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**BOARD OF DIRECTORS**

**Douglass S. Davert**  
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*Vice President*

**John Dulebohn**  
*Director*

**Seymour (Sy) Everett**  
*Director*

**John L. Sears**  
*Director*

**Lisa Ohlund**  
*General Manager*

April 18, 2016

Board of Directors  
East Orange County Water District  
185 N. McPherson Road  
Orange, California 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 21, 2016**, at **5:00 p.m.** in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. Enclosed please find the agenda for the meeting.

Very truly yours,

EAST ORANGE COUNTY WATER DISTRICT

By:   
Joan C. Arneson  
Secretary

JCA/

Enclosures

cc: Mailing List

00189575.10

AGENDA

EAST ORANGE COUNTY WATER DISTRICT  
(EOCWD)

Thursday,  
April 21, 2016  
185 N. McPherson Road, Orange, California

5:00 p.m.

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

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

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

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

5. **Approval of Minutes of March 17, 2016 Meetings (Exhibit "B")**
6. **Operation, Management and Construction Matters**

A. Service Area 7 Sewer Transfer – LAFCO decision (Exhibit "C")

B. 2016 Legal Fees (Exhibit "D")

**Recommended Motion:** "THAT THE FEES FOR GENERAL COUNSEL SERVICES EFFECTIVE JULY 1, 2016 BE APPROVED AND THAT THE PRESIDENT BE DIRECTED TO EXECUTE THE LEGAL SERVICES AGREEMENT"

C. Retail Zone rate workshop (Exhibit "E")

**Recommended Motion:** "THAT A WORKSHOP MEETING BE HELD ON MAY 10, 2016 AT 4:00 P.M. TO REVIEW THE RETAIL ZONE RATE STUDY AND INITIATE THE PROPOSITION 218 NOTIFICATION PROCESS" [ADJOURN TO WORKSHOP]

(Next available Resolution No: 766)

## 7. Financial Matters

- A. Approval of schedules of disbursements (Exhibit "F")
- B. Report on investments/ ratification of investment activity (Exhibit "G")
- C. Receipt and filing of financial statements (February 29) – (Exhibit "H")

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

- D. Annual review of investment policy and delegation of authority to effect investment transactions (Exhibit "I")

**Recommended Motion:** "THAT RESOLUTION NO. \_\_\_\_ BE 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'"

## 8. Miscellaneous Matters

- A. Reports from committees and representatives to organizations
- B. Directors' reports on meetings attended at District expense (Government Code Section 53232.3)
- C. Local sewer service transfer - status report (Exhibit "J")
- D. Wholesale and retail water usage report (Exhibit "K")

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

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

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

## 9. Informational Items

- A. General interest publications: *Sacramento Bee*, Phil Isenberg "Parting thoughts for Delta water warriors;" *National Institute of Environmental Health*, "Greenness Around Homes Linked to Lower Mortality;" *The New Yorker*, "System Overload" (Exhibit "1")

## 10. Closed Sessions

- A. Closed session – conference with legal counsel – existing litigation – Government Code Section 54956.9(a) – *Ebinger v. Yorba Linda Water District*, 30-2016-00829548 (concerning participation as amicus curiae)
- B. Closed session – conference with labor negotiators (Government Code Section 54957.6)  
Agency designated representatives: Directors Davert and Dulebohn  
Unrepresented employee: General Manager

Open session

**Recommended Motion:** TAKE ACTIONS AS DETERMINED, RELATING TO EMPLOYEE COMPENSATION

## 11. Adjournment

[See item 6(D) above] The scheduled date of the next Regular Meeting of the Board of Directors is **May 19, 2016**, 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.



# **EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT**

**April 2016**

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

## **GENERAL MATTERS**

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

## **SEWER**

### **A. OCSD Transfer**

See Agenda Item

## **WHOLESALE ZONE**

### **A. Peters Canyon (6 MG) Reservoir Status Update**

Security System – American Integrated Security Group (AISG) has been retained to perform the remaining work to get the security system up and running. A kick off meeting was held at our office on April 11 to layout the schedule of work. AISG is scheduled to start work on April 18<sup>th</sup>. AISG expects to have the system up by the end of the week. We are also working with AT&T on acquiring the internet feed for the system. We estimate that this work will be done by the end of May.

Reservoir Roof – Carollo Engineering is waiting for final staff comments so that they can finalize the plans; staff will submit comments by April 30, 2016

Leak Detection System: The contractor for G3 Soils Works, Inc. completed the installation of the test wells on Friday, April 15<sup>th</sup>. The next step is to proceed with the installation of the leak detection equipment. Staff is currently reviewing the available equipment options and will present a recommendation at the May Operations & Engineering Committee meeting.

### **B. Andres Reservoir and Newport Reservoir Cleanings**

Inland Potable Services was retained to perform cleaning and inspection services on the Andres 11.5 MG reservoir and the Newport 1 MG reservoir. Cleaning and inspection proceeded over a 4-day period ( The contractor said both tanks were in excellent condition with minimal sediment.

### **C. OC-43/Walnut Takeout Vault Rehabilitation/Replacement – Staff met with representatives from the City of Tustin to discuss replacement of the Walnut Takeout Vault and rehabilitation and upgrading to appurtenances and equipment in the vault. Tustin staff have asked to meet further with EOCWD staff to discuss how to best facilitate EOCWD concerns with the project.**

**D. Master Plans and Treatment Plant Feasibility Study Update**

**Master Plan Status:**

Staff has completed comments for the Draft RZ and WZ Master Plan and submitted them to Carollo. We anticipate that the documents will be finalized in the near future.

**WTP Feasibility Study:**

Proposed changes to MET's rate setting methodology have the potential to impact the financial feasibility of the proposed treatment plant reconstruction. MET has approved proceeding with the current rate setting philosophy for FY 2016/17, but has appointed a special subcommittee to examine the treated water rate.

A draft of the Feasibility Study report is expected to be submitted by Carollo by May 31, 2016.

**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 exhausting all reasonable possibilities on the District's side of the meter, we contacted MWDOC staff and sought their assistance in setting up a meeting with MWDSC (MET) to determine if the problem is on their side of the meter.

On June 2, 2015 staff/MWDOC held their first meeting with MET staff to review the history of this problem and the efforts that EOCWD has gone to find the cause. As a result of that meeting MET staff agreed to examine their meter, calibration and design of the meter installation.

A second meeting was held on July 20, 2015 with MET to further review MET's investigation; MET suggested that more investigation work be performed over the next month to better determine whether these discrepancies are related to meter error. Some recommendations that came out of the meeting were to pull the existing meter and inspect it for possible irregularities as well as inspect the check valve downstream of the meter to ensure it is holding tight during pumping conditions; EOCWD staff is working with MET staff to make operational arrangements so that the meter and check valves can be physically removed and examined. This work was initially scheduled for early September, however, no date has yet been identified.

On October 22, 2015 EOCWD staff met with MWDOC and MET staff to review and provide feedback on Met's draft test plan which identifies a step by step process of looking at various components at the OC-70 pump station that could be causing the metering inaccuracies. A multi-step plan to determine the source of the error has been established and requires that staff isolate the Peters Canyon Reservoir during the first week of December to enable MWD to perform a thorough simultaneous flow test of the MWD meter, comparing it directly against the EOCWD 20" magnetic flow meter under varying scenarios. MWD Staff will be on hand at both locations to record readings. Various tests will be performed over a three-day period; EOCWD staff will be on-hand to observe.

On Monday, November 23, 2015 MWD staff sent an email to MWDOC stating that they had an issue with the EOCWD magmeter installation and wanted to proceed with inspecting their Venturi meter at OC-70 and their check valve. On Tuesday, November 24<sup>th</sup>, EOCWD staff participated in a conference call with MWDOC and MWD staff to discuss the issue. The outcome of that discussion was that MWD requested EOCWD relocate our existing mag meter so that a minimum of 18 feet (pipe diameter x 10) of straight pipe existed both upstream and downstream of the meter to eliminate the possibility of any interference to the meter; this would be an approximately \$20,000 expense for EOCWD. MWD asserts that there is too much interference to the mag meter in its current location with the isolation valve and 90 degree bend being too close.

At the January 14, 2016 Engineering Committee Meeting, staff discussed the concerns it had installing a vault and meter at the toe of the dam and discussed alternatives and rain delays for this project. Staff was directed to get pricing on a new 24" magnetic flow meter to install on the inlet line of the reservoir outside of the area near the dam face. Staff will be reporting back to the Committee on the costs for the meter purchase and installation.

At the February 15, Engineering and Operations Committee Meeting, staff reviewed the actions taken since the last meeting. The 24" magnetic flow meter has been ordered; delivery of the meter is expected by the middle of March. While waiting for the meter to arrive, staff will confirm with MWD that the installation location is acceptable and proceed with the vault installation. Once received, the meter will then be installed and tested. Coordination with MWDOC/MWD will be continued to perform a meter comparison flow test.

Staff submitted drawings and specifications to MWDOC for the new 24" magnetic flow meter as well as a site drawing showing the proposed location where the meter is to be installed. A meeting with MWDOC and MWD staff has been scheduled for March 23<sup>rd</sup> to enable them to perform a field inspection of the proposed meter installation location and to verify that it meets their standards. Once MWD has verified and accepted the location, staff will proceed with the work to install the vault and meter. A target date for completion of the meter installation is the second week of April.

Update: On March 23<sup>rd</sup>, staff met with representative from MWDOC and MWD to perform a site visit at the Peters Canyon reservoir. The purpose of this meeting was to show MWD staff where the new 24" magnetic flow meter was to be installed. MWD staff agreed that the location was acceptable and emphasized that the installation should meet the manufacturer's specifications.

#### **F. Handy Creek Road**

Staff has received a Utility Information Request from Michael Baker International on behalf of the Irvine Company for the Santiago Hills II development. The information provided indicates that Handy Creek Road may be impacted by this project. Staff is working to determine exactly what that impact will be and will report back to the Engineering & Operations Committee.

#### **G. WZ Connection Permits**

None to report.

## RETAIL ZONE

### 1) **East Orange DroughtReach™ Program**

Working with Communications Lab, the District has developed our DroughtReach Program™ comprised of a series of educational coffee/donut meetings, signs, printed mailed material, social media, bill stuffers and one-on-one customer service outreach.

EOCWD applied for and received a 7% reduction in our 36% SWRCB conservation mandate, reducing it to 29% starting in March. The conservation reduction for March was 42.4%. The SWRCB extended the emergency regulations in February for another eight months (through October, 2016); they may be further relaxed depending upon snow/rainfall that occurs in March/April.

### 2) **Well / Booster Station Operations**

East Well – For March 100% of the Retail Zone demand was met using groundwater; Total groundwater pumped during March was 64.3 acre feet. Total retail demand was 41.9 acre feet; the difference in pumping versus demand (22.4 AF) went into storage.

West Well Project – The West Well has been offline since February 2013 due to a worn pump assembly; the East Well can and has been meeting our RZ demand, augmented by imported water purchases. Staff contracted with General Pump Company to remove the West Well pump and perform a video inspection of the well. This work was completed on March 30<sup>th</sup>. Staff has reviewed the video and met with General Pump to discuss the condition of the well casing and available options. Staff will review those findings with the Engineering and Operations Committee at their April meeting and will present recommendations for returning the well to service.

Barrett Booster Pump Replacement – The 75HP booster pump has been offline since February 2013 due to a worn pump assembly. This pump historically ran in tandem with the West Well. Due to the time differential between the contractors ability to perform the work on the West Well and the lead time required in ordering the 75HP Barrett Booster pump replacement, the West Well and Booster Replacement project will be done separately. Staff has received quotes for a new pump and will make a recommendation at the April Engineering and Operations Committee meeting.

Well water levels are holding steady at 267 feet BGS (below ground surface).

### 3) **Vista Panorama Reservoir Cleaning**

Inland Potable Services was contracted with to perform cleaning and inspection of the Vista Panorama Reservoir (as part of the multi-reservoir cleaning and inspection project). The contractor stated that there was mild sediment in the tank.

### 4) **Pressure Reducing Station Rehabilitation** –

Staff solicited proposals from two engineering firms to design the rehabilitation of the Orange Knoll and Circula Panorama pressure regulating stations. After review, staff recommended RCE Consultants at a cost of \$19,000. The Operations & Engineering Committee approved staff's

recommendation. RCE is currently working on the plans and specs for this project. A 95% submittal will be ready for staff review on or before April 30, 2016

**5) System Leaks**

None to report.

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

Staff met with a developer on March 30<sup>th</sup> to review plans to construct six (6) homes along Lemon Hill and Lemon Circle within the District's retail zone service area. The developer was asked to submit written proposals addressing easement issues and access issues.

**JOINT SYSTEM (WZ & RZ) ACTIVITIES**

**Water Loss Audit**

Staff attended a kickoff meeting held at the MWDOC offices with representatives from consultant WSO. The WZ and RZ system operations were reviewed with WSO, while a list of data needs required by WSO were reviewed with staff and arrangements were made to mine the data from SCADA, SEDARU and CUSI. A draft audit has been received and forwarded to Arcadis for inclusion in the draft UWMP.

**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**

- Constructed East Well shelter (staff)
- Coordinated with contractor for reservoir cleaning – Andres, Newport, and Vista Panorama
- Repaired leak on office roof
- Performed leak detection survey on Marcy Ranch Rd.
- Attended Water Loss Workshop at MWDOC (Superintendent)
- Met with WSO to review Retail System and data collection (Staff)
- Weed abatement and site cleanup at Peters Canyon Reservoir, Andres Reservoir, Newport Reservoir, and Vista Panorama reservoir
- Completed Annual Reports to State for Retail and Wholesale systems (Superintendent)
- Attended meeting with OCFA to review Wildfire Urban Interface Planning (Superintendent)
- Sent out bid requests for Barrett 75hp Booster Pump replacement (Superintendent)
- Met with General Pump Company to inspect West Well Project work (Superintendent)
- Meeting with AT&T (staff)
- Attended weekly Engineering meeting with GM (Superintendent)
- Reviewed District assets for SEDARU (Superintendent)

**Weekly Tasks**

- Attend weekly safety meetings (All field staff)
- Reviewed sewer cleaning operations with OCSD

## General Manager's Report – April 2016

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

### **Monthly Tasks**

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

## **MEETINGS**

District staff attended the following meetings:

### **A. MWDOC Managers Meeting – March 17, 2016**

Meeting Summary: 1) Presentation by Raftelis: Discussion of four (4) rate options were reviewed and discussed, with particular emphasis paid to the requirement to charge OCWD a fee. The study will be presented to the MWDOC Board at their April 20<sup>th</sup> meeting to determine a rate option. 2) Draft MWDOC FY16/17 Budget – The MWDOC Draft Budget was reviewed with discussion focused on Choice items, and in particular, how Water Use Efficiency costs were allocated to agencies. Most of the increased budget cost is due to election cost of \$450,000. 3) MET's Budgets and Rates – MET is proposing to institute a fixed component to the treated water charge that would cover MET's fixed costs (related to the treatment plants) despite variations in water sales. 4) Water Loss Control Report – Progress on the water loss control reports being produced for the various participating agencies was discussed. 5) MWDOC Drought Allocations and Water Usage Tracking – The state was due to imminently release the final tracking for the initial June-February drought allocations; Orange County appears to have made its overall goal.

### **B. Wildfire Urban Interface Planning – March 16, 2016**

Meeting Summary: Prior to this meeting, OCFA had sent out two (2) maps outlining the most vulnerable East Orange – Orange Park Acres area and the Cowan Heights – Lemon Heights area to wildfire. The purpose of the meeting was to review critical infrastructure, defensible areas, non-defensible areas, evacuation plans and routes, and available resources for these areas. All surrounding water agencies were invited to participate and provide feedback; East Orange County

Water District was the only water agency that attended the meeting. EOCWD submitted comments to OCFA on the wildfire plans for both the East Orange-OPA area and the Cowan Heights-Lemon Heights area subsequent to this meeting (comments attached to this report).

**C. WDR General Meeting – March 17, 2016**

Meeting Summary: 1) Announcement of Nick Arhonte's retirement from OCSD. 2) Soap Shale buildup on bottom of pipe. Possible cause - HE detergents. 3) OCSD I/I (inflow and infiltration) Rates and New Monitoring Program. OCSD has two flow meters installed in OCSD lines and four meters in CMSD lines that flow into the Fairview Trunk. A two-year study is being conducted by OCSD. Results will be available sometime in 2017. 4) SSO Notification, Monitoring, and Reporting Program – update on staff changes at SWRCB. 5) FOG Evaluation Program – summary of survey data collected. Report is being reviewed and will be available in later this year. 6) Training Seminar Needs – Odor control and corrosion in wet wells and Traffic Control Training. TC training will be a 4 hour refresher program and certification. Limited to 50 people. \$50/person. 7) Update on removal of mineral deposits in ductile iron pipe and gravity feed sewers. Increase maintenance frequency is key.

**D. Finance Committee Meeting – March 28, 2016**

Meeting Summary: 1) Check Signing Changes to Director Payroll – A series of director's payroll checks were erroneously issued containing former Director VanderWerff's electronic signature. To correct the situation and prevent its future reoccurrence, the electronic signature process for Director's checks has been discontinued; commencing on March 21<sup>st</sup>, all Director payroll checks will be "wet-signed" by two authorized signatories, as is the practice with Accounts Payable checks. 2) Annual Investment Policy Review – Treasurer/Finance Director Byerrum noted that neither she nor Shawn Dewane had suggested any changes to the Investment Policy; legal counsel also had no suggested changes. The Committee recommended that the Board readopt the current policy. 3) SB272 – Disclosure of Enterprise System Information – Staff presented their recommendation regarding compliance with SB272 and will be working with IT staff to refine it. 4) WZ Capacity Fee Review/Meeting with WZ Agencies – Staff noted that Tustin had requested further information on the Capacity Fee increase. Staff has scheduled a meeting on April 11<sup>th</sup> to review the capacity fee study, the proposed FY 16/17 WZ draft budget and MET's proposed rate changes. 5) RZ Rate Study – Workshop: A Board Workshop is scheduled to be held on the RZ Rate Study prior to the April Board Meeting. 6) WZ and RZ Capital Improvement Budget Review – the draft CIP's for both the WZ and RZ were reviewed with the Committee.

**E. MWDOC Board & Member Agency Elected Officials Forum – April 7, 2016**

Meeting Summary: Elected officials in attendance were briefed on the MWDOC FY16/17 Budget and Rates, MET's proposed Rates, the MWDOC Rate Study, MWDOC's Reliability Study and current water supply conditions and issues.

**F. Groundwater Producers Meeting – March 9, 2016**

Meeting Summary: 1) OCWD FY16/17 CIP – Staff reviewed 17 projects totaling \$33M. 2) OCWD FY16/17 Repair & Rehabilitation Program – Staff presented 44 projects totaling \$31M; discussion was held regarding a possible \$6M reduction. 3) GWRS Final Expansion – Initial cost figures for the final expansion from 100 MGD to 130 MGD indication that the water can be produced for a unit cost of \$980/AF (melded unit cost of \$567/AF). It is unclear, however, whether there is sufficient OCSD influent to support the full 130 MGD of production. 4) FY16/17 Replenishment Assessment (RA) and

Basin Production Percentage (BPP) – After significant discussion, a majority of agencies supported a 75% BPP with an RA of \$390/AF.

**G. Orange County Water Reliability Study – April 14, 2016**

Meeting Summary: Meeting #3 of Phase 2 of the Reliability Study focused on: 1) Review of the reliability of the MET portfolios (METs and their Member Agencies), 2) Review of the reliability of the Brea/La Habra Area, 3) Review of the reliability of the OC Groundwater Basin area, 4) Review of the reliability of the South Orange County area, 5) Analysis of the South Orange County Area's portfolio and 6) Next Steps. The criticality of the California WaterFix is becoming increasingly apparent; should this not occur, even with the inclusion of likely projects that are currently being planned, significant local supply investment will be necessary.





	WUI Name: EAST ORANGE - ORANGE PARK ACRES					
	Location: E. Orange, Orange Park Acres, Crawford Cyn.					
	Topo: Orange, CA					
<a href="#">Risk Assessment</a>		<a href="#">Tactical Plan</a>	<a href="#">Tactical Map</a>	<a href="#">Area Map</a>	<a href="#">Aerial Map</a>	<a href="#">Additional Info</a>
RECOMMENDED STRATEGIES & TACTICS (FIRESCOPE/PACE)						
<b>Primary Plan (Offensive)</b> Offensive and aggressive attack on flanks, with aircraft holding fire on slopes and away from structures. Protect ridgeline homes above fire. Limited evacuation of fire perimeter homes. Watch for spots into adjacent canyons or ornamental vegetation. Heavy poison oak along Newport Bl.				<b>Alternate Plan (Offensive)</b> Evacuate perimeter homes ahead of the fire, or shelter-in- place at homes with adequate defensible space. Watch for spotting ahead. Deploy to prep-and-defend homes. Use fire-front-following tactics for those without defensible space. Scout narrow/long streets prior to deployment. Stay maneuverable when safe to protect multiple homes. Firing tactics require IC approval. Watch for downed powerlines. Limit resource commitment into Circula Panorama to 2 strike teams due to safety and access issues. Type 1's can access all areas, but consider Type 3's or 6's for areas with diminished access.		
<b>Contingency Plan (Defensive - Responder Safety)</b> Firefighters and law enforcement seek temporary refuge around homes with good defensible space or on wide streets in front of defendable homes. Gather civilians trapped in plan area with you. Escort civilians from area only when safe to maneuver, cross-canyon roads may be compromised by fire movement. Select "Prep. and Defend" homes for stands against fire or fire-front-follow. Consider anchor-and-hold tactics for blocks of multiple homes on fire. Expect new spot fires occurring at long range. Expect fire to potentially spread through finger canyons between homes, which will be difficult to access due to long travel to streets on hillsides above. Watch for downed powerlines.				<b>Emergency Plan (Defensive)</b> Evacuate populations to surrounding urban areas, but stop evac. and shelter-in-place if fire compromises routes. Use caution when defending homes with little defensible space, exposure to heavy fuels, or heavy ornamental vegetation. Move from completed structural defense locations to new sites that offer good defensible space and firefighter safety only when roads are safe for maneuver. Fire-front-follow in highly exposed streets/entrapment risk areas. Prioritize evacuation over fire control. Be vigilant for long-range spotting. Be vigilant for development of fire whirls or other extreme fire behavior that may compromise safety.		
<b>Perimeter Control Plan:</b>		Keep fire from establishing into fuel islands or from running finger canyons between homes. Hold fire E/O Loma Ridge, or E/O SR261-241/Jamboree. Hold fires running the community at major streets including Newport Bl., Chapman Ave., Santiago Canyon, Cannon Dr. or Canyon View Av. Limit dozer use in dense cactus stands or canyon bottoms. For fires which may hold on Loma Ridge- construct line from Chapman S/E along the ridge using an old truck trail + handline (3.6 miles-4 dozers + 4 crews, split & working line from both N and S ends, Santiago Cyn. Rd. to Orchard Hills, Irvine).				
EVACUATION PLAN						
<b>Primary Evacuation Plan</b> Activate Alert OC. Evacuate into metro areas to the west and south. Evac. hilltop & wildland perimeter streets first, including the resturant/banquet facilities off Chapman and Crawford Canyon. Be prepared to close evac, routes if fire threatens these roads. If roads are blocked by fire- shelter residents around homes or on streets with good defensible space.						
<b>Evacuation Trigger Point</b> Initiate community evac. for a major fires under Santa Ana wind driven fire moving W/O Black Star Cyn. Rd. or S/O Santiago Creek. This should provide 2 hours before the fire is within the community's east side. Shorter notice fires may pose significant threats if they cannot be held east. For onshore wind driven fires, evac. homes along ridgetops ahead of the fire and along the fire's perimeter.						
<b>Temp. Evacuation Assembly Points (Human &amp; Animal)</b> 1. El Modena High School, 3920 E. Spring St., Orange      * Not Foothill High School due to evac. likelihood 2. Villa Park High School, 18042 E. Taft Ave., Villa Park 3. Tustin High School, 1171 El Camino Real, Tustin Equestrian: County Fair Grounds: 88 Fair Dr., Costa Mesa						
POPULATION & STRUCTURES AT-RISK				STRUCTURAL TRIAGE		
Population		15,271		Threatened/ Non-Defensible		5% Homes w/o defensible space
Planning Unit Acreage		3,360 acres		Threatened/Defensible		85%
Structures		5,964 homes		Non-Threatened		10%
				W/ Defensible Space		75%
EMERGENCY RESOURCE NEEDS - FIRST SIX HOURS (In addition to Initial Attack Resource)						
Fire ORC Dispatch: (714)573-6522 *COP Ordering Point: METRO Net Dispatch (714)533-1305				Law Enforcement OCSD: (714)288-6963 Ordering Poin: ORG PD: (714)744-7444		
Engines: The number range reflects the number of "minimum" to "preferred" resources.				Law Enforcement:		
Type 1 Strike Teams: 9-11		Type 3 Strike Teams: 3-4		Water Tenders: 4-6		100+ officers, OPD & OCSD to evacuation and security, CHP to traffic control. IC-Lt. or Capt. Activate OCSD Mobile Field Force and mutual aid from Irvine and Tustin PD's  Traffic Control on: Newport Bl., Crawford Cyn., Chapman, Cannon, Foothill Bl., Jamboree, Pioneer, Canyon View, SR241, SR261, Katella, Santiago Canyon, Taft.
Crews Single: 6-8 STs:		Dozers Single: 2-4 STs:		Overhead: 4-5 Div. Sup.: 3-4		
Aircraft: Type 1 Helicopter (Large): 1      Type 3 Helicopter (Light): 1 Type 2 Helicopter (Med.): 3      Air Tankers: 4				Logistics Open EOC to support aggressive fire or significant evacuation need. Consider responder fuel, water, and food needs. File F-MAG application with CAL-OES. Consider activation of CERT team for evac. assistance. Notify public works to assist in traffic management, Red Cross and Animal Control to assist in evacuation.		
WUI Engine Deployment - High Risk 1 engine/2-4 perimeter structures, 1 engine/isolated structures 2 engines/ multi-family structures				Other		
WUI Engine Deployment - Moderate Risk 1 engine/2-4 perimeter structures, 1 engine/isolated structure, 2 engines/multi-family structure				Interface with SCE: Main power transmission corridors in the area. Liaison with County Parks for Irvine & Santiago Oaks Regional Park lands. Dozer restrictions: use on ridge lines or to expand existing TT's or old control lines/disked areas only, avoid use in canyon bottoms and in dense cactus patches.		
WUI Engine Deployment - Low Risk 1 strike team/2 blocks of perimeter hom						



**Insp'd Date:** 3/16/16  
**By:** Rohde & Assoc.

## Risk Assessment

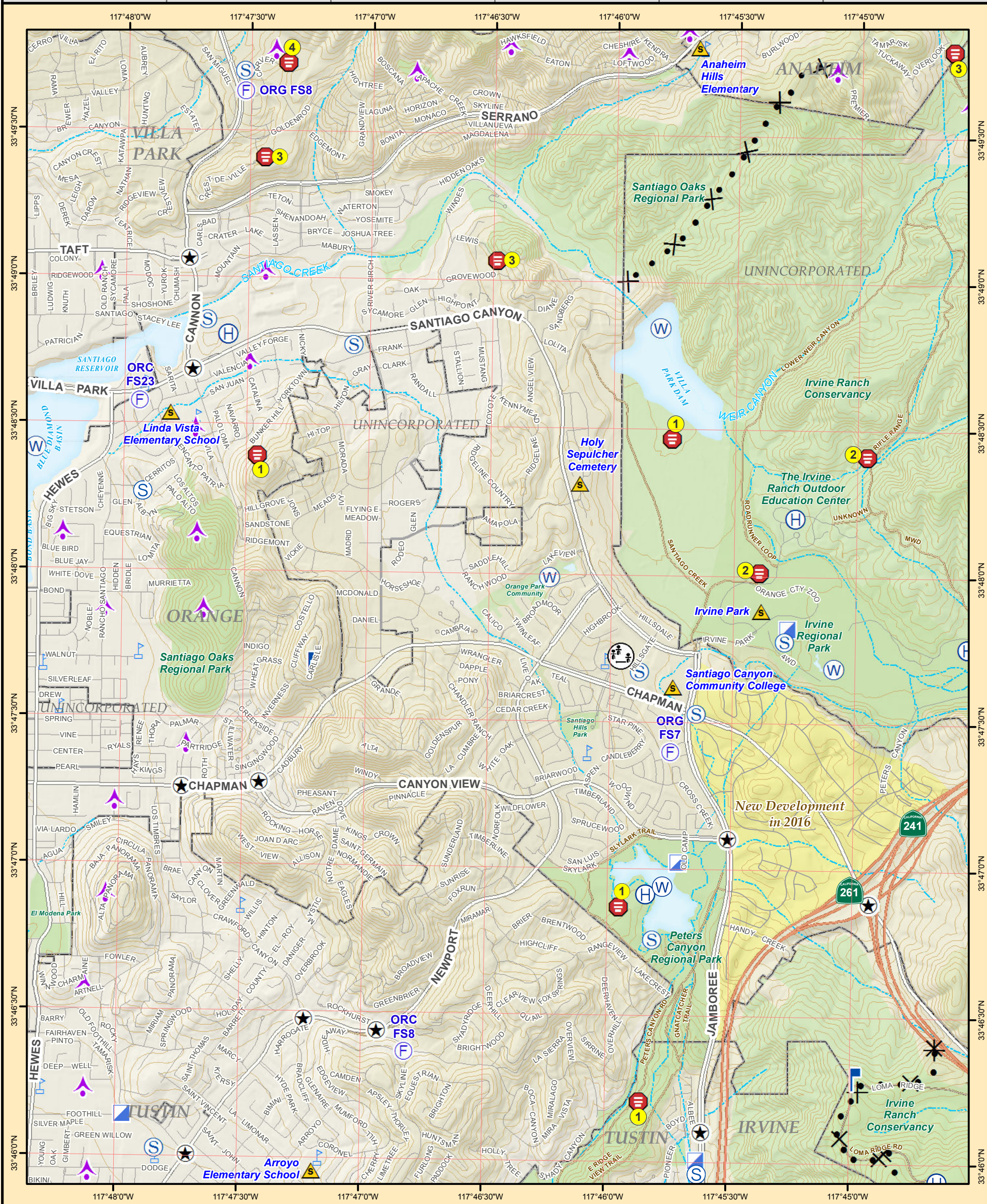
## Tactical Plan

## Tactical Map

## Area Map

## Aerial Map

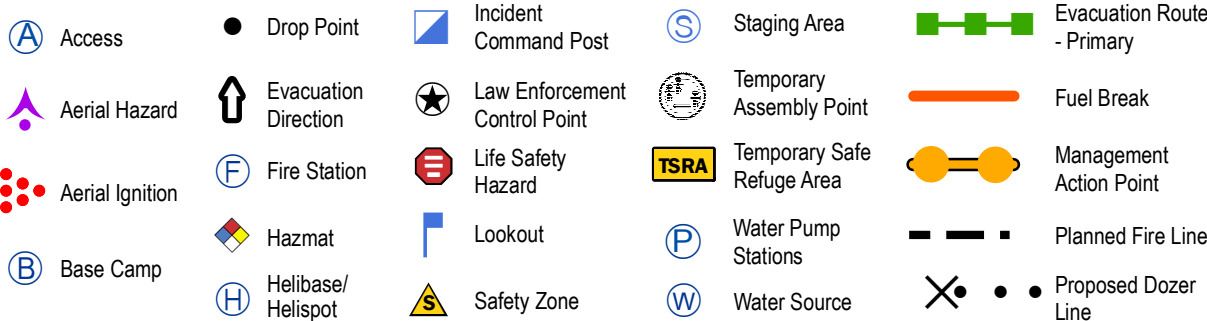
### Additional Info



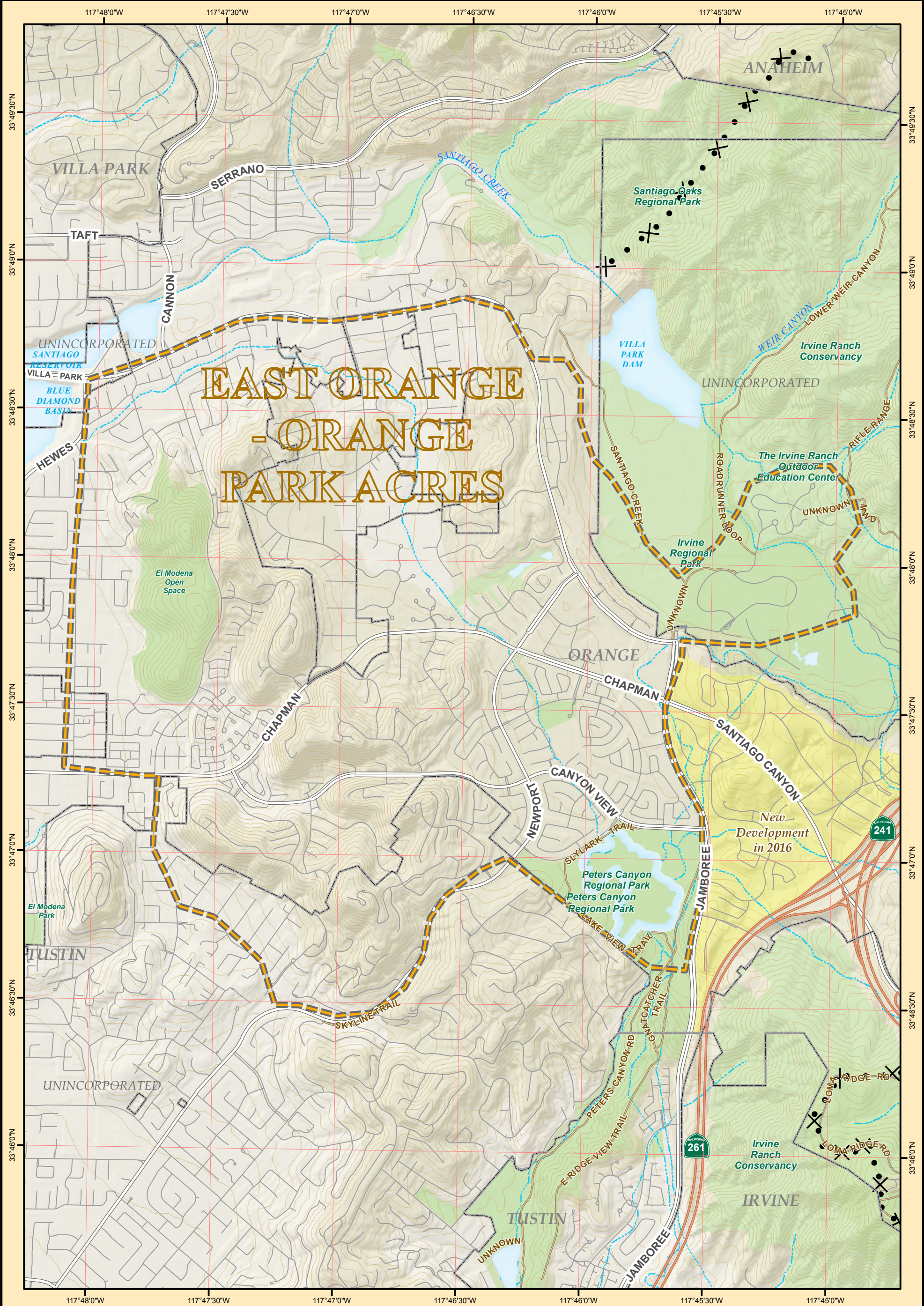
**CRITICAL INFORMATION:**

1. Heavy Fuel
2. Erratic Fire Behavior
3. Spotting Problem
4. Electrical & Aerial Hazard

### Legend













# East Orange-Orange Park Acres Forecast Fire Progression

 Fire Origin (Simulated)

 Major Paths

## Arrival Time

-  1 hour
-  2 hours
-  3 hours
-  4 hours
-  5 hours
-  6 hours

East Orange  
Sepulcher  
Cemetery

Irvine  
Regional  
Park

Santiago  
Canyon  
College

El Chaparral Ave

El Newport Blvd

El Camarillo Rd

Eastern Trans  
Corridor

Assumptions/Limitations  
Fuels are fully cured with off-shore winds.  
Temps: >80 degrees, RH: <10%, Wind 40 mph+  
Model incorporates effects of spotting.  
No Suppression efforts are reflected.  
Rohde & Associates

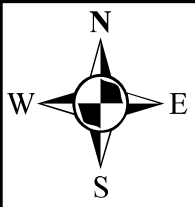


0 0.25 0.5 1 Miles

Source: Esri, DigitalGlobe, GeoEye, IGN, Aerogrid, IGN, IGN, Mapbox, OpenStreetMap contributors, and the GIS user community



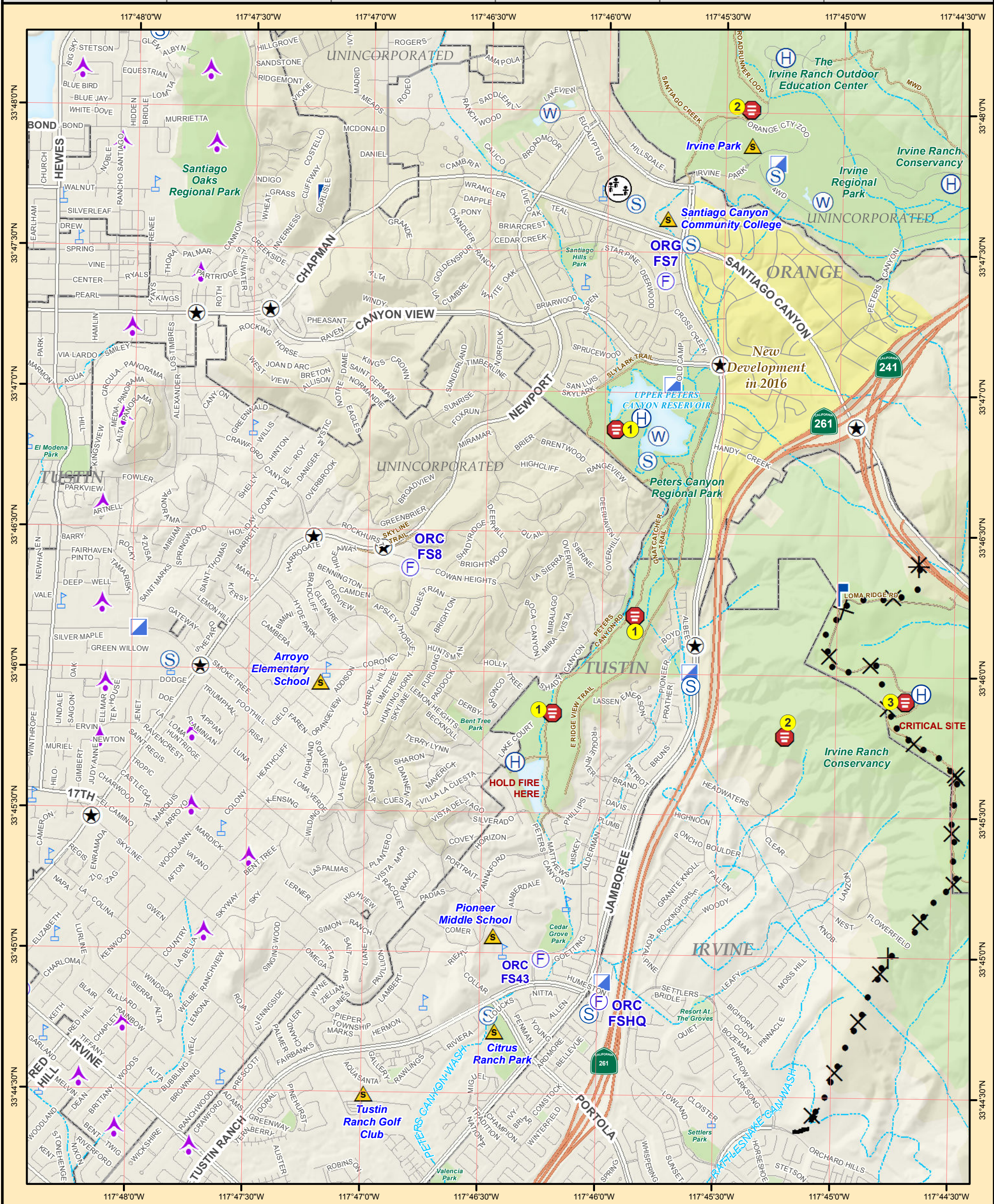
[illegible]

	<b>WUI Name:</b> EAST ORANGE - ORANGE PARK ACRES					
	<b>Location:</b> E. Orange, Orange Park Acres, Crawford Cyn.					
	<b>Topo:</b> Tustin, CA					
<a href="#">Risk Assessment</a>		<a href="#">Tactical Plan</a>	<a href="#">Tactical Map</a>	<a href="#">Area Map</a>	<a href="#">Aerial Map</a>	<a href="#">Additional Info</a>
RECOMMENDED STRATEGIES & TACTICS (FIRESCOPE/PACE)						
<b>Primary Plan (Offensive)</b> Offensive and aggressive attack on flanks, with aircraft holding fire on slopes and away from structures. Protect ridgeline homes above fire. Limited evacuation of fire perimeter homes. Watch for spots into adjacent canyons or ornamental vegetation. Heavy poison oak along Newport Bl.			<b>Alternate Plan (Offensive)</b> Evacuate perimeter homes ahead of the fire, or shelter-in- place at homes with adequate defensible space. Watch for spotting ahead. Deploy to prep-and-defend homes. Use fire-front-following tactics for those without defensible space. Scout narrow/long streets prior to deployment. Stay maneuverable when safe to protect multiple homes. Firing tactics require IC approval. Watch for downed powerlines. Limit resource commitment into Circula Panorama to 2 strike teams due to safety and access issues. Type 1's can access all areas, but consider Type 3's or 6's for areas with diminished access.			
<b>Contingency Plan (Defensive - Responder Safety)</b> Firefighters and law enforcement seek temporary refuge around homes with good defensible space or on wide streets in front of defendable homes. Gather civilians trapped in plan area with you. Escort civilians from area only when safe to maneuver, cross-canyon roads may be compromised by fire movement. Select "Prep. and Defend" homes for stands against fire or fire-front-follow. Consider anchor-and-hold tactics for blocks of multiple homes on fire. Expect new spot fires occurring at long range. Expect fire to potentially spread through finger canyons between homes, which will be difficult to access due to long travel to streets on hillsides above. Watch for downed powerlines.			<b>Emergency Plan (Defensive)</b> Evacuate populations to surrounding urban areas, but stop evac. and shelter-in-place if fire compromises routes. Use caution when defending homes with little defensible space, exposure to heavy fuels, or heavy ornamental vegetation. Move from completed structural defense locations to new sites that offer good defensible space and firefighter safety only when roads are safe for maneuver. Fire-front-follow in highly exposed streets/entrapment risk areas. Prioritize evacuation over fire control. Be vigilant for long-range spotting. Be vigilant for development of fire whirls or other extreme fire behavior that may compromise safety.			
<b>Perimeter Control Plan:</b>		Keep fire from establishing into fuel islands or from running finger canyons between homes. Hold fire E/O Loma Ridge, or E/O SR261-241/Jamboree. Hold fires running the community at major streets including Newport Bl., Chapman Ave., Santiago Canyon, Cannon Dr. or Canyon View Av. Limit dozer use in dense cactus stands or canyon bottoms. For fires which may hold on Loma Ridge- construct line from Chapman S/E along the ridge using an old truck trail + handline (3.6 miles-4 dozers + 4 crews, split & working line from both N and S ends, Santiago Cyn. Rd. to Orchard Hills, Irvine).				
EVACUATION PLAN						
<b>Primary Evacuation Plan</b> Activate Alert OC. Evacuate into metro areas to the west and south. Evac. hilltop & wildland perimeter streets first, including the resturant/banquet facilities off Chapman and Crawford Canyon. Be prepared to close evac, routes if fire threatens these roads. If roads are blocked by fire- shelter residents around homes or on streets with good defensible space.						
<b>Evacuation Trigger Point</b> Initiate community evac. for a major fires under Santa Ana wind driven fire moving W/O Black Star Cyn. Rd. or S/O Santiago Creek. This should provide 2 hours before the fire is within the community's east side. Shorter notice fires may pose significant threats if they cannot be held east. For onshore wind driven fires, evac. homes along ridgetops ahead of the fire and along the fire's perimeter.						
<b>Temp. Evacuation Assembly Points (Human &amp; Animal)</b> 1. El Modena High School, 3920 E. Spring St., Orange      * Not Foothill High School due to evac. likelihood 2. Villa Park High School, 18042 E. Taft Ave., Villa Park 3. Tustin High School, 1171 El Camino Real, Tustin Equestrian: County Fair Grounds: 88 Fair Dr., Costa Mesa						
POPULATION & STRUCTURES AT-RISK			STRUCTURAL TRIAGE			
Population		15,271	Threatened/ Non-Defensible		5% Homes w/o defensible space	
Planning Unit Acreage		3,360 acres	Threatened/Defensible		85%	
Structures		5,964 homes	Non-Threatened		10%	
			W/ Defensible Space		75%	
EMERGENCY RESOURCE NEEDS - FIRST SIX HOURS (In addition to Initial Attack Resource)						
Fire ORC Dispatch: (714)573-6522 *COP Ordering Point: METRO Net Dispatch (714)533-1305			Law Enforcement OCSD: (714)288-6963 Ordering Poin: ORG PD: (714)744-7444			
Engines: The number range reflects the number of "minimum" to "preferred" resources.			Law Enforcement: 100+ officers, OPD & OCSD to evacuation and security, CHP to traffic control. IC-Lt. or Capt. Activate OCSD Mobile Field Force and mutual aid from Irvine and Tustin PD's  Traffic Control on: Newport Bl., Crawford Cyn., Chapman, Cannon, Foothill Bl., Jamboree, Pioneer, Canyon View, SR241, SR261, Katella, Santiago Canyon, Taft.			
Type 1 Strike Teams: 9-11		Type 3 Strike Teams: 3-4	Water Tenders: 4-6			
Crews Single: 6-8 STs:		Dozers Single: 2-4 STs:	Overhead: 4-5 Div. Sup.: 3-4			
Aircraft: Type 1 Helicopter (Large): 1 Type 2 Helicopter (Med.): 3 Type 3 Helicopter (Light): 1 Air Tankers: 4			Logistics Open EOC to support aggressive fire or significant evacuation need. Consider responder fuel, water, and food needs. File F-MAG application with CAL-OES. Consider activation of CERT team for evac. assistance. Notify public works to assist in traffic management, Red Cross and Animal Control to assist in evacuation.			
WUI Engine Deployment - High Risk 1 engine/2-4 perimeter structures, 1 engine/isolated structures 2 engines/ multi-family structures						
WUI Engine Deployment - Moderate Risk 1 engine/2-4 perimeter structures, 1 engine/isolated structure, 2 engines/multi-family structure			Other Interface with SCE: Main power transmission corridors in the area. Liaison with County Parks for Irvine & Santiago Oaks Regional Park lands. Dozer restrictions: use on ridge lines or to expand existing TT's or old control lines/disked areas only, avoid use in canyon bottoms and in dense cactus patches.			
WUI Engine Deployment - Low Risk 1 strike team/2 blocks of perimeter hom						



**Insp'd Date:** 3/16/16  
**By:** Rohde & Assoc.

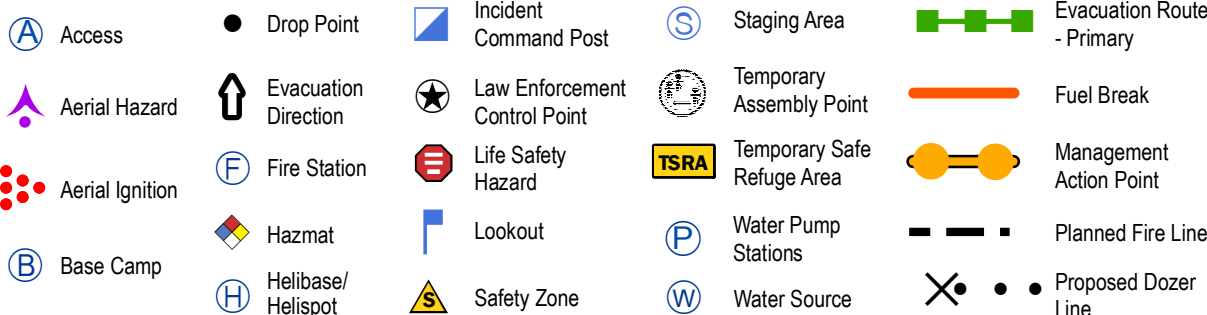
### Additional Info



**CRITICAL INFORMATION:**

1. Heavy Fuel
2. Erratic Fire Behavior
3. Critical Common Site

### Legend





## Risk Assessment

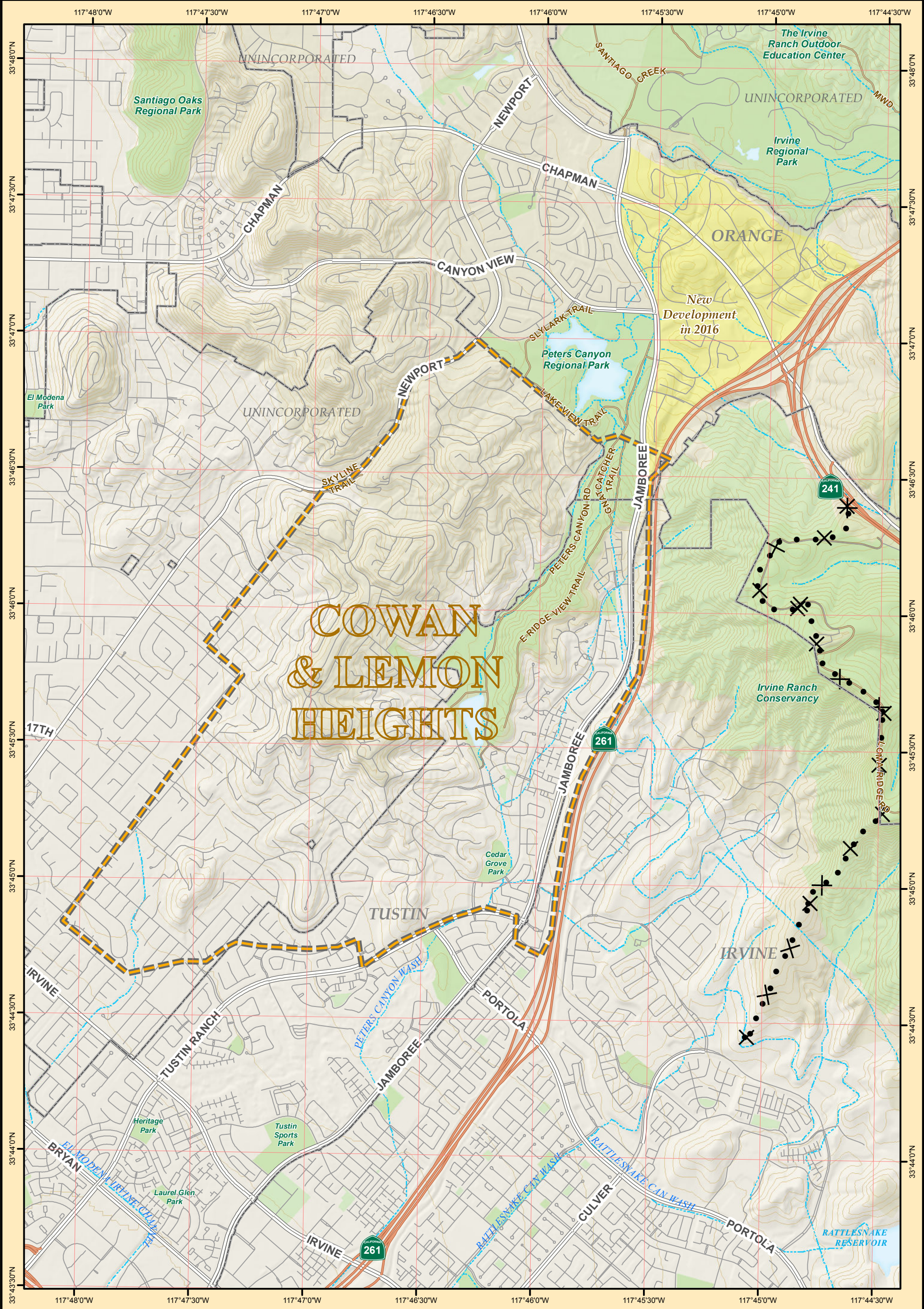
## Tactical Plan

## Tactical Map

## Area Map

## Aerial Map

### Additional Info










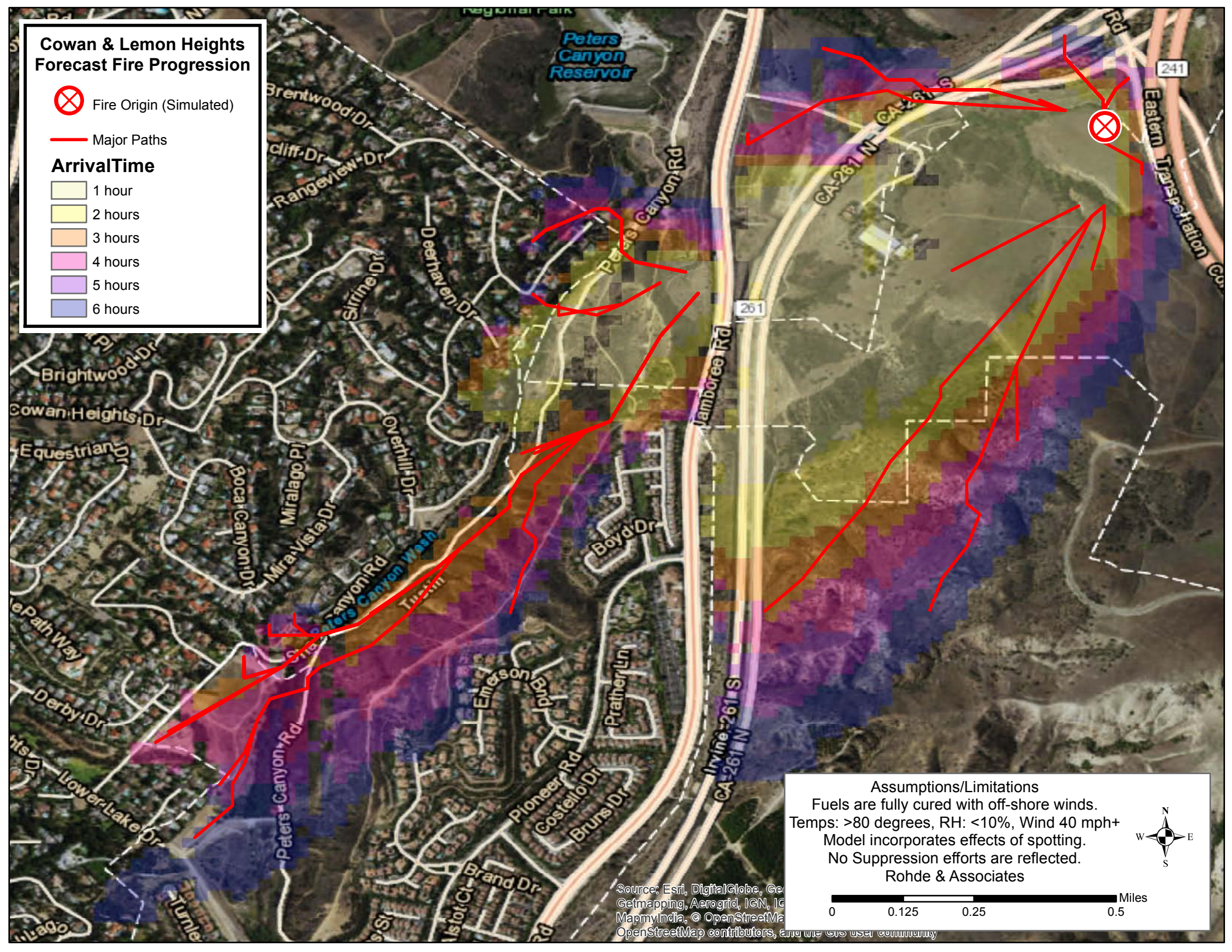
# Cowan & Lemon Heights Forecast Fire Progression

 Fire Origin (Simulated)

 Major Paths

## ArrivalTime

-  1 hour
-  2 hours
-  3 hours
-  4 hours
-  5 hours
-  6 hours



## Assumptions/Limitations

Fuels are fully cured with off-shore winds.  
Temps: >80 degrees, RH: <10%, Wind 40 mph+  
Model incorporates effects of spotting.  
No Suppression efforts are reflected.  
Rohde & Associates



0 0.125 0.25 0.5 Miles

Source: Esri, DigitalGlobe, GeoEye, IGN, Aerogrid, IGN, IGN, MapmyIndia, © OpenStreetMap contributors, and the GIS user community



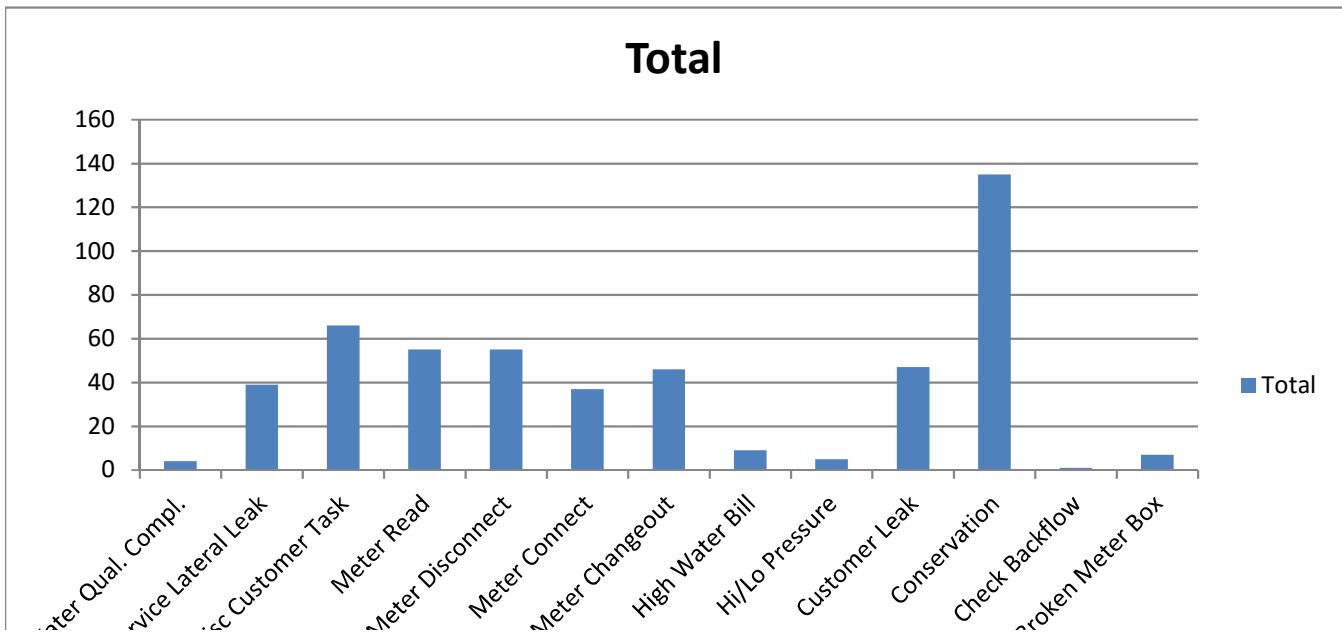
# EOCWD Customer Work

YEAR (All)

Count of workdate	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN 2016	FEB 2016	MAR 2016	Grand Total
jmendzer	2	14	10	14	2	14	6	11	9	15	2	8		107
mnguyen										9	13	8	1	31
mplummer	4	3	9	44	33	50	5	28	17	10	8	14	6	231
tcoston	1	30	7	35	21	30	11							135
<b>Grand Total</b>	<b>7</b>	<b>47</b>	<b>26</b>	<b>93</b>	<b>56</b>	<b>94</b>	<b>22</b>	<b>39</b>	<b>26</b>	<b>34</b>	<b>23</b>	<b>30</b>	<b>7</b>	<b>504</b>

YEAR (All)

Count of workdate	Column Labels													
Row Labels	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN 2016	FEB 2016	MAR 2016	Grand Total
Broken Meter Box		3		2								2		7
Check Backflow		1												1
Conservation		2	1	24	34	35	4	6	12	11	5	1	1	136
Customer Leak	1	8	2	12	2	11	2	3		1	1	1	3	47
Hi/Lo Pressure		1		1					2			1		5
High Water Bill	1		3	2	1						1			8
Meter Changeout		7	4	10	4	6	2	3	1		3	4		44
Meter Connect	2	4	2	6	3	6	3	3	1	3	1	3		37
Meter Disconnect		9	5	5	3	9	4	10		4		6		55
Meter Read		1	2	12	5	7	1	2	6	8	9	2	2	57
Misc Customer Task	3	10	4	13	2	12	3	3		7		6	1	64
Service Lateral Leak		1	3	5		8	3	9	4		2	4		39
Water Qual. Compl.				1	2						1			4
<b>Grand Total</b>	<b>7</b>	<b>47</b>	<b>26</b>	<b>93</b>	<b>56</b>	<b>94</b>	<b>22</b>	<b>39</b>	<b>26</b>	<b>34</b>	<b>23</b>	<b>30</b>	<b>7</b>	<b>504</b>



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

March 17, 2016

**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, January 21, 2016, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, Secretary, recorded the minutes of the meeting.

The following Directors were present: RICHARD BELL, DOUGLASS DAVERT, JOHN DULEBOHN, SEYMOUR EVERETT 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
KEN VECCHIARELLI	Golden State Water Company
BILL EVEREST	District Consultant
ART VALENZUELA	City of Tustin
ROB HUNTER	Municipal Water District of Orange County

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

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

**4. General Manager's Report.** Ms. OHLUND said she had no additions to the written report.

**ACTION TAKEN:**

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

**5. Minutes.**

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the minutes of the meeting of February 18, 2016 were approved as corrected.

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

A. Wholesale and Retail Connection Fees – Postponement of Hearing. On the recommendation of Ms. OHLUND the matter was postponed to provide staff additional time for review and development of recommendations.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, further consideration of the wholesale and retail connection fees was postponed, to be rescheduled for a future date.

B. Peters Canyon 6MG Reservoir Site Drainage Improvements. Mr. MENDZER showed slides depicting various portions of the completed improvements. Ms. OHLUND said staff recommended acceptance.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the revised contract amount of \$209,048 was approved, the project was accepted as complete, the General Manager was authorized to file notice of completion, and the payment of the retention was authorized following expiration of the period set forth in the contract.

C. OC-70 Meter Installation. Ms. OHLUND recommended that the project budget amount be increased to \$35,000 in order to include vault design and other costs.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the project was approved, a project budget was approved in the amount of \$35,000, it was determined that the project is exempt from the California Environmental Quality Act and the General Manager was authorized to file a notice of exemption.

D. Peters Canyon 6MG Reservoir Leak Identification Project. Ms. OHLUND said the leak identification system (LIDS) would help to provide an early opportunity to make repairs if any should be needed.

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the project was approved, a project budget was approved in the amount of \$80,000, it was determined that the project is exempt from the California Environmental Quality Act and the General Manager was authorized to file a notice of exemption, and a contract for services related to the installation of the monitoring wells was awarded to G3Soilworks for the total bid price of \$18,100.00.

E. Citizens Advisory Committee. The Board discussed their views on what role, if any, Board members should have. Ms. OHLUND said the committee would provide a forum for citizens to become educated on issues affecting the District, and the Board members could have periodic involvement as desired. Ms. ARNESON said it was the intent to bring back a resolution to formalize this, and it was the consensus to wait until after the Committee's first meeting has been held as proposed at the end of March, to further explore what approach should be taken.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, as interim steps the East Orange County Water District Citizens Advisory Committee was formed, the mission statement and issues outline for the Committee were adopted, and the initial members of the Committee as recommended were appointed.

F. Local Agency Formation Commission Independent Special District Selection Committee – Election of LAFCO Special District Representative. It was the consensus that the existing designation of the District's alternate representatives to the ISDSC should remain, and there was no need to amend the resolution. President DAVERT recommended that the Board authorize the District representative to support Charley Wilson.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the District's ISDSC representative was authorized to support Charley Wilson.

G. Municipal Water District of Orange County Rate Study. Director BELL stated that he would abstain from participation in this item. General Manager HUNTER made a powerpoint presentation, including history and background of MWDOC's rates, the 2011 agreement among the members on core and choice activities and migration to a per meter charge, the inclusion of charges to OCWD for replenishment water, and a comparison of the effects of four rate scenarios (meters, equivalent meters, population, and imported water use) on the member agencies. The migration of some of the water use efficiency programs to the core activities was discussed. Ms. OHLUND said staff would be bringing to the Board for consideration the question of how MWD's and MWDOC's rates will be recovered in the wholesale rates and charges.

ACTION TAKEN:

Upon a motion duly made, seconded and carried 4-0-1 (BELL abstaining), a statement of the Board was approved as follows: "The Board of Directors of the East Orange County Water District endorses the fixed fee methodology that recovers MWDOC's reasonable and necessary costs through imposition of a charge based upon a uniform charge per meter or a uniform charge per meter by size of the meter. Further, the Board endorses the core and choice methodology with the stipulation that public information and water use efficiency



services are included as core services, and that choice programs are services that are directly tied to a specific benefit that a member agency receives that other member agencies do not.”

H. Strategic Plan Status Report. Following the scorecard reporting format, Ms. OHLUND reported on the progress toward the strategies and objectives under the five goals.

## 7. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$276,813.71 from Wholesale and Retail Operating Funds, \$2,054.11 for directors’ payroll, and \$40,486.13 for employees’ payroll.

B. Investment Activity. Schedules of investments were presented.

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

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

### ACTION TAKEN:

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

## 8. Miscellaneous Matters.

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

B. Directors’ Reports on Meetings Attended. Director SEARS reported on the two recent WACO meetings.

C. Authorization of Conference and Meeting Attendance.

### ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, all Directors were authorized to attend the OC Water Summit.

D. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND added to her written status report that tomorrow LAFCO should be posting notice of the consideration of the District’s application at the April 13 Commission meeting.

E. Water Demand Status Report. Ms. OHLUND reported that demand was up because of the hot weather but the target was still met. She said the District’s reduction target

will be reduced by the 7% credit for GWRS approved by the State Board. She reported on the District's pursuit of proportionality recognizing GWRS contribution.

F. Drought Response Report. Ms. OHLUND discussed proposed ads in the *Sentry* and, referring to the District's baseball outreach theme, commended the customers on meeting the target in 6 of the nine "innings."

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the Water Demand Status Report and Drought Response Report were received and filed.

9. Informational Items.

A. General Interest Publications. Included were: *California Special Districts Association*, "The Future of Special Districts in 2016;" *Orange County Register*, "Storms might not be ending the drought, but they're swelling lakes and dams in Northern California."

10. Closed Sessions. President DAVERT announced that the Board would meet in closed sessions listed in the agenda as follows: **(A)** conference with legal counsel – existing litigation – Government Code Section 54956.9(a) – *Ebinger v. Yorba Linda Water District*, 30-2016-00829548 (concerning participation as amicus curiae); **(B)** conference with labor negotiators (Govt. Code §54957.6) – agency designated representatives: Directors Davert and Dulebohn – unrepresented employees: General Manager

OPEN SESSION

Open session was resumed, with all Directors present. Ms. ARNESON reported that on the first closed session item, it was determined that the District shall file an amicus curiae letter. No action was reported from the second closed session item.

11. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 7:00 p.m., the next regular meeting date and time being Thursday, April 21, 2016, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

---

Joan C. Arneson



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: WHOLESALE ZONE AND RETAIL ZONE CAPACITY FEES –  
CANCELLATION OF PUBLIC HEARING**  
**DATE: April 21, 2016**

---

## BACKGROUND

At last month's meeting, the Board continued the public hearing for consideration of an increase to the Wholesale Zone and Retail Zone Capacity Fees to the April 21<sup>st</sup> Board Meeting due to the need to supply the WZ agencies with more information regarding the fee increase. Due to proposed changes in the MET rates, the meeting with these agencies was delayed until April 28<sup>th</sup>. It is unclear at this time what questions or issues may develop out of this meeting that may further delay consideration of these fees. At this time, staff recommends cancellation of the public hearing and rescheduling at the conclusion of the review and comment process with the Wholesale Zone agencies.

## FINANCIAL IMPACT

None.

## RECOMMENDATION

The Board cancel the public hearing scheduled for the April 21<sup>st</sup> Board Meeting regarding the proposed increase to the Wholesale Zone and Retail Zone Capacity Fees.

# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: SERVICE AREA 7 SEWER TRANSFER – LAFCO DECISION**  
**DATE: April 21, 2016**

---

## BACKGROUND

Commencing in 2013, the District began a process to review the potential to assume ownership and operation of the local sewer system from the Orange County Sanitation District. OCSD had been operating these sewer since 1984 and desired to divest them as continued operation was incompatible with their regional mission.

After almost six months of review and negotiations, on February 27, 2014, EOCWD and OCSD entered into an agreement for the transfer of the sewers to EOCWD. On March 27, 2014, EOCWD filed an application and Plan of Service with LAFCO to begin the process of activating our latent power to own and operate sewers, and to annex small portions of Tustin, Orange and IRWD.

In September 2014, LAFCO announced that they would solicit the interest of other adjacent agencies, and in November, 2014, the Irvine Ranch Water District indicated that they would be interested in submitting an application. On March 23, 2015, IRWD submitted an application and Plan of Service for the sewers.

At the April 13, 2016 LAFCO meeting, the Commission held a public hearing on both applications. With the strong support of the local community, the District was successful in obtaining Service Area 7, with the Commission voting 6-1 to approve our application. Attached is the press release announcing the decision.

Unfortunately, the appropriate resolution and associated findings and determinations reflecting this outcome were not available for Commission to finalize the transfer; the Commission will take these steps at their May 11<sup>th</sup> meeting. Special Counsel John Bakker is working with LAFCO counsel to develop the resolution and supporting findings. After this action is taken, there is a 30-day reconsideration period required by Government Code Section 56895 and a 30-day protest period that begins after the reconsideration period under Government Code Section 57000 et seq.

Staff is updating the Transfer Plan that was developed in anticipation of this event two years ago; we will be meeting with OCSD on a weekly basis to review and implement the Plan. At this time, we anticipate an August 1<sup>st</sup> transfer date.

## FINANCIAL IMPACT

The financial impacts of this action for the District were detailed in the 100-year Financial Plan developed as part of the LAFCO process.

## RECOMMENDATION

Information only; no action is necessary at this time.



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

714.538.5815 phone  
714.538.0334 fax

[www.eocwd.com](http://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, P.E.**  
*General Manager*

FOR IMMEDIATE RELEASE  
April 14, 2016

Contact: Lisa Ohlund  
(714) 538-5815  
[lohlund@eocwd.com](mailto:lohlund@eocwd.com)

## **LAFCO Board Votes 6-1 to approve EOCWD application to acquire sewer system in North Tustin / East Orange.**

**ORANGE, CALIF.** – On Wednesday, April 13, 2016, the Orange County Local Agency Formation Commission (OC LAFCO) voted 6-1 to approve East Orange County Water District's (EOCWD) application to accept the transfer of the sewers in Sewer Area 7 from the Orange County Sanitation District (OCSD).

More than 50 local residents and 11 elected officials from the nearby communities attended the meeting and more than three dozen speakers spoke in support of EOCWD's application. The Mayors of Orange, Tustin and Villa Park all asked the Commission to transfer the sewers to EOCWD. EOCWD proposed the lowest rate, best service and EOCWD already serves 95% of the customers in Sewer Area 7 with wholesale or retail water services.

Wednesday's approval at LAFCO concludes a 2<sup>1/2</sup> year regulatory approval process that analyzed both EOCWD's proposal as well as Irvine Ranch Water District's (IRWD) proposal. While both agencies are qualified to provide the service, the key differentiator seemed to be that under EOCWD, the local community would be able to have a stronger voice in the process and have the ability to affect change because Sewer Area 7 customers control 77% of the vote of the EOCWD service area.

"We understand and appreciate the sacred responsibility that comes with the acquisition of the sewers in our community," said EOCWD President Douglass Davert. "EOCWD has set a high bar in terms of providing extremely high quality service at reasonable rates. We now have a responsibility to the elected officials, regulators and, most importantly, our customers to not only meet, but exceed their expectations when it comes to the cleaning, maintenance and care of the sewer system."

The system will be managed by General Manager Lisa Ohlund who has more than 30 years in the wastewater industry. The day-to-day oversight will be conducted by Nick Arhontes, who served in that same role at the Orange County Sanitation District for more than 20 years until he retired in March 2016. The pipeline cleaning and maintenance will be done by Performance Pipeline, a company that specializes in pipeline cleaning - particularly clay pipes, like what exist in North Tustin. Performance Pipeline has been cleaning the sewers in Area 7 in North Tustin since 2010.

EOCWD owes a debt of gratitude to the local community members who recognized the importance of maintaining local control of their infrastructure and submitted to LAFCO more than 1,300 individuals' names of Sewer Area 7 customers who support EOCWD.

-more-

***LAFCO Commission votes 6-1 to approve EOCWD application  
April 14, 2016  
2/2***



*More than 70 local community members took time off from work and school to attend Wednesday's LAFCO meeting to voice their opinion about who should clean and maintain the sewers in Area 7.  
April 14, 2016  
2/2*

###

# MEMO

**TO:** BOARD OF DIRECTORS  
**FROM:** GENERAL MANAGER  
**SUBJECT:** LEGAL FEES – REQUEST FOR RATE INCREASE  
**DATE:** APRIL 21, 2016

---

## BACKGROUND

District Legal Counsel, Joan Arneson has submitted the attached request for an increase to their hourly billing rate effective July 1, 2016. A comparison of the current hourly rate versus the proposed hourly rate is shown below:

<i><b>Personnel</b></i>	<i><b>Current Hourly Rate</b></i>	<i><b>Proposed Hourly Rate</b></i>
<b>Partner</b>	\$175	\$210
<b>Senior Associate</b>	\$170	\$185
<b>Associate</b>	\$165	\$175
<b>Paralegal</b>	\$85	\$ 85

In comparison, below is a sampling of rates from other nearby districts/cities that retain outside legal counsel (non-Bowie Arneson clients); the proposed rates are on the low side of this sampling:

<i><b>Agency</b></i>	<i><b>Current Hourly Rate</b></i>
<b>Tustin</b>	\$212
<b>Santa Margarita WD</b>	\$250-\$350
<b>Serrano WD</b>	\$255
<b>Yorba Linda WD</b>	\$285 - \$365

Ms. Arneson provides excellent service to the District. Besides being very responsive to staff's inquiries and requests, her institutional knowledge is extensive and the District benefits from this on every service she provides. This increase is not only well-deserved, it has been deferred for seven years.

## FISCAL IMPACT

Based upon historic billings, District Counsel averages 20-25 billing hours per month, with a \$35.00/hr increase, the District's legal fees budget will rise by approximately \$8,700-\$10,500 per year.

## RECOMMENDATION

The Board approve the requested Bowie Arneson fee increase effective July 1, 2016 and direct the President to execute the Legal Services Agreement.

# BOWIE, ARNESON, WILES & GIANNONE

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS  
ATTORNEYS AT LAW

ALEXANDER BOWIE\*  
JOAN C. ARNESON  
WENDY H. WILES\*  
PATRICIA B. GIANNONE  
ROBERT E. ANSLOW  
BRIAN W. SMITH  
JEFFREY A. HOSKINSON  
JEFFREY W. FREY  
TYLER E. MENDEZ  
MARGOT E. H. STEVENS  
CONOR H. MCELROY

4920 CAMPUS DRIVE  
NEWPORT BEACH, CALIFORNIA 92660  
(949) 851-1300

(800) 649-0997  
FAX: (949) 851-2014

REF. OUR FILE

\*A PROFESSIONAL CORPORATION

5003 A 16

April 16, 2016

Ms. Lisa Ohlund  
General Manager  
East Orange County Water District  
185 N. McPherson Road  
Orange, CA 92869-3720

Dear Lisa:

This letter sets forth our firm's engagement to provide general counsel services to East Orange County Water District. As described in the attached Terms of Legal Services Agreement, billing for legal services is on an hourly basis.

Our firm's hourly rates are based upon a number of factors, including the level of experience of the attorneys. The 2016-17 hourly rates (effective July 1, 2016 but in no event before our next invoicing period commencing after this letter):

Partner	\$210
Senior Associate	\$185
Associates	\$175
Paralegal	\$85

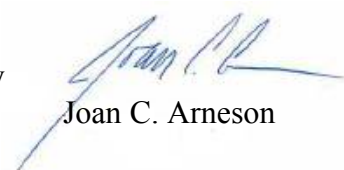
This letter, together with the attached Terms of Legal Services Agreement, will set forth the terms of our engagement.

We appreciate the opportunity to continue providing general counsel services to the District.

Very truly yours,

BOWIE, ARNESON,  
WILES & GIANNONE

By

  
Joan C. Arneson

JCA:  
Encl.  
98901



**BOWIE, ARNESON, WILES & GIANNONE**

Ms. Lisa Ohlund

April 16, 2016

Approval of Engagement

We have read the foregoing letter and attached Terms of Legal Services Agreement and agree to the terms of Bowie, Arneson, Wiles & Giannone's engagement, effective as of the date on which Bowie, Arneson, Wiles & Giannone first provided services to us under the attached engagement terms.

Date: \_\_\_\_\_, 2016

EAST ORANGE COUNTY WATER DISTRICT

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

# **BOWIE, ARNESON, WILES & GIANNONE**

Ms. Lisa Ohlund

April 16, 2016

## **TERMS OF LEGAL SERVICES AGREEMENT**

### **I. Legal Services Provided**

Bowie, Arneson, Wiles & Giannone is retained by East Orange County Water District for the purpose of providing legal services for general legal matters, including litigation and other matters as may be requested from time to time. We will report regularly and keep you informed of significant developments in matters in which we are providing legal services. During the course of our services, we may express opinions or beliefs to you about the effectiveness of various courses of action, but such expressions shall not be construed as promises or guarantees.

### **II. Fees**

Fees for legal services are charged on an hourly basis for the time of the legal personnel spent on a matter. The rates are based on several factors, including the expertise and level of experience of the attorneys. The rates are adjusted by the firm from time to time, usually effective for the period July 1-June 30. We will provide advance notice of any rate change. Time on any task is billed in increments of a tenth of an hour. Statements are prepared and sent each month, and are due when presented. The hourly fees will not include expenses, which will be billed and payable as set forth in Section III.

Upon request and arrangement in advance, fees for a particular task or matter may be based on other than hourly rates or monthly billing, such as contingent fees for bond counsel services.

Staffing work assignments will be made, to the extent possible, so as to maximize our legal effectiveness and minimize your legal expenses.

### **III. Expenses**

In addition to fees, we will bill for reimbursement of actual and reasonable costs and expenses, including, but not limited to, reproduction of documents, long-distance telephone charges, messenger and courier services, facsimile, computerized legal research, document printing, recording charges and non-local mileage and travel expenses. We may also bill for clerical staff time of an unusual nature. Costs and expenses are included in the monthly statements.

### **IV. District's Obligations**

You agree to provide us with direction and guidance and to keep us informed of significant developments related to matters with respect to which we are providing legal services. You also agree to pay our statements in a timely manner.

### **V. Termination of Representation**

Our services may be terminated by you at any time by written notice to us. We may withdraw with your consent or for good cause. Good cause may include a failure to cooperate or follow our advice on a material matter, failure to pay our statements in a timely manner, or any fact or circumstance that would render our continuing representation unlawful or unethical. In the event of termination or withdrawal, we are to be paid for fees and charges incurred on your behalf up to the date of termination or withdrawal.

### **VII. Miscellaneous**

No modifications hereof shall be effective unless set out in writing and signed by you and us.

We maintain errors and omissions insurance coverage applicable to the services to be rendered.

This statement of terms of legal services agreement shall be our entire agreement, subject to amendment by the parties to provide for, among other matters, other fee arrangements.



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: RETAIL ZONE RATE STUDY WORKSHOP – MAY 10, 2016**  
**DATE: April 21, 2016**

---

## BACKGROUND

The Retail Zone Rate Study, which commenced late last fiscal year, has been on hold pending the resolution of, and/or clarity regarding, issues external to the District, but that have the potential to greatly affect the Study (e.g., the continuance of the drought, the Basin Pumping Percentage/Replenishment Assessment). Over the past month, sufficient resolution/clarity has occurred that it is timely to move forward with a rate workshop to review these developments.

Due to scheduling conflicts with Study Project Manager, Sanjay Gauer, staff requests that the Board hold a special meeting on May 10, 2016 at 4:00 p.m. for the workshop. The earlier start time would accommodate President Davert's need to appear at the Orange City Council Meeting at 6:00 p.m.

## FINANCIAL IMPACT

An additional \$700 in director fees will be required for a special meeting.

## RECOMMENDATION

The Board direct the Secretary to publish a notice of Special Meeting for the purpose of holding a workshop meeting to review the Retail Zone Rate Study and initiate the Proposition 218 notification process.

**EAST ORANGE COUNTY WATER DISTRICT**

**DISBURSEMENT SUMMARY**

**April 21, 2016**

WHOLESALE AND RETAIL BILLS	\$367,755.59
DIRECTOR'S PAYROLL	\$1,103.41
EMPLOYEE'S PAYROLL	\$64,029.06
<b>DISBURSEMENT TOTAL</b>	<b><u>\$432,888.06</u></b>

**TRANSFER SUMMARY**

TRANSFERS	\$ 100,000.00
<b>TRANSFER TOTAL</b>	<b><u>\$100,000.00</u></b>

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

## East Orange County Water District

04/15/16

## Bills For Consideration

Accrual Basis

As of April 8, 2016

Type	Date	Num	Name	Credit
<b>1001-10 · Checking-WZ</b>				
Bill Pmt -Check	03/17/2016	10926	ACWA/JPIA	3,598.00
Bill Pmt -Check	03/17/2016	10927	ARAMARK UNIFORM SERVICES	27.49
Bill Pmt -Check	03/17/2016	10928	AT&T	519.31
Bill Pmt -Check	03/17/2016	10929	CHAMPION PAVING INC.	4,505.00
Bill Pmt -Check	03/17/2016	10930	GENERATOR SERVICES CO, INC	945.00
Bill Pmt -Check	03/17/2016	10931	GRAINGER	552.49
Bill Pmt -Check	03/17/2016	10932	HOME DEPOT CREDIT SERVICES	172.73
Bill Pmt -Check	03/17/2016	10933	ID MODELING, INC.	800.00
Bill Pmt -Check	03/17/2016	10934	ORANGE COUNTY LAFCO	
Bill Pmt -Check	03/17/2016	10935	PLATINUM CONSULTING GROUP	3,507.50
Bill Pmt -Check	03/17/2016	10936	RAFTELIS FINANCIAL CONSULTANTS	3,260.41
Bill Pmt -Check	03/17/2016	10937	SOUTHERN CALIFORNIA EDISON	2,395.05
Bill Pmt -Check	03/17/2016	10938	TOTAL EXTERMINATING INC	275.00
Bill Pmt -Check	03/17/2016	10939	TRUESDAIL LABORATORIES, INC	283.00
Bill Pmt -Check	03/17/2016	10940	W R EVEREST & ASSOCIATES	4,480.00
Bill Pmt -Check	03/17/2016	10941	YO FIRE	249.58
Bill Pmt -Check	03/28/2016	10942	ORANGE COUNTY LAFCO	15,000.00
Bill Pmt -Check	03/28/2016	10943	PETTY CASH	198.71
Bill Pmt -Check	04/08/2016	10944	ACWA- WORKERS COMP	2,574.00
Bill Pmt -Check	04/08/2016	10945	ACWA JPIA	413.00
Bill Pmt -Check	04/08/2016	10946	ALLCOM	195.00
Bill Pmt -Check	04/08/2016	10947	ARAMARK UNIFORM SERVICES	84.99
Bill Pmt -Check	04/08/2016	10948	AT&T	700.51
Bill Pmt -Check	04/08/2016	10949	AT&T LONG DISTANCE	216.83
Bill Pmt -Check	04/08/2016	10950	BOWIE ARNESON WILES & GIANNO...	3,027.50
Bill Pmt -Check	04/08/2016	10951	CA BANK & TRUST	2,092.10
Bill Pmt -Check	04/08/2016	10952	CHAMPION PAVING INC.	32,140.00
Bill Pmt -Check	04/08/2016	10953	DUNN-EDWARDS PAINTS	106.39
Bill Pmt -Check	04/08/2016	10954	EAST ORANGE COUNTY WATER DI...	40,528.95
Bill Pmt -Check	04/08/2016	10955	GENERAL PUMP COMPANY	3,990.00
Bill Pmt -Check	04/08/2016	10956	GENERATOR SERVICES CO, INC	2,205.00
Bill Pmt -Check	04/08/2016	10957	HACH COMPANY	257.47
Bill Pmt -Check	04/08/2016	10958	HOME DEPOT CREDIT SERVICES	502.12
Bill Pmt -Check	04/08/2016	10959	ID MODELING, INC.	800.00
Bill Pmt -Check	04/08/2016	10960	IRVINE PIPE SUPPLY	42.16
Bill Pmt -Check	04/08/2016	10961	J SEWART DESIGNS	150.00
Bill Pmt -Check	04/08/2016	10962	LEWIS CONSULTING GROUP	5,000.00
Bill Pmt -Check	04/08/2016	10963	MATRIX COMPUTER SERVICE	940.00
Bill Pmt -Check	04/08/2016	10964	MWDOC	215,434.22
Bill Pmt -Check	04/08/2016	10965	NICHOLAS J. ARHONTES	1,700.00
Bill Pmt -Check	04/08/2016	10966	RED WING SHOE STORE	118.80
Bill Pmt -Check	04/08/2016	10967	SC FUELS	593.77
Bill Pmt -Check	04/08/2016	10968	SOUTHERN CALIFORNIA EDISON	3,008.30
Bill Pmt -Check	04/08/2016	10969	TAB ANSWER NETWORK	28.11
Bill Pmt -Check	04/08/2016	10970	TIME WARNER CABLE	179.99
Bill Pmt -Check	04/08/2016	10971	TRUESDAIL LABORATORIES, INC	1,913.00
Bill Pmt -Check	04/08/2016	10972	UNDERGROUND SERVICE ALERT	99.00
Bill Pmt -Check	04/08/2016	10973	VERIZON WIRELESS	270.24
Bill Pmt -Check	04/08/2016	10974	W R EVEREST & ASSOCIATES	7,630.00
Bill Pmt -Check	04/08/2016	10975	XEROX CORPORATION	44.87
Total 1001-10 · Checking-WZ				367,755.59
<b>TOTAL</b>				<b>367,755.59</b>

1:17 PM

04/15/16

Accrual Basis

**East Orange County Water District**  
**Custom Transaction Detail Report**  
**March 17 - 29, 2016**

---

Type	Date	Num	Name	Memo
<b>Mar 17 - 29, 16</b>				
Bill Pmt -Check	03/17/2016	10934	ORANGE COUNTY LAFCO	VOID: O38146
Bill Pmt -Check	03/17/2016	10934	ORANGE COUNTY LAFCO	VOID: O38146
<b>Mar 17 - 29, 16</b>				

EAST ORANGE COUNTY WATER DISTRICT  
CALIFORNIA BANK & TRUST  
Prior Month's Checks To Ratify  
DIRECTORS' PAYROLL \*  
21-Apr-16

**PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF  
2/1/2016**

DATE	CHECK NO	AMOUNT	PAYABLE TO
03/15/16	232	\$ 277.05	BOARD DIRECTOR
03/15/16	233	\$ 392.48	BOARD DIRECTOR
03/15/16	234	\$ 277.05	BOARD DIRECTOR
		<u>\$ 946.58</u>	TOTAL PAYROLL CHECKS

**PAYROLL TAXES, ADP CHARGE**

3/15/2016	\$156.83	ADP TAXES
	<u>\$156.83</u>	TOTAL CHARGES & TRANSFER
	<u>\$1,103.41</u>	GRAND TOTAL PAYROLL

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

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

EAST ORANGE COUNTY WATER DISTRICT  
CALIFORNIA BANK & TRUST  
Prior Month's Checks To Ratify  
EMPLOYEES' PAYROLL\*  
21-Apr-16

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	3/2/2016	\$ 2,339.11	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	3/2/2016	\$ 1,893.29	GENERAL MANAGER
AUTO DEPOSIT	3/2/2016	\$ 2,449.89	WATER DISTRIBUTION II
AUTO DEPOSIT	3/2/2016	\$ 1,199.95	WATER DISTRIBUTION I
AUTO DEPOSIT	3/2/2016	\$ 2,097.66	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/2/2016	\$ 1,750.48	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/16/2016	\$ 2,169.64	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	3/16/2016	\$ 2,105.66	GENERAL MANAGER
AUTO DEPOSIT	3/16/2016	\$ 1,418.71	WATER DISTRIBUTION II
AUTO DEPOSIT	3/16/2016	\$ 1,231.68	WATER DISTRIBUTION I
AUTO DEPOSIT	3/16/2016	\$ 1,656.28	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/16/2016	\$ 1,622.79	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/30/2016	\$ 2,292.45	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	3/30/2016	\$ 2,110.25	GENERAL MANAGER
AUTO DEPOSIT	3/30/2016	\$ 1,733.23	WATER DISTRIBUTION II
AUTO DEPOSIT	3/30/2016	\$ 1,168.24	WATER DISTRIBUTION I
AUTO DEPOSIT	3/30/2016	\$ 1,862.85	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	3/30/2016	\$ 1,641.54	ADMINISTRATIVE ASSISTANT

<u>\$ 32,743.70</u>	TOTAL PAYROLL CHECKS
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**PAYROLL TAXES, ADP CHARGES, AND PERS EFT**

3/2/2016	\$7,133.99	ADP TAXES
3/2/2016	\$1,972.37	PERS ELECTRONIC FUNDS TRANSFER
3/2/2016	\$501.60	PERS PEPRA MEMBER
3/2/2016	\$1,436.46	CAL PERS 457 - ING BANK
3/16/2016	\$6,409.34	ADP TAXES
3/16/2016	\$1,827.15	PERS ELECTRONIC FUNDS TRANSFER
3/16/2016	\$484.70	PERS PEPRA MEMBER
3/16/2016	\$1,474.69	CAL PERS 457 - ING BANK
3/16/2016	\$6,444.65	ADP TAXES
3/16/2016	\$1,836.90	PERS ELECTRONIC FUNDS TRANSFER
3/16/2016	\$484.70	PERS PEPRA MEMBER
3/16/2016	\$1,278.81	CAL PERS 457 - ING BANK

PAYROLL 3/2/2016	PAYROLL 3/16/2016	PAYROLL 3/16/2016
\$11,730.38	\$10,204.76	\$10,808.56
\$11,044.42	\$10,195.88	\$10,045.06
<b>\$22,774.80</b>	<b>\$20,400.64</b>	<b>\$20,853.62</b>

<u>\$31,285.36</u>	TOTAL TRANSFERS
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<u><b>\$64,029.06</b></u>	<b>GRAND TOTAL PAYROLL</b>
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\*Note: Payroll is processed by ADP (Automatic Data Processing)



EAST ORANGE COUNTY WATER DISTRICT  
FUNDS TRANSFERRED BETWEEN ACCOUNTS  
21-Apr-16

<u>DATE</u>	<u>TRANSFER NO</u>	<u>AMOUNT</u>	<u>FROM</u>	<u>TO</u>	<u>REASON FOR FUND TRANSFER</u>
4/12/2016	T60	\$ 100,000.00	CB&T MONEY MARKET	CB&T CHECKING	EXCESS FUNDS

**EAST ORANGE COUNTY WATER DISTRICT  
SCHEDULE 1 - INVESTMENT ACTIVITY  
MONTH OF MARCH 2016**

	SECURITY TYPE	BOOK VALUE
<b>BEGINNING BALANCES MARCH 1, 2016</b>		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	\$ 6,479,933
RAYMOND JAMES-CDs	DEMAND BROKERAGE	\$ 1,554,564
US TREASURY OBLIGATIONS	US TREASURY	\$ -
<b>Total</b>		<b>\$ 8,034,497</b>
<b>ACTIVITY</b>		
<b>ADDITIONS</b>		
DEPOSIT TO RAYMOND JAMES-INTEREST	DEMAND BROKERAGE	\$ 795.67
<b>REDUCTIONS</b>		
<b>ENDING BALANCES MARCH 31, 2016</b>		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	\$ 6,479,933
RAYMOND JAMES-CDs and CASH	CERTIFICATES OF DEPOSIT	\$ 1,555,359
US TREASURY OBLIGATIONS	US TREASURY	\$ -
<b>TOTAL</b>		<b>\$ 8,035,293</b>

**EAST ORANGE COUNTY WATER DISTRICT  
SCHEDULE 2 - INVESTMENT PORTFOLIO  
March 31, 2016**

NAME	SECURITY TYPE AND NUMBER	PURCHASE DATE	MATURITY DATE	INTEREST		MARKET VALUE	PURCHASE PRICE	PREMIUM OR DISCOUNT	ACCRUED INTEREST	FACE VALUE	% TO PORTFOLIO
				STATED	YIELD						
LAIF	DEMAND	N/A	N/A	0.510%	0.510%	\$ 6,474,665	\$ 6,479,933	\$ -	\$ -	\$ -	80.64%
RJ-CD	AMERICAN EXPRESS	12/09/15	12/09/20	2.250%	2.250%	111,771	110,000	0	0	110,000	1.37%
RJ-CD	CAPITAL ONE BANK	08/17/15	08/20/20	2.300%	2.300%	102,196	100,000	0	0	100,000	1.24%
RJ-CD	CIT BANK	03/06/13	03/06/18	1.100%	1.100%	145,886	145,000	0	0	145,000	1.80%
RJ-CD	DISCOVER BANK	10/17/12	10/17/16	1.200%	1.200%	100,326	100,000	0	0	100,000	1.24%
RJ-CD	DISCOVER BANK	02/20/13	02/20/18	1.100%	1.100%	149,951	150,000	0	0	150,000	1.87%
RJ-CD	EVERBANK	01/30/15	11/15/19	1.500%	1.740%	149,541	148,818	-1,650	468	150,000	1.85%
RJ-CD	FEDERAL FARM CREDIT	06/05/15	05/28/19	1.430%	1.482%	40,001	39,938	-73	11	40,000	0.50%
RJ-CD	GE MONEY BANK	10/25/12	08/31/17	1.650%	1.650%	100,962	100,998	754	244	100,000	1.26%
RJ-CD	GE CAPITAL RETAIL BANK	11/19/12	11/09/16	1.350%	1.350%	100,437	100,536	499	37	100,000	1.25%
RJ-CD	GE CAPITAL RETAIL BANK	02/22/13	02/22/18	1.100%	1.100%	149,946	150,000	0	0	150,000	1.87%
RJ-CD	GOLDMAN SACHS BANK	02/13/13	02/13/18	1.200%	1.200%	150,242	150,000	0	0	150,000	1.87%
RJ-CD	GOLDMAN SACHS BANK	10/11/12	10/03/17	1.550%	1.550%	100,811	99,977	-11	34	100,000	1.24%
RJ-CD	SYNCHRONY BANK	01/30/15	01/30/20	1.800%	1.800%	152,447	150,000	0	0	150,000	1.87%
RJ	CASH	N/A	N/A	0.000%	0.020%	10,092	10,092	0	0	10,092	0.13%
					<b>1.328%</b>	<b>\$ 8,039,273</b>	<b>\$ 8,035,293</b>	<b>\$ (480)</b>	<b>\$ 796</b>	<b>\$ 1,555,093</b>	<b>100.00%</b>

LAIF=LOCAL AGENCY INVESTMENT FUND

RJ=RAYMOND JAMES

**CERTIFICATION**

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

*Cindy Byerrum, Treasurer*

CINDY BYERRUM, TREASURER

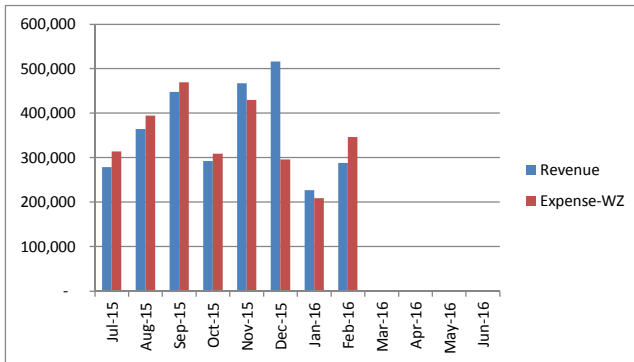
# Wholesale Zone Financial Summary

## For Period Ending February 29, 2016

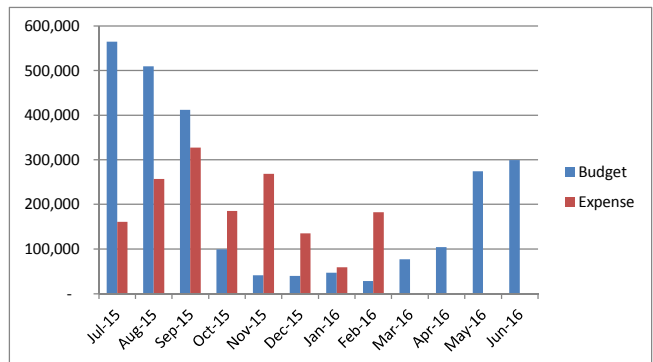
YTD Operating Income     \$     2,881,347

YTD Operating Expense     \$     2,810,089

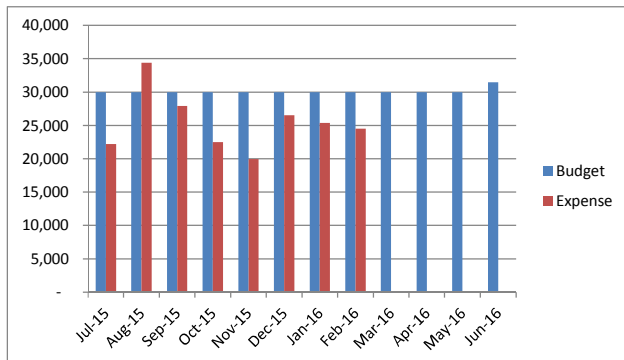
Revenue vs. Expenses



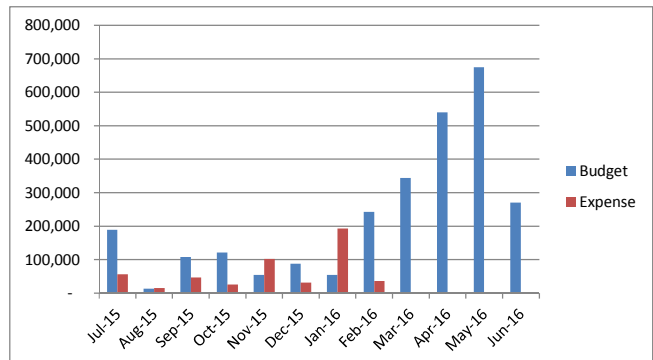
Water Purchased Budget vs. Actual



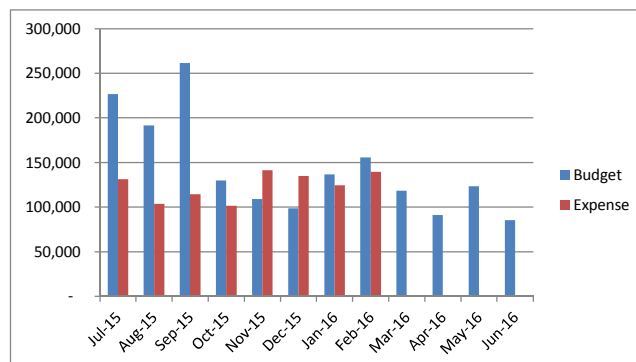
Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



O&M Budget vs. Actual



## WHOLESALE ZONE

**EAST ORANGE COUNTY WATER DISTRICT  
2015-2016 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
MONTH: FEBRUARY 2016**

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	OPERATING REVENUE:					
2	WATER SALES	181,294	1,574,656	2,494,800	(920,144)	63.12%
3	FIXED CHARGES	53,030	432,792	653,950	(221,158)	66.18%
4	EOCWD FIXED CHARGES	38,502	323,022	459,327	(136,305)	70.33%
5	REIMBURSED EXP-IRWD	-	-	-	-	0.00%
6	OTHER CHARGES	127	34,306	82,325	(48,019)	41.67%
7	TOTAL OPERATING REVENUE:	272,953	2,364,776	3,690,402	(1,325,626)	
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES	606	427,010	678,500	(251,490)	62.93%
10	RENTAL INCOME - CELLULAR ANTENNAS	8,288	66,153	108,020	(41,867)	61.24%
11	INTEREST & INVESTMENT EARNINGS	5,923	18,822	20,900	(2,078)	90.06%
12	NOTE RECEIVABLE - AMP	-	144	-	144	0.00%
13	MISCELLANEOUS INCOME (EXPENSE)	50	4,442	600	3,842	740.40%
14	TOTAL NON-OPERATING REVENUES, NET	14,868	516,572	808,020	(291,448)	63.93%
15	NET OPERATING INCOME	287,821	2,881,347	4,498,422	(1,617,075)	64.05%

EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
16	OPERATING EXPENSE:					
17	SOURCE OF SUPPLY	182,451	1,573,966	2,494,900	(920,934)	63.09%
18	MET/MWDOC FIXED CHARGE	32,768	287,491	507,975	(220,484)	56.60%
19	EOCWD FIXED CHARGE	18,837	150,692	226,000	(75,308)	66.68%
20	ENERGY	153	1,551	2,600	(1,049)	59.64%
21	OPERATIONS & MAINTENANCE	45,833	292,635	631,850	(339,215)	46.31%
22	GENERAL & ADMINISTRATIVE	42,252	259,382	257,145	2,237	100.87%
23	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	31,496	251,968	377,952	(125,984)	66.67%
24	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
25	MARKET VALUE ADJUSTMENT ON INVESTMENTS	(5,275)	(7,595)	-	(7,595)	0.00%
26	TOTAL OPERATING EXPENSE	348,514	2,810,089	4,498,422	(1,688,333)	62.47%
27	NET INCOME FROM OPERATIONS	(60,693)	71,258	-	71,258	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	NET INCOME (LOSS)	(60,693)	71,258	-	71,258	

**Wholesale Zone****February 2016 Variance Report - 67% of Budget Year Expended**

Account Number	Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
<b><u>New</u></b>					
5268-10	EQUIPMENT RENTAL	E	15,962.42	84.46%	The current month is negative due to reclassing expenses incorrectly recorded in prior months
<b><u>Ongoing</u></b>					
4110-10	CONNECTION FEES	I	15,000.00	1500.00%	YTD is higher than budget due to receipt of a large deposit in Tustin
4202-10	LATE CHARGE	I	3,267.77	3267.77%	YTD is higher than budget due to late charges for various customers
4604-10	INTEREST EARNED - RAYMOND JAMES	I	16,159.00	96.76%	YTD is over 95% of budget due to more interest received than expected
4702-10	TAXES-UNSECURED	I	17,987.73	89.94%	YTD is over 89% of budget due to the receipt of more property taxes than expected
4703-10	TAXES SUPPLEMENTAL ROLL	I	8,820.63	88.21%	YTD is over 85% of budget due to the timing of receipts
4708-10	TAXES TUSTIN RDA	I	32,447.04	81.12%	YTD is over 80% of budget due to the timing of receipts
4690-10	MISCELLANEOUS INCOME	I	4,442.40	740.40%	YTD is over budget due to reimbursement for new vehicle purchase in the prior year
5155-10	WATER PURCHASED AMP	E	1,268,325.70	101.68%	YTD is over budget due to more use of the AMP line and less use of OC 43 & OC 48 lines
5234-10	DUES & MEMBERSHIP- CSDA	E	2,870.00	82.00%	YTD is over 80% of budget due to timing of annual dues payments
5265-10	LEGAL	E	20,356.94	81.43%	YTD is at 80% of budget due to more legal expenses than expected
5266-10	METER TESTING	E	2,699.80	89.99%	YTD is almost 90% due to timing of the year and when testing is performed
5427-10	PERS CLASSIC (ER-PAID MEMBER)	E	5,143.60	0.00%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
5424-10	PERS PEPRA (ER)	E	3,010.11	0.00%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
5427-10	PERS UNFUNDED	E	3,646.24	0.00%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
5426-10	PERS PEPRA (EMPLOYEE)	E	(1,662.63)	0.00%	This account is a new account and was budgeted in Line 70 PERS Classic (Employee)
5260-10	OUTSIDE SERVICES	E	19,899.82	199.00%	YTD is over budget due to PR services and strategic plan
5422-10	COMPUTER CONSULTING	E	4,604.50	92.09%	YTD is over 90% of budget due to unexpected computer expenses
5424-10	LAFCO	E	141,637.70	472.13%	YTD is higher than budget due to timing of the year when bills are received and costs relating to sewers

**Capital Projects****New****Ongoing**

BETTERMENT & REPLACEMENT PLAN	E	216,547.87	309.35%	YTD is over budget due to work performed by Carollo Engineering for the master plan
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**EAST ORANGE COUNTY WATER DISTRICT****FOR WHOLESALE  
MONTH: FEBRUARY 2016**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>					
1 WATER SALES	181,294	1,574,656	2,494,800	(920,144)	63.12%
2 METER CHARGE	127	1,041	2,200	(1,159)	47.32%
3 LATE CHARGE	-	3,268	100	3,168	3267.77%
4 CONNECTION FEES	-	15,000	1,000	14,000	1500.00%
5 EOCWD RESERVE FUND CHARGE	25,481	203,851	302,079	(98,228)	67.48%
6 EOCWD READINESS TO SERVE CHARGE	13,021	104,171	156,248	(52,077)	66.67%
7 RETAIL SERVICE CONNECTIONS	18,836	150,692	226,000	(75,308)	66.68%
8 MET-MWDOC READINESS TO SERVE	19,854	163,823	243,250	(79,427)	67.35%
9 MET-MWDOC CAPACITY CHARGE	14,340	118,277	184,700	(66,423)	64.04%
10 MET-MWDOC CHOICE-WS	-	29,180	80,025	(50,845)	36.46%
11 REIMBURSED EXPENSES-IRWD	-	-	-	-	0.00%
12 REFUNDS	-	817	-	817	0.00%
13 Total OPERATING REVENUE:	272,953	2,364,776	3,690,402	(1,325,626)	
14 NON OPERATING INCOME					
15 INTEREST EARNED-LAIF	-	2,663	4,200	(1,537)	63.41%
16 INTEREST EARNED - RAYMOND JAMES	5,923	16,159	16,700	(541)	96.76%
17 TAXES-SECURED	-	355,302	590,000	(234,698)	60.22%
18 TAXES-UNSECURED	-	17,988	20,000	(2,012)	89.94%
19 TAXES SUPPLEMENTAL ROLL	279	8,821	10,000	(1,179)	88.21%
20 TAXES PRIOR YEARS	328	4,291	6,900	(2,609)	62.18%
21 TAXES HOMEOWNER'S SUBVENTION	-	2,216	3,300	(1,084)	67.15%
22 TAXES PUBLIC UTILITY	-	5,946	8,300	(2,354)	71.63%
23 TAXES TUSTIN RDA	-	32,447	40,000	(7,553)	81.12%
24 TAXES MISC	-	-	-	-	0.00%
25 RENT INCOME- AT&T	4,540	36,270	56,000	(19,730)	64.77%
26 RENT INCOME- CROWN CASTLE	3,748	29,883	52,020	(22,137)	57.44%
27 AMP SALE INSTALLMENTS	-	144	-	144	0.00%
28 MISCELLANEOUS INCOME	50	4,442	600	3,842	740.40%
29 Total NON OPERATING INCOME:	14,868	516,572	808,020	(291,448)	
30 Total OPERATING REVENUE	287,821	2,881,347	4,498,422	(1,617,075)	
31 NET OPERATING INCOME:	287,821	2,881,347	4,498,422	(1,617,075)	

**EXPENSES**

32 EOCF #2 NONINTERR OC 43	6,029	206,228	499,000	(292,773)	41.33%
33 EOCF #2 NONINTERR OC 48	24,742	99,413	748,500	(649,087)	13.28%
34 WATER PURCHASED AMP	151,680	1,268,326	1,247,400	20,926	101.68%
35 AMP_FAP LEASE EXPENSE	-	-	-	-	0.00%
36 MET-MWDOC CHOICE BUDGET	-	10,120	80,025	(69,905)	12.65%
37 MET-MWDOC READINESS TO SERVE	19,022	159,092	243,250	(84,158)	65.40%

**EAST ORANGE COUNTY WATER DISTRICT****FOR WHOLESALE  
MONTH: FEBRUARY 2016**

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
38	MET-MWDOC CAPACITY FEES	13,746	118,278	184,700	(66,422)	64.04%
39	MWDOC RETAIL SERVICE CONNECT	18,837	150,692	226,000	(75,308)	66.68%
40	UTILITY- SCADA RTU	153	1,551	2,600	(1,049)	59.64%
41	SMALL TOOLS	64	2,516	3,600	(1,084)	69.88%
42	GASOLINE, OIL & DIESEL FUEL	220	2,159	5,000	(2,841)	43.18%
43	REGULATORY PERMITS	-	1,296	7,000	(5,704)	18.51%
44	PROF SERV WATER QUAL. CONTROL	855	8,507	25,500	(16,993)	33.36%
45	SCADA REPLACEMENTS / UPGRADES	-	-	10,000	(10,000)	0.00%
46	OPERATIONS REPORTING SOFTWARE	73	1,709	20,000	(18,291)	8.55%
47	METER PURCHASE/REPAIR	-	1,645	10,000	(8,355)	16.45%
48	PRESSURE REGULATORS R&M	-	-	5,000	(5,000)	0.00%
49	R/M- MAINS	-	10,291	25,000	(14,709)	41.17%
50	SERVICE CONNECTIONS R&M	-	750	1,500	(750)	50.02%
51	RESERVOIRS R&M	-	1,466	25,000	(23,534)	5.86%
52	R/M- VAULTS	-	2,521	10,000	(7,479)	25.21%
53	R/M- CATHODIC PROTECTION	150	1,276	15,000	(13,724)	8.50%
54	MAINTAIN & OPERATE EOCF#2	23,836	32,336	50,000	(17,664)	64.67%
55	METER TESTING	-	2,700	3,000	(300)	89.99%
56	SAC LINE R&M	245	1,670	25,800	(24,130)	6.47%
57	EQUIPMENT RENTAL	(4,568)	15,962	18,900	(2,938)	84.46%
58	EQUIPMENT MAINTENANCE	-	567	3,500	(2,933)	37.24%
59	VEHICLE MAINTENANCE	439	1,082	2,800	(1,718)	38.63%
60	MAINTENANCE-BUILDINGS AND GROUNDS	-	844	3,800	(2,956)	22.21%
61	WAGES	16,349	140,484	230,500	(90,016)	60.95%
62	PAYROLL TAXES- FICA & MEDICARE	1,335	11,406	17,600	(6,194)	64.81%
63	PERS CLASSIC(ER-CONTRIBUTION)	1,005	9,305	37,900	(28,595)	24.55%
64	PERS CLASSIC (ER-PAID MEMBER)	577	5,144	-	5,144	0.00%
65	PERS PEPRA (ER)	444	3,010	-	3,010	0.00%
66	PERS UNFUNDED	456	3,646	-	3,646	0.00%
67	PERS CLASSIC (EMPLOYEE)	109	(2,059)	(5,700)	3,641	63.87%
68	PERS PEPRA (EMPLOYEE)	(316)	(1,663)	-	(1,663)	0.00%
69	PAYROLL TAXES- SUI & ETT	119	740	1,300	(560)	56.93%
70	HEALTH & ACCIDENT INSURANCE	3,659	26,820	64,000	(37,180)	41.91%
71	DENTAL INSURANCE	278	2,283	4,400	(2,117)	51.88%
72	VISION INSURANCE	63	461	900	(439)	51.17%
73	LIFE INSURANCE	25	192	350	(158)	54.79%
74	WORKER'S COMP INSURANCE	376	3,053	8,200	(5,147)	37.24%
75	UNIFORMS	40	515	2,000	(1,485)	25.76%
76	UTILITIES- OFFICE- ELECT & WTR	183	2,217	4,000	(1,783)	55.42%
77	UTILITIES-DUMPSTER	26	235	500	(265)	46.93%
78	MCPHERSON FAX	30	330	400	(70)	82.42%
79	MCPHERSON INTERNET	90	890	2,400	(1,510)	37.07%
80	MCPHERSON OFFICE PHONES	382	2,463	3,500	(1,037)	70.36%
81	DISTRICT WEBSITE	76	432	2,250	(1,818)	19.20%



**EAST ORANGE COUNTY WATER DISTRICT****FOR WHOLESALE  
MONTH: FEBRUARY 2016**

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
82	ANSWERING SERVICE	28	127	200	(73)	63.46%
83	CELLPHONES	135	1,079	2,000	(921)	53.95%
84	PHONE CIRCUITS TO CTRL EQUIP	645	3,434	4,000	(566)	85.85%
85	TRAINING/SCHOOLS	25	343	7,000	(6,658)	4.89%
86	CONSERVATION EDUCATION	182	2,289	5,000	(2,711)	45.77%
87	TRAVEL- CONF/SEMINARS	362	2,639	9,500	(6,861)	27.78%
88	MILEAGE	-	452	700	(248)	64.57%
89	BOARD MEETING EXPENSE	406	1,594	3,000	(1,406)	53.14%
90	DUES & MEMBERSHIP- ACWA	255	510	3,700	(3,190)	13.79%
91	DUES & MEMBERSHIPS- OCWA	30	30	75	(45)	40.00%
92	DUES & MEMBERSHIPS- AWWA	-	-	400	(400)	0.00%
93	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
94	DUES & MEMBERSHIP- CSDA	-	2,870	3,500	(630)	82.00%
95	DUES- ISDOC/URBAN WTR	21	142	1,100	(958)	12.88%
96	POSTAGE	32	245	2,000	(1,755)	12.26%
97	OFFICE SUPPLY/FURN/SMALL EQUIP	30	1,455	7,000	(5,545)	20.79%
98	PUBLICATIONS & LEGAL NOTICES	-	1,316	5,000	(3,684)	26.32%
99	COPIER CONTRACT	29	234	650	(416)	35.95%
100	OFFICE EQUIPMENT R&M	94	461	800	(339)	57.59%
101	OUTSIDE SERVICES	2,179	19,900	10,000	9,900	199.00%
102	AUDITING	-	3,375	8,200	(4,825)	41.16%
103	TAX COLLECTION FEES	1	963	7,000	(6,037)	13.75%
104	TREASURER	-	-	5,000	(5,000)	0.00%
105	ACCOUNTING	1,754	15,506	25,500	(9,994)	60.81%
106	LEGAL	2,395	20,357	25,000	(4,643)	81.43%
107	COMPUTER CONSULTING	-	4,605	5,000	(396)	92.09%
108	ENGINEERING-WS	700	8,301	20,000	(11,699)	41.50%
109	LAFCO	29,868	141,638	30,000	111,638	472.13%
110	UNDERGROUND SERVICE ALERT	44	339	400	(61)	84.75%
111	BANK CHARGES	174	1,335	2,000	(665)	66.74%
112	INSURANCE-AUTO & GEN LIABILITY	846	6,623	12,000	(5,377)	55.19%
113	INSURANCE-PROPERTY	219	1,753	3,750	(1,997)	46.75%
114	INSURANCE-EMP. FIDELITY BOND	18	146	300	(154)	48.64%
115	SECURITY	-	-	1,500	(1,500)	0.00%
116	ELECTION EXPENSE	-	261	15,000	(14,739)	1.74%
117	MISCELLANEOUS EXP	44	134	500	(366)	26.88%
118	DIRECTOR- BARRETT	-	-	-	-	0.00%
119	DIRECTOR- VANDERWERFF	-	4,138	6,500	(2,363)	63.65%
120	DIRECTOR- DULEBOHN	300	1,813	3,600	(1,788)	50.35%
121	DIRECTOR- BELL	300	1,450	3,600	(2,150)	40.28%
122	DIRECTOR- DAVERT	-	-	-	-	0.00%
123	DIRECTOR- EVERETT	175	788	3,600	(2,813)	21.88%
124	DIRECTOR- SEARS	175	175	-	175	0.00%
125	DEPRECIATION EXP.	-	-	-	-	0.00%

**EAST ORANGE COUNTY WATER DISTRICT****FOR WHOLESALE  
MONTH: FEBRUARY 2016**

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
126	TRANS TO CAPITAL PROJECTS	6,323	50,582	75,873	(25,291)	66.67%
127	TRANSFER TO (FROM) RESERVES	25,173	201,386	302,079	(100,693)	66.67%
128	MARKET VALUE ADJUST-INVESTMENT	(5,275)	(7,595)	-	(7,595)	0.00%
129	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
129	Total EXPENSES:	348,514	2,810,089	4,498,422	(1,688,333)	
130	NET INCOME FROM OPERATIONS:	(60,693)	71,258	-	71,258	
131	OTHER INCOME AND EXPENSE					
132	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
133	Total OTHER INCOME AND EXPENSE	-	-	-	-	0.00%
134	NET INCOME (LOSS)	(60,693)	71,258	-	71,258	

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

2015-2016 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

MONTH: FEBRUARY 2016

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1 FUNDS PROVIDED BY RESERVE		-	-	6,150,881	(6,150,881)	0.00%
2 CAPITAL PROJECTS REVENUE						
3 INTEREST EARNINGS		-	3,966	16,700	(12,734)	23.75%
4 REIMBURSEMENTS		-	-	-	-	0.00%
5 TRANSFER FROM OPERATING EXPENSES		31,496	251,968	377,952	(125,983)	66.67%
6 NET OPERATING INCOME		31,496	255,934	6,545,533	(6,289,598)	
EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
7 CAPITAL PROJECTS EXPENSES						
8 UWMP UPDATE		-	32,374	55,000	(22,626)	58.86%
9 6 MG SECURITY GATE @ JAMBOREE		-	190	11,000	(10,810)	1.73%
10 6 MG SECURITY SYSTEM		-	-	25,000	(25,000)	0.00%
11 PIPELINE INSPECTION		-	-	31,000	(31,000)	0.00%
12 BETTERMENT & REPLACEMENT PLAN		-	216,548	70,000	146,548	309.35%
13 PROGRAMMATIC CEQA		-	-	40,000	(40,000)	0.00%
14 6 MG RESERVOIR ROOF REPAIRS		17,496	46,314	1,475,000	(1,428,686)	3.14%
15 PIPELINE CATHODIC PROTECTION		-	-	45,500	(45,500)	0.00%
16 OFFICE/YARD IMPROVEMENT		-	3,127	7,000	(3,873)	44.67%
17 11.5 CATHODIC PROTECTION		-	-	57,000	(57,000)	0.00%
18 NEW VEHICLE TO SUPPLEMENT FLEET		-	-	20,000	(20,000)	0.00%
19 6 MG TREATMENT PLANT		1,379	4,599	657,500	(652,901)	0.70%
20 ANDRES RESERVOIR VULNERABILITY UPGRADE		-	-	15,000	(15,000)	0.00%
21 VALVE REPLACEMENT (12" - 27")		-	-	23,000	(23,000)	0.00%
22 NEWPORT RESERVOIR MIXING SYSTEM		-	-	15,500	(15,500)	0.00%
23 6 MG RESERVOIR MIXING LAB		-	-	15,500	(15,500)	0.00%
24 11.5 & 1 MG RESERVOIR ISOLATION VALVES		-	-	35,000	(35,000)	0.00%
25 OC33 RECONNECTION		-	-	45,000	(45,000)	0.00%
26 VULNERABILITY UPGRADES-OC 70		-	490	12,000	(11,510)	4.08%
27 SEDARU IMPROVEMENTS		-	7,070	20,000	(12,930)	35.35%
28 WZ CAPITALIZED ACCOUNTING		-	-	5,000	(5,000)	0.00%
29 EL NINO PREPARATION		-	176,908	-	176,908	0.00%
30 WATER LOSS CONTROL		17,564	17,564	20,000	(2,436)	87.82%
31 TOTAL OPERATING EXPENSE		36,438	505,183	2,700,000	(2,194,817)	
32 NET INCOME FROM OPERATIONS		(4,942)	(249,250)	3,845,533	(4,094,782)	
33 PRIOR YEARS INCOME (EXPENSES)		-	-	-	-	
34 NET INCOME (LOSS)		(4,942)	(249,250)	3,845,533	(4,094,782)	

**FOR WHOLESALE  
MONTH: FEBRUARY 2016**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>					
FUNDED BY RESERVES	-	-	6,150,881	(6,150,881)	
1 INTEREST-LAIF-CAP	-	3,966	16,700	(12,734)	23.75%
2 REIMBURSEMENTS	-	-	-	-	0.00%
3 TRANSFER FROM WZ OPERATIONS EXPENSES	6,323	50,582	75,873	(25,291)	66.67%
4 TRANSFER FROM CAPITAL RESERVES	25,173	201,386	302,079	(100,693)	66.67%
5 Total NON OPERATING INCOME:	31,496	255,934	6,545,533	(6,289,598)	
6 Total OPERATING REVENUE	31,496	255,934	6,545,533	(6,289,598)	
7 NET OPERATING INCOME:	31,496	255,934	6,545,533	(6,289,598)	
<b>EXPENSES</b>					
8 UWMP Update	-	32,374	55,000	(22,626)	58.86%
9 6 MG Security Gate @ Jamboree-Construction	-	190	10,000	(9,810)	1.90%
10 6 MG Security Gate @ Jamboree-Labor	-	-	1,000	(1,000)	0.00%
11 6 MG Security System-Construction	-	-	20,000	(20,000)	0.00%
12 6 MG Security System-Labor	-	-	5,000	(5,000)	0.00%
13 Pipeline Inspection-Engineering	-	-	30,000	(30,000)	0.00%
14 Pipeline Inspection-Labor	-	-	1,000	(1,000)	0.00%
15 Betterment & Replacement Plan-Engineering	-	216,548	70,000	146,548	309.35%
16 Programmatic CEQA	-	-	40,000	(40,000)	0.00%
17 6 MG Reservoir Roof Repairs-Construction	46	46	1,300,000	(1,299,954)	0.00%
18 6 MG Reservoir Roof Repairs-Engineering	17,449	44,168	150,000	(105,832)	29.45%
19 6 MG Reservoir Roof Repairs-Labor	-	2,100	25,000	(22,900)	8.40%
20 Pipeline Cathodic Protection-Construction	-	-	20,000	(20,000)	0.00%
21 Pipeline Cathodic Protection-Engineering	-	-	25,000	(25,000)	0.00%
22 Pipeline Cathodic Protection-Labor	-	-	500	(500)	0.00%
23 Office/Yard Improvement-Construction	-	3,127	5,000	(1,873)	62.53%
24 Office/Yard Improvement-Labor	-	-	2,000	(2,000)	0.00%
25 11.5 Cathodic Protection-Construction	-	-	30,000	(30,000)	0.00%
26 11.5 Cathodic Protection-Engineering	-	-	25,000	(25,000)	0.00%
27 11.5 Cathodic Protection-Labor	-	-	2,000	(2,000)	0.00%
28 New Vehicle To Supplement Fleet	-	-	20,000	(20,000)	0.00%
29 6 MG Treatment Plant - Preliminary	1,379	4,599	500,000	(495,401)	0.92%
30 6 MG Treatment Plant - CEQA	-	-	75,000	(75,000)	0.00%
31 6 MG Treatment Plant-Construction	-	-	-	-	0.00%
32 6 MG Treatment Plant-Engineering	-	-	75,000	(75,000)	0.00%
33 6 MG Treatment Plant-Labor	-	-	7,500	(7,500)	0.00%
34 Andres Reservoir Vulnerability Upgrade-Construction	-	-	9,000	(9,000)	0.00%
35 Andres Reservoir Vulnerability Upgrade-Engineering	-	-	5,000	(5,000)	0.00%
36 Andres Reservoir Vulnerability Upgrade-Labor	-	-	1,000	(1,000)	0.00%
37 Valve Replacement (12" - 27")-Construction	-	-	12,000	(12,000)	0.00%
38 Valve Replacement (12" - 27")-Engineering	-	-	5,000	(5,000)	0.00%

**FOR WHOLESALE  
MONTH: FEBRUARY 2016**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
39 Valve Replacement (12" - 27")-Labor	-	-	6,000	(6,000)	0.00%
40 Newport Reservoir Mixing System-Labor	-	-	500	(500)	0.00%
41 Newport Reservoir Mixing System-Engineering	-	-	2,500	(2,500)	0.00%
42 Newport Reservoir Mixing System-Construction	-	-	12,500	(12,500)	0.00%
43 6 MG Reservoir Mixing Lab-Labor	-	-	500	(500)	0.00%
44 6 MG Reservoir Mixing Lab-Engineering	-	-	2,500	(2,500)	0.00%
45 6 MG Reservoir Mixing Lab-Construction	-	-	12,500	(12,500)	0.00%
46 11.5 & 1 MG Reservoir Isolation Valves-Labor	-	-	10,000	(10,000)	0.00%
47 11.5 & 1 MG Reservoir Isolation Valves-Engineering	-	-	5,000	(5,000)	0.00%
48 11.5 & 1 MG Reservoir Isolation Valves-Construction	-	-	20,000	(20,000)	0.00%
49 OC33 Reconnection-Labor	-	-	10,000	(10,000)	0.00%
50 OC33 Reconnection-Engineering	-	-	10,000	(10,000)	0.00%
51 OC33 Reconnection-Construction	-	-	25,000	(25,000)	0.00%
52 Vulnerability Upgrades-OC 70-Construction	-	490	12,000	(11,510)	4.08%
53 Sedaru Improvements	-	7,070	20,000	(12,930)	35.35%
54 WZ Capitalized Accounting	-	-	5,000	(5,000)	0.00%
55 El Nino Preparation	-	176,908	-	176,908	0.00%
56 Water Loss Control	17,564	17,564	20,000	(2,436)	87.82%
57 Total EXPENSES:	36,438	505,183	2,700,000	(2,194,817)	
58 NET INCOME (LOSS)	(4,942)	(249,250)	3,845,533	(4,094,782)	-6.48%

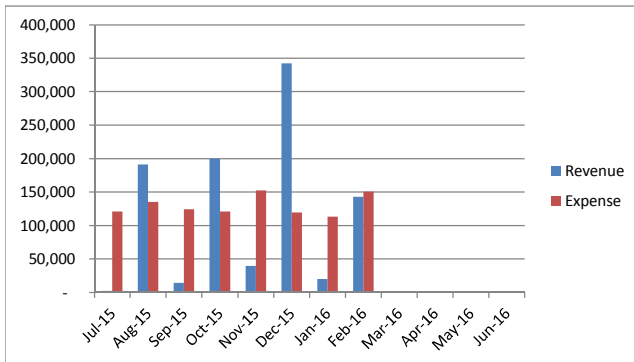
# Retail Zone Financial Summary

## For Period Ending February 29, 2016

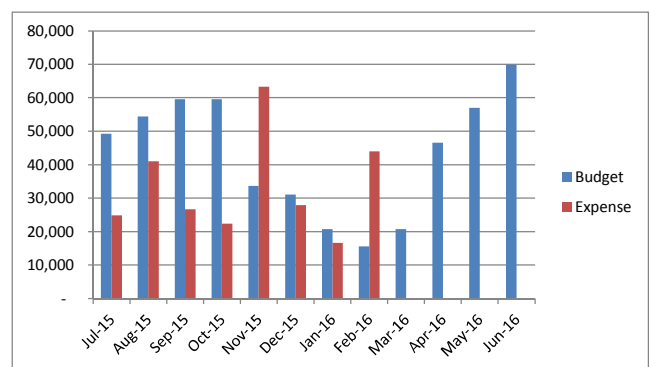
YTD Operating Income \$ 951,997

YTD Operating Expense \$ 1,037,666

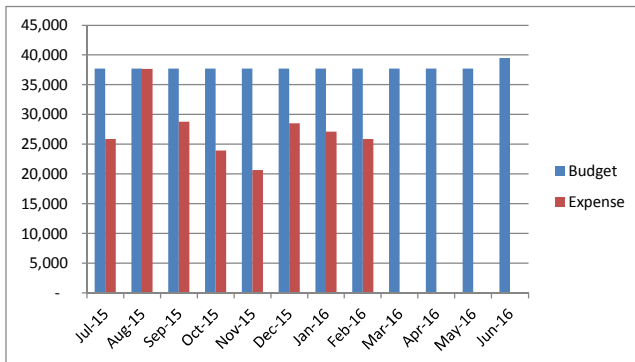
Revenue vs Expenses



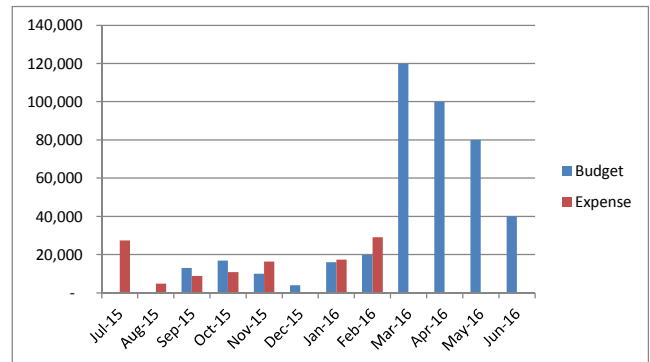
Water Purchased Budget vs. Actual



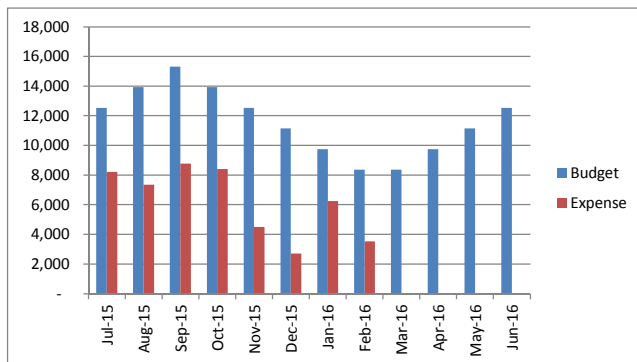
Salaries & Benefits Budget vs. Actual



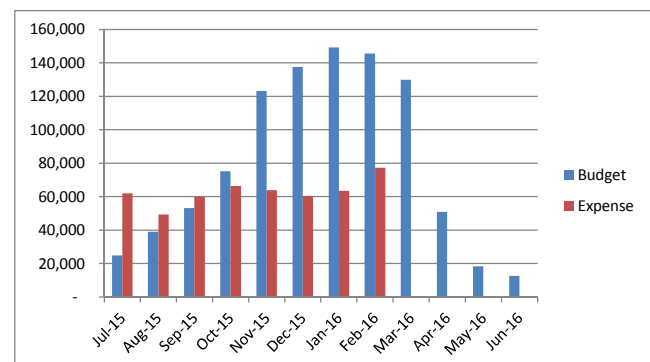
CIP Budget vs. Actual



Electrical Budget vs. Actual



O&M Budget vs. Actual



## RETAIL ZONE

EAST ORANGE COUNTY WATER DISTRICT  
2015-2016 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
MONTH: FEBRUARY 2016

	<b>REVENUE</b>	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	DESCRIPTION					
1	OPERATING REVENUE:					
2	WATER SALES	82,307	472,191	1,270,115	(797,924)	37.18%
3	METER CHARGE	60,021	239,513	387,415	(147,902)	61.82%
4	OTHER CHARGES	125	9,802	10,600	(798)	92.47%
5	<b>TOTAL OPERATING REVENUE:</b>	<b>142,453</b>	<b>721,505</b>	<b>1,668,130</b>	<b>(946,625)</b>	<b>43.25%</b>
6	NON-OPERATING REVENUES (EXPENSES):					
7	PROPERTY TAXES	344	223,254	397,590	(174,336)	56.15%
8	INTEREST & INVESTMENT EARNINGS	10	4,177	4,080	97	102.38%
9	MISCELLANEOUS INCOME	150	3,060	500	2,560	612.06%
10	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
11	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
12	<b>TOTAL NON-OPERATING REVENUES, NET</b>	<b>504</b>	<b>230,492</b>	<b>402,170</b>	<b>(171,678)</b>	<b>57.31%</b>
13	<b>NET OPERATING INCOME</b>	<b>142,957</b>	<b>951,997</b>	<b>2,070,300</b>	<b>(1,118,303)</b>	<b>45.98%</b>

	<b>EXPENSES</b>	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	DESCRIPTION					
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	36,715	207,314	435,300	(227,986)	47.63%
16	MET/MWDOC FIXED CHARGE	1,089	8,709	12,300	(3,591)	70.80%
17	WZ FIXED CHARGE	2,207	17,659	19,250	(1,591)	91.73%
18	PIPELINE CAPACITY LEASE	4,002	34,707	51,000	(16,293)	68.05%
19	ENERGY	3,351	47,532	135,000	(87,468)	35.21%
20	OPERATIONS & MAINTENANCE	50,793	310,453	693,930	(383,477)	44.74%
21	GENERAL & ADMINISTRATIVE	18,978	134,625	308,520	(173,895)	43.64%
22	TRANSFER TO CAPITAL PROJECTS EXPENSE	25,000	200,000	300,000	(100,000)	66.67%
23	RETAIL OPERATIONS CONTINGENCY FUND	5,417	43,333	65,000	(21,667)	66.67%
24	FUNDED TO/BY RESERVE	4,167	33,333	50,000	(16,667)	66.67%
25	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
26	<b>TOTAL OPERATING EXPENSE</b>	<b>151,718</b>	<b>1,037,666</b>	<b>2,070,300</b>	<b>(1,032,634)</b>	<b>50.12%</b>
27	<b>NET INCOME FROM OPERATIONS</b>	<b>(8,761)</b>	<b>(85,668)</b>	<b>-</b>	<b>(85,668)</b>	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	<b>NET INCOME (LOSS)</b>	<b>(8,761)</b>	<b>(85,668)</b>	<b>-</b>	<b>(85,668)</b>	

**Retail Zone****February 2016 Variance Report - 67% of Budget Year Expended**

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
<b>Operating</b>				
<b><u>New</u></b>				
EAST WELL MAINTENANCE	E	10,274.59	205.49%	YTD is over budget due to the removal, rebuilding, and re-installation of a motor
<b><u>Ongoing</u></b>				
INTEREST-LAIF-OP	I	4,141.06	102.25%	YTD is over budget due to more interest received than expected
INTEREST INCOME-MM	I	35.94	120%	YTD is over budget due to receiving more interest than expected
MISCELLANEOUS INCOME	I	3,060.28	612%	YTD is over budget due to rebate for new vehicle purchase in PY
EOCWD WR READINESS TO SERVE	E	11,638.64	80.54%	YTD is over 80% due to underbudgeting the account
EOCWD WR RESERVE FUND CHARGE	E	6,020.00	125%	YTD is over budget due to underbudgeting the account
MCPHERSON FAX	E	329.67	110%	YTD is over budget due to expenses that were higher than expected
CONSERVATION EDUCATION	E	23,793.48	118.97%	YTD is over budget due to expenses that were higher than expected
DUES & MEMBERSHIP-CSDA	E	2,870.00	82.00%	YTD is over 80% of budget due to timing of expenses
OUTSIDE SERVICES	E	10,271.09	103%	YTD is over budget due to PR services and strategic plan
COMPUTER CONSULTING	E	4,604.50	92%	YTD is over 90% of budget due to unexpected computer expenses
PERS Classic (ER-paid member)	E	5,886.76	0%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS PEPRA (ER)	E	3,463.23	0%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS Unfunded	E	4,195.12	0%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS PEPRA (Employee)	E	(1,912.85)	0%	This account is a new account and was budgeted in Line 70 PERS Classic (Employee)
<b>Capital</b>				
<b><u>Ongoing</u></b>				
INTEREST EARNINGS	I	430.39	86%	YTD is over 85% due to more interest received than was expected
CONNECTION FEES	I	6,449.20	258%	YTD is over budget due to receiving more connection fees than were expected



DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>					
1 WATER SALES	82,307	472,191	1,020,115	(547,924)	46.29%
2 DROUGHT SURCHARGE	-	-	250,000	(250,000)	0.00%
3 METER CHARGE	60,021	239,513	387,415	(147,902)	61.82%
4 LATE CHARGE	(135)	6,964	11,000	(4,036)	63.31%
5 RETURNED CHECK CHARGE	60	320	1,000	(680)	32.00%
6 TURN OFF CHARGE	200	400	600	(200)	66.67%
7 OTHER CHARGES	-	1,300	-	1,300	0.00%
8 UNCOLLECTIBLE ACCOUNTS	-	-	(2,000)	2,000	0.00%
9 TURN ON NEW SERVICE	-	-	-	-	0.00%
10 REFUNDS	-	817	-	817	0.00%
11 Total OPERATING REVENUE:	142,453	721,505	1,668,130	(946,625)	
12 INTEREST INCOME-MM	10	36	30	6	119.80%
13 INTEREST-LAIF-OP	-	4,141	4,050	91	102.25%
14 TAXES SECURED	-	201,249	346,545	(145,296)	58.07%
15 TAXES UNSECURED	-	10,193	15,100	(4,907)	67.50%
16 TAXES SUPPLEMENTAL ROLL	158	4,996	9,900	(4,904)	50.46%
17 TAXES PRIOR YEARS	187	2,442	3,900	(1,458)	62.62%
18 TAXES HOMEOWNER'S SUBVENTION	-	1,255	1,900	(645)	66.06%
19 TAXES PUBLIC UTILITY	-	3,119	4,300	(1,181)	72.54%
20 TAXES TUSTIN RDA	-	-	20,945	(20,945)	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	150	3,060	500	2,560	612.06%
25 Total NON OPERATING INCOME:	504	230,492	402,170	(171,678)	
26 Total OPERATING REVENUE	142,957	951,997	2,070,300	(1,118,303)	
27 NET OPERATING INCOME:	142,957	951,997	2,070,300	(1,118,303)	

**EXPENSES**

28 WATER PURCHASED	33,231	115,098	242,100	(127,002)	47.54%
29 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
30 WATER PURCHASED IN LIEU CREDIT	-	-	-	-	0.00%
31 OCWD- REPLENISH ASSESSMENT	3,484	92,216	193,200	(100,984)	47.73%
32 MET-MWDOC READINESS TO SERVE	2,709	22,354	35,000	(12,646)	63.87%
33 MET-MWDOC CAPACITY FEES	1,293	10,667	16,000	(5,333)	66.67%
34 MET-MWDOC CHOICE	-	1,687	-	1,687	0.00%
35 MWDOC RETAIL SERVICE CONNECT	1,089	8,709	12,300	(3,591)	70.80%
36 EOCWD WR RESERVE FUND CHARGE	753	6,020	4,800	1,220	125.42%
37 EOCWD WR READINESS TO SERVE	1,455	11,639	14,450	(2,811)	80.54%
38 UTILITY STOLLER RESERVOIR	1,324	21,288	60,000	(38,712)	35.48%
39 UTILITY VISTA PANORAMA BOOSTER	193	1,876	8,000	(6,124)	23.46%
40 UTILITIES- WELLS- EAST/WEST	1,834	24,367	67,000	(42,633)	36.37%
41 SMALL TOOLS	73	2,495	3,600	(1,105)	69.31%
42 GASOLINE, OIL & DIESEL FUEL	220	2,590	6,700	(4,110)	38.65%
43 REGULATORY PERMITS	167	2,737	6,600	(3,863)	41.46%
44 NPDS PERMIT	-	-	-	-	0.00%
45 PROF SERV WATER QUAL. CONTROL	388	4,936	20,000	(15,064)	24.68%
46 CHLORINE GENERATOR/SALT PURCH	-	421	1,200	(779)	35.10%
47 WEST WELL MAINTENANCE	-	231	3,500	(3,269)	6.60%
48 EAST WELL MAINTENANCE	10,091	10,275	5,000	5,275	205.49%
49 STOLLER RESERVOIR/BOOSTER R&M	39	905	9,000	(8,095)	10.06%
50 VISTA PANORAMA BOOSTER R&M	-	-	4,200	(4,200)	0.00%
51 R&M VISTA PANORAMA RESERVOIR	-	-	12,000	(12,000)	0.00%

## EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL  
MONTH: FEBRUARY 2016

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
52	CHLORINE GENERATOR	793	2,399	6,000	(3,601)	39.98%
53	SCADA REPAIR/UPGRADE	-	-	12,000	(12,000)	0.00%
54	OPERATIONS REPORTING SOFTWARE	260	5,196	16,000	(10,804)	32.47%
55	HYDRANT REPAIR & REPLACEMENTS	1,464	7,136	16,100	(8,964)	44.32%
56	METER PURCHASE REPAIR	525	2,904	20,000	(17,096)	14.52%
57	PRV- R & M	-	-	2,000	(2,000)	0.00%
58	R/M- MAINS	-	12,239	30,000	(17,761)	40.80%
59	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
60	SERVICE LATERALS R&M	46	3,246	25,000	(21,754)	12.99%
61	RESERVOIRS R&M	-	214	2,000	(1,786)	10.70%
62	R/M- VAULTS	-	851	1,500	(649)	56.76%
63	R/M- CATHODIC PROTECTION	-	-	5,000	(5,000)	0.00%
64	METER TESTING	-	300	1,000	(700)	30.00%
65	EQUIPMENT RENTAL	7,718	12,296	20,000	(7,704)	61.48%
66	BACKHOE R&M	-	567	4,500	(3,933)	12.60%
67	VEHICLES R&M	439	1,090	3,500	(2,410)	31.14%
68	BUILDING/GROUNDS R&M	-	844	3,500	(2,656)	24.11%
69	WAGES	18,810	161,632	281,700	(120,068)	57.38%
70	PAYROLL TAXES- FICA & MEDICARE	1,524	13,027	21,600	(8,573)	60.31%
71	PERS Classic(ER-Contribution)	1,156	10,702	46,300	(35,598)	23.11%
72	PERS Classic (ER-paid member)	664	5,887	-	5,887	0.00%
73	PERS PEPRA (ER)	511	3,463	-	3,463	0.00%
74	PERS Unfunded	524	4,195	-	4,195	0.00%
75	PERS Classic (Employee)	126	(2,351)	(7,100)	4,749	33.12%
76	PERS PEPRA (Employee)	(364)	(1,913)	-	(1,913)	0.00%
77	PAYROLL TAXES- SUI & ETT	137	843	4,100	(3,257)	20.57%
78	HEALTH & ACCIDENT INSURANCE	4,506	33,083	87,900	(54,817)	37.64%
79	DENTAL INSURANCE	340	2,790	5,300	(2,510)	52.64%
80	VISION INSURANCE	77	563	1,100	(537)	51.17%
81	LIFE INSURANCE	31	234	430	(196)	54.51%
82	WORKER'S COMP INSURANCE	460	3,730	10,000	(6,270)	37.30%
83	UNIFORMS	70	697	2,700	(2,003)	25.82%
84	DISTRICT WEBSITE	76	432	10,650	(10,218)	4.06%
85	MCPHERSON FAX	30	330	300	30	109.89%
86	MCPHERSON INTERNET	90	752	4,000	(3,248)	18.81%
87	MCPHERSON OFFICE PHONES	382	2,463	3,525	(1,062)	69.86%
88	ANSWERING SERVICE	28	127	250	(123)	50.78%
89	PHONE CIRCUITS TO CTRL EQUIP	409	2,186	3,000	(814)	72.85%
90	CELLPHONES	135	1,079	1,700	(621)	63.48%
91	UNDERGROUND SERVICE ALERT	44	339	500	(161)	67.80%
92	TRAINING/SCHOOLS	25	303	6,500	(6,198)	4.65%
93	CONSERVATION EDUCATION	3,540	23,793	20,000	3,793	118.97%
94	TRAVEL-CONF/SEMINARS	362	2,679	9,500	(6,821)	28.20%
95	MILEAGE	-	435	900	(465)	48.32%
96	DUES & MEMBERSHIPS- ACWA	255	510	3,750	(3,240)	13.60%
97	DUES & MEMBERSHIPS- OCWA	30	30	75	(45)	40.00%
98	DUES & MEMBERSHIPS- AWWA	-	-	400	(400)	0.00%
99	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
100	DUES & MEMBERSHIP-CSDA	-	2,870	3,500	(630)	82.00%
101	DUES- ISDOC/URBAN WTR	21	142	1,000	(858)	14.17%
102	MISCELLANEOUS EXP	44	134	500	(366)	26.88%
103	DIRECTOR- BARRETT	-	-	-	-	0.00%
104	DIRECTOR- VANDERWERFF	-	4,138	6,500	(2,363)	63.65%
105	DIRECTOR- DULEBOHN	300	1,813	3,600	(1,788)	50.35%
106	DIRECTOR- BELL	300	1,450	3,600	(2,150)	40.28%
107	DIRECTOR- DAVERT	-	-	-	-	0.00%
108	DIRECTOR- EVERETT	175	788	3,600	(2,813)	21.88%
109	DIRECTOR- SEARS	175	175	-	175	0.00%
110	BOARD MEETING EXPENSE	406	1,594	2,000	(406)	79.71%
111	POSTAGE	594	3,365	5,000	(1,635)	67.30%
112	OFFICE SUPPLY/FURN/SMALL EQUIP	1,551	2,976	6,000	(3,024)	49.61%

## EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL  
MONTH: FEBRUARY 2016

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
113	PUBLICATIONS & LEGAL NOTICES	-	594	20,000	(19,406)	2.97%
114	COPIER CONTRACT	29	234	650	(416)	35.96%
115	VERSATERM CONTRACT (RZ BILLS)	-	550	5,000	(4,450)	11.00%
116	BANK CHARGES	1,101	5,435	7,900	(2,465)	68.80%
117	OUTSIDE SERVICES	2,416	10,271	10,000	271	102.71%
118	AUDITING	-	3,375	8,400	(5,025)	40.18%
119	TAX COLLECTION FEES	0	546	7,000	(6,454)	7.80%
120	COMPUTER BILLING (RZ BILLS)	567	5,330	7,100	(1,770)	75.07%
121	TREASURER	-	-	5,000	(5,000)	0.00%
122	ACCOUNTING	1,754	15,506	25,500	(9,994)	60.81%
123	LEGAL	1,970	16,339	35,000	(18,661)	46.68%
124	COMPUTER CONSULTING	-	4,605	5,000	(396)	92.09%
125	ENGINEERING-RZ	1,050	5,428	40,000	(34,572)	13.57%
126	LAFCO	8	2,357	5,000	(2,643)	47.15%
127	INSURANCE-AUTO & GEN LIABILITY	721	5,266	8,000	(2,734)	65.83%
128	INSURANCE-PROPERTY	73	584	3,000	(2,416)	19.48%
129	INSURANCE-EMP. FIDELITY BOND	16	129	400	(271)	32.36%
130	OFFICE EQUIPMENT R&M	94	461	1,000	(539)	46.08%
131	UTILITIES-DUMPSTER	26	235	500	(265)	46.93%
132	UTILITIES- OFFICE- ELECT & WTR	183	2,217	4,200	(1,983)	52.79%
133	SECURITY	-	-	1,500	(1,500)	0.00%
134	ELECTION EXPENSE	-	261	8,000	(7,739)	3.26%
135	DEPRECIATION EXP.	-	-	-	-	0.00%
136	TRANS TO CAPITAL PROJECTS	25,000	200,000	300,000	(100,000)	66.67%
137	RZ- CONTINGENCY FUND	5,417	43,333	65,000	(21,667)	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	TOTAL OPERATING EXPENSES:	151,718	1,037,666	2,070,300	(1,032,634)	
142	NET INCOME FROM OPERATIONS:	(8,761)	(85,668)	-	(85,668)	
143	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
144	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
145	Total OTHER INCOME AND EXPENSES	-	-	-	-	
146	NET INCOME (LOSS)	(8,761)	(85,668)	-	(85,668)	

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  
2015-2016 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
MONTH: FEBRUARY 2016

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1 FUNDS PROVIDED BY RESERVE		-	-	1,958,747	(1,958,747)	0.00%
2 CAPITAL PROJECTS REVENUE						
3 CAPITAL PROJECTS FEES		47,941	191,246	288,000	(96,754)	66.40%
4 CONNECTION FEES		-	6,449	2,500	3,949	257.97%
5 INTEREST EARNINGS		-	430	500	(70)	86.08%
6 TRANSFER FROM OPERATING EXPENSES		29,167	233,333	350,000	(116,667)	66.67%
7 LOAN FOR SYSTEM IMPROVEMENTS		-	-	5,000,000	(5,000,000)	
8 NET OPERATING INCOME		77,107	431,459	7,599,747	(7,168,288)	
EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
9 CAPITAL PROJECTS EXPENSES						
10 LOAN FOR SYSTEM IMPROVEMENTS		-	-	113,700	(113,700)	0.00%
11 MASTER PLAN & CONDITION ASSESSMENT		-	59,052	86,000	(26,948)	68.66%
12 OFFICE/YARD IMPROVEMENT		-	3,127	6,000	(2,873)	52.11%
13 NEW VEHICLE TO SUPPLEMENT FLEET		-	-	20,000	(20,000)	0.00%
14 VP HYDRO TANK SEISMIC UPGRADE		-	-	62,000	(62,000)	0.00%
15 VISTA PANORAMA RESERVOIR REPAIR		7,620	24,206	166,000	(141,794)	14.58%
16 VALVE RAISING-CRAWFORD CANYON		-	-	18,000	(18,000)	0.00%
17 VALVE REPLACEMENTS		-	-	25,000	(25,000)	0.00%
18 ALLOWANCE FOR SYSTEM RELOCATION		-	-	110,000	(110,000)	0.00%
19 BACKUP GENERATOR FOR VP BOOSTER		-	-	50,500	(50,500)	0.00%
20 6" MAGMETERS @ STOLLER PRVS		-	-	15,000	(15,000)	0.00%
21 STOLLER 150HP BOOST PUMP		-	-	81,000	(81,000)	0.00%
22 REPLACEMENT RECOMMENDATIONS		-	-	180,000	(180,000)	0.00%
23 BACKUP SYSTEM PRV - CIRCULA PANORAMA		-	280	710,000	(709,720)	0.04%
24 NEW WELL CONSTRUCTION		-	-	65,000	(65,000)	0.00%
25 SECURITY IMPROVEMENTS-RESERVOIR SITES		-	-	15,000	(15,000)	0.00%
26 WELL DISINFECTION CONVERSION		-	-	57,500	(57,500)	0.00%
27 WEST WELL REHABILITATION		-	-	72,000	(72,000)	0.00%
28 SCADA SYSTEM ADDITIONS		-	-	20,000	(20,000)	0.00%
29 SEDARU IMPROVEMENTS		-	3,570	10,000	(6,430)	35.70%
30 CAPITALIZED ACCOUNTING		-	-	5,000	(5,000)	0.00%
31 EL NINO PREPARATION		-	3,110	-	3,110	0.00%
32 WATER LOSS CONTROL		21,468	21,468	25,000	(3,532)	85.87%
33 TOTAL OPERATING EXPENSE		29,088	114,813	1,912,700	(1,797,887)	
34 NET INCOME FROM OPERATIONS		48,019	316,646	5,687,047	(5,370,401)	
35 PRIOR YEARS EXPENSES		-	-	-	-	
36 NET INCOME (LOSS)		48,019	316,646	5,687,047	(5,370,401)	

FOR RETAIL  
MONTH: FEBRUARY 2016

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>					
1 FUNDED BY RESERVES	-	-	1,958,747	(1,958,747)	
2 WATER SALES-CAPITAL PROJECTS	47,941	191,246	288,000	(96,754)	66.40%
3 CONNECTION FEES	-	6,449	2,500	3,949	257.97%
4 INTEREST-LAIF-CAP	-	430	500	(70)	86.08%
5 TRANSFER IN CAPITAL PROJECTS	25,000	200,000	300,000	(100,000)	66.67%
6 TRANSFER IN CAPITAL RESERVES	4,167	33,333	50,000	(16,667)	66.67%
7 LOAN FOR SYSTEM IMPROVEMENTS	-	-	5,000,000	(5,000,000)	0.00%
8 Total NON OPERATING INCOME:	77,107	431,459	7,599,747	(7,168,288)	
9 Total OPERATING REVENUE	77,107	431,459	7,599,747	(7,168,288)	
10 NET OPERATING INCOME:	77,107	431,459	7,599,747	(7,168,288)	

## EXPENSES

11 Loan For System Improvements	-	-	113,700	(113,700)	0.00%
12 Master Plan & Condition Assessment-Construction	-	-	50,000	(50,000)	0.00%
13 Master Plan & Condition Assessment-Engineering	-	59,052	35,000	24,052	168.72%
14 Master Plan & Condition Assessment-Labor	-	-	1,000	(1,000)	0.00%
15 Office/Yard Improvement-Construction	-	2,588	5,000	(2,412)	51.77%
16 Office/Yard Improvement-Engineering	-	-	-	-	0.00%
17 Office/Yard Improvement-Labor	-	538	1,000	(462)	53.81%
18 New Vehicle To Supplement Fleet	-	-	20,000	(20,000)	0.00%
19 VP Hydro Tank Seismic Upgrade-Construction	-	-	40,000	(40,000)	0.00%
20 VP Hydro Tank Seismic Upgrade-Engineering	-	-	20,000	(20,000)	0.00%
21 VP Hydro Tank Seismic Upgrade-Labor	-	-	2,000	(2,000)	0.00%
22 Vista Panorama Reservoir Repair-Construction	-	-	100,000	(100,000)	0.00%
23 Vista Panorama Reservoir Repair-Engineering	140	15,046	60,000	(44,954)	25.08%
24 Vista Panorama Reservoir Repair-Labor	7,480	9,160	6,000	3,160	152.67%
25 Valve Raising-Crawford Canyon-Construction	-	-	17,000	(17,000)	0.00%
26 Valve Raising-Crawford Canyon-Engineering	-	-	500	(500)	0.00%
27 Valve Raising-Crawford Canyon-Labor	-	-	500	(500)	0.00%
28 Valve Replacements-Labor	-	-	20,000	(20,000)	0.00%
29 Valve Replacements-Construction	-	-	5,000	(5,000)	0.00%
30 Allowance For System Relocation-Labor	-	-	5,000	(5,000)	0.00%
31 Allowance For System Relocation-Engineering	-	-	5,000	(5,000)	0.00%
32 Allowance For System Relocation-Construction	-	-	100,000	(100,000)	0.00%
33 Backup Generator For VP Booster-Labor	-	-	500	(500)	0.00%
34 Backup Generator For VP Booster-Construction	-	-	50,000	(50,000)	0.00%
35 6" Magmeters @ Stoller Prvs-Labor	-	-	5,000	(5,000)	0.00%
36 6" Magmeters @ Stoller Prvs-Construction	-	-	10,000	(10,000)	0.00%

FOR RETAIL  
MONTH: FEBRUARY 2016

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
37 Stoller 150Hp Boost Pump-Labor	-	-	80,000	(80,000)	0.00%
38 Stoller 150Hp Boost Pump-Engineering	-	-	1,000	(1,000)	0.00%
39 Replacement Recommendations-Labor	-	-	20,000	(20,000)	0.00%
40 Replacement Recommendations-Engineering	-	-	60,000	(60,000)	0.00%
41 Replacement Recommendations-Construction	-	-	100,000	(100,000)	0.00%
42 Backup System PRV - Circula Panorama-Labor	-	-	10,000	(10,000)	0.00%
43 Backup System PRV - Circula Panorama-Engineering	-	280	100,000	(99,720)	0.28%
44 Backup System PRV - Circula Panorama-Construction	-	-	600,000	(600,000)	0.00%
45 New Well Construction-Construction	-	-	10,000	(10,000)	0.00%
46 New Well Construction-Labor	-	-	5,000	(5,000)	0.00%
47 New Well Construction-Engineering	-	-	50,000	(50,000)	0.00%
48 Security Improvements-Reservoir Sites-Labor	-	-	5,000	(5,000)	0.00%
49 Security Improvements-Reservoir Sites-Construction	-	-	10,000	(10,000)	0.00%
50 Well Disinfection Conversion-Labor	-	-	2,500	(2,500)	0.00%
51 Well Disinfection Conversion-Engineering	-	-	10,000	(10,000)	0.00%
52 Well Disinfection Conversion-Construction	-	-	45,000	(45,000)	0.00%
53 West Well Rehabilitation-Labor	-	-	2,000	(2,000)	0.00%
54 West Well Rehabilitation-Construction	-	-	70,000	(70,000)	0.00%
55 SCADA System Additions-Engineering	-	-	20,000	(20,000)	0.00%
56 Sedaru Improvements	-	3,570	10,000	(6,430)	35.70%
57 Capitalized Accounting	-	-	5,000	(5,000)	0.00%
58 El Nino Preparation	-	3,110	-	3,110	0.00%
59 Water Loss Control	21,468	21,468	25,000	(3,532)	85.87%
60 TOTAL OPERATING EXPENSES:	29,088	114,813	1,912,700	(1,797,887)	
NET INCOME FROM OPERATIONS:	48,019	316,646	5,687,047	(8,966,175)	
61 Net Income (Loss):	48,019	316,646	5,687,047	(5,370,401)	



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: ANNUAL INVESTMENT POLICY REVIEW**  
**DATE: April 21, 2016**

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## BACKGROUND

The District's Investment Policy requires that the Policy be reviewed annually, and that after such review, the Policy (and any changes if desired) be submitted to the Board for approval. The current Investment Policy was adopted on May 21, 2015.

No changes are proposed to the current investment policy. This policy was reviewed by the Finance Committee at their March 28<sup>th</sup> meeting, and is recommended for adoption by the Board.

## FINANCIAL IMPACT

None.

## RECOMMENDATION

The Board approve Resolution No. \_\_\_\_ approving the Investment policy and authorizing the Treasurer to invest funds consistent with its requirements.

**RESOLUTION NO. \_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST  
ORANGE COUNTY WATER DISTRICT APPROVING  
INVESTMENT POLICY AND AUTHORIZING THE TREASURER  
TO INVEST FUNDS**

WHEREAS, the Legislature of the State of California has declared that the deposit and investment of public funds by local officials and local agencies is an issue of statewide concern (Government Code Section 53600.6); and

WHEREAS, the legislative body of a local agency may invest monies not required for the immediate necessities of the local agency in accordance with the provisions of Government Code Sections 5921 and 53600 *et seq.*; and

WHEREAS, the treasurer/chief fiscal officer of the East Orange County Water District is permitted by Government Code Section 53646 to annually render to the Board of Directors a statement of investment policy, for consideration by the Board at a public meeting; and

WHEREAS, Government Code Section 53607 permits the Board of Directors to delegate to the treasurer the Board's authority to invest or reinvest funds of the District or sell or exchange securities so purchased, limits the delegation to a one-year period, allows renewal by the Board on an annual basis and establishes a requirement for monthly reporting of the transactions by the Treasurer to the Board, and Government Code Section 53608 permits the Board to delegate to the treasurer the Board's authority to deposit for safekeeping the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of indebtedness in which money of the District is invested;

NOW, THEREFORE, the Board of Directors of the East Orange County Water District DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. The Investment Policy of the East Orange County Water District is hereby approved in the form presented to the Board of Directors by the Treasurer. This policy shall remain in effect until it is amended or superseded by a subsequently adopted policy.

Section 2. The authority of the Board of Directors to invest or reinvest funds of the District, sell or exchange securities so purchased, and deposit for safekeeping the bonds, notes, bills, debentures, obligations, certificates of indebtedness, warrants or other evidences of instruments in which money of the District is invested, subject to the requirements of the



Investment Policy approved hereby, is hereby delegated to the Treasurer of the District. This delegation shall remain in effect until it is revoked or is superseded by a subsequent delegation.

ADOPTED, SIGNED AND APPROVED this 21<sup>st</sup> day of April, 2016.

\_\_\_\_\_  
President  
EAST ORANGE COUNTY WATER DISTRICT  
and of the Board of Directors  
thereof

\_\_\_\_\_  
Secretary  
EAST ORANGE COUNTY WATER DISTRICT  
and of the Board of Directors  
thereof

STATE OF CALIFORNIA )  
 ) ss  
COUNTY OF ORANGE )

I, JOAN C. ARNESON, Secretary of the Board of Directors of the EAST ORANGE  
COUNTY WATER DISTRICT, do hereby certify that the foregoing Resolution No. \_\_\_\_ was  
duly adopted by the Board of Directors of said District at an adjourned Regular Meeting of said  
District held on April 21, 2016, and that it was so adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

\_\_\_\_\_  
Secretary  
EAST ORANGE COUNTY WATER DISTRICT  
and of the Board of Directors  
thereof

# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: LOCAL SEWER TRANSFER – MARCH & APRIL UPDATE**  
**DATE: APRIL 21, 2016**

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## ACTIVITIES UPDATE

### Outreach & Communications

On March 6, 2016 – General Manager Ohlund, and consultants, John Lewis and Brian Lochrie met with Supervisor Todd Spitzer regarding the Service Area #7 transfer.

On March 25, 2016 – General Manager Ohlund attended a meeting of the Tustin Kiwanis Club and gave a presentation regarding the District and the Service Area #7 transfer.

On March 29, 2016 – General Manager Ohlund and consultant John Lewis met with Victor Cao, policy analyst for Supervisor Lisa Bartlett.

### OC LAFCO/OCSD

The regular LAFCO Meeting was not held in March due to the Strategic Planning Meeting held on March 18<sup>th</sup>. LAFCO staff reviewed several priorities with the Commission, resolution of the Service Area #7 was anticipated would happen at the April 13<sup>th</sup> regular Commission Meeting.

At the April 13<sup>th</sup> Meeting, the Service Area #7 issue dominated the agenda. Staff gave a brief presentation and then the Commission took public comments. During the almost 3 hours of comments, approximately 36 persons spoke in favor of the EOCWD application (a total of over 100 supporters were present), approximately 20 spoke in support of IRWD (approximately 30 supporters). The Commission voted to approve the EOCWD application on a 6-1 vote (Yes - Spitzer, Bartlett, Bernstein, Brothers, Wilson, Withers; No – McGregor).

### RECOMMENDATION

Information item only; no action required.



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – MARCH 2016**  
**DATE: APRIL 21, 2016**

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## Wholesale Zone Water Demands

Attached is a graphical representation of the Wholesale Zone water demand through March 31, 2016. Water sales for the month of February totaled 140.29 AF; total year-to-date sales are 1,840.32 AF. This is a 249.12 AF reduction (64%) in demand from March, 2015.

## Retail Zone Water Demands

Page 1 of the attached report is an overview of the sources of water supply and our monthly usage (46 AF). Currently, all water supplied to the RZ is from the groundwater basin; this year 25% of the water supplied to the RZ will be imported water.

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 1,070 AF. We expect that this will continue to decrease this year due to the enhanced conservation required under the drought.

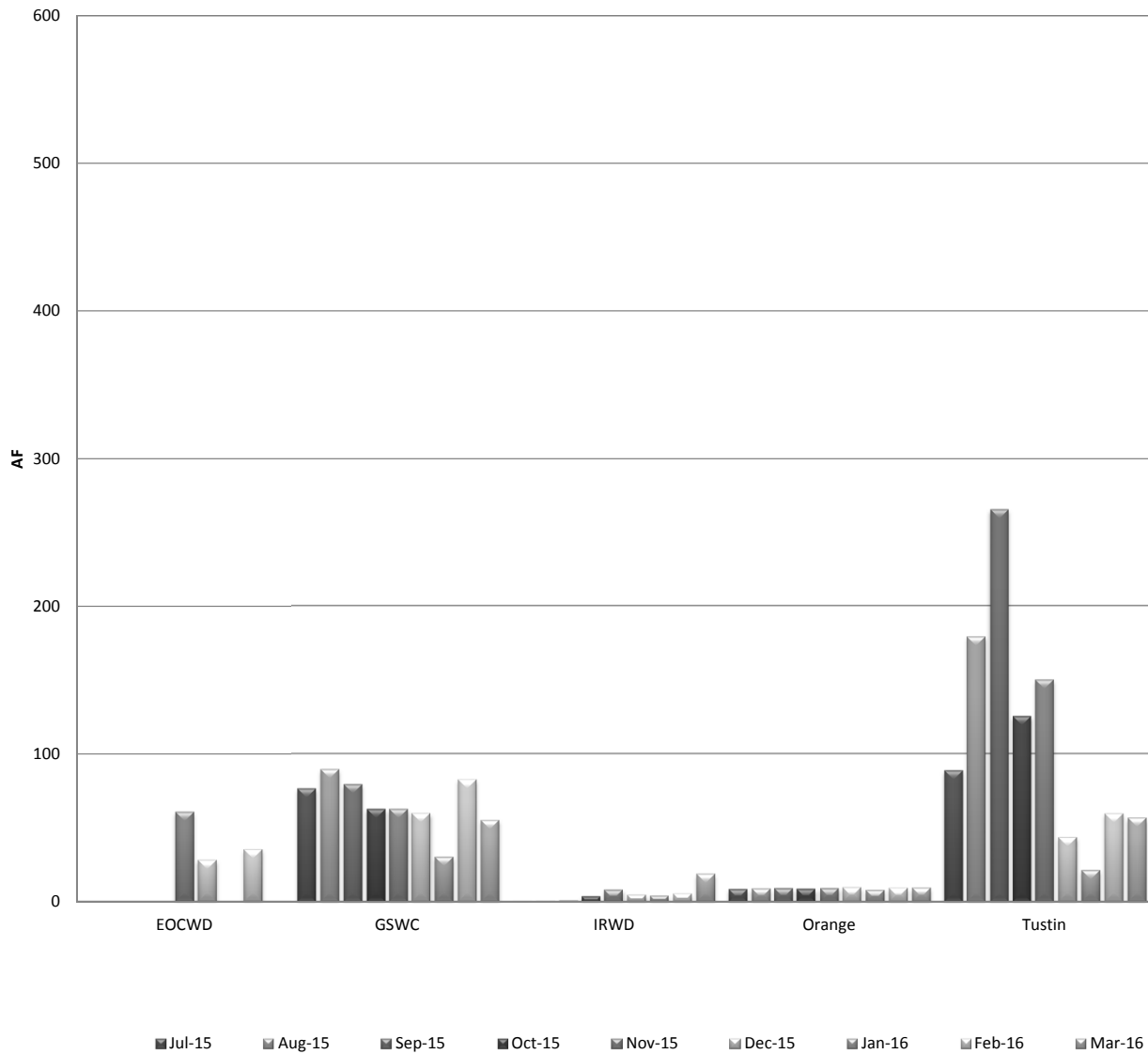
Page 3 provides a comparison of water demand versus precipitation, water demand versus average high temperature and water demand versus unemployment rates. As would be expected, generally in wet years, demand is lower than in dry years, whereas average temperature doesn't have as much of a cause/effect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

As shown on Page 4, total production for the month of March was 42 AF; this is 30 AF (42%) lower than our demand for March 2015, and 24 AF (36%) lower than our average demand for the last 6 years.

Also attached are graphs depicting the Retail Zone's water demand, including a table that shows "gallons per capita per day" or GPCD. The effect of the increased conservation is shown very vividly here - the table shows our residents' per person, per day water consumption for the month of **March 2016 (132 GPCD)** compared to **March 2015 (234 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 2014/15 was 246 GPCD; so far this year it is 166 GPCD.

# Wholesale Zone Water Demand

**Total Monthly Sales for March, 2016= 140.29 AF**  
 Total YTD Sales for July 2015- March 2016 = 1,840.32 AF



# East Orange County Retail Zone Water Usage Report

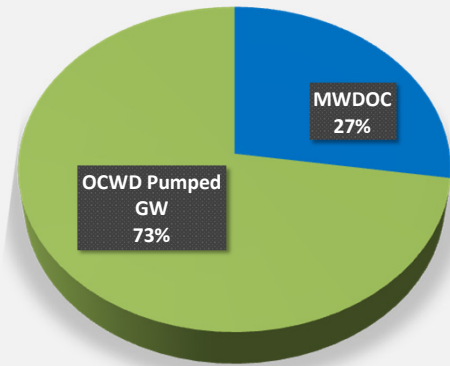
## East Orange County Retail Zone Overview of Usage FY 2015-16 Monthly Water Use

Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	-	-	-	-	60	28	-	35	-	-	-	-	124
OCWD Pumped GW	54	69	60	46	0	17	29	11	42	-	-	-	328
<b>Total</b>	<b>54</b>	<b>69</b>	<b>60</b>	<b>46</b>	<b>61</b>	<b>45</b>	<b>29</b>	<b>46</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>452</b>

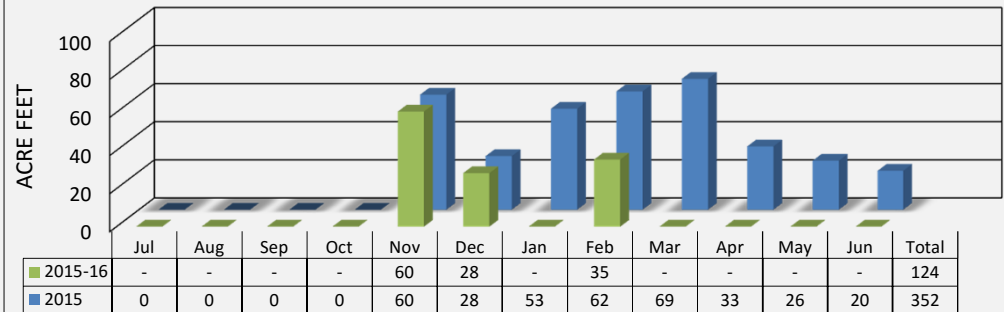
  

2015 MWDOC Usage	0	0	0	0	60	28	53	62	69	33	26	20	352
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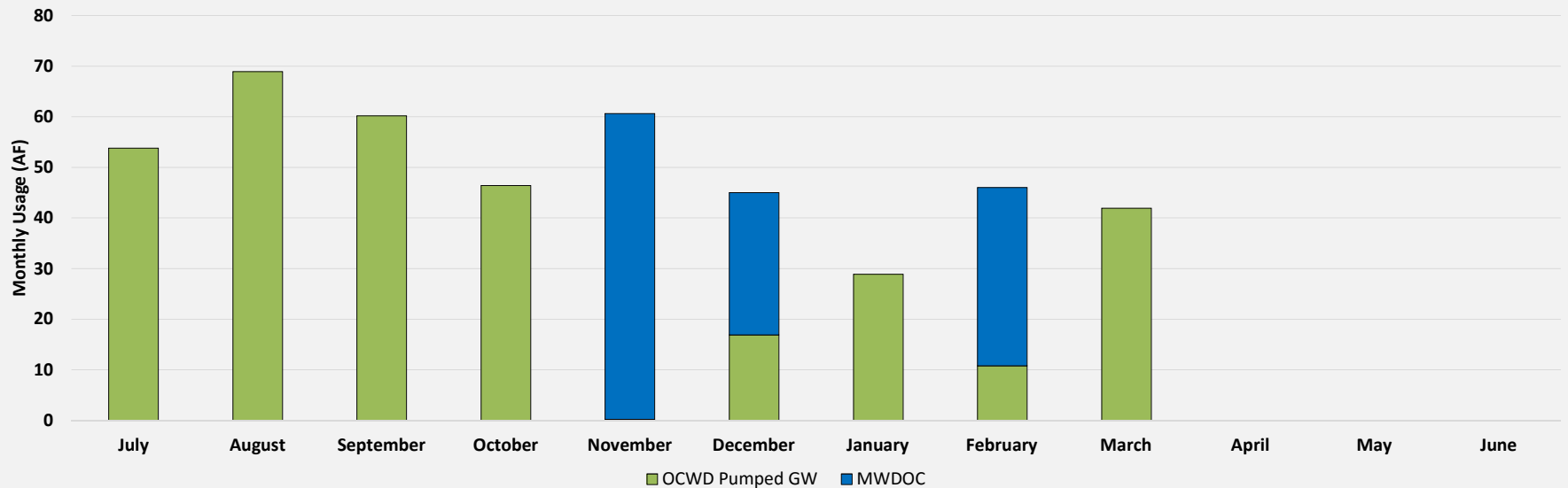
**2015-16 Sources of Water Supply**



**MWDOC Calendar Year and Fiscal Year Purchases**



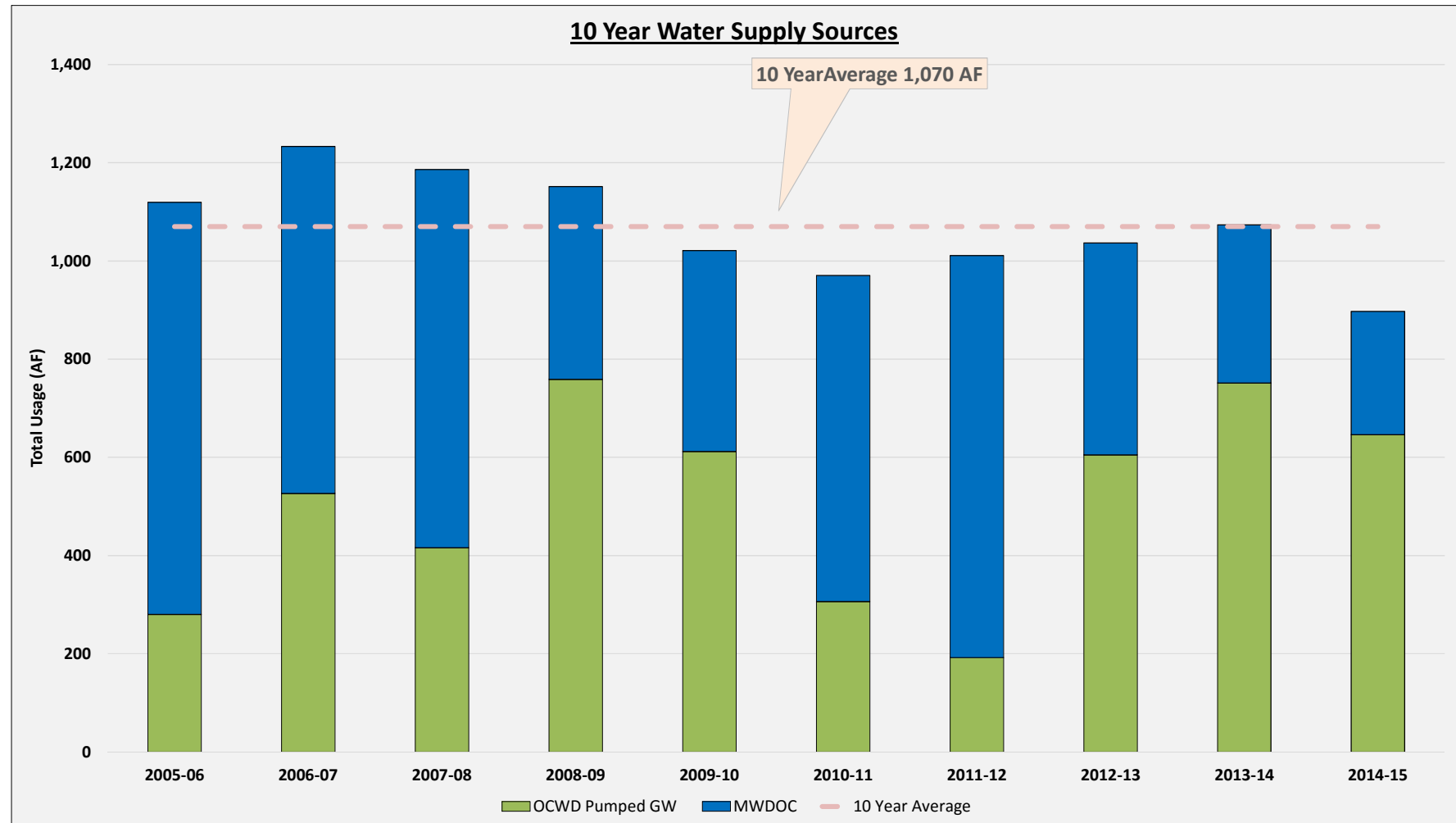
**2015-16 Water Supply Sources**



# East Orange County Retail Zone Water Usage Report

## Annual Water Usage

Type of Supply	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Average
MWDOC	839.5	707.1	770.0	392.3	409.3	663.8	819.1	431.3	322.0	250.7	560.5
OCWD Pumped GW	280.2	526.3	416.0	759.1	612.0	306.5	192.1	605.2	751.3	646.3	509.5
<b>Total</b>	<b>1,120</b>	<b>1,233</b>	<b>1,186</b>	<b>1,151</b>	<b>1,021</b>	<b>970</b>	<b>1,011</b>	<b>1,037</b>	<b>1,073</b>	<b>897</b>	<b>1,070</b>

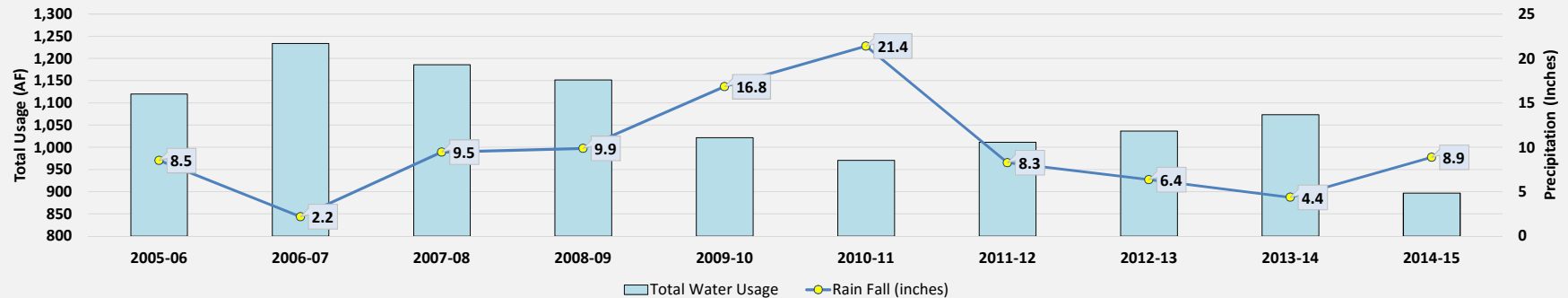


# East Orange County Retail Zone Water Usage Report

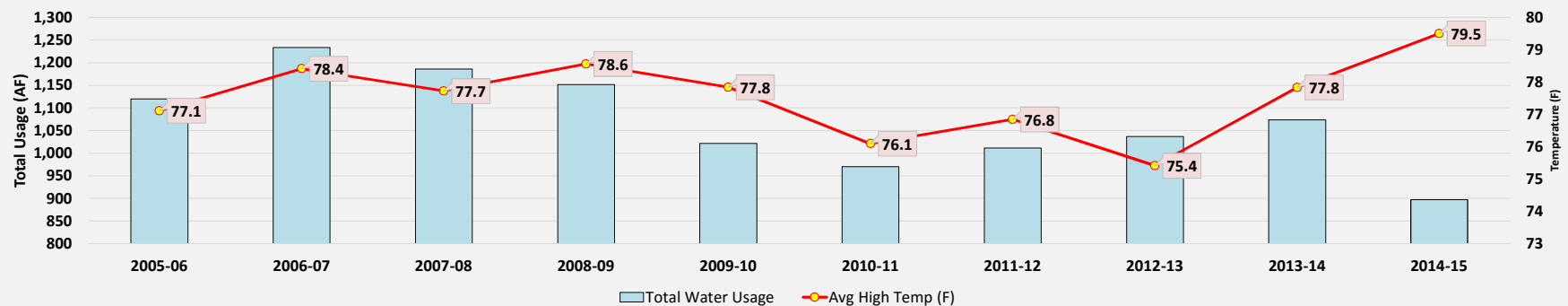
## Water Usage Variables

Type of Supply	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	Average
Rain Fall (inches)	8.5	2.2	9.5	9.9	16.8	21.4	8.3	6.4	4.4	8.9	9.6
Avg High Temp (F)	77.1	78.4	77.7	78.6	77.8	76.1	76.8	75.4	77.8	79.5	77.5
LA Unemployment %	4.6%	4.4%	5.5%	9.1%	11.6%	11.7%	10.9%	9.5%	8.2%	7.2%	8.3%
Total Water Usage	1,120	1,233	1,186	1,151	1,021	970	1,011	1,037	1,073	897	1,070

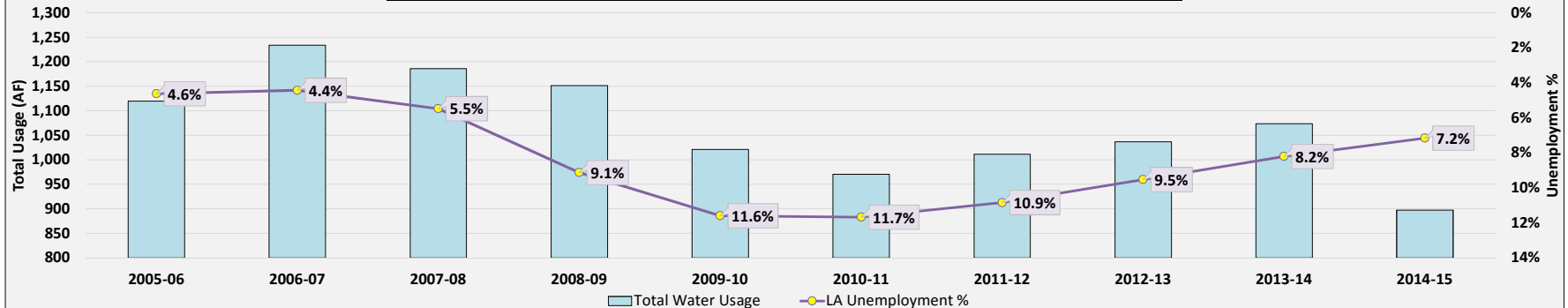
**10 Year Water Usage VS Precipitation (SNA #121 Station)**



**10 Year Water Usage VS Average High Temperature (Santa Ana Fire Station)**



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





# East Orange County Retail Zone Water Usage Report

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

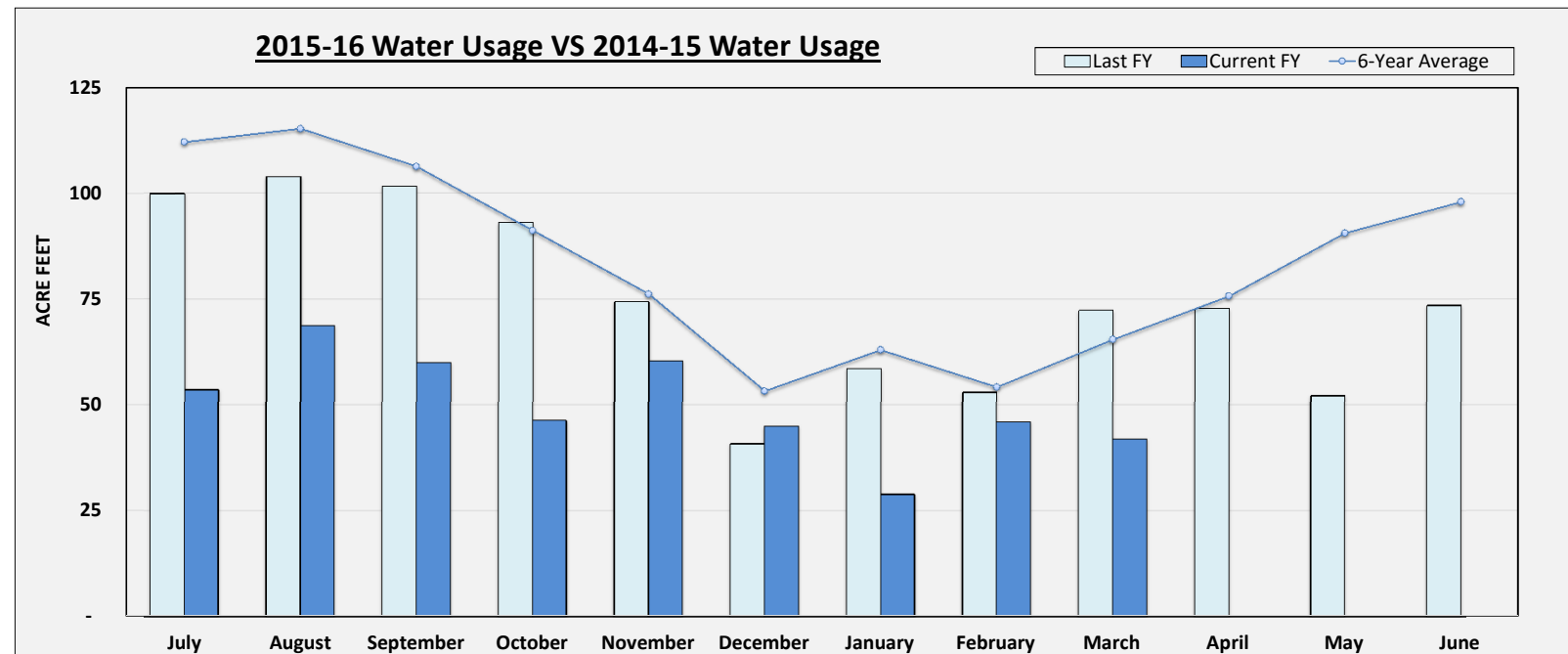
Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	Total
2008-09 Usage	127	127	114	108	96	57	91	46	83	101	103	100	1,152
2009-10 Usage	123	124	112	97	86	55	52	35	59	74	96	110	1,021
2010-11 Usage	112	118	109	76	73	49	58	55	54	78	92	98	970
2011-12 Usage	120	119	98	88	63	68	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
Average of Last 6 FYs	112	115	106	91	76	53	63	54	66	76	91	98	1,002
Monthly Usage Percentage	11%	11%	11%	9%	8%	5%	6%	5%	7%	8%	9%	10%	100%

### Water Usage By Source

Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	-	-	-	-	60.4	28.1	-	35.2	-	-	-	-	123.7
CPTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Imported Total	-	-	-	-	60	28	-	35	-	-	-	-	123.70

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	53.8	68.9	60.2	46.4	0.2	16.9	28.9	10.8	64.3	-	-	-	350.4
Less Fill up Reservoir	-	-	-	-	-	-	-	-	(22.4)	-	-	-	(22.4)
Less CPTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Total	54	69	60	46	0	17	29	11	42	-	-	-	328.00

<b>Total Usage 2015-16</b>	<b>54</b>	<b>69</b>	<b>60</b>	<b>46</b>	<b>61</b>	<b>45</b>	<b>29</b>	<b>46</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>451.70</b>
FY 14-15 versus FY 13-14	-46%	-34%	-41%	-50%	-19%	+10%	-51%	-14%	-42%				

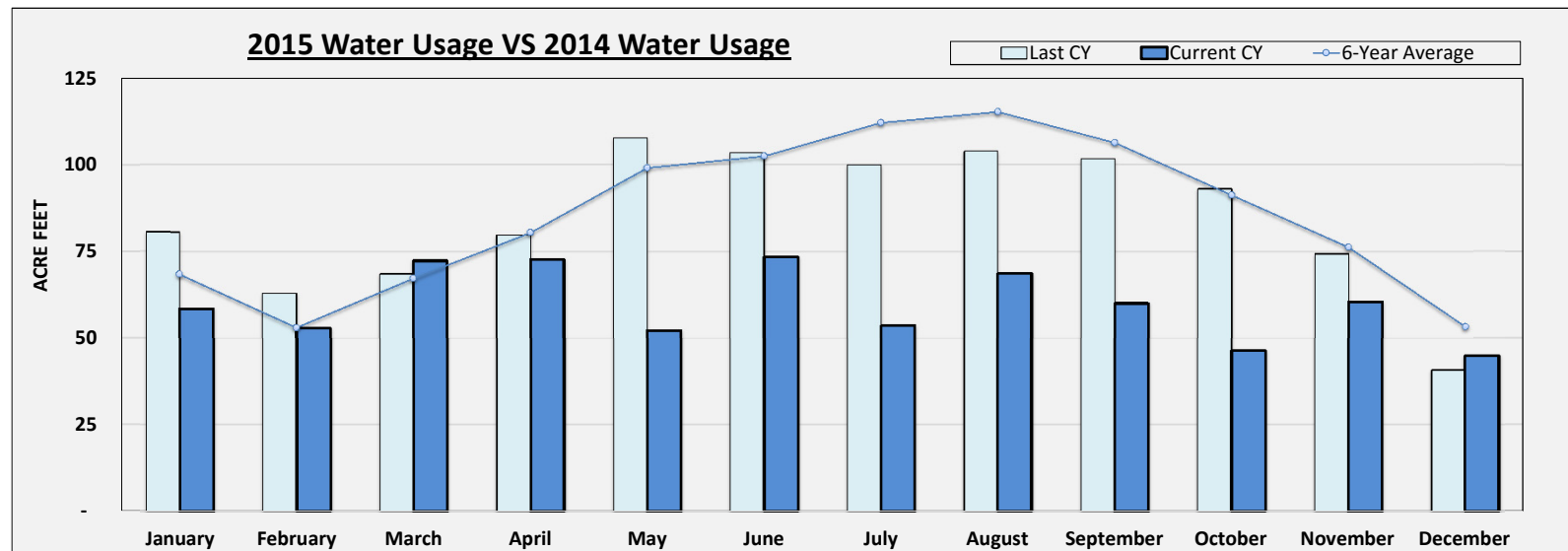


# East Orange County Retail Zone Water Usage Report

## Historical Monthly Potable Usage (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2009	91	46	83	101	103	100	123	124	112	97	86	55	1,120
2010	52	35	59	74	96	110	112	118	109	76	73	49	962
2011	58	55	54	78	92	98	120	119	98	88	63	68	990
2012	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
6 year Average	69	53	67	80	99	102	112	115	106	91	76	53	1,025

Total Water Usage 2015	59	53	72	73	52	74	54	69	60	46	61	45	718
2015 VS 2014 Usage	+1%	-14%	-1%	-14%	-48%	-28%	-48%	-36%	-46%	-51%	-30%	-32%	-29%



	Population	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2014 Usage (AF)		81	63	69	80	108	103	100	104	102	93	74	41	1,017
2014 GPCD	3,249	261	226	222	267	348	346	323	336	340	301	249	132	279
2015 Usage (AF)		59	53	72	73	52	74	54	69	60	46	61	45	718
2015 GPCD	3,257	189	190	234	243	169	245	174	222	201	150	202	145	197
CY over CY change in GPCD		-71	-36	+11	-24	-179	-100	-150	-114	-139	-151	-47	+13	-83

	Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2014-15 Usage (AF)		100	104	102	93	74	41	59	53	72	73	52	74	897
2014-15 GPCD	3,249	323	336	340	301	249	132	190	191	234	244	170	246	246
2015-16 Usage (AF)		54	69	60	46	61	45	29	46	42	-	-	-	452
2015-16 GPCD	3,257	174	222	201	150	202	145	93	164	135	-	-	-	166
FY over FY change in GPCD		-150	-114	-139	-151	-47	+13	-97	-26	-99				-81

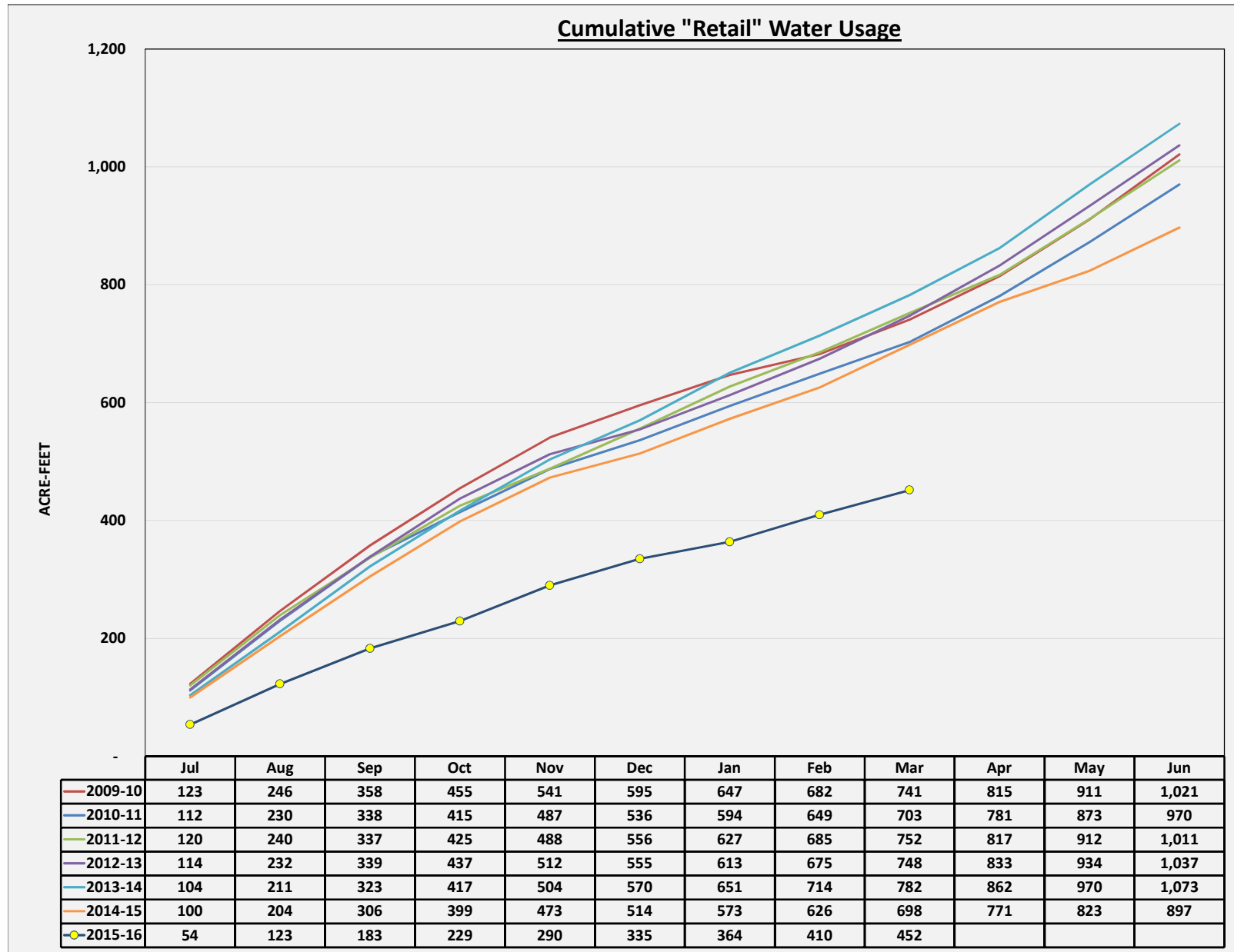
\*Cumulative through the end of the last month shown

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



# East Orange County Retail Zone Water Usage Report

Cumulative Water Usage by Fiscal Year



# Drought Education/Enforcement Efforts - March 2016

<i><b>Activity</b></i>	<i><b>Date</b></i>	<i><b>Action</b></i>
Meetings		
Water Loss Workshop-Jerry	March 1, 2016	Jerry attended to the Water Loss Workshop offered at MWDOC in Fountain Valley, CA.
Water Waste/High Water Bill Phone Calls		
Water conservation assistance-Matt	March 2, 2016	Customer at Crawford Canyon requested water conservation assistance, particularly how to read his meter; Matt provided training.
WUE Materials		
OC WUE Meeting-Reyna	March 3, 2016	Reyna attended to OC WUE Coordinator Workgroup meeting at MWDOC's office.
Drought Social Media/Print Messaging Efforts		
Mailing	March-16	GM sent letters to High Water Users to create awareness of their overusage.
Facebook	March-16	Site is updated on a weekly basis by Communications Lab staff and EOCWD staff. Eight posts were shared in EOCWD's Facebook page.

Twitter	March-16	Twitter activity is maintained by Communications Lab staff providing content. Eight tweets were shared in Twitter.
EOCWD Drought Page on Website	March-16	Drought- Web site maintained with water conservation information and links.
Foothill Sentry Ad	March-16	The Foothills Sentry advertisement shows a 42.4 % water reduction for March 2016.
Customer Rebate Activities		
Turf Removal Rebate	March 23, 2016	Customer at Barrett Lane received a Rebate of \$6,000
Groundwater Replenishment System (GWRS) Credits		
MWDOC/OCWD	<b>March 31, 2016</b>	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 28.7 acre feet (equivalent to 9.3 million gallons or 68.5 % of the RZ's March 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.

# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: GENERAL INTEREST PUBLICATIONS**  
**DATE: APRIL 21, 2016**

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## BACKGROUND

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

- *"Parting thoughts for Delta water warriors" Phil Isenberg, Sacramento Bee, April 1, 2016*
- *"Greenness Around Homes Linked to Lower Mortality" National Institute of Environmental Health, April 15, 2016*
- *"System Overload" James Surowiecki, The New Yorker, April 18, 2016*

## RECOMMENDATION

Information only; no action required.



*The north state's treasured Delta, as depicted by Gregory Kondos in his 1986 painting "Sacramento River Summer"*

## Parting thoughts for Delta water warriors

By Phil IsenbergSpecial to the Bee  
[sacbee](#)

Water policy is contentious, but posturing complicates it

Combatants are often more reasonable in private than in public

A veteran of California water wars suggests less 'me, and my interest first'

More than 50 years in public policy have taught me a lot of lessons. Maybe the most enduring is that regular folks as well as hired lobbyists talk differently in public than they do in private conversation.

The most common refrain in public is “me, and my interest first.” When I talk to these people in private, however, they are far more reasonable.

This was my last week on the Delta Stewardship Council. It’s been described as a “new agency with an old, controversial job” – to ensure a reliable supply of water from the Sacramento-San Joaquin Delta while simultaneously ensuring its environmental protection. This goal is backed up with laws that mandate change, and provide a real but limited role for the council to enforce the laws. All this is expressed in the legally enforceable Delta Plan we adopted in 2013.

How to do this is a balancing act involving water districts, government agencies, environmentalists, business and agriculture representatives, many of whom I have come to know over the years, and whose views I have supported or opposed at points in my public service. Talking to folks who are reasonable only in private discussion, I have occasionally demanded they say in public what they tell me in private. Some smile, but mostly they glower or stare back without responding.

This is the American way to negotiate: Demand in public more than you want or need, in the hope of getting something better than you expect. Ask tough questions of your opponents, but duck the ones that come your way. Offer to compromise 30 minutes before a final decision.

This is not a great way to make public policy.

Less public posturing would simplify life for my council colleagues as they weigh, for example, the consistency of the governor’s water tunnels proposal with the council’s Delta plan, and consider the related ecosystem actions being planned.

The council’s marching orders are clear. The statutory “coequal goals” – a more reliable water supply for the state and a protected, restored and enhanced Delta ecosystem – are mandatory, not discretionary. That means compelling state and local agencies that come before the council to include and fund their promises, particularly promises to improve the Delta environment.



‘Me and my interest first’ posturing may be the American way to negotiate, but it’s not a great way to make public policy.

California law also mandates that we “reduce reliance on the Delta in meeting California’s future water supply needs.” That means an actual reduction in water taken from the Delta watershed, and is reflected in the Delta Plan. A lot of water users don’t like this, but it is inevitable and we need to get on with it.

State and local agencies must use the best available science and scientific “adaptive management” to be consistent with the Delta Plan. And they have to guarantee funding for those activities, not just unenforceable future promises.

Finally, the council needs to insist that the current mishmash of management and operating rules be more coherent.

Those are reasonable parameters. And good policy could emerge from them, if my friends in the water wars could let their reasonable private selves do more of the talking. Maybe it’s time to put California’s interests first.

# Greenness Around Homes Linked to Lower Mortality

[nih.gov](https://www.nih.gov)

Women live longer in areas with more green vegetation, according to new research funded by the National Institute of Environmental Health Sciences (NIEHS), part of the National Institutes of Health. Women with the highest levels of vegetation, or greenness, near their homes had a 12 percent lower death rate compared to women with the lowest levels of vegetation near their homes. The results were published Apr. 14 in the journal *Environmental Health Perspectives*.

The researchers found the biggest differences in death rates from kidney disease, respiratory disease, and cancer. The researchers also explored how an environment with trees, shrubs, and plants might lower mortality rates. They showed that improved mental health and social engagement are the strongest factors, while increased physical activity and reduced air pollution also contribute.

"It is important to know that trees and plants provide health benefits in our communities, as well as beauty," said NIEHS director Linda Birnbaum, Ph.D. "The finding of reduced mortality suggests that vegetation may be important to health in a broad range of ways."

The study, conducted by scientists at Harvard T.H. Chan School of Public Health and Brigham and Women's Hospital in Boston, examined greenness around the homes of 108,630 women in the long-term Nurses' Health Study. The researchers mapped home locations and used high resolution satellite imagery to determine the level of vegetation within 250 meters and 1,250 meters of homes. They then followed the women from 2000 to 2008, tracking

changes in vegetation and participant deaths. During the study, 8,604 deaths occurred.

The scientists consistently found lower mortality rates in women as levels of trees and plants increased around their homes. This trend was seen for separate causes of death, as well as when all causes were combined. When researchers compared women in the areas with highest greenness to women in the lowest, they found a 41 percent lower death rate for kidney disease, 34 percent lower death rate for respiratory disease, and 13 percent lower death rate for cancer in the greenest areas.

"The ability to examine vegetation in relatively fine detail around so many homes, while also considering the characteristics of the individual participants, is a major strength of this study," said Bonnie Joubert, Ph.D., NIEHS scientific program director overseeing the study. "This builds on prior studies showing the health benefits of greenness that used community-level or regional data."

The scientists also looked at characteristics that can otherwise contribute to mortality risk, such as age, race, ethnicity, smoking, and socioeconomic status. This enabled them to be more confident that vegetation plays a role in reduced mortality, rather than these factors. If participants moved or the vegetation near their homes changed during the study, the scientists took those changes into account in their study.

**Grant Number:**

R01ES017017

**Reference:** James P, Hart JE, Banay RF, Laden F. Exposure to greenness and mortality in a nationwide prospective cohort study of women. *Environmental Health Perspectives*; doi:10.1289/ehp.1510363 [Online 14 Apr 2016].

# System Overload

James Surowiecki

[The New Yorker](#) | 2016-04-18



*Credit Illustration by Nishant Choksi*

“An example for the Nation” is how President Lyndon Johnson imagined Washington’s Metro, in a letter that he wrote fifty years ago to an official involved in planning it. And so it was. When the Metro opened, ten years later, in 1976, it was acclaimed as a farsighted fusion of design and utility, a system generations ahead of those in other cities. Today, the Metro is in such a state that fixing it may require shutting whole lines for months at a time. It’s yet again an example for the nation, but now it’s an example of how underinvestment and political dysfunction have left America with infrastructure

that’s failing and often downright dangerous.

From the crumbling bridges of California to the overflowing sewage drains of Houston and the rusting railroad tracks in the Northeast Corridor, decaying infrastructure is all around us, and the consequences are so familiar that we barely notice them—like urban traffic congestion, slow-moving trains, and flights that are often disrupted, thanks to an outdated air-traffic-control system. The costs are significant, once you reckon wasted time, lost productivity,

poor public-health outcomes, and increased carbon emissions. As Rosabeth Moss Kanter, a Harvard Business School professor and the author of “Move,” a recent book on the subject, told me, “Infrastructure is such a dull word. But it’s really an issue that touches almost everything.”

Infrastructure was once at the heart of American public policy. Works such as the Los Angeles Aqueduct, Hoover Dam, and the Interstate Highway System transformed the economy. Today, we spend significantly less, as a share of G.D.P., on infrastructure than we did fifty years ago—less, even, than fifteen years ago. As the economist Larry Summers has pointed out, once you adjust for depreciation, the U.S. makes no net investment in public infrastructure. Yet polls show that infrastructure spending is popular with a majority of voters across the income spectrum. Historically, it enjoyed bipartisan support from politicians, too. If it’s so popular, why doesn’t it happen?

One clear reason is politics. While both parties remain rhetorically committed to infrastructure spending, in practice Republicans have been less willing to support it, especially when it goes toward things like public transit. This is partly because of the nature of the Republican base: public transit is hardly a priority for suburban and rural voters in the South and in much of the West. But ideology has played a key role as well. “The rise of modern conservatism, with its sense that government is the problem and its aversion to government spending, has created a Republican Party that’s much more skeptical of big infrastructure projects than it was,” Steven Erie, a professor of political science and an expert on development at U.C. San Diego, told me. There’s also a deeper, bureaucratic issue. Over the years, the process of getting infrastructure projects approved has become riddled with what political scientists call “veto points.” There are more environmental regulations and more requirements for community input. There are often multiple governing bodies for new projects, each of which has to give its approval. Many of these veto points were put in place for good reason. But they make it harder to undertake big projects. In 2010, Chris Christie was able to cancel a new tunnel under the Hudson River more or less single-handed, even though more than a billion dollars had already been spent on it.

Even more egregious than the lack of new investment is our failure to maintain existing infrastructure. You have to spend more on maintenance as infra-

structure ages, but we've been spending slightly less than we once did. The results are easy to see. In 2013, the Federal Transit Administration estimated that there's an eighty-six-billion-dollar backlog in deferred maintenance on the nation's rail and bus lines. The American Society of Civil Engineers, which gives America's over-all infrastructure a grade of D-plus, has said that we would need to spend \$3.6 trillion by 2020 to bring it up to snuff.

Again, there are political reasons that maintenance gets scanted. It's handled mainly by state and local communities, which, because many of them can't run fiscal deficits, operate under budgetary pressures. Term limits mean that a politician who cuts maintenance spending may not be around when things go wrong. There's also what Erie calls the "edifice complex": what politician doesn't like opening something new and having a nice press op at the ribbon-cutting? But no one ever writes articles saying, "Region's highways are still about as good as they were last year."

It takes a crisis like the Metro's to shock us out of our complacency. As Kanter puts it, "It's only when things get bad that infrastructure issues get real public attention." This is the heart of our problem: infrastructure policy has become a matter of lurching from crisis to crisis, solving problems after the fact rather than preventing them from happening. As Erie says, "We've turned into short-term-fix addicts." The U.S. needs to approach infrastructure the way it does national defense: come up with a long-term strategy, make sure it gets the money it needs, and hold the government accountable for making that strategy work. Infrastructure is the ultimate public good. It would be nice if ours was actually good for the public. ♦