78.37%
5641-0001-1	TAX COLLECTION FEES	65.02	849.18	2,000.00	1,150.82	42.46%
5644-0001-1	TREASURER	-	403.13	10,000.00	9,596.87	4.03%
5644-0003-1	ACCOUNTING- SERRANO	1,217.03	9,019.73	20,000.00	10,980.27	45.10%
5645-0001-1	LEGAL	2,231.25	6,602.85	18,000.00	11,397.15	36.68%
5646-0001-1	COMPUTER CONSULTING	-	190.00	2,500.00	2,310.00	7.60%
5647-0001-1	ENGINEERING-WS	859.12	2,948.73	25,000.00	22,051.27	11.79%
5648-0001-1	LAFCO	-	7,480.48	13,000.00	5,519.52	57.54%
5650-0050-1	INSURANCE-AUTO & GEN LIABILITY	834.63	5,653.32	14,500.00	8,846.68	38.99%
5650-0051-1	INSURANCE-PROPERTY	193.08	1,351.56	3,000.00	1,648.44	45.05%
5650-0052-1	INSURANCE-EMP. FIDELITY BOND	18.96	132.72	200.00	67.28	66.36%
5670-0072-1	OFFICE EQUIPMENT R&M	-	-	300.00	300.00	0.00%
5680-0083-1	UTILITIES-DUMPSTER	24.56	298.99	1,400.00	1,101.01	21.36%
5680-0084-1	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
5680-0085-1	UTILITIES- OFFICE- ELECT & WTR	108.83	1,558.38	2,600.00	1,041.62	59.94%
5686-0001-1	SECURITY	-	185.70	500.00	314.30	37.14%
5689-0001-1	ELECTION EXPENSE	-	201.25	40,000.00	39,798.75	0.50%
8910-0001-1	DEPRECIATION EXP.	-	-	-	-	0.00%
8955-0001-1	TRANS. TO WRCI-CAPITAL PROJECT	-	-	-	-	0.00%
8961-0001-1	TRANS TO CAPITAL PROJECTS	11,250.00	78,750.00	135,000.00	56,250.00	58.33%
9011-0001-1	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
9011-0957-1	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
Total EXPENSES:		300,906.39	4,437,160.77	3,848,814.00	(588,369.90)	
NET INCOME FROM OPERATIONS:		(48,273.23)	102,492.45	500.00	101,969.32	
OTHER INCOME AND EXPENSE						
9510-0001-1	PRIOR YEARS (INCOME) EXPENSE	(72,318.00)	(109,774.94)	500.00	(110,274.94)	0.00%
Total OTHER INCOME AND EXPENSE		(72,318.00)	(109,774.94)	500.00	(110,274.94)	0.00%
EARNINGS BEFORE INCOME TAX:		24,044.77	212,267.39	-	212,244.26	
Net Income (Loss):		24,044.77	212,267.39	-	212,244.26	

02/26/13

WHOLESALE ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT
2012-2013 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: JANUARY 2013

REVENUE	MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION	ACTUAL	ACTUAL	2012-13	OVER	OF
	REVENUE	REVENUE	BUDGET	(UNDER)	BUDGET
FUNDS PROVIDED BY RESERVE			383,000.00	(383,000.00)	0.00%
CAPITAL PROJECTS REVENUE					
CONNECTION FEES	-	55,985.25	20,000.00	35,985.25	279.93%
INTEREST EARNINGS	3,659.14	7,528.02	10,000.00	(2,471.98)	75.28%
INTEREST RECEIVABLE- AMP SALE	-	34.06	10,000.00	(9,965.94)	0.34%
TRANSFER FROM OPERATING EXPENSES	11,250.00	78,750.00	135,000.00	(56,250.00)	58.33%
REIMBURSEMENT FOR STORM DAMAGE REPAIRS	-	8,219.00	20,000.00	(11,781.00)	41.10%
REIMBURSEMENT FOR SECURITY UPGRADES	-	-	60,000.00	(60,000.00)	0.00%
NET OPERATING INCOME	14,909.14	150,516.33	638,000.00	(487,483.67)	

EXPENSES	MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION	ACTUAL	ACTUAL	2012-13	OVER	OF
	EXPENSES	EXPENSES	BUDGET	(UNDER)	BUDGET
CAPITAL PROJECTS EXPENSES					
METAL FLASHING AT PETERS CANYON RESERVOIR	-	-	11,000.00	11,000.00	0.00%
6 MG ISOLATION VALVE CHANGEOUT	-	-	8,000.00	8,000.00	0.00%
BETTERMENT & REPLACEMENT PLAN	-	3,138.53	75,000.00	71,861.47	4.18%
SECURITY SYSTEM AT PETERS CANYON RESERVOIR	8,951.11	60,709.77	21,000.00	(39,709.77)	289.09%
ELECTRICAL MODIFICATION FOR BACKUP GENERATOR	-	-	31,000.00	31,000.00	0.00%
BACKUP GENERATOR AT OC70 PUMP STATION	-	-	101,000.00	101,000.00	0.00%
METERING IMPROVEMENT FOR WZ BILLING	-	38,717.57	32,000.00	(6,717.57)	120.99%
PIPELINE INSPECTION	-	-	26,000.00	26,000.00	0.00%
FEASIBILITY & ENV. REVIEW	-	5,554.50	50,000.00	44,445.50	11.11%
6 MG RESERVOIR - ROOF REPAIRS	-	3,395.00	76,000.00	72,605.00	4.47%
6 MG RESERVOIR - SLOPE REPAIRS/ASPHALT/CURB	49,857.46	52,168.50	61,000.00	8,831.50	85.52%
6 MG RESERVOIR- LANDSCAPE/V-DITCH	-	170.26	26,000.00	25,829.74	0.65%
ANDES & NEWPORT RESERVOIRS-SLURRY SEAL	-	-	32,000.00	32,000.00	0.00%
MCPHERSON OFFICE/YARD IMPROVEMENTS	588.61	588.61	11,000.00	10,411.39	5.35%
11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM	-	-	36,000.00	36,000.00	0.00%
CATHODIC PROTECTION PIPELINES	-	121.60	21,000.00	20,878.40	0.58%
USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000.00	15,000.00	0.00%
MOBILE ENGINE DRIVEN PUMP	-	16,133.03	-	(16,133.03)	0.00%
CAPITALIZED ACCOUNTING COST	-	-	5,000.00	5,000.00	0.00%
TOTAL OPERATING EXPENSE	59,397.18	180,697.37	638,000.00	457,302.63	
NET INCOME FROM OPERATIONS	(44,488.04)	(30,181.04)	-	(30,181.04)	
PRIOR YEARS EXPENSES	-	-	-	-	
NET INCOME (LOSS)	(44,488.04)	(30,181.04)	-	(30,181.04)	

2/26/2013

REVENUE

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
	FUNDED BY RESERVES	-	-	383,000.00	(383,000.00)	
4113-0001-1	CONNECTION FEES	-	55,985.25	20,000.00	35,985.25	279.93%
4916-0953-1	INTEREST-MORGAN STANLEY-CAP	-	16.25	50.00	(33.75)	32.50%
4917-0953-1	INTEREST-LAIF-CAP	3,659.14	7,511.77	9,850.00	(2,338.23)	76.26%
4918-0953-1	INTEREST-US TREASURY BOND	-	-	100.00	(100.00)	0.00%
4925-0001-1	INTEREST INCOME-AMP SALE	-	34.06	10,000.00	(9,965.94)	0.34%
4991-0010-1	REIMBURSEMENT- STORM DAMAGE	-	8,219.00	20,000.00	(11,781.00)	41.10%
4991-0011-1	REIMBURSEMENT-SECURITY UPGRAD	-	-	60,000.00	(60,000.00)	0.00%
4993-0953-1	TRANSFER FROM WS OPERATIONS	11,250.00	78,750.00	135,000.00	(56,250.00)	58.33%
	Total NON OPERATING INCOME:	14,909.14	150,516.33	638,000.00	(487,483.67)	
	Total OPERATING REVENUE	14,909.14	150,516.33	638,000.00	(487,483.67)	
	NET OPERATING INCOME:	14,909.14	150,516.33	638,000.00	(487,483.67)	

EXPENSES

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
7900-100C-1	WZ CAPITALIZED ACCOUNTING COST	-	-	5,000.00	5,000.00	0.00%
7912-102C-1	METAL FLASHING @ 6 MG RESERV.- CONST	-	-	10,000.00	10,000.00	0.00%
7912-102L-1	METAL FLASHING @ 6 MG RESERV.- LABOR	-	-	1,000.00	1,000.00	0.00%
7912-103C-1	6 MG ISOLATION VALVE CHANGEOUT- CONST	-	-	8,000.00	8,000.00	0.00%
7912-105C-1	6 MG SECURITY SYSTEM- CONST	3,431.73	29,437.18	20,000.00	(9,437.18)	147.19%
7912-105L-1	6 MG SECURITY SYSTEM- LABOR	5,519.38	31,272.59	1,000.00	(30,272.59)	3127.26%
7912-1060-1	6 MG SECURITY GATE @ JAMBOREE- CONST	-	-	-	-	0.00%
7912-106L-1	6 MG SECURITY GATE @ JAMBOREE- LABOR	-	-	-	-	0.00%
7912-107C-1	BACKUP GENERATOR OC70 PUMP- CONST	-	-	85,000.00	85,000.00	0.00%
7912-107E-1	BACKUP GENERATOR OC70 PUMP- ENG	-	-	15,000.00	15,000.00	0.00%
7912-107L-1	BACKUP GENERATOR OC70 PUMP- LABOR	-	-	1,000.00	1,000.00	0.00%
7912-108C-1	BACKUP GENERATOR ELECTRIC MOD- CONST	-	-	15,000.00	15,000.00	0.00%
7912-108E-1	BACKUP GENERATOR ELECTRIC MOD- ENG	-	-	15,000.00	15,000.00	0.00%
7912-108L-1	BACKUP GENERATOR ELECTRIC MOD- LABOR	-	-	1,000.00	1,000.00	0.00%
7912-109C-1	WZ METER REPLACEMENT- CONSTR.	-	38,674.13	30,000.00	(8,674.13)	128.91%
7912-109E-1	WZ METER REPLACEMENT- ENG	-	-	1,000.00	1,000.00	0.00%
7912-109L-1	WZ METER REPLACEMENT- LABOR	-	43.44	1,000.00	956.56	4.34%
7912-110E-1	PIPELINE INSPECTION- ENG	-	-	25,000.00	25,000.00	0.00%
7912-110L-1	PIPELINE INSPECTION- LABOR	-	-	1,000.00	1,000.00	0.00%
7912-201E-1	BETTERMENT & REPLACEMENT PLAN- ENG	-	3,024.70	75,000.00	71,975.30	4.03%
7912-201L-1	BETTERMENT & REPLACEMENT PLAN- LABOR	-	113.83	-	(113.83)	0.00%
7913-101E-1	FEASIBILITY & ENV. REV.-TREATMENT PLANT-ENG.	-	5,554.50	50,000.00	44,445.50	11.11%
7913-102C-1	6MG RESERVOIR ROOF REPAIRS- CONTS.	-	-	50,000.00	50,000.00	0.00%
7913-102E-1	6 MG RESERVOIR ROOF REPAIRS-ENG.	-	3,395.00	25,000.00	21,605.00	13.58%
7913-102L-1	6MG RESERVOIR ROOF REPAIRS- LABOR	-	-	1,000.00	1,000.00	0.00%
7913-103C-1	6 MG RESERVOIR- SLOPE/ASPHALT/CURB-CONTS.	39,718.11	39,718.11	50,000.00	10,281.89	79.44%
7913-103E-1	6 MG RESERVOIR- SLOPE/ASPHALT/CURB-ENG.	10,139.35	11,708.88	10,000.00	(1,708.88)	117.09%
7913-103L-1	6 MG RESERVOIR- SLOPE/ASPHALT/CURB-LABOR	-	741.51	1,000.00	258.49	74.15%
7913-104C-1	6MG RESERVOIR-LANDSCAPE/V-DITCH-CONST.	-	-	20,000.00	20,000.00	0.00%
7913-104E-1	6MG RESERVOIR-LANDSCAPE/V-DITCH-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-104L-1	6MG RESERVOIR-LANDSCAPE/V-DITCH-LABOR	-	170.26	1,000.00	829.74	17.03%

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE
MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
7913-105C-1	ANDES&NEWPORT RESERVOIRS-SLURRY-CONST	-	-	30,000.00	30,000.00	0.00%
7913-105L-1	ANDES&NEWPORT RESERVOIRS-SLURRY-LABOR	-	-	2,000.00	2,000.00	0.00%
7913-106C-1	CATHODIC PROTECTION-PIPELINES-CONST.	-	-	15,000.00	15,000.00	0.00%
7913-106E-1	CATHODIC PROTECTION-PIPELINES-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-106L-1	CATHODIC PROTECTION-PIPELINES-LABOR	-	121.60	1,000.00	878.40	12.16%
7913-201C-1	MCPHERSON OFFICE/YARD IMPROVE-CONST.	220.09	220.09	10,000.00	9,779.91	2.20%
7913-201L-1	MCPHERSON OFFICE/YARD IMPROVE-LABOR	368.52	368.52	1,000.00	631.48	36.85%
7913-202C-1	11.5MG RESERVOIR CATHODIC PROTECTION SYS-CONST.	-	-	25,000.00	25,000.00	0.00%
7913-202E-1	11.5MG RESERVOIR CATHODIC PROTECTION SYS-ENG	-	-	10,000.00	10,000.00	0.00%
7913-202L-1	11.5MG RESERVOIR CATHODIC PROTECTION SYS-LABOR	-	-	1,000.00	1,000.00	0.00%
7913-203C-1	USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000.00	15,000.00	0.00%
7913-204C-1	MOBILE ENGINE DRIVEN PUMP	-	15,750.00	-	(15,750.00)	0.00%
7913-204L-1	MOBILE ENGINE DRIVEN PUMP	-	383.03	-	(383.03)	
Total EXPENSES:		59,397.18	180,697.37	638,000.00	457,302.63	
NET INCOME FROM OPERATIONS:		(44,488.04)	(30,181.04)	-	(30,181.04)	
EARNINGS BEFORE INCOME TAX:		(44,488.04)	(30,181.04)	-	(30,181.04)	
Net Income (Loss):		(44,488.04)	(30,181.04)	-	(30,181.04)	

RETAIL ZONE

EAST ORANGE COUNTY WATER DISTRICT
2012-2013 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: JANUARY 2013

REVENUE	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
DESCRIPTION					
OPERATING REVENUE:					
WATER SALES	-	519,311.78	972,000.00	(452,688.22)	53.43%
METER CHARGE	-	153,187.48	355,000.00	(201,812.52)	43.15%
OTHER CHARGES	(49.06)	6,174.48	9,250.00	(3,075.52)	66.75%
TOTAL OPERATING REVENUE:	(49.06)	678,673.74	1,336,250.00	(657,576.26)	
NON-OPERATING REVENUES (EXPENSES):					
PROPERTY TAXES	15,033.48	208,157.21	342,200.00	(134,042.79)	60.83%
INTEREST & INVESTMENT EARNINGS	100.71	135.63	850.00	(714.37)	15.96%
MISCELLANEOUS INCOME	-	27.19	500.00	(472.81)	5.44%
MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
TOTAL NON-OPERATING REVENUES, NET	15,134.19	208,320.03	343,550.00	(135,229.97)	
NET OPERATING INCOME	15,085.13	886,993.77	1,679,800.00	(792,806.23)	

EXPENSES	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
DESCRIPTION					
OPERATING EXPENSE:					
SOURCE OF SUPPLY	52,162.35	294,438.43	311,600.00	17,161.57	94.49%
PIPELINE CAPACITY LEASE	3,587.66	92,774.62	229,270.00	136,495.38	40.47%
ENERGY	4,768.71	29,185.62	116,935.00	87,749.38	24.96%
OPERATIONS & MAINTENANCE	21,197.27	226,310.34	560,770.00	334,459.66	40.36%
GENERAL & ADMINISTRATIVE	15,903.27	76,798.52	215,195.00	138,396.48	35.69%
TRANSFER TO CAPITAL PROJECTS EXPENSE	12,335.83	86,350.93	148,030.00	61,679.07	58.33%
RETAIL OPERATIONS CONTINGENCY FUND	-	-	50,000.00	50,000.00	0.00%
FUNDED TO/BY RESERVE	-	-	50,000.00	50,000.00	0.00%
DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
TOTAL OPERATING EXPENSE	109,955.09	805,858.46	1,681,800.00	875,941.54	
NET INCOME FROM OPERATIONS	(94,869.96)	81,135.31	(2,000.00)	83,135.31	
PRIOR YEARS EXPENSES	-	-	2,000.00	(2,000.00)	
NET INCOME (LOSS)	(94,869.96)	81,135.31	-	81,135.31	

2/26/2013

Retail Zone

January 2013 Variance Report - 58% of Budget Year Expended

Account Number	Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
<u>January 2013</u>					
<u>New</u>					
5633-0002-2	OFFICE SUPPLY/FURN/SMALL EQUIP	E	3,149.70	68.47%	Includes unbudgeted computer replacement expense
5645-0002-2	LEGAL	E	13,137.29	65.69%	Includes unbudgeted expenses for Special Counsel
<u>Ongoing</u>					
5130-0070-2	WATER PURCHASED	E	316,869.26	101.69%	Repair to East Well requires purchase of imported water during repair period.
5161-0002-2	MET-MWDOC READINESS TO SERVE	E	15,993.56	69.54%	Budgeting error; \$3,000 erroneously budgeted to Capacity Charge; s/b to RTS Charge
5164-0002-2	MWDOC RETAIL SERVICE CONNECTION	E	5,113.08	61.83%	Budgeting Error; Budgeted 109 meters @ \$6.25/meter s/b \$7.25/meter
5350-0035-2	R/M MAINS	E	16,615.46	66.73%	Unscheduled Valve Replacement on Winwood & 3 Main breaks.
5480-0070-2	PAYROLL TAXES- SUI & ETT	E	780.38	156.08%	Budgeted Split 57/43. Actual Split is 44/66.
5486-0002-2	UNIFORMS	E	1,155.56	67.97%	Negotiated a significant discount after the price increase. Expect to end year under budget.
5607-0002-2	DISTRICT WEBSITE	E	857.14	85.71%	Prepaid Expense
5610-0009-2	MCPHERSON FAX	E	129.39	80.87%	Budgeted allocation incorrectly; needs revising.
5610-0015-2	MCPHERSON OFFICE PHONES	E	854.05	67.78%	Utility Rate Increase, Researching other options.

Retail Zone**January 2013 Variance Report - 58% of Budget Year Expended**

Account Number	Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
5614-0002-2	TRAVEL- CONF/SEMINARS	E	1,630.14	65.21%	Unbudgeted Expenses: MWDOC Water Policy Forum (GM & Board), AWWA Fall Conference (Superintendent), Safety Fest (Crew), American Groundwater Trust Well Seminar (GM),
5618-0031-2	DUES & MEMBERSHIPS- AWWA	E	169.33	96.76%	Prepaid Expense
5620-0022-2	DIRECTOR- W. VANDERWERFF	E	2,400.00	60.00%	Unbudgeted Committee & Outside Meeting Expenses
5640-0002-2	AUDITING	E	5,906.96	73.84%	Prepaid Expense
5650-0051-2	INSURANCE-PROPERTY	E	939.19	62.61%	Rate Increase
5650-0052-2	INSURANCE-EMP. FIDELITY BOND	E	92.33	61.55%	Rate Increase

Capital Projects**January 2013****New**

None

Ongoing

7913-502-2	STOLLER RESERVOIR- BOOSTER PUMP REPLACEMENT	E	13,032.11	85.46%	Motor needed replacing - not originally budgeted.
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REVENUE

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
4110-0002-2	WATER SALES	-	519,311.78	972,000.00	(452,688.22)	53.43%
4111-0002-2	METER CHARGE	-	153,187.48	355,000.00	(201,812.52)	43.15%
4112-0002-2	LATE CHARGE	-	5,580.00	9,000.00	(3,420.00)	62.00%
4115-0002-2	RETURNED CHECK CHARGE	-	330.00	500.00	(170.00)	66.00%
4116-0002-2	TURN OFF CHARGE	-	270.00	1,000.00	(730.00)	27.00%
4117-0002-2	OTHER CHARGES	-	43.54	750.00	(706.46)	5.81%
4118-0002-2	UNCOLLECTIBLE ACCOUNTS	(49.06)	(49.06)	(5,000.00)	4,950.94	0.00%
4121-0002-2	TURN ON NEW SERVICE	-	-	1,000.00	(1,000.00)	0.00%
4160-0065-2	REFUNDS	-	-	2,000.00	(2,000.00)	0.00%
4166-0002-2	SERVICE UPGRADE FEE	-	-	-	-	0.00%
Total OPERATING REVENUE:		(49.06)	678,673.74	1,336,250.00	(657,576.26)	
4915-0002-2	INTEREST INCOME-MM	0.62	1.66	500.00	(498.34)	0.33%
4916-0002-2	INTEREST-MORGAN STANLEY-OP	-	4.12	50.00	(45.88)	8.24%
4917-0002-2	INTEREST-LAIF-OP	89.32	119.08	150.00	(30.92)	79.39%
4918-0002-2	INTEREST- US TREASURY BOND	-	-	100.00	(100.00)	0.00%
4922-0002-2	INTEREST INCOME-CTY OF ORANGE	10.77	10.77	50.00	(39.23)	21.54%
4930-0030-2	TAXES SECURED	8,863.52	171,096.88	316,500.00	(145,403.12)	54.06%
4930-0031-2	TAXES UNSECURED	2,242.65	9,861.59	15,500.00	(5,638.41)	63.62%
4930-0032-2	TAXES SUPPLEMENTAL ROLL	-	2,757.31	5,100.00	(2,342.69)	54.06%
4930-0040-2	TAXES PRIOR YEARS	249.32	3,095.12	4,000.00	(904.88)	77.38%
4930-0052-2	TAXES HOMEOWNER'S SUBVENTION	929.95	1,328.49	1,000.00	328.49	132.85%
4930-0054-2	TAXES PUBLIC UTILITY	2,748.04	2,748.04	5,000.00	(2,251.96)	54.96%
4930-0055-2	TAXES TUSTIN RDA	-	17,269.78	-	17,269.78	0.00%
4930-0056-2	TAXES MISC	-	-	100.00	(100.00)	0.00%
4930-0057-2	TAXES ACCRUED	-	-	(5,000.00)	5,000.00	0.00%
4930-0058-2	STATE TAXES CONFISCATED	-	-	-	-	0.00%
4930-0059-2	PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
4990-0002-2	MISCELLANEOUS INCOME	-	27.19	500.00	(472.81)	5.44%
Total NON OPERATING INCOME:		15,134.19	208,320.03	343,550.00	(135,229.97)	
Total OPERATING REVENUE		15,085.13	886,993.77	1,679,800.00	(792,806.23)	
NET OPERATING INCOME:		15,085.13	886,993.77	1,679,800.00	(792,806.23)	

EXPENSES

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
5130-0070-2	WATER PURCHASED	49,100.31	316,869.26	311,600.00	(5,269.26)	101.69%
5139-0002-2	WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
5141-0002-2	WATER PURCHASED IN LIEU CREDIT	-	(22,430.83)	-	22,430.83	0.00%
5146-0002-2	OCWD- REPLENISH ASSESSMENT	3,062.04	65,350.14	183,000.00	117,649.86	35.71%
5161-0002-2	MET-MWDOC READINESS TO SERVE	2,132.34	15,993.56	23,000.00	7,006.44	69.54%
5163-0002-2	MET-MWDOC CAPICITY FEES	724.88	6,317.84	15,000.00	8,682.16	42.12%
5164-0002-2	MWDOC RETAIL SERVICE CONNECT	730.44	5,113.08	8,270.00	3,156.92	61.83%
5206-0002-2	UTILITY STOLLER RESERVOIR	1,474.98	13,233.44	50,850.00	37,616.56	26.02%
5212-0002-2	UTILITY VISTA PANORAMA BOOSTER	328.45	2,212.66	6,500.00	4,287.34	34.04%
5216-0002-2	ULITILITIES- WELLS- EAST/WEST	2,965.28	13,739.52	59,585.00	45,845.48	23.06%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
5313-0002-2	SMALL TOOLS	11.84	1,435.43	3,000.00	1,564.57	47.85%
5320-0002-2	GASOLINE, OIL & DIES-RZ	-	-	-	-	0.00%
5320-0022-2	GASOLINE, OIL & DIESEL FUEL	562.87	3,701.41	8,800.00	5,098.59	42.06%
5324-0002-2	REGULATORY PERMITS	-	850.34	2,500.00	1,649.66	34.01%
5326-0002-2	NPDS PERMIT	-	1,943.00	-	(1,943.00)	0.00%
5327-0002-2	PROF SERV WATER QUAL. CONTROL	(1,908.63)	6,087.64	19,500.00	13,412.36	31.22%
5328-0002-2	CHLORINE GENERATOR/SALT PURCH	-	-	2,650.00	2,650.00	0.00%
5329-0002-2	WEST WELL MAINTENANCE	-	361.98	3,200.00	2,838.02	11.31%
5330-0002-2	EAST WELL MAINTENANCE	-	596.97	3,200.00	2,603.03	18.66%
5331-0002-2	STOLLER RESERVOIR/BOOSTER R&M	-	2,701.30	6,300.00	3,598.70	42.88%
5332-0002-2	VISTA PANORAMA BOOSTER R&M	-	603.67	4,200.00	3,596.33	14.37%
5333-0002-2	R&M VISTA PANORAMA RESERVOIR	-	-	5,200.00	5,200.00	0.00%
5334-0002-2	CHLORINE GENERATOR	-	1,163.26	3,150.00	1,986.74	36.93%
5338-0002-2	SCADA REPAIR/UPGRADE	-	89.59	2,100.00	2,010.41	4.27%
5339-0002-2	OPERATIONS REPORTING SOFTWARE	-	323.75	3,400.00	3,076.25	9.52%
5342-0002-2	HYDRANT REPAIR & REPLACEMENTS	-	46.64	16,100.00	16,053.36	0.29%
5343-0002-2	METER PURCHASE REPAIR	-	-	9,200.00	9,200.00	0.00%
5345-0002-2	PRV- R & M	-	-	1,075.00	1,075.00	0.00%
5350-0035-2	R/M- MAINS	338.01	16,615.46	24,900.00	8,284.54	66.73%
5350-0039-2	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
5350-0041-2	SERVICE LATERALS R&M	220.34	2,898.60	21,525.00	18,626.40	13.47%
5350-0051-2	RESERVOIRS R&M	-	212.33	4,300.00	4,087.67	4.94%
5350-0052-2	R/M- VAULTS	-	-	1,500.00	1,500.00	0.00%
5350-0402-2	R/M- CATHODIC PROTECTION	-	-	5,500.00	5,500.00	0.00%
5358-0002-2	METER TESTING	-	-	1,550.00	1,550.00	0.00%
5365-0002-2	EQUIPMENT RENTAL	-	-	210.00	210.00	0.00%
5370-0070-2	BACKHOE R&M	-	106.15	3,000.00	2,893.85	3.54%
5370-0071-2	VEHICLES R&M	40.95	1,847.65	3,000.00	1,152.35	61.59%
5370-0080-2	BUILDING/GROUNDS R&M	-	178.76	4,000.00	3,821.24	4.47%
5467-0002-2	WAGES	12,626.73	110,402.20	258,794.00	148,391.80	42.66%
5469-0069-2	PAYROLL TAXES- FICA & MEDICARE	1,491.03	12,645.48	21,216.00	8,570.52	59.60%
5469-0083-2	RETIREMENT- PERS	2,725.57	21,485.90	44,000.00	22,514.10	48.83%
5480-0070-2	PAYROLL TAXES- SUI & ETT	487.27	780.38	500.00	(280.38)	156.08%
5480-0072-2	HEALTH & ACCIDENT INSURANCE	4,779.67	30,614.72	52,000.00	21,385.28	58.87%
5480-0075-2	DENTAL INSURANCE	372.71	2,503.35	4,500.00	1,996.65	55.63%
5480-0076-2	VISION INSURANCE	70.93	482.64	1,200.00	717.36	40.22%
5480-0080-2	LIFE INSURANCE	59.42	359.93	800.00	440.07	44.99%
5480-0082-2	WORKER'S COMP INSURANCE	(809.32)	4,116.25	13,000.00	8,883.75	31.66%
5486-0002-2	UNIFORMS	127.88	1,155.56	1,700.00	544.44	67.97%
5607-0002-2	DISTRICT WEBSITE	-	857.14	1,000.00	142.86	85.71%
5610-0009-2	MCPHERSON FAX	37.26	129.39	160.00	30.61	80.87%
5610-0010-2	MCPHERSON INTERNET	87.74	301.74	525.00	223.26	57.47%
5610-0015-2	MCPHERSON OFFICE PHONES	197.03	854.05	1,260.00	405.95	67.78%
5610-0016-2	ANSWERING SERVICE	31.24	125.16	260.00	134.84	48.14%
5610-0017-2	PHONE CIRCUITS TO CTRL EQUIP	209.04	1,473.69	3,080.00	1,606.31	47.85%
5610-0019-2	CELLPHONES	222.01	663.21	1,550.00	886.79	42.79%
5610-0020-2	UNDERGROUND SERVICE ALERT	20.25	157.50	400.00	242.50	39.38%
5611-0002-2	TRAINING/SCHOOLS	-	389.40	1,500.00	1,110.60	25.96%
5613-0002-2	CONSERVATION EDUCATION	-	-	4,000.00	4,000.00	0.00%
5614-0002-2	TRAVEL-CONF/SEMINARS	49.95	1,630.14	2,500.00	869.86	65.21%
5616-0002-2	MILEAGE	86.86	255.03	500.00	244.97	51.01%
5618-0029-2	DUES & MEMBERSHIPS- ACWA	-	1,265.78	3,500.00	2,234.22	36.17%

02/26/13

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
5618-0030-2	DUES & MEMBERSHIPS- OCWA	-	25.00	75.00	50.00	33.33%
5618-0031-2	DUES & MEMBERSHIPS- AWWA	-	169.33	175.00	5.67	96.76%
5618-0032-2	DUES & MEMBERSHIP- FCA	-	-	10.00	10.00	0.00%
5618-0033-2	DUES & MEMBERSHIP-CSDA	-	1,286.00	4,000.00	2,714.00	32.15%
5618-0037-2	DUES- ISDOC/URBAN WTR	100.00	367.00	900.00	533.00	40.78%
5619-0002-2	MISCELLANEOUS EXP	-	-	500.00	500.00	0.00%
5620-0021-2	DIRECTOR- R. BARRETT	87.50	650.00	2,500.00	1,850.00	26.00%
5620-0022-2	DIRECTOR- W. VANDERWERFF	275.00	2,400.00	4,000.00	1,600.00	60.00%
5620-0023-2	DIRECTOR- D. CHAPMAN	-	750.00	3,600.00	2,850.00	20.83%
5620-0024-2	DIRECTOR- J. DULEBOHN	87.50	837.50	3,600.00	2,762.50	23.26%
5620-0026-2	DIRECTOR- R. BELL	150.00	1,250.00	3,600.00	2,350.00	34.72%
5620-0027-1	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
5621-0002-2	BOARD MEETING EXPENSE	-	380.33	1,000.00	619.67	38.03%
5632-0002-2	POSTAGE	639.67	2,319.55	6,000.00	3,680.45	38.66%
5633-0002-2	OFFICE SUPPLY/FURN/SMALL EQUIP	973.38	3,149.70	4,600.00	1,450.30	68.47%
5634-0002-2	PUBLICATIONS & LEGAL NOTICES	-	853.06	1,500.00	646.94	56.87%
5635-0002-2	COPIER CONTRACT	22.57	109.88	550.00	440.12	19.98%
5636-0002-2	VERSATERM CONTRACT (RZ BILLS)	-	-	5,000.00	5,000.00	0.00%
5638-0002-2	BANK CHARGES	(165.27)	1,527.15	3,500.00	1,972.85	43.63%
5639-0002-2	OUTSIDE SERVICES	435.43	2,278.34	6,400.00	4,121.66	35.60%
5640-0002-2	AUDITING	269.78	5,906.96	8,000.00	2,093.04	73.84%
5641-0002-2	TAX COLLECTION FEES	36.25	480.88	2,200.00	1,719.12	21.86%
5642-0002-2	COMPUTER BILLING (RZ BILLS)	404.35	2,332.37	5,000.00	2,667.63	46.65%
5644-0002-2	TREASURER	-	403.12	10,000.00	9,596.88	4.03%
5644-0003-2	ACCOUNTING- SERRANO	1,217.02	9,019.71	23,000.00	13,980.29	39.22%
5645-0002-2	LEGAL	8,198.24	13,137.29	20,000.00	6,862.71	65.69%
5646-0002-2	COMPUTER CONSULTING	190.00	190.00	5,000.00	4,810.00	3.80%
5647-0002-2	ENGINEERING-RZ	1,179.83	10,075.93	45,000.00	34,924.07	22.39%
5648-0002-2	LAFCO	-	1,642.06	3,000.00	1,357.94	54.74%
5650-0050-2	INSURANCE-AUTO & GEN LIABILITY	579.88	3,928.45	4,200.00	271.55	93.53%
5650-0051-2	INSURANCE-PROPERTY	134.17	939.19	1,500.00	560.81	62.61%
5650-0052-2	INSURANCE-EMP. FIDELITY BOND	13.19	92.33	150.00	57.67	61.55%
5670-0072-2	OFFICE EQUIPMENT R&M	-	-	300.00	300.00	0.00%
5680-0083-2	UTILITIES-DUMPSTER	24.56	249.86	1,100.00	850.14	22.71%
5680-0084-2	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
5680-0085-2	UTILITIES- OFFICE- ELECT & WTR	108.84	1,558.35	4,000.00	2,441.65	38.96%
5686-0002-2	SECURITY	-	185.70	1,000.00	814.30	18.57%
5689-0002-2	ELECTION EXPENSE	-	201.25	10,000.00	9,798.75	2.01%
5912-0002-2	INTEREST EXPENSE DWR	-	-	-	-	0.00%
8900-0002-2	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
8910-0002-2	DEPRECIATION EXP.	-	-	-	-	0.00%
8920-0959-2	PRIOR YEAR ADJUSTMENTS	-	-	-	-	0.00%
8960-0002-2	TRANS TO CAPITAL PROJECT AF	-	-	-	-	0.00%
8961-0002-2	TRANS TO CAPITAL PROJECTS	12,335.83	86,350.93	148,030.00	61,679.07	58.33%
8975-0002-2	RZ- CONTINGENCY FUND	-	-	50,000.00	50,000.00	0.00%
8981-0002-2	FUNDED TO/BY RESERVE-RZ	-	-	50,000.00	50,000.00	0.00%
9011-0002-2	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
	TOTAL OPERATING EXPENSES:	109,955.09	805,858.46	1,681,800.00	875,941.54	
	NET INCOME FROM OPERATIONS:	(94,869.96)	81,135.31	(2,000.00)	83,135.31	

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
OTHER INCOME AND EXPENSE						
9510-0002-2	PRIOR YEARS EXPENSE	-	-	2,000.00	(2,000.00)	0.00%
9510-0959-2	PRIOR YEARS EXPENSE	-	-	-	-	0.00%
	Total OTHER INCOME AND EXPENSES	-	-	2,000.00	(2,000.00)	
EARNINGS BEFORE INCOME TAX:		(94,869.96)	81,135.31	-	81,135.31	
Net Income (Loss):		(94,869.96)	81,135.31	-	81,135.31	

RETAIL ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT
2012-2013 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: JANUARY 2013

REVENUE	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
DESCRIPTION					
FUNDS PROVIDED BY RESERVE	-	-	(580.00)	580.00	0.00%
CAPITAL PROJECTS REVENUE					
CAPITAL PROJECTS FEES	-	124,522.46	252,000.00	(127,477.54)	49.41%
CONNECTION FEES	-	142.50	-	142.50	0.00%
INTEREST EARNINGS	40.21	148.96	50.00	98.96	297.92%
TRANSFER FROM OPERATING EXPENSES	12,335.83	86,350.93	148,030.00	(61,679.07)	58.33%
FUNDS BORROWED FROM WHOLESALE ZONE				-	0.00%
REIMBURSEMENT- RZ BILL RATE STUDY	-	29,446.78	-	29,446.78	0.00%
NET OPERATING INCOME	12,376.04	240,611.63	399,500.00	(158,888.37)	

EXPENSES	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
DESCRIPTION					
CAPITAL PROJECTS EXPENSES					
BETTERMENT & REPLACEMENT PLAN	-	2,720.37	70,000.00	67,279.63	3.89%
VIEW RIDGE MODIFICATION	-	-	30,500.00	30,500.00	0.00%
STOLLER RESERVOIR- 75 hp BOOSTER PUMP REPLACEMENT	13,032.11	13,032.11	15,250.00	2,217.89	85.46%
VP VAULT PIPING/METER UPGRADE 6" TO 8"	-	-	20,250.00	20,250.00	0.00%
VISTA PANORAMA RESERVOIR REPAIR	-	-	50,500.00	50,500.00	0.00%
VP PUMP REBUILD	-	-	5,250.00	5,250.00	0.00%
CATHODIC PROTECTION	-	148.62	25,500.00	25,351.38	0.58%
VALVE RAISING	-	-	15,250.00	15,250.00	0.00%
VALVE REPLACEMENTS	-	-	15,500.00	15,500.00	0.00%
McPHERSON OFFICE/YARD IMPROVEMENTS	588.61	588.61	10,500.00	9,911.39	5.61%
USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000.00	15,000.00	0.00%
MOBILE ENGINE DRIVEN PUMP	8,380.00	24,513.03	-	(24,513.03)	0.00%
ALLOWANCE FOR SYSTEM RELOCATION	-	-	12,000.00	12,000.00	0.00%
BACKUP GENERATOR FOR VP BOOSTER	-	22,662.31	80,250.00	57,587.69	28.24%
6" MAG METERS FOR STOLLER PRVS	-	-	12,750.00	12,750.00	0.00%
EAST WELL UPGRADE/REPLACE	-	141.42	20,000.00	19,858.58	0.71%
CAPITALIZED ACCOUNTING COSTS	-	-	1,000.00	1,000.00	0.00%
TOTAL OPERATING EXPENSE	22,000.72	63,806.47	399,500.00	335,693.53	
NET INCOME FROM OPERATIONS	(9,624.68)	176,805.16	-	176,805.16	
PRIOR YEARS EXPENSES	-	-	-	-	
NET INCOME (LOSS)	(9,624.68)	176,805.16	-	176,805.16	

2/26/2013

REVENUE

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2012-13 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET
	FUNDED BY RESERVES	-	-	(580.00)	580.00	
4109-0002-2	WATER SALES-CAPITAL PROJECTS	-	124,522.46	252,000.00	(127,477.54)	0.00%
4113-0002-2	CONNECTION FEES	-	142.50	-	142.50	0.00%
4915-0959-2	INTEREST INCOME- CHAPMAN AVE	-	-	-	-	0.00%
4916-0959-2	INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
4917-0959-2	INTEREST-LAIF-CAP	40.21	148.96	50.00	98.96	0.00%
4918-0959-2	INTEREST US TREASURY BOND	-	-	-	-	0.00%
4991-0012-2	REIMBURSEMENT- RZ BILL RATE STUDY	-	29,446.78	-	29,446.78	0.00%
4994-0959-2	TRANSFER IN CAPITAL PROJECTS	12,335.83	86,350.93	148,030.00	(61,679.07)	0.00%
Total NON OPERATING INCOME:		12,376.04	240,611.63	399,500.00	(158,888.37)	
Total OPERATING REVENUE		12,376.04	240,611.63	399,500.00	(158,888.37)	
NET OPERATING INCOME:		12,376.04	240,611.63	399,500.00	(158,888.37)	

EXPENSES

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
7900-100C-2	RZ CAPITALIZED ACCOUNTING COST	-	-	1,000.00	1,000.00	0.00%
7912-201E-2	BETTERMENT & REPLACEMENT PLAN	-	2,615.30	70,000.00	67,384.70	3.74%
7912-201L-2	BETTERMENT & REPLACEMENT PLAN	-	105.07	-	(105.07)	0.00%
7912-2020-2	UWMP UPDATE	-	-	-	-	0.00%
7912-202L-2	UWMP UPDATE	-	-	-	-	0.00%
7912-500C-2	2011 SYS IMPROVE-CONSTRUCTION	-	-	-	-	0.00%
7912-500E-2	2011 SYS IMPROVE-ENG/INSPECT/A	-	-	-	-	0.00%
7912-500L-2	2011 SYS IMPROVE-ENG/INSPECT/A	-	-	-	-	0.00%
7912-501C-2	VIEW RIDGE MODIFICATION-CONST.	-	-	-	-	0.00%
7912-5020-2	BAJA PIPE RELOCATION ENG	-	-	-	-	0.00%
7912-502L-2	BAJA PIPE RELOCATION ENG	-	-	-	-	0.00%
7912-550L-2	2011 SYS IMPROVE-CONSTRUCTION	-	-	-	-	0.00%
7912-5510-2	COUNTY OF ORANGE PAVING PROJ.	-	-	-	-	0.00%
7912-551L-2	COUNTY OF ORANGE PAVING PROJ.	-	-	-	-	0.00%
7912-5520-2	BAJA PIPE RELOCATION CONST	-	-	-	-	0.00%
7912-552L-2	BAJA PIPE RELOCATION CONST	-	-	-	-	0.00%
7913-201C-2	MCPHERSON OFFICE/YARD IMPROVE-CONST.	220.09	220.09	10,000.00	9,779.91	2.20%
7913-201L-2	MCPHERSON OFFICE/YARD IMPROVE-LABOR	368.52	368.52	500.00	131.48	73.70%
7913-202C-2	CATHODIC PROTECTIONS-CONST.	-	-	20,000.00	20,000.00	0.00%
7913-202E-2	CATHODIC PROTECTION-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-202L-2	CATHODIC PROTECTION-LABOR	-	148.62	500.00	351.38	29.72%
7913-203C-2	USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000.00	15,000.00	0.00%
7913-204C-2	MOBILE ENGINE DRIVEN PUMP	8,380.00	24,130.00	-	(24,130.00)	0.00%
7913-204L-2	MOBILE ENGINE DRIVEN PUMP	-	383.03	-	(383.03)	0.00%
7913-501C-2	VIEW RIDGE MODIFICATION-CONST.	-	-	15,000.00	15,000.00	0.00%
7913-501E-2	VIEW RIDGE MODIFICATION-ENG.	-	-	15,000.00	15,000.00	0.00%
7913-501L-2	VIEW RIDGE MODIFICATION-LABOR	-	-	500.00	500.00	0.00%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: JANUARY 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2012-13 BUDGET	BUDGET \$ (OVER) UNDER	PERCENT OF BUDGET
7913-502C-2	STOLLER RESERVOIR- BOOSTER PUMP REPLACE-CONST.	12,742.56	12,742.56	10,000.00	(2,742.56)	127.43%
7913-502E-2	STOLLER RESERVOIR- BOOSTER PUMP REPLACE-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-502L-2	STOLLER RESERVOIR- BOOSTER PUMP REPLACE-LABOR	289.55	289.55	250.00	(39.55)	115.82%
7913-503C-2	VP VAULT PIPING/METER UPGRADE-CONST.	-	-	15,000.00	15,000.00	0.00%
7913-503E-2	VP VAULT PIPING/METER UPGRADE-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-503L-2	VP VAULT PIPING/METER UPGRADE-LABOR	-	-	250.00	250.00	0.00%
7913-504C-2	VISTA PANORAMA RESERVOIR REPAIR-CONST.	-	-	45,000.00	45,000.00	0.00%
7913-504E-2	VISTA PANORAMA RESERVOIR REPAIR-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-504L-2	VISTA PANORAMA RESERVOIR REPAIR-LABOR	-	-	500.00	500.00	0.00%
7913-505C-2	VP PUMP REBUILD-CONST.	-	-	5,000.00	5,000.00	0.00%
7913-505L-2	VP PUMP REBUILD-LABOR	-	-	250.00	250.00	0.00%
7913-507C-2	VALVE RAISING-CRAWFORD CANYON-CONST.	-	-	10,000.00	10,000.00	0.00%
7913-507E-2	VALVE RAISING-CRAWFORD CANYON-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-507L-2	VALVE RAISING-CRAWFORD CANYON-LABOR	-	-	250.00	250.00	0.00%
7913-508C-2	VALVE REPLACEMENTS- SYSTEM CONST.	-	-	15,000.00	15,000.00	0.00%
7913-508L-2	VALVE REPLACEMENTS- SYSTEM LABOR	-	-	500.00	500.00	0.00%
7913-509C-2	ALLOW FOR SYSTEM RELOCATION-CONST.	-	-	10,000.00	10,000.00	0.00%
7913-509E-2	ALLOW FOR SYSTEM RELOCATION-ENG.	-	-	2,000.00	2,000.00	0.00%
7913-510C-2	BACKUP GENERATOR FOR VP BOOSTER-CONST.	-	20,709.69	75,000.00	54,290.31	27.61%
7913-510E-2	BACKUP GENERATOR FOR VP BOOSTER-ENG.	-	-	5,000.00	5,000.00	0.00%
7913-510L-2	BACKUP GENERATOR FOR VP BOOSTER-LABOR	-	1,952.62	250.00	(1,702.62)	781.05%
7913-511C-2	6" MAG METERS @ STOLLER PRVS-CONST.	-	-	12,500.00	12,500.00	0.00%
7913-511L-2	6" MAG METERS @ STOLLER PRVS-LABOR	-	-	250.00	250.00	0.00%
7914-505E-2	EAST WELL UPGRADE/REPLACE-ENG.	-	-	20,000.00	20,000.00	0.00%
7914-505L-2	EAST WELL UPGRADE/REPLACE-LABOR	-	141.42	-	(141.42)	0.00%
TOTAL OPERATING EXPENSES:		22,000.72	63,806.47	399,500.00	335,693.53	
NET INCOME FROM OPERATIONS:		(9,624.68)	176,805.16	-	176,805.16	
Net Income (Loss):		(9,624.68)	176,805.16	-	176,805.16	



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: AMENDMENT TO CONTRACT WITH MEYERS NAVE
DATE: MARCH 15, 2013

Recommendation

The Board approve expanding the scope of work with the legal firm of Meyers Nave and increase the existing contract by \$50,000.

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LETTER OF SUPPORT – LEGISLATIVE CHANGES TO THE ORANGE
COUNTY WATER DISTRICT GOVERNING ACT
DATE: MARCH 17, 2013

BACKGROUND

The Orange County Water District has been involved in litigation over contamination in the northern part of the basin for the past several years. Recently, they received a preliminary court ruling that indicated the District's governing Act doesn't explicitly allow for the recovery of the development and investigative costs incurred from the parties responsible for contamination, only the cost of designing and constructing the clean-up project are currently recoverable – and then ONLY after the clean-up project is completed, which could be in 30 years.

OCWD has taken the extraordinary action of working to amend their District Act - via the Sacramento legislative process – to provide for the recovery of the development and investigative costs by the responsible parties, as well as obtaining up-front design and construction costs for the clean-up project. They have asked producing agencies to submit letters of support.

Attached to this memo are letters of support to Senator Lou Correa (SB 658) and Assembly Member Sharon Quirk-Silva (AB 1287); they have agreed to carry this legislation forward. Attached to each letter is a copy of the proposed legislation in its most current form.

RECOMMENDATION

The Board approve the attached letters of support to Senator Correa and Assembly Member Quirk-Silva.

March 21, 2012

The Honorable Lou Correa
California State Senate
State Capitol, Room 5052
Sacramento, CA 95814

Dear Senator Correa:

The East Orange County Water District supplies water to the residents and businesses of the east Orange/Tustin Foothill area and we rely on the Orange County groundwater basin for nearly 70% of our water supply needs. This vital groundwater basin has been threatened on several occasions by the presence of pollutants that were detected by the Orange County Water District through its groundwater monitoring and testing services they provide as part of their groundwater management services.

Most recently, OCWD detected harmful pollutants contaminating a part of the northern basin and three drinking water wells to be removed from service because of them. OCWD has filed suit to recover the costs to develop, investigate and clean-up the contamination caused by commercial and industrial activities, however a recent judicial decision denied their ability to recover the development and investigative costs, and will only allow collection of clean-up costs after the project's completion – in 30 years.

It is untenable that blameless residential customers should shoulder the burden of paying these costs, which is the practical effect of this decision. The United States Congress, in both the Clean Water Act and Safe Drinking Water Acts, intended that business and industry not gain an unfair competitive advantage by shirking their duty to comply with environmental laws, but as it stands currently in California, a narrow interpretation of the OCWD governing act has allowed this to occur.

The East Orange County Water District supports the very limited intent of AB 1287 which is only intended to clarify that OCWD has the right to recover all development and investigative costs, and receive up-front payment for clean-up costs from commercial and industrial polluters to clean-up the contamination they caused in the Orange County groundwater basin.

Sincerely,

William VanderWerff
President

CURRENT BILL STATUS

MEASURE : S.B. No. 658
AUTHOR(S) : Correa (Coauthor: Senator Wyland) (Coauthors: Assembly
Members Hagman, Harkey, Mansoor, and Wagner).
TOPIC : Water quality: cleanup and abatement orders.
HOUSE LOCATION : SEN

TYPE OF BILL :
Active
Non-Urgency
Non-Appropriations
Majority Vote Required
Non-State-Mandated Local Program
Non-Fiscal
Non-Tax Levy

LAST HIST. ACT. DATE: 03/11/2013
LAST HIST. ACTION : Referred to Com. on RLS.

TITLE : An act to amend Section 13304 of the Water Code,
relating to water quality.

March 21, 2012

The Honorable Sharon Quirk-Silva
California State Assembly
State Capitol, Room 5175
Sacramento, CA 95814

Dear Assemblymember Quirk-Silva:

The East Orange County Water District supplies water to the residents and businesses of the east Orange/Tustin Foothill area and we rely on the Orange County groundwater basin for nearly 70% of our water supply needs. This vital groundwater basin has been threatened on several occasions by the presence of pollutants that were detected by the Orange County Water District through its groundwater monitoring and testing services they provide as part of their groundwater management services.

Most recently, OCWD detected harmful pollutants contaminating a part of the northern basin and three drinking water wells to be removed from service because of them. OCWD has filed suit to recover the costs to develop, investigate and clean-up the contamination caused by commercial and industrial activities, however a recent judicial decision denied their ability to recover the development and investigative costs, and will only allow collection of clean-up costs after the project's completion – in 30 years.

It is untenable that blameless residential customers should shoulder the burden of paying these costs, which is the practical effect of this decision. The United States Congress, in both the Clean Water Act and Safe Drinking Water Acts, intended that business and industry not gain an unfair competitive advantage by shirking their duty to comply with environmental laws, but as it stands currently in California, a narrow interpretation of the OCWD governing act has allowed this to occur.

The East Orange County Water District supports the very limited intent of AB 1287 which is only intended to clarify that OCWD has the right to recover all development and investigative costs, and receive up-front payment for clean-up costs from commercial and industrial polluters to clean-up the contamination they caused in the Orange County groundwater basin.

Sincerely,

William VanderWerff
President

CURRENT BILL STATUS

MEASURE : A.B. No. 1287
AUTHOR(S) : Quirk-Silva.
TOPIC : Water quality.
HOUSE LOCATION : ASM

TYPE OF BILL :
Active
Non-Urgency
Non-Appropriations
Majority Vote Required
Non-State-Mandated Local Program
Non-Fiscal
Non-Tax Levy

LAST HIST. ACT. DATE: 02/25/2013
LAST HIST. ACTION : Read first time.

TITLE : An act to amend Section 13000 of the Water Code,
relating to water quality.

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LETTER OF SUPPORT – SAN ONOFRE NUCLEAR GENERATING STATION RESTART
DATE: MARCH 17, 2013

BACKGROUND

On January 31, 2012, Unit 3 of the San Onofre Nuclear Generating Station (SONGS) was taken offline due to a leak in a steam generator tube; Unit 2 had been taken out of service three weeks earlier for a planned outage. In March, 2012 the Nuclear Regulatory Commission (NRC) took a regulatory action that specified the actions necessary for Southern California Edison (SCE), the operator of the plant, to be able to restart the plant.

SONGS normally generates 2,200 megawatts (MW) of electricity – enough to meet the needs of 1,400,000 homes – at any given point in time. Just as importantly, it also is essential to the reliability of the electrical grid as it provides essential voltage support. Voltage support, like water pressure, is essential to ensuring that electricity is able to “flow” through electrical lines.

The plant was shut down due to excessive vibration of the steam generator tubing – this vibration was causing unexpected, and unacceptable, wear in certain tubes. According to computer modeling performed by the NRC, the manufacturer of the recently replaced steam generators, Mitsubishi Corporation, “underpredicted” the thermal hydraulic conditions in the steam generators, contributing to the tube vibration and thus, the unexpected wear.

SCE has been working with steam generator experts to prepare corrective action, repair and operation plans to enable the restart of only the Unit 2 reactor, and even then, it will only be restarted to produce 700 MW instead of the 1000 MW it normally produces; the supposition is that the plant can safely be operated at the “underpredicted” thermal hydraulic conditions (70% load). The NRC is presently reviewing those plans to ensure that this can safely be done.

Attached is information provided by SCE in support of the restart of Unit 2. General Manager Ohlund attended the NRC hearing on February 12th in Capistrano Beach where over 1,000 people turned out to hear how the NRC will make its determination on the restart. At every point in the presentation, the NRC engineers emphasized that they will not allow the plant to restart unless it is safe.

Last year, the Southern California region was able to avoid the worst impacts of the SONGS shutdown because of two reasons: 1) a very cool summer with no extended heat waves causing electrical demands to peak at night because of air conditioning requirements – there is a very low probability that this summer will also be very cool and; 2) the AES power plant in Huntington Beach was operable because of one year of carbon credits owned by SCE – those credits are gone, so the plant can’t be operated this summer.

Last year, the District rented portable power generation equipment and was prepared for rolling blackouts/brownouts; this year we will again be prepared and will have fixed backup equipment located at the Sidehill Booster Station, the most critical point in our retail system. We will also have the ability to provide back-up power to OC-70 if needed. SCE and SDG&E have taken steps to enter into load shedding contracts with as many businesses as it can in order to shift demand around and manage the electrical load – however, it is handicapped in regulating voltage because power must now come from far away and voltage drops will be considerable. It can't be overstated that the electrical grid in Southern California has never been stressed as it will potential be this summer. It is for this reason, as well as the extensive review that the SONGs generators and tubing are undergoing, that staff recommends the Board support the restart of SONGS if the NRC finds that it can be restarted and operated safely. Note that the attached letter would be sent to the following individuals:

- Senator Barbara Boxer
- Senator Diane Feinstein
- Congressman Darrell Issa
- NRC Chair Allison MacFarlane
- NRC Commissioner Kristine Svinicki
- NRC Commissioner George Apostolakis
- NRC Commissioner William Magwood IV
- NRC Commissioner William Ostendorff

RECOMMENDATION

The Board approve the Letter of Support for the safe restart of the San Onofre Nuclear Generating Station.

March 21, 2012

The Honorable Allison MacFarlane
Nuclear Regulatory Commission
Mail Stop O-16G4
Washington, DC 20555-0001

Dear Chairwoman MacFarlane:

The East Orange County Water District supplies water to over 100,000 residents of the east Orange County, California area. Our district is concerned about the lack of reliability posed to the Orange and San Diego County electrical systems in the coming months due to the continuing loss of the San Onofre Nuclear Generating Station (SONGS).

We are aware of the tremendous responsibility that the Nuclear Regulatory Commission bears as it considers the safe restart of SONGS' Unit 2. Our General Manager attended the February 12, 2013 public hearing in Capistrano Beach to hear first-hand how the NRC will ensure that its review will be comprehensive and thorough, and that the plant will not be restarted unless it can be done safely.

The East Orange County Water District supports the safe restart of Unit 2. It cannot be over-emphasized that many water and wastewater districts within the Southern California Air Quality Management District are severely constrained in their ability to operate back-up power generators for any length of time due to air quality concerns; we do not maintain the infrastructure (fuel and maintenance and repair supplies) required for sustained operation of backup power systems because we are not permitted to do so unless there is a declared emergency.

Additionally, we operate sensitive instrumentation that allows us to remotely and efficiently operate our water and wastewater systems; these, as well as pumps and motors, can easily be damaged by voltage irregularities, such as spikes and surges. Without SONGS to act as essential voltage support, we are concerned about the loss of this equipment and the extended equipment outages that can occur because of that loss. These systems were not designed to be operated with electrical load uncertainties.

We appreciate all that is being done on the federal, state and local levels to ensure electrical reliability; we request that if SONGS is determined to be able to safely restart at some level, this key component of our electrical supply be allowed to do so.

Sincerely,

William VanderWerff
President



The Current Situation at San Onofre

- Extensive inspections and testing showed wear in the steam generator tubing in both units. Some wear was expected, such as “tube-to-support” wear, but some was unexpected “tube-to-tube” wear, which was predominantly found in Unit 3.
- Engineers determined that the unexpected wear was associated with excessive vibration of the tubes in certain areas of the steam generators.
- Unit 3 had more than 300 tubes with the unexpected tube-to-tube wear; Unit 2 only had two tubes exhibiting minor tube-to-tube wear.
- The Nuclear Regulatory Commission (NRC) determined that computer modeling used during the design phase by the manufacturer, Mitsubishi Heavy Industries, underpredicted the thermal hydraulic conditions in the steam generators which contributed to the unstable tube vibration. The unstable tube vibration caused the unexpected wear in the steam generators.
- Both units are currently safely offline.
- Unit 2 was taken out of service Jan. 9, 2012, for a planned outage.
- Unit 3 was safely taken offline Jan. 31, 2012, after station operators detected a small leak in a steam generator tube.
- In March 2012, the NRC issued a Confirmatory Action Letter (CAL) outlining the actions SCE must take before restarting each unit.
- On Oct. 3, 2012, SCE submitted the response to the CAL and the restart plans for Unit 2.



Next Steps at San Onofre

- **A team of internal and external steam generator experts has prepared corrective action, repair and operation plans to ensure SCE meets the high-safety standards required.**
- SCE has provided the NRC with the materials needed to request restart of Unit 2. The NRC will take the necessary time to review all technical materials and the plan before making a decision about the restart of Unit 2.
- Because Unit 3 had much more tube-to-tube wear than Unit 2, it is not clear at this time whether Unit 3 will be able to restart without additional repairs. The reality is that the Unit 3 reactor will not be operating for some time.
- SCE defueled Unit 3, which is the standard practice during any extended outage and is the best way to continue testing and evaluation.
- **Safety is the No. 1 priority and there is no timeline on safety. SCE will not restart the units until the NRC is satisfied it is safe to do so.**



5 Key Points About San Onofre

SAN ONOFRE STATUS

- After extensive inspections and testing, unexpected tube-to-tube wear in the steam generator tubing in Unit 3 was identified as the cause of the Jan. 31, 2012 tube leak. Some early signs of potentially similar wear were identified in Unit 2. The wear in Unit 2 is far less extensive than the wear in Unit 3. Currently, both units are safely offline.

RESPONSE

- A team of internal and external steam generator experts has prepared corrective action, repair and operation plans to ensure SCE meets the high-safety standards required by the NRC.

SAFETY

- San Onofre has never been closed down for a safety violation. The NRC has determined that SCE has operated in a manner that preserves the public's health and safety during every year of the plant's operation.

NUCLEAR ENERGY IN CALIFORNIA

- Nuclear energy produces about 20 percent of the United States' electricity and is the largest clean source of electricity that does not emit greenhouse gases. It also plays an important role in stabilizing this state's electric grid — a critical aspect for importing power from remotely located renewable sources.

FINANCIAL IMPACT TO CUSTOMERS

- Before charging customers, SCE will first look to warranties and insurance to recover the costs associated with the current outages. The California Public Utilities Commission will also review any costs and determine if the costs were reasonably incurred.



San Onofre

Myths vs. Facts

Myth

Southern California doesn't need San Onofre. We have more than enough solar and wind power to make it up.

FACT

Nuclear energy facilities supply 37 percent of California's emission-free power and about 20 percent of the United States' electricity. Nuclear energy is by far the largest clean air energy source and the only one that can produce large amounts of electricity day and night, and without weather constraints.

So far, upgraded transmission lines and the temporary restart of gas-powered plants in Huntington Beach (limited to summer 2012 only), combined with consumers' tremendous conservation efforts, have avoided any power shortages this summer, which was mild based on historical data. California's long-term goal for cleaner air, and reliable emission-free power can greatly benefit from San Onofre's continued operation.

The San Onofre Nuclear Generating Station provides "baseload" generation, meaning its power serves customers' needs day and night, regardless of the weather, unlike wind and solar. It also provides critical voltage support — which allows the local grid to import more power when demand is high from far away sources.

Should San Onofre remain offline beyond 2014, SCE would need to consider a combination of generation resources and/or transmission, including new lines in Los Angeles and Orange Counties.

Myth

San Onofre doesn't have a good safety record.

FACT

Safety is the top priority at San Onofre and our safety-conscious work environment was noted in a letter from the NRC in 2012. The plant has never been closed down for a safety violation. The NRC has determined that SCE has operated in a manner that preserves the public's health and safety each and every year of the plant's operation.

Myth

SCE dramatically changed the steam generator design and didn't tell the NRC.

FACT

The NRC has publicly stated that SCE followed regulations regarding the modifications in the steam generators' replacement and that SCE fully informed the NRC of all changes, including the number of additional tubes and changes to the tube support structures. SCE applied for and received license amendments as required by the process.



Myth

Customers are going to get stuck with all of the costs.

FACT

SCE will first look to warranties and insurance to recover costs associated with the current outages. The California Public Utilities Commission will review all costs and determine if they were reasonably incurred before impacting customers.

Myth

San Onofre isn't built for a Southern California big earthquake, and what happened at Fukushima Daiichi can happen here.

FACT

Every U.S. nuclear power plant is designed to withstand the maximum potential earthquake for its location without releasing radioactive materials. The commonly known Richter scale is not used to determine earthquake building safety for any building. Instead, building safety relies on a more accurate value known as “peak ground acceleration,” which is based on the anticipated ground movement at the site during the largest potential earthquake, estimated by geologists. Additionally, the proximity of the fault and soil conditions must also be considered. So it is not accurate to simply say that San Onofre was only built to withstand a 7.0 earthquake.

As approved by the U.S. NRC, San Onofre was built to withstand a peak ground acceleration of at least 0.67g (g refers to the force of gravity). For comparison, the current California Building Code design requires any buildings built in the vicinity of San Onofre to be designed to withstand an earthquake motion that has peak ground acceleration of 0.38g.

SAN ONOFRE NUCLEAR GENERATING STATION

THE VALUE OF SAN ONOFRE

Southern California Edison's (SCE) San Onofre Nuclear Generating Station, near San Clemente, Calif., is Southern California's largest and most reliable source of electricity. Jointly owned by SCE, San Diego Gas & Electric and the city of Riverside, the units can generate 2,200 megawatts of power — enough to meet the needs of 1.4 million homes and businesses at a point in time.

The San Onofre plant has produced more than 350 billion kilowatt-hours of electricity since its beginnings in 1968 — exceeding all other individual power sources in the region.

THE GROWING IMPORTANCE OF CLEAN ENERGY

Nuclear energy is virtually free of carbon emissions, making the San Onofre Nuclear Generating Station increasingly valuable for meeting rising air quality standards and California's commitment to reducing greenhouse gases. Carbon emissions are a prime contributor to the greenhouse gas effect.

Unlike nuclear plants, fossil fuel plants burn their fuel sending particulate matter and greenhouse gas emissions up their smoke stacks and into the atmosphere. Nuclear plants do not burn their fuel and therefore virtually no air emissions are produced.

Compared to fossil fuel generation, San Onofre has helped **AVOID:**

• **100,000** metric tons of smog producing pollutants.

• **180,000,000** metric tons of carbon emissions.

24-HOUR GENERATION

The San Onofre plant provides "baseload" generation, meaning its power serves customers' needs day and night, regardless of the weather or the time of day. Few other energy sources are able to provide generation 24 hours a day, 7 days a week.

A SECURE FUEL SOURCE

San Onofre enhances energy security by increasing SCE's generation diversity that also includes solar, wind, geothermal and biomass. In addition, uranium is an abundant, predictable, secure fuel source that reduces California's dependence on less stable fuel.

ESSENTIAL TO GRID RELIABILITY

San Onofre provides the region with electricity as well as essential voltage support. Grid operators like SCE must ensure not only that enough electricity is available for customers' homes and businesses, but also that there is adequate voltage support. Much like water pressure in a water system, voltage keeps electricity flowing.

THE UNITS CAN GENERATE

2,200 megawatts of power

ENOUGH TO MEET THE NEEDS OF

1,400,000

homes at a point in time

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: **UPCOMING MEETINGS: MWDOC SEMI-ANNUAL ELECTED OFFICIALS FORUM AND ORANGE COUNTY WATER SUMMIT**
DATE: MARCH 14, 2013

Background

MWDOC Elected Officials Forum

At the March 3, 2011 Special Meeting, the Board approved the "Agreement between Municipal Water District of Orange County (MWDOC) and its Member Agencies on Budget, Activities, Charges," also referred to as the "MWDOC/South County Agreement."

One of the requirements of the agreement was that MWDOC was to begin holding semi-annual meetings with elected representatives from Orange County water entities to update officials on regional imported water issues (see attached agenda). Over the past two years, the Board President has attended as the designated delegate and the Vice President has attended as an alternate.

6th Annual Orange County Water Summit

This annual one-day conference, jointly sponsored by MWDOC, OCWD and Disneyland brings business and government representatives together to hear prominent speakers discuss Southern California water issues. Historically, the District has been represented at this event by a Board Member.

Recommendation

The Board take such action as they deem appropriate.



AGENDA

Semi-Annual Board and Elected Officials' Forum

DATE:
Thursday, April 4, 2013

TIME:
5:00 p.m. to 7:00 p.m.

5:30 p.m.

Welcome and Introductions

5:45 p.m.

MWDOC's 2013-14 Draft Budget

Break

Update RE: Desalination Projects

- Huntington Beach, Poseidon

- Dana Point, SOCOD

Water Supply Outlook

Comments and Roundtable

Topics for November Meeting

Adjourn



The 2013 OC WATER SUMMIT
The Classic Tale of Water Past, Present and Yet to Come

Friday, May 17, 2013

7:30 a.m. – 1:30 p.m.

Grand Californian Hotel, Disneyland Resort
Anaheim, California

DRAFT PROGRAM*

7:30 a.m. – 8:00 a.m. Registration & Continental Breakfast

8:00 a.m. – 8:10 a.m. Welcome & Pledge of Allegiance

Emcee: **TBD**

8:10 a.m. – 9:35 a.m. **Pulling the Mighty Colorado River in Many Directions.**
(1 hr. and 25 min.) Water Rights Were Established Long Ago. Can and Should
the River Sustain So Many Users Far into the Future?

This session will look at the long established water rights along the river, current challenges and conflicts, and the true viability of it sustaining current users into the future. The session panel will include speakers representing different perspectives: government, tribal relations, Lower and Upper Colorado issues and Mexico/US relations.

Moderator:

Peter McBride *(Confirmed)*

Co-author of *The Colorado River: Flowing Through Conflict* (2010) and Director of *Chasing Water*

Speakers:

Secretary Ken Salazar *(Invited)*

United States Department of the Interior (DOI)

Katosha Nakai *(Confirmed)*

Tribal Affairs and Policy Development Manager, Central Arizona Project (CAP)

Jayne Harkins, P.E. *(Confirmed)*

Executive Director, Colorado River Commission (CRC) of Nevada

Don Ostler *(Confirmed)*

Executive Director, Upper Colorado Commission

Commissioner Edward Drusina *(To Be Invited)*

United States Section of the International Boundary and Water Commission (USIBWC)

9:35 a.m. – 9:45 a.m.

BREAK

9:45 a.m. – 11:10 a.m.
(1 hr. and 25 min.)

Water Present – How Are California’s Water Investments Holding Up and What New Options Do We Have?

This session is about past investments in water infrastructure and natural resources, how these investments are holding up, and proposed water projects to ensure water reliability for California. The session’s panel will include presentations about the AWWA Buried But Not Forgotten Report, ASCE’s 2012 Infrastructure Report Card, the 100 year-old Los Angeles Aqueduct, aging municipal water pipelines, the Delta and alternative conveyance, and California’s groundwater basins.

Moderator:

Jeff Kightlinger, ESQ. *(Invited)*

General Manager, Metropolitan Water District of Southern California (Metropolitan)

Speakers:

Ron Nichols *(Confirmed)*

General Manager, Los Angeles Department of Water and Power (LADWP)

Yazdan Emrani, P.E. *(Confirmed)*

President-Elect and Chair of the Infrastructure Report Card, American Society of Civil Engineers (ASCE), Los Angeles Section and Senior Vice President, Hall & Foreman, Inc.

Senator Dianne Feinstein *(Invited)*

United States Senate

Secretary John Laird *(Invited)*

California Natural Resources Agency

Timothy K. Parker, *(Confirmed)*

Board Member, California Groundwater Resources Association (GRA) and President, Parker Groundwater

11:10a.m. – 11:30 a.m.

Break

11:30 a.m. – 1:30 p.m.

Lunch Program

(Start w/ speakers at 11:45 a.m.)

If Water is So Crucial to the Stability of Global Markets, What is Wall Street Prepared to Do to Help Public Agencies Get Water Infrastructure Projects Built? Are There Realistic Opportunities and Reasons for Private Companies and

Investors to Be in the Water Infrastructure and Distribution Business?

In the previous session, panelists will have given us the cold hard facts about aging water infrastructure and the state of our natural resources. In the lunch session we want to explore the opportunities and obstacles of financing water projects through public-private partnerships and other funding options. Wall Street realizes how crucial water supply reliability is to shaping and predicting the U.S. economy and global markets. In this session, we get to turn the tables and ask top financial firms what Wall Street is prepared to do to help public agencies get water infrastructure projects built and keep markets stable and growing.

Other obstacles to creating innovative projects includes the dismal number of U.S. students that are prepared and/or interested in pursuing careers in Science, Technology, Engineering and Mathematics (STEM). Invited speaker Richard Riordan offers a unique perspective on how to tackle these issues: as a public servant trying to get infrastructure projects off the ground; as a businessman trying to maximize investments; and, as a policy maker and philanthropist trying to improve our education system.

Moderator:

Patricia Mulroy (*Confirmed*)

General Manager, Southern Nevada Water Authority

Speakers:

Top executives from large financial firms such as JP Morgan, Bank of America, Wells Fargo, Barkleys, Charles Schwab, Merrill Lynch, etc. - **TBD**

Richard Riordan (*Invited*)

Entrepreneur, Philanthropist and Former Mayor of Los Angeles (1993-2001)

1:25 p.m.

Closing Remarks

**(Subject to Change)*