EAST ORANGE COUNTY WATER DISTRICT

185 N. McPherson Rd.
Orange, California
92869-3720

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www.eocwd.com

BOARD OF DIRECTORS

Douglass S. Davert
President

Richard B. Bell
Vice President

John Dulebohn
Director

Seymour (Sy) Everett
Director

John L. Sears
Director

Lisa Ohlund
General Manager

April 17, 2017

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

Dear Members of the Board:

Please be advised that the regular meeting of the Board of Directors of the East Orange County Water District will be held on Thursday, **April 20, 2017**, at **5:00 p.m.** in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. Enclosed please find the agenda for the meeting.

Sincerely,

EAST ORANGE COUNTY WATER DISTRICT

By: Jeff Hoskinson

JH/lk

Enclosures

cc: Mailing List

00195944

AGENDA

EAST ORANGE COUNTY WATER DISTRICT
(EOCWD)

Thursday,
April 20, 2017
185 N. McPherson Road, Orange, California

5:00 p.m.

1. **Call Meeting to Order; Pledge of Allegiance – Director Dulebohn**

2. **Public Communications to the Board**

3. **Addition of Items Arising After Posting of Agenda Requiring Immediate Action**
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present)

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

4. **Consent Calendar** (all matters listed are recommended for enactment without discussion by a single motion; a member of the Board may request that any item be removed for discussion)

Recommended Motion: "THAT THE CONSENT CALENDAR ACTIONS BE ADOPTED AS FOLLOWS"

A. Minutes (Exhibit "**A**"): "THAT THE MINUTES OF THE MARCH 16, 2017 MEETING BE APPROVED AS SUBMITTED."

B. General Manager's Report (Exhibit "**B**"): "THAT THE GENERAL MANAGER'S REPORT BE RECEIVED AND FILED"

C. Resolution of Support – ACWA Policy Statement on Bay-Delta Flow Requirements (Exhibit "**C**"): "THAT RESOLUTION NO. ___ BE ADOPTED, ENTITLED: 'A RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT IN SUPPORT OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS'"

(Next available Resolution No: 796)

D. Letter of Support – AB 979 (Exhibit "**D**"): "THAT THE LETTER OF SUPPORT RELATIVE TO AB 979 AND LAFCO REPRESENTATION FOR SPECIAL DISTRICTS BE APPROVED, AND PRESIDENT DAVERT, OR HIS DESIGNEE, BE AUTHORIZED TO EXECUTE AND DELIVER SUCH LETTER"

E. Ratification and Adoption of Board of Supervisors' Amendments to District's Conflict of Interest Policy (Exhibit "**E**"): "THAT THE BOARD RATIFY AND ADOPT THE AMENDMENTS REQUESTED BY THE ORANGE COUNTY BOARD OF SUPERVISORS RELATIVE TO THE CONFLICT OF INTEREST POLICY PREVIOUSLY APPROVED BY RESOLUTION NO. 793"

F. Change of Title of Finance Committee to Administrative and Finance Committee ("Exhibit "**F**"): "THAT THE BOARD HEREBY ELECTS TO CHANGE THE NAME OF THE 'FINANCE COMMITTEE' TO THE 'ADMINISTRATIVE AND FINANCE COMMITTEE' "

5. Operation, Management and Construction Matters

A. Water Bill Protest - 12606 Vista Panorama (Exhibit "**G**")

Recommended Motion: "THAT THE BOARD HEAR AND CONSIDER THE CUSTOMER APPEAL PER SECTION 2.7 OF THE RULES OF REGULATIONS, AND RENDER A DECISION"

B. Award of Contract for Open Trench Sewer Replacement Project (Exhibit "**H**")

Recommended Motion: "THAT A CONTRACT WITH BEADOR CONSTRUCTION COMPANY, FOR AN OPEN TRENCH SEWER REPLACEMENT PROJECT, IN THE NOT-TO-EXCEED AMOUNT OF $393,900, WITH AN ADDITIONAL AUTHORIZATION OF $35,000 FOR PROJECT INSPECTION AND CHANGE ORDERS, BE APPROVED , AND THAT THE GENERAL MANAGER BE AUTHORIZED TO EXECUTE THE CONTRACT"

C. Award of Contract for Phase I Cured-in-Place Pipe Repair Project (Exhibit "**I**")

Recommended Motion: "THAT A CONTRACT WITH PERFORMANCE PIPELINE TECHNOLOGIES, FOR CERTAIN CURED-IN-PLACE PIPE REPAIR, IN THE NOT-TO-EXCEED AMOUNT OF $15,400, WITH AN ADDITIONAL AUTHORIZATION FOR $10,000 FOR PROJECT INSPECTION AND CHANGE ORDERS, BE APPROVED , AND THAT THE GENERAL MANAGER BE AUTHORIZED TO EXECUTE THE CONTRACT"

D. Creation of Administrative and Technical Services Coordinator Position (Exhibit "**J**")

Recommended Motion: "THAT THE BOARD HEREBY APPROVES THE CREATION OF AN ADMINISTRATIVE AND TECHNICAL SERVICES COORDINATOR POSITION, WITH AN ESTABLISHED SALARY RANGE OF BETWEEN $8,415 AND $11,360 PER MONTH"

E. Appointment of Jeffrey A. Hoskinson as Interim District Counsel/Board Secretary (Exhibit "**K**"): "THAT THE JEFFREY A. HOSKINSON, OF BOWIE, ARNESON, WILES & GIANNONE, BE APPOINTED AS INTERIM DISTRICT COUNSEL/BOARD SECRETARY"

6. Financial Matters

A. Approval of schedules of disbursements (Exhibit "**L**")

B. Report on investments / ratification of investment activity (Exhibit "**M**")

C. Receipt and filing of financial statements (February 28, 2017) – (Exhibit "**N**")

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

7. Miscellaneous Matters

A. Regional/State Issues (Exhibit "**O**")

B. Reports from committees and representatives to organizations

C. Directors' reports on meetings attended at District expense (Government Code Section 53232.3)

D. Directors' comments – Directors or staff may ask questions for clarification, make brief announcements, and make brief reports on their own activities; Directors may provide a reference to staff or other resources for factual information, request staff to report back at a subsequent meeting concerning a matter, or direct staff to place a matter on a future agenda (Government Code 54954.2)

E. Wholesale and retail water usage report (Exhibit "**P**")

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

8. Informational Items

A. General interest publications (Attachment "**1**") – included: "Why Oroville Dam's woes could cut into California's Water Supply," by Dale Kasler and Ryan Sabalow (Sacramento Bee, March 31, 2017); "Where the Water Goes," by David Owen (New Yorker, April 2, 2017); "Water Utility Cyberattack Rings Up Hefty Data Charges," by Brett Walton (Circle of Blue, April 2, 2017).

9. Adjournment

The scheduled date of the next Regular Meeting of the Board of Directors is **May 18, 2017**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California

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

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

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

March 16, 2017

1. Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by DOUGLASS DAVERT, President of the Board of Directors, at 5:00 p.m. on Thursday, March 16, 2017, 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 (General Manager OHLUND recorded the minutes for Item 9).

The following Directors were present: RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN and JOHN SEARS. Also present were:

LISA OHLUND	General Manager
JERRY MENDZER	Maintenance & Operations Superintendent
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel (by telephone)
DIANN PAY	AKM
FRANK CAHILL	RCE
DOUG STACK	City of Tustin
ART VALENZUELA	City of Tustin
JAYSON SCHMITT	Chandler Asset Management

2. Public Communications to the Board. None.

3. Items Arising After Posting of Agenda. None.

4. Consent Calendar.

ACTION TAKEN:

Upon a motion by BELL, seconded by SEARS and carried unanimously (Everett absent), the consent calendar actions were adopted as follows.

A. General Manager's Report: "THE GENERAL MANAGER'S REPORT WAS RECEIVED AND FILED"

B. Annual review of investment policy and delegation of authority to effect investment transactions: "RESOLUTION NO. 795 WAS ADOPTED, ENTITLED: 'RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT APPROVING INVESTMENT POLICY AND AUTHORIZING THE TREASURER TO INVEST FUNDS'"

DRAFT

C. Open Trench Sewer Replacement Project: "STAFF WAS AUTHORIZED TO REJECT ALL BIDS AND REBID THE PROJECT"

D. Wholesale Zone system water quality issues status report: "THE REPORT WAS RECEIVED AND FILED"

E. Strategic planning workshop: "THE REPORT WAS RECEIVED AND FILED"

5. Operation, Management and Construction Matters.

A. Sewer System Master Plan and Condition Assessment. Ms. OHLUND provided an overview of what the contract would contain for the sewer system master plan and condition assessment.

ACTION TAKEN:

Upon a motion by BELL, seconded by DULEBOHN and carried unanimously (Everett absent), a contract with AKM Consulting, in the amount of $556,992, was approved and ID 1 Account No. 70205e-30 was amended by the amount of $306,992.

6. Financial Matters.

D. Chandler Asset Management semi-annual investment review. Mr. SCHMITT provided an overview of his report, including federal reserve and other economic trends and projections, characteristics, sector distribution and issuers for the shorter and longer portions of the District's portfolio, ratings, and investment of funds received from OCSD in the sewer transfer.

ACTION TAKEN:

Upon a motion by SEARS, seconded by BELL and carried unanimously (Everett absent), the report was received and filed.

B. Lead Sampling at K-12 Schools. Ms. OHLUND reported on and discussed the process that would occur.

ACTION TAKEN:

Upon a motion by SEARS, seconded by DULEBOHN and carried unanimously (Everett absent), the report was received and filed.

C. Cured-In-Place Pipe Repairs Project. Ms. OHLUND reported that certain irregularities appeared in the bidding process. Staff was recommending rejection of all bids and inclusion within the unit price work in the existing Sancon contract.

DRAFT

ACTION TAKEN:

Upon a motion by SEARS, seconded by BELL and carried unanimously (Everett absent), Amendment No. 1 to the contract with Sancon Engineering, to include the full-length CIPP rehabilitation for $212,265, was approved.

6. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: $329,613.27 from Wholesale and Retail Operating Funds, $1,722.41 for directors' payroll, and $57,802.31 for employees' payroll.

B. Investment Report of Investment Activity. Schedules of investments were presented.

C. Financial Statements (January 31). The financial statements were presented.

President DAVERT reported that the Finance Committee recommended approval of the schedule of disbursements and investment schedules, and receipt and filing of the financial statements.

ACTION TAKEN:

Upon a motion by BELL, seconded by SEARS and carried unanimously (Everett absent), the schedules of disbursements were approved as corrected, the schedules of investments were ratified and approved, and the financial statements were received and filed.

7. Miscellaneous Matters.

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

B. Directors' Reports on Meetings Attended. Director SEARS reported on his attendance at WACO featuring presentations on Oroville and groundwater storage, and at the leadership conference.

C. Wholesale and Retail Water Usage. Lower sales resulted from the large rainfall, and adjustments will likely be needed next year.

ACTION TAKEN:

Upon a motion by BELL, seconded by DULEBOHN and carried unanimously (Everett absent), the wholesale and retail water usage report was received and filed.

DRAFT

D. Authorization of Conference/Meeting Attendance.

ACTION TAKEN:

Upon a motion by SEARS, seconded by BELL and carried unanimously (Everett absent), Directors SEARS and BELL were authorized to attend the ACWA Spring Conference.

8. Informational Items.

A. General Interest Publications. Included were: Neil McCormick and Kyle Packham, California Special Districts Association letter to Little Hoover Commission.

9. Closed Sessions. President DAVERT announced that the Board would meet in closed session - conference with Legal Counsel – existing litigation pursuant to paragraph (1) of subdivision (d) of Government Code Section 54956.9 – *Irvine Ranch Water District v. Orange County Water District,* Case No. 30-2016-00858584-CU-WM-CJC.

Ms. ARNESON left the meeting.

OPEN SESSION

Open session was resumed, with Directors BELL, DAVERT, DULEBOHN and SEARS present. No action was reported from the closed session.

10. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 6:10 p.m., the next regular meeting date and time being Thursday, April 20, 2017, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

_____

Joan C. Arneson

DRAFT

EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT

March 2017

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

GENERAL MATTERS

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

SEWER

A. ID1 Update

Activities & Accomplishments for March 2017 include:

Personnel

- Held two Sewer Management, Operations & Engineering (MOE) meetings
- Contractor Performance Pipeline completed Group 3 (of 12 Groups) for routine cleaning of the system and is currently working through Group 4.
- Interviewed 2 applicants for Sewer Supervisor position.
- Attended Strategic Planning Workshop

Activities

- Traffic control training through JPIA attended by all field staff.
- Equipment Safety Training with staff – reviewed SOPs.
- Attended OC WDR Meeting in Garden Grove.
- Completed monthly cleaning of 10 siphons.
- Responded to sewer calls – Holly Tree Lane, Heathcliff Drive, Lemon Heights Drive, Lucinda Way, Rainer Drive, Holt Ave., and Ethelbee Way.
- Met with vendor for CIPP presentation.
- Completed video inspections of 18 previously identified line defect areas to confirm current conditions.
- Completed "Hot Spots" cleaning for all required spots
- Inspected 8" sewer line crossing / replacement work by County of Orange contractor for Crawford Canyon Road Storm Drain Project – Phase I.
- Submitted "No-Spills" Report to State for March.
- Continuing to purchase tools and safety equipment for sewer crew.
- Marked Dig Alerts
- Interviewed 2 sewer supervisor applicants.
- Coordinated with contractor to remove and replace 4 cracked Manhole frames and covers located at Esplanade/Pearl, Fairhaven, Ervin Ln, and Dodge / Roane.
- Coordinated with Contractor to remove and replace 5 broken collars located at Hampshire, East Edinger, Kingsview, Rocky Road, and Villa Rose Drive.
- Coordinated with contractor to cut out protruding sewer lateral on Woodglen.
- Ordered misc. sewer supplies and tools.
- Filed and certified CIWQS SSO report.

Spills – No spills for March 2017

Engineering & Construction

- Held Sectional CIPP Pre-Bid Meeting with four potential contractors
- Notified Open Trench Replacement contractors of bid rejection; revised bid documents and submitted to prequalified contractors for rebidding.
- Awarded Full-Length CIPP to Sancon Engineering; coordinated contract/insurance submittal
- Coordinated sewer line repair (line broken by County Contractor at Old Crawford Canyon storm drain project). No spill resulted from line break due to location of break at top of pipe.

Permits

- 9 permits were issued in March.

WHOLESALE ZONE

A. WZ Water Quality

During the month of March, staff had to perform extensive flushing at various locations throughout the wholesale zone distribution system in order to maintain acceptable chlorine and nitrite levels. Staff flushed 1.9 AF of water in the upper zone and 1.6 AF in the lower zone. Water sales in the upper and lower zones were 64.2 AF and 15.3 AF respectively. Combined upper and lower zone water purchased was 79.5 AF. Of that, 3.5 AF (4.4%) was flushed to waste.

District has retained ID Modeling/AQUAlity Engineering to address short- and long-term water quality/low demand issues. Update: Kick-off Meeting was held on March 30th; current pressure and flow information is needed; staff will be coordinating collection of this data with ID Modeling.

B. Peters Canyon (6 MG) Reservoir Status Update

Reservoir Roof – Staff has recommended working with a contractor and structural engineer to perform an inspection of the roof to determine any critically locations that should be addressed this year to provide additional reinforcement prolonging the life of the existing roof structure. Roof inspection tentatively scheduled for April or as soon as reservoir levels can be increased so that the roof can be inspected from a raft. Low demand has lowered the reservoir level and limited the ability to provide this inspection.

SCADA Upgrades: Low reservoir levels continue to impede contractor/engineer inspection in March.

C. OC-43/Walnut Takeout Vault Rehabilitation/Replacement

Staff has identified a proposal that will be submitted to the City as a solution to this issue.

D. Treatment Plant Feasibility Study Update

The treatment plant report will be presented to the Engineering Committee at their April Meeting, however, finalization of the study may be affected by the Low Demand/Water Quality Issue work that is being performed by ID Modeling/AQUAlity Engineering.

E. OC-70 Meter Test Comparison

Background: An ongoing issue in the Wholesale Zone has been "unaccounted-for water." For several years, staff has been investigating the seeming "loss" of millions of gallons of water each month – so much water in fact, that it would be creating large lakes somewhere if it was entering and escaping our system.

Over the past several years, staff has conducted many analyses and failed to find a cause or a pattern of loss that yielded clues as to the cause. After meeting with MET/MWDOC, it was determined that EOCWD would provide a water balance for our side of the meter by installing a new meter on this inlet pipeline to the Peters Canyon Reservoir, and placing AMI on each of the takeouts so they can be balanced to the MET meters.

UPDATE: Staff has completed the electrical work required for the meter and for AMI at the various meters. Staff is working with ID Modeling and Ayyeka to install remote monitoring (including remote meter reading) at the takeouts.

F. Corrosion Protection

Corrpro completed the anode installation work on the Andres (11.5 MG) Reservoir's cathodic protection system on March 29th.

G. Handy Creek Road

District engineers RCE Consultants are working with the City of Orange and The Irvine Company to resolve issues related to: relocation of the Jamboree Connection and Jamboree gate at the entrance to Handy Creek Road, improvements to Handy Creek Road and protection of our facilities during construction, inundation impacts if there was a leak in the reservoir and access and construction impacts while the Santiago Hills II project is under construction.

Update: Meeting with the Irvine Company was held to discuss the road issues; TIC disagrees with the District's reading of the easement. Legal counsel will review their comments and respond.

H. WZ Connection Permits

One (1) WZ connection permit was issued for an irrigation meter serving a new development on Utt Drive in Tustin.

RETAIL ZONE

1) East Orange DroughtReach™ Program

The conservation reduction for March was 34% (from 2013), exceeding our 15% mandatory requirement; residents continue to respond extremely well to calls for conservation, with an assist from the rain. Staff will be reviewing the Conservation Ordinance and Drought Emergency Requirements and bring recommendations to the Engineering & Operations Committee's May Meeting.

2) Well / Booster Station Operations

East Well and West Well – For March, 100% of the Retail Zone demand was met using groundwater from both wells. Total retail demand was 48 acre feet (AF).

Well Levels - Well water levels continue to recover as shown on the attached graph. The East Well pumping water level has risen another 12.5 feet since the first week of March to the first week of April. The East Well pumping water level is currently at 259 feet BGS (below ground surface) while the West Well is at 250.8 BGS. Staff will continue to closely monitor the levels. Please note that pumping water levels have been as low as 297 feet BGS back in July 2014.

3) Alexander Lane/Stoller Lane Pipeline Rehabilitation

A video inspection the 12" waterline from Barrett Reservoir as well as the 12" waterline which currently serves as the main feed into the Retail Zone distribution system was performed on March 23rd. The videos revealed that there were spots on each of the concrete lined and coated steel pipelines where the interior lining was missing. Staff also found that the coating on the sections that were removed was also compromised. Staffs recommendation is to remove and replace the existing 12" line in Alexander Lane due to the condition of the pipeline and to slip line the segment from the Barrett Reservoir site to Crawford Canyon Rd.

4) Pressure Reducing Station Rehabilitation

JA Salazar Construction was awarded the contract to construct the Circula Panorama PRV at the January Board Meeting and was scheduled to start work in mid- February and be completed by March 1. Unfortunately the lead time on the vault assembly was much longer than expected causing the project completion date to be delayed until May.

Update: JA Salazar Construction will begin work on April 19 and 20th to prepare and install the PRV tie-in connection points. The remaining work will be completed once the vault assembly is received which is scheduled the first week of May.

5) Crawford Canyon Rd/Newport Avenue Stormwater Improvements

Staff and RCE met on site with the County and the contractor performing the work to review and discuss the project and the methods to be used to mitigate any potential hazards, issues, and concerns. So far the County has crossed over an 8" sewer line, under an 6" and 8" waterline, and they still need cross under another 8" sewer line and waterline to complete their project. Staff is continuing to work closely with the County and their contractor, however,

work on this project has resulted in a waterline break and a sewerline break (without a spill) during a 2-day period in early March.

Update: The contractor completed the final waterline crossing on April 14th.

6) System Leaks

On Thursday, March 2nd, staff was notified by a County Inspector working on the Crawford Canyon Road Storm Drain Project that the 8" pipe on Old Crawdford Canyon Rd. developed a small leak. On March 3rd, a pipeline contractor was brought in to perform the repair due to our staff already being involved with another waterline repair. The leak was found to be at the connection point between the pipe and valve. A new 4 foot section of 8" PVC pipe was installed along with a new valve. Staff is requesting reimbursement from the County for the repair work as the pipe was not leaking prior to the construction work near the waterline.

On Friday, March 3, staff responded to a possible mainline break located at the top of El Roy Drive. Staff found that the 4" AC pipe had a crack around the circumference of the pipe. The most likely cause of the break is ground settlement. A full circle repair clamp used to repair the pipe.

On March 9th, staff was notified of a possible leak on Marcy Ranch Road. A leak on the 1" plastic service lateral between the mainline and the meter was discovered. Due to the plastic line already having signs of previous repairs, a new 1" copper service line was installed.

7) **Water Availability Request/Connection Permits**

None.

JOINT SYSTEM (WZ & RZ) ACTIVITIES

Water Loss Audit

Staff is scheduled to meet with WSO to perform volumetric meter testing of the well meters on May 1nd and 2nd. Staff is coordinating with WSO for an additional date to test the Retail Zone input meters.

SEDARU

Please see the attached SEDARU work report that provides information on work staff is performing and the types of customer interactions that staff are having.

A. Monthly Operations Activities

- Attended ACWA JPIA Traffic Control Training
- Attended OC WDR Meeting
- Ordered water quality supplies.
- Ordered sewer supplies.
- Attended AMI meeting at MWDOC
- Attended 1 day at AWWA Conference in Anaheim.

- Took dump truck in for repairs.
- Gathered and reviewed distribution data for Consumer Confidence Report.
- Investigated meter tampering issue on Vista Panorama.
- Met with CCTV contractor to inspect 12" mains.
- Backfilled 2 excavations for 12" main feeder to retail zone for inspection.
- Backfilled excavation for 12" transmission line from Barrett Reservoir.
- Coordinated with County contractor for pipeline shutdown on Old Crawford Canyon Rd.
- Backfilled excavation for 4" mainline on El Roy Drive
- Met with County to review phase 1 and phase 2 Crawford Canyon Storm drain work.
- Set door tags for turn offs
- Met with V&A for inspection of cathodic protection system on pipelines.
- Met with Corrpro for installation of cathodic protection system inside Andres Reservoir.
- Ordered and received new replacement vault for Orange Knoll PRV station.
- Met with Engineer to discuss Vista Panorama reservoir site improvements.
- Performed wholesale zone flushing.
- Worked with ID Modeling on SEDARU SEWER
- Met with ID Modeling for water quality study
- Provide safety training to 2 new interns.
- Contacted various vendors for data loggers.

Weekly Tasks

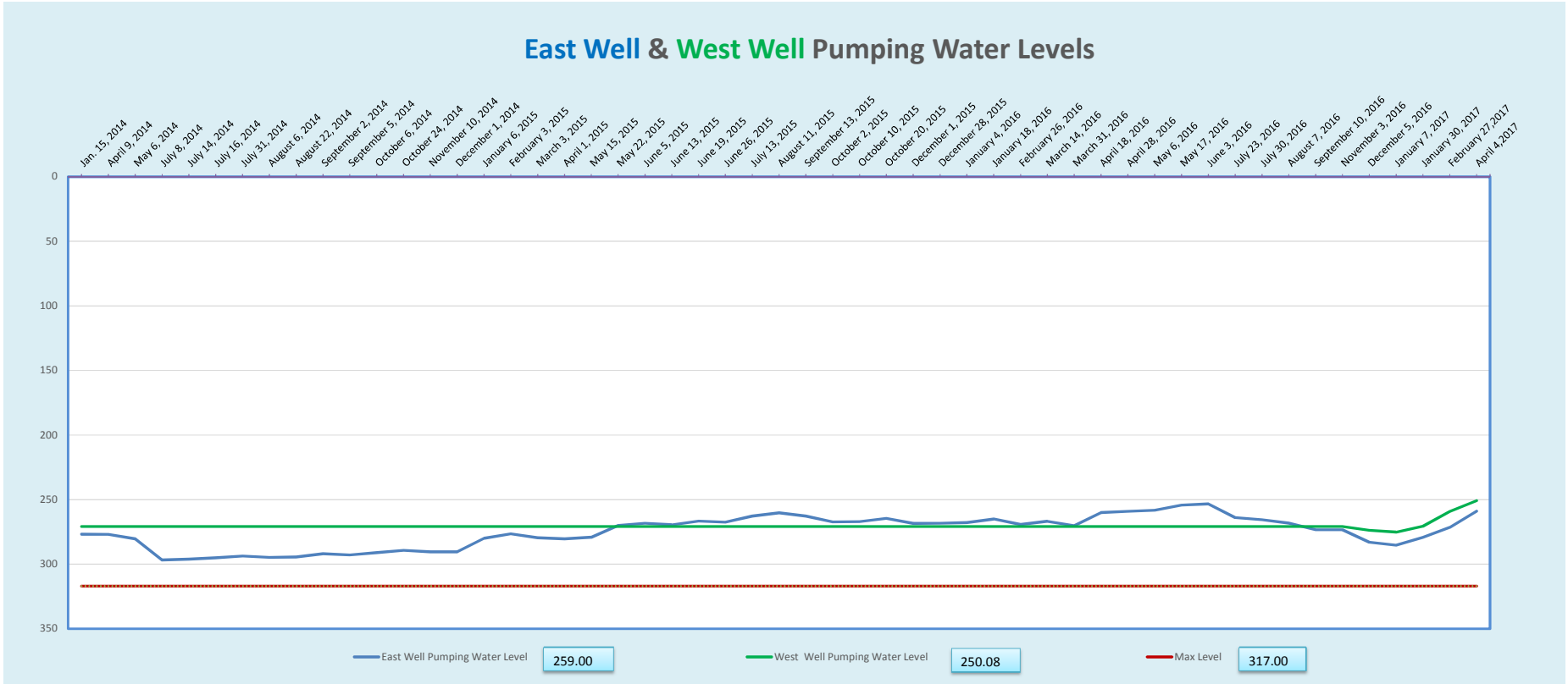
- Attend weekly safety meetings (All field staff)
- Reviewed sewer cleaning operations with OCSD
- Performed weekly water quality sampling
- Measure static and pumping water levels in wells.
- Performed USA locations
- Responded to utility requests from the County and city of Orange
- Picked up water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

Monthly Tasks

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

MEETINGS

See attached minutes for Finance Committee and Engineering and Operations Committee Meetings.


East Well & West Well Pumping Water Levels
Jan. 15, 2014
April 9, 2014
May 6, 2014
July 8, 2014
July 14, 2014
July 16, 2014
July 31, 2014
August 6, 2014
August 22, 2014
September 2, 2014
September 5, 2014
October 6, 2014
October 24, 2014
November 10, 2014
December 1, 2014
January 6, 2015
February 3, 2015
March 3, 2015
April 1, 2015
May 15, 2015
May 22, 2015
June 5, 2015
June 13, 2015
June 19, 2015
June 26, 2015
July 13, 2015
August 11, 2015
September 13, 2015
October 2, 2015
October 10, 2015
October 20, 2015
December 1, 2015
December 28, 2015
January 4, 2016
January 18, 2016
February 26, 2016
March 14, 2016
March 31, 2016
April 18, 2016
April 28, 2016
May 6, 2016
May 17, 2016
June 3, 2016
July 23, 2016
July 30, 2016
August 7, 2016
September 10, 2016
November 3, 2016
December 5, 2016
January 7, 2017
January 30, 2017
February 27,2017
April 4,2017
0
50
100
150
200
250
300
350
East Well Pumping Water Level
259.00
West Well Pumping Water Level
250.08
Max Level
317.00

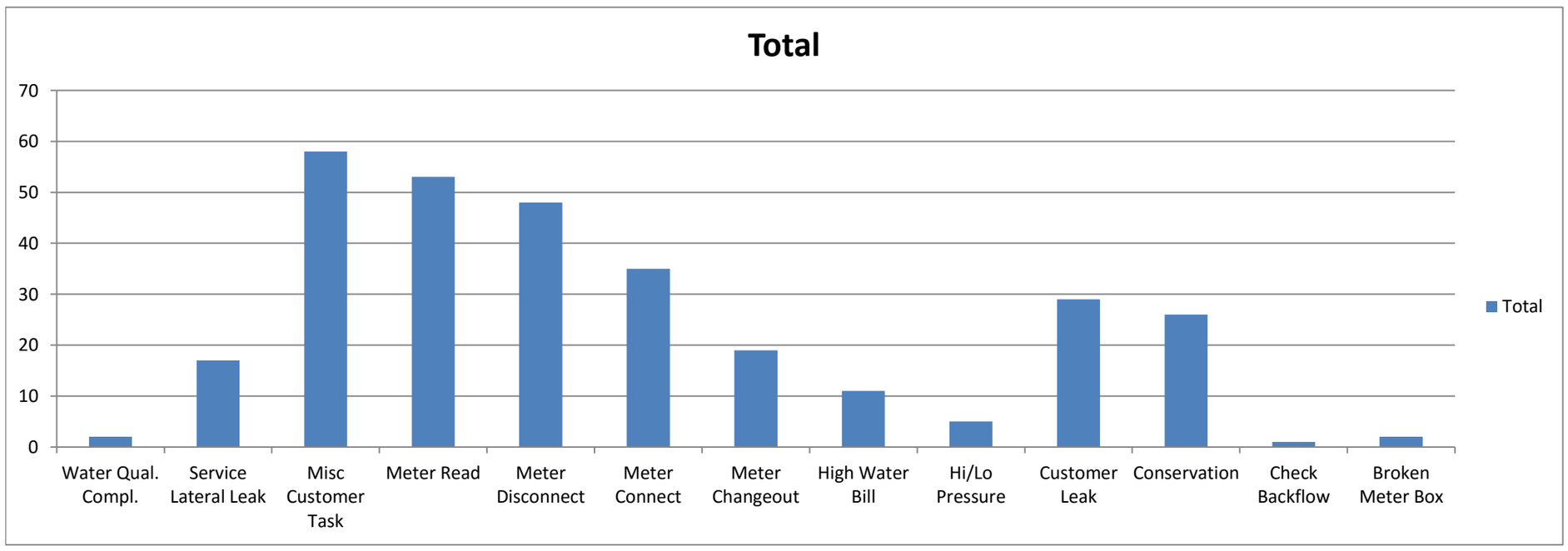
EOCWD Customer Work

YEAR	(All)

Count of workdate	Column Labels												
Row Labels	**APR 2016**	**MAY 2016**	**JUNE 2016**	**JUL 2016**	**AUG 2016**	**SEP 2016**	**OCT 2016**	**NOV 2016**	**DEC 2016**	**JAN 2017**	**FEB 2017**	**MAR 2017**	**Grand Total**
jmendzer	1	11	3		9	10	12	4	4	1	12	8	75
mnguyen	7	8											15
mplummer	17	27	41	19	29	20	10	10	12	9	6	4	204
mcardenas							8		5				13
Grand Total	**25**	**46**	**44**	**19**	**38**	**30**	**30**	**14**	**21**	**10**	**18**	**12**	**307**

YEAR	(All)

Count of workdate	Column Labels												
Row Labels	**APR 2016**	**MAY 2016**	**JUNE 2016**	**JUL 2016**	**AUG 2016**	**SEP 2016**	**OCT 2016**	**NOV 2016**	**DEC 2016**	**JAN 2017**	**FEB 2017**	**MAR 2017**	**Grand Total**
Broken Meter Box	1						1						2
Check Backflow		1											1
Conservation	3	7	1	5		2		4	3	1			26
Customer Leak	4	4	8	3	3			1	3		1	2	29
Hi/Lo Pressure	1		1	1			1		1				5
High Water Bill			2			4	3	1	1				11
Meter Changeout		4			7	1	3			2	2		19
Meter Connect	3	4	7		1	1	6	2	5		3	3	35
Meter Disconnect	4	2	9	1	4	3	13	1	4	1	4	2	48
Meter Read	5	9	3	6	8	13	1		3	3	1	1	53
Misc Customer Task	3	12	11	2	7	5	2	4		3	7	2	58
Service Lateral Leak	1	3	1		7	1		1	1			2	17
Water Qual. Compl.				1	1								2
Get Backflow Info			1										1
Grand Total	**25**	**46**	**44**	**19**	**38**	**30**	**30**	**14**	**21**	**10**	**18**	**12**	**307**



MEMO

TO: **BOARD OF DIRECTORS**

FROM: **GENERAL MANAGER**

SUBJECT: **DROUGHT RESPONSE REPORT – MARCH 2017**

DATE: **APRIL 20, 2017**

Meetings

- General Manager attended to Foothill Communities Association Meeting handed out water conservation on March 6, 2017.
- General Manager attended Advanced Metering Infrastructure Workshop and Water Loss on March 21, 2017.
- General Manager attended to a teleconference with Hydropoint - WZ advanced meter infrastructure to identify water loss on March 22, 2017.

Water Waste High Water Bill Phone Calls

- N/A.

WUE Materials

- N/A.

Drought Social Media/Print Messaging Efforts

- EOCWD Facebook page is updated by Communications Lab and EOCWD Staff. 8 new posts were published on March-2017
- EOCWD Twitter page is updated by Communications Lab and EOCWD Staff. 9 new twitters were published on March-2017
- EOCWD Website page is updated by Communications Lab and EOCWD Staff. "3 Days a Week Watering" was update on our website on March 31, 2017
- Foothill Sentry Ad: an Ad was published on March -2017 "We Could not have done it without you"

Customer Rebate Activities

- Rebate- Smart Timer- Customer at Via Aventura received $160.00 on March 2017.

Groundwater Replenishment System (GWRS) Credits

The GWRS production allocated to EOCWD can be reported as Indirect Potable Reuse (IPR). For the month of March, EOCWD showed an IPR credit of 17.00 acre feet (equivalent to 5.5 million gallons or 51% of the RZ's March's demand) that was sent to GWRS by sewer customers in the RZ for eventual reuse through the groundwater wells. This number represents "new" water that wasn't imported.

Engineering & Operations Committee

Minutes of the
March 9, 2017 Meeting

Present: Richard Bell, John Dulebohn, Lisa Ohlund, Jerry Mendzer, Frank Cahill.

1. Called to order at 4:30 p.m.

2. Alexander Lane/Stoller Lane Project: Staff reported that staff had created access holes to allow for CCTV inspection of the interior of the two 12" pipes; CCTV work would commence on March 23 and provide information on whether the pipelines were suitable for lining or required replacement.

3. Vista Panorama Reservoir – Staff reported that a kick off meeting was held with AKD and Linkture. Linkture is examining whether the VP Reservoir demand could be met with a smaller than 50 HP generator. Staff is considering removing the pressure tank at Vista to gain needed space for an emergency generator. Staff is also looking into the SCE microrogrids program.

4. Crawford Canyon Storm Drain – Staff reported that on Friday, March 3rd the County broke a water line and on Tuesday, March 7th the County broke a sewer line. This did not cause a sewer spill. Director Bell asked who was responsible for the leak repairs and Staff reported that EOCWD repaired the water and the County repaired the sewer.

5. Status of Pressure Reducing Stations Project – Staff reported that a kick off meeting was held with the contractor, however the vault for the project won't be available until May, so staff is examining options to perform part of the work now and part in May. Work on Orange Knoll PRV will occur in April.

6. Lemon Hill Project – Staff is working to resolve several outstanding issues with the developer, including quitclaiming some old easements. The outstanding issue relates to existing easements and encroachments that the developer and/or future home owners may make that could impede access to our pipelines in an emergency.

7. Lead Sampling at K-12 Schools – Staff reported that met with Orange Unified School District. Staff reports information gathered from a MET water quality meeting specific to school issues was provided to OUSD

8. El Roy 4" Line Break – Staff reported a break in the 4" AC pipe at the top of El Roy Drive; it appears the break was apparently caused by earth movement.

9. East & West Well – Groundwater levels continue to recover a bit. It was noted that the highest water levels occurred most recently in 2005/2006.

10. RZ Water Use – Demand was 36 AF in the RZ; 21% higher than 2016, but 37% lower than average of last 6 years.

11. PCR Reservoir – Staff reports no that reservoir levels have yet to raise enough to enable the contractor/engineer inspection of the roof; should be able to perform in April/May.

12. Water Quality Issues – Staff reports that a kickoff meeting with ID Modeling andAQUAlity has been scheduled for May 30th.

13. Cathodic Protection Project Status – Staff reported that Corpro is working at the reservoir and completion should be at the end of March. VNA completed field work and initial baseline report and recommendations will be here in a couple of weeks.

14. Santiago Hills II/Handy Creek Road – Staff is working to schedule a meeting with the Irvine Company to discuss issues pertaining to Handy Creek Road and our reservoir.

15. Security System –Ad-Hoc Cell Committee will be reviewing the leases and considering further action.

16. OC-70 Meter Issue – Staff reported the need to install AMI on 15 takeout meters so that we can balance to MET meter; looking at options that will cost under $40,000 – much better than $100,000 estimate from 2013.

17. OC-43/Walnut Takeout – Staff reviewed the constraints of the proposed solution with the Committee; solution will cost District, but provide Tustin with their own facility.

18. WZ Water Use – Staff reported that ½ of the water demand at OC048 was used as flushing water.

19. Sewer System Management Plan – Staff reported that the SSMP has been uploaded to the State CIWQS website and posted on our website.

20. Septic System Conversions Status – Staff reports tentatively scheduled public hearing April 25, 2017. Still waiting for information from County on the addresses and locations of septic systems.

21. System Rehabilitation and Replacement Project Status Report – Staff recommends awarding full-length CIPP contract to Sancon. Staff noted that inspection will be contracted out. Staff recommends that the dig and replace bids be rejected due to an error in the bid documents. Bidders thought the job consisted of 120' at each site instead of a total of 120' for the entire project..

22. Sewer Permits – 6 permits were issued in February.

23. Spill – No spills occurred in February 2017.

Finance Committee

Minutes of the
April 6, 2017 Meeting

Present: Doug Davert, Sy Everett, Lisa Ohlund, Sylvia Prado

- Called to order at 4:40 pm

- Proposal to change title to "Administration & Finance Committee" – Staff reported need to bring administrative items to the committee, such as legislative positions, personnel related issues and that the committee's title should reflect this. Committee agreed to bring to the Board meeting.

- Proposed Administrative & Technical Services Coordinator Position – Staff reports that the idea behind this title will allow staff to mentor and move up to a manager position quickly to assist with possible succession. Staff reports that the salary level is appropriate for a mid-level manager. President Davert suggests the item be reviewed with the E&O Committee also.

- Change to Conflict of Interest Policy/Board of Supervisors – Staff reports Supervisor Spitzer called our office to recommend changing Operations Manager disclosure level from OC-43 to OC-41; OC41 is a higher level of disclosure; staff agreed and Supervisors went ahead for expediency's sake. Committee agreed to recommend that the Board ratify this action.

- Board Member Email Addresses – Staff recommended that until a policy is developed to address all district communications in light of the recent Supreme Court decision, Board Members use an assigned district email address; staff is working with IT staff to develop the addresses and will incorporate them into the Board Member's electronic devices.

- Water Bill Protest – Staff reported history for property owner at 12606 Vista Panorama refusing to pay outstanding charges and fines to reinstate the water service after the meter was tampered with and unpaid fees have existed for over a year. President Davert recommends going over protocol and allow the customer 3-5 minutes to state their case. President Davert recommended advising the customer to present all supporting documentation to the District prior to the Board meeting.

- Letter of Support – AB979 – CSDA has requested that we support this bill which they cosponsored with CalLAFCO that would simplify the process of adding two special district seats to a county LAFCO.

- Proposed FY 17/18 and 18/19 (Two-Year Budget) – Staff presented the highlights. Staff is projecting steady inflation, a 5% allocation for salary increases, and significantly higher increases in the cost of water and energy. WZ budget is again reduced reflecting the lack of water sales, however, this doesn't affect revenue as property taxes and fixed

fees fund the operation of the WZ. Steady (1%) growth is projected for RZ revnue as the rate increases adopted in 2016 start to have an impact. The Committee recommends continuing the path to increase CalPERS employee contribution but come up with an off-set to fund. Staff will present Capital and Sewer budget next month. Board will adopt a salary schedule to provide to CalPERS when they adopt the budget.

- Budget Reports – February 2017 –

    a. WZ – Staff reports that the WZ is right at where it should be; final property tax payment is expected in April.
    b. RZ – The RZ revenue is running below projections due to the wet weather and extensive conservation that is continuing to occur; property tax payment will also occur in April.
    c. ID1 – as noted previously, the budget will be slightly exceeded; also noted that we recently found out that the OCSD GIS information has substantial errors – working with AKM to determine ways to fix this.

- Executive Session – General Manager Performance Review – The Committee recommends that Ed Means, Strategic Planning Consultant, assist the Board in performing the General Manager's performance review.

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **RESOLUTION OF SUPPORT – ACWA POLICY STATEMENT ON BAY-DELTA FLOWS**

DATE APRIL 20, 2017

Background

As part of the proposed Bay-Delta Plan, the State Water Resources Control Board (SWRCB), has proposed to base new water quality objectives on a "percentage of unimpaired flows" policy. Unimpaired flows are defined as "the total amount of water that would flow down a river if it was not diverted or stored in a reservoir."

Under this policy, the SWRCB would determine a percentage of the Unimpaired Flow that would be required to be maintained in a river at all times to sustain fisheries. This could mean that municipal and agricultural needs would be secondary to maintaining river water flow levels, and that water diverted or in storage could be used to meet this flow level, regardless of the water right that has legally been established. This policy is also contrary to the provisions of 2009's SB1 which, among other things, revised the Delta Protection Act to achieve "the two coequal goals of providing a more reliable water supply for California and protecting, restoring and enhancing the Delta ecosystem."

On March 10th, ACWA adopted a strong policy statement (attached) on these Bay-Delta flow requirements urging the SWRCB to set aside this approach. There is concern that the unimpaired flows policy will result in widespread fallowing of land and reduced water reliability throughout the state. ACWA is promoting a collaborative, comprehensive approach that uses negotiated agreements and "functional flows" (the use of increased flows at targeted times to increase and sustain fisheries) to meet the requirements of SB1.

To demonstrate broad support for the policy statement, ACWA has requested that all of its member agencies adopt a resolution of support: attached to this memo is such a resolution. This issue is one of critical importance to supply reliability for both the District's wholesale and retail functions; staff recommends adoption of the resolution.

Financial Impact

There is no direct financial impact to the District from this action.

Recommendation

The Board adopt Resolution No. ___, approving the resolution of support for the ACWA Policy Statement on Bay-Delta Flow Requirements.

ACWA POLICY STATEMENT ON

BAY-DELTA FLOW REQUIREMENTS

COLLABORATIVE APPROACH IS KEY TO CALIFORNIA'S FUTURE

California is facing a defining moment in water policy. A staff proposal under consideration by the State Water Resources Control Board presents a decision point about the future we want for California and its communities, farms, businesses and ecosystems. The State Water Board's staff proposal to base new water quality objectives on a "percentage of unimpaired flow" would have impacts that ripple far beyond water for fish.

The proposal could lead to widespread fallowing of agricultural land, undercut the state's groundwater sustainability goals, cripple implementation of the Brown Administration's California Water Action Plan, negatively affect water reliability for much of the state's population and impact access to surface water for some disadvantaged communities that do not have safe drinking water. These effects are not in the public's interest.

Local water managers overwhelmingly believe the proposal's singular focus on "unimpaired flow" is the wrong choice for the state's future. California's urban and agricultural water managers are united in their vision for a future that includes a healthy economy as well as healthy ecosystems and fish populations. That vision is best achieved through comprehensive, collaborative approaches that include "functional" flows as well as non-flow solutions that contribute real benefits to ecosystem recovery.

On behalf of its more than 430 member public agencies serving urban and agricultural customers throughout the state, the Association of California Water Agencies (ACWA) adopts the following policy statement regarding the State Water Board's proposed approach to updating the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta.

LOCAL SUCCESS STORIES

Collaborative efforts have been successful on many rivers in the Bay-Delta watershed.

Lower Yuba River: A voluntary, collaborative settlement among Yuba County Water Agency, California Department of Fish and Wildlife, National Marine Fisheries Service, PG&E and conservation groups resolved 20 years of controversy and resulted in a continuing program to improve 24 miles of salmon and steelhead habitat while protecting water rights and the needs of local communities. State Water Board members have specifically recognized the value of the agreement, which was formally implemented in 2008.

Lower American River: A broad representation of water suppliers, environmental groups, local governments and others negotiated an historic agreement that led to a flow management standard that was successfully incorporated into a 2009 biological opinion issued by the National Marine Fisheries Service.

Feather River: Six years of negotiations among water users, fisheries agencies and environmental groups yielded a comprehensive agreement that includes a habitat improvement program with specific flow and temperature requirements to accommodate spawning salmon and steelhead. The State Water Board adopted the agreement, with some modification, in 2010 as a water quality certification under the federal Clean Water Act.

CHOOSING OUR VISION FOR CALIFORNIA'S WATER FUTURE

Since 2009, state law has required water resources to be managed in a way that achieves the coequal goals of improving water supply reliability for California and protecting, restoring and enhancing the Delta ecosystem. ACWA and its public water agency members believe that policy requires a commitment from state agencies and stakeholders to advance both water supply and environmental goals together. ACWA and its members further believe that effective implementation of the coequal goals requires transparent, collaborative processes and comprehensive solutions.

In 2014, the Brown Administration released its California Water Action Plan outlining priority actions addressing water-use efficiency, groundwater sustainability, ecological restoration, Delta conveyance solutions, water storage, safe drinking water and more. Embedded in the plan is the Brown Administration's commitment that planned actions "will move California toward more sustainable water management *by providing a more reliable water supply for our farms and communities*, restoring important wildlife habitat and species, and helping the state's water systems and environment become more resilient."

ACWA believes the policy of coequal goals and the commitment embedded in the California Water Action Plan have the potential to put California on a path that includes a vibrant agricultural and urban economy and a healthy ecosystem.

ACWA and its members believe the unimpaired flow approach proposed by State Water Board staff undercuts and threatens that potential and cannot lead us to the future we want for California. Simply put, any strategy that would result in vast amounts of agricultural land going out of production and ultimately reduce water supply reliability for the majority of Californians is irreconcilable with a policy of coequal goals and blatantly inconsistent with the water policy objectives of the Brown Administration.

ACWA strongly supports the collaborative approach called for by Governor Jerry Brown to move these important decisions out of adversarial processes and into negotiated, comprehensive agreements. The following principles can assure success in that endeavor.

A BETTER PATH TO THE FUTURE

The State Water Board is responsible for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water (including domestic, municipal, agricultural and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources) while considering past, present and probable future beneficial uses, environmental characteristics, water quality conditions and economic considerations, among other things. (See California Water Code Section 13241.) It also has a responsibility to update the plan in a way that is consistent with the coequal goals and respects and implements the commitments made in the California Water Action Plan.

ACWA and its members urge the State Water Board to set aside the unimpaired flow approach and heed Governor Brown's call for negotiated agreements. ACWA believes that a successful flows policy must be consistent with the following principles:

- **Collaboration:** The governor has called for work on a comprehensive agreement on environmental flows in both the San Joaquin and Sacramento River basins. He has asked that State Water Board members and staff prioritize analysis and implementation of voluntary agreements. Further, the Brown Administration committed in the California Water Action Plan that the State Water Board and the California Natural Resources Agency will work with stakeholders to encourage negotiated implementation of protective Delta standards. ACWA strongly supports the collaborative approach called for by the governor because it is the least contentious, most effective way to achieve the coequal goals. Negotiated agreements have been demonstrably successful at achieving outcomes and widespread support for appropriate environmental flows; forced regulations have not yielded the same track record. The State Water Board should wholly embrace this approach and allow enough time for it to work.

- **Comprehensive Solutions:** A successful collaborative approach will require comprehensive solutions for both water supply and ecosystem management. Water users will need to continue and build on their commitment to integrated resources management in order to maintain reliability without undue impacts on the ecosystem. Similarly, ecosystem managers will need to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability to develop integrated management portfolios that accomplish ecosystem goals without undue impacts on water supply. Utilizing the single variable proposed in the "percentage of unimpaired flow" approach will not achieve the desired ecological outcomes and is, by far, the most destructive policy approach from the perspective of protecting and improving water supply. ACWA firmly believes the ecological outcomes can be achieved with even better results through a comprehensive approach that considers multiple solutions and benefits.

- **Science:** The State Water Board needs to incorporate the best available science to inform its work and assist with the development of voluntary settlement agreements. The unimpaired flow approach, in which flow objectives are not tied to any specific ecological outcome, fails to incorporate the best available science. As noted above, the updated plan needs to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability, and incorporate relevant current scientific information. Science alone cannot identify the best policy choice, but it can inform us about the policy tradeoffs we confront and help structure integrated solutions that provide ecosystem benefits with far less impact on water supply, the California economy and the public interest.

FUNCTIONAL FLOWS: A BETTER APPROACH

Sacramento Valley: Sacramento Valley water users and conservation partners are working together to advance a new generation of innovative projects to promote salmon recovery.

Over the past two and a half years, 12 projects have been completed through the Sacramento Valley Salmon Recovery Program to address fish passage, improve the timing of flows and increase habitat for salmon and other species. Priority projects have included removal of structural barriers to fish passage, modifying riffles, eliminating predator habitat, restoring floodplains and creating side channel spawning and rearing areas.

In addition, program partners are exploring creative ways to reconnect water with the land in floodplains and agricultural areas to enhance habitat and food production and create rearing habitat in rice fields.

While each of these collaborative projects provides independent value, implementation of the entire comprehensive suite is generating unique benefits that can significantly improve ecological outcomes for salmon in the Sacramento Valley.

Merced River: Merced Irrigation District has spent millions of dollars and decades undertaking intense and in-depth scientific research on the Merced River. This research has included analysis of flows, temperatures, biological resources and habitat. MID is poised to put this research into action through its Merced S.A.F.E. Plan (Salmon, Agriculture, Flows, and Environment) to provide certainty for both the environment and local water supply in Eastern Merced County.

The plan would provide increased flows using science to dictate the amounts and timing, restore critical sections of habitat for spawning and rearing juvenile salmon, protect local drinking water quality, upgrade an existing salmon hatchery with state-of-the-art facilities and reduce predation.

Based on in-depth science and technologically advanced computer modeling, MID seeks to take immediate action and dramatically benefit salmon on the Merced River.

- **Functional Flows:** Science shows that functional flows have very promising benefits for fish as well agricultural and urban water users. Timed and tailored for specific purposes, functional flows can benefit species in ways that unimpaired flow requirements cannot. Examples abound of collaborative, innovative projects currently underway by local water agencies and stakeholders that include functional flows and non-flow solutions that reconnect land and water to restore habitat and address the full life cycle of species needs. These efforts contribute real benefits to ecosystem recovery while maintaining water supply reliability.

- **Economic Considerations:** The State Water Board has a statutory obligation to consider economic impacts when establishing water quality objectives that reasonably protect all beneficial uses of water. Having a robust economic analysis is critical. The board also has a policy obligation under the coequal goals to ensure its actions related to a revised Bay-Delta Plan increase water supply reliability and thereby allow for a healthy, growing agricultural and urban economy in California.

- **Consistency with State Policy:** ACWA urges the State Water Board to heed the governor's direction and recognize that achieving the coequal goals will lead to a more reliable water supply and healthy ecosystem. Pursuing the coequal goals should be a guiding principle for the board's decisions related to adopting a revised Bay-Delta Plan. The State Water Board also should ensure that its decisions on the Bay-Delta Plan enable, rather than obstruct, the implementation of the California Water Action Plan.

- **Leadership:** The best policy choice will come through the give and take of the negotiating process and the enlightened leadership of the State Water Board members. Ultimately, the board must establish water quality objectives that ensure the reasonable protection of all beneficial uses of water as it implements negotiated solutions. The State Water Board should actively engage in this work and lead in a manner that is grounded in an awareness of how its actions can affect the implementation of the California Water Action Plan and the achievement of the coequal goals.

ACWA and its members have taken a strong policy position in support of comprehensive solutions such as those outlined in the California Water Action Plan. We stand ready to work with the Brown Administration to pursue the collaborative and comprehensive approaches needed to ensure a future for California that includes a vibrant agricultural and urban economy and a healthy ecosystem.

A Resolution of the Board of Directors of the East Orange County Water District In Support of the Association of California Water Agencies' Policy Statement on Bay-Delta Flow Requirements

WHEREAS, California is facing a defining moment in water policy that will be substantially impacted by the State Water Resources Control Board's approach to water quality objectives under the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta; and

WHEREAS, the State Water Board has the responsibility for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water in a way that is consistent with the coequals goals of improving water supply reliability and protecting, restoring and enhancing the Delta ecosystem and consistent with the commitments made in the California Water Action Plan; and

WHEREAS, the State Water Board staff's current proposal, which focuses singularly on an "unimpaired flow" approach, is irreconcilable with a policy of coequal goals; it is also inconsistent with the broader water policy objectives of the Brown Administration; and

WHEREAS, the ACWA Board of Directors has unanimously adopted a strong policy statement calls for a better approach that more effectively achieves ecological objectives while maintaining water supply reliability. The statement calls on the State Water Board to set aside its "unimpaired flow" approach and heed Gov. Brown's call for negotiated agreements, which have been successful on many rivers and tributaries in California.

WHEREAS, the ACWA statement notes that to be successful, the state's flow policy must be consistent with the principles of collaboration, comprehensive solutions, science, functional flows, economic considerations, consistency with state policy, and leadership; and

WHEREAS, California's local urban and agricultural water managers are united in their vision for a future that includes a vibrant California economy as well as healthy ecosystems and fish populations:

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the East Orange County Water District hereby supports ACWA's Policy Statement on Bay-Delta Flows and encourages the State Water Resources Control Board to embrace the approach articulated in ACWA's policy statement.

ADOPTED, SIGNED AND APPROVED this _____ day of April, 2017.

_____
President
EAST ORANGE COUNTYWATER DISTRICT
And of the Board of Directors
Thereof

_____
Secretary
EAST ORANGE COUNTYWATER DISTRICT
And of the Board of Directors
thereof

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **RESOLUTION OF SUPPORT – AB 979 – LOCAL LAFCO REPRESENTATION**

DATE APRIL 20, 2017

Background

The California Special Districts Association (CSDA) is sponsoring, along with the California Ssociatio of Local Agency Formation Commissions (CALAFCO), AB 979 (Lackey) which would simplify the process for seating special district representatives on Local Agency Formation Commissions (LAFCOs). Currently 30 of the 58 counties in California have special district representation on their LAFCO.

AB979 would simplify the existing process by allowing special districts to vote on LAFCO representation in a meeting of the county's independent special districts selection committee. Every independent special district would have the opportunity to participate in the election process, either in-person or by mail, casting one vote for or against the question. Under current law, special districts may acquire representation on a LAFCO if a majority of all special districts in a county pass a board resolution supporting such action within a one-year period. The most recent county to gain special district representation was Santa Clara County in 2012. Organization of the county's 20 special districts to vote on an individual board resolution within a one-year period required a well-funded campaign and a part-time organizer.

CSDA is proud to announce the introduction of Assembly Bill 979 (Lackey), which simplifies the process for seating special district representatives on Local Agency Formation Commissions. Co-sponsored by CSDA and the California Association of Local Agency Formation Commissions (CALAFCO), AB 979 would ensure a local opt in approach for special districts to gain representation on Local Agency Formation Commissions (LAFCOs).

Simplifying the LAFCO representation process empowers special districts in the 28 remaining counties with no special district representation to more effectively consider their participation on LAFCO. In cases where special districts choose to participate, special district representation on LAFCO would provide a more diverse and representative decision-making foundation to the LAFCO. Special districts are often instrumental in solving communities' service deficiencies and their input in these processes is of great value.

AB 979 ensures a local decision-making process when it comes to special district representation on LAFCO. Some have previously proposed eliminating local control related to this process by imposing mandates on special districts. This legislation would guard against such efforts by facilitating a manageable, efficient, and effective process that maintains the local opt in by each county's special districts.

AB 979 has been referred to the Assembly Local Government Committee for a hearing.

Financial Impact

There is no direct financial impact to the District from this action.

Recommendation

The Board approve the attached letter of support for AB 979.

EAST ORANCE COUNTY
WATER DISTRICT

185 N. McPherson Rd.
Orange, Ca 92869
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F: 714 -538-0334
eocwd.com

BOARD OF DIRECTORS

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General Manager

April 20, 2017

Assemblyman Tom Lackey
State Capitol, Room 4009
Sacramento, CA 95814

RE: AB 979 (Lackey) LAFCO Representation for Special Districts -- SUPPORT

Dear Assemblyman Lackey:

The East Orange County Water District wishes to express their support of *Assembly Bill 979 (Lackey): LAFCO Representation for Special Districts*. AB 979 will increase the participation of special districts on county Local Agency Formation Commissions (LAFCOs).

LAFCOs administer and approve the formation, dissolution, and boundaries of local agencies in each county. LAFCOs are composed of representatives from local cities, counties, and members of the public. Special districts have the ability to opt in to representation on LAFCOs, and since 1972, special districts have obtained LAFCO representation in 30 of the 58 counties in California.

Under current law, special districts may acquire representation on a LAFCO if a majority of all special districts in a county pass a board resolution supporting such action within a one-year period. AB 979 simplifies this bureaucratic process by allowing special districts to vote on LAFCO representation in one meeting of the county's independent special districts selection committee. Every independent special district would have the opportunity to participate in the election process, either in-person or by mail, casting one vote for or against the question.

Simplifying the LAFCO representation process would empower special districts in the 28 counties with no special district representation to more effectively consider their participation on LAFCO. In cases where special districts choose to participate, special district representation on LAFCO would provide a more diverse and representative decision-making foundation to the LAFCO. Special districts are often instrumental in solving communities' service deficiencies and their input in these processes is of great value.

Sincerely,

Douglass Davert
President

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **CONFLICT OF INTEREST POLICY – RATIFICATION OF CHANGES MADE BY ORANGE COUNTY BOARD OF SUPERVISORS**

DATE: APRIL 20, 2017

Background

At the February 16, 2017 Meeting, the Board approved Resolution No. 793 that incorporated a revision to our Conflict of Interest Code (COI) that added the Operations Manager as a required filer under the policy.

The Resolution and revised COI were forwarded to the Board of Supervisors (our code reviewing body). We were subsequently informed by Supervisor Spitzer's office that the disclosure category we had chosen (OC-43) was inadequate in view of the purchasing authority or purchase recommendation ability contained in the Operations Manager's position; they recommended a disclosure category of OC-41. This disclosure category requires the disclosure of all interests in real property in Orange County as well as income from any source that provides supplies materials machinery, vehicles or equipment used by the District; OC-43 didn't require the disclosure of real property and only disclosure of income from engineering and construction related enterprises (see attached description).

The Operations Manager's ability to influence purchases and/or recommend professional services was reviewed and staff agreed that the disclosure category should be amended to OC-41. In the interest of expediency, the Board of Supervisors acted upon the amended COI at their March 28, 2017 Meeting.

Staff is requesting that the Board ratify this decision and include these amendments in the District's Conflict of Interest Code revisions adopted in Resolution No. 793.

Financial Impact

There is no direct financial impact to the District from this action.

Recommendation

The Board ratify the revision to the District's Conflict of Interest Code changing the Operations Manager's disclosure category from OC-43 to OC-41 that was approved by the Orange County Board of Supervisor's at their March 28, 2017 Meeting.

Conflict of Interest Code
EXHIBIT A (Final Draft)

Entity: Water Districts

Agency: East Orange County Water District

Position	Disclosure Category	Files With	Status
District Engineer	OC-43	Agency	Unchanged
Engineering Consultant	OC-30	Agency	Unchanged
Financial Consultant	OC-30	Agency	Unchanged
General Legal Counsel	OC-01	Agency	Unchanged
Operations Manager	OC-41	Agency	Added
Reason: District has added sewer operations to its previously existing water operations.			
Secretary	OC-01	Agency	Unchanged
Special Legal Counsel	OC-30	Agency	Unchanged

Total: 7

OFFICIALS WHO ARE SPECIFIED IN GOVERNMENT CODE SECTION 87200

Officials who are specified in Government Code section 87200 (including officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18701 (b)), are NOT subject to the Agency's Conflict of Interest Code, but are subject to the disclosure requirements of the Political Reform Act, Government Code section 87100, et seq. Gov't Code § 87203. These positions are listed here for informational purposes only.

The positions listed below are officials who are specified in Government Code section 87200:

General Manager	Files with	COB	Unchanged
Member of the Board of Directors	Files with	COB	Unchanged
Treasurer	Files with	COB	Unchanged

The disclosure requirements for these positions are set forth in Government Code section 87200, et. seq. They require the disclosure of interests in real property in the agency's jurisdiction, as well as investments, business positions and sources of income (including gifts, loans and travel payments).

Run date/time: Wednesday, February 22 2017 03:30:27 PM

Disclosure Descriptions
EXHIBIT B (Final Draft)

Entity: Water Districts

Agency: East Orange County Water District

Disclosure Category	Disclosure Description	Status
87200 Filer	Form 87200 filers shall complete all schedules for Form 700 and disclose all reportable sources of income, interests in real property, investments and business positions in business entities, if applicable, pursuant to Government Code Section 87200 *et seq.*.	Unchanged
OC-01	All interests in real property in Orange County, the authority or the District as applicable, as well as investments, business positions and sources of income (including gifts, loans and travel payments).	Unchanged
OC-30	Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation: The County Department Head/Director/General Manager/Superintendent/etc. may determine that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure required. The determination of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection.	Unchanged
OC-43	All income, investments, and business positions; and all income from gifts, to the extent the same arise from entities dealing in engineering design or other engineering work on public agency projects and construction firms and construction related enterprise of any kind dealing with public agency projects, or otherwise doing business in the engineering or construction sector or any other supporting business section within Orange County, the Authority or the District, as applicable.	Unchanged
OC-41	All interests in real property in Orange County, the District or Authority, as applicable, as well as investments in, business positions with and income (including gifts, loans and travel payments) from sources that provide services, supplies, materials, machinery, vehicles, or equipment (including training and consulting services) used by the County Department, Authority or District, as applicable.	Added

Run date/time: Wednesday, February 22 2017 03:30:27 PM

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **REQUEST TO CHANGE TITLE OF FINANCE COMMITTEE TO ADMINISTRATIVE AND FINANCE COMMITTEE**

DATE: APRIL 20, 2017

Background

The District has two standing committees: Finance and Engineering & Operations. From time to time, administrative issues such as internal management, personnel, general policy and legislative issues arise that are not directly related to Finance or Engineering/Operations. Staff has brought these items to the Finance Committee, and in the interest of clarity transparency, it is recommended that the title of the Committee be changed to "Administrative and Finance Committee." At their April 6, 2017 Meeting, the Finance Committee recommended approval of this change.

Financial Impact

There is no direct financial impact to the District from this action.

Recommendation

The Board approve changing the title of the Finance Committee to Administrative and Finance Committee.

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **WATER BILL/PENALTY PROTEST HEARING 12606 VISTA PANORAMA**

DATE APRIL 20, 2017

Background

On December 8, 2015, the Customer of Record for 12606 Vista Panorama, closed the water service account and paid the final bill. Pursuant to our District Rules and Regulations, Section 3.3 (attached), the property owner then becomes the Customer of Record. The water bills were then mailed to the property owner, Mr. Dominic Antonini, who failed to pay them; in accordance with our policy, the meter was locked. The monthly fixed fees continued to be billed and remained unpaid by the property owner.

On March 13, 2017, a request was received to re-establish water service. In preparation for reestablishment, staff went to view the meter (which had been check during bi-monthly meters since March 2016) and discovered that the meter valve had been tampered with. Mr. Antonini was notified of the damage to the meter and indicated that the tenant, who had apparently continued to live on the property, had recently passed away and Mr. Antonini needed water for his work crews. Mr. Antonini contends that the damage was done by the tenant and he is not responsible.

Under Section 3.6.2 of the Rules and Regulations, the District can recover the costs of repairing damages to the water system that includes the actual costs of repair and the District's standard labor overhead rate. Additionally, Section 7.4 provides that customers can be assessed a fine of $500 per day for violation of the Rules and Regulations.

On March 23, 2017, a letter (attached) notifying Mr.Antonini that total charges of $2,024.85 were due and must be paid prior to reestablishment of service. These charges include a fine of $500, plus the labor and costs of replacing the meter ($328.26) and the unpaid fees from December 2015 thru February 2017 ($1,196.59). As shown in the attached correspondence, Mr. Antonini protested these charges and was advised of his right to appeal to the Board, pursuant to Section 2.7 of the Rules and Regulations.

Staff reviewed this with the Finance Committee at their April 6th Meeting and they requested that staff advise Mr. Antonini to submit any and all information relative to this incident that supports his contention that the charges are not his responsibility. As of Friday, April 14th, he has not submitted any documentation other than the attached email correspondence.

District counsel has advised that the Board review the attached documents, allow Mr. Antonini an opportunity to address the Board, allow the Board the opportunity to question staff and Mr. Antonini, and entertain a motion for a decision.

Financial Impact

Payment of these charges would reimburse the Retail Zone for the costs incurred to replace the meter, the unpaid fixed fees that are overdue, and a fine that partially recovers management and administrative costs dealing with this issue.

Recommendation

The Board should hear and consider the customer appeal, based on the written documentation provided to the Board and any oral comments made by the customer or staff, and render its decision on the customer's appeal, which may include either (1) upholding the decision of the General Manager to require payment of the $2,024.85 in fees and fines prior to the re-establishment of service at 12606 Vista Panorama, or (2) reducing such fees and fines, in whole or in part, as may otherwise be determined by the Board.

EAST ORANGE COUNTY WATER DISTRICT

RULES AND REGULATIONS FOR WATER SERVICE

APPROVED: APRIL 16, 2015

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SECTION 1 GENERAL

1.1 INTRODUCTION

The East Orange County Water District (District) is a County Water District operating pursuant to the County Water District Law (Section 30000 and following of the California Water Code). The Board, as authorized by Section 31024 of the Water Code, has established these Rules and Regulations for the retail sale, distribution and use of water.[1]

The District provides water service to all Applicants, subject to the availability of water and/or the facilities necessary to provide the service, conditional upon receipt of all required fees and charges, and in accordance with these Rules and Regulations.

All terms, conditions, rates and requirements contained herein are subject to change by actions of the Board.

1.2 DEFINITIONS

Whenever the following terms, or pronouns used in their place, occur in these Rules and Regulations, or in any documents that these Rules and Regulations govern, the intent and meaning shall be interpreted as follows:

Abandoned Service - shall mean any service where the meter, the meter angle stop, curb stop or gate valve, and all tubing, have been removed. The service saddle and the corporation stop may or may not have been removed.

Air-Gap Separation - shall mean a physical separation between the free flowing discharge end of a water supply pipeline and an open or non-pressure receiving vessel. The separation shall be at least double the diameter of the supply pipe measured vertically above the overflow rim of the vessel, and in no case less than one-inch. The design shall be to the satisfaction of the General Manager or authorized agent and the Appropriate Regulatory Agencies.

Applicant - shall mean any person, persons, firm, corporation, association or agency that desires and applies to obtain water service from the District.

Application for Water Service - shall mean a contractual agreement applied for by a person, persons, firm, corporation, association or agency who desires to obtain water service through an established meter.

Application for Temporary Water Service - shall mean a contractual agreement applied for by a person, persons, firm, corporation, association or agency who desires to obtain temporary water service for use during construction.

Appropriate Regulatory Agencies - shall mean those public agencies legally constituted to protect the public health and water quality such as, but not limited to, the California Department of Health Services, the Santa Ana Regional

[1] The District's sale of water at wholesale, to entities that provide retail water service in the portions of the District's service area outside the District's Retail Zone, is governed by separate contracts and other requirements, and not by these Rules and Regulations.

Water Quality Control Board, the Orange County Health Care Agency and the Orange County Building and Safety Department.

Backflow - shall mean the flow of water or other liquids, mixtures, gases or any other substances into the distributing pipes of a Potable Water supply from any source or sources other than the District's sources.

Backflow Prevention Device - shall mean a specially designed and certified device, such as, but not limited to, the Reduced Pressure Principle Backflow Prevention Device and the Double Check Valve Assembly, that is used in protecting the Potable Water system from contamination that originated downstream of the device. The device shall be recognized and approved as such by the General Manager or authorized agent and the Appropriate Regulatory Agencies.

Board - shall mean the elected Board of Directors of the East Orange County Water District.

Business Day - shall mean Monday - Friday 7:30 am to 4:00 pm excluding holidays.

Connection Charge - shall mean a fee charged to a Retail Zone Applicant in connection with a Water Service Agreement or charged to an existing customer for an increase in demand for Potable Water service (increasing the size of the service meter), as set forth in the Schedule of Rates, Fees and Charges, together with the District's applicable wholesale connection charge. A Connection Charge shall be charged for property not previously served by the District or property with an existing water service requiring an increase in demand for water service. The Connection Charge includes a retail water system capacity charge but does not include the cost of meter setting, service lateral, any main extension or reimbursement for main extension.[2]

Capital Projects Fee – shall mean the monthly fee, referred to in the schedule of rates as the "Monthly Fee for Existing Water System Capital Projects" or similar term, levied for the cost of repairing, rehabilitating, replacing and/or improving capital facilities in the water system.

Connected Capacity Demand (CCD) - shall mean the total estimated demand for water service, expressed in terms of gallons per minute, as calculated using the procedures specified in the California Plumbing Code.

Construction Use - shall mean an approved use of water to support construction activities such as soil compaction and dust control.

Contractor - shall mean the party entering into contract with the Applicant for performance of the work for which the District issues a permit. The Applicant and the Contractor may or may not be one and the same.

Cross Connection - shall mean any unprotected, actual or potential connection between any part of a Potable Water system used to supply water for drinking purposes and any source or system containing water or substance that is not or cannot be approved by the District as safe, wholesome and potable. By-pass arrangements, jumper connections, removable sections, swivel or changeover devices, or other devices through which Backflow could occur, shall be considered to be Cross Connections.

Customer - shall mean any person, persons, firm, corporation, association or agency receiving retail water or services from the District.

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[2] The "Connection Charge" as defined herein does not include the District's separate Wholesale Zone Connection Charge established and charged within the entire service area of the District, including the Retail Zone.

Customer Control Valve - shall mean a valve with a lever-type turn handle, manufactured of bronze, installed on the outlet side of a water meter.

Customer of Record - shall mean the person, persons, firm, corporation, association or agency that owns the property and has entered into a Water Service Agreement or other contractual agreement with the District for water service or is the successor and/or assignee to a Water Service Agreement or such other contractual agreement; and/or the property tenant who is the Applicant in an Application for Water Service or Application for Temporary Water Service. The contractual agreement may include, but is not limited to, the Water Service Agreement, the Application for Water Service permit, the Application for Temporary Water Service permit, and a request for any of these received at the District by phone, mail or in person. The Customer and Customer of Record may or may not be one and the same. The Customer of Record is responsible for payment of all moneys owed on accounts for which the Customer of Record has entered into a contractual agreement.

Deposit - shall mean any money held by the District for the purpose of guaranteeing payment of money owed to the District. Deposits are applicable only to the account(s) for which the money was collected. Deposits are refunded only to the Customer of Record, unless the depositor has made a written request and has received permission from the District to do otherwise.

District - shall mean the East Orange County Water District or an authorized agent.

District's Engineer - shall mean the engineer designated by the District or an authorized agent.

District Inspector - shall mean any person authorized by the District to perform inspections of either onsite or offsite facilities prior to construction, during construction, after construction or during operation.

District Office - shall mean the District business office currently located at 185 N. McPherson Road, Orange, California 92869.

Drawings - shall mean the plans, working drawings, detail drawings, profiles, typical cross sections and supplemental drawings or reproductions thereof, approved by the District, which show locations, character, dimensions or details of the work or modifications to be performed.

General Manager - shall mean the General Manager of the District or an authorized agent.

Main or Mainline - shall mean water distribution pipelines located in streets, highways, public ways or private right-of-ways used to deliver or transmit water.

Meter - shall mean the District approved primary measuring device, owned by the District, which is used for the purpose of accurately recording the consumption of water at a property, properties or on a portion of a property. The meter is typically the ending Point of Ownership.

Owner - shall mean any holder of legal title to a property to which the District provides water service or has entered into a Water Service Agreement.

Property – shall mean any real property owned, leased, rented, or otherwise controlled, utilized, or inhabited by any person, including any corporation or partnership of any form holding a water account with the District.

Point of Ownership – The point where the District's ownership and control of water system facilities ends, which shall be the outlet (downstream) side of the water meter or the control valve upstream of the backflow device. By written agreement only, the District may designate another location as the ending Point of Ownership.

Potable Water - shall mean water that is approved for human consumption by the federal, State and local Appropriate Regulatory Agencies.

Potable Water System - shall mean the facilities that produce, convey and store Potable Water.

Pulled Meter - shall a meter that has been removed, where the service line is still in place.

Record Drawings - shall mean the design drawings that have been marked to show all construction changes for a given project to the best of available knowledge.

Retail Zone - shall mean the portion of the District's service area where the District provides both wholesale and retail water services to the Customers. See Section 1.3.

Rules and Regulations - shall mean the Rules and Regulations for Water Service as adopted, and amended, by the District.

Schedule of Rates, Fees and Charges – shall mean the District's "Retail Zone Monthly Service Charges and Delivered Water Service Charges," as adopted and in effect at the relevant time.

Service Charge - shall mean a fixed monthly charge based on meter size levied to fund the ongoing day-to-day fixed costs of the water system.

Standard Specifications and Standard Drawings for the Construction of EOCWD Water Facilities - shall mean the latest edition of the District's publication.

Tenant - shall mean the person, persons, firm, corporation, association or agency that is renting or leasing property, to which the District provides water service, from an Owner.

Violation - shall mean noncompliance with any condition or conditions of these Rules and Regulations by any person, action or occurrence, whether willfully or by accident.

Water Charge – shall mean the any of the commodity rates, service charges, and other fees and charges levied for water service.

Water Service -- shall mean retail water service provided by the District.

Water Service Agreement - shall mean an agreement entered into between the District and a person, persons, firm, corporation, association or agency, or their successors and assignees, who has already, or desires to, install, remove, alter or replace, or cause to be installed, removed, altered, or replaced, any water facility or appurtenance for the purpose of supplying water to a property.

Water Service Permit – shall mean a permit issued by the District upon approval by the District of a map or plans for the installation, removal, alteration or replacement, of any water facility or appurtenance, and upon receipt of required fees and charges, including Connection Charges.

1.3 SERVICE AREA

The District was formed on December 1, 1961 to provide imported water service to the then- unincorporated areas of the East Orange area. The District provides imported water (wholesale) service to parts of the Cities of Tustin and Orange, the

Irvine Ranch Water District and the Golden State Water Company. The District provides local groundwater and imported water service (retail) to the unincorporated county area of East Orange.

1.4 SERVICE CONDITIONS

Water service shall be available only in accordance with the District Rules and Regulations, as well as applicable Federal, State, and local statutes, ordinances, regulations, and contracts, and other requirements including, but not by way of limitation, the California Water Code, the California Administrative Code and regulations imposed by State and local health departments, as well as the terms of any service agreement and/or permit issued by the District. Any such permit may be revoked by the District, and thereupon, all such water service shall cease in the manner provided in these Rules and Regulations.

As a condition of service, the District reserves the right to require any Applicant to construct any water facility that the District deems essential, including the over-sizing or extension of water facilities.

1.5 CUSTOMER RECORDS

The District will provide information on customers in accordance with Government Code *Section 6250 - the* California Public Records *Act.*

The request for records shall be submitted at the District Office. It is preferred that the request be made in writing to streamline the process and to ensure that the correct records are transmitted

1.6 ESTABLISHMENT OF RATES

In accordance with the California Water Code, the District's Board fixes the water rates and other related fees and charges. Periodically, the Board reviews and adjusts the rates, fees and charges.

1.7 GUIDELINES AND INTERPRETATIONS

The General Manager shall have the authority to adopt additional guidelines or generate written interpretations of these Rules and Regulations where necessary for day-to-day operations and/or may submit a question to the Board for clarification.

1.8 SEVERABILITY

If any section, subsection, sentence, clause or phrase of these Rules and Regulations is for any reason held to be invalid or unconstitutional, such decision shall not affect the remaining portions of these Rules and Regulations. The Board hereby declares that it would have passed these Rules and Regulations by section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 2 CONDITIONS FOR SERVICE

2.1 ACCESS TO PREMISES

Authorized employees of the District, upon presentation of credentials and during reasonable or necessary hours, shall have free access including gate codes and keys or key cards, to any premises supplied with water by the District, for the purpose of reading meters and/or making repairs, inspections, examinations or tests of the water system upon said premises and to ensure compliance with these Rules and Regulations.

If any authorized employee is refused admittance to any premises, or is hindered or prevented from reading meters, making repairs or inspections, examinations or tests, the District may cause the water service to said premises to be turned off after giving twenty-four hours' notice to the owner or occupant of said premises of the intention to do so. In the case of major violations, operational emergencies on the property, or health hazards the District may cause the water to be turned off without notice.

2.2 OPERATION BY THE DISTRICT EMPLOYEES

All of The District's water system, including but not limited to, water pipelines, reservoirs, fire hydrants, manholes, pumping stations, valves, connections, treatment facilities and other appurtenances and property, shall be under the management and control of the General Manager. No other persons, except authorized employees of the District, shall have any right to enter upon, inspect, operate, adjust, change, alter, move or relocate any portion of the foregoing or any of the District's property without the written consent of the General Manager or an authorized representative of the manager. In the event that an unauthorized person(s) enters upon, inspects, operates, adjusts, changes, alters, moves or relocates any facilities without written consent from the General Manager or an authorized representative of the General Manager, the District reserves the right to prosecute such an unauthorized person to the fullest extent of the law. In addition, the District shall be entitled to recover damages as provided in Section 3.6.2 and penalties as provided in Section 7.4.

2.3 DAMAGE TO SYSTEM

Except to shut off water to prevent damage, no person other than an authorized District employee shall at any time or in any manner, operate or cause to be operated, any valve in or connected with a water Main, service connection or fire hydrant or tamper or otherwise interfere with any water meter, check valve or other part of the District's water system, except the Customer Control Valve. In the event a person, for any reason, digs out or uncovers a corporation stop, angle meter stop or valve controlling a water supply, lifts or removes a meter box cover or its center piece or causes or suffers any such act to be done, such person will be subject to penalties as provided in Section 2.2 and will be held liable to the District for any injury or damage occasioned thereby or resulting there from. In addition, the Customer of Record will be held liable to the District for any costs incurred for repairing, replacing or adjusting any meter or other appurtenances which have been damaged due to negligence or carelessness, including but not limited to, damages caused by hot water or steam from a boiler. See Section 3.6.2.

2.4 THE DISTRICT'S RIGHT TO INTERRUPT SERVICE

The District reserves the right at any and all times to shut off water service to any property(s) for emergency, operational or maintenance purposes.

The District will make reasonable efforts to minimize negative impacts and provide appropriate notice to the affected Customer(s) when shutdowns occur. However, the District assumes no liability for damages to property or for personal injury or any other liability as a result of shutdowns.

2.5 DISTRICT LIMITS OF RESPONSIBILITY AND LIABILITY

The District assumes no responsibility for the maintenance and/or operation of the Customer's water system downstream of the Point of Ownership.

The District assumes no responsibility or liability for damage or injury resulting from any violation of these Rules and Regulations by the Customer, Customer of Record, owner or other person.

As provided in Section 2.4, the District assumes no liability for damages to property or for personal injury or any other liability as a result of interruptions in water service.

2.6 VIOLATIONS AND ENFORCEMENT

The District shall have the right to discontinue service to any Customer or property who fails to comply with the District's Rules and Regulations. Such discontinuance of service shall occur after the Customer of Record has been given notice to remedy such noncompliance and/or to cease and desist from such violation or infraction, and a reasonable opportunity thereafter within which to comply with said notices. Such time may be specified in the notice to comply/desist. No such notice need be given where the noncompliance, violation or infraction of any rule or regulation by the Customer results, or is likely to result, in a dangerous or unsanitary condition or a health, pollution or system hazard on the Customer's premises and/or in the District's water system or elsewhere, or where discontinuance of service is necessary to protect The District from fraud, loss or abuse.

The General Manager may assess a fine to the Customer of Record for each violation of the District's Rules and Regulations and for each incidence involving the intentional and improper taking of water (see Section 7.4.). Each day that a violation of these Rules and Regulations continues, or each day such intentional and improper taking of water continues, shall be treated as a separate violation of this provision. No further water service shall be provided to such Customer or property until such charge has been paid or otherwise satisfied. If the charge is paid under protest, the Customer of Record can file a written appeal to the Board.

2.7 RIGHT OF APPEAL

Notwithstanding any of the provisions of the Rules and Regulations concerning water service, any aggrieved Customer or Customer of Record, who is dissatisfied with the final decision of the General Manager in administering the Rules and Regulations, can appeal, in writing, such final decision to the Board. The Board shall hear such appeal and render its decision. The decision of the Board shall be final.

SECTION 3 WATER BILLING AND CUSTOMER SERVICE

3.1 RESPONSIBILITY FOR ACCOUNT

The Customer of Record is responsible for all bills or invoices. See Section 3.5 regarding procedure for closing account.

3.2 RESPONSIBILITY FOR UNPAID CHARGES

If, after the application of the deposit to the final billing, any charges remain unpaid, the Customer of Record shall not be relieved of his or her responsibility for unpaid water charges for the subject property, and the District may secure and collect the unpaid charges as permitted by law.

3.3 TENANT RESPONSIBILITY

Tenants may submit an Application for Water Service and arrange to become the Customer of Record with the permission of the property owner. Tenants must provide a copy of the lease or rental agreement that indicates the Owner's name, contact information and permission for tenant billing; the District will verify it before the account name is changed. Upon closing of a water service account established in a Tenant's name, from that point on, billing will revert to the Owner as Customer of Record.

3.4 NEW ACCOUNTS

Water service will be provided upon request where there is a service line and meter, once the following has been completed: 1) Submission of and District acceptance of the Application for Water Service (which is also the agreement for water service). 2) Submission of verifiable proof of ownership of the property (Recorded Property Title showing the name of the Customer of Record) must be received to ensure that a right to serve the property exists; if a Tenant, proof of this right is contained in the lease/rental agreement furnished pursuant to Section 3.3. 3) A deposit, calculated pursuant to the requirements of Section 3.9, must also be paid prior to service commencement. Requests must be made at least one business day in advance of the business day service is to commence.

If the District determines that water may run uncontrolled at a property and no one is at the property, the water will not be turned on.

3.5 CLOSING OF ACCOUNTS

The Customer of Record is responsible for all bills or invoices. Should a Customer of Record wish to discontinue water service, the District customer service staff must be informed at least one business day before the date service is to be discontinued.

The Customer of Record will be responsible for payment for all water registering on the meter up to and including the day the final meter reading is obtained. The water service shall be turned off and the meter will be locked until a new Customer of Record has applied for service. A closing bill will be prepared, which reflects the charges for all water registering on the meter at the time of final reading, Service Charges and Capital Projects Fees, and any previous balances owed (including prior bills, fees and charges). Any deposit retained by the District on the account shall then be credited to the account. The Customer of Record will be billed for any amounts over the deposit, in accordance with the Schedule of Rates, Fees and Charges.

The closing bill will include a due date. If payment in full is not received by this date, a closing delinquent bill will be sent. If payment in full is not received, the District may send the outstanding balance to a collection agency for collection or pursue other lawful collection measures.

3.6 BILLING

Bills cover a specified period of service, which is stated on the water bill.

Bills for water service will be based on meter readings or in some cases estimated usage. Additionally, a Monthly Service Charge will be assessed based upon the size of the water meter to the property as well as a monthly Capital Charge based on a flat fee. The Service Charge and the Capital Charge will be assessed, and must be paid, regardless of the amount of water used at the property, or regardless if there is no water use during the billing period.

Invoices for construction water or other services provided by the District shall be billed according to the fees, charges and conditions outlined in the Schedule of Rates, Fees and Charges.

All bills and invoices are due and payable upon receipt. Unpaid bills and invoices are considered delinquent if payment is not received by the due date shown on the bill or invoice. For all Customers, the due date shall be not less than twenty-five days from the date of billing.

3.6.1 BILLING DISPUTES

Any dispute by the Customer of the amount owed on a bill or invoice must be raised within twenty days of the date of billing printed on the bill or invoice, or the bill or invoice will be considered correct and payable.

Only the disputed portion of the bill may be set aside by the District pending resolution of the dispute. The Service Charge and the Capital Projects Fee, plus any outstanding balance, charges or deposits must be paid. The undisputed portion of the bill must be paid in accordance with the provisions of the Rules and Regulations governing undisputed bills or invoices.

3.6.2 BILLING FOR DAMAGES

Recoverable costs of damages to any District facility will be billed to the party that causes the damage.

Damages can occur from many causes, for example, traffic accidents, construction projects, or hydrant meter use. Any damage to District property resulting from any authorized or unauthorized work on, in or around District facilities also will result in billing for damages, including District staff time for inspection of damages plus the District's standard labor overhead rate.

In the event that District staff repairs the property damage, the causing party will be billed to recover the costs of the repair. These costs will include, but are not limited to, the actual cost of replacement parts and the cost of District staff labor required to complete the repair, plus the District's standard labor overhead rate.

In the event that the District hires a contractor for the repair work, the causing party will be billed for the costs of the repairs plus administrative fees.

Payment is due 30 days from the invoice date. A bill will be delinquent if the District does not receive payment by the due date shown on the bill. A late fee on the unpaid balance will be charged. If payment is not received in full, The District may

refer the account to a collection agency. If the outstanding balance is referred to a collection agency, the customer is responsible for payment of the outstanding balance plus collection agency fees and administrative fees.

The District expects payment to recover all of the costs for damages at one time. However, the causing party may petition the District for payment arrangements, which will be reviewed and may be approved by the General Manager.

If the General Manager approves payment arrangements, the requesting party must complete and return a signed and notarized promissory note that will detail the payment agreement.

3.7 PAYMENTS

Cash payments for all services provided by the District must be made at the District Office on a Business Day.

No payment by any method will be accepted by District personnel away from District Office.

Payments received without sufficient information to properly credit the Customer's account may be returned without being processed and may be subject to late charges as provided for in the Schedule of Rates, Fees and Charges.

3.7.1 PAYMENTS MADE AT DISTRICT OFFICE

Payments made at the District Office may be in the form of cash, check, cashier's check, or money order. For a fee, credit card payments may be made at the District Office or via the District website.

Payments made by 4:00 p.m. on a Business Day will be credited to the account that same day. Payments received in the night drop box by the opening of business on the next regular business day will be credited to the account that business day. CASH PAYMENT SHOULD NOT BE MADE VIA THE NIGHT DROP BOX – IT IS NOT SECURE AND THE DISTRICT WILL NOT BE RESPONSIBLE FOR LOST OR STOLEN PAYMENTS. Customers are advised that payments via check that are left in the night drop box are also subject to theft and loss; the District does not warrant the security of the night drop box.

Processing charges will apply if service has been discontinued for non-payment (see Section 3.8.4).

3.7.2 PAYMENTS MADE BY MAIL

Payments made by mail will be credited to the Customer's account on the same day received at the District Office

3.7.3 AUTOMATIC ELECTRONIC FUNDS TRANSFER PAYMENTS

Customers may initiate automatic, pre-authorized payment of their water bills by electronic funds transfer (EFT) from an account at their financial institution by completing an authorization agreement on a form provided by the District, subject to applicable transaction fees if any.

A Customer must submit a completed, signed authorization agreement for each water account that is to be paid by this method.

All transfers made in accordance with the authorization agreement will be subject to the Rules, Regulations, and Guidelines of the Automated Clearing House and the agreements between the District and its Originating Depository Financial Institution (ODFI).

The first EFT will occur with the next billing after the District has received and processed the properly completed authorization agreement from the Customer. If desired, the District will email or mail, via the U.S. Postal Service, a copy of the paid water bill to the Customer.

Should a Customer have an EFT returned by the ODFI twice within a two-year period the Customer will no longer be eligible for the EFT option.

In the event of a dispute regarding the amount owed on a bill, the rules and regulations specified in Section 3.6.1, Billing Disputes, shall apply. In the event the Customer is entitled to a credit, the District will issue a check on its next normal check printing date or, if the Customer prefers, a credit may remain on the water account.

3.7.4 PAYMENTS MADE BY CREDIT/DEBIT CARDS THROUGH THE DISTRICT WEBSITE

The District accepts payments by credit/debit card through a third-party administrator that receives a transaction fee paid by the Customer for this service. Payment can be made using a credit card through the District's website at www.eocwd.com.

Payments made by credit/debit card will be credited to the Customer's account on the date of transaction, if made before 9:00 a.m., and on the next business day if made after 9:00 a.m.

3.7.6 PAYMENTS RETURNED BY BANK

Should a check or an electronic fund transfer (EFT) or credit card charge rendered for payment be returned by the bank for any reason, the Customer will be notified and a fee will be charged against the account(s) to which the check/EFT had been credited. The fee will be in accordance with the Schedule of Rates, Fees and Charges. Should a Customer have two returned checks or EFTs in a one-year period, the District may require all payments be made by cash, cashier's check, money order or credit/debit card.

3.7.7 EXTENSIONS

Arrangements may be made between the District and the Customer prior to the due date to extend a due date for a short period (no more than one week) of time, if the Customer's payment record within the past year shows no late charges. However, the Customer must adhere to the terms of the arrangement. Failure to do so will subject the account to the District's rules and regulations on delinquencies. A fee for delinquent payment will be charged in accordance with the late fee provisions of the Schedule of Rates, Fees and Charges.

3.8 DELINQUENCIES

A bill is delinquent if the District has not received payment by the due date shown on the bill. A fee will be charged in accordance with the Schedule of Rates, Fees and Charges.

3.8.1 DELINQUENT BILLS

A delinquent bill will be mailed to the Customer if payment is not made by the due date indicated on the water bill and a fee will be imposed in accordance with the Schedule of Rates, Fees and Charges (See Section 5.3.2).

The delinquent bill will have a due date. If payment in full is not received by this date, water service to the property concerned will be subject to disconnection. Once disconnected, water restoration will be subject to Section 3.8.4 Restoration of Water Service.

3.8.2 NOTICE OF PLANNED SHUTOFF OF WATER SERVICE

If payment is not received by the due date of the delinquent bill, a notice of planned shutoff of water service (Notice) will be mailed at least 15 days prior to the planned shutoff date and not earlier than 19 days from the mailing of the bill.

The Notice will show a service shutoff date. Additionally, if payment of all water bills, fees, charges and deposits is not received by this date, the District will mail or post a Notice at least 48 hours prior to shutoff. The District will also make a reasonable effort, using the contact information supplied by the Customer of Record to the District - to contact an adult person residing at the premises by telephone, at least 24 hours prior to shutoff. If payment of all water bills, fees, charges and deposits is not received by the end of this time (24 or 48 hours, as applicable) water service may be discontinued without further notice.

Where the account provides water service to more than one premise (for example, apartment buildings), when practical, a Notice will be delivered to each location benefiting from the service. If this step is not feasible, copies of the Notice(s) shall be posted in each common area accessible to residents and point of access to the structure. Additional fees will be charged for this service, in accordance with the Schedule of Rates, Fees and Charges. The Notice will inform the tenants that they have the right to become Customers of Record of the District without paying the delinquent amount due on the landlord's account, the requirements for preventing the shutoff or reestablishing service, the estimated monthly cost of service, the title, address, and telephone number of a representative of the District who can assist the residential occupants in continuing service; and the address and telephone number of a legal services project, as defined in Section 6213 of the Business and Professions Code, which has been recommended by the local county bar association

Fees for the Notice of planned shutoff of water service will be in accordance with the Schedule of Rates, Fees and Charges.

3.8.3 SHUTOFF OF WATER SERVICE FOR NONPAYMENT

When water service is terminated for nonpayment, the meter shall be locked, where possible, and a shut off fee assessed. Fees and charges associated service shutoff are shown in the Schedule of Rates, Fees and Charges.

Tampering with the lock or turning the water back on, or in any other manner interfering or tampering with the District's property, is prohibited (See Section 2.3). Penalties for such interference will be charged and the matter may be referred to the appropriate law enforcement agency at the discretion of the District in accordance with Section 2.2.

3.8.4 RESTORATION OF WATER SERVICE

All amounts owed, including all bills, fees, charges, and deposits, must be paid or otherwise satisfied before service will be restored. If the meter has been removed, all fees must be paid before the meter is re-installed. Fees for the restoration of service during normal working hours and limited after-hours processing are shown in the Schedule of Rates, Fees and Charges.

If payment is not received within ten days of service shutoff, the account will be closed and the balance owed may be turned over to a collection agency for collection.

3.9 DEPOSITS

Deposits will be required prior to initiation of service,. The amount of the initial deposit to commence water service will be equal to 2 times the average amount billed per billing cycle (excluding any amount attributable to a verified water leak) for the property during the previous 24 months. However, the amount of the deposit may be set differently at the discretion of the District's General Manager in an amount sufficient in his/her judgment to ensure that future bills will be paid when presented, not to exceed 2 times the amount estimated to be billed for the average billing period.

Additional deposits may be required when:

1) A Notice of planned shutoff of water service is delivered to the service address for a second time;

2) A service is shutoff for nonpayment;

3) Service is requested to be reinstated after nonpayment and shutoff of water service and the original deposit was used to satisfy payment for the water bill;

4) Water has been used, but the Customer has not notified the District that he/she is assuming responsibility for the water service;

5) Any other instance where the Customer's creditworthiness comes into question.

The additional deposit will be set at the discretion of the General Manager in an amount sufficient in his/her judgment to ensure that future bills will be paid when presented, as permitted by law.

Upon request, the District will credit fifty percent (50%) of the Customer's deposit to the account, if all bills have been paid by the due date of the first notice, for the previous 24 calendar months; the balance of the deposit will be used to pay any outstanding amount. Interest will not be earned on deposits held by the District. Unused deposits will be credited to the final bill. The deposit held cannot be used for payment or to offset any fines or charges for any regular bill.

3.10 CUSTOMER INQUIRIES AND COMPLAINTS

All Customer inquiries and complaints will be handled as expeditiously as possible. In some instances, extensive research will be required, thus extending the time required for resolution, and the Customer will be so informed. Please refer to Section 3.6.1 for billing disputes.

3.10.1 METER INQUIRIES AND TESTING

If a Customer is concerned that their meter wasn't read correctly, the Customer can request the meter to be read a second time. If the new reading indicates the original reading was in error, an adjustment will be made to the original usage charges. If the new reading indicates the original reading was correct the Customer will be responsible for the original usage charges.

If a Customer is concerned that the meter is not operating correctly or is not accurate, upon written or e-mail request from the Customer, the District will test the meter for accuracy. Prior to the removal of the meter for testing, the District shall require a meter test deposit in accordance with the Schedule of Rates, Fees and Charges. Meter test deposits will be refunded if the meter is determined to be outside the prescribed limits for meter accuracy.

If the meter is found to be registering 3% or more in excess of the actual quantity flowing through the meter, the District will replace the defective meter, refund the meter test deposit and refund to the Customer the full amount of the overcharge based on the corrected meter readings for the previous period, not exceeding six months, that the meter was in use.

If the meter is not defective and does not register 3% or more excess, the meter test deposit shall be forfeited to the District and the water bill shall be paid as rendered.

If the District discovers an inaccurate or inoperable meter, the meter will be replaced and the Customer will be billed based on the average consumption for at least twelve preceding months during which the meter was in use and registering correctly.

3.10.2 HIGH WATER USE AND INVESTIGATIONS

Customers may experience high water use due to a leak or other planned or unplanned event (construction, pool filling, new plantings). No billing adjustment is allowed for leaks or planned or unplanned water consumption; the District must pay for the water regardless of the intended or unintended use of the water and that cost must be passed along to the Customer of Record.

Customers may request that the District assist them in the detection of leaks or other conditions, which may result in higher than normal water usage. Walk-through inspections may be arranged to survey the home or business to assist Customers in determining leaks and/or isolate probable areas of concern. Such requests will be handled by appointment only. Appointments may be arranged by contacting the District's customer service staff.

3.10.3 WATER QUALITY INQUIRIES

The District strives to provide Customers with high quality water at all times. If a Customer suspects any problem with the quality of water provided the Customer may contact the District and a representative will arrange to meet with the Customer at home or business to investigate the concern. Information regarding analyses of the District's water is available to the public via a published report that is mailed to each Customer annually.

The District shall not be liable for any damage by water or resulting from defective plumbing, broken or faulty services or water mains; or resulting from any condition of the water itself, or any substance that may be mixed with or be in the water as delivered to any Customer. All Applicants and Customers shall be required to accept such conditions of pressure and service as are provided by the distribution system at the location of the proposed service connection and to hold the District harmless from all damage arising from low pressure or high pressure conditions.

3.11 BANKRUPTCIES

When the District receives notice that a Customer of Record has filed for bankruptcy, the Customer of Record's account(s) will be closed, whenever possible, as of the date of the bankruptcy filing and the deposit applied to the balance due. Any outstanding balances as of that time will be considered covered in the bankruptcy proceedings and the District may file a claim accordingly with any remaining owners, including mortgage holders. Service will not be terminated and a new account will be created for the Customer of Record to reinstate service. A deposit will be charged in accordance with Section 3.9.

SECTION 4 WATER FACILITIES AND APPURTENANCES

4.1 APPLICATION PROCESS

Any person, firm, or corporation who wishes to install, remove, alter or replace, or cause to be installed, removed, altered, or replaced, any water facility or appurtenance must obtain a permit from the District to do such work.

Any person legally entitled to apply for and receive the permit shall complete the District supplied Water Service Agreement form. The Applicant shall submit an Application for Water Service Permit/Change form, a complete subdivision map when applicable and a water facility construction plan showing the proposed service connection thereon, signed by a civil engineer registered in the State of California. All maps and plans shall be of the size and drawn on material specified in the District's current Standard Specifications and Standard Drawings for the Construction of EOCWD Water Facilities. A processing fee shall be charged pursuant to the Schedule of Rates, Fees and Charges.

Whenever reference is made herein to a requirement to be carried out or performed by an Applicant's or Customer's "Contractor," then to the extent the Contractor and Applicant or Customer are not one and the same, such reference shall be deemed to state a requirement that the Applicant or Customer shall cause its Contractor to carry out or perform such requirement. The Applicant or Customer shall be solely responsible for the fulfillment of and compliance with any requirements of these Rules and Regulations by any Contractor or any other party acting on the Applicant's or Customer's behalf.

4.1.1 PLAN CHECK PROCESS

Plan checking and inspection fees shall be computed by the District according to the Schedule of Rates, Fees and Charges and shall be deposited with the District prior to plan approval. After payment of a plan check fee, the District's Engineer, or an authorized representative, and/or other appropriate staff, will review said map and plans and either approve it or return said plans to the Applicant with notations showing required changes. All plans must conform to the District's current Standard Specifications and Standard Drawings for the Construction of EOCWD Water Facilities and other requirements specified by the District, the Orange County Fire Authority and Appropriate Regulatory Agencies before they will be approved.

If the plans are returned to the Applicant with notations showing required changes to be made, the Applicant shall complete all of the required changes and then resubmit a corrected set of plans. The corrected set of plans will not be accepted unless the Applicant shall return the previous set of plans containing the notations showing required changes along with the corrected set of plans.

4.1.2 ISSUING THE PERMIT

Upon approval of said map or plans, and upon receipt of required fees and charges, including Connection Charges, the District shall validate and issue a Water Service Permit.

The Permit shall be valid for a period of one year from the date of issuance. If construction has not commenced within said year, the Permit shall automatically become invalid and the Applicant shall *forfeit* all moneys, except Connection Charges, paid to the District in connection with the Application for a Water Service Permit. The Applicant will be required to reapply for a new permit and comply with all requirements as if it was the first time an application had been submitted.

4.1.3 WATER SERVICE AGREEMENT

Before water service is provided, the Applicant shall enter into a Water Service Agreement with the District regarding the terms under which the District shall provide water service to the Applicant. The Applicant shall complete, sign and submit a Water Service Agreement. The District shall enter into the Water Service Agreement only upon approval of the development project and payment by the Applicant of required fees and charges set forth in the Water Service Agreement. No water service shall be provided by temporary water service or by any other means until the Water Service Agreement has been signed by the District and the Applicant.

4.1.4 FEES AND CHARGES

The District staff will determine the fees and charges for new development in accordance with the Schedule of Rates, Fees and Charges.

4.1.5 CONNECTION CHARGES

The District has adopted Connection Charges in the amounts specified in the Schedule of Rates, Fees and Charges. The fees will be used to assist the District in paying for the facilities and improvements to the District's water system required by this development. Provisions in this Section 4.1.5 based upon a difference in Connection Charges corresponding to a difference in meter size shall apply only to the extent District adopted Connection Charges that vary by meter size at the time of an Applicant's or property's initial connection.

4.1.5.1 CALCULATING THE CONNECTION CHARGE

As herein provided, the amount of any Capacity Charge shall be determined by the District's engineer, or an authorized representative, subject to appeal to the General Manager or Board of Directors.

The Connection Charge shall be assessed in accordance with the Schedule of Rates, Fees and Charges.

At the time the Applicant requests meters to be installed, the District will review the assessed Connection Charge. If there have been changes in the project, which affect the Connection Charges, additional Connection Charges will be assessed or a refund will be credited to the meter costs. The meters will not be installed until both the meter costs and any additional Connection Charges have been paid.

No Connection Charges will be assessed if an Applicant is removing a meter and is replacing it with a meter of the same size, providing that one of the following conditions is also satisfied:

1) The new meter is installed on the same service line from which the old meter is removed; or

2) The new meter is installed on a new service line and the existing service line is abandoned when the old meter is removed.

The District does not assess Connection Charges for automatic fire sprinkler service connections or temporary service connected to fire hydrants.

4.1.5.2 CALCULATING CONNECTION CHARGE CREDITS ON METERS PULLED AT THE TIME OF REDEVELOPMENT

The District will apply a Connection Charge credit on an account for meters that will be pulled at the time the property is redeveloped, providing one of the following conditions is satisfied:

1) The old meter is pulled and the existing service line is permanently abandoned. Any new meters of a larger size will be installed on new service lines and will be subject to Connection Charges based upon their size. Any new meters of a smaller size will be installed on new service lines and will be subject to Connection charges based upon their size.

The District's engineer or an authorized representative will determine the Connection Charge credit on the meter that is pulled.

The credit will be based on the Connection Charge in effect for the meter size being pulled according to the building classification and water use type the meter presently serves.

If the Connection Charge credit exceeds the Connection Charge calculated on the new meters, the excess credit may be carried forward with the property for additional development. The excess credit will be discounted five percent each year that it is carried and at the fifteenth year, the credit can no longer be used. Any excess credit may only be used once. Subsequent excess credit cannot be carried forward.

The number of years used for Connection Charge credit will be determined by calculating the number of years between the date the Application For Water Service Permit was issued for the redevelopment project for which the credit originated and the date of completion for the redevelopment project for which the Applicant wishes to use the credit.

4.1.5.3 CALCULATING CONNECTION CHARGE CREDITS ON METERS PULLED PRIOR TO REDEVELOPMENT

The District will apply a Connection Charge credit on meters pulled prior to the redevelopment of the property providing that all of the following conditions are satisfied:

1) The service line to which the meter was once connected is still connected to the District's water system and is in very good to excellent condition; and

2) The Pulled Meter was recorded and the record is on file at the District; and

3) The new meters that will be installed is a downgrade from the meters that were pulled prior to the redevelopment of the property; and

4) A new meter can be installed on the service line to which the meter was once connected because the condition of the service line is very good to excellent.

The District will not apply a Connection Charge credit for meters where both the meter and the service line were abandoned prior to the redevelopment of the property.

The District's engineer or an authorized representative will determine the appropriate credit amount.

The credit on the Pulled Meter will be based on the fee in effect for the meter size being replaced according to the building classification and water use type the meter previously served.

The credit is subject to a five percent reduction for each year that the meter was pulled prior to the Application for Water Service Permit. No credit will be given for meters that were pulled 15 years or more prior to the date the Application for Water Service Permit is issued.

The number of years that will be used for the reduction in Connection Charge credit will be determined by calculating the difference between the date on file at the District that the meter was pulled and the date the Application for Water Service Permit is issued.

In the case where the new meters being installed are the same size as the meters that were pulled, the District will apply a discount on the amount of the Connection Charge calculated on the new meters, providing all of the following conditions are satisfied:

1) The service line to which the meter was once connected is still connected to the District's water system and is in very good to excellent condition; and

2) The Pulled Meter was recorded and the record is on file at the District; and

3) A new meter can be installed on the service line to which the meter was once connected due to its very good to excellent condition.

The amount of the discount will be based on the length of time since the meter was pulled. The length of time will be determined by calculating the difference between the date on file at the District that the meter was pulled and the date the Application for Water Service Permit is issued.

4.1.5.4 APPLICATION OF CONNECTION CHARGES TO PUBLIC AGENCIES

For purposes of this section "Public Agency" shall have the same meaning as set forth in Government Code Section 54999.1(c) or any successor section thereto.

Any development or application to the District for new or increased water service by any Public Agency shall be subject to a Connection Charge. The amount of such Connection Charge shall be determined on a case by case basis. The determination of the Connection Charge with regard to an individual Public Agency development project shall be made based on the same criteria and methodology applicable to the Connection Fee for non-public Applicants.

The assessment of the Connection Charge on any school district, county office of education, community college district, the California State University, the University of California or state agency, as defined in Government Code Section 54999.1(g), (collectively referred to as "School/State Agency" for the purposes of this Section) shall be subject to the following:

The Connection Charge shall be paid by such School/State Agency in an amount equal to the actual construction costs of that portion of the District's water system actually providing, or needed to provide, service to such School/State Agency.

To the extent that the appropriate Connection Charge to such School/State Agency is in excess of the amount equal to the actual construction costs, the assessment and collection of said Connection Charges may be adjusted on a case-by-case basis by the District's General Manager.

4.1.6 BONDS AND CONDITIONS FOR RELEASE OF BONDS

As security for guarantee against defective material or work quality and as security for guarantee of the completion of the proposed project, the Applicant shall deliver to the District a construction performance bond in accordance with the rate specified in the *Standard Specification and Standard Drawings for the Construction of EOCWD Water Facilities*. The bond must be received and approved by the District prior to the District's final approval of plans or issuance of the permit.

The District will accept only a cash bond as payment for the bond if the construction estimate for the water facilities is less than $15,000. If the construction estimate for the water facilities is $15,000 or greater, the District will accept a surety bond provided the following conditions are met:

(a) The developer is charged a 1% bond administration fee.

(b) All bonds are processed on a bond form that will be approved by the District.

The bond, whether a cash or a surety bond, will be eligible for release one year after all of the following conditions have been satisfied:

1) All fees and charges are paid current;

2) The project has been completed to the satisfaction of the District; and

3) The District has received and has recorded with the County Recorder's office all necessary documents of conveyance and guarantees.

Approximately one year after all of the above conditions have been satisfied, the District will conduct a follow-up inspection of the water facilities. If the facilities are free from defective material and work quality, and all fees and charges are current, the bond will be released. The bond will stay in effect until all conditions are met.

4.1.7 DOCUMENT OF CONVEYANCE AND GUARANTEE

Within 30 days after the completion of construction and testing of water facilities, the Applicant shall deliver to the District an appropriate document of conveyance. The document will transfer to the District all interest and title to said system and appurtenances, guaranteed free of all liens, together with necessary rights-of-way for future maintenance and upkeep.

For a period of one year after acceptance of the work by the District, repair and/or replacement of any and all dedicated facilities that may prove to be defective in work quality and/or materials, together with any other works that may be displaced in so doing, shall be at the sole cost and expense of the Applicant. Such repair and/or replacement shall be without expense whatsoever to the District unless the repair and/or replacement were the result of ordinary wear and tear or unusual abuse or neglect by the District.

In the event of an emergency, as determined by the District, the District shall notify the Applicant of any defect and shall immediately proceed to have the defects repaired and/or replaced at the expense of the Applicant, who shall pay the costs and charges upon demand.

In the event that the District becomes aware of a defect in material or work quality, which does not involve an emergency, the District shall notify the Applicant and the Applicant shall undertake to accomplish the necessary repair or replacement. If within one week from the date of notification the Applicant has not accomplished the necessary corrective procedures or

made satisfactory arrangements thereof, the District shall proceed to have the defects repaired and/or replaced at the expense of the Applicant, who shall pay the costs and charges upon demand by the District.

In the event that the Applicant fails to pay for the costs and charges resulting from repairs and/or replacements of the facilities as provided in this section, the District reserves the right to reduce the amount of, or draw upon, the Applicant's security bond by the amount necessary to cover any such costs and charges.

4.2 CONSTRUCTION OF WATER FACILITIES

The Applicant is encouraged to perform construction with the assistance of a Contractor; however, the Applicant may request the District to perform the work.

It will be the responsibility of the Contractor to furnish all materials that meet the specifications contained in the then current edition of the District's Standard Specifications and Standard Drawings for the Construction of EOCWD Water Facilities. It also will be the responsibility of the Contractor to provide all labor and equipment necessary to install the water facilities in conformance with the approved plans and the specifications contained in the latest edition of the Standard Specifications and Standard Drawings for the Construction of EOCWD Water Facilities.

The District may construct facilities at the District's cost upon approval of the General Manager. The District shall prepare a cost estimate of the construction. The Applicant must pay a deposit in the amount of the cost estimate before the District will begin construction. After the work has been completed, the actual cost of the construction will be determined and excess funds from the deposit will be refunded or the Applicant shall be required to pay the costs in excess of the deposit.

4.2.1 UNDERGROUND SERVICE ALERT

The Contractor shall be responsible for researching utility records and indicating the location of all known utilities on the plans. At least two business days (48 hours) before beginning the work, the Contractor shall call U.S.A. (Underground Service Alert) for utility owners to mark the location of substructures, except for public sewers and storm drains. It shall be the Contractor's responsibility to determine the true location and depth of all utilities and service connections. The Contractor shall become familiar with the type, material, age and condition of any utility that may be affected by the work.

The Contractor shall not interrupt the service function or disturb the supporting base of any utility without authority from the utility owner or on order from the District.

Where protection is required to ensure support of utilities, the Contractor shall furnish and place the necessary protection at the Contractor's expense.

The Contractor shall immediately notify the District’s engineer and the utility owner if the Contractor disturbs, disconnects or damages any utility.

4.2.2 SAFETY REQUIREMENTS

The Contractor must adhere to all appropriate CAL/OSHA safety requirements while on the job site. The Contractor shall have, at the job site, copies or suitable extracts of Construction Safety Orders, Tunnel Safety Orders and General Industrial Safety Orders issued by the California State Division of Industrial Safety. The Contractor shall comply with provisions of these and all other applicable laws, ordinances and regulations.

4.2.3 CHARGES FOR DAMAGES

It will be the Contractor's responsibility to "protect in place" all the District facilities. In the event it becomes necessary for the District to provide assistance to the Applicant, the Contractor or any third party, or to make repairs to the District's facilities damaged by any of the above, the District will charge the Applicant, Contractor or third party for the actual cost of assistance and/or repairs plus the District's standard overhead rate.

4.2.4 VALVES AND WATER MAIN SHUTDOWNS

It shall be the Contractor's responsibility to keep all valves exposed and accessible at all times. If a water Main shutdown is required, only the District personnel are authorized to perform shutdown operations. The Contractor shall notify the District staff and affected users at least 48 hours in advance in areas where shutdown is requested.

4.2.5 THE DISTRICT INSPECTION

All new water facilities shall be subject to inspection by the District or its authorized agent(s). Such facilities shall be installed in accordance with the latest version of the District's Standard Specifications and Standard Drawings for the Construction of EOCWD Water Facilities.

The Contractor shall notify District staff at least two business days (48 hours) prior to the commencement of construction of any water facilities.

Contractors requiring inspection outside the District's normal working hours shall pay the costs of such inspections prior to installation of water meters. These costs shall include the District's standard overhead rate and overtime rate.

4.2.6 SIZE, LOCATION AND INSTALLATION OF WATER SERVICES

The District reserves the right to determine the size of the meter and service connection and determine location of the meter and service connection in relation to boundaries of the premises to be served.

The District reserves the right to limit the number of houses or buildings, or the area of the land that is under one ownership, to be supplied by one service connection. When property provided with a service connection is subdivided, the service connection shall be considered as belonging to the lot or parcel of land that it directly enters.

A service connection shall not be used to supply an adjoining property.

If a service connection relocation is more than five feet laterally from the existing service connection, it will be considered a new service connection.

4.2.7 SERVICE LATERAL, METER INSTALLATION, FEES

All meters shall be provided and installed by the District, either separately or in conjunction with the installation of a service lateral, and shall remain the property of the District at all times, though committed to a particular service connection, and shall be maintained, repaired, replaced and read by District personnel. The Applicant shall pay the cost of installing meters before any meters will be installed. The fees for meter installation will be in accordance with the rates in the Schedule of Rates, Fees and Charges.

Service laterals, from the point beginning on the customer side of the meter, are the responsibility of the Applicant.

4.2.8 SINGLE METER POLICY

The District's standard metering policy is that individually owned units should be individually metered. Furthermore, all developments that have five or more units whether individually metered or not, shall install a separate irrigation meter.

However, the District recognizes that there may be local and individual conditions that make individual metering not feasible. Therefore, the Board delegates to the General Manager the authority to waive the single meter per unit policy on a case by case basis according to the following standards:

1) The District's policy of appropriate distribution of costs to all consumers still applies. For example, regardless of whether a party occupies the traditional single-family residence or occupies a condominium unit, the same Service Charges and Connection Charges, plus the cost of the water would apply.

2) A development shall be billed on the greater of the following: The cost of water used, plus the Service Charge plus the Connection Charge based upon actual meter size, or number of individual units multiplied by the Service and Connection Charge for the size of meter that would have been installed at each unit, if the variance had not been granted.

3) In addition, the District shall require a letter signed by the appropriate officer or agent stating that the appropriate entity accepts full responsibility for payment of all water bills, and that in the event of transfer of ownership, the new owner(s), or owners association, accepts full responsibility for payment.

The District's engineer shall review each case and make recommendations to the General Manager. The General Manager shall report to the Board about each variance granted, the location, owner and conditions.

4.2.9 SUBMETERING AND PROHIBITED PRACTICES

4.2.9.1 APPLICATION

This rule pertains to multi-family residential units or mobile home parks located within the District's service boundaries to which the District provides water service. For purposes of this rule, multi-family residential units shall mean two or more residential units served from one water meter.

4.2.9.2 PROHIBITED PRACTICES

In the case of multi-family residential units or mobile home parks that install or utilize submeters or a submetering system in order to allocate the costs of water to tenants, subtenants, lessees or similar persons or parties, the following practices shall be prohibited (unless authorized in advance in writing by the Board, or by the General Manager at the direction of the Board):

1) No Customer, or contractor to a Customer, shall represent to any submetered tenant, subtenant, lessee or similar person or party that such Customer (or such contractor) is a provider of water service or water services; and

2) No Customer, or contractor to a Customer, shall terminate, or threaten to terminate, water service to any submetered tenant, subtenant, lessee or similar person or party by reason of non-payment of any allocated costs for water.

A violation of this rule occurs whenever the District becomes aware of a violation of Rule 4.2.9.2 (1) or 4.2.9.2 (2), as set forth above. Upon the District becoming aware that such a violation has occurred, the District shall provide written notice to the Customer of Record to cure such violation, and the notice shall include; (1) a statement of the nature of the violation, (2) the date upon which the District became aware of the violation, and (3) a date by which the Customer of Record shall cure such violation. If such violation is not cured by the date stated in the notice, the provisions of Rule 2.3 of the District's Rules and Regulations shall apply. Any such violation shall be reported by the General Manager to the Board of Directors, in writing, together with a description of the action(s) taken to compel enforcement of these Rules and Regulations as soon thereafter as shall be practical.

Customers of Record that have submeter systems attached to the District's water system shall comply with all applicable laws, statutes and regulations of the State of California and the city in which they are located, or the County of Orange, as applicable.

The District encourages conservation efforts, including submetering, to support and promote conservation of water use within its service boundaries; however, the District does not encourage, favor or support any submetering system or process that is used to generate revenue(s) over and above the fair and reasonable cost of installation of such system, fairly allocated costs of water and reasonable administrative costs.

4.2.10 AUTOMATIC FIRE SPRINKLER SERVICE CONNECTIONS

When an automatic fire sprinkler service connection (AFSSC) is installed, the control valve will be left closed and sealed until a written order to turn on the water is received by the District from the Customer of Record.

After an AFSSC is activated, the District shall not be liable for damages of any kind whatsoever that may occur on or to the premises served, due to the installation, maintenance, or use of such AFSSC, or due to pressure fluctuations or interruption of water supply.

The District will not approve any request for an AFSSC be shut off, unless approval is received from the Chief of the appropriate Fire Authority

Water is not to be used through an AFSSC for any purpose other than the extinguishing of fires, or a purpose related thereto. The District shall have the right to shut off the entire supply of water to the premises through the AFSSC when improper use occurs or for nonpayment of bills. The District will notify the appropriate fire department or authority prior to any such shutoff.

Should water be used through an AFSSC for an unauthorized purpose, the Customer of Record shall be charged for the unauthorized taking of water in accordance with the Schedule of Rates, Fees and Charges.

4.2.10.1 DOWN-STREAM RESIDENTIAL FIRE SPRINKLER SYSTEMS

Certain residential dwelling units located within the District's service area may have installed, or may in the future install, fire sprinkler systems that are connected down-stream of the District's service meter (Point of Ownership) (for purposes of this Section, a "System"). The District hereby provides notice that it is not responsible, and assumes no liability of any kind, for the installation, ownership, operation or use of any such System. The provisions of Sections 2.4 and 2.5 of these Rules and Regulations shall apply to any such System. The District expressly declines to provide, or guarantee, any particular water service, or pressure, to a District Customer, or customer account, that has such a System, and no contractual obligation therefore shall arise, whether through a Water Service Agreement or otherwise, without the express prior written agreement of the Board. The District assumes no liability whatsoever for any injuries or damages, of whatever nature, that arise or occur

based on the installation, ownership or use of any such System. The provisions of this Section shall be in addition to, and not in derogation of, The District's statutory protections applicable to such matters.

4.2.11 FIRE HYDRANT INSTALLATION

The appropriate fire department or authority having jurisdiction shall designate the size and location of all fire hydrants to be installed. Fire hydrants shall be installed in the parking and/or sidewalk area adjacent to the curb. Upon request and approval by the appropriate fire agency the District will change the location of fire hydrants when necessary.

4.2.12 WATER MAIN EXTENSIONS, ENLARGEMENTS AND OTHER SYSTEM IMPROVEMENTS

The District will extend its water distribution Mains to individual developers at the expense of the property owner. If the District deems it necessary to install larger Mains for future use, the District may enter into a development agreement and may share a portion of the cost of the extension or may enter into a benefited property agreement (Section 4.2.13)

4.2.13 BENEFITED PROPERTY AGREEMENT

In the event that a mainline extension or a new mainline will benefit adjacent properties and/or future use, at its discretion, the District may enter into a benefited property agreement with developer(s) of the adjacent properties. All terms and conditions of such a benefited property agreement will be subject to approval by the District's Board of Directors.

4.2.14 REGULATION OF BOOSTER PUMPS

When it becomes necessary, due to low water pressure or special operating conditions, to install a booster pump on the service to any premise, such pump shall be equipped with a low pressure cut-off switch designed to shutoff the pump when a water pressure gauge on the inlet side indicates 25 pounds per square inch or lower. It shall be the duty of the Customer of Record to maintain the cut-off device in proper working order and certify to the District, at least once a year that the device is operable. A person deemed competent by the District shall execute low-pressure cut-off device certification.

4.2.15 METER DOWNSIZING REQUESTS

No refund of connection charges for changes under this section.

The District will entertain a request for downsizing of a residential meter under the following conditions:

A Customer of Record who wishes to change the meter size of an installed meter and does not have an Automatic Fire Suppression Sprinkler System (AFSSC) served by their meter shall submit a Meter Downsizing Request form, along with a processing fee pursuant to the Schedule of Rates, Fees and Charges. Within 30 days of submittal of the application, the District General Manager shall review such application and make a determination whether to allow the requested meter size for the property. Such decision may be appealed to the District Board of Directors, provided requesting party submits a request for hearing within 45 days of General Manager's initial determination.

SECTION 5 TEMPORARY WATER SERVICES

5.1 TEMPORARY CONNECTIONS

On a case-by-case basis, the District will allow the use of temporary connections to the District's water system when water service is needed only for construction purposes. The District reserves the right to require the Applicant to use an existing service connection whenever feasible.

The District reserves the right at any time to set a meter on any temporary service connection and collect the required deposits, and thereafter charge the regular metered rate for the kind of service to be rendered.

All meters set on temporary service connections will be read by the District on a monthly basis, and all temporary service accounts will be billed monthly.

5.2 HYDRANT METERS

Water may be procured from fire hydrants for construction or other purposes only in the manner prescribed in these Rules and Regulations. When water is to be procured from a fire hydrant, the Applicant shall sign a Rules For Hydrant Meters For Construction Water Service form and also a Hydrant Meter Activity Report and Permit, wherein the Applicant shall specify the location of the fire hydrant to be used, the anticipated length of use and shall agree to make the required deposit to the District. Copies of both forms shall be issued to the Applicant and shall constitute authority to procure and make such limited use from the fire hydrant therein designated, through a the District supplied hydrant meter.

The hydrant permit shall be valid for one (1) month and must be renewed for each additional month. Illegal use of a hydrant meter, including without limitation the failure to renew the permit, is subject to the penalties in Section 7.

Only District personnel are allowed to install or remove fire hydrant meters unless the fire hydrant meter is being installed on a private hydrant, with prior approval of the District's engineer and the General Manager. If the fire hydrant meter is being placed on a private hydrant, The District staff will monitor the placement of the fire hydrant meter upon the private hydrant. The District shall not assume any liability for damage to private hydrants. Prior to installation of the meter, the permit holder must pay a construction meter charge in accordance with the Schedule of Rates, Fees and Charges. The permit holder is required to give the District at least one business day (24 hours) notice when requesting the installation of a fire hydrant meter.

Unless the Applicant has applied for, and has been granted, a permit for a roving fire hydrant meter, only the District staff may relocate a fire hydrant meter. The permit holder must give the District at least one business day (24 hours) notice when requesting meter relocation or a relocation fee will be assessed. The construction meter charge will be in accordance with the rates listed in the Schedule of Rates, Fees and Charges.

The permit holder of a roving fire hydrant meter account shall inform the District as to the location of the meter at all times. Failure to do so may result in additional charges.

The permit holder is responsible for paying the costs of repairing any damages to the meters or hydrants. These costs will be the actual cost of repairs plus the District's standard labor overhead rate.

5.3 PAYMENT

5.3.1 REGULAR MONTHLY BILLS

Payment is due 25 days from the billing date. Closing bills are due upon receipt.

5.3.2 DELINQUENT BILLS

A bill will be delinquent if the District does not receive payment by the due date shown on the bill. A late fee on the unpaid balance will be charged. If payment is not received in full, the District may refer the account to a collection agency. If the outstanding balance is referred to a collection agency, the customer is responsible for payment of the outstanding balance plus collection agency fees and administrative fees.

SECTION 6 CROSS CONNECTION AND BACKFLOW PREVENTION

6.1 INTRODUCTION

The District recognizes that it has a responsibility to take all reasonable precautions to protect the public water supply. Thus, in the exercise of this responsibility, the District must take all reasonable precautions to protect the District's water system from the hazards originating on the premises of its Customers that may degrade the water in the District's water system.

To affect such precautions, the District, has adopted these Rules and Regulations pursuant to the State of California Administrative Code, Title 17 - Public Health entitled "Regulations Relating to Cross Connections."

In addition to the District's Rules and Regulations for Water Service, the Customer must comply with Public Law 99-339 - the Safe Drinking Water Act and its amendments, all state and local regulations including but not limited to Title 17 - Regulations Relating to Cross Connections, and the latest edition of the Manual of Cross Connection Control from the Foundation for Cross Connection Control and Hydraulic Research, University of Southern California.

These Rules and Regulations were written to assist the District in safeguarding the District's Potable Water supply. The District cannot, and will not, be held liable for actions by others that are beyond the District's control, including, but not limited to, willful sabotage, deceptive or fraudulent activities and acts of nature. These Rules and Regulations do not provide regulatory measures for protection of water users from the hazards of Cross Connection within the water users own premises.

6.2 GENERAL PROVISIONS

6.2.1 PROTECTION

Protection shall be accomplished by isolating within the premises, any and all used, degraded, contaminated or polluted water or other liquids, mixtures or substances. The District recognizes that there are varying degrees of potential and actual hazards; consequently, the degree of protection shall be commensurate with the degree of hazard.

6.2.2 BACKFLOW PREVENTION DEVICES

Backflow prevention devices shall be provided and maintained by the Applicant, owner or Customer of Record at his/her expense. Such devices shall be located on the premises of the property served and shall not be installed on the District's portion of the water system.

6.2.3 UNPROTECTED CROSS CONNECTIONS

Unprotected Cross Connections to the public water supply are prohibited.

6.2.4 NEW SERVICE REQUESTS

The District shall review all requests for new service to determine if Backflow protection is needed. Plans and specifications must be submitted to the District for review of possible Cross Connection hazards as a condition of service for new service connections.

6.2.5 PROTECTION REQUIRED BEFORE GRANTING SERVICE

Whenever Backflow protection is found necessary, the District will require the Customer of Record or Applicant to install an approved Backflow prevention device at the Customer's expense for continued services or before a new service is approved.

6.2.6 PROTECT ALL WATER LINES

Wherever Backflow protection is necessary on a water supply line entering a Customer's premises, any and all water service lines from the District's Mains entering such premises, buildings or structures shall be protected by an approved Backflow prevention device. The type of device to be installed will be in accordance with the requirements of these Rules and Regulations.

6.3 WHERE PROTECTION IS REQUIRED

6.3.1 PREMISES HAVING AN AUXILIARY WATER SUPPLY

Premises that have an auxiliary water supply shall be protected against Backflow of water from the premises into the public water system, unless the auxiliary water supply is accepted as an additional source by the District and is approved by the public health agency having jurisdiction.

6.3.2 PREMISES HANDLING PROCESSED WATER

Premises on which any substance is handled in such fashion that it may allow its entry into the water system, shall be protected against backflow of the water from the premises into the public water system. Such substances include, but are not limited to, the handling of processed waters and waters originating from the District's water system subjected to deterioration in sanitary quality.

6.4 PREMISES HAVING OR POSSIBLY HAVING CROSS CONNECTIONS

Premises that have any one of the following shall be protected against Backflow of the water from the premises into the public water system:

1) Internal Cross Connections;

2) Intricate plumbing and piping arrangements susceptible to Cross Connection; or

3) Where entry to all portions of the premises is not readily accessible for inspection purposes, making it impracticable or impossible to ascertain whether or not Cross Connections exist.

6.5 TYPE OF PROTECTION

6.5.1 TYPE OF BACKFLOW DEVICE

The type of approved Backflow prevention device shall depend upon the degree of hazard. The decision as to when, where and which device to be used shall be made at the discretion of the District and shall depend upon the facts of each particular situation. In determining the degree of hazard and the type of approved Backflow device required, the following principles shall apply:

6.5.1.1 HEALTH OR SYSTEM HAZARD

An approved air-gap separation or an approved reduced pressure principle Backflow prevention device shall be used where there is an existing or potential health or system hazard.

6.5.1.2 POLLUTION HAZARD

A double check valve assembly is to be used where there is an existing or potential pollution hazard only.

6.6 APPLICATION

6.6.1 STRUCTURES OF MORE THAN TWO STORIES IN HEIGHT

At the service connection to any premises, where there are more than two stories in height above the service connection, an approved Backflow prevention device shall protect the District water supply. Devices may be required for residential buildings on a case-by-case basis.

6.6.2 RECIRCULATING WATER

At the service connection to any premises containing recirculating water systems (hot or cold), the District water supply shall be protected by an approved Backflow prevention device.

6.6.3 FIVE OR MORE UNITS

At the service connection to any premises where there are multiple units or dwellings that have five or more individual units being serviced through one metering system, the District water supply shall be protected by an approved Backflow prevention device.

6.6.4 HEALTH OR SYSTEM HAZARD FROM AUXILIARY WATER SUPPLY

At the service connection to any premises, where there is an auxiliary water supply that may constitute a health or system hazard, an approved air-gap separation or an approved reduced pressure principle Backflow assembly, or both, shall be installed.

6.6.5 SEWAGE AND STORM DRAIN FACILITIES

At the service connection to any wastewater treatment plant, wastewater pumping station or storm water pumping station, the District water supply shall be protected by an approved air-gap separation. All piping between the meter and the receiving vessel shall be entirely visible. If, in the opinion of The District, an air-gap separation provides insufficient protection, The District may require installation of an additional approved Backflow prevention device(s).

6.6.6 HOSPITALS, MORTUARIES, ETC.

At the service connection to hospitals, medical and dental buildings, mortuaries and other premises where special hazards exist, the District water supply shall be protected by an approved reduced pressure principle Backflow prevention assembly.

6.6.7 COMMERCIAL OR INDUSTRIAL BUILDINGS

At the service connection to any premises containing commercial or industrial buildings subject to varying and unknown use, the District water supply shall be protected by an approved Backflow prevention device.

6.6.8 FIRELINE SERVICES

Approved Double Check Detector Assembly (DCDA) shall be installed on all fireline services, except where, in the opinion of The District, the DCDA does not provide sufficient Backflow protection. In this case, The District will require the installation of an approved Reduced Pressure Principle Detector Assembly (RPDA).

6.6.9 IRRIGATION SERVICES

Meters serving only irrigation systems shall be protected by an approved reduced pressure principle Backflow prevention device.

6.7 INSTALLATION

6.7.1 ONLY THE DISTRICT APPROVED DEVICES

Only Backflow prevention devices that have been approved by the District and the California Department of Public Health Office of Drinking Water shall be acceptable for installation on a service connection. Upon request, the District will provide a list of approved Backflow prevention assemblies.

6.7.2 INSTALLATION SPECIFICATIONS

Backflow prevention devices shall be installed in a manner prescribed in Section 7603, Title 17 of the California Administrative Code and they shall be installed on the Customer's side of, and as close to the service connection as is practical. The device shall be installed a minimum of twelve inches (12") and a maximum of thirty-six inches (36") above final grade measured from the concrete pad to the bottom of the device and with a minimum of twelve inches (12") clearance on either side. The device shall be installed so that it is readily accessible for maintenance and testing. The District shall have the final authority in determining the required location of a Backflow prevention device.

6.7.3 REPLACEMENT OF OBSOLETE DEVICES

The Customer of Record must replace obsolete Backflow prevention devices when notified by the District that the device is no longer appropriate or acceptable. An obsolete device may be upgraded provided that a factory manufactured upgrading kit is available. The upgraded Backflow prevention device must be approved by the District and the California Department of Public Health Office of Drinking Water.

6.7.4 TESTING NEW DEVICES

As soon as the installation of the Backflow prevention device has been completed, the Customer of Record shall have the device tested by a certified tester, and submit the test results to the District within ten days of the test date. An Orange County Health Department approved list of local certified testers may be obtained at the District's offices.

6.7.5 RIGHT TO REJECT

The District reserves the right to reject any installation or device.

6.8 INSPECTION AND TESTING

6.8.1 ORIGINAL TEST

All Backflow prevention devices shall be inspected, tested and certified as operational when the device is originally installed or relocated. All tests shall be conducted by a certified tester who shall prepare a report certifying that the device has been tested and is operating satisfactorily.

6.8.2 ANNUAL TEST BY CERTIFIED TESTER

At the expense of the Customer of Record, all Backflow prevention devices shall be inspected, tested and certified as operational at least once a year. All tests shall be conducted by a certified tester who shall prepare a report certifying that the device has been tested and is operating satisfactorily.

6.8.2.1 FIRST NOTIFICATION

The District will notify each Customer of Record and supply the necessary forms for Backflow prevention device testing when it is time for the annual Backflow prevention test. The Customer of Record shall have 30 days to comply with the Backflow prevention device testing requirements. The District will not accept test results on unapproved forms or from unapproved Backflow prevention device testers.

6.8.2.2 SECOND NOTIFICATION

A second notice shall be sent to each Customer of Record who does not have the Backflow prevention device tested within the 30-day period as prescribed in the first notice. The second notice will give the Customer of Record a two-week period to have the Backflow prevention device tested. If no action is taken within the two-week period, the District may terminate water service to the Customer's premises until the subject device is tested and the necessary certification provided to the District.

6.8.2.3 CUSTOMER OF RECORD'S RESPONSIBILITY

The Customer of Record shall cause annual tests to be made of the device at the expense of the Customer of Record. Defective devices shall be repaired, overhauled or replaced immediately at the expense of the Customer of Record. As a courtesy the District provides a notice of annual testing, but failure to receive such notice shall not relieve the Customer of Record of requirements under this section.

6.8.2.4 REPORTS

Reports of inspections, tests, repairs, overhauling of the device and corrections made shall be submitted to the District within ten days of the test date by the certified tester. Such reports shall be submitted to the District on forms supplied by the District. No other forms will be accepted.

6.8.3 RANDOM TESTS AND INSPECTIONS OF DEVICES

The District will maintain a program of random or spot testing of various Backflow prevention devices at no cost to the Customer of Record. This testing may be done at the time of installation and periodically thereafter. This testing will in no way relieve the Customer of Record from responsibility for maintaining functional devices, but will serve to help assure that the program is serving its intended purpose.

6.8.4 ON-PREMISE INSPECTION BY THE DISTRICT

The District may, at its discretion, require an on-premises inspection for Cross Connection hazards on any property to which it serves water. The District will transmit a written notice requesting an inspection appointment to each Customer of Record. Any Customer or Customer of Record who cannot or will not allow an on-premise inspection of the piping system shall be required to install any Backflow prevention device that the District considers necessary.

6.8.5 MORE FREQUENT INSPECTION

Where successive annual reports indicate defective operation of a Backflow prevention device, the District may require more frequent inspections and/or require replacement of the device.

6.8.6 DUTY OF TESTER

The certified tester shall be responsible for the competency of inspections, corrective actions and the accuracy of reports required under this Section and the District's code of conduct for Backflow assembly testers.

6.8.7 TESTING METHODS

Test results of Backflow prevention devices will only be accepted if performed in accordance with the methods used by the Foundation for Cross Connection Control and Hydraulic Research at the University of Southern California and County of Orange/Health Care Agency/Environmental Health.

6.9 TERMINATION

6.9.1 BASIS FOR TERMINATION

The District may immediately discontinue service to any premises where an actual or potential Cross Connection or other hazard to the District's water supply is found to exist. Any Customer who violates any of the provisions of these Rules and Regulations or alters, bypasses or renders inoperative, or removes any installed Backflow prevention device, or fails to test the device as required, shall be subject to immediate termination of water service. Conditions that create a basis for water service termination shall include, but are not limited to, the following items:

1. Refusal to install a required Backflow prevention device.
2. Refusal to test a Backflow prevention device.
3. Refusal to repair a faulty Backflow prevention device.

4. Refusal to replace a faulty Backflow prevention device.
5. Direct or indirect connection between the District's water system and a sewer line.
6. Unprotected direct or indirect connection between the District's water system and a system or equipment containing contaminants.
7. Unprotected direct or indirect connection between the District's water system and an auxiliary water system.
8. A situation that presents an immediate health hazard to the District's water system.
9. Failure to comply with other provisions of the District's Rules and Regulations for Water Service.

6.9.2 TERMINATION PROCEDURES

For conditions 1 through 4 stated in Section 6.9.1, the District will terminate service to a Customer's premises after two written notices have been sent specifying the corrective action needed and the time period in which it must be taken. If no action is taken within the allowed time period, water service may be terminated without further notice.

For conditions 5 through 9 stated in Sections 6.9.1 the District will make a reasonable effort to advise the Customer of the intent to terminate water service before termination.

SECTION 7 ENFORCEMENT

7.1 NEW SERVICE CONNECTIONS

No new service connections shall be completed, nor meters installed, until all provisions of the Rules and Regulations have been satisfied.

7.2 EXISTING SERVICE CONNECTIONS

Existing service connections shall comply with all provisions of the Rules and Regulations. If it is found that the service is out of compliance, the service will be brought into compliance with all provisions of the Rules and Regulations when the Customer of Record is notified by the District. Failure to comply shall result in termination of water service.

7.3 TERMINATION OF WATER SERVICE

The District may terminate service for violation of these Rules and Regulations, including termination as provided under Section 2.6 and Section 6.9. Water service shall not be restored until hazards are eliminated and/or violations have been corrected to the satisfaction of the District. Nor shall water service be restored until the District has received reimbursement for any costs incurred in terminating the water service and advance payment for the cost of service restoration. The District will pursue recovery of actual costs including legal fees and any penalties.

7.4 CIVIL AND CRIMINAL ACTIONS

Violation of these Rules and Regulations may constitute a public nuisance within the meaning of Health and Safety Code Section 4036 and Penal Code Section 372. Violators may be subject to civil actions for abatement and/or damages (Civil Code Section 3479, et seq.) and Criminal Penalties of up to $500 or both (Penal Code Section 29). Customers may also be assessed a fine of $500 per day by the District for violation of the Rules and Regulations.

EAST ORANGE COUNTY WATER DISTRICT

BOARD OF DIRECTORS

Douglass S. Davert
President

Richard B. Bell
Vice President

John Dulebohn
Director

Seymour (Sy) Everett
Director

John L. Sears
Director

Lisa Ohlund
General Manager

185 N. McPherson Rd.
Orange, California
92869-3720

714.538.5815 *phone*
714.538.0334 *fax*

www.eocwd.com

March 22, 2017

Dominic Antonini
12565 Vista Panorama
Santa Ana, CA 92705

RE: Water Service Reconnection – 12606 Vista Panorama, Santa Ana, CA 92705

Dear Mr. Antonini:

Enclosed please find supporting documentation for the outstanding bill that exists for the subject property. We note that this bill includes outstanding fees that have been unpaid since December 2015 when your tenant took water service out of his name, fines for tampering with a water system, and costs for our staff to repair the broken valve to the service line and meter.

Our Rules and Regulations (Section 3.3 attached) states that upon closing of an account established in a Tenant's name, from that point on, billing will revert to the Owner as Customer of Record. Section 3.8.4 defines that fees must be paid before the service will be restored. Monthly Service and Capital Charges are assessed to an account after it is closed regardless if there is water use or no water use. Mr. Bergmann closed the account on December 8, 2015.

As such, the District requires the following charges be paid in full to restore the water service:

Description	Charge
Water meter tampering fine	$500.00
Damaged meter valve replacement (attached invoice	$179.34
Water Distribution Operator II – 2 hrs @ $43.96 for valve repair work	$87.92
Water Distribution Operator I – 2 hrs @ $30.50 for valve repair work	$61.00
Capital Fees for December 2015 thru February 2017	$578.95
Basic Service Fees for December 2015 thru February 2017	$617.64
Total Reconnection Cost	**$2,024.85**

If you have any questions, please contact our office at (714) 538-5815.

Sincerely,

Lisa Ohlund
General Manager
East Orange County Water District

EAST ORANGE COUNTY WATER DISTRICT
185 N MC PHERSON ROAD
ORANGE, CA 92869-3720
PHONE # 714-538-5815
FAX # 714-538-0334

March 20, 2017

Invoice # 32017

Dominic Antonini
12561 Vista Panorama
Santa Ana, CA

Description: Fees due to re-connect water service at 12606 Vista Panorama, Santa Ana, CA 92705

DESCRIPTION	CHARGE
Water meter tampering fine	$500.00
Dmaged meter valve replacement (attached invoice)	$179.34
Water Distribution Operator II - 2 hrs @ $43.96 - valve repair work	$87.92
Water Distribution Operator I - 2 hours @ $30.50 - valve repair work	$61.00
Capital fees Dec 2015 - Feb 2017	$578.95
Basic Service Fees Dec 2015 - Feb 2017	$617.64
SUBTOTAL	$2,024.85
TAX @ 8.0%	$0.00
TOTAL	$2,024.85

Check Payable to East Orange County Water District

ACKNOWLEDGMENT

Page	1
Order No.	51683
Order Date	03/15/17

YO Fire
Yardley-Orgill Co., Inc
11120 Western Ave
Stanton, CA 90680
Tel: 714 901-7000 Fax: 714 901-7390

BILL TO: CUST #: **23333** SHIP TO:

EAST ORANGE COUNTY WATER DISTRICT
185 N McPHERSON RD
ORANGE, CA 92869

YARD
, CA

Tel: **714 538-5815** Fax: **714 538-0334** **714 538-5815**

Customer PO	Salesperson	Company Contact	Entered By
	RAY ORGILL	JERRY	BG

Date Requested	Terms	Shipping Method
03/17/17	NET 30 DAYS	O/T DELIVERY

Item Number	Description	Qty Ordered	Unit Price	Disc %	Extension
027FV43666W	1 1/2" FD FV43-666W NL AMS	1.00	166.44		166.44

Subtotal Taxable	NonTaxable	Less Discount	Freight	Misc	Tax 7.750 (%)	Less Deposit	Total
166.44	0.00	0.00	0.00	0.00	12.90	0.00	179.34

Thank You

From: Dominic Antonini
To: Lisa Ohlund
Cc: Jeff Hoskinson
Subject: Re: Water Reconnection - 12606 Vista Panorama, Santa Ana
Date: Monday, April 10, 2017 7:26:42 PM

I didnt report the broken lock. I didnt know about it until you told me about it

Thank you,
Dominic J. Antonini
President
Telecom Brokers
714-640-3111
1551 N. Tustin Ave.
Suite #960
Santa Ana, CA 92705
Www.telecombrokers.com

On Apr 10, 2017, at 7:21 PM, Lisa Ohlund <lohlund@eocwd.com> wrote:

> Please forward a copy of the OC Sheriff's report(s) that reference the vandalism and in particular, the broken lock on the water meter.
>
> Lisa Ohlund
> General Manager
> East Orange County Water District
>
> (P) 714.538.5815
> (F) 714.538.0334
>
> ***Hometown Service. Fiscal Discipline. Direct Accountability.***
>
> ---
>
> **From:** Dominic Antonini [mailto:dom@telecombrokers.com]
> **Sent:** Monday, April 10, 2017 6:34 PM
> **To:** Lisa Ohlund <lohlund@eocwd.com>
> **Cc:** Jeff Hoskinson <jhoskinson@bawg.com>
> **Subject:** Re: Water Reconnection - 12606 Vista Panorama, Santa Ana
>
> Thank you. Make a note that I did not cause the vandalism and it was done almost 100 yards away from my property.
>
> Also that vandalism was done to my house which was vacant , broken mirrors, broken pipes and broken toilets and holes in the roof.
>
> I think it was an attempt to cause water damage to my house

Thank you,
Dominic J. Antonini
President
Telecom Brokers
714-640-3111
1551 N. Tustin Ave.
Suite #960
Santa Ana, CA 92705
Www.telecombrokers.com

On Apr 10, 2017, at 5:48 PM, Lisa Ohlund <lohlund@eocwd.com> wrote:

> Dear Mr. Antonini,
>
> I will be placing your appeal on the agenda of the Thursday, April 20, 2017 Board of Directors Meeting; this meeting commences at 5:00 p.m. In preparation for the Board Meeting, I will be writing a Board Memo that will provide the Board with background information regarding the issue, including a copy of the letter that was sent to you (attached) in which we provide the basis for the action we have taken. As per Section 2.7 of the Rules and Regulations, all appeals to the Board are to be in writing. Please provide to me, by 4:00 p.m., Friday, April 14, 2017, any and all information that supports your contention that these fees are not your responsibility, or otherwise states and supports the basis for your appeal. Please note that this information must be complete as the Board will render a decision at the meeting based upon the information they have and there will be no further opportunity for an appeal.
>
> Thank you,
>
> Lisa Ohlund
> General Manager
> East Orange County Water District
>
> (P) 714.538.5815
> (F) 714.538.0334
>
> ***Hometown Service. Fiscal Discipline. Direct Accountability.***
>
> ---
>
> **From:** Dominic Antonini [mailto:dom@telecombrokers.com]
> **Sent:** Thursday, March 23, 2017 3:07 PM
> **To:** Lisa Ohlund <lohlund@eocwd.com>

Subject: Re: Water Reconnection - 12606 Vista Panorama, Santa Ana

Yes I will protest this action

Thank you,
Dominic J. Antonini
President
Telecom Brokers
714-640-3111
1551 N. Tustin Ave.
Suite #960
Santa Ana, CA 92705
Www.telecombrokers.com

On Mar 23, 2017, at 2:49 PM, Lisa Ohlund <lohlund@eocwd.com> wrote:

> Mr. Antonini,
>
> Thank you for your email. Unfortunately, water service will not be restored until you comply with the requirements of District regulations that were violated and that were enumerated in the letter accompanying the bill. This decision is final.
>
> You are welcome to appeal this decision to the Board of Directors at their next meeting on April 20, 2017 at 5:00 p.m.; the meeting is held here at our office. Please advise me via email by 5:00 p.m. on April 13, 2017 that you wish to protest this action, and I will place your issue on the Board agenda. If you don't advise that you want your appeal on the agenda, and come to the meeting, the Board is prohibited by law to only addressing items on the agenda, and will have to delay any hearing on the issue until their May 18th meeting.
>
> Thank you,
>
> Lisa Ohlund
> General Manager
> East Orange County Water District
>
> (P) 714.538.5815
> (F) 714.538.0334

Hometown Service. Fiscal Discipline. Direct Accountability.

From: Dominic Antonini [mailto:dom@telecombrokers.com]
Sent: Thursday, March 23, 2017 11:01 AM
To: Sylvia Prado
Subject: Re: Water Reconnection - 12606 Vista Panorama, Santa Ana

My work crew started today and I need water for them water is required for life

Do you want the information for the burgman estate I can tell you where to send the bill

Thank you,
Dominic J. Antonini
President
Telecom Brokers
714-640-3111
1551 N. Tustin Ave.
Suite #960
Santa Ana, CA 92705
Www.telecombrokers.com

On Mar 23, 2017, at 9:05 AM, Sylvia Prado <sprado@eocwd.com> wrote:

> Mr. Dominic,
>
> Please see the attached letter and support documentation which was also mailed out to you.
>
> Sincerely,
>
> Sylvia M. Prado
> Administrative Assistant
> East Orange County Water District
> Tel 714-538-5815
> Fax 714 538-0334

This email has been checked for viruses by

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **OPEN TRENCH SEWER LINE REPLACEMENT PROJECT – AWARD OF BIDS**

DATE APRIL 20, 2017

Background

As part of the OCSD-identified sewer system rehabilitation and replacements that were presented to the Board at the November 17, 2016 meeting, six open trench sewer line replacements, with a total replacement length of 202', were identified.

Open trench replacements or, "Dig and Replace" are extensive construction projects, unlike "Cured-In-Place-Pipe (CIPP)" which inserts a liner into an existing pipe. Because sewer lines are typically 10' or more below ground surface, extensive excavation, shoring, flow control measures, spill avoidance measures, traffic control and a host of other issues are involved. This method of sewer line improvement is much more expensive per linear foot: for example, whole pipe CIPP ranges from $30-$40/linear foot while open trench ranges from $300-$400/lineal foot.

At the March 16, 2017 Meeting, the Board rejected bids for open trench replacements due to an error in interpreting the linear footage being replaced. The original six companies were again solicited for bids and two companies responded: Mike Bubalo Construction Company and Beador Construction Company, Inc. Beador submitted the lowest responsive, responsible bid at $393,000 (see attached analysis).

Staff recommends that the project be awarded to Beador Construction Company; staff is also requesting that an additional contingency fund of $35,000 be established to fund construction inspection via a temporary employee and to allow for minor contract change orders.

The Engineering & Operations Committee will be reviewing this at their March 17, 2017 Meeting; staff will report their action at the Board Meeting.

Financial Impact

Funding was approved by the Board as part of their November 17, 2016 Improvement District #1 $950,000 Budget Adjustment. With this action, and the Whole Pipe CIPP approved at the March 16, 2017 Meeting, the Board will have allocated at total of $740,265 of the $950,000 budget.

Recommendation

The Board approve the Open Trench Replacement contract with Beador Construction for a not-to-exceed amount of $393,000 and authorize an additional $35,000 for project inspection and change orders.

April 17, 2017

East Orange County Water District
Attn: Lisa Ohlund
185 N. McPherson Rd
Orange, CA 92869

Reference: Open Trench Sewer Line Replacement Bid Summary

Dear Lisa,

EOCWD solicited bids for the Open Trench Sewer Line Replacement Services project. Based on recommendations from OCSD, 6 sewer defects need replacement through open trench methodology. Segments to be replaced range from 8" VCP to 10" VCP sewer pipeline and are located within the unincorporated portion of the County of Orange and the City of Tustin.

EOCWD contacted the following companies for bids:

1. **Jamison Engineering** – Verbally stated they were not interested in providing a bid
2. **T.E. Roberts** – Did not provide a bid by the due date
3. **Mike Bubalo Construction** – Provided bid
4. **Beador Construction Company** – Provided bid

After a thorough analysis of the bids received, RCE verified that the bids were qualified based on the requirements of this solicitation which are listed below:

1. Bid Form
2. Noncollusion Affidavit
3. Bid Bond

24422 Avenida de la Carlota, Suite 300
Laguna Hills, California 92653
Phone 949.453.0111 | rceconsult.com

RCE
CONSULTANTS, INC.

Please see below for the comparison of the bids from Beador Construction Company Inc. and Mike Bubalo Construction Co. Inc.

Bids from lowest to highest:

1. **Beador Construction Company Inc.**

Lump Sum Items	$393,000
Additional Paving Unit Price	$50/sf
Removal of AC water pipe and replacing with DI water pipe	$15,000/occurrence

2. **Mike Bubalo Construction Co**

Lump Sum Items	$509,000
Additional Paving Unit Price	$42/sf
Removal of AC water pipe and replacing with DI water pipe	$30,000/occurrence

The engineers estimate for the open trench sewer line replacement services was calculated to be $124,800.

RCE Consultants, Inc. recommends that the contract for Open Trench Sewer Line Replacement Services be awarded to Beador Construction Company Inc. because they are the lowest responsive, responsible bidder.

Sincerely,

Patrick F. Cahill

Frank Cahill
Senior Project Manager

24422 Avenida de la Carlota, Suite 300
Laguna Hills, California 92653
Phone 949.453.0111 | rceconsult.com

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **AWARD OF CONTRACT FOR SECTIONAL CIPP REPAIRS – PERFORMANCE PIPELINE TECHNOLOGIES**

DATE APRIL 20, 2017

Background

At the November 17, 2016 Board Meeting, OCSD presented the results of their analysis of several years of sewer repairs and replacements that they discovered shortly before the sewer transfer on August 1, 2016. This analysis consists of three types of repair/replacement: 1) Full-length Cured-in-Place-Pipe (Full-CIPP) – this is a manhole-to-manhole repair of many 8' sections of sewer pipe, 2) Sectional CIPP – repair of individual spots on an 8' section of sewer pipe; and 3) Open Trench Replacement – "dig and replace" buried sewer pipe. The full-length CIPP repairs were awarded at the March 16th Meeting and the Open Trench Replacement are also scheduled for award at this meeting.

OCSD identified 60 Section CIPP spots, however, EOCWD staff review of the video and reports revealed that some spots may require repairs in excess of what was estimated by OCSD. Because this is the first time we will undertake these repairs, staff decided to take 20 of the "worst" spots and group them as Phase I. Staff then solicited bids from four firms for the Phase I spots. Three firms responded with Performance Pipeline Technologies submitting the lowest responsive, responsible bid of $15,400 (see attached analysis).

It should be noted that the bids also included prices for additional items in the event the length of the repair is larger than OCSD estimated and/or cutting in of sewer laterals is required. Because of this and the costs of inspection, we are requesting an additional $10,000 be budgeted for this work.

At the time this memo was written, the Engineering & Operations Committee were scheduled to meet on April 17th; a report on their recommendation will be made at the Board Meeting.

Financial Impact

Funding was approved by the Board as part of their November 17, 2016 Improvement District #1 $950,000 Budget Adjustment. With this action, and the Full-Length CIPP and Open Trench Replacements approved at the March 16, 2017 Meeting and this meeting, the Board will have allocated at total of $765,665 of the $950,000 budget.

Recommendation

The Board award the Sectional CIPP repairs to Performance Pipeline Technologies at a cost of $15,400 and authorize an additional $10,000 for project inspection and change orders, for a total Phase I budget of $25,400.

April 17, 2017

East Orange County Water District
Attn: Lisa Ohlund
185 N. McPherson Rd.
Orange, CA 92869

Reference: Sectional CIPP Sewer Rehabilitation Services

Dear Lisa,

EOCWD solicited bids for Sectional CIPP Sewer Rehabilitation Services from the companies listed below on February 23, 2017. During the bid process, EOCWD reduced the schedule of work items from 60 sections to 15 sections. RCE Consultants received bids on April 6, 2017.

1. **Performance Pipeline Technologies** – Provided bid
2. **Tunnelworks Servies, Inc.** – Provided bid
3. **ProPipe** – Provided Bid
4. **National Plant Services** – Did not provide bid

Please see below for the comparison of the base bids for the 15 sewer sections from Performance Pipeline Technologies, Tunnelworks Services, Inc., and ProPipe.

Bids from lowest to highest

1. **Performance Pipeline Technologies** - $15,400.00
2. **Tunnelworks Services, Inc.** - $16,600.00
3. **ProPipe** - $36,600.00

24422 Avenida de la Carlota, Suite 300
Laguna Hills, California 92653
Phone 949.453.0111 | rceconsult.com

RCE
CONSULTANTS, INC.

In addition to the base bid for the 15 sections, additional items were included in the bid and are shown in the table below.

Additional Items			
Description	Performance Pipeline Technologies	Tunnelworks Services, Inc.	ProPipe
For each additional 4 foot long CIPP section	$800.00	$800.00	$2,200.00
For each additional 6 foot long CIPP section	$1,200.00	$1,400.00	$3,500.00
For each additional 8 foot long CIPP section	$1,600.00	$1,400.00	$6,500.00
For each additional 10 foot long CIPP section	$2,600.00	$2,000.00	$6,500.00
When present, cut or grind each protruding service lateral connection	$275.00	$200.00	$390.00
When present, reinstate each service lateral connection	$650.00	$200.00	$390.00
Use of sewer combination cleaner truck with two person crew stationed at the work site being sectionally repaired at all times for entire duration when sewage is being bypassed and/or plugged	$275.00/hr	$225.00/hr	$350.00/hr

The engineers estimate for the sectional CIPP services was calculated to be $30,000.

After a thorough analysis of the bids received, RCE verified that the bids were qualified based on the requirements of the solicitation which are listed below:

1. Bid Form
2. Noncollusion Affidavit
3. Bid Bond

RCE Consultants recommends that the contract for Sectional CIPP Rehabilitation Services be awarded to Performance Pipeline Technologies because they are the lowest responsive, responsible bidder.

Sincerely,

Patrick F. Cahill

Frank Cahill
Senior Project Manager

24422 Avenida de la Carlota, Suite 300
Laguna Hills, California 92653
Phone 949.453.0111 | rceconsult.com

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **ADMINISTRATIVE & TECHNICAL SERVICES COORDINATOR – POSITION APPROVAL**

DATE APRIL 20, 2017

Background

During discussion at the Strategic Planning Workshop, it was noted that a challenge facing the District is succession planning for both the General Manager and Operations Manager positions. It was also noted that while the District employs 9.5 employees directly, there are 31 functional employees due to the extensive amount of contracting through the private sector. Oversight of these functional employees also resides with the General Manager and Operations Manager, and while there are not the typical supervision workload created by direct employees, the fact remains that the responsibility for the quality and quantity of work performed still resides with District management.

Over the past nine months since the acquisition of the sewers, staff planned to get through the transition workload – particularly the additional workload that was created by the unanticipated capital projects work - and assess the long-term workload and determine if it substantially deviated from the Plan of Operations workload that was estimated during the LAFCO process. While much has turned out to be consistent with that Plan, there are several differences that were: 1) unknown during the due diligence investigation phase; 2) unanticipated due to lack of information or understanding on our part and 3) are due to changed conditions and/or regulations that were not applicable during the acquisition process.

The following table summarizes the additional workload (both sewer and water):

Unknown	Unanticipated	New
Hydraulic Condition	Low Demand Water Quality	Standby power Issues
Below grade sewers	Quick septic conversion work	SCADA Improvements
Equipment issues	Development/Permits Workload	Planning for 185 & 210 N. McPherson
Data issues with OCSD GIS	Crawford Canyon Issues	Legal issues
Board Secretary	Security Issues/Cell sites	Water loss regulations
	Development	Grants/Funding for Treatment Plant
	Ongoing water supply issues	Legislative Issues

While some of these would have been issues that we could absorb, the addition of the sewers has taken any excess capacity that the Operations Manager and General Manager had, and then some.

In order to address both the additional management workload and succession planning issues, staff has developed a new job classification, Administrative and Technical Services Coordinator (see attached).

This position is designed to attract a mid-level manager with 5-7 years of experience and immerse them

in oversight of the day-to-day administrative issues, involve them in the capital projects of the district and generally mentor them to be a full manager in 1-2 years. The ideal candidate would support the District's philosophy of service, fiscal discipline and accountability and want to invest themselves in this unusual public business model.

The Finance Committee, at their April 6th Meeting, recommended that the Board approve the addition of this position.

Financial Impact

The salary range for this position is $8,415-$11,360 per month (approximately $150,000-$160,000/year with benefits and depending upon actual hire salary). Funding for this position for FY 2017/18 (estimated at one month by time of hire) would come from salary savings from not filling two positions (Wastewater Supervisor and Water Operator I). FY 2017/18 and thereafter funding would primarily come from ID 1 funds as this is the primary driver for the need for the position.

Recommendation

The Board approve the addition of the Administrative and Technical Services Coordinator position to the District's Classification and Compensation Schedule at a monthly salary range of $8,415-11,360.

ADMINISTRATIVE & TECHNICAL SERVICES COORDINATOR

($8,415-11,360/month)

Definition

Under general direction, coordinates the planning, organizing, direction and management of the technical and administrative services for the District; assists the District Manager and District Engineer in the overall formulation and administration of District technical programs and activities; supervises and participates in engineering and administrative planning, design and investigation activities; implements and oversees the District's records management program; assists in planning, organizing and implementing the District's capital improvement program; identifies and makes recommendations regarding governmental regulations and legislation impacting District operations; acts as Assistant Board Secretary; performs other related duties as required.

Distinguishing Characteristics

The Administrative & Technical Services Coordinator is a mid- management level class position within the District and is responsible for coordinating the District's administrative and technical services including: general administrative, general financial, general engineering, conservation, regulatory and public communications functions. This position is a preparatory position intended to provide training and mentoring for the purpose of advancing to upper management positions.

Essential Functions

- Assists the General Manager with the day-to-day administrative and technical functions of the District, including preparing reports and memoranda for internal (Board and staff) and external (stakeholder/public) review; presents reports and memoranda to the Board of Directors for approval.
- Coordinates with the General Manager and/or the District Engineer regarding the planning, organization and management of all technical services including capital improvement project construction, public information/outreach and wastewater reporting functions.
- Coordinates with the General Manager and/or the District Engineer regarding the planning, organization and management of administrative functions including human resources, general administration, billing, bookkeeping, accounting, budget preparation and monitoring, strategic plan monitoring, public information/outreach, records management and legal services functions.
- Arranges for the services of consultants and oversees their work, including reading and interpreting construction plans and specifications.
- Assists the District Engineer and Operations Manager in preparing operating and capital budgets, monitors budget expenditures and prepares budget analyses.
- May act as Project Manager for designated capital improvement projects under the oversight of the General Manager and/or the District Engineer.
- Represents the District at meetings with local, state and federal officials; tracks, reviews and makes recommendations regarding regulatory and legislative requirements affecting the District.
- Drafts and implements District policies and procedures and assists in long-range planning.
- Supervises, evaluates and trains assigned staff; develops and coordinates district staff safety training programs, schedules staff work assignments.
- Prepares and oversees the preparations of specifications for the purchase of major equipment such as vehicles, generators and other operational and capital equipment; administers construction and purchase

contracts; coordinates investigations, studies, research, analyses, programs, projects and other assigned duties.
- Interacts with customers and the public; addresses, investigates and responds to inquiries and complaints. Establishes positive working relationships with representatives of stakeholder organizations, District Board Members, District management, staff and the public.
- Responds to emergency calls. NOTE: This position is an emergency response worker position as defined and designated by State law.

Ability To:

- Intermittently sit at a desk and in meetings.
- Work with terminal/keyboard or other office equipment for extended periods of time, with the ability to move about;
- Use Microsoft Word and Excel at a proficient level.
- Retain and recall information;
- Maintain mental capacity, which allows the capability of making sound decisions and demonstrate intellectual capabilities;
- Plan and organize work tasks effectively and efficiently.
- Concentrate for extended periods of time;
- Establish and maintain effective relationships with those contacted in the course of work.
- Regularly use a telephone for communication without physical limitations.
- Uses office equipment such as computers, copiers, and FAX machines.
- Intermittently bend over, lift and carry weights of 25 pounds or less.
- Hearing and vision within normal ranges.

Special Requirements

Possession of an appropriate California operator's license issued by the State Department of Motor Vehicles. Possession and proof of a good driving record as evidenced by freedom from multiple or serious traffic violations or accidents for at least two (2) years duration. The driving record will be maintained so as to not contribute to an increase in the District's automobile rates.

Education and Experience

Any combination of education and experience that has provided the knowledge, skills and abilities necessary for an Administrative & Technical Services Coordinator. A typical way of obtaining the required qualifications is to possess the equivalent of five years of increasingly responsible professional experience including at least two years of which were in a mid-management/supervisory position, preferably with a publicly owned water or wastewater utility, environmental related industry, engineering consulting firm, or similar organization; and a bachelor's degree from an accredited college or university with major course work in business administration, finance or engineering.

East Orange County Water District

Classification and Compensation Schedule

FLSA Status	Position Title	Salary Range
Exempt Management	General Manager	$13,583-$18,338
	Operations Manager	$10,079 - 13,606
	Administrative & Technical Services Coordinator	***$8,415-$11,360***
Non-Exempt - Field		
	Superintendent	$7,013-$9,468
	Water Supervisor	$5,869-$7,923
	Wastewater Supervisor	$5,683-$7,672
	Water Operator III	$4,891-$7043
	Water Operator II	$4,253-$5,742
	Water Operator I	$3,697-$4,991
	Wastewater Operator III	$4,736-$6,394
	Wastewater Operator II	$4,118-$5,559
	Wastewater Operator I	$3,581-$4,835
Non-Exempt - Administrative/Financial/Customer Service		
	Management Analyst III	$7,589-$10,245
	Management Analyst II	$6,599-$8,909
	Management Analyst I	$5,738-$7,746
	Administrative Assistant III	$6,383-$8,617
	Administrative Assistant II	$5,550-$7,493
	Administrative Assistant I	$4,826-$6,515
	Office Assistant F/T	$3,141-$4,241
	Office Assistant P/T	$18.12-$24.46/hr

* Positions in ***Bold/Italicized*** are proposed

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **APPOINTMENT OF JEFF HOSKINSON AS INTERIM DISTRICT COUNSEL/ SECRETARY**

DATE: APRIL 20, 2017

Background

Pursuant to the notification provided to the Board via email on March 31, 2017, attorney Jeff Hoskinson of Bowie Arneson will be filling in for District Counsel/Secretary Joan Arneson due to her illness.

Pursuant to discussion at the March 25, 2017 Strategic Planning Workshop, a succession plan for District Counsel/Secretary will be formulated in the coming months. The Board is requested to formally appoint Mr. Hoskinson to act as District Counsel/Secretary on an interim basis for an undetermined time period.

Financial Impact

There is no direct financial impact to the District from this action.

Recommendation

The Board appoint Mr. Jeff Hoskinson of Bowie Arneson as Interim District Counsel/Secretary.

EAST ORANGE COUNTY WATER DISTRICT

DISBURSEMENT SUMMARY
March 16, 2017

WHOLESALE AND RETAIL BILLS	$330,023.96
DIRECTOR'S PAYROLL	$1,722.41
EMPLOYEE'S PAYROLL	$85,491.64
DISBURSEMENT TOTAL	**$417,238.01**

TRANSFER SUMMARY

TRANSFERS	$ -
TRANSFER TOTAL	**$0.00**

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

East Orange County Water District
Bills For Consideration
As of March 15, 2017

Type	Date	Num	Name	Credit
1011-10 · Checking Citizens-WZ				
Bill Pmt -Check	03/15/2017	1490	ARAMARK UNIFORM SERVICES	38.89
Bill Pmt -Check	03/15/2017	1491	COMMUNICATIONS LAB	5,621.00
Bill Pmt -Check	03/15/2017	1492	GENERATOR SERVICES CO, INC	1,257.19
Bill Pmt -Check	03/15/2017	1493	Orange County Sanitation District	5,534.70
Bill Pmt -Check	03/15/2017	1494	ORANGE COUNTY WATER DISTRICT	11,014.80
Bill Pmt -Check	03/15/2017	1495	PERFORMANCE PIPELINE TECHNO...	28,013.01
Bill Pmt -Check	03/15/2017	1496	PLATINUM CONSULTING GROUP	3,825.00
Bill Pmt -Check	03/15/2017	1497	SOUTHERN CALIFORNIA EDISON	4,508.40
Bill Pmt -Check	03/15/2017	1498	TAB ANSWER NETWORK	29.52
Total 1011-10 · Checking Citizens-WZ				59,842.51
TOTAL				**59,842.51**

East Orange County Water District
Bills For Consideration
As of March 24, 2017

Type	Date	Num	Name	Credit
1011-10 · Checking Citizens-WZ				
Bill Pmt -Check	03/23/2017	1499	ARAMARK UNIFORM SERVICES	38.89
Bill Pmt -Check	03/23/2017	1500	AT&T	514.93
Bill Pmt -Check	03/23/2017	1501	C WELLS PIPELINE MATERIALS INC	267.22
Bill Pmt -Check	03/23/2017	1502	CITY OF ORANGE	63.63
Bill Pmt -Check	03/23/2017	1503	CLA-VAL	8,851.67
Bill Pmt -Check	03/23/2017	1504	CUSI	400.00
Bill Pmt -Check	03/23/2017	1505	DOTY BROS EQUIPMENT CO.	2,290.40
Bill Pmt -Check	03/23/2017	1506	EAST ORANGE COUNTY WATER DI...	1,332.32
Bill Pmt -Check	03/23/2017	1507	HOME DEPOT CREDIT SERVICES	195.39
Bill Pmt -Check	03/23/2017	1508	MATRIX COMPUTER SERVICE	2,090.00
Bill Pmt -Check	03/23/2017	1509	MEYERS NAVE	6,357.50
Bill Pmt -Check	03/23/2017	1510	PERFORMANCE PIPELINE TECHNO...	1,000.00
Bill Pmt -Check	03/23/2017	1511	PETTY CASH	157.34
Bill Pmt -Check	03/23/2017	1512	PLATINUM CONSULTING GROUP	4,082.50
Bill Pmt -Check	03/23/2017	1513	PTI SAND & GRAVEL	387.66
Bill Pmt -Check	03/23/2017	1514	RCE CONSULTANTS, INC	36,562.28
Bill Pmt -Check	03/23/2017	1515	TOTAL EXTERMINATING INC	275.00
Bill Pmt -Check	03/23/2017	1516	TOWNSEND PUBLIC AFFAIRS	2,500.00
Bill Pmt -Check	03/23/2017	1517	TRENCH SHORING COMPANY	246.75
Bill Pmt -Check	03/23/2017	1518	TRUESDAIL LABORATORIES, INC	1,585.00
Bill Pmt -Check	03/23/2017	1519	UNITED RENTALS	2,085.83
Bill Pmt -Check	03/23/2017	1520	UNITED WATER WORKS INC.	2,275.15
Bill Pmt -Check	03/23/2017	1521	VULCAN MATERIALS COMPANY	361.76
Bill Pmt -Check	03/23/2017	1522	YO FIRE	2,695.33
Total 1011-10 · Checking Citizens-WZ				76,616.55
TOTAL				**76,616.55**

East Orange County Water District
Bills For Consideration
As of March 24, 2017

Type	Date	Num	Name	Credit
1011-10 · Checking Citizens-WZ				
Bill Pmt -Check	03/24/2017	1523	KEN GRODY FORD	1,916.40
Bill Pmt -Check	03/24/2017	1524	CA BANK & TRUST	7,426.09
Total 1011-10 · Checking Citizens-WZ				9,342.49
TOTAL				**9,342.49**

East Orange County Water District
Bills For Consideration
As of April 11, 2017

Type	Date	Num	Name	Credit
1011-10 · Checking Citizens-WZ				
Bill Pmt -Check	04/11/2017	1525	ACWA-JPIA (EMP INSURANCE)	11,398.00
Bill Pmt -Check	04/11/2017	1526	ACWA JPIA	269.00
Bill Pmt -Check	04/11/2017	1527	ALLCOM	360.00
Bill Pmt -Check	04/11/2017	1528	ARAMARK UNIFORM SERVICES	157.78
Bill Pmt -Check	04/11/2017	1529	AT&T	426.91
Bill Pmt -Check	04/11/2017	1530	AT&T LONG DISTANCE	363.79
Bill Pmt -Check	04/11/2017	1531	BOWIE ARNESON WILES & GIANNO...	7,742.00
Bill Pmt -Check	04/11/2017	1532	CHAMPION PAVING INC.	500.00
Bill Pmt -Check	04/11/2017	1533	COMMUNICATIONS LAB	5,346.06
Bill Pmt -Check	04/11/2017	1534	CORRPRO COMPANIES INC.	15,280.03
Bill Pmt -Check	04/11/2017	1535	EAST ORANGE COUNTY WATER DI...	6,077.27
Bill Pmt -Check	04/11/2017	1536	EEC ENVIRONMENTAL	1,755.48
Bill Pmt -Check	04/11/2017	1537	FIELDMAN ROLAPP & ASSOCIATES	4,258.35
Bill Pmt -Check	04/11/2017	1538	G O RODRIGUEZ TRUCKING, INC	1,252.24
Bill Pmt -Check	04/11/2017	1539	GENERATOR SERVICES CO, INC	942.89
Bill Pmt -Check	04/11/2017	1540	GRAINGER	123.18
Bill Pmt -Check	04/11/2017	1541	GUIDA SURVEYING, INC	3,938.20
Bill Pmt -Check	04/11/2017	1542	HOME DEPOT CREDIT SERVICES	285.52
Bill Pmt -Check	04/11/2017	1543	J G TUCKER & SON, INC	306.12
Bill Pmt -Check	04/11/2017	1544	MEANS CONSULTING	7,194.55
Bill Pmt -Check	04/11/2017	1545	MWDOC	60,227.40
Bill Pmt -Check	04/11/2017	1546	NICHOLAS J. ARHONTES	3,231.40
Bill Pmt -Check	04/11/2017	1547	Orange County Sanitation District	9,286.25
Bill Pmt -Check	04/11/2017	1548	ORANGE COUNTY TREASURER	879.84
Bill Pmt -Check	04/11/2017	1549	PARADISE DRINKING WATERS	49.70
Bill Pmt -Check	04/11/2017	1550	SC FUELS	1,094.53
Bill Pmt -Check	04/11/2017	1551	SOUTHERN CALIFORNIA EDISON	7,063.33
Bill Pmt -Check	04/11/2017	1552	SPECTRUM BUSINESS	179.99
Bill Pmt -Check	04/11/2017	1553	TRENCH SHORING COMPANY	538.00
Bill Pmt -Check	04/11/2017	1554	TRUESDAIL LABORATORIES, INC	365.50
Bill Pmt -Check	04/11/2017	1555	UNDERGROUND SERVICE ALERT	298.50
Bill Pmt -Check	04/11/2017	1556	UNITED RENTALS	
Bill Pmt -Check	04/11/2017	1557	VERIZON WIRELESS	1,671.58
Bill Pmt -Check	04/11/2017	1558	XEROX CORPORATION	51.83
Bill Pmt -Check	04/11/2017	1559	YO FIRE	2,204.94
Bill Pmt -Check	04/11/2017	1560	PERFORMANCE PIPELINE TECHNO...	27,216.24
Total 1011-10 · Checking Citizens-WZ				182,336.40
TOTAL				**182,336.40**

East Orange County Water District
Bills For Consideration
As of April 14, 2017

Type	Date	Num	Name	Memo	Credit
1011-10 · Checking Citizens-WZ					
Bill Pmt -Check	04/11/2017	1556	UNITED RENTALS	VOID:	
Total 1011-10 · Checking Citizens-WZ					0.00
TOTAL					**0.00**

East Orange County Water District
Bills For Consideration
As of April 14, 2017

Type	Date	Num	Name	Credit
1011-10 · Checking Citizens-WZ				
Bill Pmt -Check	04/14/2017	1561	UNITED WATERWORKS INC.	1,886.01
Total 1011-10 · Checking Citizens-WZ				1,886.01
TOTAL				**1,886.01**

EAST ORANGE COUNTY WATER DISTRICT
CITIZENS BUSINESS BANK
Prior Month's Checks To Ratify
DIRECTORS' PAYROLL*
16-Mar-17

PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF 1-Feb-17

DATE	CHECK NO	AMOUNT	PAYABLE TO
02/16/17	103	$ 438.66	BOARD DIRECTOR
02/16/17	104	$ 438.66	BOARD DIRECTOR
02/16/17	105	$ 161.61	BOARD DIRECTOR
02/16/17	106	$ 438.66	BOARD DIRECTOR
		$ 1,477.59	TOTAL PAYROLL CHECKS

PAYROLL TAXES, ADP CHARGE

2/16/2017		$244.82	ADP TAXES
		$244.82	TOTAL CHARGES & TRANSFER
		$1,722.41	

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

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

EAST ORANGE COUNTY WATER DISTRICT
CITIZENS BUSINESS BANK
Prior Month's Checks To Ratify
EMPLOYEES' PAYROLL*
16-Mar-17

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	3/1/2017	$ 3,392.51	OPERATIONS MANAGER
AUTO DEPOSIT	3/1/2017	$ 3,086.85	GENERAL MANAGER
AUTO DEPOSIT	3/1/2017	$ 1,873.10	WATER DISTRIBUTION II
AUTO DEPOSIT	3/1/2017	$ 1,437.91	WATER DISTRIBUTION I
AUTO DEPOSIT	3/1/2017	$ 1,475.21	WASTEWATER COLLECTION OPERATOR I
AUTO DEPOSIT	3/1/2017	$ 2,022.66	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/1/2017	$ 1,876.91	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/1/2017	$ 560.66	INTERN
AUTO DEPOSIT	3/1/2017	$ 153.63	INTERN
AUTO DEPOSIT	3/15/2017	$ 2,791.64	OPERATIONS MANAGER
AUTO DEPOSIT	3/15/2017	$ 2,815.62	GENERAL MANAGER
AUTO DEPOSIT	3/15/2017	$ 1,856.36	WATER DISTRIBUTION II
AUTO DEPOSIT	3/15/2017	$ 1,418.34	WATER DISTRIBUTION I
AUTO DEPOSIT	3/15/2017	$ 1,514.27	WASTEWATER COLLECTION OPERATOR I
AUTO DEPOSIT	3/15/2017	$ 1,853.26	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/15/2017	$ 1,786.06	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/15/2017	$ 363.45	INTERN
AUTO DEPOSIT	3/15/2017	$ 168.05	INTERN
AUTO DEPOSIT	3/29/2017	$ 3,244.68	OPERATIONS MANAGER
AUTO DEPOSIT	3/29/2017	$ 3,067.94	GENERAL MANAGER
AUTO DEPOSIT	3/29/2017	$ 1,693.71	WATER DISTRIBUTION II
AUTO DEPOSIT	3/29/2017	$ 1,543.80	WATER DISTRIBUTION I
AUTO DEPOSIT	3/29/2017	$ 1,571.60	WASTEWATER COLLECTION OPERATOR I
AUTO DEPOSIT	3/29/2017	$ 1,894.97	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/29/2017	$ 1,786.06	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/29/2017	$ -	INTERN
AUTO DEPOSIT	3/29/2017	$ 163.23	INTERN
		$ 45,412.48	TOTAL PAYROLL CHECKS

PAYROLL TAXES, ADP CHARGES, AND PERS EFT

3/1/2017	$9,058.97	ADP TAXES
3/1/2017	$2,396.99	PERS ELECTRONIC FUNDS TRANSFER
3/1/2017	$776.60	PERS PEPRA MEMBER
3/1/2017	$1,395.33	CAL PERS 457 - ING BANK
3/15/2017	$8,564.44	ADP TAXES
3/15/2017	$2,312.24	PERS ELECTRONIC FUNDS TRANSFER
3/15/2017	$776.60	PERS PEPRA MEMBER
3/15/2017	$1,409.58	CAL PERS 457 - ING BANK
3/29/2017	$8,733.98	ADP TAXES
3/29/2017	$2,353.76	PERS ELECTRONIC FUNDS TRANSFER
3/29/2017	$776.60	PERS PEPRA MEMBER
3/29/2017	$1,524.07	CAL PERS 457 - ING BANK
	$40,079.16	TOTAL TRANSFERS
	$85,491.64	**GRAND TOTAL PAYROLL**

PAYROLL 3/1/2017	PAYROLL 3/15/2017
$15,879.44	$14,567.05
$13,627.89	$13,062.86
$29,507.33	**$27,629.91**

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

CHANDLER ASSET MANAGEMENT

Monthly Account Statement

East Orange County Water District Consolidated Portfolio

March 1, 2017 through March 31, 2017

Chandler Team

For questions about your account,
please call (800) 317-4747 or
Email operations@chandlerasset.com

Custodian

US Bank
Christopher Isles
(503)-464-3685

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

East Orange County Water District Consolidated Portfolio
Account #10491

Portfolio Summary

As of 3/31/2017

PORTFOLIO CHARACTERISTICS

Average Duration	0.83
Average Coupon	1.00 %
Average Purchase YTM	0.97 %
Average Market YTM	1.05 %
Average S&P/Moody Rating	AA+/Aa1
Average Final Maturity	0.90 yrs
Average Life	0.84 yrs

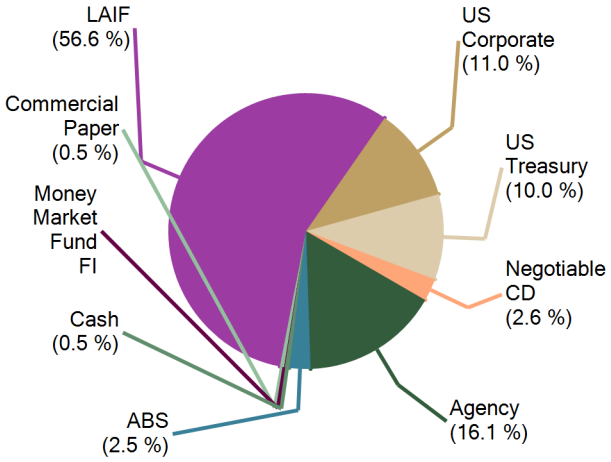
ACCOUNT SUMMARY

	Beg. Values as of 2/28/17	End Values as of 3/31/17
Market Value	49,621,606	49,636,691
Accrued Interest	90,229	103,691
Total Market Value	**49,711,835**	**49,740,382**
Income Earned Cont/WD	35,221	41,198
Par	49,671,112	49,704,077
Book Value	49,706,930	49,732,029
Cost Value	49,714,509	49,741,258

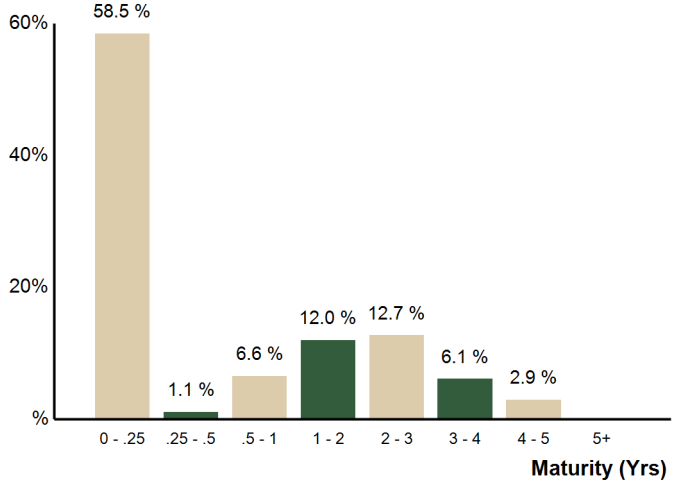
TOP ISSUERS

Issuer	% Portfolio
Local Agency Investment Fund	56.6 %
Government of United States	10.0 %
Federal Home Loan Bank	8.5 %
Federal Farm Credit Bank	7.6 %
Toyota Motor Corp	1.0 %
American Express ABS	0.8 %
Honda ABS	0.8 %
JP Morgan ABS	0.8 %
	86.2 %

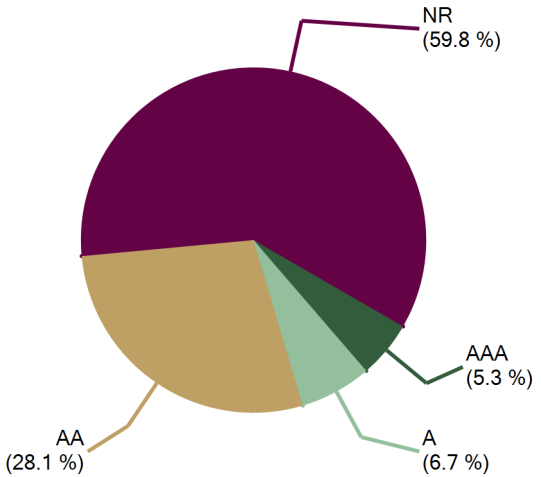
SECTOR ALLOCATION



MATURITY DISTRIBUTION



CREDIT QUALITY (S&P)



COMPLIANCE WITH INVESTMENT POLICY

Assets managed by Chandler Asset Management are in full compliance with State law, Client's investment policy and directives

Category	Standard	Comment
Treasury Issues	No limitations	Complies
Federal Agencies	No limitations	Complies
Municipal Securities	No limitations	Complies
Medium Term Notes	"A" or higher by a NRSRO; 30% maximum; Issuer is a corp organized and operating within the U.S.	Complies
Certificates of Deposit (CDs)/ Time Deposits (TDs)	30% maximum (combined total with NCDs); If issued in excess of the FDIC insurance limit, must be Collateralized by U.S. Treasury obligations.	Complies
Negotiable Certificates of Deposit (NCDs)	30% maximum (combined total with CDs); Subject to FDIC limits	Complies
Banker's Acceptances	40% maximum; 30% per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" or higher short term rating by a NRSRO; "A" rated issuer by a NRSRO; 25% maximum; Local agency may purchase no more than 10% of the commercial paper of a single issuer; 270 days max maturity	Complies
Asset Backed	"AA" or higher by a NRSRO; "A" rated issuer of higher by a NRSRO; 20% maximum	Complies
Money Market Mutual Funds	"AAA" rated or highest rating by two NRSROs; 20% maximum	Complies
Mutual Funds Diversified Management Co	20% maximum; 10% max per issuer	Complies
Repurchase Agreements	1 year max maturity; Not used by Investment Adviser	Complies
Rev. Repo Agreements	20% maximum; 92 days max maturity; Not used by Investment Adviser	Complies
Prohibited	Inverse floaters; Ranges notes, Interest-only strips from mortgaged pools; Zero interest accrual securities	Complies
Prohibited (per Client Directive)	Supranationals, Mortgage Backed Securities, and Collateralized Mortgage Obligations	Complies
Maximum Maturity	5 years	Complies

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
43814RAB2	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	205,000.00	10/18/2016 1.05 %	204,994.28 204,995.28	99.80 1.33 %	204,595.54 76.99	0.41 % (399.74)	NR / AAA AAA	2.05 0.68
43814RAB2	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	205,000.00	10/18/2016 1.05 %	204,994.28 204,995.28	99.80 1.33 %	204,595.54 76.99	0.41 % (399.74)	NR / AAA AAA	2.05 0.68
161571HH0	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	200,000.00	12/16/2016 1.53 %	199,757.81 199,849.08	99.92 1.25 %	199,836.20 94.22	0.40 % (12.88)	Aaa / AAA AAA	2.46 0.44
161571HH0	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	200,000.00	12/16/2016 1.53 %	199,757.81 199,849.08	99.92 1.25 %	199,836.20 94.22	0.40 % (12.88)	Aaa / AAA AAA	2.46 0.44
02582JGU8	American Express Credit 2014-3 A 1.49% Due 4/15/2020	205,000.00	12/02/2016 0.84 %	205,544.53 205,322.47	100.10 1.26 %	205,213.61 135.76	0.41 % (108.86)	Aaa / AAA NR	3.04 0.44
02582JGU8	American Express Credit 2014-3 A 1.49% Due 4/15/2020	210,000.00	12/02/2016 0.84 %	210,557.81 210,330.33	100.10 1.26 %	210,218.82 139.07	0.42 % (111.51)	Aaa / AAA NR	3.04 0.44
Total ABS		**1,225,000.00**	**1.14 %**	**1,225,606.52** **1,225,341.52**	**1.28 %**	**1,224,295.91** **617.25**	**2.46 %** **(1,045.61)**	**Aaa / AAA** **AAA**	**2.52** **0.52**
AGENCY									
313385ET9	FHLB Discount Note 0.71% Due 4/24/2017	250,000.00	11/25/2016 0.72 %	249,275.21 249,275.21	99.71 0.72 %	249,275.21 611.39	0.50 % 0.00	P-1 / A-1+ F-1+	0.07 0.07
313385FE1	FHLB Discount Note 0.7% Due 5/5/2017	250,000.00	11/23/2016 0.71 %	249,207.64 249,207.64	99.68 0.71 %	249,207.64 627.08	0.50 % 0.00	P-1 / A-1+ F-1+	0.10 0.10
313379DD8	FHLB Note 1% Due 6/21/2017	125,000.00	11/30/2016 0.71 %	125,203.75 125,081.30	100.04 0.83 %	125,046.00 347.22	0.25 % (35.30)	Aaa / AA+ AAA	0.22 0.22
313313LP1	FFCB Discount Note 0.68% Due 9/11/2017	200,000.00	11/02/2016 0.69 %	198,817.56 198,817.56	99.41 0.69 %	198,817.56 566.66	0.40 % 0.00	P-1 / A-1+ F-1+	0.45 0.45
313313ML9	FFCB Discount Note 0.68% Due 10/2/2017	200,000.00	11/02/2016 0.69 %	198,738.22 198,738.22	99.37 0.69 %	198,738.22 566.67	0.40 % 0.00	P-1 / A-1+ F-1+	0.51 0.51
3133EEQM5	FFCB Note 1.11% Due 2/20/2018	300,000.00	11/29/2016 1.01 %	300,345.00 300,250.84	100.00 1.11 %	299,989.20 379.25	0.60 % (261.64)	Aaa / AA+ AAA	0.89 0.88
3133EGE68	FFCB Note 0.8% Due 3/8/2018	200,000.00	11/17/2016 0.97 %	199,568.00 199,689.87	99.69 1.14 %	199,374.80 102.22	0.40 % (315.07)	Aaa / AA+ AAA	0.94 0.93
3133EGE68	FFCB Note 0.8% Due 3/8/2018	200,000.00	11/17/2016 0.97 %	199,568.00 199,689.87	99.69 1.14 %	199,374.80 102.22	0.40 % (315.07)	Aaa / AA+ AAA	0.94 0.93
313378A43	FHLB Note 1.375% Due 3/9/2018	200,000.00	11/01/2016 0.82 %	201,498.00 201,041.29	100.23 1.13 %	200,458.80 168.06	0.40 % (582.49)	Aaa / AA+ AAA	0.94 0.93
3133EEJ50	FFCB Note 1.03% Due 5/11/2018	200,000.00	12/27/2016 1.16 %	199,656.00 199,720.80	99.93 1.09 %	199,862.40 801.11	0.40 % 141.60	Aaa / AA+ AAA	1.11 1.10
3133EGJS5	FFCB Note 0.7% Due 7/5/2018	200,000.00	10/25/2016 0.91 %	199,288.00 199,469.17	99.56 1.05 %	199,127.80 334.44	0.40 % (341.37)	Aaa / AA+ AAA	1.26 1.25
3133EGJS5	FFCB Note 0.7% Due 7/5/2018	200,000.00	11/01/2016 0.92 %	199,284.00 199,460.07	99.56 1.05 %	199,127.80 334.44	0.40 % (332.27)	Aaa / AA+ AAA	1.26 1.25

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3133EGFQ3	FFCB Note 0.875% Due 9/14/2018	200,000.00	10/20/2016 0.88 %	199,978.00 199,983.14	99.53 1.20 %	199,059.20 82.64	0.40 % (923.94)	Aaa / AA+ AAA	1.46 1.44
3133EGFQ3	FFCB Note 0.875% Due 9/14/2018	200,000.00	10/20/2016 0.88 %	199,978.00 199,983.14	99.53 1.20 %	199,059.20 82.64	0.40 % (923.94)	Aaa / AA+ AAA	1.46 1.44
3133EGUY9	FFCB Note 0.875% Due 9/20/2018	200,000.00	10/26/2016 0.93 %	199,780.00 199,829.52	99.47 1.24 %	198,944.20 53.47	0.40 % (885.32)	Aaa / AA+ AAA	1.47 1.45
3133EGUY9	FFCB Note 0.875% Due 9/20/2018	200,000.00	10/26/2016 0.93 %	199,780.00 199,829.52	99.47 1.24 %	198,944.20 53.47	0.40 % (885.32)	Aaa / AA+ AAA	1.47 1.45
3130A9AE1	FHLB Note 0.875% Due 10/1/2018	200,000.00	10/26/2016 0.91 %	199,858.00 199,889.47	99.40 1.28 %	198,805.00 875.00	0.40 % (1,084.47)	Aaa / AA+ AAA	1.50 1.48
3130A9AE1	FHLB Note 0.875% Due 10/1/2018	200,000.00	10/26/2016 0.91 %	199,858.00 199,889.47	99.40 1.28 %	198,805.00 875.00	0.40 % (1,084.47)	Aaa / AA+ AAA	1.50 1.48
3133EGJ48	FFCB Note 0.89% Due 11/16/2018	200,000.00	11/15/2016 1.09 %	199,224.00 199,368.57	99.33 1.30 %	198,669.80 667.50	0.40 % (698.77)	Aaa / AA+ AAA	1.63 1.60
3133EGJ48	FFCB Note 0.89% Due 11/16/2018	200,000.00	11/15/2016 1.09 %	199,224.00 199,368.57	99.33 1.30 %	198,669.80 667.50	0.40 % (698.77)	Aaa / AA+ AAA	1.63 1.60
3133EFRQ2	FFCB Note 1.3% Due 12/3/2018	200,000.00	10/20/2016 0.94 %	201,502.00 201,187.22	100.10 1.24 %	200,208.80 852.22	0.40 % (978.42)	Aaa / AA+ AAA	1.68 1.64
313376BR5	FHLB Note 1.75% Due 12/14/2018	200,000.00	11/30/2016 1.21 %	202,158.00 201,804.13	100.84 1.25 %	201,673.00 1,040.28	0.41 % (131.13)	Aaa / AA+ AAA	1.71 1.67
313376BR5	FHLB Note 1.75% Due 12/14/2018	200,000.00	11/30/2016 1.21 %	202,158.00 201,804.13	100.84 1.25 %	201,673.00 1,040.28	0.41 % (131.13)	Aaa / AA+ AAA	1.71 1.67
3130AAE46	FHLB Note 1.25% Due 1/16/2019	200,000.00	12/29/2016 1.31 %	199,754.00 199,784.59	99.90 1.30 %	199,808.80 520.83	0.40 % 24.21	Aaa / AA+ AAA	1.80 1.76
313379EE5	FHLB Note 1.625% Due 6/14/2019	200,000.00	12/21/2016 1.44 %	200,920.00 200,818.23	100.44 1.42 %	200,881.60 965.97	0.41 % 63.37	Aaa / AA+ AAA	2.21 2.15
3130A8NN9	FHLB Note 0.8% Due 6/28/2019	250,000.00	10/27/2016 1.13 %	247,855.00 248,196.70	98.48 1.49 %	246,210.75 516.67	0.50 % (1,985.95)	NR / AA+ NR	2.24 2.21
3133EFW52	FFCB Note 1.15% Due 7/1/2019	200,000.00	10/20/2016 1.02 %	200,712.00 200,594.66	99.40 1.42 %	198,798.60 575.00	0.40 % (1,796.06)	Aaa / AA+ AAA	2.25 2.21
3130A8Y72	FHLB Note 0.875% Due 8/5/2019	200,000.00	10/21/2016 1.03 %	199,148.00 199,281.47	98.71 1.44 %	197,418.80 272.22	0.40 % (1,862.67)	Aaa / AA+ AAA	2.35 2.31
3130A9EP2	FHLB Note 1% Due 9/26/2019	200,000.00	11/17/2016 1.33 %	198,180.00 198,414.05	98.91 1.45 %	197,816.80 27.78	0.40 % (597.25)	Aaa / AA+ AAA	2.49 2.44
3130A9EP2	FHLB Note 1% Due 9/26/2019	200,000.00	11/17/2016 1.33 %	198,180.00 198,414.05	98.91 1.45 %	197,816.80 27.78	0.40 % (597.25)	Aaa / AA+ AAA	2.49 2.44
3133EGYP4	FFCB Note 1.05% Due 10/17/2019	200,000.00	11/17/2016 1.34 %	198,346.00 198,554.50	98.82 1.53 %	197,630.80 956.67	0.40 % (923.70)	Aaa / AA+ AAA	2.55 2.49
3130AA3R7	FHLB Note 1.375% Due 11/15/2019	200,000.00	11/17/2016 1.39 %	199,940.00 199,947.36	99.65 1.51 %	199,308.60 1,023.61	0.40 % (638.76)	Aaa / AA+ AAA	2.63 2.55

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
AGENCY									
3130AA3R7	FHLB Note 1.375% Due 11/15/2019	200,000.00	11/17/2016 1.39 %	199,940.00 199,947.36	99.65 1.51 %	199,308.60 1,023.61	0.40 % (638.76)	Aaa / AA+ AAA	2.63 2.55
3133EG3J2	FFCB Note 1.55% Due 1/10/2020	145,000.00	01/27/2017 1.56 %	144,971.00 144,972.65	99.96 1.57 %	144,937.07 505.69	0.29 % (35.58)	Aaa / AA+ AAA	2.78 2.70
3133EG3J2	FFCB Note 1.55% Due 1/10/2020	160,000.00	01/27/2017 1.56 %	159,968.00 159,969.82	99.96 1.57 %	159,930.56 558.00	0.32 % (39.26)	Aaa / AA+ AAA	2.78 2.70
313378J77	FHLB Note 1.875% Due 3/13/2020	200,000.00	11/29/2016 1.50 %	202,388.00 202,145.02	100.76 1.61 %	201,528.60 187.50	0.41 % (616.42)	Aaa / AA+ NR	2.95 2.86
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	200,000.00	10/26/2016 1.33 %	200,338.00 200,304.52	98.47 1.78 %	196,938.60 328.47	0.40 % (3,365.92)	Aaa / AA+ AAA	3.89 3.75
313382K69	FHLB Note 1.75% Due 3/12/2021	130,000.00	10/25/2016 1.34 %	132,262.00 132,039.76	99.67 1.84 %	129,567.75 120.07	0.26 % (2,472.01)	Aaa / AA+ AAA	3.95 3.79
3130A1W95	FHLB Note 2.25% Due 6/11/2021	200,000.00	11/25/2016 1.85 %	203,478.00 203,217.57	101.20 1.95 %	202,401.80 1,375.00	0.41 % (815.77)	Aaa / AA+ AAA	4.20 3.96
313378CR0	FHLB Note 2.25% Due 3/11/2022	220,000.00	03/13/2017 2.20 %	220,525.80 220,520.61	101.07 2.02 %	222,349.82 275.00	0.45 % 1,829.21	Aaa / AA+ NR	4.95 4.66
Total Agency		**8,030,000.00**	**1.13 %**	**8,030,853.18** **8,030,501.64**	**1.29 %**	**8,005,565.78** **20,490.63**	**16.14 %** **(24,935.86)**	**Aaa / AA+** **AAA**	**1.84** **1.79**
CASH									
90CASH$00	Cash Custodial Cash Account	272,705.82	Various 0.00 %	272,705.82 272,705.82	1.00 0.00 %	272,705.82 0.00	0.55 % 0.00	NR / NR NR	0.00 0.00
Total Cash		**272,705.82**	**N/A**	**272,705.82** **272,705.82**	**0.00 %**	**272,705.82** **0.00**	**0.55 %** **0.00**	**NR / NR** **NR**	**0.00** **0.00**
COMMERCIAL PAPER									
89233GUK0	Toyota Motor Credit Discount CP 1.21% Due 7/19/2017	125,000.00	12/21/2016 1.23 %	124,117.71 124,117.71	99.29 1.23 %	124,117.71 424.34	0.25 % 0.00	P-1 / A-1+ NR	0.30 0.30
89233GUK0	Toyota Motor Credit Discount CP 1.21% Due 7/19/2017	125,000.00	12/21/2016 1.23 %	124,117.71 124,117.71	99.29 1.23 %	124,117.71 424.34	0.25 % 0.00	P-1 / A-1+ NR	0.30 0.30
Total Commercial Paper		**250,000.00**	**1.23 %**	**248,235.42** **248,235.42**	**1.23 %**	**248,235.42** **848.68**	**0.50 %** **0.00**	**Aaa / AAA** **NR**	**0.30** **0.30**
LAIF									
90LAIF$00	Local Agency Investment Fund State Pool	28,123,097.52	Various 0.78 %	28,123,097.52 28,123,097.52	1.00 0.78 %	28,123,097.52 42,372.98	56.62 % 0.00	NR / NR NR	0.00 0.00
Total LAIF		**28,123,097.52**	**0.78 %**	**28,123,097.52** **28,123,097.52**	**0.78 %**	**28,123,097.52** **42,372.98**	**56.62 %** **0.00**	**NR / NR** **NR**	**0.00** **0.00**

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
MONEY MARKET FUND FI									
31846V203	First American Govt Obligation Fund	16,168.69	Various 0.34 %	16,168.69 16,168.69	1.00 0.34 %	16,168.69 0.00	0.03 % 0.00	Aaa / AAA NR	0.00 0.00
31846V203	First American Govt Obligation Fund	19,105.03	Various 0.34 %	19,105.03 19,105.03	1.00 0.34 %	19,105.03 0.00	0.04 % 0.00	Aaa / AAA NR	0.00 0.00
Total Money Market Fund FI		**35,273.72**	**0.34 %**	**35,273.72** **35,273.72**	**0.34 %**	**35,273.72** **0.00**	**0.07 %** **0.00**	**Aaa / AAA** **NR**	**0.00** **0.00**
NEGOTIABLE CD									
36160KPR0	Synchrony Bank Negotiable CD 1.65% Due 8/31/2017	100,000.00	10/25/2012 1.44 %	100,998.00 100,085.66	100.35 0.80 %	100,353.50 140.14	0.20 % 267.84	NR / NR NR	0.42 0.42
38143AH57	Goldman Sachs Negotiable CD 1.55% Due 10/3/2017	100,000.00	10/11/2012 1.55 %	99,977.00 99,997.66	100.36 0.83 %	100,364.30 764.38	0.20 % 366.64	NR / NR NR	0.51 0.50
38143A6F7	Goldman Sachs Negotiable CD 1.2% Due 2/13/2018	150,000.00	02/13/2013 1.20 %	150,000.00 150,000.00	100.14 1.04 %	150,205.05 231.78	0.30 % 205.05	NR / NR NR	0.87 0.87
254671KJ8	Discover Bank Negotiable CD 1.1% Due 2/20/2018	150,000.00	02/20/2013 1.10 %	150,000.00 150,000.00	100.04 1.06 %	150,057.45 180.82	0.30 % 57.45	NR / NR NR	0.89 0.89
36161TJA4	GE Capital Bank Negotiable CD 1.1% Due 2/22/2018	150,000.00	02/22/2013 1.10 %	150,000.00 150,000.00	100.03 1.06 %	150,051.90 171.78	0.30 % 51.90	NR / NR NR	0.90 0.89
17284A6C7	CIT Bank Negotiable CD 1.1% Due 3/6/2018	145,000.00	03/06/2013 1.10 %	145,000.00 145,000.00	100.34 0.74 %	145,488.51 113.62	0.29 % 488.51	NR / NR NR	0.93 0.93
29976DPF1	Everbank Negotiable CD 1.5% Due 11/15/2019	150,000.00	01/30/2015 1.67 %	148,818.00 149,352.94	99.54 1.68 %	149,310.45 844.52	0.30 % (42.49)	NR / NR NR	2.63 2.55
87164WFD5	Synchrony Bank Negotiable CD 1.8% Due 1/30/2020	150,000.00	01/30/2015 1.80 %	150,000.00 150,000.00	101.02 1.43 %	151,530.45 451.23	0.31 % 1,530.45	NR / NR NR	2.84 2.75
140420UF5	Capital One Bank USA NA Negotiable CD 2.3% Due 8/12/2020	100,000.00	08/17/2015 2.30 %	100,000.00 100,000.00	101.55 1.82 %	101,554.40 302.47	0.20 % 1,554.40	NR / NR NR	3.37 3.23
02587DJ90	American Express Centurion Negotiable CD 2.25% Due 12/9/2020	110,000.00	12/09/2015 2.25 %	110,000.00 110,000.00	101.12 1.93 %	111,234.86 766.23	0.23 % 1,234.86	NR / NR NR	3.70 3.51
Total Negotiable CD		**1,305,000.00**	**1.51 %**	**1,304,793.00** **1,304,436.26**	**1.23 %**	**1,310,150.87** **3,966.97**	**2.64 %** **5,714.61**	**NR / NR** **NR**	**1.68** **1.63**
US CORPORATE									
69371RM37	Paccar Financial Corp Note 1.4% Due 11/17/2017	165,000.00	11/17/2016 1.11 %	165,475.20 165,300.26	100.02 1.37 %	165,032.84 859.83	0.33 % (267.42)	A1 / A+ NR	0.63 0.62
69371RM37	Paccar Financial Corp Note 1.4% Due 11/17/2017	165,000.00	11/17/2016 1.11 %	165,475.20 165,300.26	100.02 1.37 %	165,032.84 859.83	0.33 % (267.42)	A1 / A+ NR	0.63 0.62
92826CAA0	Visa Inc Note 1.2% Due 12/14/2017	125,000.00	10/26/2016 1.06 %	125,191.25 125,120.17	99.91 1.33 %	124,882.88 445.83	0.25 % (237.29)	A1 / A+ NR	0.71 0.70

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
92826CAA0	Visa Inc Note 1.2% Due 12/14/2017	125,000.00	10/26/2016 1.06 %	125,191.25 125,120.17	99.91 1.33 %	124,882.88 445.83	0.25 % (237.29)	A1 / A+ NR	0.71 0.70
458140AL4	Intel Corp Note 1.35% Due 12/15/2017	108,000.00	11/17/2016 1.03 %	108,361.80 108,240.58	100.06 1.26 %	108,069.66 429.30	0.22 % (170.92)	A1 / A+ A+	0.71 0.70
458140AL4	Intel Corp Note 1.35% Due 12/15/2017	125,000.00	11/17/2016 1.03 %	125,418.75 125,278.45	100.06 1.26 %	125,080.63 496.88	0.25 % (197.82)	A1 / A+ A+	0.71 0.70
94974BFG0	Wells Fargo Corp Note 1.5% Due 1/16/2018	125,000.00	10/21/2016 1.41 %	125,141.25 125,091.64	99.82 1.73 %	124,775.00 390.63	0.25 % (316.64)	A2 / A AA-	0.80 0.78
674599CD5	Occidental Petroleum Callable Note Cont 1/15/18 1.5% Due 2/15/2018	125,000.00	10/26/2016 1.28 %	125,357.50 125,242.37	99.97 1.53 %	124,962.25 239.58	0.25 % (280.12)	A3 / A A	0.88 0.78
808513AK1	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 3/10/2018	200,000.00	10/31/2016 1.17 %	200,896.00 200,623.38	99.98 1.52 %	199,960.20 175.00	0.40 % (663.18)	A2 / A A	0.94 0.85
037833AJ9	Apple Inc Note 1% Due 5/3/2018	125,000.00	10/19/2016 1.01 %	124,986.25 124,990.18	99.70 1.28 %	124,622.00 513.89	0.25 % (368.18)	Aa1 / AA+ NR	1.09 1.07
037833AJ9	Apple Inc Note 1% Due 5/3/2018	125,000.00	10/19/2016 1.01 %	124,986.25 124,990.18	99.70 1.28 %	124,622.00 513.89	0.25 % (368.18)	Aa1 / AA+ NR	1.09 1.07
17275RAU6	Cisco Systems Note 1.65% Due 6/15/2018	125,000.00	10/20/2016 1.14 %	126,040.00 125,765.22	100.32 1.38 %	125,400.88 607.29	0.25 % (364.34)	A1 / AA- NR	1.21 1.19
166764AE0	Chevron Corp Callable Note Cont 5/24/2018 1.718% Due 6/24/2018	125,000.00	10/20/2016 1.23 %	126,002.50 125,741.55	100.32 1.43 %	125,401.38 578.63	0.25 % (340.17)	Aa2 / AA- NR	1.23 1.13
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018	125,000.00	10/19/2016 1.22 %	127,185.00 126,699.78	100.77 1.61 %	125,957.63 1,261.72	0.26 % (742.15)	A1 / A+ NR	1.53 1.48
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018	125,000.00	10/19/2016 1.22 %	127,185.00 126,699.78	100.77 1.61 %	125,957.63 1,261.72	0.26 % (742.15)	A1 / A+ NR	1.53 1.48
74005PBH6	Praxair Note 1.25% Due 11/7/2018	125,000.00	10/21/2016 1.21 %	125,090.00 125,070.96	99.60 1.50 %	124,499.88 625.00	0.25 % (571.08)	A2 / A NR	1.61 1.57
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	125,000.00	10/24/2016 1.32 %	126,653.75 126,321.72	100.58 1.60 %	125,725.63 731.25	0.25 % (596.09)	A2 / A A	1.70 1.66
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	125,000.00	10/24/2016 1.32 %	126,653.75 126,321.72	100.58 1.60 %	125,725.63 731.25	0.25 % (596.09)	A2 / A A	1.70 1.66
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	125,000.00	10/20/2016 1.27 %	127,480.00 127,022.78	101.04 1.57 %	126,304.13 221.35	0.25 % (718.65)	A1 / AA- NR	1.92 1.87
30231GAD4	Exxon Mobil Corp Callable Note Cont 2/15/2019 1.819% Due 3/15/2019	125,000.00	10/21/2016 1.27 %	126,597.50 126,309.22	100.38 1.61 %	125,475.38 101.06	0.25 % (833.84)	Aaa / AA+ NR	1.96 1.84
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	125,000.00	10/12/2016 1.49 %	127,178.75 126,785.63	100.80 1.79 %	125,998.75 1,191.67	0.26 % (786.88)	A1 / A+ AA	2.07 1.92

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	125,000.00	10/12/2016 1.49 %	127,178.75 126,785.63	100.80 1.79 %	125,998.75 1,191.67	0.26 % (786.88)	A1 / A+ AA	2.07 1.92
89236TDE2	Toyota Motor Credit Corp Note 1.4% Due 5/20/2019	125,000.00	10/12/2016 1.48 %	124,746.25 124,790.82	99.20 1.78 %	124,002.13 636.81	0.25 % (788.69)	Aa3 / AA- A	2.14 2.08
89236TBP9	Toyota Motor Credit Corp Note 2.125% Due 7/18/2019	125,000.00	10/24/2016 1.46 %	127,221.25 126,872.64	100.79 1.77 %	125,992.13 538.63	0.25 % (880.51)	Aa3 / AA- A	2.30 2.23
594918BN3	Microsoft Note 1.1% Due 8/8/2019	125,000.00	10/24/2016 1.24 %	124,526.25 124,599.06	98.91 1.57 %	123,634.88 202.43	0.25 % (964.18)	Aaa / AAA AA+	2.36 2.31
084664CK5	Berkshire Hathaway Note 1.3% Due 8/15/2019	125,000.00	10/26/2016 1.37 %	124,767.50 124,802.22	99.04 1.71 %	123,803.50 207.64	0.25 % (998.72)	Aa2 / AA A+	2.38 2.32
084664CK5	Berkshire Hathaway Note 1.3% Due 8/15/2019	125,000.00	10/26/2016 1.37 %	124,767.50 124,802.22	99.04 1.71 %	123,803.50 207.64	0.25 % (998.72)	Aa2 / AA A+	2.38 2.32
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	125,000.00	10/19/2016 1.50 %	127,818.75 127,392.72	100.95 1.89 %	126,184.88 159.72	0.25 % (1,207.84)	A1 / A AA-	2.45 2.29
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	125,000.00	10/19/2016 1.50 %	127,818.75 127,392.72	100.95 1.89 %	126,184.88 159.72	0.25 % (1,207.84)	A1 / A AA-	2.45 2.29
17275RBG6	Cisco Systems Note 1.4% Due 9/20/2019	125,000.00	10/12/2016 1.43 %	124,875.00 124,894.43	99.23 1.72 %	124,040.88 53.47	0.25 % (853.55)	A1 / AA- NR	2.47 2.41
717081EB5	Pfizer Inc. Note 1.7% Due 12/15/2019	125,000.00	01/27/2017 1.70 %	125,005.00 125,004.71	99.91 1.73 %	124,892.50 767.36	0.25 % (112.21)	A1 / AA A+	2.71 2.62
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	125,000.00	10/24/2016 1.95 %	125,800.00 125,695.13	100.21 2.07 %	125,264.25 455.38	0.25 % (430.88)	A2 / A AA-	2.84 2.73
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	125,000.00	11/01/2016 1.57 %	125,727.50 125,637.63	100.18 1.68 %	125,228.75 279.51	0.25 % (408.88)	A1 / A+ A+	2.88 2.78
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	250,000.00	Various 1.53 %	251,777.50 251,554.85	100.18 1.68 %	250,457.50 559.02	0.50 % (1,097.35)	A1 / A+ A+	2.88 2.78
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	125,000.00	10/19/2016 1.63 %	127,703.75 127,368.63	100.22 2.18 %	125,276.88 1,023.44	0.25 % (2,091.75)	A1 / A+ NR	3.14 2.99
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	125,000.00	10/19/2016 1.63 %	127,703.75 127,368.63	100.22 2.18 %	125,276.88 1,023.44	0.25 % (2,091.75)	A1 / A+ NR	3.14 2.99
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	125,000.00	10/24/2016 1.50 %	127,446.25 127,186.29	100.33 1.90 %	125,410.38 1,027.78	0.25 % (1,775.91)	Aaa / AAA AA+	3.60 3.35
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	125,000.00	10/21/2016 1.69 %	127,796.25 127,519.62	100.19 2.17 %	125,241.75 231.46	0.25 % (2,277.87)	Aaa / AA+ NR	3.92 3.73
166764BG4	Chevron Corp Callable Note Cont 4/15/2021 2.1% Due 5/16/2021	125,000.00	10/20/2016 1.77 %	126,805.00 126,633.61	99.12 2.32 %	123,901.00 984.38	0.25 % (2,732.61)	Aa2 / AA- NR	4.13 3.90

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US CORPORATE									
857477AV5	State Street Bank Note 1.95% Due 5/19/2021	125,000.00	10/12/2016 1.89 %	125,338.75 125,305.18	98.25 2.40 %	122,811.38 893.75	0.25 % (2,493.80)	A1 / A AA-	4.14 3.91
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	125,000.00	11/29/2016 2.40 %	122,201.25 122,393.38	98.26 2.31 %	122,827.50 105.56	0.25 % 434.12	A1 / AA- A+	4.46 4.24
91159HHP8	US Bancorp Note 2.625% Due 1/24/2022	60,000.00	01/19/2017 2.66 %	59,896.80 59,900.59	100.38 2.54 %	60,226.44 293.13	0.12 % 325.85	A1 / A+ AA	4.82 4.48
Total US Corporate		**5,448,000.00**	**1.40 %**	**5,489,468.75 5,481,936.71**	**1.70 %**	**5,448,830.84 23,683.37**	**11.00 % (33,105.87)**	**A1 / AA- A+**	**2.07 1.98**
US TREASURY									
912828P20	US Treasury Note 0.75% Due 1/31/2018	200,000.00	10/26/2016 0.77 %	199,938.17 199,959.09	99.76 1.04 %	199,515.60 248.62	0.40 % (443.49)	Aaa / AA+ AAA	0.84 0.83
912828K25	US Treasury Note 0.75% Due 4/15/2018	200,000.00	11/02/2016 0.76 %	199,961.61 199,972.44	99.64 1.10 %	199,281.20 692.31	0.40 % (691.24)	Aaa / AA+ AAA	1.04 1.03
912828K25	US Treasury Note 0.75% Due 4/15/2018	200,000.00	11/02/2016 0.76 %	199,961.61 199,972.44	99.64 1.10 %	199,281.20 692.31	0.40 % (691.24)	Aaa / AA+ AAA	1.04 1.03
912828R93	US Treasury Note 0.625% Due 6/30/2018	200,000.00	10/17/2016 0.81 %	199,375.67 199,541.82	99.38 1.13 %	198,750.00 314.23	0.40 % (791.82)	Aaa / AA+ AAA	1.25 1.24
912828R93	US Treasury Note 0.625% Due 6/30/2018	200,000.00	10/17/2016 0.81 %	199,375.67 199,541.82	99.38 1.13 %	198,750.00 314.23	0.40 % (791.82)	Aaa / AA+ AAA	1.25 1.24
9128282C3	US Treasury Note 0.75% Due 8/31/2018	200,000.00	11/01/2016 0.86 %	199,602.23 199,691.68	99.43 1.16 %	198,859.40 130.43	0.40 % (832.28)	Aaa / AA+ AAA	1.42 1.40
912828T42	US Treasury Note 0.75% Due 9/30/2018	200,000.00	10/26/2016 0.88 %	199,516.29 199,623.63	99.36 1.18 %	198,726.60 4.10	0.40 % (897.03)	Aaa / AA+ AAA	1.50 1.49
912828A34	US Treasury Note 1.25% Due 11/30/2018	200,000.00	10/26/2016 0.92 %	201,352.23 201,076.12	100.07 1.21 %	200,132.80 837.91	0.40 % (943.32)	Aaa / AA+ AAA	1.67 1.64
912828A34	US Treasury Note 1.25% Due 11/30/2018	200,000.00	10/26/2016 0.92 %	201,352.23 201,076.12	100.07 1.21 %	200,132.80 837.91	0.40 % (943.32)	Aaa / AA+ AAA	1.67 1.64
912828TH3	US Treasury Note 0.875% Due 7/31/2019	200,000.00	10/25/2016 0.99 %	199,391.29 199,486.10	98.94 1.34 %	197,882.80 290.06	0.40 % (1,603.30)	Aaa / AA+ AAA	2.33 2.30
912828UB4	US Treasury Note 1% Due 11/30/2019	200,000.00	10/12/2016 1.08 %	199,500.67 199,574.94	98.91 1.42 %	197,828.20 670.33	0.40 % (1,746.74)	Aaa / AA+ AAA	2.67 2.61
912828UB4	US Treasury Note 1% Due 11/30/2019	200,000.00	10/12/2016 1.08 %	199,500.67 199,574.94	98.91 1.42 %	197,828.20 670.33	0.40 % (1,746.74)	Aaa / AA+ AAA	2.67 2.61
912828UF5	US Treasury Note 1.125% Due 12/31/2019	200,000.00	10/25/2016 1.05 %	200,469.42 200,405.94	99.14 1.44 %	198,281.20 565.61	0.40 % (2,124.74)	Aaa / AA+ AAA	2.75 2.69
912828J50	US Treasury Note 1.375% Due 2/29/2020	200,000.00	10/25/2016 1.09 %	201,891.30 201,648.11	99.62 1.51 %	199,242.20 239.13	0.40 % (2,405.91)	Aaa / AA+ AAA	2.92 2.84
912828VA5	US Treasury Note 1.125% Due 4/30/2020	200,000.00	10/25/2016 1.11 %	200,094.42 200,082.86	98.73 1.55 %	197,468.80 943.75	0.40 % (2,614.06)	Aaa / AA+ AAA	3.08 3.00

Holdings Report

As of 3/31/17

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
US TREASURY									
912828XH8	US Treasury Note 1.625% Due 6/30/2020	200,000.00	11/02/2016 1.12 %	203,617.86 203,214.07	100.08 1.60 %	200,164.00 816.99	0.40 % (3,050.07)	Aaa / AA+ AAA	3.25 3.14
912828XM7	US Treasury Note 1.625% Due 7/31/2020	200,000.00	10/25/2016 1.14 %	203,539.73 203,135.26	100.01 1.62 %	200,023.40 538.67	0.40 % (3,111.86)	Aaa / AA+ AAA	3.34 3.23
912828L65	US Treasury Note 1.375% Due 9/30/2020	200,000.00	10/26/2016 1.20 %	201,375.67 201,226.02	99.00 1.67 %	198,000.00 7.51	0.40 % (3,226.02)	Aaa / AA+ AAA	3.50 3.40
912828L99	US Treasury Note 1.375% Due 10/31/2020	200,000.00	10/25/2016 1.19 %	201,430.36 201,277.18	98.91 1.69 %	197,812.40 1,154.70	0.40 % (3,464.78)	Aaa / AA+ AAA	3.59 3.46
912828N89	US Treasury Note 1.375% Due 1/31/2021	200,000.00	10/17/2016 1.22 %	201,313.17 201,174.81	98.60 1.75 %	197,195.40 455.80	0.40 % (3,979.41)	Aaa / AA+ AAA	3.84 3.71
912828N89	US Treasury Note 1.375% Due 1/31/2021	200,000.00	02/16/2017 1.80 %	196,805.36 196,900.49	98.60 1.75 %	197,195.40 455.80	0.40 % 294.91	Aaa / AA+ AAA	3.84 3.71
912828P87	US Treasury Note 1.125% Due 2/28/2021	200,000.00	10/25/2016 1.22 %	199,164.73 199,247.41	97.56 1.77 %	195,125.00 195.65	0.39 % (4,122.41)	Aaa / AA+ AAA	3.92 3.80
912828T34	US Treasury Note 1.125% Due 9/30/2021	200,000.00	11/09/2016 1.48 %	196,617.86 196,886.92	96.75 1.88 %	193,492.20 6.15	0.39 % (3,394.72)	Aaa / AA+ AAA	4.50 4.36
912828T34	US Treasury Note 1.125% Due 9/30/2021	215,000.00	03/07/2017 2.01 %	206,770.25 206,888.73	96.75 1.88 %	208,004.12 6.61	0.42 % 1,115.39	Aaa / AA+ AAA	4.50 4.36
912828V72	US Treasury Note 1.875% Due 1/31/2022	200,000.00	02/16/2017 1.95 %	199,305.36 199,321.87	99.78 1.92 %	199,562.40 621.55	0.40 % 240.53	Aaa / AA+ AAA	4.84 4.59
Total US Treasury		**5,015,000.00**	**1.13 %**	**5,011,223.83** **5,010,500.81**	**1.46 %**	**4,968,535.32** **11,710.69**	**10.01 %** **(41,965.49)**	**Aaa / AA+** **AAA**	**2.69** **2.61**
TOTAL PORTFOLIO		**49,704,077.06**	**0.97 %**	**49,741,257.76** **49,732,029.42**	**1.05 %**	**49,636,691.20** **103,690.57**	**100.00 %** **(95,338.22)**	**Aa1 / AA+** **AAA**	**0.90** **0.83**
TOTAL MARKET VALUE PLUS ACCRUED						**49,740,381.77**			

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	03/01/2017	31846V203	2,716.88	First American Govt Obligation Fund	1.000	0.18 %	2,716.88	0.00	2,716.88	0.00
Purchase	03/01/2017	31846V203	1.42	First American Govt Obligation Fund	1.000	0.18 %	1.42	0.00	1.42	0.00
Purchase	03/01/2017	31846V203	2.35	First American Govt Obligation Fund	1.000	0.18 %	2.35	0.00	2.35	0.00
Purchase	03/06/2017	31846V203	200,000.00	First American Govt Obligation Fund	1.000	0.18 %	200,000.00	0.00	200,000.00	0.00
Purchase	03/06/2017	31846V203	200,000.00	First American Govt Obligation Fund	1.000	0.18 %	200,000.00	0.00	200,000.00	0.00
Purchase	03/06/2017	90CASH$00	790.94	Cash Custodial Cash Account	1.000		790.94	0.00	790.94	0.00
Purchase	03/08/2017	31846V203	533.33	First American Govt Obligation Fund	1.000	0.18 %	533.33	0.00	533.33	0.00
Purchase	03/08/2017	31846V203	533.34	First American Govt Obligation Fund	1.000	0.18 %	533.34	0.00	533.34	0.00
Purchase	03/08/2017	912828T34	215,000.00	US Treasury Note 1.125% Due 9/30/2021	96.172	2.01 %	206,770.25	1,056.54	207,826.79	0.00
Purchase	03/09/2017	31846V203	1,375.00	First American Govt Obligation Fund	1.000	0.18 %	1,375.00	0.00	1,375.00	0.00
Purchase	03/10/2017	31846V203	1,500.00	First American Govt Obligation Fund	1.000	0.18 %	1,500.00	0.00	1,500.00	0.00
Purchase	03/11/2017	31846V203	1,437.50	First American Govt Obligation Fund	1.000	0.18 %	1,437.50	0.00	1,437.50	0.00
Purchase	03/11/2017	31846V203	1,437.50	First American Govt Obligation Fund	1.000	0.18 %	1,437.50	0.00	1,437.50	0.00
Purchase	03/12/2017	31846V203	1,137.50	First American Govt Obligation Fund	1.000	0.18 %	1,137.50	0.00	1,137.50	0.00
Purchase	03/13/2017	31846V203	1,875.00	First American Govt Obligation Fund	1.000	0.18 %	1,875.00	0.00	1,875.00	0.00
Purchase	03/14/2017	313378CR0	220,000.00	FHLB Note 2.25% Due 3/11/2022	100.239	2.20 %	220,525.80	41.25	220,567.05	0.00
Purchase	03/14/2017	31846V203	875.00	First American Govt Obligation Fund	1.000	0.18 %	875.00	0.00	875.00	0.00
Purchase	03/14/2017	31846V203	875.00	First American Govt Obligation Fund	1.000	0.18 %	875.00	0.00	875.00	0.00
Purchase	03/15/2017	31846V203	1,136.88	First American Govt Obligation Fund	1.000	0.18 %	1,136.88	0.00	1,136.88	0.00
Purchase	03/15/2017	31846V203	1,636.11	First American Govt Obligation Fund	1.000	0.18 %	1,636.11	0.00	1,636.11	0.00
Purchase	03/15/2017	31846V203	176.66	First American Govt Obligation Fund	1.000	0.18 %	176.66	0.00	176.66	0.00
Purchase	03/15/2017	31846V203	176.67	First American Govt Obligation Fund	1.000	0.18 %	176.67	0.00	176.67	0.00
Purchase	03/15/2017	31846V203	254.54	First American Govt Obligation Fund	1.000	0.18 %	254.54	0.00	254.54	0.00
Purchase	03/15/2017	31846V203	260.75	First American Govt Obligation Fund	1.000	0.18 %	260.75	0.00	260.75	0.00
Purchase	03/20/2017	31846V203	1,750.00	First American Govt Obligation Fund	1.000	0.18 %	1,750.00	0.00	1,750.00	0.00
Purchase	03/20/2017	31846V203	875.00	First American Govt Obligation Fund	1.000	0.18 %	875.00	0.00	875.00	0.00
Purchase	03/20/2017	31846V203	177.67	First American Govt Obligation Fund	1.000	0.18 %	177.67	0.00	177.67	0.00
Purchase	03/20/2017	31846V203	177.67	First American Govt Obligation Fund	1.000	0.18 %	177.67	0.00	177.67	0.00
Purchase	03/26/2017	31846V203	1,000.00	First American Govt Obligation Fund	1.000	0.18 %	1,000.00	0.00	1,000.00	0.00

Transaction Ledger

2/28/17 Thru 3/31/17

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	03/26/2017	31846V203	1,000.00	First American Govt Obligation Fund	1.000	0.18 %	1,000.00	0.00	1,000.00	0.00
Purchase	03/31/2017	31846V203	1,959.38	First American Govt Obligation Fund	1.000	0.34 %	1,959.38	0.00	1,959.38	0.00
Purchase	03/31/2017	31846V203	2,500.00	First American Govt Obligation Fund	1.000	0.34 %	2,500.00	0.00	2,500.00	0.00
Purchase	03/31/2017	90CASH$00	16.20	Cash Custodial Cash Account	1.000		16.20	0.00	16.20	0.00
	Subtotal		**863,188.29**				**855,484.34**	**1,097.79**	**856,582.13**	**0.00**
TOTAL ACQUISITIONS			**863,188.29**				**855,484.34**	**1,097.79**	**856,582.13**	**0.00**
DISPOSITIONS										
Sale	03/08/2017	31846V203	207,826.79	First American Govt Obligation Fund	1.000	0.18 %	207,826.79	0.00	207,826.79	0.00
Sale	03/14/2017	31846V203	220,567.05	First American Govt Obligation Fund	1.000	0.18 %	220,567.05	0.00	220,567.05	0.00
	Subtotal		**428,393.84**				**428,393.84**	**0.00**	**428,393.84**	**0.00**
Paydown	03/15/2017	02582JGU8	0.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	100.000		0.00	260.75	260.75	0.00
Paydown	03/15/2017	02582JGU8	0.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	100.000		0.00	254.54	254.54	0.00
Paydown	03/15/2017	161571HH0	0.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	100.000		0.00	176.66	176.66	0.00
Paydown	03/15/2017	161571HH0	0.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	100.000		0.00	176.67	176.67	0.00
Paydown	03/20/2017	43814RAB2	0.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	100.000		0.00	177.67	177.67	0.00
Paydown	03/20/2017	43814RAB2	0.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	100.000		0.00	177.67	177.67	0.00
	Subtotal		**0.00**				**0.00**	**1,223.96**	**1,223.96**	**0.00**
Maturity	03/06/2017	06538BQ63	200,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.03% Due 3/6/2017	99.628		199,256.11	743.89	200,000.00	0.00
Maturity	03/06/2017	06538BQ63	200,000.00	Bank of Tokyo Mitsubishi NY Discount CP 1.03% Due 3/6/2017	99.628		199,256.11	743.89	200,000.00	0.00
	Subtotal		**400,000.00**				**398,512.22**	**1,487.78**	**400,000.00**	**0.00**
Security Withdrawal	03/03/2017	31846V203	1,125.04	First American Govt Obligation Fund	1.000		1,125.04	0.00	1,125.04	0.00
Security Withdrawal	03/03/2017	31846V203	538.25	First American Govt Obligation Fund	1.000		538.25	0.00	538.25	0.00

Transaction Ledger

2/28/17 Thru 3/31/17

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
DISPOSITIONS										
Security Withdrawal	03/27/2017	31846V203	165.98	First American Govt Obligation Fund	1.000		165.98	0.00	165.98	0.00
	Subtotal		**1,829.27**				**1,829.27**	**0.00**	**1,829.27**	**0.00**
TOTAL DISPOSITIONS			**830,223.11**				**828,735.33**	**2,711.74**	**831,447.07**	**0.00**
OTHER TRANSACTIONS										
Interest	03/01/2017	17275RAR3	125,000.00	Cisco Systems Note 2.125% Due 3/1/2019	0.000		1,328.13	0.00	1,328.13	0.00
Interest	03/01/2017	30231GAV4	125,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.000		1,388.75	0.00	1,388.75	0.00
Interest	03/01/2017	36160KPR0	100,000.00	Synchrony Bank Negotiable CD 1.65% Due 8/31/2017	0.000		831.78	0.00	831.78	0.00
Interest	03/06/2017	17284A6C7	145,000.00	CIT Bank Negotiable CD 1.1% Due 3/6/2018	0.000		790.95	0.00	790.95	0.00
Interest	03/08/2017	3133EGE68	200,000.00	FFCB Note 0.8% Due 3/8/2018	0.000		533.34	0.00	533.34	0.00
Interest	03/08/2017	3133EGE68	200,000.00	FFCB Note 0.8% Due 3/8/2018	0.000		533.33	0.00	533.33	0.00
Interest	03/09/2017	313378A43	200,000.00	FHLB Note 1.375% Due 3/9/2018	0.000		1,375.00	0.00	1,375.00	0.00
Interest	03/10/2017	808513AK1	200,000.00	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 3/10/2018	0.000		1,500.00	0.00	1,500.00	0.00
Interest	03/11/2017	06406HCW7	125,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.000		1,437.50	0.00	1,437.50	0.00
Interest	03/11/2017	06406HCW7	125,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.000		1,437.50	0.00	1,437.50	0.00
Interest	03/12/2017	313382K69	130,000.00	FHLB Note 1.75% Due 3/12/2021	0.000		1,137.50	0.00	1,137.50	0.00
Interest	03/13/2017	313378J77	200,000.00	FHLB Note 1.875% Due 3/13/2020	0.000		1,875.00	0.00	1,875.00	0.00

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
OTHER TRANSACTIONS										
Interest	03/14/2017	3133EGFQ3	200,000.00	FFCB Note 0.875% Due 9/14/2018	0.000		875.00	0.00	875.00	0.00
Interest	03/14/2017	3133EGFQ3	200,000.00	FFCB Note 0.875% Due 9/14/2018	0.000		875.00	0.00	875.00	0.00
Interest	03/15/2017	30231GAD4	125,000.00	Exxon Mobil Corp Callable Note Cont 2/15/2019 1.819% Due 3/15/2019	0.000		1,136.88	0.00	1,136.88	0.00
Interest	03/15/2017	68389XBK0	125,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.000		1,636.11	0.00	1,636.11	0.00
Interest	03/20/2017	17275RBG6	125,000.00	Cisco Systems Note 1.4% Due 9/20/2019	0.000		875.00	0.00	875.00	0.00
Interest	03/20/2017	3133EGUY9	200,000.00	FFCB Note 0.875% Due 9/20/2018	0.000		875.00	0.00	875.00	0.00
Interest	03/20/2017	3133EGUY9	200,000.00	FFCB Note 0.875% Due 9/20/2018	0.000		875.00	0.00	875.00	0.00
Interest	03/26/2017	3130A9EP2	200,000.00	FHLB Note 1% Due 9/26/2019	0.000		1,000.00	0.00	1,000.00	0.00
Interest	03/26/2017	3130A9EP2	200,000.00	FHLB Note 1% Due 9/26/2019	0.000		1,000.00	0.00	1,000.00	0.00
Interest	03/31/2017	912828L65	200,000.00	US Treasury Note 1.375% Due 9/30/2020	0.000		1,375.00	0.00	1,375.00	0.00
Interest	03/31/2017	912828T34	200,000.00	US Treasury Note 1.125% Due 9/30/2021	0.000		1,125.00	0.00	1,125.00	0.00
Interest	03/31/2017	912828T34	215,000.00	US Treasury Note 1.125% Due 9/30/2021	0.000		1,209.38	0.00	1,209.38	0.00
Interest	03/31/2017	912828T42	200,000.00	US Treasury Note 0.75% Due 9/30/2018	0.000		750.00	0.00	750.00	0.00
	Subtotal		**4,265,000.00**				**27,776.15**	**0.00**	**27,776.15**	**0.00**
Dividend	03/01/2017	31846V203	14,318.14	First American Govt Obligation Fund	0.000		1.42	0.00	1.42	0.00
Dividend	03/01/2017	31846V203	23,797.54	First American Govt Obligation Fund	0.000		2.35	0.00	2.35	0.00
	Subtotal		**38,115.68**				**3.77**	**0.00**	**3.77**	**0.00**
TOTAL OTHER TRANSACTIONS			**4,303,115.68**				**27,779.92**	**0.00**	**27,779.92**	**0.00**

CUSIP	Security Description	Trade Date / Settle Date / Units	Book Value: Begin / Book Value: Acq / Book Value: Disp / Book Value: End	Prior Accrued / Inc. Received / Ending Accrued / Total Interest	Accr. Of Discount / Amort. Of Premium / Net Accret/Amort / Income Earned	Unreal G/L / Total Income
Fixed Income						
02582JGU8	American Express Credit 2014-3 A 1.49% Due 04/15/2020		415,773.98	274.83	0.00	
		12/02/2016	0.00	515.29	121.18	
		12/07/2016	0.00	274.83	(121.18)	0.00
		415,000.00	415,652.80	515.29	394.11	394.11
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018		253,588.78	2,080.72	0.00	
		10/19/2016	0.00	0.00	189.22	
		10/24/2016	0.00	2,523.44	(189.22)	0.00
		250,000.00	253,399.56	442.72	253.50	253.50
037833AJ9	Apple Inc Note 1% Due 05/03/2018		249,978.84	819.44	1.52	
		10/19/2016	0.00	0.00	0.00	
		10/24/2016	0.00	1,027.78	1.52	0.00
		250,000.00	249,980.36	208.34	209.86	209.86
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 09/11/2019		254,951.56	2,715.28	0.00	
		10/19/2016	0.00	2,875.00	166.12	
		10/24/2016	0.00	319.44	(166.12)	0.00
		250,000.00	254,785.44	479.16	313.04	313.04
084664CK5	Berkshire Hathaway Note 1.3% Due 08/15/2019		249,590.28	144.44	14.16	
		10/26/2016	0.00	0.00	0.00	
		10/31/2016	0.00	415.28	14.16	0.00
		250,000.00	249,604.44	270.84	285.00	285.00
161571HH0	Chase CHAIT Pool #2016-A7 1.06% Due 09/16/2019		399,642.14	188.44	56.02	
		12/16/2016	0.00	353.33	0.00	
		12/21/2016	0.00	188.44	56.02	0.00
		400,000.00	399,698.16	353.33	409.35	409.35
166764AE0	Chevron Corp Callable Note Cont 5/24/2018 1.718% Due 06/24/2018		125,792.75	399.67	0.00	
		10/20/2016	0.00	0.00	51.20	
		10/25/2016	0.00	578.63	(51.20)	0.00
		125,000.00	125,741.55	178.96	127.76	127.76
166764BG4	Chevron Corp Callable Note Cont 4/15/2021 2.1% Due 05/16/2021		126,667.24	765.63	0.00	
		10/20/2016	0.00	0.00	33.63	
		10/25/2016	0.00	984.38	(33.63)	0.00
		125,000.00	126,633.61	218.75	185.12	185.12
17275RAR3	Cisco Systems Note 2.125% Due 03/01/2019		127,112.49	1,328.13	0.00	
		10/20/2016	0.00	1,328.13	89.71	
		10/25/2016	0.00	221.35	(89.71)	0.00
		125,000.00	127,022.78	221.35	131.64	131.64
17275RAU6	Cisco Systems Note 1.65% Due 06/15/2018		125,819.13	435.42	0.00	
		10/20/2016	0.00	0.00	53.91	
		10/25/2016	0.00	607.29	(53.91)	0.00
		125,000.00	125,765.22	171.87	117.96	117.96

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
17275RBG6	Cisco Systems Note 1.4% Due 09/20/2019	 10/12/2016 10/17/2016 125,000.00	124,890.80 0.00 0.00 124,894.43	782.64 875.00 53.47 145.83	3.63 0.00 3.63 149.46	 0.00 149.46
22160KAG0	Costco Wholesale Corp Note 1.75% Due 02/15/2020	 Various Various 375,000.00	377,257.20 0.00 0.00 377,192.48	291.66 0.00 838.53 546.87	0.00 64.72 (64.72) 482.15	 0.00 482.15
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	 10/24/2016 10/27/2016 250,000.00	252,775.40 0.00 0.00 252,643.44	1,056.26 0.00 1,462.50 406.24	0.00 131.96 (131.96) 274.28	 0.00 274.28
30231GAD4	Exxon Mobil Corp Callable Note Cont 2/15/2019 1.819% Due 03/15/2019	 10/21/2016 10/26/2016 125,000.00	126,366.14 0.00 0.00 126,309.22	1,048.45 1,136.88 101.06 189.49	0.00 56.92 (56.92) 132.57	 0.00 132.57
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 03/01/2021	 10/21/2016 10/26/2016 125,000.00	127,574.24 0.00 0.00 127,519.62	1,388.75 1,388.75 231.46 231.46	0.00 54.62 (54.62) 176.84	 0.00 176.84
3130A1W95	FHLB Note 2.25% Due 06/11/2021	 11/25/2016 11/28/2016 200,000.00	203,282.68 0.00 0.00 203,217.57	1,000.00 0.00 1,375.00 375.00	0.00 65.11 (65.11) 309.89	 0.00 309.89
3130A7CV5	FHLB Note 1.375% Due 02/18/2021	 10/26/2016 10/27/2016 200,000.00	200,311.17 0.00 0.00 200,304.52	99.31 0.00 328.47 229.16	0.00 6.65 (6.65) 222.51	 0.00 222.51
3130A8NN9	FHLB Note 0.8% Due 06/28/2019	 10/27/2016 10/28/2016 250,000.00	248,128.36 0.00 0.00 248,196.70	350.00 0.00 516.67 166.67	68.34 0.00 68.34 235.01	 0.00 235.01
3130A8Y72	FHLB Note 0.875% Due 08/05/2019	 10/21/2016 10/24/2016 200,000.00	199,255.44 0.00 0.00 199,281.47	126.39 0.00 272.22 145.83	26.03 0.00 26.03 171.86	 0.00 171.86
3130A9AE1	FHLB Note 0.875% Due 10/01/2018	 10/26/2016 10/27/2016 400,000.00	399,766.42 0.00 0.00 399,778.94	1,458.34 0.00 1,750.00 291.66	12.52 0.00 12.52 304.18	 0.00 304.18
3130A9EP2	FHLB Note 1% Due 09/26/2019	 11/17/2016 11/18/2016 400,000.00	396,719.80 0.00 0.00 396,828.10	1,722.22 2,000.00 55.56 333.34	108.30 0.00 108.30 441.64	 0.00 441.64

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3130AA3R7	FHLB Note 1.375% Due 11/15/2019		399,891.32	1,588.88	3.40	
		11/17/2016	0.00	0.00	0.00	
		11/18/2016	0.00	2,047.22	3.40	0.00
		400,000.00	399,894.72	458.34	461.74	461.74
3130AAE46	FHLB Note 1.25% Due 01/16/2019		199,774.39	312.50	10.20	
		12/29/2016	0.00	0.00	0.00	
		12/29/2016	0.00	520.83	10.20	0.00
		200,000.00	199,784.59	208.33	218.53	218.53
313376BR5	FHLB Note 1.75% Due 12/14/2018		403,788.10	1,497.22	0.00	
		11/30/2016	0.00	0.00	179.84	
		11/30/2016	0.00	2,080.56	(179.84)	0.00
		400,000.00	403,608.26	583.34	403.50	403.50
313378A43	FHLB Note 1.375% Due 03/09/2018		201,135.68	1,313.89	0.00	
		11/01/2016	0.00	1,375.00	94.39	
		11/02/2016	0.00	168.06	(94.39)	0.00
		200,000.00	201,041.29	229.17	134.78	134.78
313378CR0	FHLB Note 2.25% Due 03/11/2022		0.00	0.00	0.00	
		03/13/2017	220,525.80	(41.25)	5.19	
		03/14/2017	0.00	275.00	(5.19)	0.00
		220,000.00	220,520.61	233.75	228.56	228.56
313378J77	FHLB Note 1.875% Due 03/13/2020		202,206.76	1,750.00	0.00	
		11/29/2016	0.00	1,875.00	61.74	
		11/30/2016	0.00	187.50	(61.74)	0.00
		200,000.00	202,145.02	312.50	250.76	250.76
313379DD8	FHLB Note 1% Due 06/21/2017		125,112.41	243.06	0.00	
		11/30/2016	0.00	0.00	31.11	
		11/30/2016	0.00	347.22	(31.11)	0.00
		125,000.00	125,081.30	104.16	73.05	73.05
313379EE5	FHLB Note 1.625% Due 06/14/2019		200,849.78	695.14	0.00	
		12/21/2016	0.00	0.00	31.55	
		12/22/2016	0.00	965.97	(31.55)	0.00
		200,000.00	200,818.23	270.83	239.28	239.28
313382K69	FHLB Note 1.75% Due 03/12/2021		132,083.64	1,067.99	0.00	
		10/25/2016	0.00	1,137.50	43.88	
		10/26/2016	0.00	120.07	(43.88)	0.00
		130,000.00	132,039.76	189.58	145.70	145.70
3133EEJ50	FFCB Note 1.03% Due 05/11/2018		199,699.43	629.44	21.37	
		12/27/2016	0.00	0.00	0.00	
		12/28/2016	0.00	801.11	21.37	0.00
		200,000.00	199,720.80	171.67	193.04	193.04
3133EEQM5	FFCB Note 1.11% Due 02/20/2018		300,274.77	101.75	0.00	
		11/29/2016	0.00	0.00	23.93	
		11/30/2016	0.00	379.25	(23.93)	0.00
		300,000.00	300,250.84	277.50	253.57	253.57

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3133EFRQ2	FFCB Note 1.3% Due 12/03/2018		201,247.46	635.56	0.00	
		10/20/2016	0.00	0.00	60.24	
		10/21/2016	0.00	852.22	(60.24)	0.00
		200,000.00	201,187.22	216.66	156.42	156.42
3133EFW52	FFCB Note 1.15% Due 07/01/2019		200,617.11	383.33	0.00	
		10/20/2016	0.00	0.00	22.45	
		10/21/2016	0.00	575.00	(22.45)	0.00
		200,000.00	200,594.66	191.67	169.22	169.22
3133EG3J2	FFCB Note 1.55% Due 01/10/2020		304,940.70	669.73	1.77	
		01/27/2017	0.00	0.00	0.00	
		01/30/2017	0.00	1,063.69	1.77	0.00
		305,000.00	304,942.47	393.96	395.73	395.73
3133EGE68	FFCB Note 0.8% Due 03/08/2018		399,323.36	1,004.44	56.38	
		11/17/2016	0.00	1,066.67	0.00	
		11/18/2016	0.00	204.44	56.38	0.00
		400,000.00	399,379.74	266.67	323.05	323.05
3133EGFQ3	FFCB Note 0.875% Due 09/14/2018		399,964.32	1,623.62	1.96	
		10/20/2016	0.00	1,750.00	0.00	
		10/21/2016	0.00	165.28	1.96	0.00
		400,000.00	399,966.28	291.66	293.62	293.62
3133EGJ48	FFCB Note 0.89% Due 11/16/2018		398,671.24	1,038.34	65.90	
		11/15/2016	0.00	0.00	0.00	
		11/16/2016	0.00	1,335.00	65.90	0.00
		400,000.00	398,737.14	296.66	362.56	362.56
3133EGJS5	FFCB Note 0.7% Due 07/05/2018		398,857.08	435.56	72.16	
		Various	0.00	0.00	0.00	
		Various	0.00	668.88	72.16	0.00
		400,000.00	398,929.24	233.32	305.48	305.48
3133EGUY9	FFCB Note 0.875% Due 09/20/2018		399,639.36	1,565.28	19.68	
		10/26/2016	0.00	1,750.00	0.00	
		10/27/2016	0.00	106.94	19.68	0.00
		400,000.00	399,659.04	291.66	311.34	311.34
3133EGYP4	FFCB Note 1.05% Due 10/17/2019		198,506.27	781.67	48.23	
		11/17/2016	0.00	0.00	0.00	
		11/18/2016	0.00	956.67	48.23	0.00
		200,000.00	198,554.50	175.00	223.23	223.23
43814RAB2	Honda Auto Receivables 2016-4 A2 1.04% Due 04/18/2019		409,990.16	153.98	0.40	
		10/18/2016	0.00	355.34	0.00	
		10/25/2016	0.00	153.98	0.40	0.00
		410,000.00	409,990.56	355.34	355.74	355.74
458140AL4	Intel Corp Note 1.35% Due 12/15/2017		233,581.39	664.05	0.00	
		11/17/2016	0.00	0.00	62.36	
		11/22/2016	0.00	926.18	(62.36)	0.00
		233,000.00	233,519.03	262.13	199.77	199.77

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594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/03/2020		127,237.95	819.44	0.00	
		10/24/2016	0.00	0.00	51.66	
		10/27/2016	0.00	1,027.78	(51.66)	0.00
		125,000.00	127,186.29	208.34	156.68	156.68
594918BN3	Microsoft Note 1.1% Due 08/08/2019		124,584.59	87.85	14.47	
		10/24/2016	0.00	0.00	0.00	
		10/27/2016	0.00	202.43	14.47	0.00
		125,000.00	124,599.06	114.58	129.05	129.05
674599CD5	Occidental Petroleum Callable Note Cont 1/15/18 1.5% Due 02/15/2018		125,265.85	83.33	0.00	
		10/26/2016	0.00	0.00	23.48	
		10/31/2016	0.00	239.58	(23.48)	0.00
		125,000.00	125,242.37	156.25	132.77	132.77
68389XBK0	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 09/15/2021		122,343.75	1,543.75	49.63	
		11/29/2016	0.00	1,636.11	0.00	
		12/02/2016	0.00	105.56	49.63	0.00
		125,000.00	122,393.38	197.92	247.55	247.55
69371RM37	Paccar Financial Corp Note 1.4% Due 11/17/2017		330,681.46	1,334.66	0.00	
		11/17/2016	0.00	0.00	80.94	
		11/18/2016	0.00	1,719.66	(80.94)	0.00
		330,000.00	330,600.52	385.00	304.06	304.06
717081EB5	Pfizer Inc. Note 1.7% Due 12/15/2019		125,004.86	590.28	0.00	
		01/27/2017	0.00	0.00	0.15	
		01/30/2017	0.00	767.36	(0.15)	0.00
		125,000.00	125,004.71	177.08	176.93	176.93
74005PBH6	Praxair Note 1.25% Due 11/07/2018		125,074.72	494.79	0.00	
		10/21/2016	0.00	0.00	3.76	
		10/26/2016	0.00	625.00	(3.76)	0.00
		125,000.00	125,070.96	130.21	126.45	126.45
747525AD5	Qualcomm Inc Note 2.25% Due 05/20/2020		254,865.50	1,578.12	0.00	
		10/19/2016	0.00	0.00	128.24	
		10/21/2016	0.00	2,046.88	(128.24)	0.00
		250,000.00	254,737.26	468.76	340.52	340.52
808513AK1	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 03/10/2018		200,679.72	1,425.00	0.00	
		10/31/2016	0.00	1,500.00	56.34	
		11/02/2016	0.00	175.00	(56.34)	0.00
		200,000.00	200,623.38	250.00	193.66	193.66
857477AV5	State Street Bank Note 1.95% Due 05/19/2021		125,311.45	690.63	0.00	
		10/12/2016	0.00	0.00	6.27	
		10/17/2016	0.00	893.75	(6.27)	0.00
		125,000.00	125,305.18	203.12	196.85	196.85
89236TBP9	Toyota Motor Credit Corp Note 2.125% Due 07/18/2019		126,941.92	317.27	0.00	
		10/24/2016	0.00	0.00	69.28	
		10/27/2016	0.00	538.63	(69.28)	0.00
		125,000.00	126,872.64	221.36	152.08	152.08

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89236TDE2	Toyota Motor Credit Corp Note 1.4% Due 05/20/2019	 10/12/2016 10/17/2016 125,000.00	124,782.50 0.00 0.00 124,790.82	490.97 0.00 636.81 145.84	8.32 0.00 8.32 154.16	 0.00 154.16
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 04/25/2019	 10/12/2016 10/17/2016 250,000.00	253,718.08 0.00 0.00 253,571.26	1,925.00 0.00 2,383.34 458.34	0.00 146.82 (146.82) 311.52	 0.00 311.52
91159HHP8	US Bancorp Note 2.625% Due 01/24/2022	 01/19/2017 01/24/2017 60,000.00	59,898.83 0.00 0.00 59,900.59	161.88 0.00 293.13 131.25	1.76 0.00 1.76 133.01	 0.00 133.01
9128282C3	US Treasury Note 0.75% Due 08/31/2018	 11/01/2016 11/02/2016 200,000.00	199,673.20 0.00 0.00 199,691.68	4.08 0.00 130.43 126.35	18.48 0.00 18.48 144.83	 0.00 144.83
912828A34	US Treasury Note 1.25% Due 11/30/2018	 10/26/2016 10/27/2016 400,000.00	402,261.98 0.00 0.00 402,152.24	1,250.00 0.00 1,675.82 425.82	0.00 109.74 (109.74) 316.08	 0.00 316.08
912828J50	US Treasury Note 1.375% Due 02/29/2020	 10/25/2016 10/26/2016 200,000.00	201,696.13 0.00 0.00 201,648.11	7.47 0.00 239.13 231.66	0.00 48.02 (48.02) 183.64	 0.00 183.64
912828K25	US Treasury Note 0.75% Due 04/15/2018	 11/02/2016 11/03/2016 400,000.00	399,940.38 0.00 0.00 399,944.88	1,129.12 0.00 1,384.62 255.50	4.50 0.00 4.50 260.00	 0.00 260.00
912828L65	US Treasury Note 1.375% Due 09/30/2020	 10/26/2016 10/27/2016 200,000.00	201,255.75 0.00 0.00 201,226.02	1,148.35 1,375.00 7.51 234.16	0.00 29.73 (29.73) 204.43	 0.00 204.43
912828L99	US Treasury Note 1.375% Due 10/31/2020	 10/25/2016 10/26/2016 200,000.00	201,307.42 0.00 0.00 201,277.18	919.20 0.00 1,154.70 235.50	0.00 30.24 (30.24) 205.26	 0.00 205.26
912828N89	US Treasury Note 1.375% Due 01/31/2021	 Various Various 400,000.00	398,032.71 0.00 0.00 398,075.30	440.60 0.00 911.60 471.00	68.58 25.99 42.59 513.59	 0.00 513.59
912828P20	US Treasury Note 0.75% Due 01/31/2018	 10/26/2016 10/27/2016 200,000.00	199,954.94 0.00 0.00 199,959.09	120.17 0.00 248.62 128.45	4.15 0.00 4.15 132.60	 0.00 132.60

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912828P87	US Treasury Note 1.125% Due 02/28/2021		199,231.09	6.11	16.32	
		10/25/2016	0.00	0.00	0.00	
		10/26/2016	0.00	195.65	16.32	0.00
		200,000.00	199,247.41	189.54	205.86	205.86
912828R93	US Treasury Note 0.625% Due 06/30/2018		399,021.22	414.36	62.42	
		10/17/2016	0.00	0.00	0.00	
		10/18/2016	0.00	628.46	62.42	0.00
		400,000.00	399,083.64	214.10	276.52	276.52
912828T34	US Treasury Note 1.125% Due 09/30/2021		196,828.18	939.56	177.22	
		Various	206,770.25	1,277.84	0.00	
		Various	0.00	12.76	177.22	0.00
		415,000.00	403,775.65	351.04	528.26	528.26
912828T42	US Treasury Note 0.75% Due 09/30/2018		199,602.30	626.37	21.33	
		10/26/2016	0.00	750.00	0.00	
		10/27/2016	0.00	4.10	21.33	0.00
		200,000.00	199,623.63	127.73	149.06	149.06
912828TH3	US Treasury Note 0.875% Due 07/31/2019		199,467.38	140.19	18.72	
		10/25/2016	0.00	0.00	0.00	
		10/26/2016	0.00	290.06	18.72	0.00
		200,000.00	199,486.10	149.87	168.59	168.59
912828UB4	US Treasury Note 1% Due 11/30/2019		399,122.78	1,000.00	27.10	
		10/12/2016	0.00	0.00	0.00	
		10/13/2016	0.00	1,340.66	27.10	0.00
		400,000.00	399,149.88	340.66	367.76	367.76
912828UF5	US Treasury Note 1.125% Due 12/31/2019		200,418.48	372.93	0.00	
		10/25/2016	0.00	0.00	12.54	
		10/26/2016	0.00	565.61	(12.54)	0.00
		200,000.00	200,405.94	192.68	180.14	180.14
912828V72	US Treasury Note 1.875% Due 01/31/2022		199,309.97	300.41	11.90	
		02/16/2017	0.00	0.00	0.00	
		02/17/2017	0.00	621.55	11.90	0.00
		200,000.00	199,321.87	321.14	333.04	333.04
912828VA5	US Treasury Note 1.125% Due 04/30/2020		200,085.14	756.25	0.00	
		10/25/2016	0.00	0.00	2.28	
		10/26/2016	0.00	943.75	(2.28)	0.00
		200,000.00	200,082.86	187.50	185.22	185.22
912828XH8	US Treasury Note 1.625% Due 06/30/2020		203,298.08	538.67	0.00	
		11/02/2016	0.00	0.00	84.01	
		11/03/2016	0.00	816.99	(84.01)	0.00
		200,000.00	203,214.07	278.32	194.31	194.31
912828XM7	US Treasury Note 1.625% Due 07/31/2020		203,215.13	260.36	0.00	
		10/25/2016	0.00	0.00	79.87	
		10/26/2016	0.00	538.67	(79.87)	0.00
		200,000.00	203,135.26	278.31	198.44	198.44

CUSIP	Security Description	Trade Date / Settle Date / Units	Book Value: Begin / Book Value: Acq / Book Value: Disp / Book Value: End	Prior Accrued / Inc. Received / Ending Accrued / Total Interest	Accr. Of Discount / Amort. Of Premium / Net Accret/Amort / Income Earned	Unreal G/L / Total Income
92826CAA0	Visa Inc Note 1.2% Due 12/14/2017		250,269.34	641.66	0.00	
		10/26/2016	0.00	0.00	29.00	
		10/31/2016	0.00	891.66	(29.00)	0.00
		250,000.00	250,240.34	250.00	221.00	221.00
94974BFG0	Wells Fargo Corp Note 1.5% Due 01/16/2018		125,101.43	234.38	0.00	
		10/21/2016	0.00	0.00	9.79	
		10/26/2016	0.00	390.63	(9.79)	0.00
		125,000.00	125,091.64	156.25	146.46	146.46
94974BGF1	Wells Fargo Corp Note 2.15% Due 01/30/2020		125,715.97	231.42	0.00	
		10/24/2016	0.00	0.00	20.84	
		10/27/2016	0.00	455.38	(20.84)	0.00
		125,000.00	125,695.13	223.96	203.12	203.12
			18,426,599.75	**59,656.08**	**1,096.87**	
			427,296.05	**26,279.59**	**2,750.62**	
			0.00	**54,130.14**	**(1,653.75)**	**0.00**
TOTAL Fixed Income		**18,818,000.00**	**18,852,242.05**	**20,753.65**	**19,099.90**	**19,099.90**

Cash & Equivalent

02587DJ90	American Express Centurion Negotiable CD 2.25% Due 12/09/2020		110,000.00	556.03	0.00	
		12/09/2015	0.00	0.00	0.00	
		12/09/2015	0.00	766.23	0.00	0.00
		110,000.00	110,000.00	210.20	210.20	210.20
06538BQ63	Bank of Tokyo Mitsubishi NY Discount CP Due 03/06/2017		398,512.22	1,430.56	0.00	
		10/26/2016	0.00	1,487.78	0.00	
		10/27/2016	398,512.22	0.00	0.00	0.00
		0.00	0.00	57.22	57.22	57.22
140420UF5	Capital One Bank USA NA Negotiable CD 2.3% Due 08/12/2020		100,000.00	107.12	0.00	
		08/17/2015	0.00	0.00	0.00	
		08/17/2015	0.00	302.47	0.00	0.00
		100,000.00	100,000.00	195.35	195.35	195.35
17284A6C7	CIT Bank Negotiable CD 1.1% Due 03/06/2018		145,000.00	769.10	0.00	
		03/06/2013	0.00	790.95	0.00	
		03/06/2013	0.00	113.62	0.00	0.00
		145,000.00	145,000.00	135.47	135.47	135.47
254671KJ8	Discover Bank Negotiable CD 1.1% Due 02/20/2018		150,000.00	40.68	0.00	
		02/20/2013	0.00	0.00	0.00	
		02/20/2013	0.00	180.82	0.00	0.00
		150,000.00	150,000.00	140.14	140.14	140.14
29976DPF1	Everbank Negotiable CD 1.5% Due 11/15/2019		149,332.00	653.42	20.94	
		01/30/2015	0.00	0.00	0.00	
		01/30/2015	0.00	844.52	20.94	0.00
		150,000.00	149,352.94	191.10	212.04	212.04

CUSIP	Security Description	Trade Date Settle Date Units	Book Value: Begin Book Value: Acq Book Value: Disp Book Value: End	Prior Accrued Inc. Received Ending Accrued Total Interest	Accr. Of Discount Amort. Of Premium Net Accret/Amort Income Earned	Unreal G/L Total Income
313313LP1	FFCB Discount Note 0.68% Due 09/11/2017	 11/02/2016 11/02/2016 200,000.00	198,817.56 0.00 0.00 198,817.56	449.55 0.00 566.66 117.11	0.00 0.00 0.00 117.11	 0.00 117.11
313313ML9	FFCB Discount Note 0.68% Due 10/02/2017	 11/02/2016 11/02/2016 200,000.00	198,738.22 0.00 0.00 198,738.22	449.56 0.00 566.67 117.11	0.00 0.00 0.00 117.11	 0.00 117.11
313385ET9	FHLB Discount Note 0.71% Due 04/24/2017	 11/25/2016 11/28/2016 250,000.00	249,275.21 0.00 0.00 249,275.21	458.54 0.00 611.39 152.85	0.00 0.00 0.00 152.85	 0.00 152.85
313385FE1	FHLB Discount Note 0.7% Due 05/05/2017	 11/23/2016 11/23/2016 250,000.00	249,207.64 0.00 0.00 249,207.64	476.39 0.00 627.08 150.69	0.00 0.00 0.00 150.69	 0.00 150.69
31846V203	First American Govt Obligation Fund	 Various Various 35,273.72	38,115.68 427,381.15 430,223.11 35,273.72	0.00 3.77 0.00 3.77	0.00 0.00 0.00 3.77	 0.00 3.77
36160KPR0	Synchrony Bank Negotiable CD 1.65% Due 08/31/2017	 10/25/2012 10/25/2012 100,000.00	100,103.12 0.00 0.00 100,085.66	818.22 831.78 140.14 153.70	0.00 17.46 (17.46) 136.24	 0.00 136.24
36161TJA4	GE Capital Bank Negotiable CD 1.1% Due 02/22/2018	 02/22/2013 02/22/2013 150,000.00	150,000.00 0.00 0.00 150,000.00	31.64 0.00 171.78 140.14	0.00 0.00 0.00 140.14	 0.00 140.14
38143A6F7	Goldman Sachs Negotiable CD 1.2% Due 02/13/2018	 02/13/2013 02/13/2013 150,000.00	150,000.00 0.00 0.00 150,000.00	78.90 0.00 231.78 152.88	0.00 0.00 0.00 152.88	 0.00 152.88
38143AH57	Goldman Sachs Negotiable CD 1.55% Due 10/03/2017	 10/11/2012 10/11/2012 100,000.00	99,997.27 0.00 0.00 99,997.66	632.74 0.00 764.38 131.64	0.39 0.00 0.39 132.03	 0.00 132.03
87164WFD5	Synchrony Bank Negotiable CD 1.8% Due 01/30/2020	 01/30/2015 01/30/2015 150,000.00	150,000.00 0.00 0.00 150,000.00	221.92 0.00 451.23 229.31	0.00 0.00 0.00 229.31	 0.00 229.31
89233GUK0	Toyota Motor Credit Discount CP 1.21% Due 07/19/2017	 12/21/2016 12/21/2016 250,000.00	248,235.42 0.00 0.00 248,235.42	588.20 0.00 848.68 260.48	0.00 0.00 0.00 260.48	 0.00 260.48

CUSIP	Security Description	Trade Date / Settle Date / Units	Book Value: Begin / Book Value: Acq / Book Value: Disp / Book Value: End	Prior Accrued / Inc. Received / Ending Accrued / Total Interest	Accr. Of Discount / Amort. Of Premium / Net Accret/Amort / Income Earned	Unreal G/L / Total Income
90CASH$00	Cash Custodial Cash Account		271,898.68	0.00	0.00	
		Various	807.14	0.00	0.00	
		Various	0.00	0.00	0.00	0.00
		272,705.82	272,705.82	0.00	0.00	0.00
			3,157,233.02	**7,762.57**	**21.33**	
			428,188.29	**3,114.28**	**17.46**	
			828,735.33	**7,187.45**	**3.87**	**0.00**
TOTAL Cash & Equivalent		**2,762,979.54**	**2,756,689.85**	**2,539.16**	**2,543.03**	**2,543.03**

Local Agency Investment Fund

90LAIF$00	Local Agency Investment Fund State Pool		28,123,097.52	22,817.79	0.00	
		Various	0.00	0.00	0.00	
		Various	0.00	42,372.98	0.00	0.00
		28,123,097.52	28,123,097.52	19,555.19	19,555.19	19,555.19
			28,123,097.52	**22,817.79**	**0.00**	
			0.00	**0.00**	**0.00**	
			0.00	**42,372.98**	**0.00**	**0.00**
TOTAL Local Agency Investment Fund		**28,123,097.52**	**28,123,097.52**	**19,555.19**	**19,555.19**	**19,555.19**
			49,706,930.29	**90,236.44**	**1,118.20**	
			855,484.34	**29,393.87**	**2,768.08**	
			828,735.33	**103,690.57**	**(1,649.88)**	**0.00**
TOTAL PORTFOLIO		**49,704,077.06**	**49,732,029.42**	**42,848.00**	**41,198.12**	**41,198.12**

Cash Flow Report

From 03/31/2017

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
04/01/2017	Interest	3130A9AE1	200,000.00	FHLB Note 0.875% Due 10/1/2018	0.00	875.00	875.00
04/01/2017	Interest	3130A9AE1	200,000.00	FHLB Note 0.875% Due 10/1/2018	0.00	875.00	875.00
04/03/2017	Interest	38143AH57	100,000.00	Goldman Sachs Negotiable CD 1.55% Due 10/3/2017	0.00	772.88	772.88
04/10/2017	Interest	02665WAC5	125,000.00	American Honda Finance Note 2.125% Due 10/10/2018	0.00	1,328.13	1,328.13
04/10/2017	Interest	02665WAC5	125,000.00	American Honda Finance Note 2.125% Due 10/10/2018	0.00	1,328.13	1,328.13
04/15/2017	Dividend	90LAIF$00	28,123,097.52	Local Agency Investment Fund State Pool	0.00	42,372.98	42,372.98
04/15/2017	Interest	912828K25	200,000.00	US Treasury Note 0.75% Due 4/15/2018	0.00	750.00	750.00
04/15/2017	Interest	912828K25	200,000.00	US Treasury Note 0.75% Due 4/15/2018	0.00	750.00	750.00
04/15/2017	Paydown	02582JGU8	210,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	33,522.14	260.75	33,782.89
04/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	68,524.13	176.67	68,700.80
04/15/2017	Paydown	02582JGU8	205,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	32,723.99	254.54	32,978.53
04/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	68,524.13	176.67	68,700.80
04/17/2017	Interest	3133EGYP4	200,000.00	FFCB Note 1.05% Due 10/17/2019	0.00	1,050.00	1,050.00
04/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	19,681.20	177.67	19,858.87
04/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	19,681.20	177.67	19,858.87
04/24/2017	Maturity	313385ET9	250,000.00	FHLB Discount Note 0.71% Due 4/24/2017	249,275.21	724.79	250,000.00
04/25/2017	Interest	91159HHH6	125,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	0.00	1,375.00	1,375.00
04/25/2017	Interest	91159HHH6	125,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	0.00	1,375.00	1,375.00
04/30/2017	Interest	912828VA5	200,000.00	US Treasury Note 1.125% Due 4/30/2020	0.00	1,125.00	1,125.00
04/30/2017	Interest	912828L99	200,000.00	US Treasury Note 1.375% Due 10/31/2020	0.00	1,375.00	1,375.00
Apr 2017					**491,932.00**	**57,300.88**	**549,232.88**

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/03/2017	Interest	037833AJ9	125,000.00	Apple Inc Note 1% Due 5/3/2018	0.00	625.00	625.00
05/03/2017	Interest	594918BG8	125,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.00	1,250.00	1,250.00
05/03/2017	Interest	037833AJ9	125,000.00	Apple Inc Note 1% Due 5/3/2018	0.00	625.00	625.00
05/05/2017	Maturity	313385FE1	250,000.00	FHLB Discount Note 0.7% Due 5/5/2017	249,207.64	792.36	250,000.00
05/07/2017	Interest	74005PBH6	125,000.00	Praxair Note 1.25% Due 11/7/2018	0.00	781.25	781.25
05/11/2017	Interest	3133EEJ50	200,000.00	FFCB Note 1.03% Due 5/11/2018	0.00	1,030.00	1,030.00
05/15/2017	Interest	3130AA3R7	200,000.00	FHLB Note 1.375% Due 11/15/2019	0.00	1,359.72	1,359.72
05/15/2017	Interest	3130AA3R7	200,000.00	FHLB Note 1.375% Due 11/15/2019	0.00	1,359.72	1,359.72
05/15/2017	Interest	29976DPF1	150,000.00	Everbank Negotiable CD 1.5% Due 11/15/2019	0.00	1,115.75	1,115.75
05/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	55,100.84	116.14	55,216.98
05/15/2017	Paydown	02582JGU8	205,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	33,287.93	213.91	33,501.84
05/15/2017	Paydown	02582JGU8	210,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	34,099.83	219.13	34,318.96
05/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	55,100.84	116.14	55,216.98
05/16/2017	Interest	166764BG4	125,000.00	Chevron Corp Callable Note Cont 4/15/2021 2.1% Due 5/16/2021	0.00	1,312.50	1,312.50
05/16/2017	Interest	3133EGJ48	200,000.00	FFCB Note 0.89% Due 11/16/2018	0.00	890.00	890.00
05/16/2017	Interest	3133EGJ48	200,000.00	FFCB Note 0.89% Due 11/16/2018	0.00	890.00	890.00
05/17/2017	Interest	69371RM37	165,000.00	Paccar Financial Corp Note 1.4% Due 11/17/2017	0.00	1,155.00	1,155.00
05/17/2017	Interest	69371RM37	165,000.00	Paccar Financial Corp Note 1.4% Due 11/17/2017	0.00	1,155.00	1,155.00
05/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	18,735.79	160.61	18,896.40
05/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	18,735.79	160.61	18,896.40

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
05/19/2017	Interest	857477AV5	125,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.00	1,218.75	1,218.75
05/20/2017	Interest	747525AD5	125,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,406.25	1,406.25
05/20/2017	Interest	89236TDE2	125,000.00	Toyota Motor Credit Corp Note 1.4% Due 5/20/2019	0.00	875.00	875.00
05/20/2017	Interest	747525AD5	125,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,406.25	1,406.25
05/31/2017	Interest	912828A34	200,000.00	US Treasury Note 1.25% Due 11/30/2018	0.00	1,250.00	1,250.00
05/31/2017	Interest	912828UB4	200,000.00	US Treasury Note 1% Due 11/30/2019	0.00	1,000.00	1,000.00
05/31/2017	Interest	912828A34	200,000.00	US Treasury Note 1.25% Due 11/30/2018	0.00	1,250.00	1,250.00
05/31/2017	Interest	912828UB4	200,000.00	US Treasury Note 1% Due 11/30/2019	0.00	1,000.00	1,000.00
May 2017					**464,268.66**	**24,734.09**	**489,002.75**
06/03/2017	Interest	3133EFRQ2	200,000.00	FFCB Note 1.3% Due 12/3/2018	0.00	1,300.00	1,300.00
06/09/2017	Interest	02587DJ90	110,000.00	American Express Centurion Negotiable CD 2.25% Due 12/9/2020	0.00	1,234.11	1,234.11
06/11/2017	Interest	3130A1W95	200,000.00	FHLB Note 2.25% Due 6/11/2021	0.00	2,250.00	2,250.00
06/13/2017	Interest	24422ESF7	125,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.00	1,218.75	1,218.75
06/13/2017	Interest	24422ESF7	125,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.00	1,218.75	1,218.75
06/14/2017	Interest	92826CAA0	125,000.00	Visa Inc Note 1.2% Due 12/14/2017	0.00	750.00	750.00
06/14/2017	Interest	313376BR5	200,000.00	FHLB Note 1.75% Due 12/14/2018	0.00	1,750.00	1,750.00
06/14/2017	Interest	92826CAA0	125,000.00	Visa Inc Note 1.2% Due 12/14/2017	0.00	750.00	750.00
06/14/2017	Interest	313376BR5	200,000.00	FHLB Note 1.75% Due 12/14/2018	0.00	1,750.00	1,750.00
06/14/2017	Interest	313379EE5	200,000.00	FHLB Note 1.625% Due 6/14/2019	0.00	1,625.00	1,625.00
06/15/2017	Interest	17275RAU6	125,000.00	Cisco Systems Note 1.65% Due 6/15/2018	0.00	1,031.25	1,031.25
06/15/2017	Interest	717081EB5	125,000.00	Pfizer Inc. Note 1.7% Due 12/15/2019	0.00	1,204.17	1,204.17

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
06/15/2017	Interest	458140AL4	125,000.00	Intel Corp Note 1.35% Due 12/15/2017	0.00	843.75	843.75
06/15/2017	Interest	458140AL4	108,000.00	Intel Corp Note 1.35% Due 12/15/2017	0.00	729.00	729.00
06/15/2017	Paydown	02582JGU8	205,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	33,861.59	172.58	34,034.17
06/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	41,199.17	67.46	41,266.63
06/15/2017	Paydown	02582JGU8	210,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	34,687.49	176.79	34,864.28
06/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	41,199.17	67.46	41,266.63
06/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	17,788.91	144.37	17,933.28
06/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	17,788.91	144.37	17,933.28
06/21/2017	Maturity	313379DD8	125,000.00	FHLB Note 1% Due 6/21/2017	125,000.00	625.00	125,625.00
06/24/2017	Interest	166764AE0	125,000.00	Chevron Corp Callable Note Cont 5/24/2018 1.718% Due 6/24/2018	0.00	1,073.75	1,073.75
06/28/2017	Interest	3130A8NN9	250,000.00	FHLB Note 0.8% Due 6/28/2019	0.00	1,000.00	1,000.00
06/30/2017	Interest	912828UF5	200,000.00	US Treasury Note 1.125% Due 12/31/2019	0.00	1,125.00	1,125.00
06/30/2017	Interest	912828R93	200,000.00	US Treasury Note 0.625% Due 6/30/2018	0.00	625.00	625.00
06/30/2017	Interest	912828XH8	200,000.00	US Treasury Note 1.625% Due 6/30/2020	0.00	1,625.00	1,625.00
06/30/2017	Interest	912828R93	200,000.00	US Treasury Note 0.625% Due 6/30/2018	0.00	625.00	625.00
Jun 2017					**311,525.24**	**25,126.56**	**336,651.80**
07/01/2017	Interest	3133EFW52	200,000.00	FFCB Note 1.15% Due 7/1/2019	0.00	1,150.00	1,150.00
07/05/2017	Interest	3133EGJS5	200,000.00	FFCB Note 0.7% Due 7/5/2018	0.00	700.00	700.00
07/05/2017	Interest	3133EGJS5	200,000.00	FFCB Note 0.7% Due 7/5/2018	0.00	700.00	700.00
07/10/2017	Interest	3133EG3J2	145,000.00	FFCB Note 1.55% Due 1/10/2020	0.00	1,123.75	1,123.75
07/10/2017	Interest	3133EG3J2	160,000.00	FFCB Note 1.55% Due 1/10/2020	0.00	1,240.00	1,240.00

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
07/15/2017	Paydown	02582JGU8	205,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	34,445.15	130.53	34,575.68
07/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	26,804.11	31.07	26,835.18
07/15/2017	Paydown	02582JGU8	210,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	35,285.27	133.72	35,418.99
07/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	26,804.11	31.07	26,835.18
07/16/2017	Interest	3130AAE46	200,000.00	FHLB Note 1.25% Due 1/16/2019	0.00	1,250.00	1,250.00
07/16/2017	Interest	94974BFG0	125,000.00	Wells Fargo Corp Note 1.5% Due 1/16/2018	0.00	937.50	937.50
07/18/2017	Interest	89236TBP9	125,000.00	Toyota Motor Credit Corp Note 2.125% Due 7/18/2019	0.00	1,328.13	1,328.13
07/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	16,840.56	128.95	16,969.51
07/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	16,840.56	128.95	16,969.51
07/19/2017	Maturity	89233GUK0	125,000.00	Toyota Motor Credit Discount CP 1.21% Due 7/19/2017	124,117.71	882.29	125,000.00
07/19/2017	Maturity	89233GUK0	125,000.00	Toyota Motor Credit Discount CP 1.21% Due 7/19/2017	124,117.71	882.29	125,000.00
07/24/2017	Interest	91159HHP8	60,000.00	US Bancorp Note 2.625% Due 1/24/2022	0.00	787.50	787.50
07/30/2017	Interest	94974BGF1	125,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.00	1,343.75	1,343.75
07/30/2017	Interest	87164WFD5	150,000.00	Synchrony Bank Negotiable CD 1.8% Due 1/30/2020	0.00	1,338.90	1,338.90
07/31/2017	Interest	912828N89	200,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,375.00	1,375.00
07/31/2017	Interest	912828P20	200,000.00	US Treasury Note 0.75% Due 1/31/2018	0.00	750.00	750.00
07/31/2017	Interest	912828N89	200,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,375.00	1,375.00
07/31/2017	Interest	912828V72	200,000.00	US Treasury Note 1.875% Due 1/31/2022	0.00	1,875.00	1,875.00
07/31/2017	Interest	912828XM7	200,000.00	US Treasury Note 1.625% Due 7/31/2020	0.00	1,625.00	1,625.00
07/31/2017	Interest	912828TH3	200,000.00	US Treasury Note 0.875% Due 7/31/2019	0.00	875.00	875.00
Jul 2017					**405,255.18**	**22,123.40**	**427,378.58**

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/05/2017	Interest	3130A8Y72	200,000.00	FHLB Note 0.875% Due 8/5/2019	0.00	875.00	875.00
08/08/2017	Interest	594918BN3	125,000.00	Microsoft Note 1.1% Due 8/8/2019	0.00	687.50	687.50
08/12/2017	Interest	140420UF5	100,000.00	Capital One Bank USA NA Negotiable CD 2.3% Due 8/12/2020	0.00	1,140.55	1,140.55
08/13/2017	Interest	38143A6F7	150,000.00	Goldman Sachs Negotiable CD 1.2% Due 2/13/2018	0.00	892.60	892.60
08/15/2017	Interest	674599CD5	125,000.00	Occidental Petroleum Callable Note Cont 1/15/18 1.5% Due 2/15/2018	0.00	937.50	937.50
08/15/2017	Interest	084664CK5	125,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	0.00	812.50	812.50
08/15/2017	Interest	22160KAG0	125,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	1,093.75	1,093.75
08/15/2017	Interest	22160KAG0	250,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	2,187.50	2,187.50
08/15/2017	Interest	084664CK5	125,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	0.00	812.50	812.50
08/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	8,371.74	7.40	8,379.14
08/15/2017	Paydown	02582JGU8	210,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	35,893.36	89.90	35,983.26
08/15/2017	Paydown	02582JGU8	205,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	35,038.75	87.76	35,126.51
08/15/2017	Paydown	161571HH0	200,000.00	Chase CHAIT Pool #2016-A7 1.06% Due 9/16/2019	8,371.74	7.40	8,379.14
08/18/2017	Interest	3130A7CV5	200,000.00	FHLB Note 1.375% Due 2/18/2021	0.00	1,375.00	1,375.00
08/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	15,890.72	114.36	16,005.08
08/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	15,890.72	114.36	16,005.08
08/20/2017	Interest	3133EEQM5	300,000.00	FFCB Note 1.11% Due 2/20/2018	0.00	1,665.00	1,665.00
08/20/2017	Interest	254671KJ8	150,000.00	Discover Bank Negotiable CD 1.1% Due 2/20/2018	0.00	818.22	818.22
08/22/2017	Interest	36161TJA4	150,000.00	GE Capital Bank Negotiable CD 1.1% Due 2/22/2018	0.00	818.22	818.22
08/31/2017	Interest	912828P87	200,000.00	US Treasury Note 1.125% Due 2/28/2021	0.00	1,125.00	1,125.00

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
08/31/2017	Interest	912828J50	200,000.00	US Treasury Note 1.375% Due 2/29/2020	0.00	1,375.00	1,375.00
08/31/2017	Interest	9128282C3	200,000.00	US Treasury Note 0.75% Due 8/31/2018	0.00	750.00	750.00
08/31/2017	Maturity	36160KPR0	100,000.00	Synchrony Bank Negotiable CD 1.65% Due 8/31/2017	100,000.00	827.26	100,827.26
Aug 2017					**219,457.03**	**18,614.28**	**238,071.31**
09/01/2017	Interest	30231GAV4	125,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.00	1,388.75	1,388.75
09/01/2017	Interest	17275RAR3	125,000.00	Cisco Systems Note 2.125% Due 3/1/2019	0.00	1,328.13	1,328.13
09/06/2017	Interest	17284A6C7	145,000.00	CIT Bank Negotiable CD 1.1% Due 3/6/2018	0.00	804.05	804.05
09/08/2017	Interest	3133EGE68	200,000.00	FFCB Note 0.8% Due 3/8/2018	0.00	800.00	800.00
09/08/2017	Interest	3133EGE68	200,000.00	FFCB Note 0.8% Due 3/8/2018	0.00	800.00	800.00
09/09/2017	Interest	313378A43	200,000.00	FHLB Note 1.375% Due 3/9/2018	0.00	1,375.00	1,375.00
09/10/2017	Interest	808513AK1	200,000.00	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 3/10/2018	0.00	1,500.00	1,500.00
09/11/2017	Interest	06406HCW7	125,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.00	1,437.50	1,437.50
09/11/2017	Interest	06406HCW7	125,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.00	1,437.50	1,437.50
09/11/2017	Interest	313378CR0	220,000.00	FHLB Note 2.25% Due 3/11/2022	0.00	2,475.00	2,475.00
09/11/2017	Maturity	313313LP1	200,000.00	FFCB Discount Note 0.68% Due 9/11/2017	198,817.56	1,182.44	200,000.00
09/12/2017	Interest	313382K69	130,000.00	FHLB Note 1.75% Due 3/12/2021	0.00	1,137.50	1,137.50
09/13/2017	Interest	313378J77	200,000.00	FHLB Note 1.875% Due 3/13/2020	0.00	1,875.00	1,875.00
09/14/2017	Interest	3133EGFQ3	200,000.00	FFCB Note 0.875% Due 9/14/2018	0.00	875.00	875.00
09/14/2017	Interest	3133EGFQ3	200,000.00	FFCB Note 0.875% Due 9/14/2018	0.00	875.00	875.00
09/15/2017	Interest	68389XBK0	125,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.00	1,187.50	1,187.50

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
09/15/2017	Interest	30231GAD4	125,000.00	Exxon Mobil Corp Callable Note Cont 2/15/2019 1.819% Due 3/15/2019	0.00	1,136.88	1,136.88
09/15/2017	Paydown	02582JGU8	205,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	35,642.58	44.26	35,686.84
09/15/2017	Paydown	02582JGU8	210,000.00	American Express Credit 2014-3 A 1.49% Due 4/15/2020	36,511.91	45.34	36,557.25
09/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	14,939.42	100.59	15,040.01
09/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	14,939.42	100.59	15,040.01
09/20/2017	Interest	17275RBG6	125,000.00	Cisco Systems Note 1.4% Due 9/20/2019	0.00	875.00	875.00
09/20/2017	Interest	3133EGUY9	200,000.00	FFCB Note 0.875% Due 9/20/2018	0.00	875.00	875.00
09/20/2017	Interest	3133EGUY9	200,000.00	FFCB Note 0.875% Due 9/20/2018	0.00	875.00	875.00
09/26/2017	Interest	3130A9EP2	200,000.00	FHLB Note 1% Due 9/26/2019	0.00	1,000.00	1,000.00
09/26/2017	Interest	3130A9EP2	200,000.00	FHLB Note 1% Due 9/26/2019	0.00	1,000.00	1,000.00
09/30/2017	Interest	912828T34	215,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,209.38	1,209.38
09/30/2017	Interest	912828T42	200,000.00	US Treasury Note 0.75% Due 9/30/2018	0.00	750.00	750.00
09/30/2017	Interest	912828L65	200,000.00	US Treasury Note 1.375% Due 9/30/2020	0.00	1,375.00	1,375.00
09/30/2017	Interest	912828T34	200,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,125.00	1,125.00
Sep 2017					**300,850.89**	**30,990.41**	**331,841.30**
10/01/2017	Interest	3130A9AE1	200,000.00	FHLB Note 0.875% Due 10/1/2018	0.00	875.00	875.00
10/01/2017	Interest	3130A9AE1	200,000.00	FHLB Note 0.875% Due 10/1/2018	0.00	875.00	875.00
10/02/2017	Maturity	313313ML9	200,000.00	FFCB Discount Note 0.68% Due 10/2/2017	198,738.22	1,261.78	200,000.00
10/03/2017	Maturity	38143AH57	100,000.00	Goldman Sachs Negotiable CD 1.55% Due 10/3/2017	100,000.00	777.12	100,777.12
10/10/2017	Interest	02665WAC5	125,000.00	American Honda Finance Note 2.125% Due 10/10/2018	0.00	1,328.13	1,328.13
10/10/2017	Interest	02665WAC5	125,000.00	American Honda Finance Note 2.125% Due 10/10/2018	0.00	1,328.13	1,328.13

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
10/15/2017	Interest	912828K25	200,000.00	US Treasury Note 0.75% Due 4/15/2018	0.00	750.00	750.00
10/15/2017	Interest	912828K25	200,000.00	US Treasury Note 0.75% Due 4/15/2018	0.00	750.00	750.00
10/17/2017	Interest	3133EGYP4	200,000.00	FFCB Note 1.05% Due 10/17/2019	0.00	1,050.00	1,050.00
10/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	13,986.64	87.64	14,074.28
10/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	13,986.64	87.64	14,074.28
10/25/2017	Interest	91159HHH6	125,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	0.00	1,375.00	1,375.00
10/25/2017	Interest	91159HHH6	125,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	0.00	1,375.00	1,375.00
10/31/2017	Interest	912828L99	200,000.00	US Treasury Note 1.375% Due 10/31/2020	0.00	1,375.00	1,375.00
10/31/2017	Interest	912828VA5	200,000.00	US Treasury Note 1.125% Due 4/30/2020	0.00	1,125.00	1,125.00
Oct 2017					**326,711.50**	**14,420.44**	**341,131.94**
11/03/2017	Interest	037833AJ9	125,000.00	Apple Inc Note 1% Due 5/3/2018	0.00	625.00	625.00
11/03/2017	Interest	037833AJ9	125,000.00	Apple Inc Note 1% Due 5/3/2018	0.00	625.00	625.00
11/03/2017	Interest	594918BG8	125,000.00	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	0.00	1,250.00	1,250.00
11/07/2017	Interest	74005PBH6	125,000.00	Praxair Note 1.25% Due 11/7/2018	0.00	781.25	781.25
11/11/2017	Interest	3133EEJ50	200,000.00	FFCB Note 1.03% Due 5/11/2018	0.00	1,030.00	1,030.00
11/15/2017	Interest	3130AA3R7	200,000.00	FHLB Note 1.375% Due 11/15/2019	0.00	1,375.00	1,375.00
11/15/2017	Interest	3130AA3R7	200,000.00	FHLB Note 1.375% Due 11/15/2019	0.00	1,375.00	1,375.00
11/15/2017	Interest	29976DPF1	150,000.00	Everbank Negotiable CD 1.5% Due 11/15/2019	0.00	1,134.25	1,134.25
11/16/2017	Interest	3133EGJ48	200,000.00	FFCB Note 0.89% Due 11/16/2018	0.00	890.00	890.00
11/16/2017	Interest	166764BG4	125,000.00	Chevron Corp Callable Note Cont 4/15/2021 2.1% Due 5/16/2021	0.00	1,312.50	1,312.50
11/16/2017	Interest	3133EGJ48	200,000.00	FFCB Note 0.89% Due 11/16/2018	0.00	890.00	890.00

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
11/17/2017	Maturity	69371RM37	165,000.00	Paccar Financial Corp Note 1.4% Due 11/17/2017	165,000.00	1,155.00	166,155.00
11/17/2017	Maturity	69371RM37	165,000.00	Paccar Financial Corp Note 1.4% Due 11/17/2017	165,000.00	1,155.00	166,155.00
11/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	13,032.37	75.52	13,107.89
11/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	13,032.37	75.52	13,107.89
11/19/2017	Interest	857477AV5	125,000.00	State Street Bank Note 1.95% Due 5/19/2021	0.00	1,218.75	1,218.75
11/20/2017	Interest	747525AD5	125,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,406.25	1,406.25
11/20/2017	Interest	747525AD5	125,000.00	Qualcomm Inc Note 2.25% Due 5/20/2020	0.00	1,406.25	1,406.25
11/20/2017	Interest	89236TDE2	125,000.00	Toyota Motor Credit Corp Note 1.4% Due 5/20/2019	0.00	875.00	875.00
11/30/2017	Interest	912828A34	200,000.00	US Treasury Note 1.25% Due 11/30/2018	0.00	1,250.00	1,250.00
11/30/2017	Interest	912828UB4	200,000.00	US Treasury Note 1% Due 11/30/2019	0.00	1,000.00	1,000.00
11/30/2017	Interest	912828A34	200,000.00	US Treasury Note 1.25% Due 11/30/2018	0.00	1,250.00	1,250.00
11/30/2017	Interest	912828UB4	200,000.00	US Treasury Note 1% Due 11/30/2019	0.00	1,000.00	1,000.00
Nov 2017					**356,064.74**	**23,155.29**	**379,220.03**
12/03/2017	Interest	3133EFRQ2	200,000.00	FFCB Note 1.3% Due 12/3/2018	0.00	1,300.00	1,300.00
12/09/2017	Interest	02587DJ90	110,000.00	American Express Centurion Negotiable CD 2.25% Due 12/9/2020	0.00	1,240.89	1,240.89
12/11/2017	Interest	3130A1W95	200,000.00	FHLB Note 2.25% Due 6/11/2021	0.00	2,250.00	2,250.00
12/13/2017	Interest	24422ESF7	125,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.00	1,218.75	1,218.75
12/13/2017	Interest	24422ESF7	125,000.00	John Deere Capital Corp Note 1.95% Due 12/13/2018	0.00	1,218.75	1,218.75
12/14/2017	Interest	313376BR5	200,000.00	FHLB Note 1.75% Due 12/14/2018	0.00	1,750.00	1,750.00
12/14/2017	Interest	313376BR5	200,000.00	FHLB Note 1.75% Due 12/14/2018	0.00	1,750.00	1,750.00
12/14/2017	Interest	313379EE5	200,000.00	FHLB Note 1.625% Due 6/14/2019	0.00	1,625.00	1,625.00

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
12/14/2017	Maturity	92826CAA0	125,000.00	Visa Inc Note 1.2% Due 12/14/2017	125,000.00	750.00	125,750.00
12/14/2017	Maturity	92826CAA0	125,000.00	Visa Inc Note 1.2% Due 12/14/2017	125,000.00	750.00	125,750.00
12/15/2017	Interest	17275RAU6	125,000.00	Cisco Systems Note 1.65% Due 6/15/2018	0.00	1,031.25	1,031.25
12/15/2017	Interest	717081EB5	125,000.00	Pfizer Inc. Note 1.7% Due 12/15/2019	0.00	1,062.50	1,062.50
12/15/2017	Maturity	458140AL4	125,000.00	Intel Corp Note 1.35% Due 12/15/2017	125,000.00	843.75	125,843.75
12/15/2017	Maturity	458140AL4	108,000.00	Intel Corp Note 1.35% Due 12/15/2017	108,000.00	729.00	108,729.00
12/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	12,076.64	64.22	12,140.86
12/18/2017	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	12,076.64	64.22	12,140.86
12/24/2017	Interest	166764AE0	125,000.00	Chevron Corp Callable Note Cont 5/24/2018 1.718% Due 6/24/2018	0.00	1,073.75	1,073.75
12/28/2017	Interest	3130A8NN9	250,000.00	FHLB Note 0.8% Due 6/28/2019	0.00	1,000.00	1,000.00
12/31/2017	Interest	912828R93	200,000.00	US Treasury Note 0.625% Due 6/30/2018	0.00	625.00	625.00
12/31/2017	Interest	912828UF5	200,000.00	US Treasury Note 1.125% Due 12/31/2019	0.00	1,125.00	1,125.00
12/31/2017	Interest	912828XH8	200,000.00	US Treasury Note 1.625% Due 6/30/2020	0.00	1,625.00	1,625.00
12/31/2017	Interest	912828R93	200,000.00	US Treasury Note 0.625% Due 6/30/2018	0.00	625.00	625.00
Dec 2017					**507,153.28**	**23,722.08**	**530,875.36**
01/01/2018	Interest	3133EFW52	200,000.00	FFCB Note 1.15% Due 7/1/2019	0.00	1,150.00	1,150.00
01/05/2018	Interest	3133EGJS5	200,000.00	FFCB Note 0.7% Due 7/5/2018	0.00	700.00	700.00
01/05/2018	Interest	3133EGJS5	200,000.00	FFCB Note 0.7% Due 7/5/2018	0.00	700.00	700.00
01/10/2018	Interest	3133EG3J2	145,000.00	FFCB Note 1.55% Due 1/10/2020	0.00	1,123.75	1,123.75
01/10/2018	Interest	3133EG3J2	160,000.00	FFCB Note 1.55% Due 1/10/2020	0.00	1,240.00	1,240.00
01/16/2018	Interest	3130AAE46	200,000.00	FHLB Note 1.25% Due 1/16/2019	0.00	1,250.00	1,250.00

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
01/16/2018	Maturity	94974BFG0	125,000.00	Wells Fargo Corp Note 1.5% Due 1/16/2018	125,000.00	937.50	125,937.50
01/18/2018	Interest	89236TBP9	125,000.00	Toyota Motor Credit Corp Note 2.125% Due 7/18/2019	0.00	1,328.13	1,328.13
01/18/2018	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	11,119.40	53.76	11,173.16
01/18/2018	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	11,119.40	53.76	11,173.16
01/24/2018	Interest	91159HHP8	60,000.00	US Bancorp Note 2.625% Due 1/24/2022	0.00	787.50	787.50
01/30/2018	Interest	87164WFD5	150,000.00	Synchrony Bank Negotiable CD 1.8% Due 1/30/2020	0.00	1,361.10	1,361.10
01/30/2018	Interest	94974BGF1	125,000.00	Wells Fargo Corp Note 2.15% Due 1/30/2020	0.00	1,343.75	1,343.75
01/31/2018	Interest	912828N89	200,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,375.00	1,375.00
01/31/2018	Interest	912828XM7	200,000.00	US Treasury Note 1.625% Due 7/31/2020	0.00	1,625.00	1,625.00
01/31/2018	Interest	912828N89	200,000.00	US Treasury Note 1.375% Due 1/31/2021	0.00	1,375.00	1,375.00
01/31/2018	Interest	912828TH3	200,000.00	US Treasury Note 0.875% Due 7/31/2019	0.00	875.00	875.00
01/31/2018	Interest	912828V72	200,000.00	US Treasury Note 1.875% Due 1/31/2022	0.00	1,875.00	1,875.00
01/31/2018	Maturity	912828P20	200,000.00	US Treasury Note 0.75% Due 1/31/2018	200,000.00	750.00	200,750.00
Jan 2018					**347,238.80**	**19,904.25**	**367,143.05**
02/05/2018	Interest	3130A8Y72	200,000.00	FHLB Note 0.875% Due 8/5/2019	0.00	875.00	875.00
02/08/2018	Interest	594918BN3	125,000.00	Microsoft Note 1.1% Due 8/8/2019	0.00	687.50	687.50
02/12/2018	Interest	140420UF5	100,000.00	Capital One Bank USA NA Negotiable CD 2.3% Due 8/12/2020	0.00	1,159.45	1,159.45
02/13/2018	Maturity	38143A6F7	150,000.00	Goldman Sachs Negotiable CD 1.2% Due 2/13/2018	150,000.00	907.40	150,907.40
02/15/2018	Interest	084664CK5	125,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	0.00	812.50	812.50
02/15/2018	Interest	084664CK5	125,000.00	Berkshire Hathaway Note 1.3% Due 8/15/2019	0.00	812.50	812.50
02/15/2018	Interest	22160KAG0	125,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	1,093.75	1,093.75

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
02/15/2018	Interest	22160KAG0	250,000.00	Costco Wholesale Corp Note 1.75% Due 2/15/2020	0.00	2,187.50	2,187.50
02/15/2018	Maturity	674599CD5	125,000.00	Occidental Petroleum Callable Note Cont 1/15/18 1.5% Due 2/15/2018	125,000.00	937.50	125,937.50
02/18/2018	Interest	3130A7CV5	200,000.00	FHLB Note 1.375% Due 2/18/2021	0.00	1,375.00	1,375.00
02/18/2018	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	10,160.69	44.12	10,204.81
02/18/2018	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	10,160.69	44.12	10,204.81
02/20/2018	Maturity	254671KJ8	150,000.00	Discover Bank Negotiable CD 1.1% Due 2/20/2018	150,000.00	831.78	150,831.78
02/20/2018	Maturity	3133EEQM5	300,000.00	FFCB Note 1.11% Due 2/20/2018	300,000.00	1,665.00	301,665.00
02/22/2018	Maturity	36161TJA4	150,000.00	GE Capital Bank Negotiable CD 1.1% Due 2/22/2018	150,000.00	831.78	150,831.78
02/28/2018	Interest	9128282C3	200,000.00	US Treasury Note 0.75% Due 8/31/2018	0.00	750.00	750.00
02/28/2018	Interest	912828J50	200,000.00	US Treasury Note 1.375% Due 2/29/2020	0.00	1,375.00	1,375.00
02/28/2018	Interest	912828P87	200,000.00	US Treasury Note 1.125% Due 2/28/2021	0.00	1,125.00	1,125.00
Feb 2018					**895,321.38**	**17,514.90**	**912,836.28**
03/01/2018	Interest	17275RAR3	125,000.00	Cisco Systems Note 2.125% Due 3/1/2019	0.00	1,328.13	1,328.13
03/01/2018	Interest	30231GAV4	125,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	0.00	1,388.75	1,388.75
03/06/2018	Maturity	17284A6C7	145,000.00	CIT Bank Negotiable CD 1.1% Due 3/6/2018	145,000.00	790.95	145,790.95
03/08/2018	Maturity	3133EGE68	200,000.00	FFCB Note 0.8% Due 3/8/2018	200,000.00	800.00	200,800.00
03/08/2018	Maturity	3133EGE68	200,000.00	FFCB Note 0.8% Due 3/8/2018	200,000.00	800.00	200,800.00
03/09/2018	Maturity	313378A43	200,000.00	FHLB Note 1.375% Due 3/9/2018	200,000.00	1,375.00	201,375.00
03/10/2018	Maturity	808513AK1	200,000.00	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 3/10/2018	200,000.00	1,500.00	201,500.00
03/11/2018	Interest	06406HCW7	125,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.00	1,437.50	1,437.50

Cash Flow Report

From 03/31/2017

Payment Date	Transaction Type	CUSIP	Quantity	Security Description	Principal Amount	Income	Total Amount
03/11/2018	Interest	06406HCW7	125,000.00	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	0.00	1,437.50	1,437.50
03/11/2018	Interest	313378CR0	220,000.00	FHLB Note 2.25% Due 3/11/2022	0.00	2,475.00	2,475.00
03/12/2018	Interest	313382K69	130,000.00	FHLB Note 1.75% Due 3/12/2021	0.00	1,137.50	1,137.50
03/13/2018	Interest	313378J77	200,000.00	FHLB Note 1.875% Due 3/13/2020	0.00	1,875.00	1,875.00
03/14/2018	Interest	3133EGFQ3	200,000.00	FFCB Note 0.875% Due 9/14/2018	0.00	875.00	875.00
03/14/2018	Interest	3133EGFQ3	200,000.00	FFCB Note 0.875% Due 9/14/2018	0.00	875.00	875.00
03/15/2018	Interest	30231GAD4	125,000.00	Exxon Mobil Corp Callable Note Cont 2/15/2019 1.819% Due 3/15/2019	0.00	1,136.88	1,136.88
03/15/2018	Interest	68389XBK0	125,000.00	Oracle Corp Callable Note Cont 8/01/21 1.9% Due 9/15/2021	0.00	1,187.50	1,187.50
03/18/2018	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	9,200.49	35.31	9,235.80
03/18/2018	Paydown	43814RAB2	205,000.00	Honda Auto Receivables 2016-4 A2 1.04% Due 4/18/2019	9,200.49	35.31	9,235.80
03/20/2018	Interest	17275RBG6	125,000.00	Cisco Systems Note 1.4% Due 9/20/2019	0.00	875.00	875.00
03/20/2018	Interest	3133EGUY9	200,000.00	FFCB Note 0.875% Due 9/20/2018	0.00	875.00	875.00
03/20/2018	Interest	3133EGUY9	200,000.00	FFCB Note 0.875% Due 9/20/2018	0.00	875.00	875.00
03/26/2018	Interest	3130A9EP2	200,000.00	FHLB Note 1% Due 9/26/2019	0.00	1,000.00	1,000.00
03/26/2018	Interest	3130A9EP2	200,000.00	FHLB Note 1% Due 9/26/2019	0.00	1,000.00	1,000.00
03/31/2018	Interest	912828T34	215,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,209.38	1,209.38
03/31/2018	Interest	912828T42	200,000.00	US Treasury Note 0.75% Due 9/30/2018	0.00	750.00	750.00
03/31/2018	Interest	912828L65	200,000.00	US Treasury Note 1.375% Due 9/30/2020	0.00	1,375.00	1,375.00
03/31/2018	Interest	912828T34	200,000.00	US Treasury Note 1.125% Due 9/30/2021	0.00	1,125.00	1,125.00
Mar 2018					**963,400.98**	**29,574.71**	**992,975.69**
Total					**5,589,179.68**	**307,181.29**	**5,896,360.97**

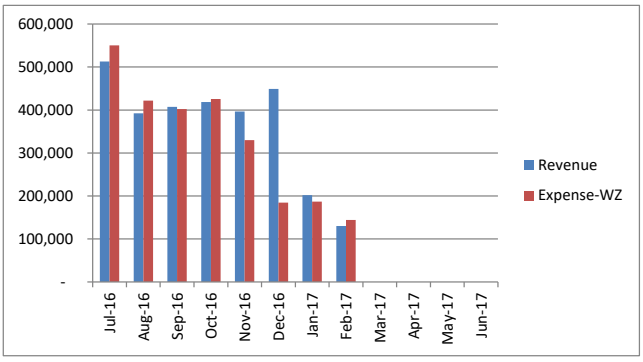
Wholesale Zone Financial Summary

For Period Ending February 28, 2017

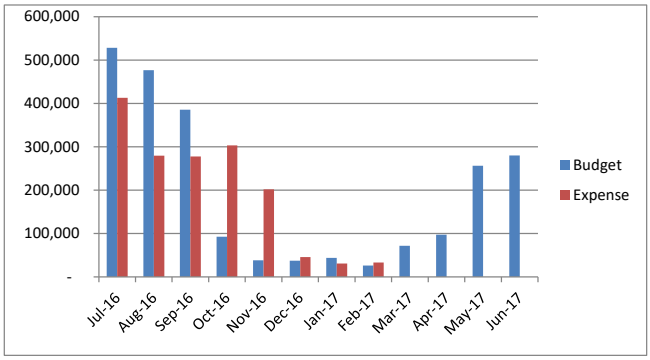
YTD Operating Income $ 2,907,957

YTD Operating Expense $ 2,645,293

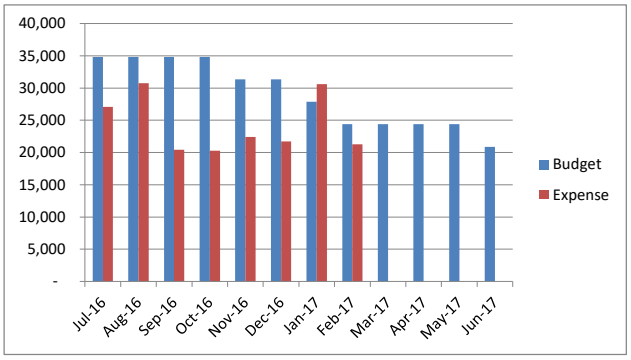
Revenue vs. Expenses



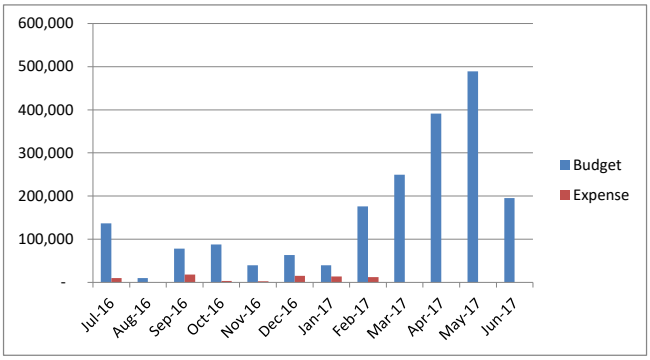
Water Purchased Budget vs. Actual



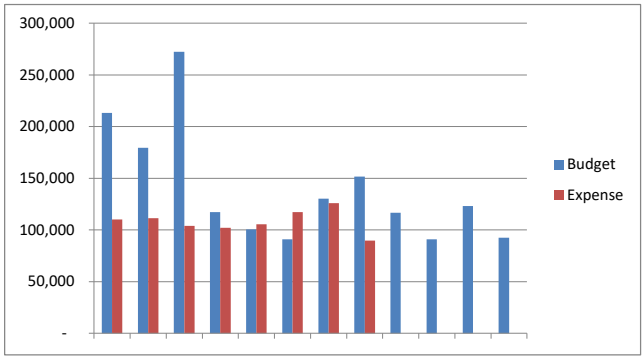
Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



O&M Budget vs. Actual



WHOLESALE ZONE

EAST ORANGE COUNTY WATER DISTRICT
2016-2017 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: FEBRUARY 2017

REVENUE

	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1	OPERATING REVENUE:					
2	WATER SALES	32,961	1,585,689	2,334,592	(748,903)	67.92%
3	FIXED CHARGES	46,245	406,662	575,807	(169,145)	70.62%
4	EOCWD FIXED CHARGES	43,811	344,890	489,575	(144,685)	70.45%
5	REIMBURSED EXP-IRWD	-	-	-	-	0.00%
6	OTHER CHARGES	1,739	29,695	30,755	(1,060)	96.55%
7	TOTAL OPERATING REVENUE:	124,756	2,366,936	3,430,729	(1,063,793)	68.99%
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES*	721	455,312	690,100	(234,788)	65.98%
10	RENTAL INCOME - CELLULAR ANTENNAS	-	58,416	110,180	(51,764)	53.02%
11	INTEREST & INVESTMENT EARNINGS	4,577	26,428	21,250	5,178	124.37%
12	NOTE RECEIVABLE - AMP	-	-	-	-	0.00%
13	MISCELLENOUS INCOME (EXPENSE)	(61)	865	600	265	144.13%
14	TOTAL NON-OPERATING REVENUES, NET	5,237	541,021	822,130	(281,109)	65.81%
15	TOTAL REVENUES	129,993	2,907,957	4,252,859	(1,344,902)	68.38%

** The majority of property taxes are received in December and April, causing the budget percentages to be uneven*

EXPENSES

	DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
16	OPERATING EXPENSE:					
17	SOURCE OF SUPPLY	32,992	1,585,157	2,334,592	(749,435)	67.90%
18	MET/MWDOC FIXED CHARGE	27,235	259,414	376,341	(116,927)	68.93%
19	EOCWD FIXED CHARGE	19,010	152,081	228,121	(76,040)	66.67%
20	ENERGY	156	1,208	2,650	(1,442)	45.59%
21	OPERATIONS & MAINTENANCE	27,413	263,362	622,072	(358,710)	42.34%
22	GENERAL & ADMINISTRATIVE	10,412	110,679	293,590	(182,911)	37.70%
23	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	32,948	263,632	395,493	(131,861)	66.66%
24	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
25	MARKET VALUE ADJUSTMENT ON INVESTMENTS	118	9,760	-	9,760	0.00%
26	TOTAL OPERATING EXPENSE	150,285	2,645,293	4,252,859	(1,607,566)	62.20%
27	**NET INCOME (LOSS) FROM OPERATIONS**	(20,292)	262,664	-	262,664	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	**NET INCOME (LOSS)**	(20,292)	262,664	-	262,664	

Wholesale Zone

February 2017 Variance Report - 67% of Budget Year Expended

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
Operating				
New				
Ongoing				
METER CHARGE	I	1,043	104%	YTD is over budget due to the collection of more meter charges than anticipated.
MISCELLANEOUS INCOME	I	865	144%	YTD is over budget due to an RPOI Distribution.
CONNECTION FEES	I	28,193	2819%	YTD is over budget due to receiving more connection fees than anticipated.
LATE CHARGE	I	459	459%	YTD is over budget due to the colleciton of more late charges than expected.
INTEREST EARNED-LAIF	I	8,994	212%	YTD is over budget due to higher interest rates than the prior year.
TAXES-UNSECURED	I	17,775	87%	YTD is at 87% of budget due to the timing of receipts of property taxes.
MISCELLANEOUS INCOME	I	865	144%	YTD is over budget due to an RPOI Distribution.
INTEREST EARNED - RAYMOND JAMES	I	17,084	100%	YTD is at 100% due to receiving more investment interest than expected.
WATER PURCHASED AMP	E	1,249,170	89%	YTD is trending high due to the use of the amp line and timing of the year.
REGULATORY PERMITS	E	7,574	106%	YTD is over budget due to receiving higher fees from SWRCB than expected. This is difficult to budget accurately due to large variances between billings.
OUTSIDE SERVICES	E	22,113	147%	YTD is over budget due to services in relation with social media presence and online ad campaigns.
ENGINEERING-WS	E	16,515	81%	YTD is at 81% due to unexpected engineering costs.
MET-MWDOC CAPACITY FEES	E	109,297	78%	YTD is at 78% of budget due to incurring higher capacity fees than anticipated.
Capital Projects				
New				
OFFICE YARD/IMPROVEMENT-CONSTRUCTION	E	6,500	130%	YTD is over budget due to Survey and mapping services for 185 N. McPherson Road.
Ongoing				

EAST ORANGE COUNTY WATER DISTRICT **FOR WHOLESALE**

MONTH: FEBRUARY 2017

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	REVENUE					
1	WATER SALES	32,961	1,585,689	2,334,592	(748,903)	67.92%
2	METER CHARGE	127	1,043	1,000	43	104.30%
3	LATE CHARGE	129	459	100	359	458.51%
4	CONNECTION FEES	1,483	28,193	1,000	27,193	2819.30%
5	EOCWD RESERVE FUND CHARGE	28,732	226,192	312,495	(86,303)	72.38%
6	EOCWD READINESS TO SERVE CHARGE	15,079	118,698	177,080	(58,382)	67.03%
7	RETAIL SERVICE CONNECTIONS	19,010	152,081	228,121	(76,040)	66.67%
8	MET-MWDOC READINESS TO SERVE	15,605	145,283	207,704	(62,421)	69.95%
9	MET-MWDOC CAPACITY CHARGE	11,630	109,297	139,982	(30,685)	78.08%
10	MET-MWDOC CHOICE-WS	-	-	28,655	(28,655)	0.00%
11	REIMBURSED EXPENSES-IRWD	-	-	-	-	0.00%
12	REFUNDS	-	-	-	-	0.00%
13	Total OPERATING REVENUE:	124,756	2,366,936	3,430,729	(1,063,793)	68.99%
14	NON OPERATING INCOME					
15	INTEREST EARNED-LAIF	-	8,994	4,250	4,744	211.61%
16	INTEREST EARNED - RAYMOND JAMES	4,577	17,084	17,000	84	100.49%
17	INTEREST EARNED - CHECKING	-	351	-	351	0.00%
18	TAXES-SECURED	-	375,071	600,000	(224,929)	62.51%
19	TAXES-UNSECURED	-	17,775	20,400	(2,625)	87.13%
20	TAXES SUPPLEMENTAL ROLL	448	8,665	10,200	(1,535)	84.95%
21	TAXES PRIOR YEARS	274	4,367	7,000	(2,633)	62.39%
22	TAXES HOMEOWNER'S SUBVENTION	-	2,149	3,300	(1,151)	65.13%
23	TAXES PUBLIC UTILITY	-	6,259	8,400	(2,141)	74.51%
24	TAXES TUSTIN RDA	-	41,025	40,800	225	100.55%
25	TAXES MISC	-	-	-	-	0.00%
26	RENT INCOME- AT&T	-	32,177	57,120	(24,943)	56.33%
27	RENT INCOME- CROWN CASTLE	-	26,239	53,060	(26,821)	49.45%
28	AMP SALE INSTALLMENTS	-	-	-	-	0.00%
29	MISCELLANEOUS INCOME	(61)	865	600	265	144.13%
30	Total NON OPERATING INCOME:	5,237	541,021	822,130	(281,109)	65.81%
31	Total REVENUES	129,993	2,907,957	4,252,859	(1,344,902)	68.38%
	EXPENSES					
32	EOCF #2 NONINTERR OC 43	490	212,571	420,227	(207,656)	50.58%
33	EOCF #2 NONINTERR OC 48	7,147	123,416	513,610	(390,194)	24.03%
34	WATER PURCHASED AMP	25,356	1,249,170	1,400,755	(151,585)	89.18%
35	AMP_FAP LEASE EXPENSE	-	-	-	-	0.00%
36	MET-MWDOC CHOICE BUDGET	-	10,917	28,655	(17,738)	38.10%
37	MET-MWDOC READINESS TO SERVE	15,605	139,200	207,704	(68,504)	67.02%

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE

MONTH: FEBRUARY 2017

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
38	MET-MWDOC CAPACITY FEES	11,630	109,297	139,982	(30,685)	78.08%
39	MWDOC RETAIL SERVICE CONNECT	19,010	152,081	228,121	(76,040)	66.67%
40	UTILITY- SCADA RTU	156	1,208	2,650	(1,442)	45.59%
41	SMALL TOOLS	40	915	3,675	(2,760)	24.90%
42	GASOLINE, OIL & DIESEL FUEL	169	2,332	5,100	(2,768)	45.72%
43	REGULATORY PERMITS	556	7,574	7,150	424	105.93%
44	PROF SERV WATER QUAL. CONTROL	732	9,330	26,000	(16,670)	35.88%
45	SCADA REPLACEMENTS / UPGRADES	-	-	10,200	(10,200)	0.00%
46	OPERATIONS REPORTING SOFTWARE	300	3,283	15,000	(11,717)	21.89%
47	METER PURCHASE/REPAIR	-	47	10,200	(10,153)	0.46%
48	PRESSURE REGULATORS R&M	-	-	5,100	(5,100)	0.00%
49	R/M- MAINS	-	884	25,500	(24,616)	3.47%
50	SERVICE CONNECTIONS R&M	-	73	1,550	(1,477)	4.69%
51	RESERVOIRS R&M	-	766	25,500	(24,734)	3.00%
52	R/M- VAULTS	-	1,847	10,200	(8,353)	18.11%
53	R/M- CATHODIC PROTECTION	162	1,445	25,300	(23,855)	5.71%
54	MAINTAIN & OPERATE EOCF#2	1,903	20,609	45,000	(24,391)	45.80%
55	METER TESTING	-	-	3,060	(3,060)	0.00%
56	SAC LINE R&M	351	2,804	25,000	(22,196)	11.22%
57	EQUIPMENT RENTAL	1,729	14,954	20,000	(5,046)	74.77%
58	EQUIPMENT MAINTENANCE	-	277	3,570	(3,293)	7.77%
59	VEHICLE MAINTENANCE	-	1,162	2,900	(1,738)	40.06%
60	MAINTENANCE-BUILDINGS AND GROUNDS	184	533	3,800	(3,267)	14.03%
61	WAGES	14,454	137,287	200,000	(62,713)	68.64%
62	PAYROLL TAXES- FICA & MEDICARE	1,150	10,394	17,000	(6,606)	61.14%
63	PERS CLASSIC(ER-CONTRIBUTION)	1,003	8,346	13,000	(4,654)	64.20%
64	PERS CLASSIC (ER-PAID MEMBER)	395	3,874	6,500	(2,627)	59.59%
65	PERS PEPRA (ER)	406	3,144	4,500	(1,356)	69.87%
66	PERS UNFUNDED	595	4,760	5,500	(740)	86.55%
67	PERS CLASSIC (EMPLOYEE)	(299)	(2,727)	(3,000)	273	90.90%
68	PERS PEPRA (EMPLOYEE)	(199)	(1,650)	(2,500)	850	66.01%
69	PERS - OTHER	-	-	39,227	(39,227)	0.00%
70	PAYROLL TAXES- SUI & ETT	12	486	1,000	(514)	48.60%
71	HEALTH & ACCIDENT INSURANCE	3,039	24,217	50,000	(25,783)	48.43%
72	DENTAL INSURANCE	193	1,673	4,000	(2,327)	41.83%
73	VISION INSURANCE	47	420	700	(280)	60.06%
74	LIFE INSURANCE	18	158	300	(142)	52.51%
75	WORKER'S COMP INSURANCE	430	3,361	5,000	(1,639)	67.22%
76	EDUCATIONAL REIMBURSEMENTS	-	-	5,000	(5,000)	0.00%
77	UNIFORMS	42	784	2,040	(1,256)	38.43%
78	UTILITIES- OFFICE- ELECT & WTR	212	1,393	4,000	(2,607)	34.83%
79	UTILITIES-DUMPSTER	26	143	500	(357)	28.64%
80	MCPHERSON FAX	18	144	600	(456)	23.97%
81	MCPHERSON INTERNET	90	450	2,500	(2,050)	18.00%

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
82	MCPHERSON OFFICE PHONES	195	1,507	3,570	(2,063)	42.20%
83	DISTRICT WEBSITE	21	191	2,295	(2,104)	8.33%
84	ANSWERING SERVICE	15	75	200	(125)	37.61%
85	CELLPHONES	94	578	2,040	(1,462)	28.32%
86	PHONE CIRCUITS TO CTRL EQUIP	430	3,424	7,080	(3,656)	48.37%
87	TRAINING/SCHOOLS	288	1,551	7,150	(5,599)	21.70%
88	CONSERVATION EDUCATION	255	2,093	5,100	(3,007)	41.05%
89	TRAVEL- CONF/SEMINARS	300	3,299	10,000	(6,701)	32.99%
90	MILEAGE	-	175	715	(540)	24.48%
91	BOARD MEETING EXPENSE	249	777	2,000	(1,223)	38.85%
92	DUES & MEMBERSHIP- ACWA	416	2,362	3,800	(1,438)	62.15%
93	DUES & MEMBERSHIPS- OCWA	30	30	100	(70)	30.00%
94	DUES & MEMBERSHIPS- AWWA	-	-	500	(500)	0.00%
95	DUES & MEMBERSHIP- FCA	38	38	50	(13)	75.00%
96	DUES & MEMBERSHIP- CSDA	-	1,681	3,570	(1,889)	47.09%
97	DUES- ISDOC/URBAN WTR	647	893	1,200	(307)	74.39%
98	POSTAGE	16	218	2,050	(1,832)	10.65%
99	OFFICE SUPPLY/FURN/SMALL EQUIP	112	1,549	10,000	(8,451)	15.49%
100	PUBLICATIONS & LEGAL NOTICES	588	662	5,100	(4,438)	12.97%
101	COPIER CONTRACT	-	130	2,500	(2,370)	5.19%
102	OFFICE EQUIPMENT R&M	-	516	800	(284)	64.48%
103	OUTSIDE SERVICES	2,738	22,113	15,000	7,113	147.42%
104	AUDITING	-	3,375	8,400	(5,025)	40.18%
105	TAX COLLECTION FEES	1	1,015	7,100	(6,085)	14.29%
106	TREASURER	-	-	5,100	(5,100)	0.00%
107	ACCOUNTING	956	12,858	26,010	(13,152)	49.44%
108	LEGAL	1,562	12,703	45,000	(32,297)	28.23%
109	COMPUTER CONSULTING	-	3,429	10,100	(6,671)	33.95%
110	ENGINEERING-WS	-	16,515	20,500	(3,985)	80.56%
111	LAFCO	-	5,227	8,000	(2,773)	65.34%
112	UNDERGROUND SERVICE ALERT	69	340	400	(60)	84.91%
113	BANK CHARGES	0	928	2,000	(1,072)	46.40%
114	INSURANCE-AUTO & GEN LIABILITY	405	3,655	12,500	(8,845)	29.24%
115	INSURANCE-PROPERTY	75	750	3,750	(3,000)	19.99%
116	INSURANCE-EMP. FIDELITY BOND	9	77	300	(223)	25.80%
117	SECURITY	27	637	1,500	(863)	42.48%
118	ELECTION EXPENSE	-	-	40,000	(40,000)	0.00%
119	MISCELLANEOUS EXP	-	-	510	(510)	0.00%
120	DIRECTOR- DULEBOHN	158	1,196	2,500	(1,304)	47.83%
121	DIRECTOR- BELL	158	892	2,500	(1,608)	35.67%
122	DIRECTOR- DAVERT	-	-	-	-	0.00%
123	DIRECTOR- EVERETT	58	437	2,500	(2,063)	17.50%
124	DIRECTOR- SEARS	158	654	2,500	(1,846)	26.17%
125	DEPRECIATION EXP.	-	-	-	-	0.00%

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE
MONTH: FEBRUARY 2017

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
126	TRANS TO CAPITAL PROJECTS	3,756	30,098	45,193	(15,095)	66.60%
127	TRANSFER TO (FROM) RESERVES	29,192	233,533	350,300	(116,767)	66.67%
128	MARKET VALUE ADJUST-INVESTMENT	118	9,760	-	9,760	0.00%
129	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
129	Total EXPENSES:	150,285	2,645,293	4,252,859	(1,607,566)	62.20%
130	NET INCOME (LOSS) FROM OPERATIONS:	(20,292)	262,664	-	262,664	
131	OTHER INCOME AND EXPENSE					
132	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
133	Total OTHER INCOME AND EXPENSE	-	-	-	-	0.00%
134	NET INCOME (LOSS)	(20,292)	262,664	-	262,664	

No assurance is provided on these financial statements.

The financial statements do not include a statement of cash flows.

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

WHOLESALE ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT

2016-2017 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

MONTH: FEBRUARY 2017

	REVENUE DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1	FUNDS PROVIDED BY RESERVE	-	-	6,008,830	(6,008,830)	0.00%
2	CAPITAL PROJECTS REVENUE					
3	INTEREST EARNINGS	-	20,760	17,000	3,760	122.12%
4	TRANSFER FROM OPERATING EXPENSES	32,948	263,632	395,372	(131,739)	66.68%
5	NET OPERATING INCOME	32,948	284,391	6,421,202	(6,136,810)	

	EXPENSES DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
6	CAPITAL PROJECTS EXPENSES					
7	UWMP UPDATE	-	-	-	-	0.00%
8	6 MG RESERVOIR ROOF REPAIRS	2,490	34,816	1,325,000	(1,290,184)	2.63%
9	6 MG LEAK DETECTION SYSTEM	-	604	80,000	(79,396)	0.75%
10	PIPELINE CATHODIC PROTECTION	-	-	45,000	(45,000)	0.00%
11	OFFICE/YARD IMPROVEMENT	6,500	6,500	6,000	500	108.33%
12	11.5 CATHODIC PROTECTION	-	-	57,000	(57,000)	0.00%
13	NEW FIELD TRUCK FOR OPERATIONS	-	-	20,000	(20,000)	0.00%
14	6 MG TREATMENT PLANT	2,487	8,505	22,500	(13,995)	37.80%
15	VALVE REPLACEMENT (12" - 27")	-	-	23,000	(23,000)	0.00%
16	NEWPORT RESERVOIR MIXING SYSTEM	-	-	31,000	(31,000)	0.00%
17	VULNERABILITY UPGRADES-OC 70	-	21,789	29,980	(8,191)	72.68%
18	SEDARU IMPROVEMENTS	-	-	10,000	(10,000)	0.00%
19	SCADA SYSTEM IMPROVEMENTS	-	-	30,000	(30,000)	0.00%
20	PIPELINE REPAIR/REPLACEMENT RESERVE	-	500	75,000	(74,500)	0.67%
21	WZ TURNOUT REPAIRS-FLOWMETER REHAB & CORROSION REPAIRS	-	-	16,250	(16,250)	0.00%
22	WATER QUALITY & TESTING	240	240	160,000	(159,760)	0.15%
23	COPIER	-	-	5,000	(5,000)	0.00%
24	WATER LOSS ANALYSIS/RECOVERY	-	-	20,000	(20,000)	0.00%
25	MASTER PLAN CONDITION/ASSESSMENT	-	540	-	540	0.00%
26	TOTAL OPERATING EXPENSE	11,717	73,495	1,955,730	(1,882,235)	3.76%
27	**NET INCOME (LOSS) FROM OPERATIONS**	21,230	210,897	4,465,472	(4,254,574)	4.72%
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	**NET INCOME (LOSS)**	21,230	210,897	4,465,472	(4,254,574)	

FOR WHOLESALE
MONTH: FEBRUARY 2017

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	REVENUE					
	FUNDED BY RESERVES	-	-	6,008,830	(6,008,830)	
1	INTEREST-LAIF-CAP	-	20,760	17,000	3,760	122.12%
2	TRANSFER FROM WZ OPERATIONS EXPENSES	3,756	30,098	45,072	(14,974)	66.78%
3	TRANSFER FROM CAPITAL RESERVES	29,192	233,533	350,300	(116,767)	66.67%
4	Total NON OPERATING INCOME:	32,948	284,391	6,421,202	(6,136,810)	
5	Total OPERATING REVENUE	32,948	284,391	6,421,202	(6,136,810)	
6	NET OPERATING INCOME:	32,948	284,391	6,421,202	(6,136,810)	
	EXPENSES					
7	UWMP Update	-	-	-	-	0.00%
8	6 MG Reservoir Roof Repairs-Construction	-	-	1,200,000	(1,200,000)	0.00%
9	6 MG Reservoir Roof Repairs-Engineering	2,490	34,816	100,000	(65,184)	34.82%
10	6 MG Reservoir Roof Repairs-Labor	-	-	25,000	(25,000)	0.00%
11	Pipeline Cathodic Protection-Construction	-	-	25,000	(25,000)	0.00%
12	Pipeline Cathodic Protection-Engineering	-	-	-	-	0.00%
13	Pipeline Cathodic Protection-Labor	-	-	20,000	(20,000)	0.00%
14	Office/Yard Improvement-Construction	6,500	6,500	5,000	1,500	130.00%
15	Office/Yard Improvement-Labor	-	-	1,000	(1,000)	0.00%
16	11.5 Cathodic Protection-Construction	-	-	30,000	(30,000)	0.00%
17	11.5 Cathodic Protection-Engineering	-	-	25,000	(25,000)	0.00%
18	11.5 Cathodic Protection-Labor	-	-	2,000	(2,000)	0.00%
19	New Truck for Field Operations	-	-	20,000	(20,000)	0.00%
20	6 MG Leak Detection System-Engineering	-	-	20,000	(20,000)	0.00%
21	6 MG Leak Detection System-Construction	-	604	50,000	(49,396)	1.21%
22	6 MG Leak Detection System-Labor	-	-	10,000	(10,000)	0.00%
23	6 MG Treatment Plant - Preliminary	2,487	6,987	-	6,987	0.00%
24	6 MG Treatment Plant - CEQA	-	1,518	17,500	(15,982)	8.68%
25	6 MG Treatment Plant-Labor	-	-	5,000	(5,000)	0.00%
26	Valve Replacement (12" - 27")-Construction	-	-	12,000	(12,000)	0.00%
27	Valve Replacement (12" - 27")-Engineering	-	-	5,000	(5,000)	0.00%
28	Valve Replacement (12" - 27")-Labor	-	-	6,000	(6,000)	0.00%
29	Newport Reservoir Mixing System-Labor	-	-	1,000	(1,000)	0.00%
30	Newport Reservoir Mixing System-Engineering	-	-	5,000	(5,000)	0.00%
31	Newport Reservoir Mixing System-Construction	-	-	25,000	(25,000)	0.00%
32	OC70 Magnetic Meter	-	21,789	29,980	(8,191)	72.68%
33	Sedaru Improvements	-	-	10,000	(10,000)	0.00%
34	Scada System Improvements	-	-	30,000	(30,000)	0.00%
35	Pipeline Repair/Replacement Reserve-Engineering	-	-	12,500	(12,500)	0.00%
36	Pipeline Repair/Replacement Reserve-Construction	-	500	62,500	(62,000)	0.80%
37	WZ Turnout Repairs-Flowmeter Rehab & Corrosion Repair	-	-	16,250	(16,250)	0.00%
38	Water Quality & Testing	240	240	160,000	(159,760)	0.15%
39	Copier	-	-	5,000	(5,000)	0.00%
40	Master Plan/Condition Assessment	-	540	-	540	0.00%
41	Water Loss Analysis/Recovery	-	-	20,000	(20,000)	0.00%
42	Total EXPENSES:	11,717	73,495	1,955,730	(1,882,235)	3.76%
43	NET INCOME (LOSS)	21,230	210,897	4,465,472	(4,254,574)	

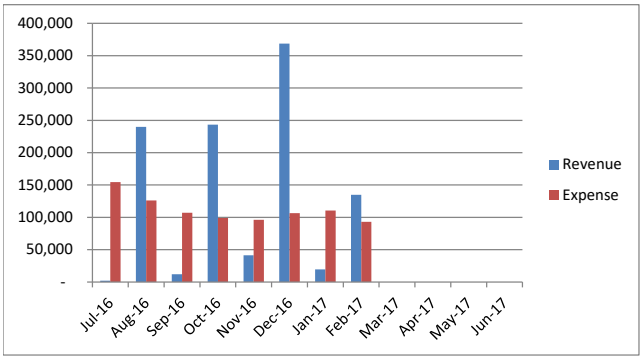
Retail Zone Financial Summary

For Period Ending February 28, 2017

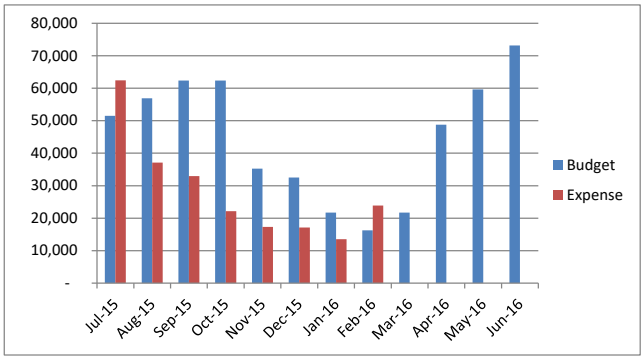
YTD Operating Income $ 1,061,962

YTD Operating Expense $ 893,238

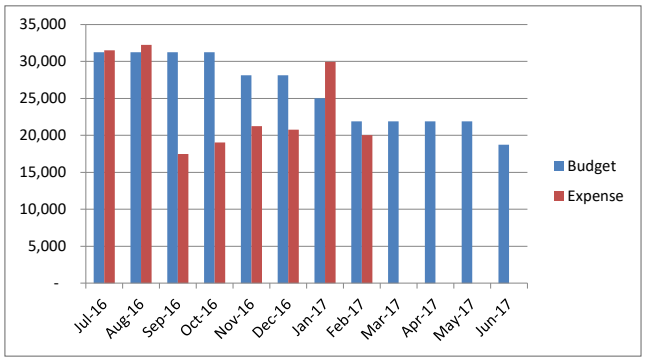
Revenue vs Expenses



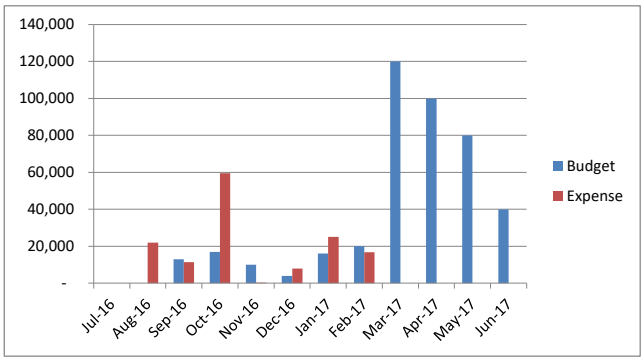
Water Purchased Budget vs. Actual



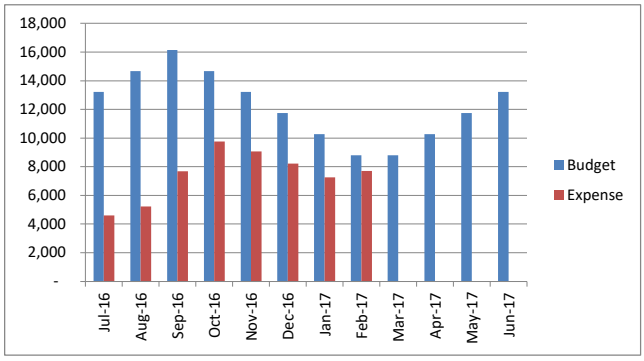
Salaries & Benefits Budget vs. Actual



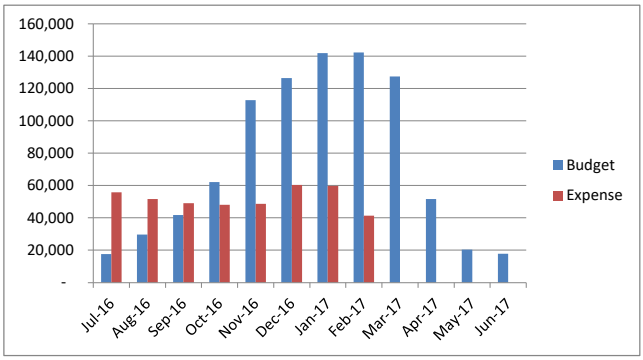
CIP Budget vs. Actual



Electrical Budget vs. Actual



O&M Budget vs. Actual



RETAIL ZONE

EAST ORANGE COUNTY WATER DISTRICT
2016-2017 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: FEBRUARY 2017

	REVENUE DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1	OPERATING REVENUE:					
2	WATER SALES	65,558	553,266	1,072,000	(518,734)	51.61%
3	METER CHARGE	68,810	257,271	405,900	(148,629)	63.38%
4	OTHER CHARGES	160	8,089	10,600	(2,511)	76.31%
5	TOTAL OPERATING REVENUE:	134,528	818,627	1,488,500	(669,873)	55.00%
6	NON-OPERATING REVENUES (EXPENSES):					
7	PROPERTY TAXES	407	232,640	400,100	(167,460)	58.15%
8	INTEREST & INVESTMENT EARNINGS	10	10,436	4,100	6,336	254.53%
9	MISCELLENOUS INCOME	-	260	500	(240)	52.00%
10	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
11	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
12	TOTAL NON-OPERATING REVENUES, NET	416	243,336	404,700	(161,364)	60.13%
13	TOTAL REVENUES	134,945	1,061,962	1,893,200	(831,238)	56.09%

	EXPENSES DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	18,507	190,700	423,200	(232,500)	45.06%
16	MET/MWDOC FIXED CHARGE	1,075	8,742	13,300	(4,558)	65.73%
17	WZ FIXED CHARGE	2,458	19,606	29,700	(10,094)	66.02%
18	PIPELINE CAPACITY LEASE	1,864	10,351	76,000	(65,649)	13.62%
19	ENERGY	7,602	58,229	142,500	(84,271)	40.86%
20	OPERATIONS & MAINTENANCE	31,256	285,510	570,900	(285,390)	50.01%
21	GENERAL & ADMINISTRATIVE	12,015	120,633	338,400	(217,767)	35.65%
22	TRANSFER TO CAPITAL PROJECTS EXPENSE	15,099	120,793	181,190	(60,397)	66.67%
23	RETAIL OPERATIONS CONTINGENCY FUND	5,668	45,340	68,010	(22,670)	66.67%
24	FUNDED TO/BY RESERVE	4,167	33,333	50,000	(16,667)	66.67%
25	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
26	TOTAL OPERATING EXPENSE	99,710	893,238	1,893,200	(999,962)	47.18%
27	**NET INCOME (LOSS) FROM OPERATIONS**	35,235	168,725	-	168,725	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	**NET INCOME (LOSS)**	35,235	168,725	-	168,725	

Retail Zone

February 2017 Variance Report - 67% of Budget Year Expended

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
Operating				
New				
R/M- VAULTS	E	2,736	182%	YTD is over budget due to various repairs, valves, and services at Barrett and Newport reservoirs.
Ongoing				
INTEREST INCOME-MM	I	225	225%	YTD is over budget due to receiving more interest income than anticipated.
INTEREST-LAIF-OP	I	100	255%	YTD is over budget due to earning interest on funds received that were not anticipated in the budget.
DUES- ISDOC/URBAN WTR	E	893	446%	YTD is over budget due to higher Urban Water dues than anticipated and the ISDOC 2017 membership paid in January. The ISDOC membership is on a cash basis.
REGULATORY PERMITS	E	14,028	187%	YTD is over budget due to receiving higher water system fees from SWRCB than were expected. This is difficult to budget accurately due to large variances in billings.
OUTSIDE SERVICES	E	25,466	168%	YTD is over budget due to timing of services needed. This fiscal year the District paid for social media management services and rate increase flyers not anticipated in the budget.
Capital				
New				
Ongoing				
INTEREST-LAIF-CAP	I	3,078	616%	YTD is over budget due to earning interest on funds received that were not anticipated in the budget.
West Well Rehabilitation-Construction	E	65,041	108%	YTD is over budget due to purchase of a pump for the West Well from General Pump Company.
Barrett Reservoir 75Hp Booster Pump Replacement-Construction	E	18,735	75%	YTD is at 75% of budget due to the timing of purchases in the year

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	REVENUE					
1	WATER SALES	65,558	553,266	1,072,000	(518,734)	51.61%
2	DROUGHT SURCHARGE	-	-	-	-	0.00%
3	METER CHARGE	68,810	257,271	405,900	(148,629)	63.38%
4	LATE CHARGE	-	7,473	11,000	(3,527)	67.94%
5	RETURNED CHECK CHARGE	60	316	1,000	(684)	31.60%
6	TURN OFF CHARGE	100	300	600	(300)	50.00%
7	OTHER CHARGES	-	-	-	-	0.00%
8	UNCOLLECTIBLE ACCOUNTS	-	-	(2,000)	2,000	0.00%
9	TURN ON NEW SERVICE	-	-	-	-	0.00%
10	REFUNDS	-	-	-	-	0.00%
11	Total OPERATING REVENUE:	134,528	818,627	1,488,500	(669,873)	55.00%
12	INTEREST INCOME-MM	10	225	100	125	225.12%
13	INTEREST-LAIF-OP	-	10,211	4,000	6,211	255.26%
14	TAXES SECURED	-	210,781	350,000	(139,219)	60.22%
15	TAXES UNSECURED	-	10,015	15,100	(5,085)	66.32%
16	TAXES SUPPLEMENTAL ROLL	252	4,870	9,900	(5,030)	49.19%
17	TAXES PRIOR YEARS	155	2,474	3,900	(1,426)	63.43%
18	TAXES HOMEOWNER'S SUBVENTION	-	1,208	1,900	(692)	63.57%
19	TAXES PUBLIC UTILITY	-	3,294	4,300	(1,006)	76.59%
20	TAXES TUSTIN RDA	-	-	20,000	(20,000)	0.00%
21	TAXES MISC	-	-	-	-	0.00%
22	TAXES ACCRUED	-	-	(5,000)	5,000	0.00%
23	DISPOSAL OF ASSETS GAIN(LOSS)	-	-	-	-	0.00%
24	MISCELLANEOUS INCOME	-	260	500	(240)	52.00%
25	Total NON OPERATING INCOME:	416	243,336	404,700	(161,364)	60.13%
26	Total REVENUE	134,945	1,061,962	1,893,200	(831,238)	56.09%
	EXPENSES					
27	WATER PURCHASED	302	45,731	176,000	(130,269)	25.98%
28	WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
29	WATER PURCHASED IN LIEU CREDIT	-	-	-	-	0.00%
30	OCWD- REPLENISH ASSESSMENT	18,204	144,969	247,200	(102,231)	58.64%
31	MET-MWDOC READINESS TO SERVE	652	6,268	35,000	(28,732)	17.91%
32	MET-MWDOC CAPACITY FEES	1,212	1,212	16,000	(14,788)	7.58%
33	MET-MWDOC CHOICE	-	2,870	25,000	(22,130)	11.48%
34	MWDOC RETAIL SERVICE CONNECT	1,075	8,742	13,300	(4,558)	65.73%
35	EOCWD WR RESERVE FUND CHARGE	853	6,764	10,300	(3,536)	65.67%
36	EOCWD WR READINESS TO SERVE	1,605	12,843	19,400	(6,557)	66.20%
37	UTILITY STOLLER RESERVOIR	3,254	27,248	65,000	(37,752)	41.92%
38	UTILITY VISTA PANORAMA BOOSTER	160	1,767	9,000	(7,233)	19.63%
39	ULITILITIES- WELLS- EAST/WEST	4,188	29,215	68,500	(39,285)	42.65%
40	SMALL TOOLS	40	928	4,000	(3,072)	23.20%
41	GASOLINE, OIL & DIESEL FUEL	204	2,802	6,800	(3,998)	41.21%
42	REGULATORY PERMITS	1,106	14,028	7,500	6,528	187.04%
43	NPDS PERMIT	-	-	-	-	0.00%
44	PROF SERV WATER QUAL. CONTROL	718	8,764	20,500	(11,736)	42.75%
45	CHLORINE GENERATOR/SALT PURCH	-	415	1,200	(785)	34.58%
46	WEST WELL MAINTENANCE	-	1,590	5,000	(3,410)	31.80%
47	EAST WELL MAINTENANCE	1,442	2,450	10,000	(7,550)	24.50%
48	STOLLER RESERVOIR/BOOSTER R&M	-	-	9,000	(9,000)	0.00%
49	VISTA PANORAMA BOOSTER R&M	-	-	4,200	(4,200)	0.00%
50	R&M VISTA PANORAMA RESERVOIR	-	-	12,000	(12,000)	0.00%
51	CHLORINE GENERATOR	-	1,648	6,000	(4,352)	27.46%
52	SCADA REPAIR/UPGRADE	-	-	12,000	(12,000)	0.00%
53	OPERATIONS REPORTING SOFTWARE	300	2,667	12,000	(9,333)	22.23%
54	HYDRANT REPAIR & REPLACEMENTS	-	146	16,100	(15,954)	0.91%
55	METER PURCHASE REPAIR	-	872	21,000	(20,128)	4.15%
56	PRV- R & M	-	-	2,000	(2,000)	0.00%
57	R/M- MAINS	262	8,665	30,500	(21,835)	28.41%
58	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
59	SERVICE LATERALS R&M	440	13,737	25,500	(11,763)	53.87%
60	RESERVOIRS R&M	-	249	10,000	(9,751)	2.49%
61	R/M- VAULTS	2,736	2,736	1,500	1,236	182.40%
62	R/M- CATHODIC PROTECTION	-	-	5,100	(5,100)	0.00%
63	METER TESTING	-	-	1,000	(1,000)	0.00%

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
64	EQUIPMENT RENTAL	1,729	14,324	22,500	(8,176)	63.66%
65	EQUIPMENT MAINTENANCE	-	405	4,500	(4,095)	9.00%
66	VEHICLES R&M	-	1,278	5,000	(3,722)	25.56%
67	BUILDING/GROUNDS R&M	155	488	3,500	(3,012)	13.94%
68	WAGES	15,050	146,699	200,000	(53,301)	73.35%
69	PAYROLL TAXES- FICA & MEDICARE	1,195	11,102	13,500	(2,398)	82.24%
70	PERS Classic(ER-Contribution)	1,058	8,912	15,000	(6,088)	59.41%
71	PERS Classic (ER-paid member)	417	4,167	8,000	(3,833)	52.08%
72	PERS PEPRA (ER)	406	3,197	5,000	(1,803)	63.94%
73	PERS Unfunded	685	5,477	6,000	(523)	91.28%
74	PERS Classic (Employee)	(315)	(2,917)	(3,000)	83	97.24%
75	PERS PEPRA (Employee)	(199)	(1,682)	(2,000)	318	84.11%
76	PERS OTHER	-	-	-	-	0.00%
77	PAYROLL TAXES- SUI & ETT	12	508	3,700	(3,192)	13.74%
78	HEALTH & ACCIDENT INSURANCE	3,039	25,036	50,000	(24,964)	50.07%
79	DENTAL INSURANCE	193	1,735	4,000	(2,265)	43.37%
80	VISION INSURANCE	47	434	1,000	(566)	43.44%
81	LIFE INSURANCE	18	187	500	(313)	37.44%
82	WORKER'S COMP INSURANCE	477	3,649	5,000	(1,351)	72.99%
83	EDUCATIONAL REIMBURSEMENTS	-	-	3,000	(3,000)	0.00%
84	UNIFORMS	42	815	2,800	(1,985)	29.12%
85	DISTRICT WEBSITE	21	191	10,000	(9,809)	1.91%
86	MCPHERSON FAX	18	144	500	(356)	28.77%
87	MCPHERSON INTERNET	90	450	4,000	(3,550)	11.25%
88	MCPHERSON OFFICE PHONES	195	1,507	3,700	(2,193)	40.72%
89	ANSWERING SERVICE	15	75	200	(125)	37.61%
90	PHONE CIRCUITS TO CTRL EQUIP	260	2,079	3,000	(921)	69.30%
91	CELLPHONES	94	578	1,700	(1,122)	33.98%
92	UNDERGROUND SERVICE ALERT	69	340	500	(160)	67.93%
93	TRAINING/SCHOOLS	288	1,551	10,000	(8,449)	15.51%
94	CONSERVATION EDUCATION	255	9,240	20,000	(10,760)	46.20%
95	TRAVEL-CONF/SEMINARS	300	3,277	13,000	(9,723)	25.21%
96	MILEAGE	-	171	3,000	(2,829)	5.69%
97	DUES & MEMBERSHIPS- ACWA	416	2,362	3,900	(1,538)	60.56%
98	DUES & MEMBERSHIPS- OCWA	30	30	100	(70)	30.00%
99	DUES & MEMBERSHIPS- AWWA	-	-	500	(500)	0.00%
100	DUES & MEMBERSHIP- FCA	38	38	100	(63)	37.50%
101	DUES & MEMBERSHIP-CSDA	-	1,681	3,600	(1,919)	46.70%
102	DUES- ISDOC/URBAN WTR	647	893	200	693	446.35%
103	URBAN WATER INSTITUTE	-	-	500	(500)	0.00%
104	MISCELLANEOUS EXP	-	-	1,000	(1,000)	0.00%
105	DIRECTOR- DULEBOHN	158	1,196	2,500	(1,304)	47.83%
106	DIRECTOR- BELL	158	892	2,500	(1,608)	35.67%
107	DIRECTOR- DAVERT	-	-	-	-	0.00%
108	DIRECTOR- EVERETT	58	437	2,500	(2,063)	17.50%
109	DIRECTOR- SEARS	158	654	2,500	(1,846)	26.17%
110	BOARD MEETING EXPENSE	249	855	2,000	(1,145)	42.76%
111	POSTAGE	523	3,224	5,100	(1,876)	63.21%
112	OFFICE SUPPLY/FURN/SMALL EQUIP	112	1,557	10,000	(8,443)	15.57%
113	PUBLICATIONS & LEGAL NOTICES	3	77	20,000	(19,923)	0.38%
114	COPIER CONTRACT	-	130	2,500	(2,370)	5.19%
115	VERSATERM CONTRACT (RZ BILLS)	-	589	5,100	(4,511)	11.55%
116	BANK CHARGES	989	5,327	8,000	(2,673)	66.59%
117	OUTSIDE SERVICES	2,738	25,466	15,200	10,266	167.54%
118	AUDITING	-	3,375	8,500	(5,125)	39.71%
119	TAX COLLECTION FEES	0	572	7,200	(6,628)	7.94%
120	COMPUTER BILLING (RZ BILLS)	752	3,971	8,500	(4,529)	46.72%
121	TREASURER	-	-	5,000	(5,000)	0.00%
122	ACCOUNTING	956	12,858	26,000	(13,142)	49.45%
123	LEGAL	1,178	7,785	45,000	(37,215)	17.30%
124	COMPUTER CONSULTING	-	4,047	7,000	(2,953)	57.81%
125	ENGINEERING-RZ	600	13,473	40,000	(26,527)	33.68%
126	LAFCO	-	2,753	5,000	(2,247)	55.07%
127	INSURANCE-AUTO & GEN LIABILITY	405	3,530	8,000	(4,470)	44.12%
128	INSURANCE-PROPERTY	75	600	3,000	(2,400)	19.99%
129	INSURANCE-EMP. FIDELITY BOND	9	77	500	(423)	15.48%
130	OFFICE EQUIPMENT R&M	-	516	1,000	(484)	51.59%
131	UTILITIES-DUMPSTER	26	143	500	(357)	28.64%
132	UTILITIES- OFFICE- ELECT & WTR	106	1,287	4,300	(3,013)	29.94%
133	SECURITY	27	637	1,500	(863)	42.48%
134	ELECTION EXPENSE	-	-	10,000	(10,000)	0.00%

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
135	DEPRECIATION EXP.	-	-	-	-	0.00%
136	TRANS TO CAPITAL PROJECTS	15,099	120,793	181,190	(60,397)	66.67%
137	RZ- CONTINGENCY FUND	5,668	45,340	68,010	(22,670)	66.67%
138	FUNDED TO/BY RESERVE-RZ	4,167	33,333	50,000	(16,667)	66.67%
139	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
140	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
141	ESTIMATED RECEIVABLES NOT COLLECTABLE	-	-	-	-	0.00%
142	TOTAL OPERATING EXPENSES:	99,710	893,238	1,893,200	(999,962)	47.18%
143	NET INCOME (LOSS) FROM OPERATIONS:	35,235	168,725	-	168,725	
144	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
145	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
146	Total OTHER INCOME AND EXPENSES	-	-	-	-	
147	NET INCOME (LOSS)	35,235	168,725	-	168,725	

No assurance is provided on these financial statements.

The financial statements do not include a statement of cash flows.

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

RETAIL ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT
2016-2017 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: FEBRUARY 2017

	REVENUE DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1	FUNDS PROVIDED BY RESERVE	-	-	2,265,055	(2,265,055)	0.00%
2	CAPITAL PROJECTS REVENUE					
3	CAPITAL PROJECTS FEES	53,003	201,770	325,000	(123,230)	62.08%
4	CONNECTION FEES	-	-	5,000	(5,000)	0.00%
5	INTEREST EARNINGS	-	3,078	500	2,578	615.51%
6	TRANSFER FROM OPERATING EXPENSES	19,266	154,127	231,190	(77,063)	66.67%
7	LOAN FOR SYSTEM IMPROVEMENTS	-	-	-	-	
8	NET OPERATING INCOME	72,268	358,974	2,826,745	(2,467,771)	

	EXPENSES DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
9	CAPITAL PROJECTS EXPENSES					
10	MASTER PLAN AND CONDITION ASSESSMENT	-	-	20,000.00	(20,000.00)	0.00%
11	WATER LOSS RECOVERY PROGRAM (WSO)	-	-	20,000.00	(20,000.00)	0.00%
12	OFFICE/YARD IMPROVEMENT	-	-	6,000	(6,000)	0.00%
13	NEW TRUCK FOR FIELD OPERATIONS	-	-	20,000	(20,000)	0.00%
14	VP HYDRO TANK SEISMIC UPGRADE	6,993	13,460	-	13,460	0.00%
15	VISTA PANORAMA RESERVOIR REPAIR	8,493	18,393	-	18,393	0.00%
16	VALVE RAISING-CRAWFORD CANYON	-	-	18,000	(18,000)	0.00%
17	VALVE REPLACEMENTS	-	-	10,000	(10,000)	0.00%
18	GENERATOR TRANSFER SWITCH @ EAST/WEST WELL	-	-	15,000	(15,000)	0.00%
19	GENERATOR TRANSFER SWITCH @ BARRETT BOOSTER STATION	-	-	15,000	(15,000)	0.00%
20	6" MAG METERS @ BARRET PRVS	-	-	15,000	(15,000)	0.00%
21	BARRETT 75HP BOOOST PUMP REPLACEMENT	-	18,735	26,000	(7,265)	72.06%
22	BACKUP SYSTEM PRV - CIRCULA PANORAMA	-	-	167,500	(167,500)	0.00%
23	WEST WELL REHABILITATION	-	65,438	62,000	3,438	105.55%
24	SCADA SYSTEM ADDITIONS	-	-	20,000	(20,000)	0.00%
25	SEDARU IMPROVEMENTS	-	442	10,000	(9,558)	4.42%
26	COPIER	-	-	5,000	(5,000)	0.00%
27	STOLLER/ALEXANDER LANE PIPELINE REPLACEMENT	1,215	26,233	189,500	(163,267)	13.84%
28	TOTAL OPERATING EXPENSE	16,701	142,702	619,000	(476,298)	23.05%
29	**NET INCOME (LOSS) FROM OPERATIONS**	55,568	216,272	2,207,745	(1,991,473)	
30	PRIOR YEARS EXPENSES	-	-	-	-	
31	**NET INCOME (LOSS)**	55,568	216,272	2,207,745	(1,991,473)	

FOR RETAIL
MONTH: FEBRUARY 2017

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	REVENUE					
1	FUNDED BY RESERVES	-	-	2,265,055	(2,265,055)	
2	WATER SALES-CAPITAL PROJECTS	53,003	201,770	325,000	(123,230)	62.08%
3	CONNECTION FEES	-	-	5,000	(5,000)	0.00%
4	INTEREST-LAIF-CAP	-	3,078	500	2,578	615.51%
5	TRANSFER IN CAPITAL PROJECTS	15,099	120,793	181,190	(60,397)	66.67%
6	TRANSFER IN CAPITAL RESERVES	4,167	33,333	50,000	(16,667)	66.67%
7	LOAN FOR SYSTEM IMPROVEMENTS	-	-	-	-	0.00%
8	Total NON OPERATING INCOME:	72,268	358,974	2,826,745	(2,467,771)	
9	Total OPERATING REVENUE	72,268	358,974	2,826,745	(2,467,771)	
10	NET OPERATING INCOME:	72,268	358,974	2,826,745	(2,467,771)	
	EXPENSES					
11	Master Plan & Condition Assessment-Engineering	-	-	10,000	(10,000)	0.00%
12	Master Plan & Condition Assessment-Labor	-	-	10,000	(10,000)	0.00%
13	Water Loss Recovery Program (WSO)	-	-	20,000	(20,000)	0.00%
14	Office/Yard Improvement-Construction	-	-	5,000	(5,000)	0.00%
15	Office/Yard Improvement-Labor	-	-	1,000	(1,000)	0.00%
16	New Truck for Field Operations	-	-	20,000	(20,000)	0.00%
17	VP Hydro Tank Seismic Upgrade-Engineering	6,993	13,460	-	13,460	0.00%
18	Vista Panorama Reservoir Repair-Engineering	8,493	18,393	-	18,393	0.00%
19	Valve Raising-Crawford Canyon-Engineering	-	-	500	(500)	0.00%
20	Valve Raising-Crawford Canyon-Construction	-	-	17,000	(17,000)	0.00%
21	Valve Raising-Crawford Canyon-Labor	-	-	500	(500)	0.00%
22	Valve Replacements-System-Construction	-	-	5,000	(5,000)	0.00%
23	Valve Replacements-System-Labor	-	-	5,000	(5,000)	0.00%
24	Generator Transfer Switch - East/West Well	-	-	15,000	(15,000)	0.00%
25	Generator Transfer Switch - Barrett Booster Station	-	-	15,000	(15,000)	0.00%
26	6" Mag Meters @ Barret PRVs-Construction	-	-	10,000	(10,000)	0.00%
27	6" Mag Meters @ Barret PRVs-Labor	-	-	5,000	(5,000)	0.00%
28	Barrett Reservoir 75Hp Booster Pump Replacement-Construction	-	18,735	25,000	(6,265)	74.94%
29	Barrett Reservoir 75Hp Booster Pump Replacement-Labor	-	-	1,000	(1,000)	0.00%
30	Backup System PRV - Circula Panorama-Engineering	-	-	10,000	(10,000)	0.00%
31	Backup System PRV - Circula Panorama-Construction	-	-	150,000	(150,000)	0.00%
32	Backup System PRV - Circula Panorama-Labor	-	-	7,500	(7,500)	0.00%
33	West Well Rehabilitation-Construction	-	65,041	60,000	5,041	108.40%
34	West Well Rehabilitation-Labor	-	398	2,000	(1,602)	19.90%
35	SCADA System Additions-Engineering	-	-	20,000	(20,000)	0.00%
36	Sedaru Improvements	-	442	10,000	(9,558)	4.42%
37	Copier	-	-	5,000	(5,000)	0.00%
38	Stoller/Alexander Lane Pipeline Replacement Project	1,215	26,233	189,500	(163,267)	0.00%
39	TOTAL OPERATING EXPENSES:	16,701	142,702	619,000	(476,298)	23.05%
	NET INCOME (LOSS) FROM OPERATIONS:	55,568	216,272	2,207,745	(2,944,068)	

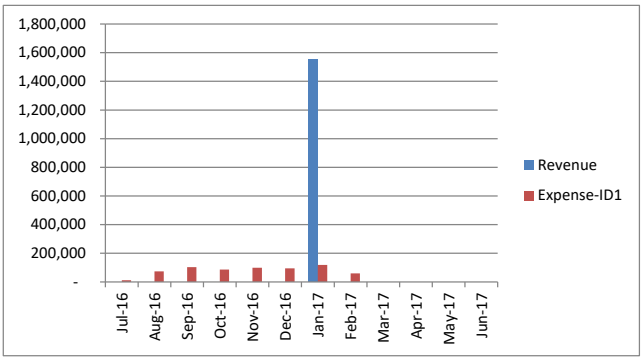
Sewer Financial Summary

For Period Ending February 28, 2017

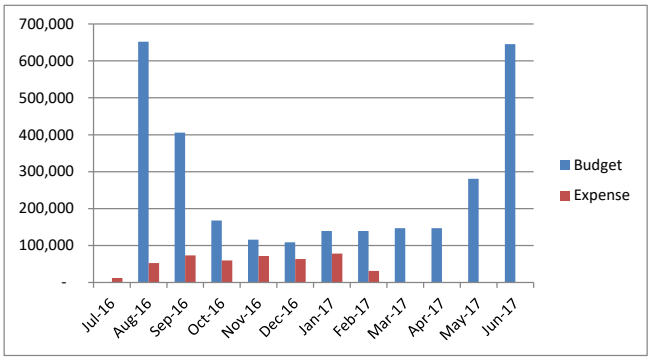
YTD Operating Income $ 1,552,347

YTD Operating Expense $ 649,030

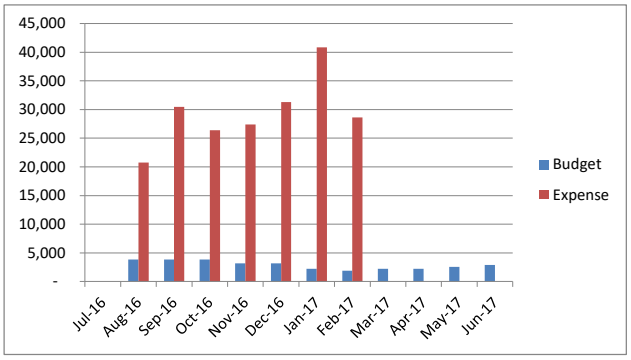
Revenue vs. Expenses



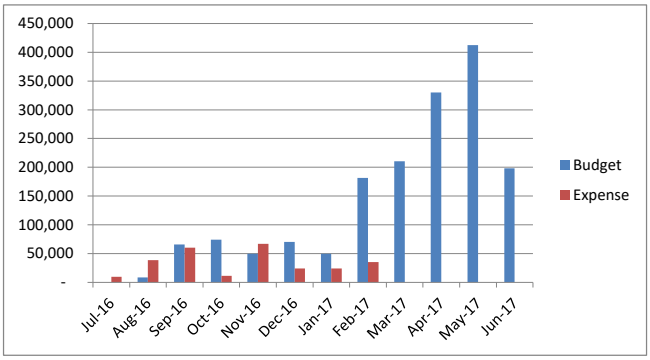
O&M Budget vs. Actual



Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



SEWERS

EAST ORANGE COUNTY WATER DISTRICT
2016-2017 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: FEBRUARY 2017

	REVENUE DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1	OPERATING REVENUE:					
2	SEWER SERVICE FEES/PROPERTY TAXES	-	1,384,118	2,663,000	(1,278,882)	51.98%
3	CONNECTION FEE	-	-	10,000	(10,000)	0.00%
4	OTHER CHARGES	-	-	500	(500)	0.00%
5	UNCOLLECTIBLE ACCOUNTS	-	-	(2,000)	2,000	0.00%
6	SYSTEM SEPTIC FEES	-	-	1,000	(1,000)	0.00%
7	TOTAL OPERATING REVENUE:	-	1,384,118	2,672,500	(1,288,382)	51.79%
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES	-	159,412	304,000	(144,588)	52.44%
10	INTEREST & INVESTMENT EARNINGS	-	8,817	3,000	5,817	293.90%
11	MISCELLENOUS INCOME (EXPENSE)	-	-	500	(500)	0.00%
12	TOTAL NON-OPERATING REVENUES, NET	-	168,229	307,500	(139,271)	54.71%
13	TOTAL REVENUES	-	1,552,347	2,980,000	(1,427,653)	52.09%

	EXPENSES DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	21,967	162,544	119,215	43,329	136.35%
16	MET/MWDOC FIXED CHARGE	364	2,312	5,200	(2,888)	44.46%
17	EOCWD FIXED CHARGE	569	4,439	6,050	(1,611)	73.37%
18	ENERGY	-	-	1,000	(1,000)	0.00%
19	OPERATIONS & MAINTENANCE	8,122	76,101	154,300	(78,199)	49.32%
20	GENERAL & ADMINISTRATIVE	39,047	403,634	540,600	(136,966)	74.66%
21	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	-	-	2,050,000	(2,050,000)	0.00%
22	DEPRECIATION & AMORTIZATION	-	-	103,635	(103,635)	0.00%
23	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
24	TOTAL OPERATING EXPENSE	70,069	649,030	2,980,000	(2,330,970)	21.78%
25	**NET INCOME (LOSS) FROM OPERATIONS**	(70,069)	903,317	-	903,317	
26	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
27	**NET INCOME (LOSS)**	(70,069)	903,317	-	903,317	

Sewers

February 2017 Variance Report - 73% of Budget Year Expended

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
Operating				
New				
OPERATION REPORTING SOFTWARE	E	7,088	83%	YTD is at 83% of budget due to higher than expected costs for software.
Ongoing				
INTEREST EARNED - INVESTMENTS	I	8,817	441%	YTD is over budget due to receiving interest on funds.
PAYROLL TAXES-SUI &ETT	E	696	87%	YTD is at 87% due to incurring higher wages than anticipated.
EQUIPMENT MAINTENANCE	E	4,429	221%	YTD is over budget due to a 1" high efficiency aluminum nozzle and camera hook grabbing.
MEETING EXPENSE	E	968	97%	YTD is at 97% of budget due to timing of meeting expenses.
WAGES	E	151,049	137%	YTD is over budget due to incurring higher wages than anticipated.
PAYROLL TAXES-FICA & MED	E	10,800	128%	YTD is over budget due to incurring higher wages than anticipated.
VEHICLES - REPAIR/MAINTENANCE	E	15,509	310%	YTD is over budget due to repair work on the combo truck and maintenance for the Vactor Jetter (truck).
SMALL TOOLS	E	7,481	150%	Over budget due to various startup tools and gas detectors purchased for the sewers.
UTILITIES-OFFICE-ELECTRIC AND WATER	E	2,359	94%	YTD is at 94% of budget due to the timing of the year and incurring higher bills during the Summer months.
OFFICE SUPPLY/FURNISHING	E	4,767	191%	YTD is over budget due to the purchase of new computers, computer equipment, and Microsoft programs.
OUTSIDE SERVICES	E	32,092	306%	YTD is over budget due to incurring more management and oversight expenses in relation to the sewers than expected.
ACCOUNTING CONSULTANT	E	13,284	266%	YTD is over budget due to unexpected additional accounting set up costs for sewer implementation.
COMPUTER CONSULTING	E	6,390	91%	YTD is at 91% of budget due to incurring higher costs than expected for IT consulting, programming, and configurations.
ENGINEERING	E	43,754	875%	YTD is over budget due to unanticipated engineering costs.
LAFCO	E	9,552	191%	YTD is over budget due to higher than expected costs for LAFCO 2016-2017 allocation.
OFFICE EQUIPMENT REPAIR AND MAINT	E	939	188%	YTD is over budget due to the installation of phone lines for 210 N Mcpherson Rd. not anticipated in the budget.
Capital Projects				
New				
EQUIPMENT ACQUISITION	E	16,614	83%	YTD is at 83% due to Wartho Magnum cleaning nozzle for the sewer truck.
Ongoing				

EAST ORANGE COUNTY WATER DISTRICT

FOR SEWERS

MONTH: FEBRUARY 2017

		DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
		REVENUE					
1	4150-30	SEWER SERVICE FEES	-	1,384,118	2,663,000	(1,278,882)	51.98%
2	4110-30	CONNECTION FEE	-	-	10,000	(10,000)	0.00%
3	4206-30	OTHER CHARGES	-	-	500	(500)	0.00%
4	4207-30	UNCOLLECTIBLE ACCOUNTS	-	-	(2,000)	2,000	0.00%
5	4208-30	SYSTEM SEPTIC FEES	-	-	1,000	(1,000)	0.00%
6		Total OPERATING REVENUE:	-	1,384,118	2,672,500	(1,288,382)	51.79%
7		NON OPERATING INCOME					
8	4603-30	INTEREST EARNED - INVESTMENTS	-	8,817	2,000	6,817	440.85%
9	4606-30	INTEREST EARNED - MONEY MARKET	-	-	1,000	(1,000)	0.00%
10	4690-30	MISCELLANEOUS INCOME	-	-	500	(500)	0.00%
11	4701-30	TAXES-SECURED	-	159,412	304,000	(144,588)	52.44%
12	4702-30	TAXES-UNSECURED	-	-	-	-	0.00%
13	4703-30	TAXES SUPPLEMENTAL ROLL	-	-	-	-	0.00%
14	4705-30	TAXES PRIOR YEARS	-	-	-	-	0.00%
15	4706-30	TAXES HOMEOWNER'S SUBVENTION	-	-	-	-	0.00%
16	4707-30	TAXES PUBLIC UTILITY	-	-	-	-	0.00%
17	4708-30	TAXES TUSTIN RDA	-	-	-	-	0.00%
18	4709-30	TAXES ACCRUED	-	-	-	-	0.00%
19		Total NON OPERATING INCOME:	-	168,229	307,500	(139,271)	54.71%
20		Total REVENUES	-	1,552,347	2,980,000	(1,427,653)	52.09%
		EXPENSES					
21	5401-30	WAGES	20,351	151,049	110,000	41,049	137.32%
22	5402-30	PAYROLL TAXES-FICA & MED	1,604	10,800	8,415	2,385	128.34%
23	5404-30	PAYROLL TAXES-SUI &ETT	12	696	800	(104)	86.99%
24	5410-30	HEALTH AND ACCIDENT INSURANCE	3,911	23,009	44,000	(20,991)	52.29%
25	5411-30	DENTAL INSURANCE	267	1,746	4,000	(2,254)	43.65%
26	5412-30	VISION INSURANCE	69	401	1,000	(599)	40.12%
27	5413-30	LIFE INSURANCE	29	165	200	(35)	82.36%
28	5414-30	WORKERS COMP INSURANCE	569	4,439	6,050	(1,611)	73.37%
29	5415-30	EDUCATIONAL REIMBURSEMENT	-	-	1,000	(1,000)	0.00%
30	5403-30	RETIREMENT-PERS (EE CONTRIBUTION)	-	-	(3,300)	3,300	0.00%
31	5421-30	PERS CLASSIC (ER CONTRIBUTION)	1,289	9,207	9,900	(693)	93.00%
32	5422-30	PERS CLASSIC (ER PAID MEMBER)	507	3,865	4,400	(535)	87.85%
33	5424-30	PERS PEPRA (ER)	699	4,639	-	4,639	0.00%
34	5427-30	PERS UNFUNDED	-	-	-	-	0.00%
35	5428-30	PERS OTHER EXPENSE	-	-	-	-	0.00%
36	5429-30	PERS EXPENSE EMPLOYEE PICKUP	-	-	-	-	0.00%
37	5490-30	PENSION EXPENSE	-	-	-	-	0.00%
38	5423-30	PERS CLASSIC (EMPLOYEE)	(392)	(2,948)	-	(2,948)	0.00%
39	5426-30	PERS PEPRA (EMPLOYEE)	(345)	(2,434)	-	(2,434)	0.00%
40	5144-30	GASOLINE, OIL, & DIESEL	865	3,323	5,000	(1,677)	66.47%
41	5101-30	MAINS-REPAIR	-	216	-	216	0.00%
42	5122-30	SCADA REPAIR/UPGRADE	-	-	-	-	0.00%
43	5150-30	EQUIPMENT MAINTENANCE	-	4,429	2,000	2,429	221.47%
44	5151-30	VEHICLES - REPAIR/MAINTENANCE	-	15,509	5,000	10,509	310.18%
45	5152-30	BUILDING/GROUND-REPAIR/MAINTENANCE	433	1,117	2,000	(883)	55.86%

EAST ORANGE COUNTY WATER DISTRICT

FOR SEWERS

MONTH: FEBRUARY 2017

		DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
46	5155-30	EQUIPMENT RENTAL	1,422	2,970	-	2,970	0.00%
47	5160-30	SMALL TOOLS	257	7,481	5,000	2,481	149.63%
48	5161-30	OPERATION REPORTING SOFTWARE	1,313	7,088	8,500	(1,412)	83.39%
49	5170-30	REGULATORY PERMITS	333	812	10,000	(9,188)	8.12%
50	5171-30	ROOT CONTROL	-	-	30,000	(30,000)	0.00%
51	5176-30	EQUIPMENT-SUPPLIES	-	10,136	-	10,136	0.00%
52	5181-30	UNIFORMS	71	1,110	1,500	(390)	73.98%
53	5200-30	PROPERTY LEASE	-	-	10,000	(10,000)	0.00%
54	5201-30	UTILITIES-OFFICE-ELECTRIC AND WATER	176	2,359	2,500	(141)	94.38%
55	5202-30	UTILITIES-OFFICE-GAS	-	-	-	-	0.00%
56	5203-30	UTILITIES-DUMPSTER	52	234	500	(266)	46.87%
57	5204-30	MCPHERSON FAX	35	217	500	(283)	43.46%
58	5205-30	MCPHERSON INTERNET	180	720	1,200	(480)	59.99%
59	5206-30	MCPHERSON OFFICE PHONES	390	2,275	3,700	(1,425)	61.48%
60	5207-30	DISTRICT WEBSITE	43	298	2,000	(1,703)	14.88%
61	5208-30	ANSWERING SERVICE	30	121	200	(79)	60.46%
62	5209-30	CELLPHONES	188	1,155	1,700	(545)	67.97%
63	5210-30	PHONE CIRCUITS TO CONTROL EQUIPMENT	-	-	-	-	0.00%
64	5220-30	TRAINING/SCHOOLS	575	672	3,000	(2,329)	22.38%
65	5221-30	CONSERVATION EDUCATION	-	-	-	-	0.00%
66	5222-30	TRAVEL-CONFERENCE/SEMINARS	-	414	3,000	(2,586)	13.79%
67	5223-30	MILEAGE	-	146	1,000	(854)	14.65%
68	5224-30	MEETING EXPENSE	2	968	1,000	(32)	96.78%
69	5230-30	SCAP	-	538	1,000	(462)	53.80%
70	5231-30	DUES & MEMBERSHIPS-OCWA	-	-	-	-	0.00%
71	5234-30	DUES & MEMBERSHIPS-CSDA	87	3,489	-	3,489	0.00%
72	5239-30	FOG Services	2,064	14,187	-	14,187	0.00%
73	5240-30	POSTAGE	-	125	1,000	(875)	12.46%
74	5241-30	OFFICE SUPPLY/FURNISHING	514	4,767	2,500	2,267	190.67%
75	5250-30	PUBLICATIONS & LEGAL NOTICE	5	1,955	15,000	(13,045)	13.04%
76	5251-30	COPIER CONTRACT	-	202	2,500	(2,298)	8.07%
77	5252-30	OFFICE EQUIPMENT REPAIR AND MAINT	-	939	500	439	187.72%
78	5260-30	OUTSIDE SERVICES	5,336	32,092	10,500	21,592	305.64%
79	5261-30	AUDITING	-	-	10,000	(10,000)	0.00%
80	5262-30	TAX COLLECTION FEES	-	-	7,000	(7,000)	0.00%
81	5263-30	TREASURER	-	-	3,600	(3,600)	0.00%
82	5264-30	ACCOUNTING CONSULTANT	1,913	13,284	5,000	8,284	265.69%
83	5265-30	LEGAL	2,356	8,227	9,000	(773)	91.41%
84	5266-30	COMPUTER CONSULTING	1,210	6,390	7,000	(610)	91.29%
85	5267-30	ENGINEERING	-	43,754	5,000	38,754	875.07%
86	5268-30	LAFCO	-	9,552	5,000	4,552	191.04%
87	5269-30	UNDERGROUND SERVICE ALERT	138	804	2,000	(1,196)	40.21%
88	5270-30	BANK CHARGES	1	1,041	7,000	(5,959)	14.88%
89	5271-30	COMPUTER BILLING	-	-	-	-	0.00%
90	5272-30	VERSATERM CONTRACT	-	-	-	-	0.00%
91	5273-30	GRANT ASSISTANCE	-	-	15,000	(15,000)	0.00%
92	5280-30	INSURANCE AUTO AND GEN LIABILITY	810	5,618	8,000	(2,382)	70.22%
93	5281-30	INSURANCE-PROPERTY	150	1,049	2,000	(951)	52.47%
94	5282-30	INSURANCE-EMPLOYEE FIDELITY BO	17	120	500	(380)	24.09%
95	5291-30	SECURITY	52	2,643	4,000	(1,357)	66.09%
96	5292-30	ELECTION EXPENSE	-	-	20,000	(20,000)	0.00%
97	5293-30	INTEREST EXPENSE DWR	-	-	-	-	0.00%
98	5299-30	MISCELLANEOUS EXPENSE	-	11,500	-	11,500	0.00%
99	5433-30	DIRECTOR-J. DULEBOHN	158	983	2,250	(1,267)	43.70%

EAST ORANGE COUNTY WATER DISTRICT

FOR SEWERS

MONTH: FEBRUARY 2017

		DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
100	5434-30	DIRECTOR-R. BELL	158	742	2,250	(1,508)	32.96%
101	5435-30	DIRECTOR-D. DAVERT	-	-	-	-	0.00%
102	5436-30	DIRECTOR-EVERETT	58	350	2,250	(1,900)	15.56%
103	5437-30	DIRECTOR-SEARS	158	567	2,250	(1,683)	25.19%
104	5051-30	CONTRACT CLEANING SERVICES	19,950	215,506	375,000	(159,494)	57.47%
105	5120-30	LABORATORY SERVICES	-	201	1,000	(799)	20.13%
106	5172-30	INSECTICIDE	-	-	5,000	(5,000)	0.00%
107	5173-30	ODOR CONTROL	-	-	5,000	(5,000)	0.00%
108	5175-30	GRIT DISPOSAL FEES	-	-	2,500	(2,500)	0.00%
109	5920-30	TRANSFER TO CAP PROJECTS	-	-	103,635	(103,635)	0.00%
110	5940-30	CONTINGENCY FUND	-	-	50,000	(50,000)	0.00%
111	5960-30	FUNDED TO/BY RESERVE	-	-	2,000,000	(2,000,000)	0.00%
112	6960-30	FUNDED TO/BY RESERVE	-	-	-	-	0.00%
113	5990-30	MARKET VALUE ADJUSTMENT-INVESTMENTS	-	-	-	-	0.00%
114		Total EXPENSES:	70,069	649,030	2,980,000	(2,330,970)	21.78%
115		NET INCOME (LOSS) FROM OPERATIONS:	(70,069)	903,317	-	903,317	
116		OTHER INCOME AND EXPENSE					
117	5670-30	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
118		Total OTHER INCOME AND EXPENSE	-	-	-	-	0.00%
119		NET INCOME (LOSS)	(70,069)	903,317	-	903,317	

No assurance is provided on these financial statements.

The financial statements do not include a statement of cash flows.

Substantially all disclosures required by accounting principles generally accepted in the United States are not included.

SEWERS CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT
2016-2017 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: FEBRUARY 2017

	REVENUE DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1	CAPITAL PROJECTS REVENUE					
2	CAPITAL CONTRIBUTIONS	5,651	40,033,832	38,000,000	2,033,832	105.35%
3	TRANSFER TO RESERVES FROM OPERATIONS	-	-	2,000,000	(2,000,000)	0.00%
4	PROJECTED CONNECTION FEES	-	-	10,000	(10,000)	0.00%
5	PROJECTED INTEREST EARNINGS	-	-	320,000	(320,000)	0.00%
6	PROJECTED TRANSFERS FROM OPERATIONS	-	-	103,635	(103,635)	0.00%
7	NET OPERATING INCOME	5,651	40,033,832	40,433,635	(399,803)	99.01%

	EXPENSES DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
8	CAPITAL PROJECTS EXPENSES					
9	CIPP	2,535	12,118	126,100	(113,983)	9.61%
10	CCTV	-	-	75,000	(75,000)	0.00%
11	SEWER REPLACEMENT	-	-	60,000	(60,000)	0.00%
12	MANHOLE REPLACEMENT	-	34,150	60,000	(25,850)	56.92%
13	SOURCE CONTROL	1,400	1,400	65,000	(63,600)	2.15%
14	CONDITION ASSESSMENT	6,390	16,954	250,000	(233,046)	6.78%
15	VEHICLE ACQUISITION	-	39,810	45,000	(5,190)	88.47%
16	EQUIPMENT ACQUISITION	4,041	16,614	20,000	(3,386)	83.07%
17	TRANSFER COSTS	-	107,654	-	107,654	0.00%
18	ONE TIME SETUP FEES	14,237	34,142	-	34,142	0.00%
19	REPAIRS AND REHABILITATION	6,278	6,278	950,000	(943,722)	0.66%
20	TOTAL OPERATING EXPENSE	34,880	269,119	1,651,100	(1,381,981)	16.30%
21	**NET INCOME (LOSS) FROM OPERATIONS**	(29,229)	39,764,713	38,782,535	982,178	102.53%
22	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
23	**NET INCOME (LOSS)**	(29,229)	39,764,713	38,782,535	982,178	102.53%

FOR SEWERS

MONTH: FEBRUARY 2017

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2016-17 BUDGET	BUDGET $ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	REVENUE					
1	CAPITAL CONTRIBUTIONS	5,651	40,033,832	38,000,000	2,033,832	105.35%
2	TRANSFER TO RESERVES FROM OPERATIONS	-	-	2,000,000	(2,000,000)	0.00%
3	CONNECTION FEES	-	-	10,000	(10,000)	0.00%
4	INTEREST EARNINGS	-	-	320,000	(320,000)	0.00%
5	TRANSFERS FROM OPERATIONS	-	-	103,635	(103,635)	0.00%
6	Total NON OPERATING INCOME:	5,651	40,033,832	40,433,635	(399,803)	99.01%
7	Total OPERATING REVENUE	5,651	40,033,832	40,433,635	(399,803)	99.01%
8	NET OPERATING INCOME:	5,651	40,033,832	40,433,635	(399,803)	99.01%
	EXPENSES					
9	CIPP	-	-	100,000	(100,000)	0.00%
10	CIPP-ENGINEERING	2,535	12,118	26,100	(13,983)	46.43%
11	CCTV	-	-	65,000	(65,000)	0.00%
12	CCTV-ENGINEERING	-	-	10,000	(10,000)	0.00%
13	SEWER REPLACEMENT-CONSTRUCTION	-	-	50,000	(50,000)	0.00%
14	SEWER REPLACEMENT-ENGINEERING	-	-	10,000	(10,000)	0.00%
15	MANHOLE REPLACEMENT	-	34,150	50,000	(15,850)	68.30%
16	MANHOLE REPLACEMENT-ENGINEERING	-	-	10,000	(10,000)	0.00%
17	SOURCE CONTROL	1,400	1,400	65,000	(63,600)	2.15%
18	CONDITION ASSESSMENT-ENGINEERING	6,390	16,954	250,000	(233,046)	6.78%
19	VEHICLE ACQUISITION	-	39,810	45,000	(5,190)	88.47%
20	EQUIPMENT ACQUISITION	4,041	16,614	20,000	(3,386)	83.07%
21	TRANSFER COSTS	-	107,654	-	107,654	0.00%
22	ONE TIME SET UP FEES	14,237	34,142	-	34,142	0.00%
23	REPAIRS AND REHABILITATION/ONE TIME SET UP FEES	6,278	6,278	950,000	(943,722)	0.00%
24	Total EXPENSES:	34,880	269,119	1,651,100	(1,381,981)	16.30%
25	NET INCOME (LOSS)	(29,229)	39,764,713	38,782,535	982,178	102.53%

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: **REGIONAL/STATE ISSUES**

DATE: APRIL 20, 2017

Background

As a regular feature, staff is proposing to add a regular item to the agenda that provides an opportunity to focus on regional and state issues of concern to the District. Consultant John Lewis will be present to provide the Board with an update on regional political issues and LAFCO items of interest, monthly reports from Townsend & Associates will be attached, and other issues of interest will be highlighted to provide the Board with a sense of the larger issues that we have historically viewed reactively, but for which the Board may wish to take a more pro-active approach. Specific issues of concern will be brought to the Administrative and Finance Committee for appropriate recommendations before being brought to the Board for action.

Attached is the most recent Townsend legislative summary as well as two items pertaining to the Little Hoover Commission's recent review of special districts (an update of its Year 2000 review). The first is a fact sheet that summarizes the Commission's review and a summary of the draft report they are discussing releasing in 2017 or 2018, and the second is a particularly well-written and insightful letter sent by the California Special Districts Association (CSDA) in response to comments made at a February 23rd hearing held by the Commission.

Financial Impact

There is no direct financial impact to the District from this action.

Recommendation

For information only; no action required.

BILL	AUTHOR	SUMMARY	LATEST ACTION	EOCWD POSITION	OTHER POSITIONS
East Orange County Water District Priority Legislation (FY 17-18)					
AB 18	**Garcia [D]**	**California Clean Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018.** Would enact the California Clean Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of $3,005,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, and coastal protection and outdoor access for all program.	Passed the Assembly Floor. Currently in the Senate Rules Committee		ACWA- Favor/Amend CSDA- Support
AB 151	**Burke [D]**	**California Global Warming Solutions Act of 2006: market-based compliance mechanisms:** Would state the intent of the Legislature to enact legislation that authorizes the State Air Resources Board to utilize a market-based compliance mechanism after December 31, 2020, in furtherance of the statewide greenhouse gas emissions limit of at least 40% below the 1990 level by 2030. This is largely seen as the vehicle that will reauthorize the Cap and Trade program beyond its 2020 sunset date.	Currently in the Assembly Natural Resources Committee		ACWA- NYC CSDA- Watch
AB 168	**Eggman [D]**	**Employers: salary information.** Would prohibit an employer, including state and local government employers, from seeking salary history information about an applicant for employment, except as otherwise provided. The bill would require an employer, except state and local government employers, upon reasonable request, to provide the pay scale for a position to an applicant for employment. The bill would specify that a violation of its provisions would not be subject to the misdemeanor provision.	Introduced on January 17, 2017.		ACWA- Not Favor CSDA- Watch
AB 196	**Bigelow [R]**	**Greenhouse Gas Reduction Fund: water supply repairs.** Current law requires moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state and satisfying other purposes. Current law authorizes specified investments, including water use and supply, if the investment furthers the regulatory purposes of the California Global Warming Solutions Act of 2006 and is consistent with law. This bill would authorize the use of the moneys in the fund for water supply repairs if the investment furthers the regulatory purposes of the act and is consistent with law.	Currently in the Assembly Natural Resources Committee and will be heard on April 17		ACWA- Favor CSDA- Watch

AB 277	**Mathis [R]**	**Water and Wastewater Loan and Grant Program.** The Safe Drinking Water State Revolving Fund Law of 1997 establishes the Safe Drinking Water State Revolving Fund to provide grants or revolving fund loans for the design and construction of projects for public water systems that will enable those systems to meet safe drinking water standards. This bill would, to the extent funding is made available, authorize the State Water Resources Control Board to establish the Water and Wastewater Loan and Grant Program to provide funding to eligible applicants for specified purposes relating to drinking water and wastewater treatment.	Currently in the Assembly Appropriations Committtee		ACWA- Favor CSDA- Support
AB 313	**Gray [D]**	**Water.** Current law establishes the State Water Resources Control Board in the California Environmental Protection Agency consisting of 5 members appointed by the Governor, including one member required to be an attorney admitted to practice law in this state who is qualified in the fields of water supply and water rights and one registered civil engineer under the laws of this state qualified in the fields of water supply and water rights. This bill would revise the qualifications for the membership to the board by eliminating those requirements for qualification in the field of water rights.	Currently in the Assembly Water, Parks, and Wildlife Committee		ACWA- Watch CSDA- Watch
AB 574	**Quirk [D]**	**Potable reuse** The bill would require the state board, on or before June 1, 2018, to establish a framework for the regulation of potable reuse projects that includes specified elements. The bill would require the state board, on or before December 31, 2021, to adopt uniform water recycling criteria for potable reuse through raw water augmentation, as specified, and would allow the board to extend this date if certain criteria is met.	Passed the Assembly Environmental Safety and Toxic Materials Committee and is currently in the Assembly Natural Resources Committee.		ACWA- Support CSDA- Watch
AB 885	**Rubio [D]**	**Pupil health: drinking water: lead** Would require a school, defined to include a public elementary school, a public secondary school, a public preschool located on public school property, and a public day care facility located on public school property, to purchase and install, on or before April 1, 2018, certified water filters at all school faucets, fountains, and other outlets designated for drinking or cooking. The bill would require a school to replace all lead-bearing parts within the school's water delivery system, where feasible and cost effective, on or before January 1, 2020. The bill would require a community water system to test, on or before July 1, 2019, and every year thereafter, for the presence of lead at each water outlet used for drinking or cooking at each school within the boundaries of the community water system.	Referred to the Assembly Education Committee and will be heard on April 5.		ACWA- Oppose unless amended CSDA- Oppose unless amended

AB 1000	**Friedman [D]**	**Water conservation: certification.** Current law requires the State Energy Resources Conservation and Development Commission to establish minimum levels of operating efficiency to promote the use of energy and water efficient appliances. This bill would require the commission to certify innovative water conservation and water loss detection and control technologies that increase the energy efficiency of the system affected and are cost effective	Currently in the Assembly Water, Parks, and Wildlife Committee and will be heard on April 25.		ACWA- Watch CSDA- Watch
AB 1543	**Gloria [D]**	**Municipal water districts: bonds - SPOT BILL** Current law authorizes a municipal water district to issue bonds for the purpose of providing money required to be paid to any district or authority organized under the Metropolitan Water District Act or the County Water Authority Act for a certain purpose, and specifies that the amount of those bonds may include the expenses of all proceedings for the authorization, issuance, and sale of the bonds. This bill would make nonsubstantive changes in that provision. This is a spot bill that could potentially take substantial amendments that could be of interest to the District.	Introduced February 17, 2017.		ACWA- Watch CSDA- Watch
AB 1667	**Friedman [D]**	**Urban water suppliers: landscape water meters.** Would require an urban water supplier to install dedicated landscape water meters on commercial, institutional, industrial, and multifamily service connections that are located in its service area on or before January 1, 2020, if the property has greater than 1,000 square feet of irrigated landscape, and on or before January 1, 2025, if the property has greater than 500, but less than 1,001, square feet of irrigated landscape.	Referred to the Assembly Water, Parks, and Wildlife Committee and will be heard on April 25.		ACWA- Oppose CSDA- Watch
AB 1669	**Friedman [D]**	**Urban water use efficiency** Would, on or before January 1, 2019, require the State Water Resources Control Board, in consultation with the Department of Water Resources and other appropriate state agencies, to establish and adopt a process to increase urban water use efficiency through incremental urban water use efficiency standards and in that regard to establish an urban water use efficiency standard to be achieved by urban water suppliers by January 1, 2025. The bill would require the state board to review and consider updates to the urban water use efficiency standard every 5 years.	Referred to the Assembly Water, Parks, and Wildlife Committee and will be heard on April 25.		ACWA- Oppose CSDA- Watch

SB 5	**De Leon [D]**	**California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.** Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of $3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program. $1,500,000,000 of this would go toward Integrated Regional Water Managament, groundwater sustainability, water recycling, and clean, safe, reliable drinking water.	Currently in the Senate Appropriations Committee		ACWA- Favor/Amend CSDA- Support
SB 80	**Wieckowski [D]**	**California Environmental Quality Act: notices.** The California Environmental Quality Act requires the lead agency to mail certain notices to persons who have filed a written request for notices. The act provides that if the agencys offer to provide the notices by email, upon filing a written request for notices, a person may request that the notices be provided to him or her by email. This bill would require the lead agency to post those notices on the agency's Internet Web site. The bill would require the agency to offer to provide those notices by email. Because this bill would increase the level of service provided by a local agency, this bill would impose a state-mandated local program.	Referred to the Senate Environmental Quality Committee and set for a hearing on March 29.		ACWA- Oppose unless amended CSDA- Concerns
SB 231	**Hertzberg [D]**	**Local government: fees and charges.** Articles XIII C and XIII D of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Would define the term "sewer" and would recast the definition of "water" to mean "water service," for these purposes, in order to fund stormwater capture projects through property taxes.	Passed the Senate Governance and Finance Committee and is currently on the Senate Floor.		ACWA- Watch CSDA- Watch
SB 740	**Wiener [D]**	**Onsite treated water** Would, on or before December 1, 2018, require the State Water Resources Control Board, in consultation with other state agencies, to adopt regulations, as specified, for a comprehensive risk-based framework to assist local jurisdictions in developing oversight and management programs for onsite treatment of water for nonpotable use. The bill would require the framework to be flexible to adapt to new water sources, end uses, and advances in approaches and methodologies to estimate the risk of onsite water treatment to public health. The bill would specify that a local jurisdiction is not required to adopt the practices set forth in the framework.	Currently in the Senate Environmental Quality Committee and will be heard on April 5.		ACWA- NYC CSDA- Watch

SCA 4	**Hertzberg [D]**	**Water conservation.** The California Constitution requires that the water resources of the state be put to beneficial use to the fullest extent of which they are capable and that the waste or unreasonable use or unreasonable method of use of water be prevented.This measure would declare the intent of the Legislature to amend the California Constitution to provide a program that would ensure that affordable water is available to all Californians and to ensure that water conservation is given a permanent role in California's future. Amendments are expected on this constitutional amendment.	Introduced on February 2, 2017.		ACWA- NYC CSDA- Watch

California Special Districts Association
Districts Stronger Together

LITTLE HOOVER COMMISSION REVIEW OF SPECIAL DISTRICTS

On February 23, the Little Hoover Commission discussed a draft staff report regarding its ongoing review of special districts. Prior to this discussion, the Commission conducted three public hearings as a follow-up to its May 2000 report entitled "Special Districts: Relics of the Past or Resources for the Future." The Commission tabled the draft report and is expected to hold a fourth hearing before finalizing the report sometime in late 2017 or early 2018.

Who is the Little Hoover Commission?

Created in 1962, the Commission is an independent state oversight agency. The Commission's mission is to investigate state government operations and – through reports, recommendations and legislative proposals – promote efficiency, economy, and improved service. Its bipartisan board is composed of five citizen members appointed by the Governor, four citizen members appointed by the Legislature, two State Senators and two State Assembly Members.

What Did the 2000 Commission Report Say?

While the title of the 2000 Commission report spoke for itself, it included five findings, each with several recommendations. By and large the findings were critical of special districts:

1. *Oversight and Accountability*—Special districts are often invisible to the public and policy-makers, compromising oversight and accountability.
2. *LAFCO*—Local Agency Formation Commissions, by not aggressively scrutinizing the organization of special districts, have failed to promote the efficient and effective evolution of independent special districts.
3. *Consolidation*—Policy-makers and community leaders lack the analytical tools necessary to assess the benefits of consolidation, impeding their ability to advocate effectively for change and overcome the tenacity of the status quo.
4. *Reserves*—Hundreds of independent special districts have banked multi-million dollar reserves that are not well publicized and often not considered in regional or statewide infrastructure planning.
5. *Property Tax*—Property tax allocations to some enterprise districts create inequities among districts and distort the true costs of service. A significant portion of the property tax allocated to all enterprise districts subsidizes districts with the highest reserves.

How Have Special Districts Responded?

CSDA strongly disagreed with the majority of findings in the 2000 Commission report. Nonetheless, we took the issues seriously and worked with our members and other stakeholders to address the perceptions surrounding special districts.

Among the many initiatives undertaken, CSDA brought together financial experts to develop the Special District Reserve Guidelines, which were updated in 2012 with a second edition. CSDA also partnered in the establishment of the Special District Leadership Foundation. The non-profit, 501c3 foundation has trained hundreds of special district board members and staff and raised the bar for special district governance through its District of Distinction and District Transparency Certificate of Excellence programs.

In addition to these internal efforts, the California State Legislature has passed numerous new laws related to the governance of special districts and other local agencies. New state laws include a complete overhaul of the Cortese-Knox-Hertzberg Act, which governs Local Agency Formation Commissions, as well as the dozens of transparency and accountability measures that followed the City of Bell scandal.

Today, special districts must undergo regular independent audits and municipal service reviews, as well as complete annual compensation and financial transaction reports. They must link the compensation reports to their websites along with meeting agendas and other information. This is in addition to abiding by the Brown Act, Public Records Act, and other mandates related to district operations and procedures.

With the support of its members and partners, CSDA prepared an extensive written response and delivered the lead testimony during the Commission's August 25, 2016 hearing in Sacramento. This testimony, which is available via the Commission's YouTube page, overviewed the value of special districts and the proactive efforts taken toward providing communities efficient and effective local services and infrastructure.

Following its August hearing, the Commission chose to focus its October hearing on special district climate change adaptation efforts. The Commission previously studied state government strategies for climate change adaptation in its July 2014 report, *Governing California Through Climate Change*. The written and video testimonies from both hearings are available at www.lhc.ca.gov.

What are the Next Steps?

While the Commission's draft staff report was not publicly released, it was clear from discussion at the February 23 business meeting that the report focused on the areas of state oversight, climate adaptation, and healthcare districts. One Commissioner expressed that the report may need to take a more "radical" approach, and proposed adding to the report a ten-year sunset date for special districts. He referred to his proposal as a special district "death sentence."

Ultimately, the Commission tabled the draft report and requested a fourth public hearing to address remaining concerns and questions by some of the Commissioners. CSDA responded to the February 23 meeting discussion with a March 6 letter to the Commission and a March 7 meeting with the Commission Chair, Vice-Chair, and Executive Director.

On March 30, Commission staff provided Commissioners with supplemental information, including CSDA's March 6 letter, and requested feedback as to the remaining concerns and questions the proposed fourth hearing on special districts should address. Based on this feedback, the Commission hopes to determine by the end of April the focus and the date of the fourth hearing.

What Should Special District Leaders Be Doing Right Now?

Though much has been done since the 2000 Commission report, the job of special district leaders to continually improve the performance and perception of districts is not complete. Special districts are stronger together. Join with CSDA, and together we will make a difference:

1. *Commissioner Outreach*—If you, or someone you know, has a relationship with one of the Commissioners, please e-mail kylep@csda.net.
2. *Witness Identification*—If you know a member of your community, such as a leader with a non-profit, business, labor, county, or city, who would be willing to serve as a supportive witness as to the value and benefit of special districts, please e-mail kylep@csda.net.
3. *Promotion of Public Awareness and Understanding*—People fear what they do not know, and if we do not tell our story, others will do so for us. Visit www.DistrictsMakeTheDifference.org today to learn how you can join our public outreach campaign.
4. *Special Districts Legislative Days*—Come together in Sacamento with over 200 special district leaders to hear from Little Hoover Commission Chair Pedro Nava and educate Capitol offices about special districts. Register for the May 16-17 event at legislativedays.csda.net.

California Special
Districts Association
CSDA *Districts Stronger Together*

March 6, 2017

The Honorable Pedro Nava
Little Hoover Commission
925 L Street, Suite 805
Sacramento, CA 95814

RE: February 23 Business Meeting of the Little Hoover Commission

Chair Nava:

This letter is intended to follow-up on a number of questions raised by Commissioners during the February 23, 2017 Business Meeting of the Little Hoover Commission (Commission), specifically during the discussion regarding the Commission's draft report on special districts.

The California Special Districts Association (CSDA) would be remiss if we did not recognize that over the course of the three hearings and multiple business meetings since August of 2016, we have been impressed by the communication, outreach, and perspective your staff has brought to the review process. Similarly, we appreciate the leadership you have demonstrated as Chair of the Commission. Your good humor, balanced treatment of witnesses, and search for evidenced-based information is refreshing and most welcomed.

However, CSDA must confess concern over some of the arguments put forth during the February 23 meeting. Our concern is not because special districts were challenged, or the "status quo" upset. We have welcomed the opportunity to discuss such challenges over these past seven months. Rather, our concern is that some of the rhetoric exercised at the meeting was ill-informed.

Our goal throughout the Commission's review has been to serve as a resource and to promote an accurate and thoughtful understanding of special districts and the services they provide. It is with this purpose that we share the following information in response to comments expressed during the Commission's February 23 business meeting.

The "Right" Number of Special Districts
One Commissioner commented that 4,700 special districts in California is too many. Other Commissioners seemed to sympathize with this sentiment in previous business meetings.

We must ask, what is the "right" number for any local government? Are 58 counties the right number? Or, 482 cities? Or, 1,022 school districts? What if we were to offer to the Commission that we could *cut* the number of special districts by more than half? Would that address the concern?

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The fact is we *can* reduce the 4,700 number by more than 50 percent immediately. Pages 3-4 of our August 8, 2016 written testimony submitted to the Commission detail that there are actually less than 2,200 independent special districts in California. The 4,700 number that Commissioner Scott Barnett cited is taken from the State Controller's report, which includes non-profit corporations, dependent special districts, and joint powers authorities.

Regardless of the numbers, as our written testimony details, the discussion should focus on the *quality* rather than the quantity. *Fewer* local governments does not necessarily equal *better* local government. Similarly, consolidating into *bigger* governments does not always result in *better* government.

Special Districts Are Methodically Consolidating Where Appropriate
One Commissioner inquired why it seemed as though special districts in California were "exploding" in number.

The fact is we can address this concern immediately. Page 4 of our written testimony notes that Census data from the 2012 Census of Governments indicates that the number of special districts in California has declined by five percent since its peak in 1997, while the number nationwide continued to grow by 10 percent during that same period. Far from "exploding", the number of special districts in California has actually bucked the nationwide trend and is gradually declining. This is particularly impressive given the population in California, and presumably the demand for services, has *increased* by 20.8 percent since 1997. There are now fewer special districts serving substantially more residents.

Why might the number of special districts in California have declined since 1997? We hypothesize that much of it has to do with the updates to LAFCO law (known as "Cortese-Knox-Hertzberg") in 2000. This update empowered LAFCOs with new tools that has led to consolidations and other reorganizations where appropriate.

Some might say that a five percent reduction over 20 years is too slow. However, it is important to consider that we are dealing with local services for thousands of unique communities. These are complex issues that involve public infrastructure, debts, liabilities (including pension obligations), taxes, fees, property (including water) rights, employee rights, and voter rights. And, when it comes to water, sewer, fire protection, and other essential services in California, a methodical approach is the right approach.

RDA Dissolutions and Oversight Boards as Examples
One Commissioner referred to redevelopment (RDA) dissolutions and RDA oversight boards as a potential example for dealing with special districts.

While the RDA experience is a great example for several things, it is not an example of a good approach for special districts. Just a few lessons from the RDAs:

- **Bonds, Junk Bonds**
  As outlined in the report, "The 2012-13 Budget: Unwinding Redevelopment" by the Legislative Analyst's Office (LAO), the mere *proposal* to dissolve RDAs in January 2011 created enough uncertainty in the RDA bond market to *double* interest rates. According to the LAO,

"Specifically, about two-thirds of the bond issuances in 2011 had interest rates greater than seven percent—compared with less than one-quarter of bond issuances in 2010. In fact, RDAs issued more tax allocation bonds with interest rates exceeding eight percent during the first six months of 2011 than they had in the previous ten years."

- **Law Lawsuit Land**
  Forced dissolution is a recipe for litigation. According to a 2015 League of California Cities analysis, there have been 204 lawsuits filed in the wake of RDA dissolution. At a 2014 Assembly Budget Committee oversight hearing, the Department of Finance noted that tentative rulings in just a handful of these lawsuits could potentially affect up to $3.4 billion. Given the greater amount of complexity and vast infrastructure holdings involved with special districts, these numbers would likely just scratch the surface.

- **Now You See Me, Now You Don't**
  As significant as some RDA's may have been with regard to financing economic development and affordable housing activities, they were essentially financing mechanisms. They did not directly employ a skilled workforce beyond some managerial duties and they were not responsible for delivering the daily essential services of residents. Average Californians probably didn't even notice that 400 RDAs went away overnight. That would not be the case if people woke up and their neighborhood recreation and park district went away, let alone their water, wastewater, or fire protection district.

- **I Say Soda, You Say Pop**
  RDA dissolution law established over 400 RDA oversight boards, one for each former RDA. These boards look a lot like Local Agency Formation Commissions (LAFCOs). They each have a special district member, city member, county member, and public member. In July 2018 they will look even more like LAFCOs when they consolidate into one RDA oversight board per county. The suggestion that something like an RDA oversight board would provide the right solution, essentially supports the existing LAFCO model.

"Death Sentence" Is a Fitting Name for a Dangerous Proposal
One Commissioner dubbed the idea of a ten-year sunset for all special districts a "death sentence" and suggested the Commission, "start on the extreme end" and "do something more radical."

A ten-year sunset for special districts would be an extremely radical and costly approach that could very well result in a literal death sentence for residents in some communities. Special districts are responsible for essential services and public infrastructure for millions of people throughout California. Premature, poorly executed, or poorly conceived dissolutions would have very real and very serious implications for both life and property.

An extremely radical approach that could disrupt special district services would be dangerous, and is the last thing our communities need right now. Residents create, fund, and oversee special districts to address a need that isn't otherwise being met. Districts are formed when it's something the community wants; wants it done well; and wants it done with local control and flexibility.

Special Districts Are Diverse in their Nature
One Commissioner noted that we cannot look at all special districts the same.

CSDA could not agree more. Special districts are uniquely formed by diverse communities to address specialized needs. They come in all shapes and sizes and confront myriad challenges with vastly different levels of resources. It is impossible to productively take a one-size-fits-all approach to local government, and it is both counterintuitive and hazardous to consider a top-down approach to local government.

Flip-Side is Community Engagement
One Commissioner acknowledged that special districts offer the opportunity for increased levels of community engagement.

Special districts offer an avenue for residents to take a proactive approach to civic engagement. The politics and fundraising required to successfully win election to a federal, state, and sometimes even county or city office is an insurmountable barrier to most citizens. Many residents even feel as though their votes do not "count" for these elections, and that access is limited to the politically connected.

Agendas and hearings for some large, centralized governments, including many general purpose governments can be long (those who have attended can attest), and the amount of time spent on certain specific local issues can sometimes be insignificant or non-existent due to time constraints. Such issues may be relegated to unaccountable "advisory bodies" or civil servants. Constituents may need to travel hours to participate, may never attain an audience with their elected representative, and may struggle to navigate a large and daunting bureaucracy. Special districts may come with their own set of challenges, but it is important to note the trade-offs involved.

We All Want a Local Approach
One Commissioner stated that, ultimately, we want a local approach.

Again, CSDA could not agree more. Many disenchanted voters find nothing worse than somebody from up in Sacramento or D.C. coming to their community and saying, "we are from the government, and we are here to help."

CSDA is not "anti-consolidation" nor are we "pro-consolidation". We are pro-community and pro-quality, local, service. When it comes to consolidation, CSDA supports a local LAFCO process that meets the following criteria:
1. Facilitates an open and public local process.
2. Includes the input and participation of all affected parties.
3. Conducts an objective analysis.
4. Gives the residents who *receive* and *pay for* the services the final say.

Let's Make Sure We Are Fixing a Problem That Actually Exists
One Commissioner cautioned to make sure we are fixing a problem that actually exists.

This is an important question. What is the problem the Commission is trying to address? CSDA has been engaged on these issues from the moment we were contacted about the Commission's

review, and we have participated in each of the three public hearings occurring since August 2016. Dozens of special district officials have sacrificed days' worth of their time and committed personal and public resources to travel to Sacramento and participate in these hearings. We have been forthcoming and responsive, and we have provided hundreds of pages of documentation and background.

Nonetheless, at the February 23 meeting, a Commissioner, who did not attend a single one of these three hearings, raised questions that were previously addressed in detail during both written and oral testimony.

In light of this diversion from an otherwise productive and healthy review by the Commission, we simply ask that the Commission respect the time and resources of our membership. We have repeatedly stated and demonstrated throughout this process that we want to be constructive toward meeting challenges related to special districts and the communities they serve. But, doing so requires we all take the time, as you and your staff have done, to come together in the same room to focus on the facts.

As we stated in our first written correspondence on August 8, 2016:

"Across our state, nation, and world, all levels of government face what seems to be growing levels of scrutiny. CSDA is striving to take a proactive approach to this issue, which this written testimony will speak to."

These words are all the more poignant given the discourse that has occurred in our nation in the months since it was first submitted. We don't think that anybody on the Commission or within the special districts community is looking to further erode the public's trust in its government. We seek your help to work constructively with the Commission so that together we can help special districts be as successful as possible in serving their communities.

We have attached our previously provided written testimony for the Commission's reference, and look forward to participating in the upcoming fourth hearing planned for this fall. Your willingness to speak to our members at CSDA's legislative conference in Sacramento on May 17 is greatly appreciated. It is a demonstration of our mutual commitment to constructive dialogue. Our membership thanks you in advance for your willingness to share your time and experience.

Sincerely,

Neil McCormick
Chief Executive Officer

Kyle Packham
Advocacy and Public Affairs Director

MEMO

TO: BOARD OF DIRECTORS

FROM: GENERAL MANAGER

SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – MARCH 2017

DATE: APRIL 20, 2017

Wholesale Zone Water Demands

Attached is a graphical representation of the Wholesale Zone water demand through March 31, 2017. Water sales for the month of March 2017 totaled 79.50 AF; this is a 60.79 AF decrease (43.3%) in demand from March 2016.

Retail Zone Water Demands

Page 1 of the attached report is an overview of the sources of water supply and our monthly production (**43 AF**). For March 2017, 100% of total Retail Zone demand was met using groundwater produced from our East Well & West Well.

Page 2 of the report depicts our 10-year water usage and how much of this was groundwater versus imported water. As shown on this graph, drought allocations begun in 2014/15 have reduced total demand below the 10 year average of 1,022 AF. We expect that this may increase slightly this year due to the reduced conservation standards established by the state.

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

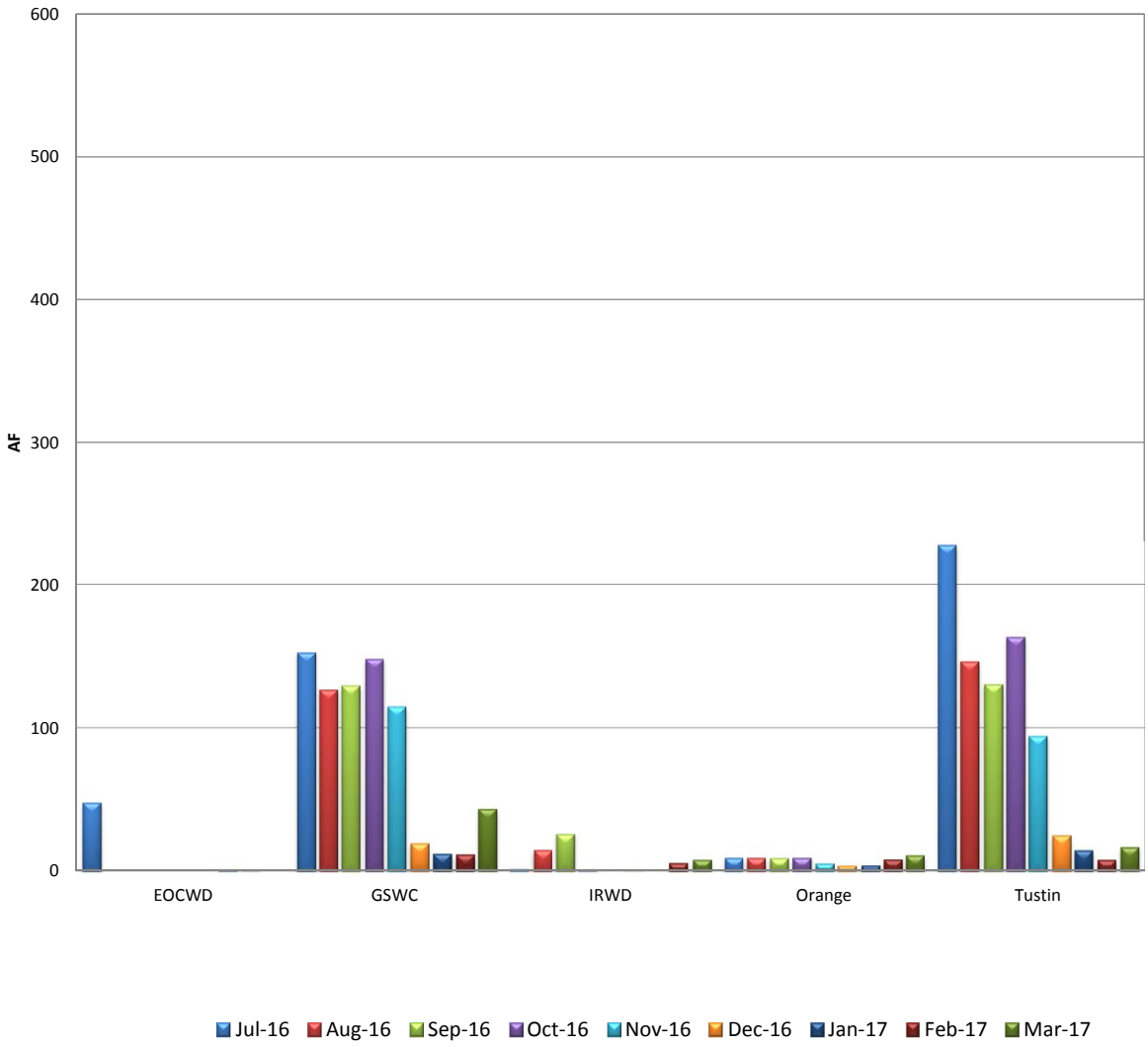
As shown on Page 4, total production for the month of March 2017 was **43 AF**; March's production is 21 AF (49%) lower than our production during March 2016, and 23 AF (35%) lower than our average production for the last 6 years. Of the 43 AF of groundwater produced, 17 AF of that represents water supplied due to the Groundwater Replenishment System (GWRS).

Also attached are graphs depicting the Retail Zone's water production, including a table that shows "gallons per capita per day" or GPCD. The effect of the decreased conservation is shown very vividly here - the table shows our residents' per person, per day water consumption for the month of **March 2017 (139 GPCD)** compared to **March 2016 (207 GPCD)**. This number is derived by dividing the total amount of water used by the population (a number calculated by the Center for Demographics at Cal State Fullerton). For comparison, the average GPCD for the South Coast area of California is 176 GPCD (Source: Department of Water Resources). The average GPCD for RZ customers for FY 2015/16 was 176 GPCD.

Wholesale Zone Water Demand

Total Monthly Sales for March 2017 = 79.50 AF

Total YTD Sales for July 2016 - March 2017 =1,759.63 AF



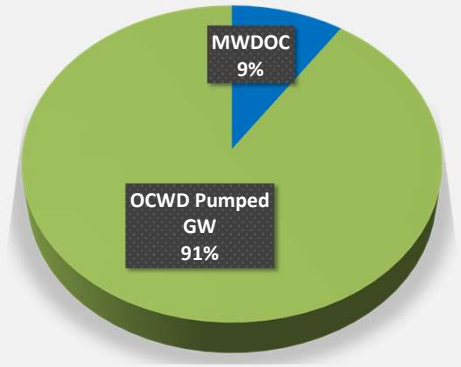
East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Overview of Usage
FY 2016-17 Monthly Water Use

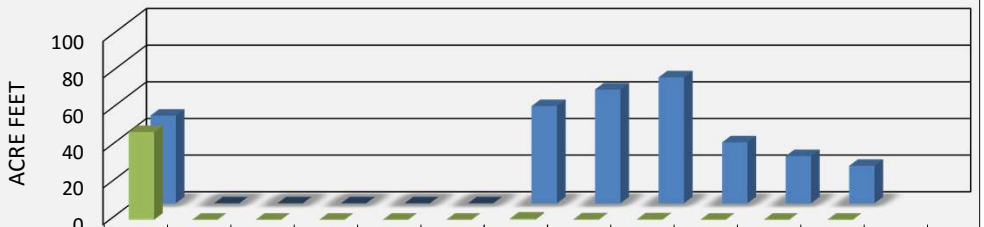
Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	48	-	-	-	-	-	1	0	0	-	-	-	49
OCWD Pumped GW	34	87	70	68	58	44	31	32	43	-	-	-	466
Total	**82**	**87**	**70**	**68**	**58**	**44**	**31**	**32**	**43**	**-**	**-**	**-**	**514**

2016 MWDOC Usage	48	0	0	0	0	0	53	62	69	33	26	20	**311**

2016-17 Sources of Water

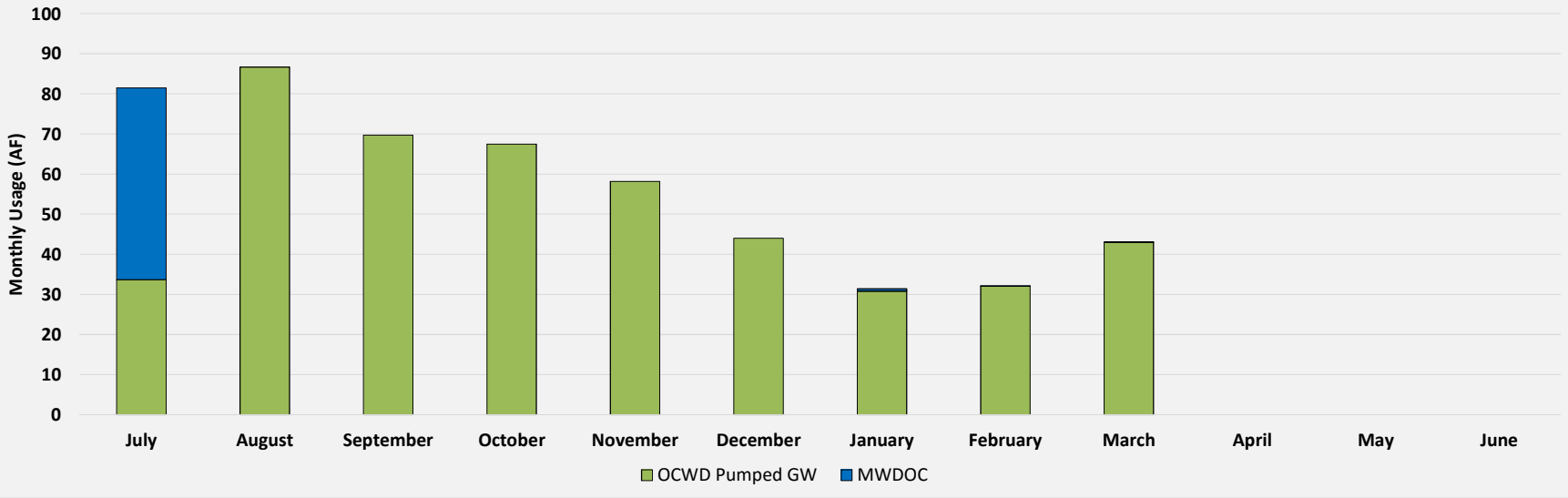


MWDOC Calendar Year and Fiscal Year Purchases



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2016-17	48	-	-	-	-	-	1	0	0	-	-	-	49
2016	48	0	0	0	0	0	53	62	69	33	26	20	311

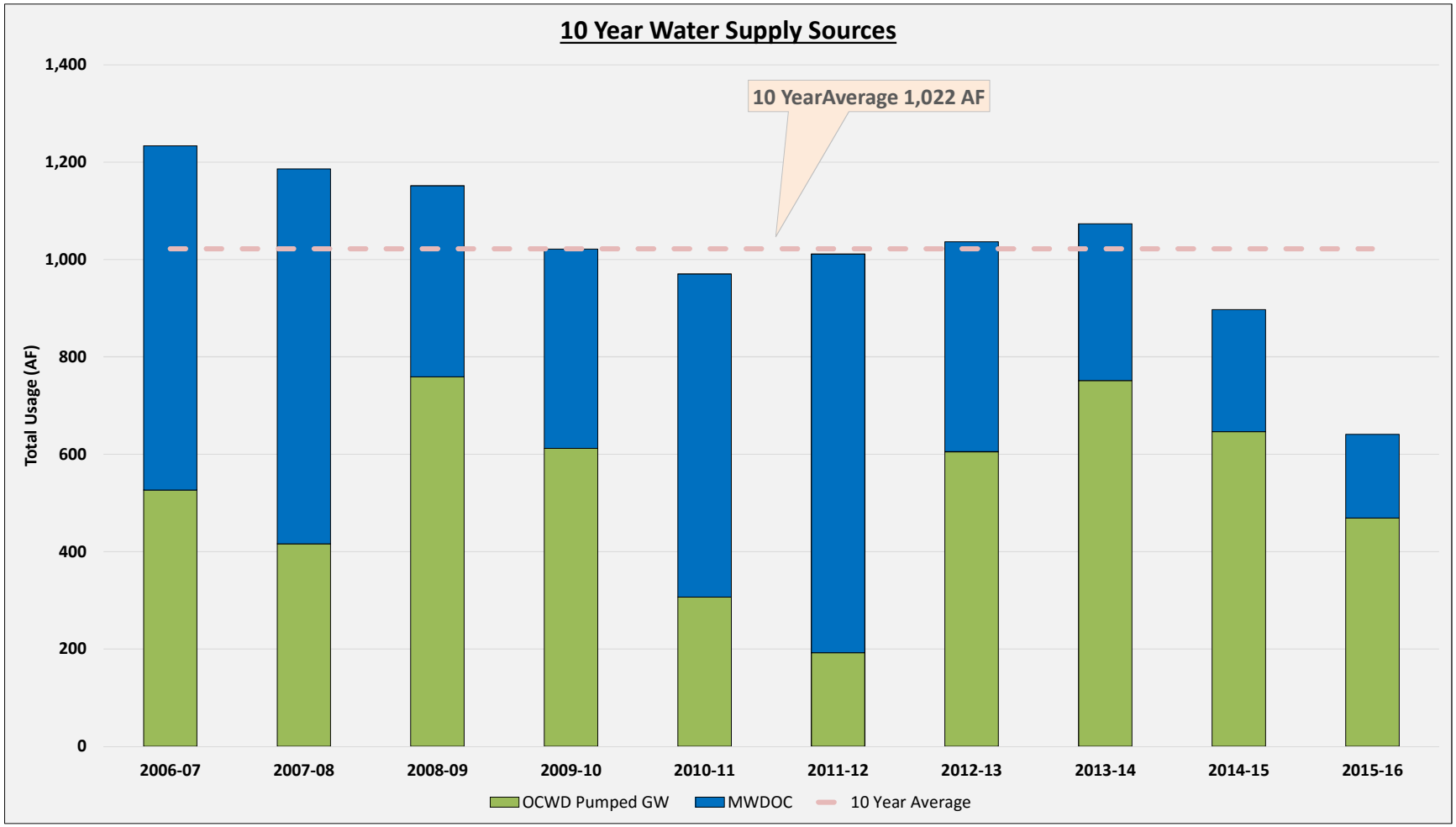
2016-17 Monthly Water Supply Sources



East Orange County Retail Zone Water Usage Report

Annual Water Usage

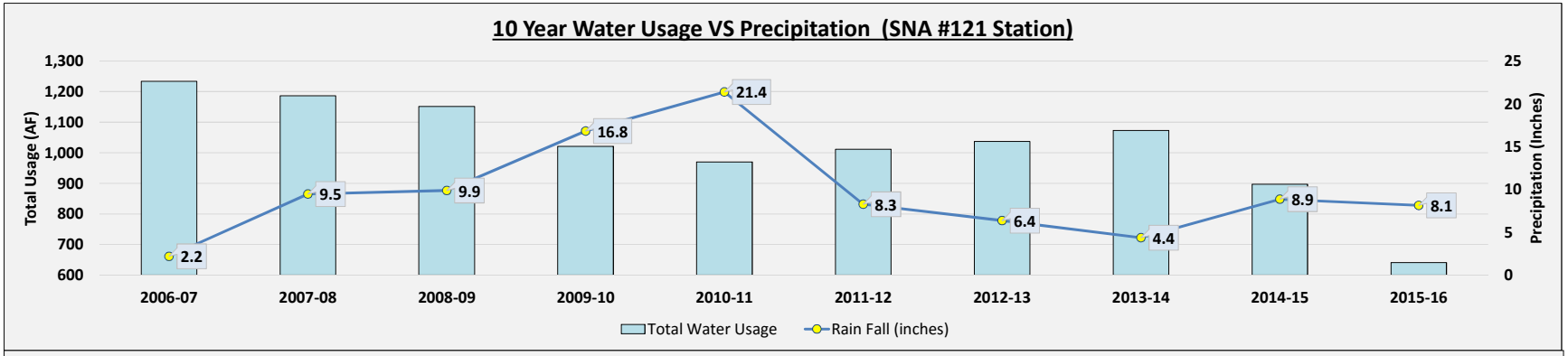
Type of Supply	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Average
MWDOC	707.1	770.0	392.3	409.3	663.8	819.1	431.3	322.0	250.7	172.1	493.8
OCWD Pumped GW	526.3	416.0	759.1	612.0	306.5	192.1	605.2	751.3	646.3	468.9	528.4
Total	**1,233**	**1,186**	**1,151**	**1,021**	**970**	**1,011**	**1,037**	**1,073**	**897**	**641**	**1,022**

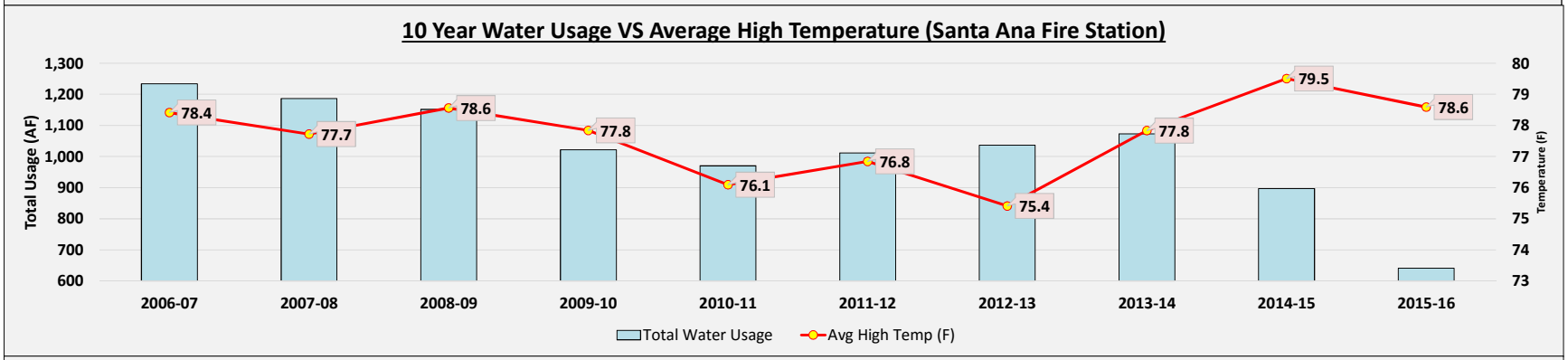


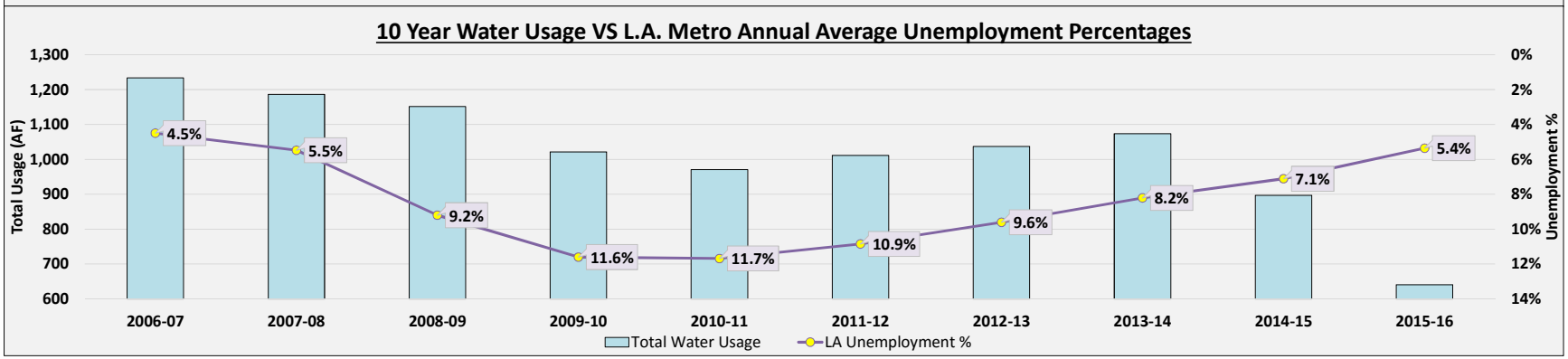
East Orange County Retail Zone Water Usage Report

Water Usage Variables

Type of Supply	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	Average
Rain Fall (inches)	2.2	9.5	9.9	16.8	21.4	8.3	6.4	4.4	8.9	8.1	9.6
Avg High Temp (F)	78.4	77.7	78.6	77.8	76.1	76.8	75.4	77.8	79.5	78.6	77.7
LA Unemployment %	4.5%	5.5%	9.2%	11.6%	11.7%	10.9%	9.6%	8.2%	7.1%	5.4%	8.4%
Total Water Usage	**1,233**	**1,186**	**1,151**	**1,021**	**970**	**1,011**	**1,037**	**1,073**	**897**	**641**	**1,022**







MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

prepared by Municipal Water District of Orange County
** Numbers are Subject to Change*

4/6/2017

East Orange County Retail Zone Water Usage Report

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

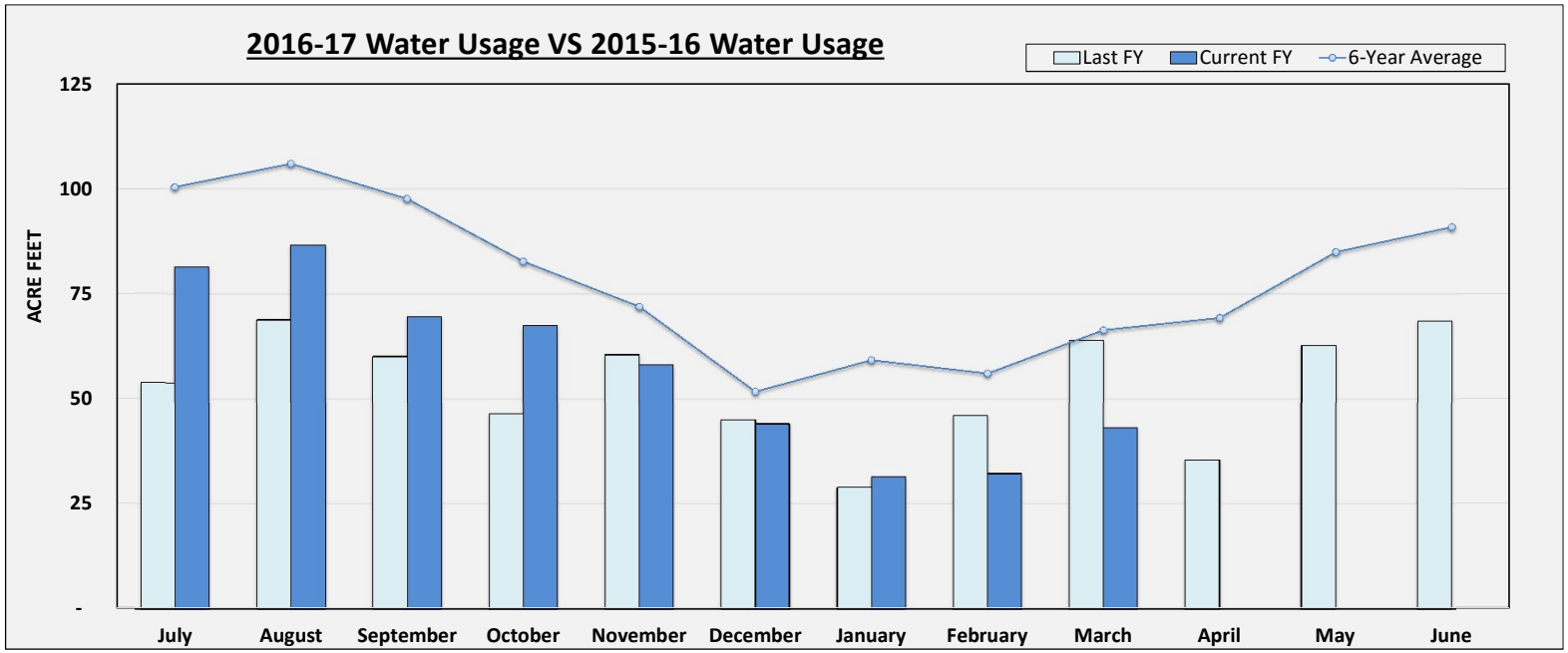
Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	Total
2009-10 Usage	123	124	112	97	86	55	52	35	59	74	96	110	1,021
2010-11 Usage	112	118	109	76	73	49	58	55	54	78	92	98	970
2011-12 Usage	120	119	98	88	63	68	71	58	67	65	95	100	1,011
2012-13 Usage	114	118	107	99	75	42	58	62	73	85	101	103	1,037
2013-14 Usage	104	108	111	94	87	66	81	63	69	80	108	103	1,073
2014-15 Usage	100	104	102	93	74	41	59	53	72	73	52	74	897
2015-16 Usage	54	69	60	46	61	45	29	46	64	35	63	69	641
Average of Last 6 FYs	**100**	**106**	**98**	**83**	**72**	**52**	**59**	**56**	**66**	**69**	**85**	**91**	**938**
Monthly Usage Percentage	11%	11%	10%	9%	8%	6%	6%	6%	7%	7%	9%	10%	100%

Water Usage By Source

Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	47.8	-	-	-	-	-	0.6	0.2	0.2				48.8
CPTP	-	-	-	-	-	-	-	-	-				-
Imported Total	**48**	**-**	**-**	**-**	**-**	**-**	**1**	**0**	**0**	**-**	**-**	**-**	**48.80**

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	33.7	86.7	69.7	67.5	58.2	44.0	30.8	32.0	42.9				465.5
Less Fill up Reservoir													-
Less CPTP	-	-	-	-	-	-	-	-	-				-
Local Total	**34**	**87**	**70**	**68**	**58**	**44**	**31**	**32**	**43**	**-**	**-**	**-**	**466**

Total Usage 2016-17	**82**	**87**	**70**	**68**	**58**	**44**	**31**	**32**	**43**	**-**	**-**	**-**	**514**
FY 16-17 versus FY 15-16	+51%	+26%	+16%	+45%	-4%	-2%	+9%	-30%	-33%				



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

prepared by Municipal Water District of Orange County
** Numbers are Subject to Change*

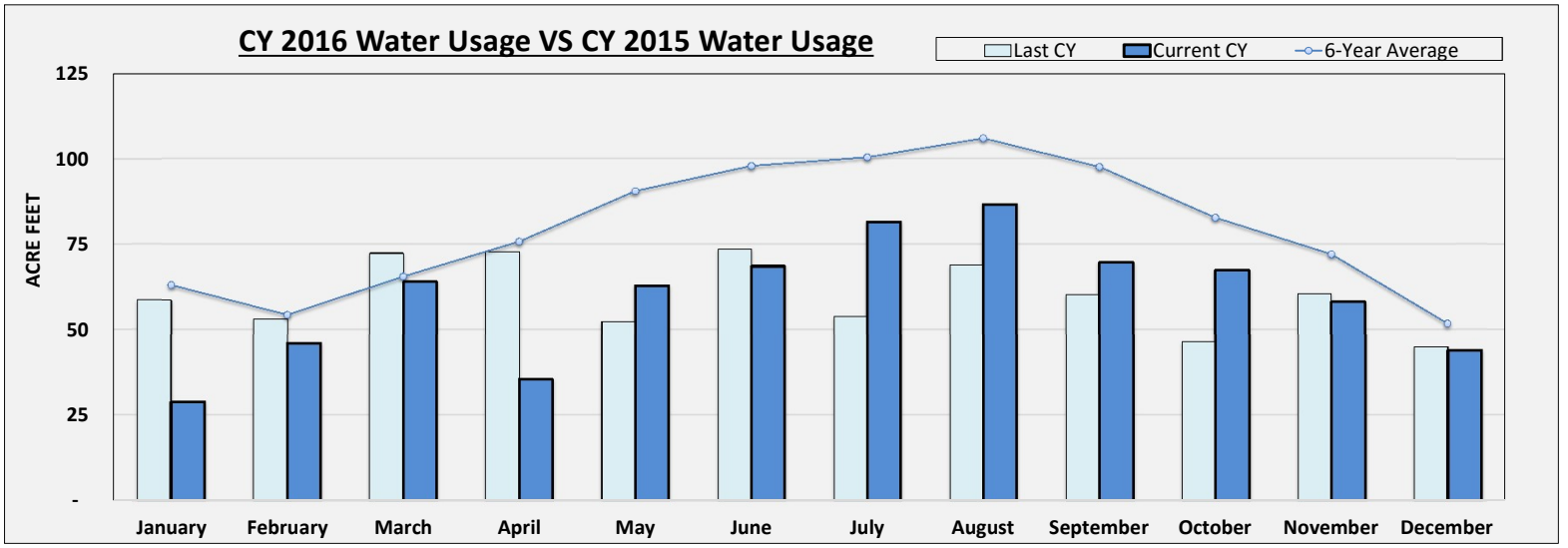
4/6/2017

East Orange County Retail Zone Water Usage Report

Historical Monthly Potable Usage (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2010	52	35	59	74	96	110	112	118	109	76	73	49	962
2011	58	55	54	78	92	98	120	119	98	88	63	68	990
2012	71	58	67	65	95	100	114	118	107	99	75	42	1,010
2013	58	62	73	85	101	103	104	108	111	94	87	66	1,052
2014	81	63	69	80	108	103	100	104	102	93	74	41	1,017
2015	59	53	72	73	52	74	54	69	60	46	61	45	718
6 year Average	**63**	**54**	**66**	**76**	**91**	**98**	**100**	**106**	**98**	**83**	**72**	**52**	**958**

Total Water Usage 2016	**29**	**46**	**64**	**35**	**63**	**69**	**82**	**87**	**70**	**68**	**58**	**44**	**713**
2016 VS 2015 Usage	-64%	-27%	-7%	-56%	-42%	-34%	-18%	-17%	-31%	-27%	-22%	+8%	-1%



	Population	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2015 Usage (AF)		59	53	72	73	52	74	54	69	60	46	61	45	718
2015 GPCD	3,243	190	191	235	244	170	247	174	223	202	150	203	146	198
2016 Usage (AF)		29	46	64	35	63	69	82	87	70	68	58	44	713
2016 GPCD	3,268	93	164	206	118	202	228	262	279	232	217	193	142	195
CY over CY change in GPCD		-97	-27	-29	-127	+32	-19	+88	+56	+30	+67	-10	-4	-3

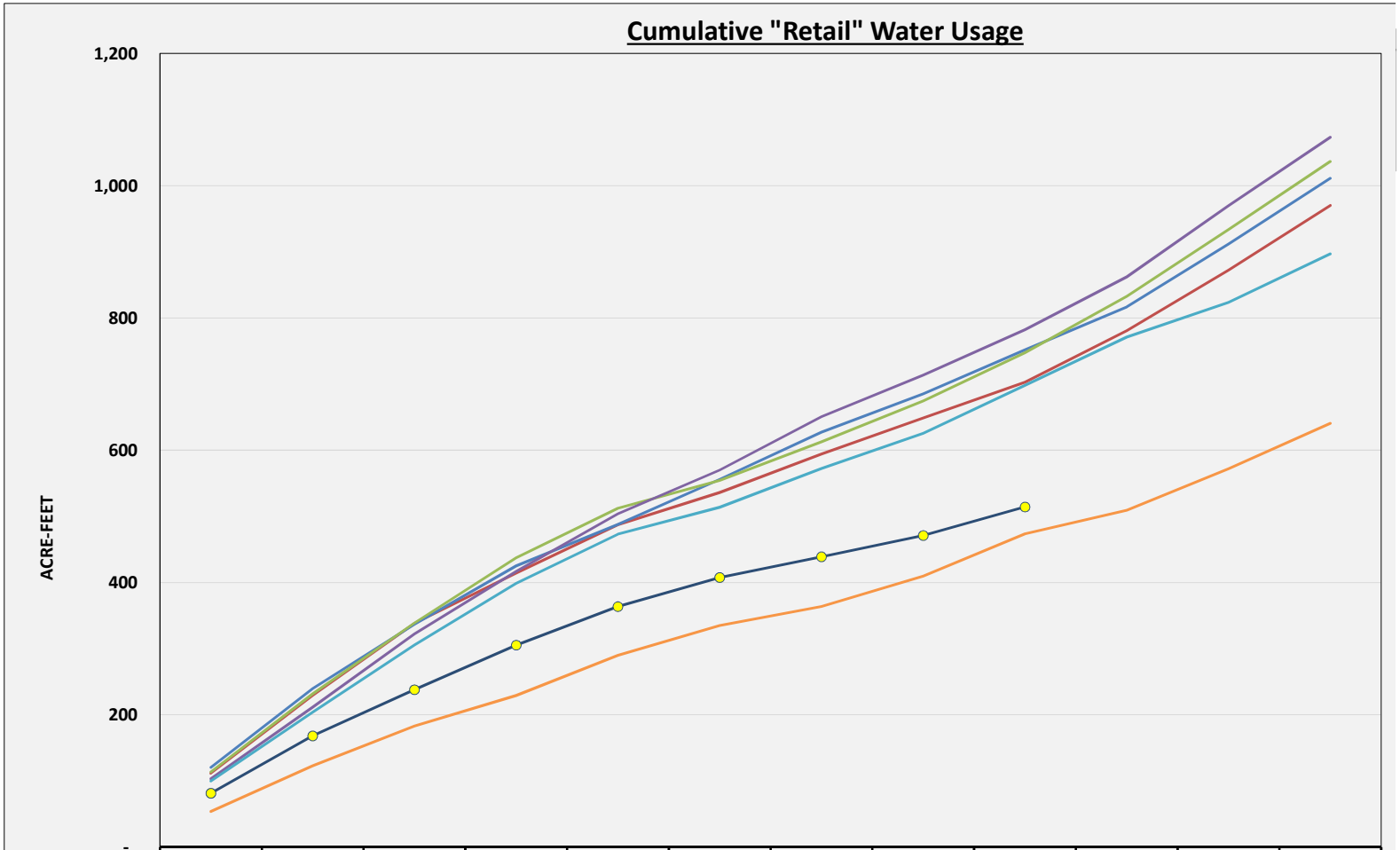
	Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2015-16 Usage (AF)		54	69	60	46	61	45	29	46	64	35	63	69	641
2015-16 GPCD	3,243	174	223	202	150	203	146	94	165	207	119	204	230	176
2016-17 Usage (AF)		82	87	70	68	58	44	31	32	43	-	-	-	514
2016-17 GPCD	3,268	262	279	232	217	193	142	101	115	139	-	-	-	188
FY over FY change in GPCD		+88	+56	+30	+67	-10	-4	+7	-50	-69				+11

*Cumulative through the end of the last month shown

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

East Orange County Retail Zone Water Usage Report

Cumulative Water Usage by Fiscal Year



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2010-11	112	230	338	415	487	536	594	649	703	781	873	970
2011-12	120	240	337	425	488	556	627	685	752	817	912	1,011
2012-13	114	232	339	437	512	555	613	675	748	833	934	1,037
2013-14	104	211	323	417	504	570	651	714	782	862	970	1,073
2014-15	100	204	306	399	473	514	573	626	698	771	823	897
2015-16	54	123	183	229	290	335	364	410	474	509	572	641
2016-17	82	168	238	305	364	408	439	471	514			

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
subject: **PUBLICATIONS**
DATE: APRIL 20, 2017

Background

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

- "Why Oroville Dam's woes could cut into California's Water Supply" Dale Kasler and Ryan Sabalow, Sacramento Bee, March 31, 2017
- "Where the water goes" David Owen, The New Yorker, April 2, 2017
- "Water Utility Cyberattack Rings Up Hefty Data Charges" Brett Walton, Circle of Blue, April 2, 2017

Financial Impact

None.

Recommendation

The Board receive and file.

Why Oroville Dam's woes could cut into California water supplies

By Dale Kasler and Ryan Sabalow dkasler@sacbee.com

sacbee

1

of 2

The fractured spillway at Oroville Dam has forced the state to spend tens of millions of dollars on emergency repairs, with millions more to come.

Here's another potential cost: a slice of California's water supply.

Dam operators are expected to run Lake Oroville, the state's second largest reservoir, at lower-than-usual water levels this summer as they wrestle with the complicated and lengthy task of fixing the dam's broken spillway. Despite one of the rainiest winters on record, that will mean less water held in storage – and less available for delivery later this year to Southern California, Silicon Valley and portions of the San Joaquin Valley.

"If they can't continue to fill the reservoir and they have to hold it down while they're in the process of making repairs to the spillway ... they'll have less water available to release for export," said Curtis Creel of the Kern County Water Agency, an agricultural irrigation supplier that's one of the Oroville's major customers.

Creel said he thinks the lake could be held considerably lower, sacrificing several hundred thousand acre-feet of water that would otherwise be available for crops. The state Department of Water Resources, which runs Oroville, said it hasn't determined yet how low it plans to run the lake this summer but acknowledged that risk factors at the dam will likely figure into its calculations.

State water customers, hoping for a hydrological bonanza after five-plus years of drought, are now bracing for some measure of disappointment. They said they believe dam operators will release some water out of the reservoir earlier than usual for safety's sake. Because the state's main downstream reservoir in Merced County is already full, that means much of that Oroville water will wind up in the ocean

instead of getting delivered during California's sweltering summer and fall to the agricultural and municipal water districts that take deliveries from Oroville and pay for its upkeep.

"Given what's happened with the lake, they're going to be extra cautious this year," said Deven Upadhyay, the head of water resource management at the Metropolitan Water District of Southern California. Metropolitan's 19 million customers rely on Oroville for about a third of their water supply.

One factor hindering water supplies is the length of time it will take to fix the spillway. A panel of independent consultants hired by DWR has concluded that it will probably be impossible to fix the spillway completely this year because of design flaws and the severity of the damage that's occurred. With an ample snowpack ready to melt, some elected officials have urged DWR to be extra careful this year about water levels at the reservoir.

"There needs to be more of a buffer there at Oroville Dam, especially now that we don't have...a fully functional spillway," said Assemblyman James Gallagher, R-Yuba City.

The spillway fracture, which occurred during a heavy rainstorm, caused lake levels to rise so high that water flowed over the nearby emergency spillway for the first time ever. Fears that the emergency spillway might fail prompted a two-day evacuation of 188,000 downstream residents in February, and state officials have been diligent about keeping lake levels in check ever since.

Oroville's water customers agree that running the dam safely is a must, even if that cuts into their shipments. They said they should have adequate supplies anyway. The rainy winter has improved water conditions throughout California enough that Gov. Jerry Brown might lift his drought emergency declaration next week.

Nevertheless, these customers said they want as much water as possible this year so they can store it in their own reservoirs in case 2018 turns out dry.

“There’s tremendous value in having water in storage,” Upadhyay said. “We don’t know what (2018) is going to bring.”

Lake Oroville is the linchpin of the State Water Project, the elaborate water delivery system built in the 1960s by Gov. Pat Brown, father of the current governor. A total of 27 municipal and agricultural districts rely on water piped from Oroville for at least a portion of their supply.

Until the spillway cracked Feb. 7, this was shaping up as a banner year for shipments from Oroville. In January, DWR reported that contractors like Metropolitan and Kern would get 60 percent of their requested allocations this year.

As the rains continued, contractors had been counting on the allocations to jump to as high as 80 percent, the best since 2011. Indeed, they thought DWR would have announced an increase by now. Instead, they’ve been told the agency is holding off on any announcements.

The waiting is particularly galling to farmers. “For agriculture, where folks are making decisions on what they’ll be able to irrigate or not irrigate, locking this down earlier is important,” said Creel in Kern County. “Are we concerned about the water supply? Absolutely. Frustrated about it? Yes.”

DWR officials said this year’s allocation won’t fall below the 60 percent already promised. But updated allocation figures will have to wait at least two more weeks.

“The department will be reassessing the allocation in mid-April based on runoff forecasts resulting from the April 1 snow surveys,” DWR spokesman Ted Thomas said. “Any risks associated with management of Lake Oroville levels will be factored into that assessment.”

Oroville must be kept at least one fifth empty during winter, under U.S. Army Corps of Engineers rules. Water levels are allowed to rise starting in early April; the lake could be nearly full by the second

week of May. That would leave more than 3.5 million acre-feet in the reservoir through summer, providing ample supplies for contractors.

The spillway fracture changes that equation.

DWR has made a concerted effort in recent weeks to reduce lake levels. The reservoir is about 25 feet lower than it was this time last year. Dam operators on Monday shut off the spillway for about two weeks, in part to dredge debris from the Feather River at the base of the spillway and make repairs to the dam's hydroelectric plant. DWR expects to use the spillway once or twice more this spring, although it will also rely on the hydro plant to release water.

In Silicon Valley, water contractors have been told informally that the reservoir will be kept relatively low this year, said Cindy Kao, a top official at Santa Clara Valley Water District. Santa Clara will have enough water to get through 2017, but Kao said she's concerned about the possibility that spillway repairs will drag on into next year.

"Oroville will likely be operated more conservatively until they've made enough progress in repairs on damage to the spillway," Kao said. "It's a concern for the longer term."

Where the Water Goes

By David Owen April 2, 2017
The New Yorker

In 1976, when I was twenty-one, I spent the summer living in a rented house in Colorado Springs and working on the grounds crew of an apartment complex on what was then the outskirts of the city. During most of day, my co-workers and I moved hoses and sprinklers around the property, to keep the grass green; then we mowed what we had grown. Watering was like a race. The grass began to turn brown almost the moment we moved our sprinklers, partly because we were a mile above sea level in what is essentially a desert, and partly because the apartment complex had been built on porous ground, on the site of an old quarry. One night, I dreamed that one of the Rain Bird rotary sprinklers we used at work was keeping me awake by rhythmically spraying me in bed, and I made a mental note to ask my housemate not to water my room while I was trying to sleep.

Among the many questions I failed to ask myself that summer was where all the water we used at work came from. All I knew was that every time I attached a hose to a spigot and turned it on, I could run it full force until it was time to go home. I now know that the city's water in those days came from local surface streams and wells. I also know that, since then, the Colorado Springs metropolitan area has more than doubled in population and sprawled far into the Eastern Plains, and that today much of its water comes from the other side of the mountains, from tributaries of the Colorado River.

The Colorado—which I followed from beginning to end while researching an article for *The New Yorker* and about which I've now written a book, called "Where the Water Goes"—isn't huge. The Mississippi is a thousand miles longer and, in many places, more than a

mile wider, and it carries the equivalent of the Colorado's entire annual flow every couple of weeks. Yet the Colorado is an extraordinarily valuable resource for a huge section of the United States. It and its tributaries supply water to more than thirty-six million people in seven Western states, including residents of Denver, Boulder, Salt Lake City, Albuquerque, Las Vegas, Phoenix, Tucson, San Diego, and Los Angeles. It also powers two of the largest hydroelectric generating plants in America, at Hoover Dam and Glen Canyon Dam, and provides irrigation for more than six million acres of farmland, much of it in Southern California.

All those benefits are threatened by overuse, long-term drought, and climate change, and by the fact that when the seven river states divided the Colorado's water among themselves, beginning in the nineteen-twenties, they thought the river's average annual flow was much larger than it was later discovered to be. People who worry about those issues sometimes focus their scorn on Las Vegas, which appears culpable mainly because, of all the cities that draw water from the river, it lies the closest to its banks. But, in actuality, Nevada was so thinly populated when the river was divided up that its allotment is very small—just two per cent of the total—and it actually takes less than that, primarily because Las Vegas has some of most stringent water-conservation regulations in the country.

The principal architect of those regulations was Patricia Mulroy, who in 2014 retired as the general manager of both the Southern Nevada Water Authority and the Las Vegas Valley Water District. She is now a member of the staff of Brookings Mountain West, at the University of Nevada at Las Vegas, and still one of the country's most visible and influential water experts. I went to see her at U.N.L.V. not long after going for a boat ride on Lake Mead, the enormous reservoir that was created by the construction of Hoover Dam, in the early nineteen-thirties. Lake Mead is the direct source of most of Las Vegas's water, and it has been a powerful symbol of overuse because it currently contains less than forty per cent as much water as it did in 1998, the last time it was close to full. The decline is easy to envision because as the

water recedes it leaves a broad white stripe of mineral deposits on the surrounding canyon walls. At the time of my boat ride, the stripe, known as the bathtub ring, was a hundred and thirty feet tall.

Mulroy has short gray-blond hair and icy blue eyes, and when she talks about water she sometimes looks at you with an expression that can be described only as fierce. “Lake Mead is scary right now,” she said. “I see it suffering the consequences we’ve all known for at least ten years it was going to suffer. It was never a question of if; it was a question of when. The amount of water we thought we had in that river system doesn’t exist. You can’t fault anyone in the nineteen-twenties for their assumptions; that was the best science they had. But today we know better, and Mead is going to be stressed for a long time. Does that mean we can’t have a series of severe weather patterns that would start bringing it back? Sure we can. But I think this is the new normal.”

One of the paradoxes of resource management is that successful conservation programs often depend on population growth—a force that pulls in the opposite direction. When I visited the S.N.W.A. the first time, in 2009, Mulroy was dealing with what she described to me then as “a catastrophic decline” in the connection charges that homeowners and businesses had to pay to be hooked up to the water system. The recession and the mortgage crisis had reduced consumer demand for water—a beneficial outcome, you would think—but they had also halted new construction throughout the valley, and without new construction the S.N.W.A.’s revenues from connection fees had fallen by ninety per cent. Rapid population growth had been both the cause of and the solution to Las Vegas’s water challenges.

The decline in revenues that Mulroy worried about in 2009 threatened the construction of Southern Nevada’s “third straw”—a new intake in Lake Mead that the association was building to provide its members long-term access to Nevada’s Colorado River allotment. The third straw, including a three-mile-long tunnel between the intake and the shore, was going to cost more than eight hundred million dollars to build, Mulroy told me, and more than half of that amount was

originally budgeted to be raised from connection charges. In 2009, she faced the challenge of covering the cost almost entirely from existing users, since growth had come to a halt, and to do that the S.N.W.A. had to raise rates. But it did so successfully—one of Mulroy's most impressive skills has always been an ability to build public support for costly ventures—and the third straw was completed in 2014. At roughly the same time, the association received approval to begin building a six-hundred-and-fifty-million-dollar pumping plant, also financed entirely by rate payers, to make use of the new intake.

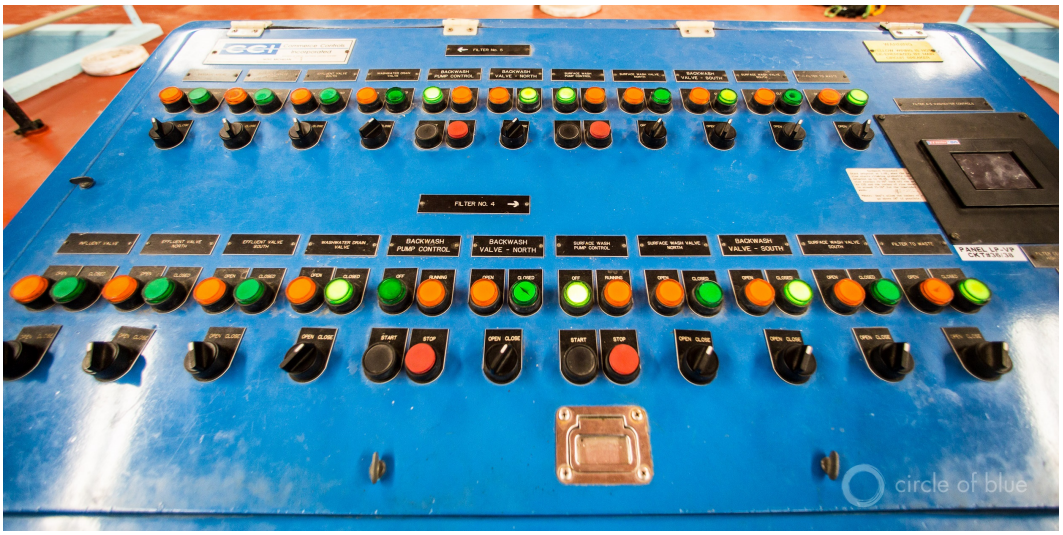
Just as proximity makes people think that Las Vegas is the principal cause of the decline of Lake Mead, it also makes them think that any further decline in the lake will be a problem mainly, or even only, for Las Vegas. But that isn't true, either. When the pumping plant for the third straw is completed, Nevada will be the only lower-basin user with the infrastructure required to draw lake water from below the level known as "dead pool"—roughly nine hundred feet above sea level, the elevation of the lowest openings in the four intake towers on the upstream side of Hoover Dam. Approximately a quarter of the water remaining in Mead is below that dead-pool line and, therefore, untappable by users below the dam. The chance that the lake will drop that far anytime soon is small—it's more than a hundred and eighty feet below the current surface—but in 1998 few people thought the lake would ever drop to where it is today.

"If Mead falls to nine hundred," Mulroy continued, "nothing goes downstream from Hoover Dam." That would mean that the river's two largest users, Arizona and California, would get nothing, and some of the most productive agricultural land in the country would turn back into desert. "But Southern Nevada will still be taking water out of the lake, because the new intake is at eight-sixty"—eight hundred and sixty feet above sea level, forty feet below the lowest Hoover intake. "That's the reality," she continued. "I don't care what your water right is. If the lake goes that low, your water physically can't get to you. You know? Frame that water right. Hang it up on your wall. Admire it. It's useless."

Even though Mulroy, more than anyone else, is responsible for the construction of the third straw, which effectively guarantees Nevada's access to the river in perpetuity, she is not a water isolationist. For years, she has been the most vocal and creative advocate of coöperation among all the states that depend on the river, since she believes that a disaster for one is a disaster for all. "There are still those who want to talk about water winners and losers," she told me, "but they don't understand the interconnected economy of the river. We have plumbed the Colorado to bleed water in all directions. We take water in Wyoming—outside the river's watershed—and move it to Cheyenne. Come down to Colorado: we move it across the Continental Divide, from the West Slope to the Front Range, into the Kansas-Nebraska basin—outside the watershed of the Colorado. We move it across the Utah dessert to the Wasatch Front, to Salt Lake, Provo, Orem, and all those agricultural districts—not in the Colorado watershed. In New Mexico, we move it to Albuquerque, which straddles the Rio Grande. In Arizona, we move it across three hundred and sixty miles of desert, to Phoenix and Tucson and still more agricultural districts. And in California we move it over hundreds of miles of aqueduct, from Lake Havasu to the coastal cities—not in the Colorado watershed."

All those far-flung places, Mulroy said, nevertheless constitute a single system, which extends far beyond the river itself and adds up to more than a quarter of the economy of the United States. "We may be citizens of a community, and a state, and a country, but we are also citizens of a basin," she said. "What happens in Denver matters in L.A. What happens in Phoenix matters in Salt Lake. It's a web, and if you cut one strand the whole thing begins to unravel. If you think there can be a *winner* in something like that, you are nuts. Either we all win, or we all lose. And we certainly don't have time to go to court."

This essay was adapted from the upcoming book "Where the Water Goes."



As more water utilities connect critical equipment to the internet, securing those systems against cyl will be essential. Photo © J. Carl Ganter / Circle of Blue

Water Utility Cyberattack Rings Up Hefty Data Charges

Brett Walton
Circle of Blue

Money is often the root of cyberattacks on water utilities, experts say.

By Brett Walton, Circle of Blue

Hackers that stormed the digital defenses of an American water authority and took control of its cellular routers late last year were not interested in disrupting water supply and wastewater treatment. Instead they were intent on stealing valuable internet service, and lots of it, according to a Department of Homeland Security intelligence briefing published on March 29.

As the hackers took command and used the routers for other purposes, the authority's cellular data bill soared — from an average of $US 300 a month to $US 45,000 in December and $US 53,000 in January. Details of the government's report on the incident were described to Circle of Blue by Michael Preston, who works on security

issues with the National Rural Water Association, and others who read the briefing.

The authority was hacked between November 2016 and January 2017. The Department of Homeland Security has not made the report public and declined a request for an interview.

The utility was not named in the report. This much is known, though. The intrusion did not damage utility infrastructure. Instead, the hackers took advantage of it. They seized control of Sixnet BT series cellular routers that were designed to provide secure wireless access for monitoring the utility's dispersed collection of pumping stations and other sites, said Preston. Four of the utility's seven routers were compromised.

Sixnet, the maker of the routers, is owned by Red Lion Controls, a Pennsylvania-based company that produces computer network hardware for industrial systems. Red Lion did not respond to Circle of Blue's request for comment, but Preston said that the company produced a patch in May 2016 for the vulnerable routers. Presumably, the hacked utility did not learn that its system was at risk and did not install the patch, he said.

Though it frequently issues cybersecurity advisories, the Department of Homeland Security rarely writes intelligence briefings on a water sector cyberattack, utility security experts said. This may be because so few are reported — only 25 U.S. water utilities, out of more than 50,000 systems, notified the department's emergency response team of an attack in 2015, Bob Timpany, the unit's operations chief, told Circle of Blue last year.

Water utility operations are increasingly connected to the internet — not just billing and email services but also the pump stations and treatment systems that are a utility's core function. Internet connections allow operators to monitor systems from afar, which cuts costs. But after a number of attacks in recent years exploited utility system weaknesses — the hacking of a small dam in New York in the summer

of 2013, for instance, and an attack on Ukraine's electrical grid in December 2015 that shut off power to some 700,000 people for a few hours — water officials are understanding the need to secure their computer networks against digital intrusions.

In this case, the utility's routers seemed to be a target of opportunity, according to Kevin Morley, security and preparedness program manager with the American Water Works Association.

"I don't believe they were targeted because they are a water utility. This seems like an opportunistic action to 'steal' bandwidth from a system to which they gained access," Morley, who saw the report, told Circle of Blue.

Breaking into the routers should not have been difficult. The Department of Homeland Security's summary of Red Lion's patch notes that exploiting the router's vulnerability, by hacking a factory-installed password, requires "low skill."

Cybersecurity Concern at the Highest Levels

Most cyberattacks on water utilities do not result in damaged pumps or unhealthy levels of chlorine in the water supply. Instead, the motivation is often money, Morley reckoned — free internet by tapping an unsecured router or the possibility of a ransom by holding email servers hostage.

Still, the hacking of the cellular routers "reinforces the fact that water and wastewater critical infrastructure is vulnerable to bad actors who can launch an attack from anywhere at any time," Preston told Circle of Blue.

It is a concern shared by many. The new Congress, which convened in January, has shown strong interest in cybersecurity in its first months. The Senate Committee on Commerce, Science, and Technology held a hearing on March 22 on cybersecurity technologies. The House Energy and Commerce Committee discussed cybersecurity for

the health care sector on April 4, two months after it held a hearing on digital protections for the electrical grid. The Senate Energy Committee is involved, too. It held a hearing on cybersecurity on April 4.

Worry reaches into the White House. President Trump is preparing an executive order on cybersecurity for federal agencies and critical infrastructure: dams, nuclear plants, electrical grids, water and wastewater systems, and a dozen other sectors. Two draft orders that were leaked since January show an evolution in the administration's thinking and a willingness to engage, experts say. White House officials are discussing cyber problems with agency representatives and industry leaders and, unlike other orders, not discarding the work of the Obama administration.

"I am hearing a lot of good conversation taking place to get a sense of where agencies are and the challenges they're facing. That's good," said Dan Jacobs, cybersecurity program coordinator for the General Services Administration, according to *E&E News*. "Questions are being asked."

The cellular router hacking outlined in the DHS report, though it did no physical harm, represents another breach in digital defenses in the water sector. Utilities, however, are not helpless. They have a number of guidebooks to follow thanks to the work of the American Water Works Association, an industry group, WaterISAC, a cybersecurity information hub for the water sector, and ICS-CERT, the Department of Homeland Security's emergency response team.

Michael Arceneaux, managing director of WaterISAC, told Circle of Blue that he's seen a change in the type of cyberattacks on water utilities recently. He's seen fewer reports of ransomware attacks in the last six months. Ransomware is a bug that seizes control of an operating system and demands payment, often in untraceable bitcoins.

Though he does not have data on the number of attacks, Arceneaux said the anecdotal decline could be attributed to utilities adopting safer practices such as updating security patches, encrypting sensitive

data, using firewalls between operating systems, and communicating with software vendors.

Based on the router hacking, though, not all utilities are aware of necessary patches. Ensuring the flow of critical information between industry, government, and water utilities is still a challenge, Arceneaux said. But it is essential for improving cybersecurity.

For Morley, the router intrusion warrants a cautious response, but he is also realistic about limitations. Water utilities can reduce their exposure to cyberattack but they will never eradicate it.

“I think the point here is that all infrastructure systems need to be vigilant,” Morley said. “Cybersecurity does not equal risk elimination. That would be like saying that if a bank installs an alarm then bad guys will stop trying to rob them. Cybersecurity lowers the likelihood of success, but it does not eliminate the risk.”

As more water utilities connect critical equipment to the internet, securing those systems against cyberattack will be essential. Photo © J. Carl Ganter / Circle of Blue