

AGENDA

EAST ORANGE COUNTY WATER DISTRICT
(EOCWD)

Thursday,
July 16, 2015
185 N. McPherson Road, Orange, California
5:00 p.m.

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

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

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

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

5. **Approval of Minutes of June 18, 2015 Adjourned and Regular Meetings (Exhibit "B")**
6. **Operation, Management and Construction Matters**

- A. Drought measures enforcement (Exhibit "C")

Recommended Motion: "THAT THE PROCEDURES AND POLICIES FOR ENFORCEMENT OF DROUGHT RESPONSE MEASURES, AS PRESENTED BE APPROVED"

- B. Adoption of strategic plan (Exhibit "D")

Recommended Motion: "THAT THE STRATEGIC PLAN BE ADOPTED"

- C. Amended and restated Independent Special Districts of Orange County (ISDOC) bylaws (Exhibit "E")

Recommended Motion: "THAT THE BOARD AUTHORIZE THE PRESIDENT OR HIS DESIGNEE TO CAST THE DISTRICT'S VOTE APPROVING THE AMENDED AND RESTATED ISDOC BYLAWS"

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 (May 31) – (Exhibit "H")

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

- D. Adoption of wholesale rates and charges (Exhibit "I")

Recommended Motion: "THAT RESOLUTION NO. ____ BE ADOPTED, ENTITLED:

'RESOLUTION OF THE BOARD OF DIRECTORS OF EAST ORANGE COUNTY WATER DISTRICT ESTABLISHING RATES AND CHARGES FOR SALE OF WATER ON A WHOLESALE BASIS WITHIN THE DISTRICT'"

8. Miscellaneous Matters

- A. Reports from committees and representatives to organizations
- B. Directors' reports on meetings attended
- C. Authorization of conference attendance (Exhibit "J")
 - (1) Urban Water Institute Annual Conference (San Diego, August 26-28)
- D. Local sewer service transfer (Orange County San #7 reorganization) - status report (Exhibit "K")
- E. Wholesale and retail water usage report (Exhibit "L")

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

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

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

9. Informational Items

- A. General interest publications: *Public CEO* "Special Districts: The Threat of Consolidation and How to Stop It;" *Orange County Register* "Orange County's plans to turn rainwater into a resource;" *KCET* "3 Invasive Animals That Have Permanently Changed the Delta" (Exhibit "1")

10. Adjournment

The scheduled date of the next Regular Meeting of the Board of Directors is **August 20, 2015**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California

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

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

EAST ORANGE COUNTY WATER DISTRICT

GENERAL MANAGER'S REPORT

July 2015

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 –The AT&T contractor completed site cleanup and performed the test of the fiber-optic cable. Staff received written documentation for certification of the cable from the contractor. Staff will be working with the security consultant to finish installation of the system.

B. Master Plans and Treatment Plant Feasibility Study Update

Master Plan Status:

1. On June 23rd staff met with Carollo to review preliminary financial modeling information with Graham Juby and Rob Grantham. Draft Technical Memorandum #2 was also reviewed with Graham Juby, Inge Wiersma and Megan Brown; several comments and changes were suggested to the TM; Carollo will have the modifications incorporated and a revised draft will be delivered by July 2nd for transmittal to the WZ agencies and Board Members for review prior to meetings scheduled with each group.
2. A draft of Technical Memo #5 examining alternative water delivery scenarios was delivered to staff on July 1st. A meeting to review the TM will be scheduled for mid-July.
3. V&A Consulting Engineers has completed their review of the existing cathodic protection systems on the pipelines and found them to be in relatively good shape, however, one rectifier may need replacing. They will be finalizing their report and delivering it by mid-July.

WTP Feasibility Study:

1. Updated treatment plant cost information is being compiled and is due to be delivered by mid-July.
2. A meeting with the Engineering Committee to review treatment plant cost information and alternative deliveries is tentatively scheduled for July 28th.

C. OC-70 Meter Test Comparison

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.

Since the discovery that South Orange County had similar issues last year, and ultimately was able to prove that the MET meter was erroneously calibrated (thus recovering \$8 million), EOCWD staff has been compiling meter records to determine if we have a similar issue. The Santa Margarita Water District employee that tracked down the mystery, and his supervisor, came up and met with us at OC-70 to give us the benefit of their experience.

On May 26, staff conducted a meter test of the 6 MG reservoir outlet meter and the OC-70 MWD wholesale connection meter to compare the two meters against each other, anomalous data was found. On June 2nd, staff met with MWDOC and MWD staff to review preliminary data regarding the metering at OC-70. Staff is working with MWDOC and MWD staff to further investigate some possible meter calibration issues at the OC-70 pump station. More investigate work will be performed over the next month to better determine whether these discrepancies are related to meter error. A second meeting has been scheduled for July 20th with MWD to discuss their review of the EOCWD data presented to at the prior meeting, and to determine the next step forward.

D. WZ Connection Permits

One permit was issued – 12294B Circula Panorama, Santa Ana (residential).

RETAIL ZONE

1) DroughtReach™ Program

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

Coffee and donut meetings are a series of four Saturday events in May/June and one Wednesday afternoon meeting. The RZ was split into four large “neighborhoods” of 300 homes each week. Communications Lab developed door hangers inviting residents to the meetings held at either the parking lot at Panorama Elementary or Foothill High School; the doorhangers also include important drought compliance information that can be saved for future reference. Staff set up “stations” to teach how to read a meter (with a fully operational meter, flowing with recirculating water used to add a dose of reality. A station was also held to teach how to reprogram a sprinkler timer, as well as the appropriate 2-day per week settings and to experiment with the watering time duration so that they aren’t watering longer because they aren’t watering as frequently. A “Know Your Water Bill” station was also set up where customers learned how their water budgets were developed and how they will be used to determine compliance with the 36% reduction requirements. We held the last of the Saturday events at Foothill High School on June 20th and the afternoon event at El Modena Library on June 24th. Both meetings were well attended with 60-65 people at each event.

By mid-July, four, 10-foot tall “thermometers” with the message, “What have you done to save water today?” will be stationed around the Retail Zone. Because we met our goal for June, the thermometer will point to the 36% reduction as “we are here!”

Plans are underway to combat “drought fatigue” which may set in from August – October; a postcard mailer will be developed to congratulate customers on how well they are doing, but remind them that it is a 9-inning ball game, and we are only in the first inning. Customers will also be reminded that despite the temperatures, most plants go dormant in the summer, so less watering is required (with the exception of grass).

2) Well / Booster Station Operations

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

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

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

As mentioned in the previous months’ General Manager’s reports, staff has delayed sending out RFPs for the West Well and Stoller booster pump repair over concerns with the declining water levels in the groundwater basin and the fact that well companies are very busy at this time. Well water levels have been holding steady last month at 282 feet (below ground surface).

3) System Leaks

No leaks were experienced in June.

4) Water Availability Request/Connection Permits

One permit was issued – 12294B Circula Panorama, Santa Ana (residential single family home 5,700 sq ft).

5) Customer FeedBack

We continue to receive compliments from customers on our staff’s performance. Mr. Dave Perse called in to say thank you for the excellent service he received from Matt Plummer and Ty Coston during a recent service call. He was impressed with their knowledge, quick work and helpful demeanor.

Joint System (WZ & RZ) Activities

Please see the attached example of a Sedaru work report that provides information on the types of customer interactions that staff are having. There are several reports that detail work on hydrants, valves, flushing and other operational data – this one is just geared to customer contact.

A. Monthly Operations Activities

- Flushed 30 dead-end hydrants throughout Retail System.
- Conservation Work Orders (Assisting Customers) – Winnwood Lane, Vista Del Valle, Barrett Lane (2), Circula Panorama, Villa Rose, Periwinkle, County Lane, Old Foothill, Marcy Ranch Rd., Barrett Hill Circle, Greenwald Lane (3).
- Conservation Work Orders (Enforcement) – St. Jude, Orange Knoll (2), Villa Del Cerro, Circula Panorama (4), Charmaine Lane, Crawford Canyon Rd., Carmel Way, Fairhaven Ext. (2), County Lane (2),
- Turf Removal Work Orders – Circula Panorama, Panorama Place, Carmel Way, Greenwald Lane, Via Aventura, Pine Canyon, Panorama View. Kassy Drive
- Customer Leaks – Barrett Lane, Fowler Ave, St. Jude, Shepard Way, Circula Panorama, Hinton Way.
- Meter Leaks – Marcy Drive, Highcrest Circle, Bonita Heights Drive, Los Timbres, Stonehenge, Fairhaven Ext., Carmel Way, Orange Knoll, Shepard Way, Gate Way.
- Meter Connect – Crawford Canyon Rd., El Roy Drive, Barrett Lane (2).
- Meter Disconnect – Barrett Lane, Maynard Way, Vista Panorama, El Roy Drive.
- Final Read – Barrett Lane, St. Thomas, Menuda Panorama, Vista Panorama, Panorama View, Fairhaven Ext., Winnwood Lane, Rocky Road, Barrett Hill Circle, Bonita Heights Drive, Circula Panorama.
- Water Quality Complaint – Overbrook Drive.
- Low Pressure – Los Timbres, El Roy Drive.
- High Bill – St. Marks Drive, Crawford Canyon Rd., Carmel Way.
- Dig Alerts – Old Foothill, Stonehenge, Spring Street, Foothill, El Roy Drive.
- Completed year-end inventory.
- Met with V&A to complete cathodic protection survey.
- Met with T Mobile to discuss wireless options (Superintendent)
- Met with SCE to review rates, rebates, and misc. incentive programs (Superintendent).
- Met with WZ Customers to rate changes and operational issues (Superintendent).
- Met with various meter companies to discuss AMR and AMI options (Superintendent).
- Exercise Backup Generators.

Weekly Tasks

- Attend weekly safety meetings (All field staff)
- Reviewed sewer cleaning operations with OCSD
- Performed weekly water quality sampling
- Measure static and pumping water levels in wells.
- Performed USA locations
- Responded to utility requests from the County and city of Orange

- Picked up water quality supplies and changed reagent bottles
- Clean-up, organize and restock service trucks
- Clean-up and organized shop
- Vehicle maintenance

Monthly Tasks

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

Meetings

District Staff attended the following meetings:

A. MWDOC Manager's Meeting – June 18, 2015

Meeting Summary: 1) Revisions to MWDOC's Administrative Code – MWDOC has incorporated some of the elements of the agreement they entered into with the South County Agencies in 2011 into their Administrative Code: specifically, the designation of one of the MET seats as being a South County seat and one being a North County seat, and the associated procedures for the south or north county agencies to nominate a candidate. 2) Drought Allocations Update & Projected Local Supplies – MWDOC is requesting that agencies supply their 2015/16 local supplies and projected demands. 3) Turf Removal Program Funding & Implementation – MET has established square footage caps under the new program; it was also noted that the \$350 million approved in May is expected to be expended soon. 4) MET Water Supply Update – Extremely heavy May rainfall and snow in Colorado created unanticipated supplies in Lake Powell and will allow the Bureau of Reclamation to release water to Lake Mead that will keep the lake level above the allocation trigger level of elevation 1,075'. 5) Drought Messaging & the Value of Water – MET will be rolling out its drought messaging program in June and will be making regional media purchases. 6) Proposition 1 Funding Opportunities – MWDOC staff requested that agencies provide them with information regarding Prop.1 opportunities they plan to pursue. 7) FY 15/16 Choice School Program – MWDOC is identifying agencies that desire to participate in the new high school element of the water education program. 8) SWRCB Issues – Several agencies commented on the emergency regulations and the short- and long-term effects they will have on compliance with the allocation targets as well as water reliability planning. 9) Diemer Notification of Switching to Ozone Disinfectant as of 7/1/15 – Construction is complete and Diemer will begin using ozone as the primary disinfectant beginning on July 1st. 10) Distribution System Audit/Leak Detection Workshop – MWDOC is sponsoring a regional workshop on leak detection and unaccounted-for water loss on August 4, 2015. 11) Mesa Water Desal Survey – Mesa Water will be conducting a survey within their agency targeted at determining their customer's willingness to pay for the reliability provided by a desalination plant. Results are expected by Fall.

B. MWDOC – Orange County Water Reliability Study – June 18, 2015

Meetings Summary: MWDOC has been meeting with member agencies on a monthly basis to apprise them of progress with the study. The June meeting included the preliminary demand forecasts for Orange County, including future impacts from WUE investments. A model was developed that incorporated the probability and magnitude of MET water shortages based upon 93 years of hydrology (1922 to 2014); these water shortages were predicted for all of Orange County as well as the Orange County groundwater basin (extensive review was given to BPP assumptions under varying hydrology and stormflows tied to historical and projected hydrology), MWDOC agencies, the three cities and South County. Next the model will examine those shortages with and without the Delta Fix, opportunities for new water supplies and with and without climate variability.

C. Meeting with ACWA Executive Director – June 24, 2015

ACWA Executive Director Tim Quinn met with a small group of water district general managers at Mesa Water District to provide an update on ACWA's position on the Emergency Drought Regulations and to get input from the group on issues or ideas for moving forward after the drought; he was also seeking input on issues of importance to our agencies and how ACWA could help. Mr. Quinn provided behind-the-scenes information on the Governor's direction to the SWRCB and how the SWRCB chose to determine implementation procedures. Several Orange County agencies expressed frustration with the process, particularly the lack of allocation for irrigation of at-risk fire areas that was required by other agencies (OCFA and CalFIRE). General Manager Ohlund expressed concern that the unintended consequence of the state's action may be to diminish investment in water reliability, as agencies aren't being allowed credit for the reliability we have created (GWRS, MET storage, SDCWA desalination plant). If, during a drought, the state could restrict access to local reliability supplies, then why would water districts invest in these expensive projects? Mr. Quinn indicated that this would be something brought up to the SWRCB.

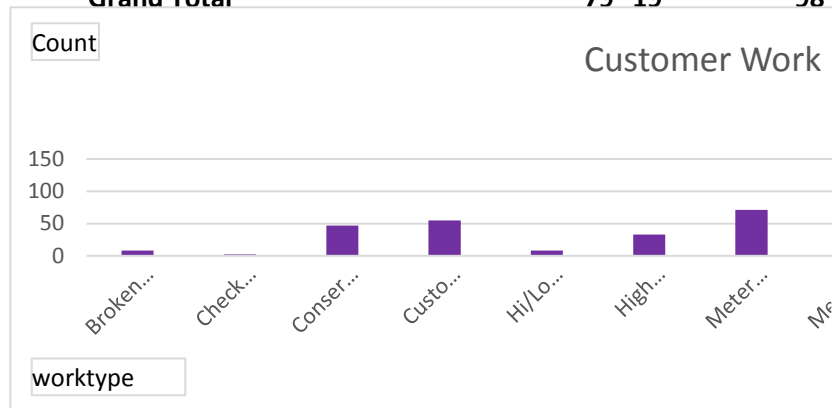
D. Groundwater Producers Meeting – May 13, 2015

Meeting Summary: 1) Water System Flushing to OCSD – water producers are interested in being able to discharge flushing water to the sewer to assist with lower flows to OCSD; OCWD staff will pursue this issue with OCSD and ask for a waiver of discharge fees during the drought. 2) GWRS Expansion – Phase 2 is now operational; it was noted that Phase 3 influent targets are 170 MGD, however that is 100% of the current Plant 1 & 2 flows (a portion of Plant 2 flows are unusable due to industrial waste contributions). 3) Green Acres Project (GAP) residential irrigation pickup – OCWD has approved residents/commercial businesses filling up water containers with GAP water to use for irrigation; a similar program has been conducted by Dublin/San Ramon Sanitary District with good results. 4) GAP Reevaluation – The project will be paid off in 2016 and the LRP rebates will cease. Newport Beach, IRWD and Huntington Beach want more Title 22 water; may divert GWRS filtrate to GAP for irrigation use. 5) Interagency Cooperation – Yorba Linda General Manager Marc Marcantonio shared his experience with developing a cooperative working relationship with several Washington state agencies and believes Orange County could benefit from a similar experience. 6) Water conservation – Mesa Water will be moving to monthly billing for their top 250 users; YLWD is adding 2013 benchmark data to their water bills; graywater recycling was discussed but not promoted due to health and safety concerns. 7) Legislative Actions – OCWD requesting support for HR 2898 and adding water recycling and desalination projects to the bill.

EOCWD Customer Work Orders

by Type	Count
Broken Meter Box	8
Check Backflow	2
Conservation	47
Customer Leak	55
Hi/Lo Pressure	8
High Water Bill	33
Meter Changeout	71
Meter Connect	40
Meter Disconnect	52
Misc Customer Task	108
Service Lateral Leak	20
Water Qual. Compl.	3
Grand Total	447

Count	Column Labels		
Type/Month Matrix	2015		Grand Total
	Jun	Jul	
Broken Meter Box		2	2
Conservation	24	13	37
Customer Leak	10	1	11
Hi/Lo Pressure	1		1
High Water Bill	2	1	3
Meter Changeout	10	2	12
Meter Connect	6	1	7
Meter Disconnect	5	1	6
Misc Customer Task	13		13
Service Lateral Leak	5		5
Water Qual. Compl.	1		1
Grand Total	79	19	98



by Employee	Count
jmendzer	99
mplummer	208
tcoston	164
Grand Total	471

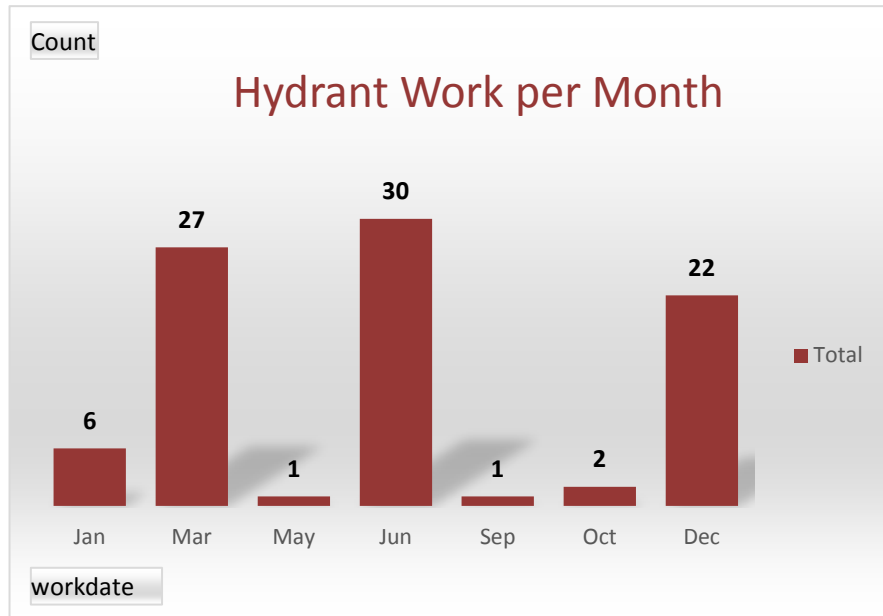
by Employee by Month	Count
jmendzer	99
2014	51
2015	48
mplummer	208
2014	100
2015	108
tcoston	164
2014	61
2015	103
Grand Total	471

Leak Type
Fitting
2014
2015
Joint
2014
2015
Pinhole
Grand Total

EOCWD Hydrant Work

by Work Type	Count of workdate
Hydrant Flushing	81
Hydrant Maintenance	8
Grand Total	89

by Month	Count
Jan	6
Mar	27
May	1
Jun	30
Sep	1
Oct	2
Dec	22
Grand Total	89





by Work Type by Month	Count
Hydrant Flushing	24
Oct	2
Dec	22
Hydrant Maintenance	1
Sep	1
Grand Total	25

by Employee	Count
jmendzer	1
mplummer	52
tcoston	36
Grand Total	89

Employee/Month	Count
jmendzer	1
May	1
mplummer	52
Jan	1
Mar	18
Jun	20
Oct	2
Dec	11
tcoston	36
Jan	5
Mar	9
Jun	10
Sep	1
Dec	11
Grand Total	89

Employee/Task/Month	Count
jmendzer	1
Hydrant Maintenance	1
May	1
mplummer	52
Hydrant Flushing	48
Mar	17
Jun	18
Oct	2
Dec	11
Hydrant Maintenance	4
Jan	1
Mar	1
Jun	2
tcoston	36
Hydrant Flushing	33
Jan	4
Mar	9
Jun	9
Dec	11
Hydrant Maintenance	3
Jan	1
Jun	1
Sep	1
Grand Total	89

EOCWD Pipe Work

by Type	Count
Dig Alert	20
Water Main Repair	6
Main Leak Report	2
Grand Total	28

by Month	Count
2014	
Jul	2
Sep	1
Nov	2
Dec	2
2015	
Mar	1
Apr	3
May	4
Jun	13
Grand Total	28

by Type and Month	Count
Dig Alert	20
2014	
Jul	2
Dec	2
2015	
Mar	1
Apr	2
Jun	13
Water Main Repair	6
2014	
Sep	1
Nov	1
2015	
Apr	1
May	3
Main Leak Report	2
2014	
Nov	1
2015	
May	1
Grand Total	28

EOCWD Hydrant Work

by Type	Count
Valve Exercise	14
Replace	1
Grand Total	15

By Type and Month	Count
Valve Exercise	5
7/3/2014 9:30	1
6/27/2014 23:40	1
9/14/2014 22:30	1
11/12/2014 8:24	1
11/12/2014 8:26	1
Grand Total	5

by Employee
Valve Exercise
mplummer
tcoston
Replace
mplummer
Grand Total



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

June 18, 2015

An Adjourned Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by WILLIAM VANDERWERFF, President of the Board of Directors, at 4:00 p.m. on Thursday, June 18, 2015, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, District Secretary, recorded the minutes of the meeting.

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

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel
JOSE DIAZ	City of Orange
ART VALENZUELA	City of Tustin
WILLIAM DUL	Resident
BILL EVEREST	Consultant
SANJAY GAUR	Raftelis Financial Consultants, Inc.

Water Rate Study – First Review Session. Ms. OHLUND provided an overview, noting that the District authorized a study of wholesale and retail rates and connection fees. She explained that in tonight's session the requirements and methodology would be reviewed.

SANJAY GAUR discussed the development of a financial plan, the use of annual rate increases versus drought surcharges, and the targeted amount to provide six months' operating plus one year of capital spending, including debt. Projected expenditures for the wholesale system were discussed; Ms. OHLUND listed the 6 MG reservoir roof and other items.

Mr. VALENZUELA discussed the financial the impact to Tustin. Ms. OHLUND said she would recommend that the budget be adopted at tonight's meeting, but that action on wholesale rates be deferred to July so that the retail agencies would have an opportunity to review the analysis and make comments.

Next Mr. GAUR discussed the retail financial planning process. Capital expenses of \$5 million have been identified by Carollo for 2016 – 2018, needed for reliability improvements. Mr. GAUR said EOCWD's cost increases are projected to be 3.5%, and the remainder of the projected increases are pass-through costs of MWDOC and OCWD. These can be handled by pass-through increases, which Ms. OHLUND noted the District had not traditionally done. He said for retail, the guideline would be ten months' operating plus one year of capital spending, including debt. He showed projections of future year reserves, with and without the drought effect. Mr. GAUR posed the policy question of whether the Board preferred reserves (stabilization) generated by a rate increase or a surcharge, or a combination of both.

Mr. GAUR concluded the session with a review of connection fee methodology. A buy-in approach would look at the net asset value of the system. He also described hybrid approaches. The connection fees would be allocated according to meter size ratios.

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 5:40 p.m., to the regular meeting.

Respectfully submitted,

Joan C. Arneson

DRAFT

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

June 18, 2015

1. Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by WILLIAM VANDERWERFF, President of the Board of Directors, at 5:40 p.m. on Thursday, June 18, 2015, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, Secretary, recorded the minutes of the meeting.

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

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel
JOSE DIAZ	City of Orange
ART VALENZUELA	City of Tustin
BILL EVEREST	Consultant

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 included a Yelp review commending services provided by Superintendent Mendzer and Distribution Operator Plummer, as well as an example of a Sedaru work report with data used to generate the General Manager's report.

ACTION TAKEN:

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

5. Minutes.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the minutes of the meetings of May 21 and May 29, 2015 were approved as submitted.

6. Operation, Management and Construction Matters.

A. Surplus Equipment and Material Declaration. Ms. OHLUND reported that a list of surplus items is periodically brought to the Board. Director BELL said the list was reviewed by the Committee and recommended approval.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the assets included in the list as presented were declared surplus and staff was directed to dispose of said items in an environmentally and fiscally responsible manner.

7. Financial Matters.

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$500,885.71 from Wholesale and Retail Operating Funds, \$3,324.09 for directors' payroll, and \$34,382.66 for employees' payroll.

B. Investment Activity. Schedules of investments were presented.

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

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

ACTION TAKEN:

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

D. 2015-16 Budgets. Ms. OHLUND reviewed the wholesale and retail budgets. She discussed the need for in-house engineering services and a new Distribution Operator I position to be allocated between the wholesale and retail systems. With regard to capital expenditures, she recommended budgeting for treatment plant preliminary design and CEQA, recognizing that the Carollo study is not yet complete. Director BELL said it was his view that these items should not be included before a presentation is made on the study and a decision is made. Other Directors were in favor of including the amounts, which could be left unspent or carried over if a decision to proceed with the plant is not made. Mr. EVEREST anticipated that a sufficient portion of the information should be available in July to allow the rates to be set.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution Nos. 755 and 756 were adopted, entitled: "Resolution of the Board of Directors of East Orange County Water District Adopting Operating Budget and Making Determination Relative To Appropriations Subject To Limitation For 2015/2016 Fiscal Year (Overall District)" and "Resolution of the Board of Directors of East Orange County Water District Adopting Operating Budget and Making Determination Relative To Appropriations Subject To Limitation For 2015/2016 Fiscal Year (Retail Zone)."

E. Uncollectible Accounts.ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the writeoff of uncollectible retail accounts and collection in accordance with adopted procedures was authorized.

8. Miscellaneous Matters.A. California Special Districts Association (CSDA) Election.ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, President VanderWerff was authorized to cast the District's vote for the CSDA Board Region 6 (Seat A) Representative.

B. Reports from Committees and Representatives to Organizations. None.C. Directors' Reports on Meetings Attended. None.D. Authorization of Conference Attendance.ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Directors DULEBOHN and EVERETT were authorized to attend the Desalination Plant Tour (Carlsbad, July 10) and all Directors were authorized to attend the July 29 MWDOC Policy Forum.

E. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND reported on LAFCO's public outreach session held at Foothill High School, and the anticipated schedule for LAFCO's consideration of the municipal services review and the sewer applications.

F. Water Demand Status Report. Ms. OHLUND noted that the reduction target was met in May, but with the cool weather in May, the June result will be more critical.

ACTION TAKEN:

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

G. Drought Response Report. Ms. OHLUND described outreach activity. President VanderWerff said he had received good feedback on the informal informational sessions.

ACTION TAKEN:

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

9. Informational Items.

A. General Interest Publications. Included were *NBC News* – “Tapping the Pacific: Desalination Will Make Ocean Drinkable;” *KCRA Sacramento* – “Israel offers drought-busting tips for California;” *Water Online* – “Is Water a Right, Commodity, or Service?”

10. Closed Session. President VANDERWERFF announced that the Board would meet in closed sessions listed in the agenda as follows: **(A)** conference with legal counsel – anticipated litigation – initiation of litigation pursuant to Government Code Section 54956.9(d)(4) and **(B)** conference with labor negotiators (Govt. Code §54957.6) – agency designated representatives: Directors Bell and VanderWerff – unrepresented employees: Operations & Maintenance Superintendent; Part-Time Office Assistant; Administrative Assistant; Distribution Operator I; Distribution Operator II.

OPEN SESSION

Open session was resumed, with all Directors present. No action was reported from the closed session.

Fiscal Year 2015-16 Compensation. Upon a motion duly made, seconded and carried unanimously, salary ranges as required by PERS and salary and merit increases effective July 1, 2015 were approved as follows:

Name	Current Annual Salary Range/ Proposed Salary Range	Current Annual Salary	Recommended Merit (Annual) Increase	Revised Salary	Annual Cost of Benefits	Total Annual Cost of Wage Increase plus Benefits Cost
Superintendent	\$81,540-\$110,088 \$82,763-\$111,739	\$81,539	\$4,892	\$86,431	\$35,716	\$122,147
Distribution Operator II	\$45,084-\$72,396 \$45,760-\$73,482	\$45,074	\$2,704	\$47,778	\$23,337	\$71,115
Distribution Operator II¹	\$45,084-\$72,396 \$45,760-\$73,482	\$50,500	\$3,030	\$53,530	\$29,121	\$82,651
Distribution Operator I²	\$39,203-\$62,953 \$39,792-\$63,897	N/A	N/A	N/A	N/A	N/A
Administrative Assistant³	\$55,008-\$74,268 \$55,833-\$75,382	57,762	\$4,043	\$61,805	\$30,532	\$92,337
Part-Time Office Assistant⁴	\$17.00-\$22.95/hr \$17.26-\$23.29/hr	N/A	N/A	N/A	N/A	N/A
Total Cost		\$234,875		\$252,473	\$118,706	\$368,251
Net Annual Cost Increase			\$14,670		\$7,074	\$21,744

11. **Adjournment.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 7:10 p.m., to Friday, May 29, 2015, at 8:00 a.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: CONSERVATION ORDINANCE ENFORCEMENT PROCEDURES
DATE: JULY 16, 2015

BACKGROUND

At the April 16, 2015 Board Meeting, the Board declared a Level 2 Water Supply Shortage under the District's Conservation Ordinance 2009-01 (attached); this action was taken in order to begin the District's efforts toward compliance with the State Water Resources Control Board's Emergency Drought Regulations.

Conservation Ordinance 2009-01 includes provisions (starting on Page 19 of the Ordinance) for assessing penalty charges against customers that fail to comply with the Ordinance. Failure to comply includes non-compliance with water conservation practices that are detailed in the Ordinance, and it also includes failure to meet a customer's water budget allocation during a billing period.

The penalties enumerated in Ordinance 2009-01 include:

- First Violation – Warning Letter – no fine.
- Second Violation - \$50/day fine for each day the Ordinance was violated (note that the First Violation is included as a day of violation).
- Third Violation - \$100/day fine for each day the Ordinance was violated (note that the First and Second Violations are included as days of violation).
- Fourth Violation - \$250/day fine for each day the Ordinance was violated (note that the First, Second and Third violations are included as days of violation).

Ordinance 2009-01 does not provide procedures for the assessment of the penalties authorized. Staff has developed the attached policy to provide guidance for this process. It should be noted that the procedures provide for some latitude on the General Manager's part in determining mitigating circumstances and reducing/eliminating a fine.

Customers do have a two-tier appeal process available to them that is spelled out in the Ordinance; the first tier appeal is to the General Manager. If they disagree with the General Manager's decision, they can appeal the General Manager's decision to the Board; the Board's decision is final.

We currently have 208 customers (17% of our 1,210 customers) that will be receiving a Notice of Violation for exceeding their April-June Billing Period water budget. The Notice of Violation will include a copy of the Conservation Ordinance and the Enforcement Procedures. Fines would be assessed and collected along with their next Water Bill; an example of a compliant bill is attached.

Financial Impact

There is no financial impact caused by this item per se; the collection of fines was authorized when the Conservation Ordinance was adopted in 2009.

Recommendation

The Board approve the proposed Conservation Ordinance Enforcement Procedures.



Policy: CONSERVATION ORDINANCE ENFORCEMENT PROCEDURES

Policy	These procedures will be used to implement Conservation Ordinance 2009-01 Section XIII, Non-Compliance Penalty Charges
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Definitions	<p>“Appeal and Hearing Process” means the process detailed in Conservation Ordinance 2009-01 that provides the Customer of Record an avenue to appeal any Notice of Non-Compliance issued to them.</p> <p>“Billing Period” means the duration of a billing cycle for the two-month billing period. Due to the difference in time between when the meter is read and when the bill goes out, billing periods can vary. Typically, Billing Periods are between 59 and 63 days. Billing Periods end on even numbered months: February, April, June, August, October and December.</p> <p>“Billing Unit” is equal to 100 cubic feet (1 CCF) of water, which is 748 gallons. Water use is measured in units of 100-cubic-feet and multiplied by applicable water usage rates for billing. Also known as a “Unit of Water.”</p> <p>“Board” means the elected Board of Directors of the East Orange County Water District.</p> <p>“Conservation Ordinance 2009-01” means the District’s Ordinance that provides for the short- and long-term methods for managing its water supplies.</p> <p>“Covered Pool or Covered Spa” refers to pools and/or spas that have a cover that minimizes evaporation.</p> <p>“Customer of Record” means the person, persons, firm, corporation, association or agency that owns the property and has entered into a Water Service Agreement or other contractual agreement with the District for water service or is the successor and/or assignee to a Water Service Agreement or such other contractual agreement; and/or the property tenant who is the Applicant in an Application for Water Service or Application for Temporary Water Service. The contractual agreement may include, but is not limited to, the Water Service Agreement, the Application for Water Service permit, the Application for Temporary Water Service permit, and a request for any of these received at the District by phone, mail or in person. The Customer and Customer of Record may or may not be one and the same. The Customer of Record is responsible for payment of all moneys owed on accounts for which the Customer of Record has entered into a contractual agreement.</p> <p>“Evapotranspiration (ET) Data” means the amount of water that is lost each day due to evaporation and plant transpiration (evapotranspiration or ET). EOCWD uses the National Weather Service’s Irvine weather station to obtain daily ET rates so that the water budget is higher in hot weather and lower in cool weather.</p>
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“General Manager” means the General Manager of the District or his/her authorized agent.

“Irrigated Area” means the amount of landscaped area on the Customer of Record’s Property that received regular watering. Pools and spas are also included in the irrigated area because they use approximately the same amount of water (due to evaporation and refilling) as a lawn does. The irrigated area was determined using the County Assessor parcel data and a thermographic image.

“Landscape Factor” means the specific amount of irrigation water required by each type of plant in a yard. The district default factor is 1.0 which is the amount of water required if all Irrigated Area was planted with grass. A mix of grass, trees, shrubs and groundcover (a typical yard) would require a .8 factor. Drought tolerant landscaping would be able to be irrigated using a .4 factor.

“Non-Compliance Penalties” means the charges related to non-compliance with Conservation Ordinance 2009-01. The penalties are: First violation – warning; Second Violation - \$50/per day; Third Violation - \$100/day; Fourth Violation - \$250/day.

“Non-Compliance Remedies” means those non-monetary penalties that may be imposed on a Customer of Record at the District’s discretion in order to achieve compliance with Conservation Ordinance 2009-01. These penalties may include flow restrictors, termination of service and/or filing of a misdemeanor complaint with the Orange County District Attorney’s Office.

“Notice of Non-Compliance” means the notice that is sent to the Customer of Record when the General Manager has determined that a violation of Conservation Ordinance 2009-01 has occurred.

“Outdoor Water Budget Formula” means the algorithmic formula used to calculate the Outdoor Water Budget: (Irrigated Area) x (ET) x (Landscape Factor) x (.62 [conversion from inches to gallons of water]/748. For example: 5,000 square feet of Irrigated Area, ET for May of 5.72 inches; $5,000 \times 5.72 \times 1.0 \times .62 = 17,732$ gallons or 24 Billing Units.

“Meter” means the District approved primary measuring device, owned by the District, which is used for the purpose of accurately recording the consumption of water at a property, properties or on a portion of a property.

“Tier 1- Indoor-Efficient Allocation” refers to the budget and usage allocation appearing on the Water Bill. The Indoor-Efficient Budget Allocation is calculated by multiplying the number of property occupants by 55 gallons per day and then further multiplying it by the number of days in the Billing Period. For example, 4 people in the household with a 60-day billing cycle would have 18 Billing Units of Indoor-Efficient Allocation ($4 \times 60 \times 55 = 13,200$ gallons/748 gallons per billing unit = 18 Billing Units).

The Indoor-Efficient Usage Allocation is the first quantity of water used in any Billing Period.

“Tier 2 – Outdoor – Efficient Allocation” refers to the budget and usage allocation appearing on the Water Bill. The Outdoor-Efficient Budget Allocation is calculated using an algorithm that includes the Irrigable Area of the Customer of Record’s property, the Daily Localized Weather Data for the Billing Period and the Landscape Factor.

“Tier 3 – Inefficient” refers to the usage allocation appearing on the Water Bill when the Indoor-Efficient and Outdoor-Efficient Budget Allocations are exceeded up to 150%.

“Tier 4 – Excessive” refers to the usage allocation appearing on the Water Bill when the Indoor-Efficient and Outdoor-Efficient Budget Allocations are exceeded by more than 150%.

“Water Waste” refers to uses of water that are limited or prohibited under the Ordinance because they exceed necessary or intended use and could reasonably be prevented, such as runoff from outdoor watering or water usage appearing in the Tier 3-Inefficient and Tier 4 – Excessive categories on the Water Bill.

Effective date	April 16, 2015
Who is affected	Retail Zone Water Customers
Rationale	These procedures, combined with the Conservation Ordinance, provide customers with a clear understanding of the methodology that will be used to determine how non-compliance fines will be calculated.
Background	The Conservation Ordinance authorizes the implementation of Non-Compliance Penalties for Customers of Record that fail to comply with the Ordinance requirements, however the Ordinance does not provide procedures on how the penalty charges will be determined.
Example of compliance	The Customer of Record’s Water Bill shows only Tier 1 Indoor-Efficient and Tier 2-Outdoor Efficient usage and no Tier 3-Inefficient and Tier 4-Excessive usage on their Water Bill. Compliance is also shown by not violating the Permanent, Level 1, Level 2 or Level 3 Mandatory Conservation Measures.

**Examples of a violation**

The Customer of Record's Water Bill shows a total water budget of 60 Billing Units (Tier 1 Indoor Efficient 18 Billing Units and Tier 2-Outdoor Efficient of 42 Billing Units) for a 60-day Billing Period. If their actual water usage for the Billing Period is 70 Billing Units, they would incur 10 Billing Units of Tier 3-Inefficient usage, a violation of the Ordinance. The Customer of Record would be subject to a warning for the first instance and no penalty assessed. If this was a second violation, they would be subject to a penalty charge of 2 days x \$50/day = \$100; a third violation would yield a penalty of 3 days x \$100/day = \$300. The Customer of Record would be sent a Notice of Non-Compliance by Certified Mail that includes the proposed fine at least ten (10) business days before taking enforcement action.

A non-Water Bill violation would include a non-covered pool or spa, overwatering of landscaping leading to run-off, or washing down hardscaped or paved areas. Each day of non-Water Bill violations are subject to penalty (after the initial warning) until evidence of compliance is provided to the District.

Mitigating Factors

The Customer of Record will have an opportunity to provide evidence of mitigating factors to the General Manager. Examples of mitigating factors are: 1) evidence that a leak occurred during the Billing Period but was quickly repair and usage reduced to try and mitigate the lost water; 2) evidence of others tampering with or causing a loss of water that was unknown to the Customer of Record; 3) the temporary or permanent housing of occupants in excess of the number of occupants recorded for the Customer of Record. The General Manager will use his/her discretion in weighing mitigating factors and reducing or eliminating penalties.

Appeal Process

A customer may appeal the Notice of Non-Compliance by filing with the District a written Notice of Appeal, stating the grounds for appeal and following the Appeal and Hearing Process detailed in Conservation Ordinance 2009-01

Billing

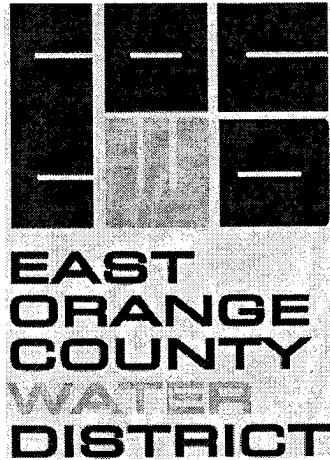
Non-Compliance fines will be billed on the next Water Bill following issuance of the fine; nonpayment of Non-Compliance fines will subject to the same remedies as nonpayment of the basic Water Bill.

Contact

EOCWD General Manager at (714) 538-5815

Related policies

Conservation Ordinance 2009-01; EOCWD Retail Zone Rules & Regulations for Water Service



2009 RETAIL ZONE WATER CONSERVATION PROGRAM ORDINANCE

June 2009

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ORDINANCE NO. 2009-01

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE EAST ORANGE COUNTY WATER DISTRICT ESTABLISHING A RETAIL ZONE WATER CONSERVATION PROGRAM

Section I. Title

**East Orange County Water District Water Retail Zone Conservation Ordinance
("Ordinance")**

Section II. Findings

1. **A reliable minimum supply of water is essential** to the public health, safety and welfare of the people and economy of Southern California.
2. **Southern California is a semi-arid region, largely dependent on imported water** supplies from Northern California and the Colorado River. Population growth, drought, climate change, environmental concerns, government policy changes, restrictions on pumping and other factors in our region, in other parts of the State and in the western U.S. make Southern California highly-susceptible to water supply reliability issues.
3. **Careful water management requires active conservation measures** not only in times of drought but at all times. It is essential to ensure a reliable minimum supply of water to meet current and future water supply needs.
4. **California Constitution Article X, Section 2** declares for the general welfare:
 - a. Water resources be put to beneficial use
 - b. Prevention of water waste and unreasonable water use or methods of water use
 - c. Full exercise of water conservation with a view to reasonable and beneficial water use

5. **California Water Code Section 375** authorizes water suppliers to adopt and enforce a comprehensive water conservation program to reduce water consumption and conserve supplies.
6. **California Water Code Section 31027** sets forth the public notification, public meeting and public hearing requirements for water providers proposing the establishment of a water conservation program, ordinance or resolution.
7. **California Water Code Sections 350, et. seq.,** sets forth the determination and notification procedures for water suppliers seeking to declare a water shortage or a water emergency.
8. **California Water Code Section 356** allows for the adoption of regulations and restrictions that include discontinuance of service as an enforcement option where a water shortage emergency condition has been declared.
9. **California Water Code Section 377** authorizes water suppliers to enforce a comprehensive water conservation program to reduce water consumption through establishment of non-compliance charges and other penalties, subject to advance notification to water users.
10. **Health and Safety Code Section 5471** authorizes the District to apply charges or fees to persons or entities that fail to comply with any provision of this Water Conservation Ordinance in order to recover administrative and enforcement costs due to non-compliance (including but not limited to notices, postings, hearings, shut offs, account management, data collection).
11. **California Water Code Section 370, et. seq.,** authorizes water suppliers to adopt water allocation programs for water users and allocation-based conservation water conservation pricing.
12. **California Water Code Sections 13550 and 13551** declare a statewide policy that the use of domestic water for irrigation purposes when reclaimed (recycled) water is available constitutes a waste or unreasonable use of water within the meaning of the State Constitution.
13. **The adoption and enforcement of a Water Conservation Ordinance is necessary to manage the District's water supply** short- and long-term and to minimize and/or avoid the effects of drought and water shortage within the District. Such a program is essential to ensure a reliable and sustainable minimum supply of water for public health, safety and welfare.
14. **The proposed Ordinance shall replace the District's Ordinance No 1991-1, adopted March 21, 1991.**

Section III. Declaration of Purpose and Intent

1. To minimize or avoid the effect and hardship of potential shortages of **water** to the greatest extent possible, this Ordinance establishes a Water Conservation Program for the Retail Zone designed to:
 - a. Reduce water consumption (demand) through conservation
 - b. Enable effective water supply planning
 - c. Assure reasonable and beneficial use of water
 - d. Prevent waste of water and maximize efficient use in the District
2. **The Ordinance establishes:**
 - a. **Permanent water conservation standards** designed to alter behaviors related to water-use efficiency during non-shortage conditions
 - b. **Three levels of potential response to escalating water supply shortages** which the East Orange County Water District Board may choose to implement during times of declared water shortage or water emergency. The three levels of response consist of increasing water use restrictions as a result of worsening drought conditions, emergencies, and/or decreasing supplies.

Section IV. Definitions

1. **General**
 - a. **"The District"** means East Orange County Water District.
 - b. **"The Board"** means the East Orange County Water District Board of Directors.
 - c. **"Retail Zone"** means that sub-portion of the District to which the District directly provides local and imported water supplies to residential and commercial customers.
 - d. **"Wholesale Zone"** means that sub-portion of the District to which the District provides imported water supplies to five retail entities: the City of Orange, the City of Tustin, the Irvine Ranch Water District, the Golden State Water Company and the Retail Zone of the East Orange County Water District.

- e. **"Person"** means any person or persons, corporation, public or private entity, governmental agency or institution, or any other user of water provided by the District.
- f. **"Water"** means water that is suitable for drinking.
- g. **"Water Waste"** refers to uses of water that are limited or prohibited under the Ordinance because they exceed necessary or intended use and could reasonably be prevented, such as runoff from outdoor watering.
- h. **"Billing Unit"** is equal to 100 cubic feet (1 CCF) of water, which is 748 gallons. Water use is measured in units of 100-cubic-feet and multiplied by applicable water usage rates for billing. Also known as a "Unit of Water."
- i. **"Undue Hardship"** is a unique circumstance in which a requirement of the Ordinance would result in a disproportionate impact on a water user or property upon which water is used compared to the impact on water users generally or similar properties or classes of water use.
- j. "Imported Water Supply" refers to the District's total imported water supply over a given period, e.g. calendar year 2004, 2005 and 2006 or as defined by the Metropolitan Water District of Southern California (Met).
- k. "User's Base Consumption" refers to the average amount of water used by an Person during the calendar year 2004, 2005 and 2006 or as defined by the District.
- l. "Covered Pool or Covered Spa" refers to pools and/or spas that have a cover that minimizes evaporation.

2. Irrigation

- a. **"Automatic Shut-Off Nozzle"** refers to a water-efficient nozzle for use with residential or commercial hoses that has a feature that must be pressed to start the flow or releasing the feature stops the flow of water. -
- b. **"Irrigation Controller"** is the part of an automated irrigation system that instructs the valves to open and close to start or stop the flow of water.
 - 1. **"Sensor-based irrigation controller"** operates based on input from a combination of sensors (rain, solar, soil moisture) installed in or around the landscaped area.
 - 2. **"Weather-based irrigation controller"** operates automatically based on evapo-transpiration rates and historic or real-time weather data.

- c. **"Irrigation System"** refers to a manual or automated watering system consisting of pipes, hoses, spray heads and/or sprinkler devices or valves. Also known as a "Landscape Irrigation System."
- d. **"Positive Shut-Off Valve"** refers to a water-efficient valve for residential or commercial hoses that users can quickly and positively start or stop the flow of water. A ball valve would satisfy this requirement.
- e. **"Valves"** refer to the part of an irrigation system that opens and closes manually or electronically to start or stop the flow of water.

3. Other

- a. **"Pre-Rinse Kitchen Spray Valves"** refer to highly water-efficient sprayers that commercial kitchens use to rinse dishes in the sink before washing and for other preliminary cleaning purposes.
- b. **"Single-Pass Cooling System"** refers to an air conditioning, refrigeration or other cooling system that removes heat by transferring it to a supply of clean water and dumping the water down the drain – after a single use. This type of cooling system is extremely water-inefficient compared to systems that re-circulate the water.

Section V. Application of Ordinance

1. **Ordinance provisions apply to any person or entity using water provided by the District.** This includes individuals, persons, corporations, public or private entities, governmental agencies or institutions, or any other users of District water.
2. **The provisions of the Ordinance may not apply to the following:**
 - a. **Water use necessary to protect public health and safety** or for essential government services, such as police, fire and similar services.
 - b. **Recycled water use for irrigation.** Use of recycled water requires a permit that has specific use restrictions, many of which focus on water efficiency. Given such permits and the interest in promoting the use of recycled water as a means to preserve, recycled water is exempt from all requirements of this Ordinance.
 - c. **Water used by commercial nurseries and growers** to sustain plants, trees, shrubs, crops or other vegetation intended for commercial sale.
3. **This Ordinance is intended solely to further the conservation of water.** It is not intended to implement any provision of federal, state or local statutes, ordinances or regulations relating to protection of water quality or control of

drainage or runoff. Refer to the local jurisdiction or Regional Water Quality Control Board for information on storm water ordinances or management plans.

Section VI: Permanent Mandatory Water Conservation Measures

The following Permanent Mandatory Water Conservation Measures are in effect at all times, whether or not there is a water supply shortage or emergency.

1. General Restrictions – Residential, Commercial and Public Customers

a. Limits on Watering Duration

1. **Watering or irrigating with a device or system that is not continuously attended is limited to no more than 10 minutes per valve, per day.**
2. This applies to lawns, landscaping and all other vegetated areas.
3. The following irrigation systems are **exempt**:
 - a. Low-flow drip-type systems that will achieve the conservation goals of this Ordinance.
 - b. Systems equipped with weather-based controllers or stream-rotor sprinklers that meet a 70% efficiency standard
- b. **No Excessive Water Flow or Runoff:** It is prohibited to water lawns, landscaping and vegetated areas in a manner that causes or allows excessive water flow or runoff onto an adjoining sidewalk, driveway, street, alley, gutter or ditch.

c. Automatic Rain Shut-Off for Automated Irrigation Systems

1. **New residential** automated irrigation systems must be equipped with:
 - a. Rain sensors that shut off the system when it rains, **or**
 - b. Smart controllers or evapo-transpiration sensors that use weather-based data to set efficient watering schedules
2. *As of July 1, 2010,* **new and existing** automated irrigation systems connected to dedicated irrigation meters must be equipped with:
 - a. Rain sensors that shut off the system when it rains, **or**
 - b. Smart controllers or evapo-transpiration sensors that use weather-based data to set efficient watering schedules

d. Obligation to Fix Leaks, Breaks or Malfunctions in lines, fixtures or facilities

1. Excessive use, loss or escape of water through breaks, leaks or malfunctions in the water user's plumbing or distribution system:
 - a. Is prohibited for any period of time after such water waste should have reasonably been discovered and corrected
 - b. Must be immediately shut-off upon District notification, unless Undue Hardship occurs
 - c. Must be corrected within **no more than three (3) days of District notification**
- e. **No Hosing or Washing Down Hard or Paved Surfaces**
 1. It is prohibited to hose or wash down hard or paved surfaces, such as sidewalks, walkways, driveways, parking areas, tennis courts, patios or alleys.
 2. When it is necessary hose or wash down hard or paved surfaces to alleviate safety or sanitary hazards, the following may be used:
 - a. Hand-held bucket or similar container
 - b. Hand-held hose equipped with a positive shut-off valve.
 - c. Low-volume high-pressure cleaning machine or "water broom"
- f. **No Hosing or Washing Down Vehicles**
 1. It is prohibited to use water to hose or wash down a motorized or non-motorized vehicle, including but not limited to automobiles, trucks, vans, buses, motorcycles, boats or trailers.
 2. The following are **exempt** from this restriction:
 - a. Use of a hand-held bucket or similar container
 - b. Use of a hand-held hose equipped with a positive shut-off valve
 - c. Commercial car washing facility
- g. **Re-Circulating Decorative Water Fountains and Features:** *Effective January 1, 2011*, all decorative water fountains and water features must re-circulate water -- or users must secure a waiver from the District.
- h. **Unauthorized Use of Fire Hydrants Prohibited**
 1. No person may use water from any fire hydrant for any purpose other than fire suppression or emergency aid without first:
 - a. Requesting and posting the appropriate fees at the District.

- b. Obtaining a hydrant meter to record all water consumption for a specified project. Absent a meter, water theft and meter tampering fees will be applied as appropriate.

2. Commercial Food-Serving & Lodging Requirements

- a. **Water Served Only Upon Request.** Eating or drinking establishments, including but not limited to restaurants, hotels, cafes, bars or other public places where food or drinks are sold, or served or offered for sale, are prohibited from providing drinking water to any person unless requested.
- b. **Option Not To Have Towels/Linens Laundered.** Hotels, motels and other commercial lodging establishments must provide guests the option of not having their used towels and linens laundered. Lodging establishments must prominently display notice of this option in each room and/or bathroom, using clear and easily understood language.

3. Commercial Kitchen Requirements

- a. **Water-Efficient Pre-Rinse Kitchen Spray Valves.** Food preparation establishments, such as restaurants, cafes and hotels, are prohibited from using non-water efficient kitchen spray valves, as follows:
 - 1. **New** kitchen spray valves must use 1.6 gallons or less per minute.
 - 2. *Effective January 1, 2010, **existing** kitchen spray valves must be retrofitted to models using 1.6 gallons of water or less per minute.*
- b. **Best-Available Water-Conserving Technology.** All water-using equipment in new or remodeled commercial kitchens must use the best-available, water-conserving technology, for example, technologies cited on the California Urban Water Conservation Council (CUWCC) website.
- c. **No Defrosting With Water.** Defrosting food with running water is prohibited.
- d. **Scoop Sinks.** Scoop sinks shall be set at minimum water flow at all times of use and shut off during non-working hours.
- e. **Automatic Shut-Off Nozzles.** When hosing or washing kitchen or garbage areas or other areas for sanitary reasons as required by the Health Dept., hoses shall be equipped with positive shut-off valve.

4. Commercial Water Recirculation Requirements

- a. **Car Wash and Laundry System Requirements:** All new commercial car-wash and laundry facilities and systems must re-circulate the wash water -- or secure a waiver of this requirement from the District.
- b. **No Single-Pass Cooling Systems:** Buildings requesting new water service or being remodeled are prohibited from installing single-pass systems.

5. Construction Site Requirements

- a. **Recycled or non-potable water** must be used, when available.
 - b. **No water may be used for soil compaction or dust control** where there is a reasonably-available source of recycled or non-potable water approved by the Dept. of Public Health and appropriate for such use.
 - c. **Water hoses shall be equipped with automatic shut-off valves**, given such devices are available for the size and type of hoses in use.
6. **Indiscriminate Water Use.** Upon notice by the District, persons shall cease to cause or permit the indiscriminate use of water not otherwise prohibited above which is wasteful and without reasonable purpose.
7. **Public Health and Safety.** These regulations shall not be construed to limit water use which is immediately necessary to protect public health and/or safety.

Section VII: Level 1 Water Supply Shortage (Water Alert) *11% to 20% shortage in imported water supplied to the District and/or 11% to 20% reduction needed in consumer demand*

1. Level 1 Water Supply Shortage

- a. A Level 1 Water Supply Shortage exists when the District Board of Directors, at its sole discretion, determines that **a reduction in consumer demand is necessary** due to drought or water supply cutbacks in order to make more efficient use of water and appropriately respond to existing water conditions.
- b. The type of event that may prompt the Board to declare a Level 1 Water Supply Shortage could include, among other factors, a finding that its **wholesale water provider has reduced allocations to the District from 11% to 20% of the District's Imported Water Supply.** At this water allocation level, the District could experience a **shortage in supplies between 11% to 20%.**

2. **Mandatory Permanent Water Conservation Measures** identified in Section VI **remain in effect.**
3. **Level 1 Water Conservation Measures take effect** upon declaring a Level 1 Water Supply Shortage and apply for the duration of the shortage:

a. **Limits on Watering Days**

1. No more than **three (3) days per week from April – October** and no more than **two (2) days per week from November – March.** This applies to lawns, landscaping and all other vegetated areas. The District will establish and post the new watering schedules.
2. The following are **exempt** from these restrictions:
 - a. Watering with a hand-held bucket or similar container.
 - b. Watering with a hand-held hose equipped with a positive shut-off valve.
 - c. Irrigation systems that exclusively use low-flow drip type systems that will achieve the conservation goals of this Section.
 - d. Fruit trees and vegetable gardens, providing steps are taken to meet the conservation goals of this Section.
4. **Other Prohibited Uses:** The District may implement other prohibited water uses as deemed necessary, after notice to customers.

Section VIII: Level 2 Water Supply Shortage (Water Supply Warning) 21% to 30% shortage in imported water supplied to the District and/or 21%- 30% reduction needed in consumer demand

1. Level 2 Water Supply Shortage

- a. A Level 2 Water Supply Shortage exists when the District Board of Directors, at its sole discretion, determines that **an additional reduction in consumer demand is necessary** due to drought or water supply cutbacks in order to make more efficient use of water and appropriately respond to water conditions.
- b. The type of event that may prompt the Board to declare a Level 1 Water Supply Shortage could include, among other factors, a finding that its **wholesale water provider has reduced allocations to the District by up to 30% of the District's Imported Water Supply.** At this water allocation level, the District could experience a **shortage in supplies of 21% to 30%.**
2. The following **mandatory water conservation measures remain in effect** during a Level 2 Water Supply Shortage:

- a. **Permanent Water Conservation Measures** identified in Section VI
 - b. **Level 1 Water Conservation Measures** identified in Section VII
3. The following **water conservation measures take effect** upon declaration of a Level 2 Water Supply Shortage and apply for the duration of the Shortage:
- a. **Additional Limits on Watering Days**
 - 1. Watering lawns, landscaping and other vegetated areas is limited to **no more than two (2) days per week from April – October**. This is one (1) day less than required during a Level 1 Water Shortage. The number of watering days permitted from November – March will be no more than one (1) day per week.
 - 2. The District will establish and post the new watering schedule.
 - b. **Shorter Timeframe to Fix Leaks, Breaks or Malfunctions** in water users' pipelines, fixtures or facilities.
 - 1. Excessive use, loss or escape of water through breaks, leaks or other malfunctions in the water user's plumbing or distribution system must be **fixed in no more than two (2) days following notification from the District** – unless other arrangements are made with the District.
 - 2. This shorter timeframe is one (1) day less than required under Permanent Water Conservation Measures, Section VI.
 - c. **No Filling or Refilling Ornamental Lakes and Ponds**
 - 1. Filling or refilling ornamental lakes and ponds is prohibited.
 - 2. **Exempt** are ornamental lakes and ponds that sustain aquatic life -- provided such life is of significant value and was actively managed in the water feature prior to declaring the shortage.
 - d. **No Filling or Refilling Residential Pools or Spas**
 - 1. Filling or refilling uncovered residential swimming pools or uncovered outdoor spas is prohibited. Refilling of covered pools and/or outdoor spas of up to one (1) foot of water per week is allowed.
 - 2. **Exempt** are individuals who, due to health reasons or medical conditions, find it necessary to fill or refill their pools or spas. Persons desiring to claim such exemption shall apply for a Hardship Waiver under the provisions contained in Section XII.

- e. **No Hosing or Washing Down Vehicles:** It is prohibited to use water to hose or wash down a motorized or non-motorized vehicle, including but not limited to automobiles, trucks, vans, buses, motorcycles, boats or trailers. The only exemption from this restriction is washing vehicles at a commercial car washing facility that recycles its wash water.
- 4. **Other Prohibited Uses:** The District may implement other prohibited water uses as deemed necessary, following notification of customers.
- 5. **Optional Water Conservation Programs**
 - a. The District Board of Directors, at its sole discretion, may establish Optional Water Conservation Programs, during a **Level 2** Water Supply Shortage and/or during a **Level 3** Water Shortage Emergency.
 - b. If any of the following Optional Water Conservation Programs is established, **public notification** will precede program implementation.
 - c. **Water Allocation or Water Budget Program**
 - 1. The District Board of Directors, at its sole discretion, may establish water allocations or water budgets for properties served by the District -- using a method that does not penalize persons for either the implementation of the conservation method or installation of water-saving devices and includes the User's Base Consumption.
 - 2. Following the effective date of a water allocation or budget program, any person using water in excess of the allocation or budget will be subject to a penalty as determined by the District rate schedule.
 - 3. The penalty for excess water use will be cumulative to any other remedy or penalty imposed for violation of this Ordinance.
 - d. **Increased Water Usage Rates:** The District Board of Directors, at its sole discretion, may increase water usage rates, , by an amount deemed necessary, as determined by the District's rate schedule.
 - e. **Percentage-Use Reduction for Commercial Customer:** The District Board of Directors, at its sole discretion, may require commercial customers to reduce water use by a certain percentage, as determined by the District.

Section IX. Level 3 Water Shortage (Water Emergency) 31% to 40% shortage in imported water supplied to the District and/or 31% to 40% reduction needed in consumer demand

1. Level 3 Water Supply Shortage Emergency

- a. A Level 3 Water Supply Shortage exists when the District Board of Directors, at its sole discretion, determines that **a further additional reduction in consumer demand is necessary** due to drought or water supply cutbacks in order to make more efficient use of water and appropriately respond to existing water conditions.
- b. The type of event that may prompt the Board to declare a Level 3 Water Supply Shortage could include, among other factors, a finding that its **wholesale water provider has reduced allocations to the District by up to 40% of the District's Imported Water Supply**. At this water allocation level, the District could experience a **shortage in supplies of up to 40%**.

2. The following mandatory water conservation measures remain in effect:

- a. **Permanent Water Conservation Measures** identified in Section VI
- b. **Level 1 Water Conservation Measures** identified in Section VII
- c. **Level 2 Water Conservation Measures** identified in Section VIII

3. The following mandatory water conservation measures take effect upon declaring a Level 3 Water Emergency and apply for the duration of the Emergency:

a. Additional Limits on Watering Days

1. Watering lawns, landscaping and other vegetated areas is limited to **no more than two (2) days per week from April – October**. This is one (1) day less than required during a Level 1 Water Shortage. The number of watering days permitted from November – March remains the same at no more than one (1) day per week.
2. The District will establish and post the new watering schedule.
3. **Exempt** from this restriction are the following:
 - a. Public works projects and actively-irrigated environmental mitigation projects
 - b. Maintenance of vegetation, trees and shrubs using (subject to hour restrictions in Section VII.4.a):
 1. A hand-held bucket or similar container
 2. A hand-held hose equipped with a positive shut-off valve.

3. Irrigation systems that exclusively use low-flow drip type systems that will achieve the conservation goals of this Section.

- c. Maintenance of (subject to hour restrictions, Section VIII.4.a):
 1. Existing landscaping necessary for fire protection and/or soil erosion control
 2. Plant materials identified as rare or essential to the well being of endangered/rare species
 3. Fruit trees and vegetable gardens provided steps are taken to meet the conservation goals of this Section.

- b. **Shorter Timeframe to Fix Leaks, Breaks or Malfunctions** in pipelines, fixtures or facilities.

1. Excessive use, loss or escape of water through breaks, leaks or malfunctions in the water user's plumbing or distribution system must be fixed in **no more than one (1) day** following District notification – unless other arrangements are made with the District. The timeframe is one (1) day less than for Level 2.

c. **No New Water Service**

1. During a Level 3 Water Emergency, the **District will not provide:**

- a. New water service
- b. New water meters (temporary or permanent)
- c. Will-serve letters

2. The District will **only issue** will-serve letters in the following cases:

- a. Projects necessary to protect public health, safety & welfare
- b. Projects that have a valid, unexpired city or county building permit
- c. Projects in which applicants can provide -- to the satisfaction of the District -- substantial evidence of an enforceable commitment that water demands will be offset prior to the provision of a new water meter(s)

3. This prohibition **does not preclude** resetting or turning-on meters to restore or continue water service interrupted for one year or less.

4. **Discontinue Service:** Per Water Code Section 356,¹ the District, in its sole discretion, may discontinue service to customers who willfully violate Section IX provisions.

¹ Water Code Section 356 allows for the adoption of regulations and restrictions that include discontinuance of service as an enforcement option where a water shortage emergency condition has been declared.

5. **Other Prohibited Uses:** The District may implement other prohibited water uses as deemed necessary, following notification of customers

Section X. Other Provisions

1. Customer Water Conservation Plans:

- a. **Customers with high annual water usage.** During Level 1, Level 2 or Level 3 Water Shortages or Emergencies, the District Board of Directors, at its sole discretion and by written request, may require residential, commercial and/or public customers using **five thousand (5,000) or more billing units per year** to submit a Water Conservation Plan to the District and to submit quarterly progress reports on such plan. The conservation plan must make recommendations for increased water savings, including increased use of recycled water based on feasibility. Quarterly progress reports must include status on implementation of recommendations.

Section XI. Declaration & Notification of Water Shortages/Emergencies

1. **Declaration of Level 1 & Level 2 Water Shortages:** The District Board of Directors may declare a Level 1 or Level 2 Water Shortage and adopt a water shortage resolution at a regular or special public meeting in accordance with State law. Thereafter, penalties and violations under Section XIII.1 shall apply.
2. **Declaration of Level 3 Water Shortage Emergency:** The District Board of Directors may declare a Level 3 Water Shortage Emergency in accordance with the procedures specified in Water Code Sections 351 and 352. Thereafter, penalties and violations under Section XIII.2 shall apply.
3. **Notification of Declared Water Shortages and Emergencies**
 - a. The District must publish a copy of the water shortage/emergency resolution in a newspaper used for the publication of official notices within the jurisdiction of the District within **ten (10) business days** of the date that the shortage level is declared.
 - b. Additional mandatory conservation requirements will take effect on the **fifteenth (15) business day** after the date that the shortage level is declared
4. **Notification of Declared Water Allocation or Water Budget Program**
 - a. If the District Board of Directors, at its sole discretion, establishes a water allocation or water budget program **during a Level 2 Water Shortage or Level 3 Water Emergency:**

1. The District will provide **notice of the program** to customers via U.S. mail, other mailings in which the District customarily sends billing statements, and/or e-mail outreach and/or automated calling.
2. The program will take effect on the date of the notification mailing or at such later date as specified in the notice.

Section XII. Hardship Waiver

1. **Undue and Disproportionate Hardship:** If, due to unique circumstances, a specific requirement of the Ordinance would result in undue hardship to a person using water or to property upon which water is used, that is disproportionate to the impacts to water users generally or to similar property or classes of water users, then the person may apply for a waiver to the requirements as provided in this section.
2. **Written Finding:** The waiver may be granted or conditionally granted only upon a written finding of the existence of facts demonstrating an undue hardship.
 - a. **Application for a Waiver:** Application for a waiver must be on a form prescribed by the District and accompanied by a non-refundable processing fee in an amount set by the District.
 - b. **Supporting Documentation:** The application must be accompanied by photographs, maps, drawings, and other information, including a written statement of the applicant.
 - c. **Required Findings for Waiver:** Based on the information and supporting documents provided in the application, additional information provided as requested, and water use information for the property as shown by the records of the District, the District **General Manager** in making the waiver determination will take into consideration the following:
 1. That the waiver does not constitute a grant of special privilege inconsistent with the limitations upon other residents and businesses;
 2. That because of special circumstances applicable to the property or its use, the strict application of this Ordinance would have a disproportionate impact on the property or use that exceeds the impacts to residents and businesses generally;
 3. That the authorizing of such waiver will not be of substantial detriment to adjacent properties, and will not materially affect the ability of the District to effectuate the purpose of this Ordinance and will not be detrimental to the public interest; and

4. That the condition or situation of the subject property or the intended use of the property for which the waiver is sought is not common, recurrent or general in nature.

d. **Approval Authority**

1. The District General Manager or his designee(s) must act upon any completed **Application for a Waiver** no later than ten (10) business days after receipt by the District.
2. The General **Manager or his designee(s) may approve, conditionally approve, or deny the waiver** and the decision will be final.
3. The applicant requesting the waiver must be promptly notified in writing of any action taken. Unless specified otherwise, at the time a waiver is approved, it will apply to the subject property for the duration of the water supply shortage or emergency.

Section XIII: Non-Compliance Charges and Penalties

1. **Non-Compliance with Permanent, Level 1 & Level 2 Mandatory Conservation**

- a. The following will apply to persons or entities that fail to comply with any provision of the Ordinance for Permanent, Level 1 and Level 2 mandatory water conservation measures.
 1. **First Instance of Non-Compliance:** The District will issue a **written warning** and send it and a copy of the Ordinance by mail
 2. **Second Instance of Non-Compliance:** A second instance of non-compliance with the Ordinance within the preceding twelve (12) calendar months is punishable by a non-compliance charge not to exceed **fifty dollars (\$50)**.
 3. **Third Instance of Non-Compliance:** A third instance of non-compliance with the Ordinance within the preceding twelve (12) calendar months is punishable by a non-compliance charge not to exceed **one hundred dollars(\$100)**
 4. **Fourth and Subsequent Instances of Non-Compliance:** A fourth or any subsequent instance of non-compliance with this Ordinance is punishable by a non-compliance charge not to exceed **two hundred fifty dollars (\$250)**.

- b. **Misdemeanor:** Pursuant to water Code Section 377, any instance of non-compliance with the Ordinance may be prosecuted as a misdemeanor punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding one thousand dollars (\$1,000) or by both.
- c. **Separate Offenses:** Each day that a person or entity is non-compliant with the Ordinance is a separate offense after the initial citation is issued.

2. **Non-Compliance with Level 3 Mandatory Conservation Measures**

- a. **Non-Compliance Charges:** The following will apply to persons or entities failing to comply with any provision of the Ordinance for Level 3 mandatory water conservation measures:
 - 1. **First Instance of Non-Compliance:** The District will issue a **written warning** and send it and a copy of the Ordinance by mail.
 - 2. **Second Instance of Non-Compliance:** A second instance of non-compliance with the Ordinance within the preceding twelve (12) calendar months is punishable by a non-compliance charge not to exceed **two hundred and fifty dollars (\$250)**.
 - 3. **Third Instance of Non-Compliance:** A third instance of non-compliance with the Ordinance within the preceding twelve (12) calendar months is punishable by a non-compliance charge not to exceed **five hundred dollars (\$500)**.
- b. **Water Flow Restrictor and/or Termination of Service**
 - 1. **Water Flow Restrictor Device.** In addition to any non-compliance charges, the District may install a water flow restrictor device. If the District determines to install a water flow restrictor, installation of the flow restrictor would follow written notice of intent to the customer and would be in place for a minimum of forty eight (48) hours.
 - 2. **Termination of Service:** In addition to any non-compliance charges and the installation of a water flow restrictor, the District may disconnect and/or terminate a customer's water service, pursuant to Water Code Section 356.
 - 3. **Costs for Water Flow Restrictors and Service Disconnection**
 - a. A person or entity in non-compliance with this Ordinance is responsible for payment of the District's charges for installing and/or removing any flow restricting device and for disconnecting and/or reconnecting service per the District's schedule of charges then in effect.

- b. The charge for installing and/or removing any flow restricting device must be paid to the District before the device is removed.
 - c. Nonpayment will be subject to the same remedies as nonpayment of basic water rate
- c. **Misdemeanor:** Pursuant to Water Code Section 377, any instance of non-compliance with the Ordinance may be prosecuted as a misdemeanor punishable by imprisonment in the county jail for not more than thirty (30) days or by a fine not exceeding one thousand dollars (\$1,000) or by both.
- 3. **Separate Offenses:** Each day that a person or entity is non-compliant with the Ordinance is a separate offense.

4. **Notice of Non-Compliance/ Appeal and Hearing Process**

- a. The District will issue a **Notice of Non-Compliance** by mail or personal delivery at least ten (10) business days before taking enforcement action. The notice will describe the violation and the date by which corrective action must be taken.
- b. **A customer may appeal the Notice of Non-Compliance** by filing a written Notice of Appeal with the District no later than the close of business on the day before the date scheduled for enforcement action. A customer appeal shall state the grounds for the appeal.
 - 1. **Any Notice of Non-Compliance not timely appealed will be final.**
 - 2. Upon receipt of a timely appeal, **the District will schedule a hearing on the appeal** and mail written notice of the hearing date to the customer at least ten (10) business days before the hearing.
 - 3. The District General Manager or his designee(s) will hear the appeal and issue a written **Notification of Decision** within ten (10) days of the hearing.
- c. **A customer may appeal a Hearing Determination** to the District Board of Directors by written request for a hearing within ten business (10) days after the certified date of delivery or date of first class mailing of the Notification of Decision. The request shall state the grounds for appeal. At a public meeting, the Board **shall review the appeal** and, at its sole discretion, may affirm, reverse or modify the Hearing Determination. **The decision of the Board is final.**

- d. Pending receipt of a written appeal or pending a hearing pursuant to an appeal, the District **may take appropriate steps to prevent the unauthorized use of water** given the nature and extent of the violations and the current declared water shortage level condition, including restricting the level of water use until the appeal is heard.

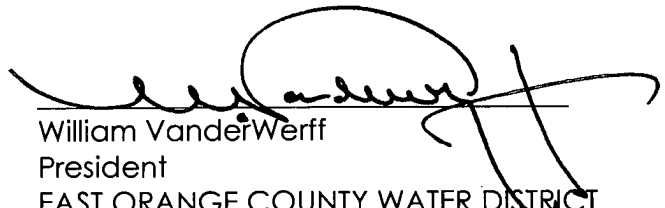
Section XIV: Severability: If any section, subsection, sentence, clause or phrase in this Ordinance is for any reason held invalid, the validity of the remainder of the Ordinance will not be affected. The District Board of Directors hereby declares it would have passed this Ordinance and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases thereof is declared invalid.

Section XV: Repeal of Ordinance No. 1991-1: Ordinance No. 1991-1 is hereby repealed in its entirety.

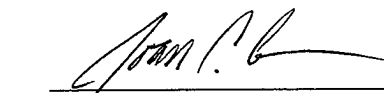
Section XVI: Effective Date: This Ordinance shall take effect 30 days after its passage. The Secretary shall certify to the passage and adoption of this Ordinance and shall cause the same to be published according to law.

THE FOREGOING ORDINANCE was introduced at a meeting of the board of Directors of EOCWD held on April 16, 2009, following a public hearing, notice of which was published on April 3 and April 10, 2009.

PASSED AND ADOPTED by the Board of Directors of the East Orange County Water District at a regular meeting held on the 18th day of June, 2009.



William VanderWerff
President
EAST ORANGE COUNTY WATER DISTRICT
and the Board of Directors
thereof



Joan C. Arneson
Secretary
EAST ORANGE COUNTY WATER DISTRICT
and 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 Ordinance No. 2009-01 was
duly adopted by the Board of Directors of said District at a Regular Meeting of said District
held on June 18, 2009, and that it was so adopted by the following vote:

AYES: BARRETT, BELL, CHAPMAN, DULEBOHN, VANDERWERFF

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE



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 EAST ORANGE COUNTY WATER DISTRICT,
do hereby certify that the above and foregoing is a full, true and correct copy of Ordinance
No. 2009-01 of the Board of Directors of the EAST ORANGE COUNTY WATER DISTRICT and
that the same has not been amended or repealed.

Dated: August 20, 2009.



Secretary
EAST ORANGE COUNTY WATER DISTRICT



EAST ORANGE COUNTY WATER DISTRICT

185 North Mc Pherson Rd. Orange, CA 92869

For Customer Service call 714.538.5815

or visit us at www.eocwd.com

ACCOUNT INFORMATION

STATEMENT DATE: 04/15/2015
ACCOUNT NUMBER:
SERVICE ID NUMBER:
METER NUMBER:
METER SIZE: 3/4" METER

OCCUPANCY: 4.0
IRRIG. AREA (SQ. FT.): 9254
VARIANCE:
IRRIGATION TYPE: RESIDENTIAL

FOR SERVICE AT: PANORAMA PLACE , SANTA ANA

ACCOUNT SUMMARY

PREVIOUS BALANCE	169.11
LATE FEE	0.00
MISCELLANEOUS	0.00
PAYMENTS RECEIVED	-400.00
ADJUSTMENTS/DEPOSIT APPLIED	0.00
BALANCE FORWARD	-230.89
CURRENT CHARGES	257.22
TOTAL DUE	26.33

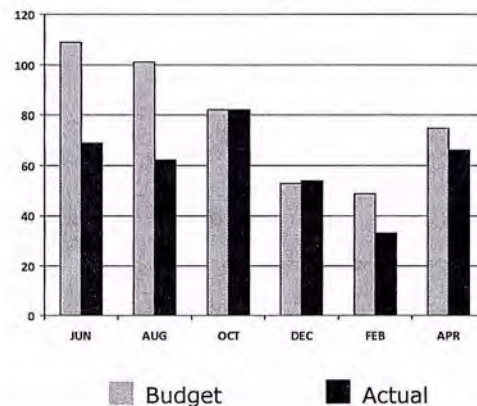
TWO MONTH'S USAGE

SERVICE PERIOD	METER READ
02/13/2015	8772
04/17/2015	8838

USAGE IN 100 CUBIC FEET (CCF) 66

1 CCF (100 CU. FT.)=748 Gallons

WATER BUDGET/USAGE



TWO MONTH'S CHARGES

	BUDGET/CCF	USAGE/CCF	
TIER 1 - INDOOR - EFFICIENT	19	19@ 2.67	50.73
TIER 2 - OUTDOOR - EFFICIENT	56	47@ 2.67	125.49
TIER 3 - INEFFICIENT		@ 0.00	0.00
TIER 4 - EXCESSIVE		@ 0.00	0.00
TOTAL USAGE			176.22
METER CHARGE:			41.00
CAPITAL PROJECT:			40.00
TOTAL CURRENT CHARGES			257.22



Important Notice for Customers

We're in this together!
What have you done today to save water?

COMPARE YOUR USAGE WITH LAST YEAR DAILY AVERAGE

	DAYS	USAGE (CCF)	(CCF)	(GALLONS)
CURRENT BILL	63	66	1.05	784
LAST YEAR	61	49	0.80	601

PLEASE RETURN THIS PORTION WITH PAYMENT

EAST ORANGE COUNTY WATER DISTRICT

185 N. MC PHERSON RD.

ORANGE, CA 92869-3720

MAKE CHECK PAYABLE TO EOCWD

DUE ON	TOTAL ACCOUNT BALANCE	AMOUNT PAID
05/26/2015	26.33	

ACCOUNT NUMBER:
SERVICE ID NUMBER:
SERVICE ADDRESS: PANORAMA PLACE
SANTA ANA



PANORAMA PLACE
SANTA ANA , CA 92705

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: ADOPTION OF STRATEGIC PLAN
DATE: JULY 16, 2015

Background

At the June 9, 2015 Special Meeting, the Board reviewed the draft Strategic Plan with Mr. Ed Means of Means Consulting, LLC.

Based upon that review and discussion, several changes were made to the draft Strategic Plan:

1. Goal 1, Strategy 1 was revised to add a fourth objective: "Operate the system using cost-effective principles."
2. Goal 1, Strategy 4 was revised to: "Conduct planning to ensure reliable and high quality water supply and implement appropriate policies and infrastructure."
3. Goal 1, Strategy 4, Objective 2 was revised to: "Participate in and review the MWDOC Orange County Water Reliability Study."
4. Goal 3, Strategy 1, Objective 5 was revised to: "Interact with representatives in Sacramento."
5. Goal 3, Strategy 2 was revised to: "Streamline Board/Committee deliberations while increasing communication."
6. Goal 3, Strategy 2, Objective 1 was revised to: "Evaluate the board /committee meeting process and identify opportunities to streamline and increase communication with all board members."

The attached final version incorporates these changes and is presented to the Board for review and adoption. Upon adoption, staff will circulate a printed version for board members to sign.

Following adoption, staff will return with a proposed schedule for addressing the Goals as well as a proposed reporting mechanism.

Financial Impact

No direct financial impact, however the policies adopted herein may lead to specific projects and services that will affect future operating and capital financial plans.

Recommendation

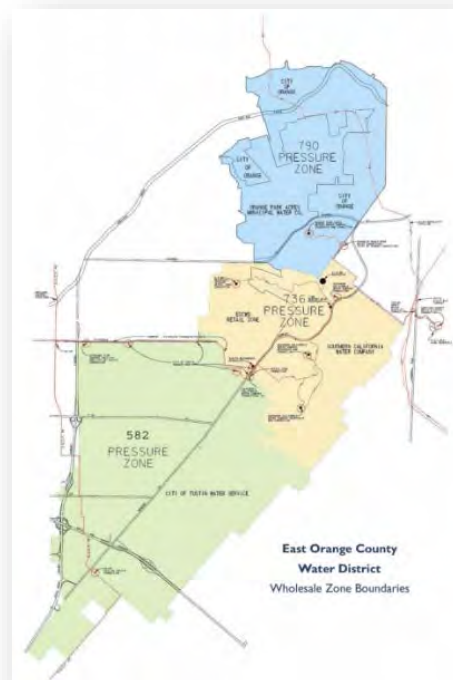
The Board adopt the Strategic Plan and direct staff to proceed with plans for its implementation.

2015 FIVE-YEAR STRATEGIC PLAN

Message from the Board

Welcome to the East Orange County Water District's (EOCWD) 5-Year Strategic Plan. This document is a blueprint for how EOCWD will respond to current challenges and make the best of future opportunities for the benefit of our customers. It confirms our mission and goals as a public agency dedicated to providing high quality water service to the more than 100,000 residents in the EOCWD service area. It outlines the specific goals, strategies, and objectives we will pursue to move us from where we are to where we want to be.

EOCWD is a locally governed, public wholesale and retail water district formed in 1961 encompassing an area of approximately 100,000 acres. It is a member of the Municipal Water District of Orange County, which is a member of the Metropolitan Water District and therefore entitled to receive Colorado River and Northern California imported water. This treated imported water is delivered to the City of Tustin, a portion of the City of Orange and the adjoining unincorporated communities of North Tustin, Lemon Heights, Cowan Heights, Orange Park Acres and Panorama Heights. In addition, in July of 1985, the District assumed the operations of Orange County Water Works District # 8 and became a retail water provider.



The EOCWD Board of Directors and staff are charting a course for continued success in the future through the development and execution of this Strategic Plan. The Plan defines the vision, mission, values, goals and 5-year business strategy for EOCWD. Our commitments to the communities we serve fall into five areas: water reliability, infrastructure, community representation and engagement, professional workforce, and financial integrity. These commitments are established as the five goals of the plan. Our Board actions will consistently support these commitments and we will track our progress against this plan, revisiting the plan regularly to adjust as conditions warrant.



2015 FIVE-YEAR STRATEGIC PLAN

Director William VanderWerff, President

Director Richard Bell

Director John Dulebohn

Director Douglass S. Davert

Director Seymour Everett

Strategic Plan Project Team

Lisa Ohlund, General Manager

Ed Means, Means Consulting LLC

2015 FIVE-YEAR STRATEGIC PLAN

Message from the General Manager

While our core business has remained constant over time, this plan directs how we will take on the complex issues and challenges we face in the next several years. In developing this Strategic Plan, we focused on five priority areas:

1. Water reliability
2. Infrastructure
3. Community representation and engagement
4. Financial integrity
5. Professional workforce

Why these five? These five areas summarize the “big picture” of what we need to do – and do well – so that we achieve our mission to: *“Provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability”*



We plan to periodically review the Strategic Plan in conjunction with our budget process to readjust as changing conditions dictate. With the support of the Board, I am confident this plan will help us achieve the expectations of those we serve in the months and years to come.

Respectfully submitted,

Lisa Ohlund,
General Manager

2015 FIVE-YEAR STRATEGIC PLAN

Introduction

Strategic Planning is a structured process to prioritize issues. Due to the reality of finite resources, staff must be focused on the key issues that are critical to its mission.

The planning process enabled the EOCWD board and staff to step back from daily activities and deliberate on ways to achieve the EOCWD mission to “*Provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability*”.

The Strategic Plan was developed under the guidance of the Board of Directors and senior management representing all of the EOCWD’s functions. This team met over a four-month period following the steps in the call out box to the right. The focus of the staff’s strategic deliberations was the key issues EOCWD will face in the next year planning horizon (and beyond). Workshops were held with the Board the Senior Management staff to identify strengths, weaknesses, opportunities and threats (SWOT Analysis) that the plan should consider. A workshop was held with Board of Directors in May of 2015 to identify the vision, mission, goals values statements and establish the goals that set the framework for the strategies and objectives development by the management team. The Board adopted the plan on July 9, 2015.

- ***Review background documents***
- ***Review current operating environment – strengths, weaknesses, opportunities, & threats***
- ***Review Vision, Mission, Values and establish Goals***
- ***Develop Strategies and Objectives***
- ***Develop staffing and resource needs in conjunction with the Annual Budgeting Process***
- ***Regularly update the Plan***

The five-year Strategic Plan will be implemented and tracked through the annual budget process. Strategic Plan activities that are not budgeted in FY2015-16 will be budgeted in later years, subject to Board review and approval. In the future, staff will ensure the proposed budgets reflect the priorities established in the Strategic Plan.

2015 FIVE-YEAR STRATEGIC PLAN

Vision Statement

Our vision is to:

“Maintain our community’s high quality of life through provision of valued water and wastewater services”

Mission Statement

Our mission is to:

“Provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability”



Values

EOCWD will embody the following core values in the setting and implementation of its policies and practices:

- Integrity and ethical behavior – EOCWD will consistently adhere to high moral and ethical principles
- Community – EOCWD will cooperatively work together and with stakeholders to further the mission and goals of the organization
- Customer service – EOCWD will professionally and responsively serve the needs of its customers

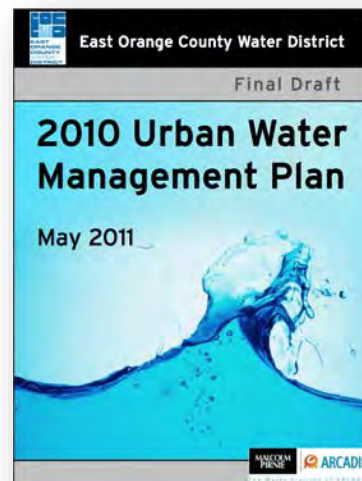
2015 FIVE-YEAR STRATEGIC PLAN

- Respect – EOCWD will work with our stakeholders in a respectful, professional, and courteous fashion
- Disciplined (Fiscally and operationally) – EOCWD will be good stewards of the facilities, people, and financial resources entrusted to it
- Creative – EOCWD will encourage and value the introduction of new ideas and methods
- Transparent – EOCWD will engage its stakeholders and interact with them in a fair, open and honest manner

Goals / Strategies / Objectives

The Board developed goal areas that represent the key EOCWD commitments to the community it serves.

- **Goal 1: Water Reliability** – EOCWD will provide reliable water services that consider the environment to meet the needs of the community
- **Goal 2: Infrastructure** – EOCWD will acquire, maintain, and operate our infrastructure to ensure reliable water services
- **Goal 3: Community Representation and Engagement** – EOCWD will provide responsive local governance, value and outreach to the communities we serve
- **Goal 4: Financial Integrity** – EOCWD will manage our financial assets to provide and maintain reliable water services
- **Goal 5: Professional Workforce** – EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability



2015 FIVE-YEAR STRATEGIC PLAN

Management and staff identified specific strategies and measureable objectives for each goal area to ensure the proper actions are taken to fulfill the commitment implicit in the goal area. The strategies and objectives listed below encompass both current and new activities. The implementation of these strategies and objectives will be further detailed through specific memoranda.

Goal 1: EOCWD will provide reliable water services that consider the environment to meet the needs of the community

Strategy 1 – Operate the system to achieve service level standards

- | | |
|-------------|--|
| Objective 1 | Set practical service level goals |
| Objective 2 | Meet the service level goals |
| Objective 3 | Comply with applicable environmental standards |
| Objective 4 | Operate the system using cost-effective principles |



Strategy 2 – Determine appropriate role of water treatment for EOCWD

- | | |
|-------------|---|
| Objective 1 | Refine treatment plant financial and reliability benefits |
| Objective 2 | Provide a decision pathway for board action |

Strategy 3 – Provide adequate backup supply for groundwater production

- | | |
|-------------|--------------------------------------|
| Objective 1 | Assess required level of reliability |
| Objective 2 | Implement solution |

2015 FIVE-YEAR STRATEGIC PLAN

Strategy 4 – Conduct planning to ensure reliable and high quality water supply and implement appropriate policies and infrastructure

- Objective 1 Complete the 2016 UWMP
- Objective 2 Participate in and review the MWDOC Orange County Water Reliability Study
- Objective 3 Develop an EOCWD Integrated Resources Plan that informs and integrates with the Master Plan
- Objective 4 Develop additional appropriate water supplies if/as needed

Strategy 5 – Maintain active water conservation program

- Objective 1 Implement water conservation projects and programs to reflect the value of water and water service
- Objective 2 Leverage funding through regional water agencies

Goal 2: Infrastructure – EOCWD will acquire, maintain and operate our infrastructure to ensure reliable water services

Strategy 1 – Ensure EOCWD can adequately respond to anticipated emergencies

- Objective 1 Update the emergency response plan
- Objective 2 Evaluate expansion of interconnections
- Objective 3 Continue active participation in WEROC
- Objective 4 Explore additional mutual aid agreements
- Objective 5 Evaluate radio communications needs and capability



2015 FIVE-YEAR STRATEGIC PLAN

Objective 6 Evaluate the need for a business continuity plan

Strategy 2 – Ensure infrastructure is appropriately maintained and replaced

Objective 1 Complete the Master Plan / Capital Improvement Plan

Objective 2 Continue to refine *Sedaru* system to incorporate remaining facilities

Objective 3 Annually report on the operations and maintenance status of key assets

Objective 4 Report to Board on deferred maintenance and provide solutions

Strategy 3 – Develop an energy strategy

Objective 1 Implement and track the strategy

Objective 2 Evaluate backup power requirements

Goal 3: Community Representation and Engagement – EOCWD will provide responsive local governance, value and outreach to the communities we serve

Strategy 1 – Build alliances to support the interests of EOCWD

Objective 1 Identify and engage opinion leader customers

Objective 2 Develop action plans for engaging the member agencies

Objective 3 Identify and develop outreach projects and programs for key constituencies



2015 FIVE-YEAR STRATEGIC PLAN

Objective 4 Leverage external communications resources

Objective 5 Interact with representatives in Sacramento

Strategy 2 – Streamline Board deliberations while increasing communication

Objective 1 Evaluate the board/committee meeting process and identify opportunities to streamline and increase communication with all board members

Objective 2 Evaluate and ensure adequate checks and balances and proper delegation of authority to the GM

Strategy 3 – Maintain excellent customer service

Objective 1 Develop measures to assess customer satisfaction

Objective 2 Measure and report customer satisfaction

Goal 4: Financial Integrity – EOCWD will manage our financial assets to provide and maintain reliable water services

Strategy 1 – Ensure that adequate financial capacity exists to maintain District assets

Objective 1 Complete the rate study

Objective 2 Integrate CIP requirements into financial plan

Objective 3 Evaluate fixed vs variable charges

Objective 4 Evaluate water budget based rates

Objective 5 Evaluate reserve policy for the retail system

Objective 6 Assess penalty rates during allocations

Objective 7 Develop an annual budget

Objective 8 Manage within the budget (beyond emergencies)

Objective 9 Receive an unqualified audit outcome each year

2015 FIVE-YEAR STRATEGIC PLAN

Strategy 2 – Consider rate parity with neighboring communities in the establishment of our rates and charges

Objective 1 Periodically conduct rate surveys

Strategy 3 – Provide mutually beneficial water services to area and contiguous utilities

Objective 1 Examine opportunities for service expansion

Objective 2 Actively engage in LAFCO proceedings

Strategy 4 – Ensure the District operations are efficient and effective

Objective 1 Conduct selected benchmarking to track performance



Strategy 5 – Implement the Strategic Plan

Objective 1 Track and report progress to the Board

Strategy 6 – Consolidate policies and make easily assessable to Directors

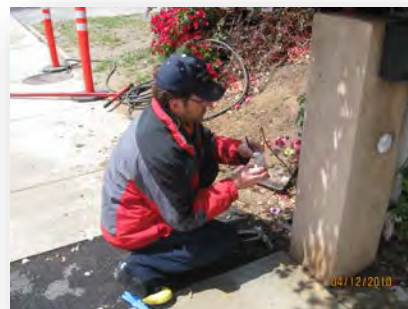
Objective 1 Explore website system to house key policies

Goal 5: Professional Workforce – EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability

Strategy 1 – Develop long-term strategy to retain staff

2015 FIVE-YEAR STRATEGIC PLAN

- Objective 1 Assess staff morale
- Objective 2 Conduct staffing assessment to identify needs and present to Board for consideration
- Objective 3 Determine appropriate mix of financial and benefit incentives (including evaluation of current housing stock)
- Objective 4 Develop a succession plan



Strategy 2 – Ensure that technology is appropriately deployed within the District

- Objective 1 Complete evaluation of expanding AMI/AMR (integrating into *Sedaru*)
- Objective 2 Evaluate and implement SCADA system improvements
- Objective 3 Develop and implement knowledge management

Strategy 3 – Ensure staff training and certifications are adequate to maintain capability

- Objective 1 Develop a training plan
- Objective 2 Track training activities

Next Steps

The plan is intended to be a living document and will be reviewed and updated annually to remain current. It will be used in planning and budgeting the activities of EOCWD. Formal “action plans” will be developed for some of the key strategies.

2015 FIVE-YEAR STRATEGIC PLAN

Glossary

The following key terms are used in this Strategic Plan:

Action Plan – a detailed set of tactical actions that will be developed in order for some of the strategies / objectives to be achieved

Core Values - non-negotiable standards that the staff and the Board believe in and embody how they will act individually and as an organization

Goal - EOCWD's commitment to the community it serves

Mission – the primary reason(s) for the existence of the organization

Objective - measurable work activity that, when accomplished, will directly lead to the success of the strategy

Issue - a problem or opportunity facing the EOCWD

Strategy - how an issue is solved to achieve the goal

Strategic Plan - a structured plan to drive EOCWD to achieve its goals

SWOT Analysis - description of strengths, weaknesses, opportunities and threats to identify areas of focus in the Strategic Plan

Tactic - specific work activities to accomplish a strategy

Vision - what EOCWD aspires to become



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: APPROVAL OF ISDOC PROPOSED AMENDED AND RESTATED BYLAWS
DATE: JULY 16, 2015

Background

The district is a member of the Independent Special Districts of Orange County (ISDOC), an organization that is comprised of 25 independent special districts including water, wastewater, solid waste, cemetery, vector control, library, and parks and recreation districts. ISDOC is affiliated with the California Special Districts Association (CSDA) and perhaps most importantly, it is the venue for the election of the Special District representatives to LAFCO. ISDOC is governed by an Executive Committee; MWDOC staff provide administrative support services.

In 2013, ISDOC undertook a major modification process of its bylaws and revised bylaws were approved by a majority of the members on December 10, 2013. In November 2014, an officer of the Executive Committee was not re-elected at his District and a mid-term vacancy was created. The revised bylaws were silent on this situation.

In February 2015, an ad-hoc committee was formed to review the bylaws and suggest modifications for unforeseen situations. The ISDOC Executive Committee reviewed and approved the ad-hoc committee's suggestions at its June meeting and has authorized them to be sent to the member agencies for approval.

Attached to this memo is a letter from ISDOC President Mike Scheafer detailing the significant modifications proposed by the Executive Committee. Staff has reviewed these modifications and finds that they are reasonable and prudent ways to address potential vacancies and absences in the Executive Committee.

Financial Impact

None.

Recommendation

The Board authorize President VanderWerff or his designee to cast the vote on behalf of EOCWD approving the amended and restated ISDOC bylaws.



DATE: June 10, 2015

TO: ISDOC Members

FROM: Mike Scheafer, President, ISDOC Executive Committee

SUBJECT: Proposed Amended and Restated Bylaws

In 2013, ISDOC concluded a multiyear review and modification process of its bylaws. Revised bylaws were approved by a majority of members on December 10, 2013. In November 2014, an officer of the Executive Committee was not re-elected by his District and a mid-term vacancy was created. The revised bylaws were silent on this situation.

Last February, the Executive Committee formed an ad hoc committee, which was tasked with reviewing the bylaws and suggesting modifications for previously unforeseen situations. At its April meeting, the ad hoc committee presented its recommendations to the ISDOC Executive Committee. The Executive Committee discussed the proposed changes and endorsed submittal of the revised bylaws to the general membership for comment. No comments were received. At its recent June meeting, the Executive Committee approved the amended and restated bylaws and authorized their submission to special district members for a vote.

A ballot has been included with this memo, as well as a copy of the proposed amended and restated bylaws. Each regular member in good standing is entitled to one vote. **The ballot must be signed by the presiding officer of the special district or an alternate designated by official action of the district. Ballots must be received by 5:00 p.m. on July 24th; the results will be announced at the July 30th quarterly meeting.**

The proposed amended bylaws contain a number of revisions to the current ISDOC bylaws. Although the majority of the modifications are simply cleaning-up and/or consolidating language and subsequent section renumbering, there are four substantial changes proposed; those proposals are identified below.

Significant modifications proposed by the Executive Committee:

1. Official Document Storage (Page 1, Article I, Section III, language added):

All official documents (agendas, minutes, voted ballots, voting authorization and financial records) of the Organization shall be maintained and stored at the administrative office.

2. Election of Single Candidates for Office by Ratification (Page 5, Article III, Section II, Subsection D added):

D. The Executive Committee shall be elected following a notice of position availability and solicitation for nominations. At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected. If two or more candidates are nominated, the Secretary shall prepare and deliver one ballot and voting instructions to each eligible district. The ballot shall include the names of all nominees and the office for which each was nominated. Each presiding officer, or his or her alternate as designated by the governing body, shall return the ballot to the Secretary by the date specified in the voting instructions.

3. Process for Filling Midterm Vacancies in Officer Positions (Page 5, Article III, Section II, Subsection E and F added):

E. With the exception of the immediate past president, if a vacancy occurs on the Executive Committee, the Committee shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. A person appointed or elected to fill a vacancy shall hold office for the unexpired term of the former incumbent.

F. If the vacancy is in the offices of President or Vice President, the Executive Committee may, prior to an election to fill the vacancy, move current officers into vacant positions, and proceed then to fill the resulting vacant position in accordance with Section E above.

3. Removal of Officers for Excessive Absences (page 7, Article III, Section III, Subsection D added):

D. The Executive Committee may consider removing Officers who miss three consecutive meetings. Prior to removing an Officer, the Committee shall consider the reasons for absence and the potential for continued absence. A unanimous vote of the Executive Committee shall be required to remove an officer.

Thank you in advance for your consideration of this matter.

Sincerely,

Mike Scheafer

President, ISDOC Executive Committee

INDEPENDENT SPECIAL DISTRICTS
OF
ORANGE COUNTY

AMENDED AND RESTATED BYLAWS

Proposed June 2, 2015

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY

BYLAWS

ARTICLE I GENERAL

SECTION I. NAME

The name of the organization shall be **INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY**, herein referred to as **the Organization**.

SECTION II. PURPOSE

The purpose of the Organization is to advance the interests of Orange County special districts through its advocacy of sound public policy, its facilitation of educational opportunities to enhance special district governance and the services provided, and its collaboration with others to elevate awareness of the role special districts play as the form of government closest and most directly accountable to the people. The purpose of the Organization shall not include any duties or responsibilities held by the Orange County Special Districts Selection Committee, which is a separate and unrelated entity from the Organization. Furthermore, these Bylaws shall have no effect on, and are independent and distinct from, the Bylaws of the Orange County Special District Selection Committee.

SECTION III. ADMINISTRATIVE OFFICE

The administrative office for the transaction of the business of the Organization is located at the Municipal Water District of Orange County. All official documents (agendas, minutes, voted ballots, voting authorization and financial records) of the Organization shall be maintained and stored at the administrative office. The Board of Directors is granted full power and authority to change the administrative office from one location to any place within the County of Orange, State of California, and such change shall not be considered an amendment of these bylaws.

ARTICLE II MEMBERSHIP

SECTION I. QUALIFICATION FOR MEMBERSHIP

A. There shall be two categories of membership in the Organization:

1. **REGULAR MEMBERS:** Shall be INDEPENDENT SPECIAL DISTRICTS that are public agencies within the County of Orange, State of California, for the local performance of governmental proprietary functions within limited boundaries, governed by a publicly elected Board of Directors or those officials appointed, in whole or in part, by another governmental body. Independent Special Districts do not include the State, the county, cities, or school districts.

Independent Special Districts shall be further defined in accordance with California Government Code Section 56044: *“Independent district” or “independent special district” includes any special district having a legislative body all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. “Independent special district” does not include any district excluded from the definition of district contained in Sections 56036 and 56036.6.*

2. **ASSOCIATE MEMBERS:** Shall be those persons, organizations, or governmental entities that have evidenced interest in the purposes and goals of the Organization, but are not Independent Special Districts. Officers or members of an Independent Special District are ineligible to be an Associate Member.

B. **APPROVAL OF MEMBERSHIP:** The Executive Committee shall review and approve all applications for membership, provided that the applicant meets the established membership criteria.

SECTION II. VOTING RIGHTS

A. Each Regular Member district, in good standing, shall be entitled to one vote on all matters brought before the membership for a vote. The presiding officer of the governing body of each Regular Member district shall be recognized by the Organization as the voting representative for his/her district. Each district shall designate in writing and submit to the Organization's Secretary one alternate governing board member who shall have the right to vote in the absence of the presiding officer.

B. The Executive Committee may, at its discretion, authorize the voting upon any issue by written ballot which shall be sent via U.S. mail and email to each Regular Member district or by electronic distribution/email. Such authorization shall specify the time, date and method by which the completed written ballots must be received by the Organization.

C. A majority vote of all members present at a meeting or of all written ballots received by the submission deadline shall be necessary to carry any matter voted upon.

D. Associate Members shall not have the right to vote on any matter before the Organization.

SECTION III. ANNUAL DUES

A. Annual dues shall be due and payable on or before the first day of January of each year. New members shall pay their annual dues at the time they are approved for membership in the Organization. New member dues for the initial year shall not be pro-rated.

B. The dues of the Organization shall be reviewed and set by the Executive Committee for Regular Members and Associate Members. Associate Member dues need not be the same as dues for Regular Members. A minimum of two months' notice of changes in dues will be provided to the membership.

C. No assessments, other than annual dues, shall be levied on the members of the association without an affirmative majority vote of the membership.

SECTION IV. TERMINATION OF MEMBERSHIP

A. Any member in arrears in the payment of dues for a period of thirty (30) days after said dues are due and payable shall be notified in writing by the Treasurer of such arrearage, and, if such dues shall continue unpaid for a period of another thirty (30) days, such member shall automatically cease to be a member of the Organization.

B. Any member that voluntarily terminates membership in the Organization shall not be eligible for a refund of membership dues or other assessment already paid to the Organization.

SECTION V. REINSTATEMENT OF MEMBERSHIP

Regular and Associate memberships that were previously terminated may be reinstated after the Executive Committee receives a written petition for reinstatement and payment of the petitioners annual membership dues and other assessments for the current calendar year have been received by the Organization.

ARTICLE III BOARD OF DIRECTORS

SECTION I. NUMBER AND TERM OF OFFICE

A. The Board of Directors shall consist of the presiding officer from each Regular Member district, in good standing. If the presiding officer is not present, then that district's alternate representative shall act in his/her stead.

B. The members of the Board of Directors shall serve until replaced by another governing board member as the presiding officer of his/her district. Any vacancy on the Board of Directors shall be filled by the new presiding officer of the District from which the vacancy occurred.

SECTION II. DUTIES OF THE BOARD OF DIRECTORS

A. The Board of Directors shall set policy for the Organization.

B. The Board of Directors shall elect, at or before its final meeting in even years, a President, a First Vice President, a Second Vice President,

a Third Vice President, a Secretary, and a Treasurer, who shall serve for two-year terms.

C. These officers, along with the Immediate Past President, shall be designated as the Executive Committee.

D. The Executive Committee shall be elected following a notice of position availability and solicitation for nominations. At the end of the nominating period, if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected. If two or more candidates are nominated, the Secretary shall prepare and deliver one ballot and voting instructions to each eligible district. The ballot shall include the names of all nominees and the office for which each was nominated. Each presiding officer, or his or her alternate as designated by the governing body, shall return the ballot to the Secretary by the date specified in the voting instructions.

E. With the exception of the immediate past president, if a vacancy occurs on the Executive Committee, the Committee shall, within 60 days from the commencement of the vacancy, either fill the vacancy by appointment or call a special election to fill the vacancy. A person appointed or elected to fill a vacancy shall hold office for the unexpired term of the former incumbent.

F. If the vacancy is in the offices of President or Vice President, the Executive Committee may, prior to an election to fill the vacancy, move current officers into vacant positions, and proceed then to fill the resulting vacant position in accordance with Section E above.

Section III OFFICERS AND DUTIES

A. The Executive Committee shall assist the Board of Directors in setting and implementing policy, and conducting the business of the Organization, as noted in the bylaws or approved at a General Membership Meeting or a Special Meeting of the membership. The members of the Executive Committee shall consist of:

1. **PRESIDENT:** The President shall be the chief executive officer of the Organization. The President shall preside at all

meetings of the Board of Directors, the Executive Committee and the general membership.

The President shall appoint all committees.

The President shall represent the Organization as its official spokesperson and he/she shall also have the authority to delegate such responsibility, with approval of the Executive Committee.

The President shall be an ex-officio member of all Committees.

2. **FIRST VICE PRESIDENT:** The First Vice President, in the absence or disability of the President, shall perform all the duties of the President, and when so acting, he/she shall have the powers of and be subject to all the restrictions upon the President.

The First Vice President shall be the Chair of the Program Committee.

3. **SECOND VICE PRESIDENT:** The Second Vice President, in the absence or disability of the President and First Vice President, shall perform all the duties of the President and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

The Second Vice President shall be Chair of the Membership Committee.

4. **THIRD VICE PRESIDENT:** The Third Vice President, in the absence or disability of the President, First Vice President, and Second Vice President, shall perform all the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President.

The Third Vice President shall be Chair of the Legislative Committee.

5. SECRETARY: The Secretary or his/her designee shall be responsible for all correspondence and the dissemination of information to members.
6. TREASURER: The Treasurer shall maintain the complete financial records and, establish and maintain bank accounts in the name of the Organization, and pay all bills duly approved by the Executive Committee in accordance with the yearly budget.

There shall be an annual audit of the books of the Treasurer by a competent accountant or accounting agency, designated by the Executive Committee, with a report to be presented to the membership at the Organization's next membership meeting.

7. IMMEDIATE PAST PRESIDENT: The Immediate Past President shall serve as a voting, ex-officio member of the Executive Committee.

B. All officers of the Organization shall be elected or appointed officials of a Regular Member district.

C. Officials who wish to seek election or appointment as an officer of the Organization shall first secure from his/her district an official endorsement of his/her candidacy in the form of a board resolution.

D. The Executive Committee may consider removing Officers who miss three consecutive meetings. Prior to removing an Officer, the Committee shall consider the reasons for absence and the potential for continued absence. A unanimous vote of the Executive Committee shall be required to remove an officer.

ARTICLE IV MEETINGS

SECTION I BOARD OF DIRECTORS

A. The Board of Directors shall meet quarterly or no less than three times per calendar year. The last meeting of the calendar year shall be designated as the ANNUAL MEETING of the Organization.

B. The Organization shall disseminate notices of Board Meetings at least thirty (30) days prior to the Meeting. Said notices shall be disseminated via email to all Regular and Associate Members. The Notice shall give the date, time, location and any action items for the meeting.

C. Special Meetings of the Board of Directors may be called at any time by the President, any ten (10) Members of the Board of Directors or by a majority of the Executive Committee. The Organization shall disseminate notices of the Special Meeting at least five (5) business days prior to the meeting. Said notice shall give the date, time, location, and the subject matter of the Special Meeting. Action may only be taken on matters listed on the Special Meeting notice.

D. All meetings of the Board of Directors shall be held in Orange County.

E. No action shall be taken unless a quorum has first been established. A quorum shall be established when the designated representatives of fifty percent (50%) of the Regular Members are present at a duly noticed Regular or Special Meeting of the Organization, or, if a vote has been authorized by written ballot, a quorum shall be established only when the designated representatives of fifty percent (50%) of the Regular Members have submitted a ballot in the manner and by the deadline authorized by the Executive Committee.

SECTION II. EXECUTIVE COMMITTEE

A. The Executive Committee shall meet monthly at the Municipal Water District of Orange County, at a time specified by the President and announced in the meeting notice. The monthly meeting may be cancelled by the President if he/she determines that there is not sufficient business to justify a meeting.

B. A Special Meeting of the Executive Committee may be called by the President or a majority of the Executive Committee, with five (5) business days advance notice given in writing via email by the Organization. Such notice shall state the date, time, location and agenda for the Special Meeting.

C. All meetings of the Executive Committee shall take place in Orange County.

D. A quorum shall be established by 50% of the then-filled Executive Committee.

ARTICLE V AMENDMENTS

These Bylaws may be amended by a majority of the Board of Directors present at a duly noticed membership meeting or, if a vote has been authorized by written ballot, by the combined majority vote of the designated representatives present and submitting a written ballot. All proposed amendments shall be disseminated via U.S. Mail and email to each Regular Member district no less than thirty (30) days prior to the membership meeting.

ARTICLE VI ENACTMENT OF AMENDMENTS

These Amended and Restated Bylaws are to take effect immediately upon approval of the Board of Directors.

ARTICLE VII PARLIAMENTARY AUTHORITY

All matters not covered under these Bylaws shall be governed by Roberts' Rules of Order.

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY

Amended and Restated Bylaws

The Question

Does your special district, as member in good standing, approve or disapprove of the amended and restated bylaws recommended by the Executive Committee on June 2, 2015.

CAST YOUR VOTE

Please cast your vote by checking the box, or printing the name, of the nominee for who you wish to vote.

_____ **Yes, we approve the amended and restate ISDOC bylaws, as recommended by the Executive Committee**

_____ **No, we do not approve the proposed amended and restated bylaws**

DISTRICT NAME

NAME AND TITLE OF VOTONG DELEGATE*

SIGNATURE OF VOTING REPRESENTATIVE

* If not the presiding officer, please provide written authorization documenting your ability to vote on behalf of your district.

Please send you completed and executed ballot to Heather Baez at either:

- HBaez@mwdoc.com
- MWDOC, P.O. Box 20895, Fountain Valley, CA 92728

All ballots must be received no later than by 5 p.m., Friday, July 24, 2015.

East Orange County Water District

07/10/15

Bills for Consideration

Accrual Basis

As of July 9, 2015

Date	Num	Name	Credit
1001-10 · Checking-WZ			
06/18/2015	10397	AT&T	503.20
06/18/2015	10398	CUSI	2,000.00
06/18/2015	10399	GUIDA SURVEYING, INC	19,500.00
06/18/2015	10400	MATRIX COMPUTER SERVICE	1,080.00
06/18/2015	10401	MEYERS NAVE	4,055.72
06/18/2015	10402	OC SURVEY	2,016.00
06/18/2015	10403	ORANGE COUNTY TREASURER	253.18
06/18/2015	10404	RAFTELIS FINANCIAL CONSULTAN...	5,640.00
06/18/2015	10405	SOUTHERN CALIFORNIA EDISON	223.83
06/18/2015	10406	TAB ANSWER NETWORK	28.11
06/18/2015	10407	TOTAL EXTERMINATING INC	275.00
06/18/2015	10408	W R EVEREST & ASSOCIATES	3,010.00
06/18/2015	10409	WINWATER	624.39
06/18/2015	10410	YO FIRE	255.21
06/25/2015	10411	AMERICA'S INSTANT SIGNS	1,864.08
06/25/2015	10412	California Water Environment Associ...	391.00
06/25/2015	10413	EISEL ENTERPRISES, INC	1,274.94
06/25/2015	10414	GENERATOR SERVICES CO, INC	2,205.00
06/25/2015	10415	HOME DEPOT CREDIT SERVICES	229.36
06/25/2015	10416	ID MODELING, INC.	800.00
06/25/2015	10417	J SEWART DESIGNS	60.00
06/25/2015	10418	MAIN GRAPHICS	401.67
06/25/2015	10419	ORANGE COUNTY FIRE PROTECTI...	150.80
06/25/2015	10420	TIM HOGAN	864.00
06/25/2015	10421	TRUESDAIL LABORATORIES, INC	162.50
06/25/2015	10422	UNITED WATER WORKS INC.	64.80
06/25/2015	10423	YO FIRE	1,956.79
06/25/2015	10424	AUTONATION FORD TUSTIN	33,733.93
07/09/2015	10425	ALLCOM	195.00
07/09/2015	10426	ARAMARK UNIFORM SERVICES	136.21
07/09/2015	10427	AT&T	580.96
07/09/2015	10428	AT&T LONG DISTANCE	302.38
07/09/2015	10429	BOWIE ARNESON WILES & GIANN...	3,300.50
07/09/2015	10430	CA BANK & TRUST	3,976.68
07/09/2015	10431	CAROLLO ENGINEERING	35,086.27
07/09/2015	10432	COMMUNICATIONS LAB	12,020.34
07/09/2015	10433	EAST ORANGE COUNTY WATER D...	6,269.85
07/09/2015	10434	GENERATOR SERVICES CO, INC	2,205.00
07/09/2015	10435	GRAINGER	22.36
07/09/2015	10436	HACH COMPANY	251.86
07/09/2015	10437	HOME DEPOT CREDIT SERVICES	34.53
07/09/2015	10438	INSTANT LUBE, INC.	96.47
07/09/2015	10439	MEANS CONSULTING	2,080.00
07/09/2015	10440	MWDOC	292,330.09
07/09/2015	10441	ORANGE COUNTY TREASURER	12,959.10
07/09/2015	10442	ORANGE UNIFIED SCHOOL DISTRI...	400.00
07/09/2015	10443	PACIFIC HYDROTECH CORP	942.33
07/09/2015	10444	PARADISE DRINKING WATERS	18.00
07/09/2015	10445	PLATINUM CONSULTING GROUP	2,933.75
07/09/2015	10446	SC FUELS	834.62
07/09/2015	10447	SOUTHERN CALIFORNIA EDISON	3,601.35
07/09/2015	10448	TRUESDAIL LABORATORIES, INC	2,006.00
07/09/2015	10449	UNDERGROUND SERVICE ALERT	78.00
07/09/2015	10450	VERIZON WIRELESS	268.77
07/09/2015	10451	W R EVEREST & ASSOCIATES	3,780.00
07/09/2015	10452	XEROX CORPORATION	56.05
Total 1001-10 · Checking-WZ			470,389.98
TOTAL			470,389.98

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

**PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF
JUNE 2015**

DATE	CHECK NO	AMOUNT	PAYABLE TO
06/18/15	191	\$663.00	BOARD DIRECTOR
06/18/15	192	\$663.02	BOARD DIRECTOR
06/18/15	193	\$160.03	BOARD DIRECTOR (REPLACES VOIDED CHECK #174)
06/18/15	194	\$320.07	BOARD DIRECTOR
06/18/15	195	\$1,155.13	BOARD DIRECTOR - PRESIDENT

<u>\$2,961.25</u>	TOTAL PAYROLL CHECKS
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PAYROLL TAXES, ADP CHARGE, AND PERS EFT
(PERS TRANSFERRED WITH EMPLOYEE PAYROLL)

6/18/2015	\$565.69	ADP TAXES
6/18/2015	\$183.81	PERS ELECTRONIC FUNDS TRANSFER

<u>\$749.50</u>	TOTAL CHARGES & TRANSFER
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<u><u>\$3,710.75</u></u>	GRAND TOTAL PAYROLL
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*** 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*
16-Jul-15

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	6/10/2015	\$ 1,429.63	WATER DISTRIBUTION I
AUTO DEPOSIT	6/10/2015	\$ 2,678.03	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	6/10/2015	\$ 1,928.81	GENERAL MANAGER
AUTO DEPOSIT	6/10/2015	\$ 1,799.85	WATER DISTRIBUTION II
AUTO DEPOSIT	6/10/2015	\$ 1,696.18	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	6/10/2015	\$ 758.63	SUMMER INTERN
AUTO DEPOSIT	6/24/2015	\$ 1,393.44	WATER DISTRIBUTION I
AUTO DEPOSIT	6/24/2015	\$ 2,451.15	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	6/24/2015	\$ 1,890.55	GENERAL MANAGER
AUTO DEPOSIT	6/24/2015	\$ 1,626.75	WATER DISTRIBUTION II
AUTO DEPOSIT	6/24/2015	\$ 1,972.02	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	6/24/2015	\$ 833.56	SUMMER INTERN
		<u>\$ 20,458.60</u>	TOTAL PAYROLL CHECKS

PAYROLL TAXES, ADP CHARGES, AND PERS EFT

6/10/2015	\$5,944.68	ADP TAXES
6/10/2015	\$1,820.34	PERS ELECTRONIC FUNDS TRANSFER
6/10/2015	\$242.78	PERS PEPRA MEMBER
6/10/2015	\$1,323.93	CAL PERS 457 - ING BANK
6/24/2015	\$5,858.37	ADP TAXES
6/24/2015	\$1,800.83	PERS ELECTRONIC FUNDS TRANSFER
6/24/2015	\$242.78	PERS PEPRA MEMBER
6/24/2015	\$1,279.72	CAL PERS 457 - ING BANK

PAYROLL 6/10/2015	PAYROLL 6/24/2015
\$10,291.13	\$10,167.47
\$9,331.73	\$9,181.70
<u>\$19,622.86</u>	<u>\$19,349.17</u>

<u>\$18,513.43</u>	TOTAL TRANSFERS
<u>\$38,972.03</u>	GRAND TOTAL PAYROLL

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

EAST ORANGE COUNTY WATER DISTRICT
FUNDS TRANSFERRED BETWEEN ACCOUNTS
16-Jul-15

<u>DATE</u>	<u>TRANSFER NO</u>	<u>AMOUNT</u>	<u>FROM</u>	<u>TO</u>	<u>REASON FOR FUND TRANSFER</u>
7/10/2015	T51	\$ 290,000.00	CB&T MONEY MARKET	CHECKING	EXCESS FUNDS / BILLS FOR CONSIDERATION



EAST
ORANGE
COUNTY
WATER
DISTRICT

DIRECTORS

Richard B. Bell
Douglass S. Davert
John Dulebohn
Seymour (Sy) Everett
William Vanderwerff

Lisa Ohlund
General Manager

Treasurer's Report

July 10, 2015

Board of Directors
East Orange County Water District

The accompanying information contained in Schedule 1, Distribution of Investment Activity for the month June 2015, and Schedule 2, Investment Portfolio, as of June 30, 2015 (which are presented only for supplementary analysis purposes) have been prepared by management who is responsible for their integrity and objectivity. These schedules have not been compiled, reviewed or audited by outside accountants.

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

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

Carl R. Schoonover

Carl R. Schoonover
Treasurer

185 N Mc Pherson Road
Orange, CA 92869-3720

www.eocwd.com

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

**EAST ORANGE COUNTY WATER DISTRICT
SCHEDULE 2 - INVESTMENT PORTFOLIO
JUNE 30, 2015**

NAME	SECURITY TYPE AND NUMBER	PURCHASE DATE	MATURITY DATE	INTEREST		MARKET VALUE	PURCHASE PRICE	PREMIUM OR (DISCOUNT) *	ACCRUED INTEREST *	FACE VALUE	% TO PORTFOLIO
				STATED	YIELD						
LAIF	DEMAND	N/A	N/A	0.299%	0.299%	6,466,594	6,464,164	0	0	6,464,164	80.78%
RJ-CD	AMERICAN EXPRESS	10/25/12	07/27/15	1.000%	1.000%	100,054	100,000	0	0	100,000	1.25%
RJ-CD	BMW BANK OF N AMERICA	11/19/12	11/12/15	2.000%	2.000%	100,595	102,937	2,898	38	100,000	1.25%
RJ-CD	CIT BANK	03/06/13	03/06/18	1.100%	1.100%	145,291	145,000	0	0	145,000	1.81%
RJ-CD	DISCOVER BANK	10/17/12	10/17/16	1.200%	1.200%	100,945	100,000	0	0	100,000	1.25%
RJ-CD	DISCOVER BANK	02/20/13	02/20/18	1.100%	1.100%	149,006	150,000	0	0	150,000	1.87%
RJ-CD	EVERBANK	01/30/15	11/15/19	1.500%	1.740%	149,006	148,818	-1,650	468	150,000	1.87%
RJ-CD	FEDERAL FARM CREDIT	06/05/15	05/28/19	1.430%	1.482%	39,933	39,938		11	39,927	0.50%
RJ-CD	GE MONEY BANK	10/25/12	08/31/17	1.650%	1.650%	101,161	100,998	754	244	100,000	1.25%
RJ-CD	GE CAPITAL RETAIL BANK	11/19/12	11/09/16	1.350%	1.350%	100,875	100,536	499	37	100,000	1.25%
RJ-CD	GE CAPITAL RETAIL BANK	02/22/13	02/22/18	1.100%	1.100%	148,995	150,000	0	0	150,000	1.87%
RJ-CD	GOLDMAN SACHS BANK	02/13/13	02/13/18	1.200%	1.200%	149,426	150,000		0	150,000	1.87%
RJ-CD	GOLDMAN SACHS BANK	10/11/12	10/03/17	1.550%	1.550%	100,868	99,977	-11	34	100,000	1.25%
RJ-CD	SYNCHRONY BANK	01/30/15	01/30/20	1.800%	1.800%	149,901	150,000	0	0	150,000	1.87%
RJ	CASH	N/A	N/A	0.000%	0.020%	3,137	3,137			3,137	0.04%
					0.508%	\$8,005,787	\$8,005,507	\$2,492	\$834	\$8,002,228	100.00%

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

LAIF=LOCAL AGENCY INVESTMENT FUND
RJ=RAYMOND JAMES

CERTIFICATION

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

Carl R. Schoonover

CARL R. SCHOONOVER, TREASURER

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

	SECURITY TYPE	BOOK VALUE
BEGINNING BALANCES JUNE 1, 2015		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	6,464,164
RAYMOND JAMES-CDs	DEMAND BROKERAGE	1,541,341
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
Total		8,005,505
ACTIVITY		
ADDITIONS		
	DEMAND MM	0
DEPOSIT TO LAIF-FROM CHECKING	DEMAND LAIF	0
DEPOSIT TO LAIF-INTEREST	DEMAND LAIF	0
DEPOSIT TO RAYMOND JAMES-FROM CHECKING	DEMAND BROKERAGE	0
DEPOSIT TO RAYMOND JAMES-INTEREST	DEMAND BROKERAGE	0
SOLD MS LS US TREAS	MUTUAL FUND	0
TRANSFERS BETWEEN FUNDS	DUE TO/FROM	0
REDUCTIONS		
TRANSFER FROM LAIF TO CHECKING	DEMAND LAIF	0
TRANSFERS BETWEEN FUNDS	DUE TO/FROM	0
TRANSFERS TO CHECKING	DEMAND MM	0
TRANSFER TO RAYMOND JAMES	DEMAND MM	0
SOLD US TREASURY BOND	US TREASURY BOND/NOTE	0
MATURITY OF US TREASURY NOTE	US TREASURY NOTE	0
PURCHASE US TREASURY BOND FED STRIP	TREASURY BOND	0
ENDING BALANCES JUNE 30, 2015		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	6,464,164
RAYMOND JAMES-CDs and CASH	CERTIFICATES OF DEPOSIT	1,541,342
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
TOTAL		8,005,507

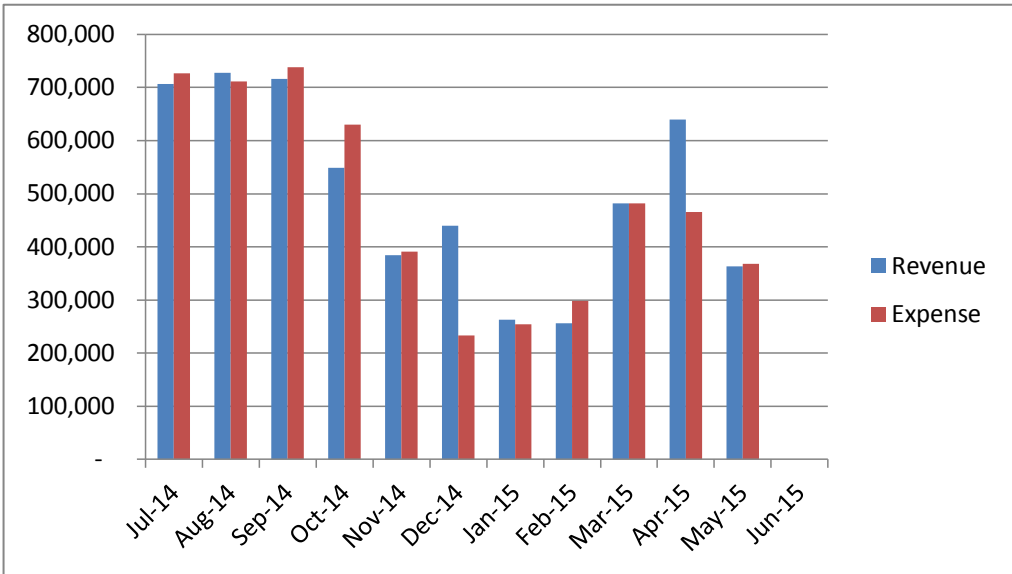
Wholesale Zone Financial Summary

For Period Ending May 31, 2015

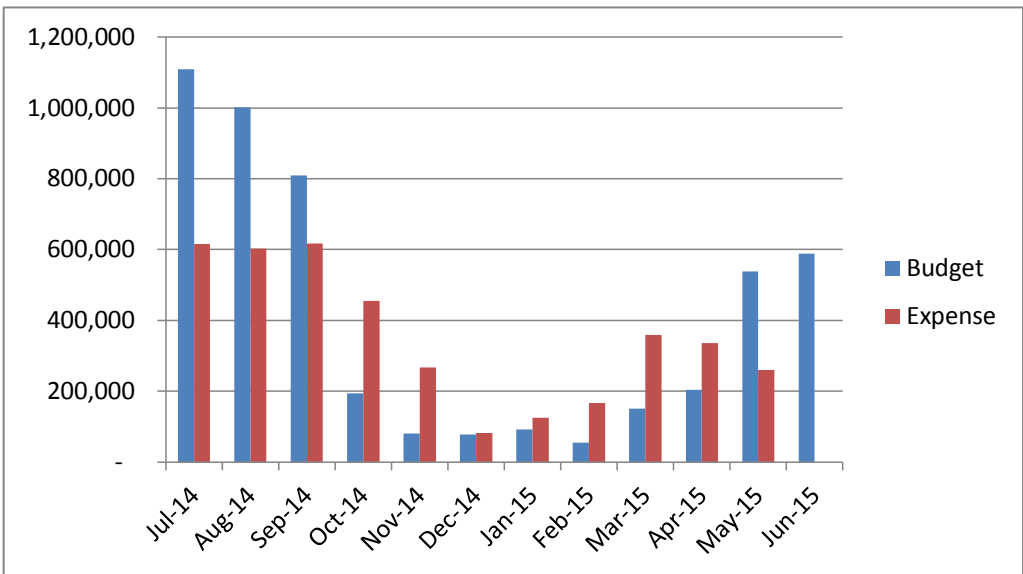
YTD Operating Income \$ 5,526,312

YTD Operating Expense \$ 5,299,464

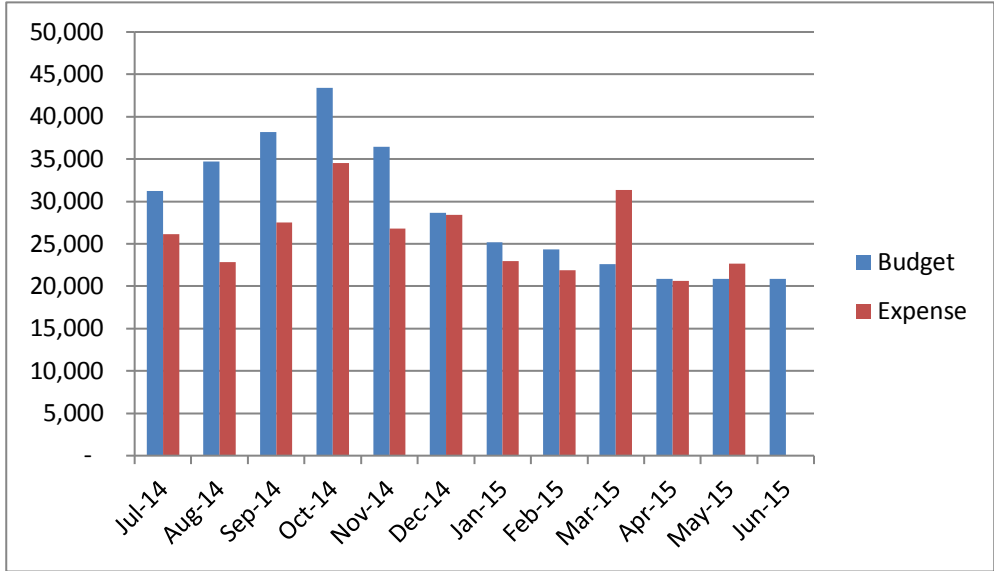
Revenue vs. Expenses



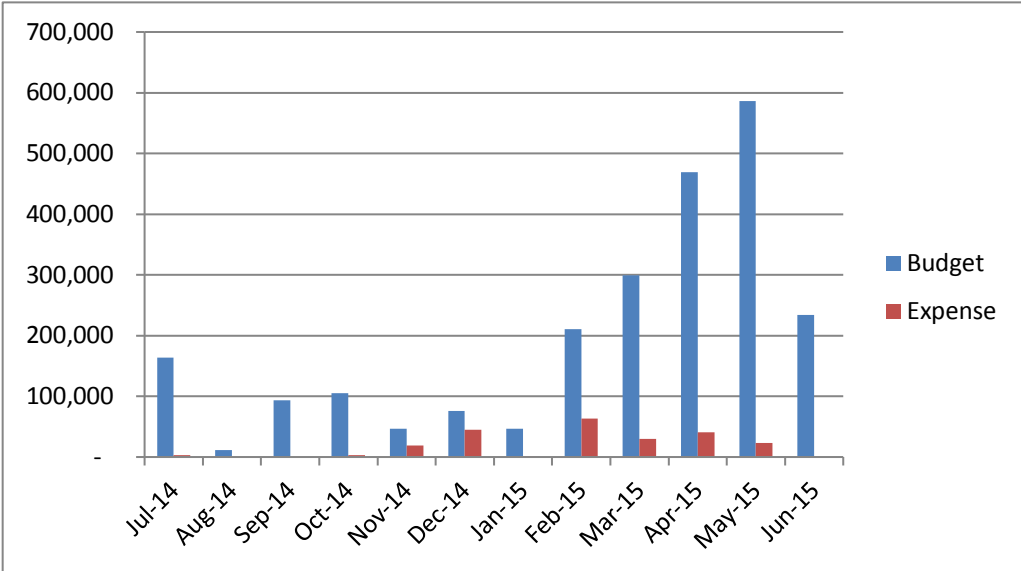
Water Purchased Budget vs. Actual



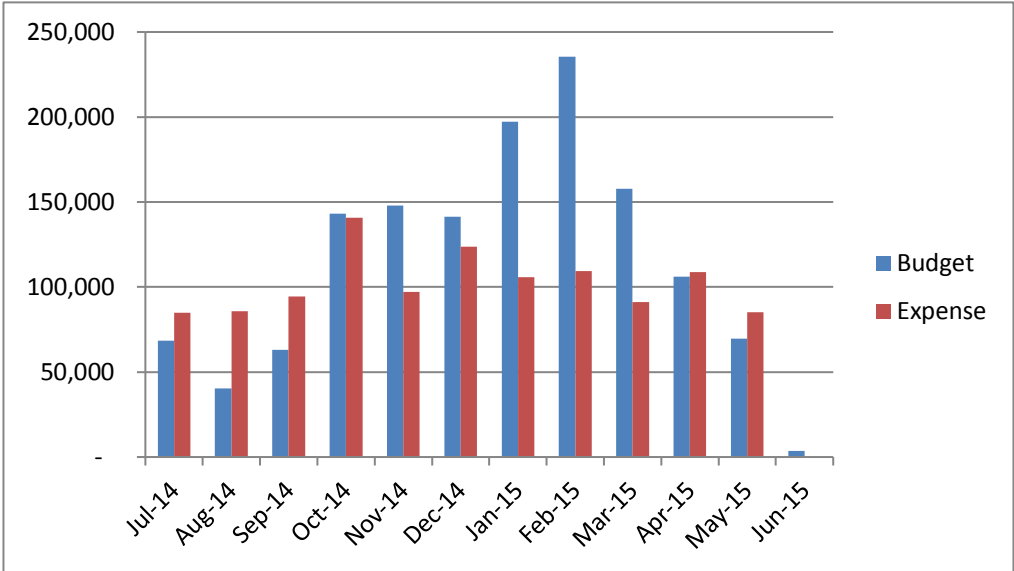
Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



O&M Budget vs. Actual



WHOLESALE ZONE

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

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	OPERATING REVENUE:					
2	WATER SALES	260,344	3,888,510	4,900,985	(1,012,475)	79.34%
3	FIXED CHARGES	50,270	535,036	569,135	(34,099)	94.01%
4	EOCWD FIXED CHARGES	25,050	267,849	301,136	(33,288)	88.95%
5	REIMBURSED EXP-IRWD	-	(6,314)	25,000	(31,314)	-25.25%
6	OTHER CHARGES	227	22,860	11,388	11,472	200.73%
7	TOTAL OPERATING REVENUE:	335,891	4,707,941	5,807,645	(1,099,704)	
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES	16,073	670,759	674,000	(3,241)	99.52%
10	RENTAL INCOME - CELLULAR ANTENNAS	8,221	125,354	106,000	19,354	118.26%
11	INTEREST & INVESTMENT EARNINGS	2,778	21,348	20,141	1,207	105.99%
12	NOTE RECEIVABLE - AMP	-	142	20,000	(19,858)	0.71%
13	MISCELLENIOUS INCOME (EXPENSE)	50	769	500	269	153.72%
14	TOTAL NON-OPERATING REVENUES, NET	27,121	818,372	820,641	(2,269)	99.72%
15	NET OPERATING INCOME	363,012	5,526,312	6,628,285	(1,101,973)	83.37%

EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
16	OPERATING EXPENSE:					
17	SOURCE OF SUPPLY	260,242	3,886,945	4,900,984	(1,014,039)	79.31%
18	MET/MWDOC FIXED CHARGE	32,088	341,393	365,462	(24,069)	93.41%
19	EOCWD FIXED CHARGE	18,183	200,008	212,050	(12,042)	94.32%
20	ENERGY	115	1,628	2,600	(972)	62.61%
21	OPERATIONS & MAINTENANCE	29,567	420,212	596,456	(176,244)	70.45%
22	GENERAL & ADMINISTRATIVE	25,724	249,807	324,176	(74,369)	77.06%
23	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	2,729	203,595	220,391	(16,796)	92.38%
24	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
25	MARKET VALUE ADJUSTMENT ON INVESTMENTS	(510)	(4,124)	-	(4,124)	0.00%
26	TOTAL OPERATING EXPENSE	368,137	5,299,464	6,622,119	(1,322,655)	80.03%
27	NET INCOME FROM OPERATIONS	(5,125)	226,849	6,166,248,725	220,682	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	(6,167)	6,167	
29	NET INCOME (LOSS)	(5,125)	226,849	(0)	214,516	

Wholesale Zone**May 2015 Variance Report - 92% of Budget Year Expended**

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
New				
INTEREST EARNED - RAYMOND JAMES	I	17,968	107.39%	YTD is high due to higher than anticipated revenues
TAXES HOMEOWNER'S SUBVENTION	I	3,997	99.92%	YTD is high due to timing of tax receipts
TAXES PUBLIC UTILITY	I	10,991	109.91%	YTD is high due to higher than anticipated revenues
MET-MWDOC CAPACITY FEES	E	135,554	100.35%	YTD is high due to higher than anticipated costs
MAINTENANCE-BUILDINGS AND GROUNDS	E	4,740	126.41%	YTD is high due to refencing and repaving McPherson office
DIRECTOR- W. VANDERWERFF	E	6,013	100.21%	YTD is high due to higher than anticipated costs
TAX COLLECTION FEES	E	11,769	196.16%	YTD is high due to SB2557 tax admin charge
Ongoing				
LATE CHARGE	I	45	90.00%	YTD is high due to unanticipated revenue
MET-MWDOC CHOICE-WS	I	8,377	100.00%	Yearly payment made in July
REIMBURSED EXPENSES-IRWD	I	(6,314)	-25.25%	YTD is negative due to billing IRWD in Prior Year
REFUNDS	I	12,339	0.00%	Unanticipated MWDOC refund for Tier 2 water relating to PY
INTEREST EARNED-LAIF	I	3,380	99.16%	YTD is high due to underbudgeting the account
TAXES-SECURED	I	590,875	101.00%	YTD is high due to underbudgeting the account
TAXES-UNSECURED	I	18,884	125.90%	YTD is high due to underbudgeting the account
TAXES SUPPLEMENTAL ROLL	I	12,293	245.87%	YTD is high due to underbudgeting the account
MISCELLANEOUS INCOME	I	769	153.72%	YTD is high due to unanticipated revenue
RENT INCOME- CROWN CASTLE	I	76,041	149.10%	YTD is high due to payment received relating to prior years
EOCF #2 NONINTERR OC 48	E	1,112,418	113.60%	YTD is high due to time of year and not using other connections
SERVICE CONNECTIONS R&M	E	5,168	344.54%	YTD is high due to replacement of production IRWD production meter
RESERVOIRS R&M	E	26,446	132.23%	YTD is high due to tree services
SAC LINE R&M	E	16,889	168.89%	YTD is high due to higher maintenance fees than expected
EQUIPMENT RENTAL	E	19,757	177.20%	YTD is high due to generator rental
VEHICLE MAINTENANCE	E	2,997	110.06%	YTD is high due to unexpected repairs on District vehicles
MAINTENANCE-BUILDINGS AND GROUNDS	E	4,740	126.41%	YTD is high due to unexpected repairs
PAYROLL TAXES- SUI & ETT	E	910	113.23%	YTD is high due to timing of the year
MCPHERSON FAX	E	359	119.59%	YTD is high due to underbudgeting the account
MCPHERSON OFFICE PHONES	E	2,608	113.39%	YTD is high due to underbudgeting the account
MILEAGE	E	648	161.20%	YTD is high due to underbudgeting the account
OUTSIDE SERVICES	E	23,388	467.76%	YTD is high due to Public Relations fees
LEGAL	E	51,956	103.91%	YTD is high due to underbudgeting the account
OFFICE EQUIPMENT R&M	E	1,536	511.85%	YTD is over budget due to work performed by KMS Network Solutions

Capital Projects**New**

MASTER PLAN/CONDITION ASSESSMENT	E	137,886	110.31%	YTD is high due to expenses being higher than anticipated
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Ongoing

REPLACE BACKHOE	E	40,150	160.60%	YTD is high due to expenses being higher than anticipated
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EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE****MONTH: MAY 2015**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 WATER SALES	260,344	3,888,510	4,900,985	(1,012,475)	79.34%
2 METER CHARGE	227	2,099	2,961	(862)	70.88%
3 LATE CHARGE	-	45	50	(5)	90.00%
4 CONNECTION FEES	1,000	3,300	16,136	(12,836)	20.45%
5 EOCWD RESERVE FUND CHARGE	19,286	212,143	228,000	(15,857)	93.05%
6 EOCWD READINESS TO SERVE CHARGE	4,764	52,406	57,000	(4,594)	91.94%
7 RETAIL SERVICE CONNECTIONS	18,183	200,008	212,050	(12,042)	94.32%
8 MET-MWDOC READINESS TO SERVE	17,155	199,475	222,000	(22,525)	89.85%
9 MET-MWDOC CAPACITY CHARGE	14,933	135,554	135,085	469	100.35%
10 MET-MWDOC CHOICE-WS	-	8,377	8,377	(0)	100.00%
11 REIMBURSED EXPENSES-IRWD	-	(6,314)	25,000	(31,314)	-25.25%
12 REFUNDS	-	12,339	-	12,339	0.00%
13 Total OPERATING REVENUE:	335,891	4,707,941	5,807,645	(1,099,704)	
14 NON OPERATING INCOME					
15 INTEREST EARNED-DEMAND ACCOUNTS	-	-	-	-	0.00%
16 INTEREST EARNED-MORGAN STANLEY	-	-	-	-	0.00%
17 INTEREST-MORGAN STANLEY- CONT	-	-	-	-	0.00%
18 INTEREST EARNED-LAIF	-	3,380	3,409	(29)	99.16%
19 INTEREST EARNED-U.S. TREASURY BONDS	-	-	-	-	0.00%
20 INTEREST US TREASURY BOND	-	-	-	-	0.00%
21 INTEREST EARNED-COUNTY OF ORANGE	-	-	-	-	0.00%
22 INTEREST EARNED-ACWA	-	-	-	-	0.00%
23 INTEREST EARNED - RAYMOND JAMES	2,778	17,968	16,732	1,236	107.39%
24 TAXES-SECURED	7,840	590,875	585,000	5,875	101.00%
25 TAXES-UNSECURED	-	18,884	15,000	3,884	125.90%
26 TAXES SUPPLEMENTAL ROLL	881	12,293	5,000	7,293	245.87%
27 TAXES PRIOR YEARS	117	5,660	15,000	(9,340)	37.74%
28 TAXES HOMEOWNER'S SUBVENTION	1,777	3,997	4,000	(3)	99.92%
29 TAXES PUBLIC UTILITY	5,459	10,991	10,000	991	109.91%
30 TAXES TUSTIN RDA	-	28,058	40,000	(11,942)	70.15%
31 TAXES MISC	-	-	-	-	0.00%
32 TAXES ACCRUED	-	-	-	-	0.00%
33 STATE TAXES CONFISCATED	-	-	-	-	0.00%
34 PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
35 RENT INCOME- AT&T	4,490	49,313	55,000	(5,687)	89.66%
36 RENT INCOME- CROWN CASTLE	3,731	76,041	51,000	25,041	149.10%
37 AMP SALE INSTALLMENTS	-	142	20,000	(19,858)	0.71%
38 MISCELLANEOUS INCOME	50	769	500	269	153.72%
39 Total NON OPERATING INCOME:	27,121	818,372	820,641	(2,269)	
40 Total OPERATING REVENUE	363,012	5,526,312	6,628,285	(1,101,973)	
41 NET OPERATING INCOME:	363,012	5,526,312	6,628,285	(1,101,973)	

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE****MONTH: MAY 2015**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
EXPENSES					
42 EOCF #2 NONINTERR OC 43	46,267	869,281	1,473,786	(604,505)	58.98%
43 EOCF #2 NONINTERR OC 48	94,843	1,112,418	979,199	133,219	113.60%
44 WATER PURCHASED AMP	119,132	1,905,246	2,447,999	(542,753)	77.83%
45 WATER PURCHASED	-	-	-	-	0.00%
46 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
47 WATER PURCHASED-IN LIEU CREDIT	-	-	-	-	0.00%
48 AMP_FAP LEASE EXPENSE	1,250	13,750	-	13,750	0.00%
49 MET-MWDOC CHOICE BUDGET	-	11,475	8,377	3,098	0.00%
50 MET-MWDOC READINESS TO SERVE	17,155	194,364	222,000	(27,636)	87.55%
51 MET-MWDOC CAPACITY FEES	14,933	135,554	135,085	469	100.35%
52 MWDOC RETAIL SERVICE CONNECT	18,183	200,008	212,050	(12,042)	94.32%
53 UTILITY- SCADA RTU	115	1,628	2,600	(972)	62.61%
54 SMALL TOOLS	109	2,809	3,500	(691)	80.26%
55 GASOLINE, OIL & DIES-WS	-	-	-	-	0.00%
55 GASOLINE, OIL & DIESEL FUEL	480	3,735	5,413	(1,678)	69.00%
56 REGULATORY PERMITS	-	4,038	5,000	(962)	80.76%
57 NPDS PERMIT	-	-	-	-	0.00%
58 PROF SERV WATER QUAL. CONTROL	762	12,109	25,000	(12,891)	48.44%
59 SCADA REPLACEMENTS / UPGRADES	-	232	9,198	(8,966)	2.53%
60 OPERATIONS REPORTING SOFTWARE	176	4,545	19,845	(15,300)	22.90%
61 METER PURCHASE/REPAIR	-	826	15,000	(14,174)	5.51%
62 PRESSURE REGULATORS R&M	-	515	5,000	(4,485)	10.30%
63 R/M- MAINS	595	9,233	25,000	(15,767)	36.93%
64 DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
65 SERVICE CONNECTIONS R&M	-	5,168	1,500	3,668	344.54%
66 RESERVOIRS R&M	7	26,446	20,000	6,446	132.23%
67 R/M- VAULTS	30	551	10,000	(9,449)	5.51%
68 R/M- CATHODIC PROTECTION	109	1,862	20,500	(18,638)	9.08%
69 MAINTAIN & OPERATE EOCF#2	1,417	15,583	50,000	(34,417)	31.17%
70 METER TESTING	-	2,100	3,000	(900)	70.00%
71 SAC LINE R&M	-	16,889	10,000	6,889	168.89%
72 EQUIPMENT RENTAL	2,133	19,757	11,150	8,607	177.20%
73 EQUIPMENT MAINTENANCE	-	352	3,571	(3,219)	61.68%
74 VEHICLE MAINTENANCE	19	2,997	2,723	274	110.06%
75 MAINTENANCE-BUILDINGS AND GROUNDS	1,087	4,740	3,750	990	126.41%
76 WAGES	13,947	203,329	212,633	(9,305)	95.62%
77 PAYROLL TAXES- FICA & MEDICARE	1,182	16,416	17,737	(1,321)	92.55%
78 RETIREMENT- PERS	3,465	23,500	36,048	(12,548)	65.19%
79 PAYROLL TAXES- SUI & ETT	35	910	804	106	113.23%
80 HEALTH & ACCIDENT INSURANCE	3,126	32,152	63,478	(31,326)	50.65%
81 DENTAL INSURANCE	278	2,913	4,687	(1,774)	62.15%
82 VISION INSURANCE	52	591	1,205	(614)	49.03%
83 LIFE INSURANCE	22	268	893	(624)	30.05%
84 WORKER'S COMP INSURANCE	472	4,681	7,589	(2,908)	61.68%

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE****MONTH: MAY 2015**

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
85	UNIFORMS	63	962	2,232	(1,270)	43.09%
86	DISTRICT WEBSITE	-	144	2,250	(2,106)	6.42%
87	MCPHERSON FAX	37	359	300	59	119.59%
88	MCPHERSON INTERNET	63	738	2,000	(1,262)	36.88%
89	MCPHERSON OFFICE PHONES	314	2,608	2,300	308	113.39%
90	ANSWERING SERVICE	14	154	250	(96)	61.62%
91	PHONE CIRCUITS TO CTRL EQUIP	370	3,786	4,851	(1,065)	78.04%
92	CELLPHONES	134	1,556	2,000	(444)	77.79%
93	UNDERGROUND SERVICE ALERT	32	322	425	(103)	75.71%
94	TRAINING/SCHOOLS	-	969	6,732	(5,763)	14.39%
95	CONSERVATION EDUCATION	4,627	4,918	15,000	(10,082)	32.78%
96	TRAVEL- CONF/SEMINARS	384	4,100	9,500	(5,400)	43.16%
97	MILEAGE	46	648	402	246	161.20%
98	DUES & MEMBERSHIP- ACWA	-	2,350	3,750	(1,400)	62.66%
99	DUES & MEMBERSHIPS- OCWA	-	25	75	(50)	33.33%
100	DUES & MEMBERSHIPS- AWWA	207	207	400	(194)	51.63%
101	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
102	DUES & MEMBERSHIP- CSDA	55	1,634	3,500	(1,866)	46.69%
103	DUES- ISDOC/URBAN WTR	-	976	1,100	(124)	88.73%
104	MISCELLANEOUS EXP	-	288	500	(212)	57.70%
105	DIRECTOR- R. BARRETT	-	-	-	-	0.00%
106	DIRECTOR- W. VANDERWERFF	675	6,013	6,000	13	100.21%
107	DIRECTOR- D. CHAPMAN	-	-	-	-	0.00%
108	DIRECTOR- J. DULEBOHN	238	1,763	3,600	(1,838)	48.96%
109	DIRECTOR- R. BELL	300	2,425	3,600	(1,175)	67.36%
110	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
111	DIRECTOR- W. EVERETT	175	787	3,600	(2,813)	21.87%
112	BOARD MEETING EXPENSE	101	1,016	3,000	(1,984)	33.88%
113	POSTAGE	74	412	3,400	(2,988)	12.11%
114	OFFICE SUPPLY/FURN/SMALL EQUIP	56	5,075	7,000	(1,925)	72.50%
115	PUBLICATIONS & LEGAL NOTICES	-	451	5,000	(4,549)	9.03%
116	COPIER CONTRACT	25	268	625	(357)	42.93%
117	BANK CHARGES	124	1,732	3,000	(1,268)	57.75%
118	OUTSIDE SERVICES	6,620	23,388	5,000	18,388	467.76%
119	AUDITING	3,125	7,549	8,200	(651)	92.06%
120	TAX COLLECTION FEES	41	11,769	6,000	5,769	196.16%
121	TREASURER	806.00	2,011	7,000	(4,989)	28.73%
122	ACCOUNTING	1,404	24,519	25,000	(481)	98.08%
123	LEGAL	-	51,956	50,000	1,956	103.91%
124	COMPUTER CONSULTING	-	2,003	2,500	(497)	80.14%
125	ENGINEERING-WS	2,930	18,147	-	18,147	0.00%
126	LAFCO	-	5,694	40,000	(34,306)	14.24%
127	INSURANCE-AUTO & GEN LIABILITY	797	9,012	12,000	(2,988)	75.10%
128	INSURANCE-PROPERTY	219	2,515	3,750	(1,235)	67.07%
129	INSURANCE-EMP. FIDELITY BOND	18	201	371	(170)	54.08%
130	OFFICE EQUIPMENT R&M	158	1,536	300	1,236	511.85%

EAST ORANGE COUNTY WATER DISTRICT**FOR WHOLESALE****MONTH: MAY 2015**

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
131	UTILITIES-DUMPSTER	76	305	1,000	(695)	30.48%
132	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
133	UTILITIES- OFFICE- ELECT & WTR	229	3,082	3,375	(293)	91.31%
134	SECURITY	-	197	1,500	(1,303)	13.14%
135	ELECTION EXPENSE	-	26,449	64,000	(37,551)	41.33%
136	DEPRECIATION EXP.	-	-	-	-	0.00%
137	TRANS. TO WRCI-CAPITAL PROJECT	-	-	-	-	0.00%
138	TRANS TO CAPITAL PROJECTS	2,729	30,024	32,753	(2,729)	91.67%
139	TRANSFER TO (FROM) RESERVES	-	173,572	187,638	(14,066)	92.50%
140	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
141	MARKET VALUE ADJUST-INVESTMENT	(510)	(4,124)	-	(4,124)	0.00%
142	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
143	Total EXPENSES:	368,137	5,299,464	6,622,119	(1,322,655)	
144	NET INCOME FROM OPERATIONS:	(5,125)	226,849	6,166	220,682	
145	OTHER INCOME AND EXPENSE					
146	PRIOR YEARS INCOME (EXPENSES)	-	-	(6,167)	6,167	0.00%
147	Total OTHER INCOME AND EXPENSE	-	-	(6,167)	6,167	0.00%
148	NET INCOME (LOSS)	(5,125)	226,849	(0)	214,516	

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

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

MONTH: MAY 2015

REVENUE					
DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1 FUNDS PROVIDED BY RESERVE	-	-	-	-	0.00%
2 CAPITAL PROJECTS REVENUE					
3 INTEREST EARNINGS	-	5,894	15,000	(9,106)	39.29%
4 INTEREST RECEIVABLE- AMP SALE	-	-	13,000	(13,000)	0.00%
5 REIMBURSEMENT FROM IRWD	-	-	200,000	(200,000)	0.00%
6 REIMBURSEMENT FOR STORM DAMAGE REPAIRS	-	-	-	-	0.00%
7 REIMBURSEMENT FOR SECURITY UPGRADES	-	-	-	-	0.00%
8 TRANSFER FROM OPERATING EXPENSES	14,583	197,917	225,000	(27,083)	87.96%
9 NET OPERATING INCOME	14,583	203,811	453,000	(249,189)	

EXPENSES					
DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
10 CAPITAL PROJECTS EXPENSES					
11 CAPITALIZED ACCOUNTING COSTS	-	-	5,000	(5,000)	0.00%
12 SECURITY GATE AT 6 MG SITE-CONST	-	-	11,000	(11,000)	0.00%
13 SECURITY SYSTEM AT PETERS CANYON RESERVOIR	-	-	20,000	(20,000)	0.00%
14 BACKUP GENERATOR AT OC70 PUMP STATION	-	-	81,000	(81,000)	0.00%
15 PIPELINE INSPECTIONS-ENGINEERING	-	-	26,000	(26,000)	0.00%
16 MASTER PLAN/CONDITION ASSESSMENT	23,079	137,886	125,000	12,886	110.31%
17 FEASABILITY ENVIRONMENTAL	-	569	-	569	0.00%
18 6 MG RESERVOIR ROOF REPAIRS	-	10,971	1,320,000	(1,309,029)	0.83%
19 6 MG RESERVOIR - LANDSCAPE/V-DITCH	-	-	36,000	(36,000)	0.00%
20 CATHODIC PROTECTION - PIPELINES	-	-	31,000	(31,000)	0.00%
21 MCPHERSON OFFICE/YARD IMPROVEMENTS	-	-	13,000	(13,000)	0.00%
22 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM	-	-	36,000	(36,000)	0.00%
23 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
24 6 MG TREATMENT PLANT	-	2,069	305,000	(302,931)	0.68%
25 SECURITY UPGRADES-ANDRES RESERVOIR	-	-	15,000	(15,000)	0.00%
26 VALVE REPLACEMENTS (12" - 27")	-	-	23,000	(23,000)	0.00%
27 REPLACE BACKHOE	-	40,150	25,000	15,150	160.60%
28 NEWPORT RESERVOIR MIXING SYSTEM	-	-	31,000	(31,000)	0.00%
29 ISOLATION VALVES - 11.5 & 1 MG RESERVOIRS - ENGINEERING	-	27,298	41,000	(13,702)	66.58%
30 FINANCIAL SOFTWARE	-	9,095	25,000	(15,905)	36.38%
31 OC33 RECONNECTION	-	-	45,000	(45,000)	0.00%
32 VULNERABILITY UPGRADES-OC-70 TURNOUT & PUMP STATION	-	-	12,000	(12,000)	0.00%
33 VULNERABILITY UPGRADES-PETER'S CANYON RESERVOIR	-	-	70,000	(70,000)	0.00%
34 VULNERABILITY UPGRADES-OC-48 MET TURNOUT	-	-	3,000	(3,000)	0.00%
35 UWMP UPDATE	-	-	30,000	(30,000)	0.00%
36 TOTAL OPERATING EXPENSE	23,079	228,037	2,344,000	(2,115,963)	
37 NET INCOME FROM OPERATIONS	(8,496)	(24,226)	(1,891,000)	1,866,774	
38 PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
39 NET INCOME (LOSS)	(8,496)	(24,226)	(1,891,000)	1,866,774	

FOR WHOLESALE
MONTH: MAY 2015

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
FUNDED BY RESERVES	-	-		-	
1 INTEREST- RAYMOND JAMES	-	-	-	-	0.00%
2 INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
3 INTEREST-LAIF-CAP	-	5,894	15,000	(9,106)	39.29%
4 INTEREST-US TREASURY BOND	-	-	-	-	0.00%
5 INTEREST INCOME-AMP SALE	-	-	13,000	(13,000)	0.00%
6 REIMBURSEMENT FROM IRWD	-	-	200,000	(200,000)	0.00%
7 REIMBURSEMENT- STORM DAMAGE	-	-	-	-	0.00%
8 REIMBURSEMENT-SECURITY UPGRADE	-	-	-	-	0.00%
9 TRANSFER FROM WZ OPERATIONS	14,583	197,917	225,000	(27,083)	87.96%
10 Total NON OPERATING INCOME:	14,583	203,811	453,000	(249,188)	
11 Total OPERATING REVENUE	14,583	203,811	453,000	(249,188)	
12 NET OPERATING INCOME:	14,583	203,811	453,000	(249,188)	
EXPENSES					
13 CAPITALIZED ACCOUNTING COSTS	-	-	5,000	(5,000)	0.00%
14 SECURITY GATE AT 6 MG SITE-CONST (WZ PORTION)	-	-	10,000	(10,000)	0.00%
15 SECURITY GATE AT 6 MG SITE-LABOR (WZ PORTION)	-	-	1,000	(1,000)	0.00%
16 SECURITY SYSTEM AT PETERS CANYON RESERVOIR-CONSTRUCTION	-	-	15,000	(15,000)	0.00%
17 SECURITY SYSTEM AT PETERS CANYON RESERVOIR-LABOR	-	-	5,000	(5,000)	0.00%
18 BACKUP GENERATOR AT OC70 PUMP STATION-CONST	-	-	80,000	(80,000)	0.00%
19 BACKUP GENERATOR AT OC70 PUMP STATION-LABOR	-	-	1,000	(1,000)	0.00%
20 PIPELINE INSPECTIONS-ENGINEERING (CARRYOVER)	-	-	25,000	(25,000)	0.00%
21 PIPELINE INSPECTIONS-LABOR	-	-	1,000	(1,000)	0.00%
22 MASTER PLAN/CONDITION ASSESSMENT	23,079	137,886	125,000	12,886	110.31%
23 FEASABILITY AND ENVIRONMENT	-	569	-	569	0.00%
24 6 MG RESERVOIR ROOF REPAIRS-CONSTRUCTION	-	-	1,150,000	(1,150,000)	0.00%
25 6 MG RESERVOIR ROOF REPAIRS-ENGINEERING	-	10,971	150,000	(139,029)	7.31%
26 6 MG RESERVOIR ROOF REPAIRS-LABOR	-	-	20,000	(20,000)	0.00%
27 6 MG RESERVOIR - LANDSCAPE/V-DITCH-CONSTRUCTION	-	-	30,000	(30,000)	0.00%
28 6 MG RESERVOIR - LANDSCAPE/V-DITCH-ENGINEERING	-	-	5,000	(5,000)	0.00%
29 6 MG RESERVOIR - LANDSCAPE/V-DITCH-LABOR	-	-	1,000	(1,000)	0.00%
30 CATHODIC PROTECTION - PIPELINES-CONSTRUCTION	-	-	25,000	(25,000)	0.00%
31 CATHODIC PROTECTION - PIPELINES-ENGINEERING	-	-	5,000	(5,000)	0.00%
32 CATHODIC PROTECTION - PIPELINES-LABOR	-	-	1,000	(1,000)	0.00%
33 MCPHERSON OFFICE/YARD IMPROVEMENTS-CONSTRUCTION	-	-	10,000	(10,000)	0.00%
34 MCPHERSON OFFICE/YARD IMPROVEMENTS-LABOR	-	-	3,000	(3,000)	0.00%
35 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-CONSTRUCTION	-	-	25,000	(25,000)	0.00%
36 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-ENGINEERING	-	-	10,000	(10,000)	0.00%
37 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-LABOR	-	-	1,000	(1,000)	0.00%
38 VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
39 6 MG TREATMENT PLANT FEASIBILITY STUDY-ENGINEERING	-	2,069	275,000	(272,931)	0.75%
40 6 MG TREATMENT PLANT -LABOR	-	-	5,000	(5,000)	0.00%
41 6 MG TREATMENT PLANT - ENGINEERING	-	-	25,000	(25,000)	0.00%
42 SECURITY - ANDRES RESERVOIR-CONSTRUCTION	-	-	9,000	(9,000)	0.00%
43 SECURITY -ANDRES RESERVOIR-ENGINEERING	-	-	5,000	(5,000)	0.00%
44 SECURITY -ANDRES RESERVOIR-LABOR	-	-	1,000	(1,000)	0.00%
45 VALVE REPLACEMENTS (12" - 27")-CONSTRUCTION	-	-	12,000	(12,000)	0.00%
46 VALVE REPLACEMENTS (12" - 27")-ENGINEERING	-	-	5,000	(5,000)	0.00%
47 VALVE REPLACEMENTS (12" - 27")-LABOR	-	-	6,000	(6,000)	0.00%
48 REPLACE BACKHOE	-	40,150	25,000	15,150	160.60%
49 NEWPORT RESERVOIR MIXING SYSTEM - ENGINEERING	-	-	5,000	(5,000)	0.00%
50 NEWPORT RESERVOIR MIXING SYSTEM - CONTSTRUCTION	-	-	25,000	(25,000)	0.00%
51 NEWPORT RESERVOIR MIXING SYSTEM - LABOR	-	-	1,000	(1,000)	0.00%
52 ISOLATION VALVES - 11.5 & 1 MG RESERVOIRS - ENGINEERING	-	-	5,000	(5,000)	0.00%
53 ISOLATION VALVES - 11.5 & 1 MG - CONSTRUCTION	-	27,244	30,000	(2,756)	90.81%
54 ISOLATION VALVES - 11.5 & 1 MG - LABOR	-	53	6,000	(5,947)	0.89%
55 FINANCIAL SOFTWARE	-	9,095	25,000	(15,905)	36.38%
56 CONTSTRUCTION- OC33 RECONNECTION	-	-	25,000	(25,000)	0.00%
57 ENGINEERING - OC 33 RECONNECTION	-	-	10,000	(10,000)	0.00%
58 LABOR - OC33 RECONNECTION	-	-	10,000	(10,000)	0.00%
59 VULNERABILITY UPGRADES-OC-70 TURNOUT & PUMP STATION-CONSTRUCTION	-	-	12,000	(12,000)	0.00%
60 VULNERABILITY UPGRADES-PETER'S CANYON RESERVOIR-CONSTRUCTION	-	-	70,000	(70,000)	0.00%
61 VULNERABILITY UPGRADES-OC-48 MET TURNOUT-CONSTRUCTION	-	-	3,000	(3,000)	0.00%
62 UWMP UPDATE-LABOR (WS PORTION)	-	-	5,000	(5,000)	0.00%
63 UWMP UPDATE-ENGINEERING (WS PORTION)	-	-	25,000	(25,000)	0.00%
64 Total EXPENSES:	23,079	228,037	2,344,000	(2,115,963)	
65 NET INCOME (LOSS)	(8,496)	(24,226)	(1,891,000)	1,866,774	

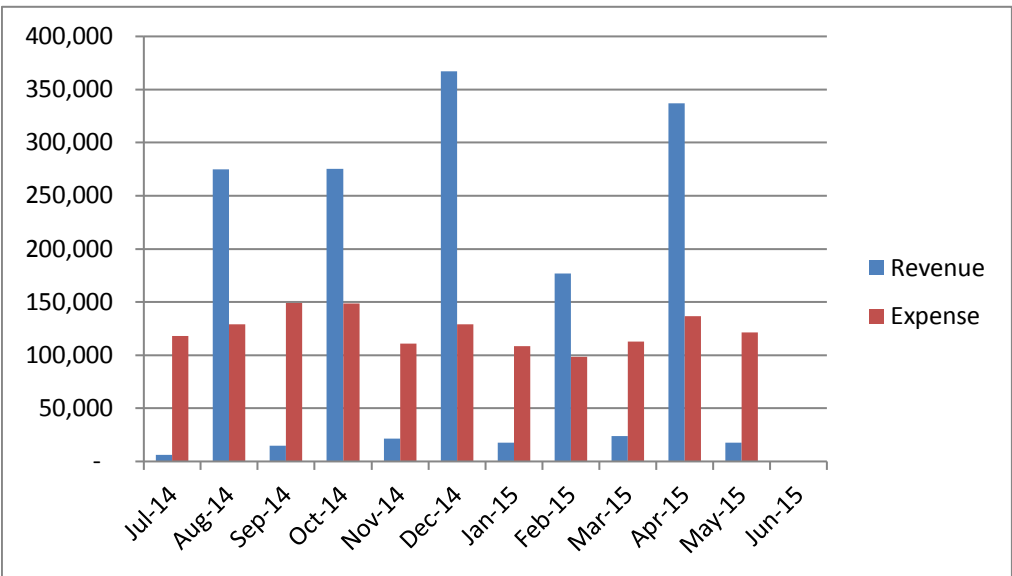
Retail Zone Financial Summary

For Period Ending May 31, 2015

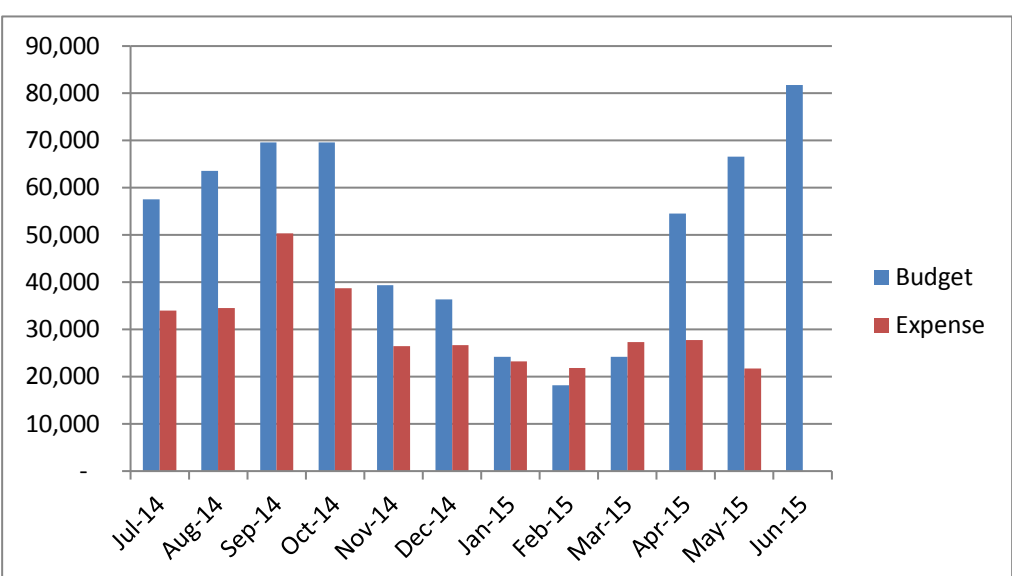
YTD Operating Income \$ 1,531,949

YTD Operating Expense \$ 1,362,991

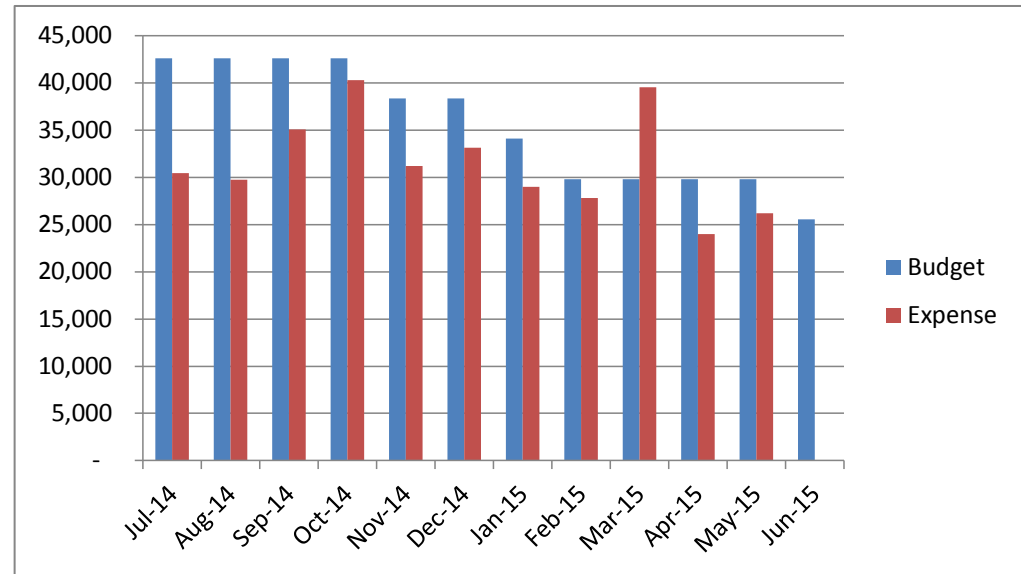
Revenue vs Expenses



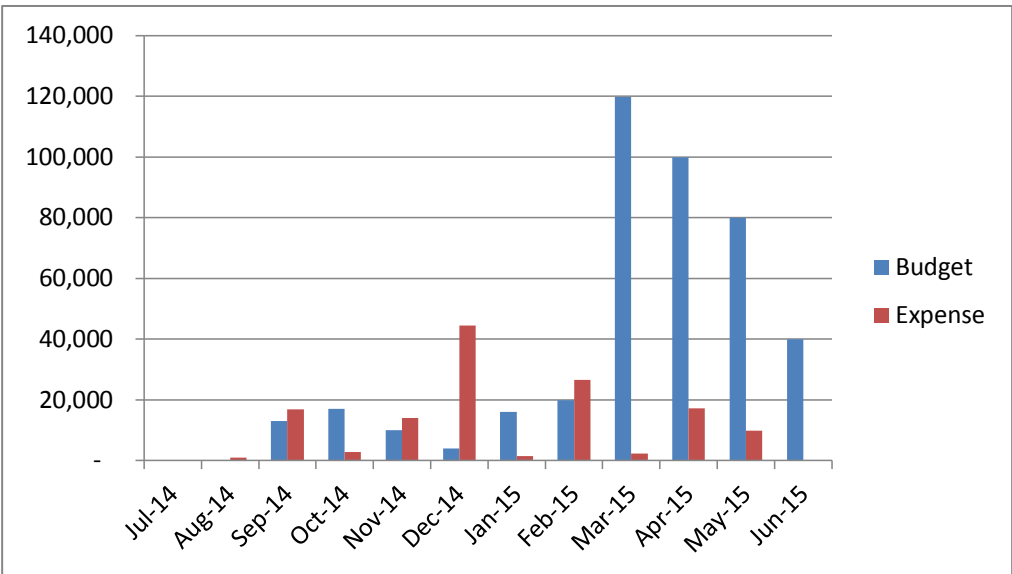
Water Purchased Budget vs. Actual



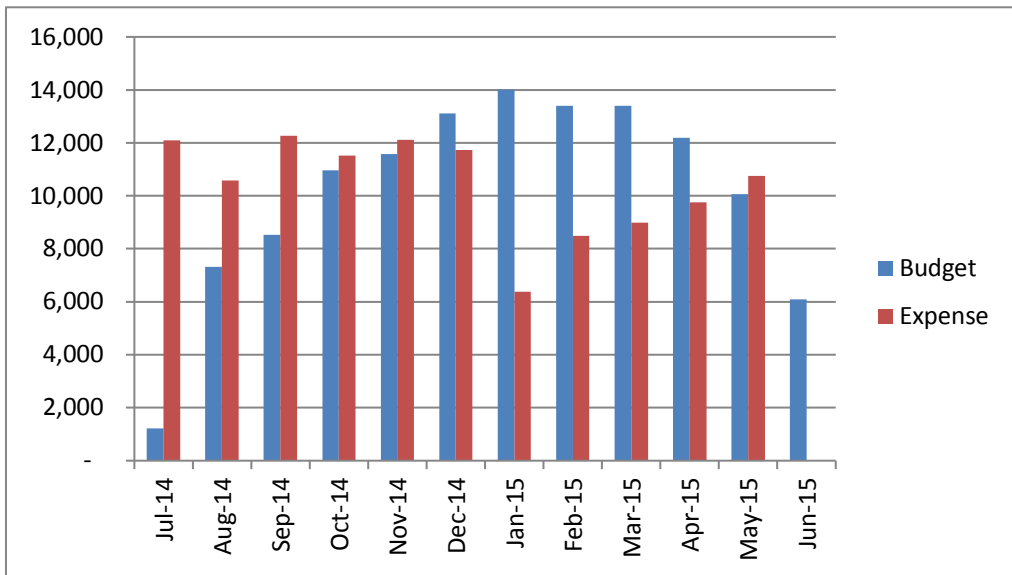
Salaries & Benefits Budget vs. Actual



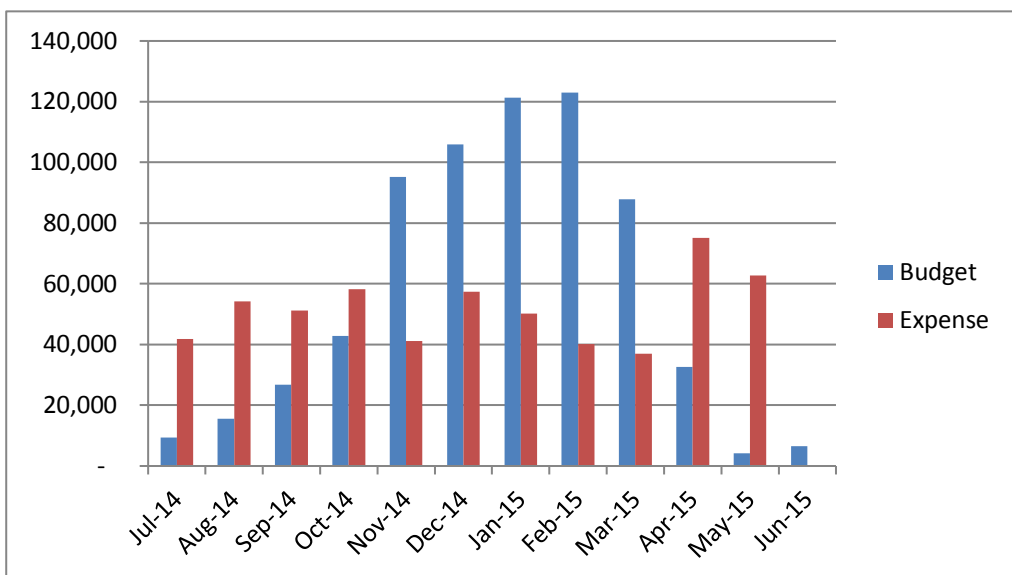
CIP Budget vs. Actual



Electrical Budget vs. Actual



O&M Budget vs. Actual



RETAIL ZONE

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

REVENUE		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2014-15	OVER	OF BUDGET
		REVENUE	REVENUE	BUDGET	(UNDER)	EXPENDED
1	OPERATING REVENUE:					
2	WATER SALES	460	842,869	1,102,160	(259,291)	76.47%
3	METER CHARGE	29	298,613	360,000	(61,387)	82.95%
4	OTHER CHARGES	8,053	19,025	8,625	10,400	220.58%
5	TOTAL OPERATING REVENUE:	8,541	1,160,506	1,470,785	(310,279)	78.90%
6	NON-OPERATING REVENUES (EXPENSES):					
7	PROPERTY TAXES	8,893	365,293	372,200	(6,907)	98.14%
8	INTEREST & INVESTMENT EARNINGS	5	2,328	915	1,413	254.43%
9	MISCELLENIOUS INCOME	-	3,821	500	3,321	764.26%
10	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
11	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
12	TOTAL NON-OPERATING REVENUES, NET	8,898	371,442	373,615	(2,173)	99.42%
13	NET OPERATING INCOME	17,439	1,531,949	1,844,400	(312,451)	83.06%

EXPENSES		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2014-15	OVER	OF BUDGET
		EXPENSES	EXPENSES	BUDGET	(UNDER)	EXPENDED
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	15,431	265,939	531,704	(265,765)	50.02%
16	MET/MWDOC FIXED CHARGE	1,057	11,632	12,500	(868)	93.05%
17	WZ FIXED CHARGE	1,385	15,238	15,660	(422)	97.31%
18	PIPELINE CAPACITY LEASE	3,802	39,752	45,500	(5,748)	87.37%
19	ENERGY	10,525	111,113	118,500	(7,387)	93.77%
20	OPERATIONS & MAINTENANCE	43,981	493,128	607,711	(114,583)	81.15%
21	GENERAL & ADMINISTRATIVE	20,986	160,769	223,275	(62,506)	72.00%
22	TRANSFER TO CAPITAL PROJECTS EXPENSE	13,713	150,838	164,550	(13,713)	91.67%
23	RETAIL OPERATIONS CONTINGENCY FUND	6,250	68,750	75,000	(6,250)	91.67%
24	FUNDED TO/BY RESERVE	4,167	45,833	50,000	(4,167)	91.67%
25	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
26	TOTAL OPERATING EXPENSE	121,296	1,362,991	1,844,400	(481,409)	73.90%
27	NET INCOME FROM OPERATIONS	(103,858)	168,958	-	168,958	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	NET INCOME (LOSS)	(103,858)	168,958	-	168,958	

Retail Zone**May 2015 Variance Report - 92% of Budget Year Expended**

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
Operating				
New				
INTEREST INCOME-MM	I	32	210.27%	YTD is high due to more revenue than expected in this account
BUILDING/GROUNDS R&M	E	3,795	101.21%	YTD is high due replacement of fencing and repaving the district office
DIRECTOR- W. VANDERWERFF	E	6,013	100.21%	YTD is high due to underbudgeting the account
Ongoing				
LATE CHARGE	I	12,999	114.03%	YTD is high due to revenue being higher than expected
INTEREST-LAIF-OP	I	2,297	255.17%	YTD is high due to receiving more interest than expected
INTEREST INCOME-MM	I	32	210.27%	YTD is high due to receiving more interest than expected
TAXES SECURED	I	336,332	103.17%	YTD is high due to more revenue than expected in this account
TAXES SUPPLEMENTAL ROLL	I	6,997	318.06%	YTD is high due to more revenue than expected in this account
MISCELLANEOUS INCOME	I	3,821	764.26%	YTD is high due to an ACWA insurance refund and reimbursement for an auto accident
OCWD- REPLENISH ASSESSMENT	E	258,638	119.19%	YTD is high due to more pumping than purchased water
REGULATORY PERMITS	E	6,645	120.81%	YTD is high due to unanticipated SWRCB Fees
STOLLER RESERVOIR/BOOSTER R&M	E	12,237	203.95%	YTD is high due to the purchase of measurement control systems
R&M VISTA PANORAMA RESERVOIR	E	6,160	116.23%	YTD is high due to work performed by Hidden Valley Pumps
CHLORINE GENERATOR	E	4,730	157.68%	YTD is high due to unanticipated expenses
R/M- MAINS	E	37,565	163.33%	YTD is high due to unexpected main leaks
VEHICLES R&M	E	3,548	105.05%	YTD is high due to the unanticipated repair on Discript vehicles
EQUIPMENT RENTAL	E	15,711.78	140.91%	YTD is high due to unplanned generator rental
BANK CHARGES	E	6,639	141.26%	YTD is high due to credit card fees being higher than anticipated
MCPHERSON FAX	E	524	174.67%	YTD is high due to fees being higher than anticipated
MCPHERSON OFFICE PHONES	E	2,607.96	113.39%	YTD is high due to underbudgeting the account
CONSERVATION EDUCATION	E	10,735	268.38%	YTD is high due to unexpected drought awareness costs
MILEAGE	E	643	129.07%	YTD is high due to more expenses than expected
POSTAGE	E	4,069	119.68%	YTD is high due to more expenses than expected
OFFICE EQUIPMENT R&M	E	1,536	383.89%	YTD is high due to unanticipated expenses
UTILITIES- OFFICE- ELECT & WTR	E	3,553	105.27%	YTD is high due to fees being higher than anticipated
OUTSIDE SERVICES	E	11,313	188.56%	YTD is high due to unanticipated expenses
TAX COLLECTION FEES	E	4,663	93.27%	YTD is high due to timing of tax payments
PAYROLL TAXES- SUI & ETT	E	1,012.41	101.60%	YTD is high due to timing of tax payments
Capital				
New				
Ongoing				
REPLACE BACKHOE-CONSTRUCTION	E	40,150	160.60%	YTD is high due to expenses being higher than anticipated

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 WATER SALES	460	842,869	1,102,160	(259,291)	76.47%
2 METER CHARGE	29	298,613	360,000	(61,387)	82.95%
3 LATE CHARGE	2,280	12,999	11,400	1,599	114.03%
4 RETURNED CHECK CHARGE	60	263	950	(687)	27.71%
5 TURN OFF CHARGE	-	50	1,400	(1,350)	3.57%
6 OTHER CHARGES	3,385	3,385	-	3,385	0.00%
7 UNCOLLECTIBLE ACCOUNTS	-	-	(5,125)	5,125	0.00%
8 TURN ON NEW SERVICE	2,328	2,328	-	2,328	0.00%
9 REFUNDS	-	-	-	-	0.00%
10 SERVICE UPGRADE FEE	-	-	-	-	0.00%
11 Total OPERATING REVENUE:	8,541	1,160,506	1,470,785	(310,279)	
12 INTEREST INCOME-MM	5	32	15	17	210.27%
13 INTEREST-MORGAN STANLEY-OP	-	-	-	-	0.00%
14 INTEREST-LAIF-OP	-	2,297	900	1,397	255.17%
15 INTEREST- US TREASURY BOND	-	-	-	-	0.00%
16 INTEREST INCOME-CTY OF ORANGE	-	-	-	-	0.00%
17 TAXES SECURED	4,463	336,332	326,000	10,332	103.17%
18 TAXES UNSECURED	-	10,719	13,000	(2,281)	82.46%
19 TAXES SUPPLEMENTAL ROLL	501	6,997	2,200	4,797	318.06%
20 TAXES PRIOR YEARS	66	3,229	8,000	(4,771)	40.37%
21 TAXES HOMEOWNER'S SUBVENTION	1,011	2,275	3,000	(725)	75.84%
22 TAXES PUBLIC UTILITY	2,851	5,740	5,000	740	114.80%
23 TAXES TUSTIN RDA	-	-	20,000	(20,000)	0.00%
24 TAXES MISC	-	-	-	-	0.00%
25 TAXES ACCRUED	-	-	(5,000)	5,000	0.00%
26 STATE TAXES CONFISCATED	-	-	-	-	0.00%
27 PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
28 MISCELLANEOUS INCOME	-	3,821	500	3,321	764.26%
29 Total NON OPERATING INCOME:	8,898	371,442	373,615	(2,173)	
30 Total OPERATING REVENUE	17,439	1,531,949	1,844,400	(312,451)	
31 NET OPERATING INCOME:	17,439	1,531,949	1,844,400	(312,451)	

EXPENSES

32 WATER PURCHASED	25	7,301	314,704	(307,403)	2.32%
33 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
34 WATER PURCHASED IN LIEU CREDIT	-	-	-	-	0.00%
35 OCWD- REPLENISH ASSESSMENT	15,406	258,638	217,000	41,638	119.19%
36 MET-MWDOC READINESS TO SERVE	2,455	27,955	30,500	(2,545)	91.66%
37 MET-MWDOC CAPACITY FEES	1,347	11,797	15,000	(3,203)	78.65%
38 MWDOC RETAIL SERVICE CONNECT	1,057	11,632	12,500	(868)	93.05%
39 EOCWD WR RESERVE FUND CHARGE	1,108	12,191	12,360	(169)	98.63%
40 EOCWD WR READINESS TO SERVE	277	3,048	3,300	(252)	92.35%
41 UTILITY STOLLER RESERVOIR	4,286	50,064	53,100	(3,036)	94.28%
42 UTILITY VISTA PANORAMA BOOSTER	249	3,638	7,500	(3,862)	48.51%
43 ULILITIES- WELLS- EAST/WEST	5,989	57,411	57,900	(489)	99.15%
44 SMALL TOOLS	56	2,795	3,500	(705)	79.85%
45 GASOLINE, OIL & DIES-RZ	-	-	-	-	0.00%
46 GASOLINE, OIL & DIESEL FUEL	586	5,353	6,712	(1,359)	79.75%
47 REGULATORY PERMITS	-	6,645	5,500	1,145	120.81%
48 NPDS PERMIT	-	-	-	-	0.00%
49 PROF SERV WATER QUAL. CONTROL	602	8,478	20,000	(11,522)	42.39%
50 CHLORINE GENERATOR/SALT PURCH	-	1,019	1,400	(381)	72.77%
51 WEST WELL MAINTENANCE	-	263	3,250	(2,987)	8.09%
52 EAST WELL MAINTENANCE	-	519	3,250	(2,731)	15.96%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: MAY 2015

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
53	STOLLER RESERVOIR/BOOSTER R&M	-	12,237	6,000	6,237	203.95%
54	VISTA PANORAMA BOOSTER R&M	-	45	4,200	(4,155)	1.08%
55	R&M VISTA PANORAMA RESERVOIR	-	6,160	5,300	860	116.23%
56	CHLORINE GENERATOR	-	4,730	3,000	1,730	157.68%
57	SCADA REPAIR/UPGRADE	-	220	5,402	(5,182)	4.08%
58	OPERATIONS REPORTING SOFTWARE	624	7,435	11,655	(4,220)	63.79%
59	HYDRANT REPAIR & REPLACEMENTS	2,080	6,267	16,100	(9,833)	38.92%
60	METER PURCHASE REPAIR	350	6,865	9,200	(2,335)	74.62%
61	PRV- R & M	-	705	2,050	(1,345)	34.41%
62	R/M- MAINS	9,664	37,565	23,000	14,565	163.33%
63	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
64	SERVICE LATERALS R&M	1,866	15,159	20,000	(4,841)	75.80%
65	RESERVOIRS R&M	7	430	2,000	(1,570)	21.50%
66	R/M- VAULTS	-	382	1,500	(1,118)	60.81%
67	R/M- CATHODIC PROTECTION	-	-	5,000	(5,000)	0.00%
68	METER TESTING	-	-	1,000	(1,000)	0.00%
69	EQUIPMENT RENTAL	873	15,712	11,150	4,562	140.91%
70	BACKHOE R&M	-	479	4,429	(3,950)	10.82%
71	VEHICLES R&M	19	3,548	3,377	171	105.05%
72	BUILDING/GROUNDS R&M	1,087	3,795	3,750	45	101.21%
73	WAGES	16,046	234,894	263,696	(28,801)	89.08%
74	PAYROLL TAXES- FICA & MEDICARE	1,344	18,854	21,997	(3,143)	85.71%
75	RETIREMENT- PERS	3,846	26,790	39,981	(13,191)	67.01%
76	PAYROLL TAXES- SUI & ETT	35	1,012	996	16	101.60%
77	HEALTH & ACCIDENT INSURANCE	3,864	51,952	78,722	(26,770)	65.99%
78	DENTAL INSURANCE	339	4,363	5,813	(1,450)	75.05%
79	VISION INSURANCE	64	898	1,495	(597)	60.06%
80	LIFE INSURANCE	27	398	1,107	(709)	35.97%
81	WORKER'S COMP INSURANCE	527	5,723	9,411	(3,688)	60.81%
82	UNIFORMS	73	1,437	2,768	(1,331)	51.92%
83	DISTRICT WEBSITE	-	144	2,250	(2,106)	6.42%
84	MCPHERSON FAX	37	524	300	224	174.67%
85	MCPHERSON INTERNET	63	738	4,000	(3,262)	18.44%
86	MCPHERSON OFFICE PHONES	314	2,608	2,300	308	113.39%
87	ANSWERING SERVICE	14	154	250	(96)	61.61%
88	PHONE CIRCUITS TO CTRL EQUIP	217	2,218	2,849	(631)	77.87%
89	CELLPHONES	134	1,391	2,000	(609)	69.53%
90	UNDERGROUND SERVICE ALERT	32	322	425	(103)	75.71%
91	TRAINING/SCHOOLS	-	1,062	6,268	(5,206)	16.95%
92	CONSERVATION EDUCATION	5,321	10,735	4,000	6,735	268.38%
93	TRAVEL-CONF/SEMINARS	3,516	7,233	9,500	(2,267)	76.13%
94	MILEAGE	46	643	498	145	129.07%
95	DUES & MEMBERSHIPS- ACWA	-	2,350	3,750	(1,400)	62.67%
96	DUES & MEMBERSHIPS- OCWA	-	25	75	(50)	33.33%
97	DUES & MEMBERSHIPS- AWWA	207	207	400	(194)	51.63%
98	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
99	DUES & MEMBERSHIP-CSDA	55	2,044	3,500	(1,456)	58.39%
100	DUES- ISDOC/URBAN WTR	-	976	1,100	(124)	88.73%
101	MISCELLANEOUS EXP	-	108	500	(392)	21.65%
102	DIRECTOR- R. BARRETT	-	-	-	-	0.00%
103	DIRECTOR- W. VANDERWERFF	675	6,013	6,000	13	100.21%
104	DIRECTOR- D. CHAPMAN	-	-	-	-	0.00%
105	DIRECTOR- J. DULEBOHN	238	1,763	3,600	(1,838)	48.96%
106	DIRECTOR- R. BELL	300	2,425	3,600	(1,175)	67.36%
107	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
108	DIRECTOR- W. EVERETT	175	963	3,600	(2,638)	26.74%
109	BOARD MEETING EXPENSE	101	1,001	2,000	(999)	50.07%
110	POSTAGE	138	4,069	3,400	669	119.68%
111	OFFICE SUPPLY/FURN/SMALL EQUIP	56	5,111	6,750	(1,639)	75.72%
112	PUBLICATIONS & LEGAL NOTICES	-	730	7,550	(6,820)	9.67%
113	COPIER CONTRACT	25	268	625	(357)	42.92%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: MAY 2015

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
114	VERSATERM CONTRACT (RZ BILLS)	-	550	3,750	(3,200)	14.67%
115	BANK CHARGES	322	6,639	4,700	1,939	141.26%
116	OUTSIDE SERVICES	2,665	11,313	6,000	5,313	188.56%
117	AUDITING	-	4,076	8,200	(4,124)	49.71%
118	TAX COLLECTION FEES	23	4,663	5,000	(337)	93.27%
119	COMPUTER BILLING (RZ BILLS)	-	5,313	7,000	(1,687)	75.90%
120	TREASURER	806	2,011	7,000	(4,989)	28.73%
121	ACCOUNTING- SERRANO	1,404	20,877	25,000	(4,123)	83.51%
122	LEGAL	-	17,730	35,000	(17,270)	50.66%
123	COMPUTER CONSULTING	-	1,863	2,500	(637)	74.54%
124	ENGINEERING-RZ	3,020	8,822	-	8,822	0.00%
125	LAFCO	-	2,410	4,590	(2,180)	52.51%
126	INSURANCE-AUTO & GEN LIABILITY	554	6,263	7,750	(1,487)	80.81%
127	INSURANCE-PROPERTY	73	838	3,000	(2,162)	27.95%
128	INSURANCE-EMP. FIDELITY BOND	16	178	400	(222)	44.50%
129	OFFICE EQUIPMENT R&M	158	1,536	400	1,136	383.89%
130	UTILITIES-DUMPSTER	51	305	1,000	(695)	30.48%
131	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
132	UTILITIES- OFFICE- ELECT & WTR	229	3,553	3,375	178	105.27%
133	SECURITY	-	197	1,500	(1,303)	13.14%
134	ELECTION EXPENSE	-	5,806	16,000	(10,194)	36.29%
135	INTEREST EXPENSE DWR	-	-	-	-	0.00%
136	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
137	DEPRECIATION EXP.	-	-	-	-	0.00%
138	PRIOR YEAR ADJUSTMENTS	-	-	-	-	0.00%
139	TRANS TO CAPITAL PROJECT AF	-	-	-	-	0.00%
140	TRANS TO CAPITAL PROJECTS	13,713	150,838	164,550	(13,713)	91.67%
141	RZ- CONTINGENCY FUND	6,250	68,750	75,000	(6,250)	91.67%
142	FUNDED TO/BY RESERVE-RZ	4,167	45,833	50,000	(4,167)	91.67%
143	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
144	TOTAL OPERATING EXPENSES:	121,296	1,362,991	1,844,400	(481,409)	
145	NET INCOME FROM OPERATIONS:	(103,858)	168,958	0	168,958	
146	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
147	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
148	Total OTHER INCOME AND EXPENSES	-	-	-	-	
149	NET INCOME (LOSS)	(103,858)	168,958	0	168,958	

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
2013-2014 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
MONTH: MAY 2015

REVENUE					
DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1 FUNDS PROVIDED BY RESERVE	-	-	313,750	(313,750)	0.00%
2 CAPITAL PROJECTS REVENUE					
3 CAPITAL PROJECTS FEES	21	238,476	277,000	(38,524)	86.09%
4 CONNECTION FEES	2,500	9,635	10,450	(815)	92.20%
5 INTEREST EARNINGS	-	266	500	(234)	53.25%
6 TRANSFER FROM OPERATING EXPENSES	13,713	150,838	164,550	(13,713)	91.67%
7 FUNDS BORROWED FROM WHOLESALE ZONE	-	-	-	-	0.00%
8 REIMBURSEMENT- RZ BILL RATE STUDY	-	-	-	-	0.00%
9 NET OPERATING INCOME	16,233	399,215	766,250	(367,035)	
EXPENSES					
DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
10 CAPITAL PROJECTS EXPENSES					
11 RZ CAPITALIZED ACCOUNTING COST	-	-	5,000	(5,000)	0.00%
12 BETTERMENT & REPLACEMENT PLAN	9,891	67,940	81,000	(13,060)	83.88%
13 MCPHERSON OFFICE/YARD IMPROVEMENT	-	-	15,000	(15,000)	0.00%
14 CATHODIC PROTECTIONS	-	-	5,500	(5,500)	0.00%
15 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
16 VP VAULT PIPING/METER UPGRADE	-	-	27,000	(27,000)	0.00%
17 VISTA PANORAMA RESERVOIR REPAIR	-	-	120,000	(120,000)	0.00%
18 VP PUMP REBUILD	-	-	5,250	(5,250)	0.00%
19 VALVE RAISING-CRAWFORD CANYON	-	-	18,000	(18,000)	0.00%
20 VALVE REPLACEMENTS- SYSTEM	-	-	20,000	(20,000)	0.00%
21 ALLOW FOR SYSTEM RELOCATION	-	-	110,000	(110,000)	0.00%
22 BACKUP GENERATOR FOR VP BOOSTER	-	-	50,000	(50,000)	0.00%
23 REPLACE BACKHOE	-	40,150	25,000	15,150	160.60%
24 FINANCIAL SOFTWARE	-	9,095	25,000	(15,905)	36.38%
25 BACKUP SYSTEM PRV - CIRCULA PANORAMA	-	-	50,000	(50,000)	0.00%
26 SECURITY IMPROVEMENTS - RESERVOIR SITES	-	-	15,000	(15,000)	0.00%
27 JOINT WELL - ENGINEERING	-	-	30,000	(30,000)	0.00%
28 WELL DISINFECTION CONVERSION	-	-	57,500	(57,500)	0.00%
29 WEST WELL REHABILITATION -REPLACEMENT	-	-	72,000	(72,000)	0.00%
30 SIDEHILL BOOSTER	-	19,602	-	19,602	-
31 SCADA SYSTEMS SITE ADDITIONS - VP SIDEHILL AND RZ FIRE PUMP	-	-	20,000	(20,000)	0.00%
32 TOTAL OPERATING EXPENSE	9,891	136,787	766,250	(629,463)	
33 NET INCOME FROM OPERATIONS	6,342	262,428	-	262,428	
34 PRIOR YEARS EXPENSES	-	-	-	-	
35 NET INCOME (LOSS)	6,342	262,428	-	262,428	

FOR RETAIL
MONTH: MAY 2015

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 FUNDED BY RESERVES	-	-	313,750	(313,750)	
2 WATER SALES-CAPITAL PROJECTS	21	238,476	277,000	(38,524)	86.09%
3 CONNECTION FEES	2,500	9,635	10,450	(815)	92.20%
4 INTEREST INCOME- CHAPMAN AVE	-	-	-	-	0.00%
5 INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
6 INTEREST-LAIF-CAP	-	266	500	(234)	53.25%
7 INTEREST US TREASURY BOND	-	-	-	-	0.00%
8 REIMBURSEMENT- RZ BILL RATE STUDY	-	-	-	-	0.00%
9 TRANSFER IN CAPITAL PROJECTS	13,713	150,838	164,550	(13,713)	91.67%
10 Total NON OPERATING INCOME:	16,233	399,215	766,250	(367,035)	
11 Total OPERATING REVENUE	16,233	399,215	766,250	(367,035)	
12 NET OPERATING INCOME:	16,233	399,215	766,250	(367,035)	

EXPENSES

13 RZ CAPITALIZED ACCOUNTING COST	-	-	5,000	(5,000)	0.00%
14 BETTERMENT & REPLACEMENT PLAN	-	-	10,000	(10,000)	0.00%
15 BETTERMENT & REPLACEMENT PLAN	9,891	67,940	70,000	(2,060)	97.06%
16 BETTERMENT & REPLACEMENT PLAN	-	-	1,000	(1,000)	0.00%
17 MCPHERSON OFFICE/YARD IMPROVE-CONST.	-	-	10,000	(10,000)	0.00%
18 MCPHERSON OFFICE/YARD IMPROVE-LABOR	-	-	5,000	(5,000)	0.00%
19 CATHODIC PROTECTIONS-CONST.	-	-	5,000	(5,000)	0.00%
20 CATHODIC PROTECTION-LABOR	-	-	500	(500)	0.00%
21 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
22 VP VAULT PIPING/METER UPGRADE-CONST.	-	-	20,000	(20,000)	0.00%
23 VP VAULT PIPING/METER UPGRADE-ENG.	-	-	5,000	(5,000)	0.00%
24 VP VAULT PIPING/METER UPGRADE-LABOR	-	-	2,000	(2,000)	0.00%
25 VISTA PANORAMA RESERVOIR REPAIR-CONST.	-	-	100,000	(100,000)	0.00%
26 VISTA PANORAMA RESERVOIR REPAIR-ENG.	-	-	15,000	(15,000)	0.00%
27 VISTA PANORAMA RESERVOIR REPAIR-LABOR	-	-	5,000	(5,000)	0.00%
28 VP PUMP REBUILD-CONST.	-	-	5,000	(5,000)	0.00%
29 VP PUMP REBUILD-LABOR	-	-	250	(250)	0.00%
30 VALVE RAISING-CRAWFORD CANYON-CONST.	-	-	17,000	(17,000)	0.00%
31 VALVE RAISING-CRAWFORD CANYON-ENG.	-	-	500	(500)	0.00%
32 VALVE RAISING-CRAWFORD CANYON-LABOR	-	-	500	(500)	0.00%
33 VALVE REPLACEMENTS- SYSTEM CONST.	-	-	15,000	(15,000)	0.00%
34 VALVE REPLACEMENTS- SYSTEM LABOR	-	-	5,000	(5,000)	0.00%
35 ALLOW FOR SYSTEM RELOCATION-CONST.	-	-	100,000	(100,000)	0.00%
36 ALLOW FOR SYSTEM RELOCATION-ENG.	-	-	5,000	(5,000)	0.00%
37 ALLOW FOR SYSTEM RELOCATION-LABOR	-	-	5,000	(5,000)	0.00%
38 BACKUP GENERATOR FOR VP BOOSTER-CONST.	-	-	50,000	(50,000)	0.00%

FOR RETAIL
MONTH: MAY 2015

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2014-15 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
39 REPLACE BACKHOE-CONSTRUCTION	-	40,150	25,000	15,150	160.60%
40 FINANCIAL SOFTWARE	-	9,095	25,000	(15,905)	36.38%
41 BACKUP SYSTEM PRV - CIRCULA PANORAMA-CONSTRUCTION	-	-	30,000	(30,000)	0.00%
42 BACKUP SYSTEM PRV - CIRCULA PANORAMA-ENGINEERING	-	-	10,000	(10,000)	0.00%
43 BACKUP SYSTEM PRV - CIRCULA PANORAMA-LABOR	-	-	10,000	(10,000)	0.00%
44 SECURITY IMPROVEMENTS - RESERVOIR SITES-CONSTRUCTION	-	-	10,000	(10,000)	0.00%
45 SECURITY IMPROVEMENTS - RESERVOIR SITES-LABOR	-	-	5,000	(5,000)	0.00%
46 JOINT WELL - ENGINEERING	-	-	25,000	(25,000)	0.00%
47 JOINT WELL - LABOR	-	-	5,000	(5,000)	0.00%
48 WELL DISINFECTION CONVERSION -CONST/EQUIP	-	-	45,000	(45,000)	0.00%
49 WELL DISINFECTION CONVERSION-ENGINEERING	-	-	10,000	(10,000)	0.00%
50 WELL DISINFECTION CONVERSION - LABOR	-	-	2,500	(2,500)	0.00%
51 WEST WELL REHABILITATION -REPLACEMENT-CONSTRUCTION	-	-	70,000	(70,000)	0.00%
52 WEST WELL REHABILITATION -REPLACEMENT-LABOR	-	-	2,000	(2,000)	0.00%
53 SIDEHILL BOOSTER-CONSTRUCTION	-	18,562	-	18,562	0.00%
54 SIDEHILL BOOSTER-LABOR	-	1,040	-	1,040	0.00%
55 SCADA SYSTEMS SITE ADDITIONS - VP SIDEHILL AND RZ FIRE PUMP	-	-	20,000	(20,000)	0.00%
56 TOTAL OPERATING EXPENSES:	9,891	136,787	766,250	(629,463)	
57 Net Income (Loss):	6,342	262,428	-	262,428	



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: ADOPTION OF WZ RATES & CHARGES – FY 2015/16
DATE: JULY 16, 2015

Background

At the June 18, 2015 Meeting, the Board approved the proposed FY 2015/16 Budget, however, the rates and charges to support the budget were deferred for consideration until the July Board Meeting in order to provide staff with an opportunity to meet with the Wholesale Zone Agencies and review the operating and capital budget increases proposed by staff.

As noted at the Special Workshop Board Meeting held on June 9th, staff met with the Wholesale Zone Agencies and reviewed the proposed CIP that Carollo Engineers was recommending as part of the Master Plan Update, the proposed FY 2015/16 budgets and the Raftelis rate study results with them; no dissent to the proposed rates was made by the agencies. The Board also was fully briefed on the proposed CIP by Carollo at the special board meeting.

To recap, the budget approved by the Board at the June 18th meeting consisted of:

	Proposed Budget 2015-16	Budget 2014-15	Increased Cost (\$)	% Change
<u>REVENUES</u>				
WZ OPERATIONS	\$6,628,285	\$6,277,259	\$351,026	5.6%
WZ CIP	453,000	279,990	173,010	161.8%
RZ OPERATIONS	1,844,400	1,812,444	31,956	1.8%
RZ CIP	452,500	451,600	900	0.001%
WZ/RZ Reserves	2,204,750	843,160	1,361,590	262%
TOTAL	\$11,582,935	\$9,664,453	\$2,735,142	19.42%
<u>EXPENDITURES</u>				
WZ OPERATIONS	\$6,628,285	\$6,277,259	\$351,026	5.6%
WZ CIP	2,344,000	899,000	1,445,000	260.7%
RZ OPERATIONS	1,844,400	1,812,444	31,956	1.8%
RZ CIP	766,250	675,750	90,500	13.4%
TOTAL	\$11,582,935	\$9,664,453	\$2,735,142	19.9%

The Wholesale Zone Budget included an increase to the EOCWD Readiness-to-Service Charge from \$2.75/meter to \$7.50/meter, a \$4.75 annual increase per meter or 173%. The EOCWD Reserve Fund Charge is proposed to increase from \$11.00 per meter to \$14.50 per meter annually; a 27% increase. Pursuant to findings from the Raftelis rate study, this increase is part of a series of increases that will be required in order to fund the WZ capital and operating needs going forward.

There are no changes to the budget that the Board approved last month; this action would simply set the rates for the WZ at a level to fund the budget, and authorize the County Auditor to allocate property tax funds to us to fund a portion of the district's costs.

Financial Impact

Approval of the Wholesale Zone rates and charges will fund an estimated \$2.495 million of water sales revenue, \$156,248 of Readiness-to-Serve revenue and \$249,996 of Reserve Fund revenue.

Recommendation

Approve Resolution No. 757 Adopting the FY 2015/2016 Wholesale Zone Rates & Charges.

RESOLUTION NO. ____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE EAST
ORANGE COUNTY WATER DISTRICT ESTABLISHING RATES AND
CHARGES FOR THE SALE OF WATER ON A WHOLESALE BASIS
WITHIN THE DISTRICT

WHEREAS, the Board of Directors of The Metropolitan Water District of Southern California (MWD) has established its rates for water sold for all potable classes of service; and

WHEREAS, the Board of Directors of Municipal Water District of Orange County (MWDOC) has established its rates and charges for water sold for all classes of service, including per connection charges and per acre foot surcharges for water delivered through the Allen-McColloch Pipeline System; and

WHEREAS, the Board of Directors of East Orange County Water District (EOCWD) has duly considered the cost to EOCWD of providing water on a wholesale basis to water distributing agencies within EOCWD, including anticipated repairs to facilities necessary in the future and financial reserve needs; and

WHEREAS, Paragraph (b) of Section 21080 of the Public Resources Code provides that the establishment, modification, structuring, restructuring or approval of rates, tolls, fares, or other charges by public agencies are exempt from the requirement of the California Environmental Quality Act of 1970 (CEQA), provided that findings are made specifying the basis for the claim of exemption;

NOW, THEREFORE, the Board of Directors of EOCWD DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. It is hereby found and determined that the water rates and charges adopted hereby are within the purposes set forth in Section 21080(b)(8) of the Public Resources Code, including, but not by way of limitation, the purposes of meeting operating expenses, purchasing or leasing supplies, equipment or materials, meeting financial reserve needs and requirements, and obtaining funds for capital facilities necessary to maintain service within existing service areas and therefore is exempt from CEQA pursuant to said Section 21080(b)(8).

Section 2. It is hereby found and determined that the water rates and charges adopted hereby are based upon the actual cost of purchasing and supplying water, and that such rates are imposed upon the request for or use of service and not on property or ownership of property.

Section 3. The rates for the sale of treated water on a wholesale basis by EOCWD shall be established at the amounts per acre foot set forth in Exhibit A to this resolution.

Section 4. An EOCWD replacement reserve charge in the amount per month retail water connection set forth in Exhibit A, separate from and in addition to the above-established rate per acre foot, is established and shall be calculated and billed as follows: This charge shall be billed to each retail water purveyor, including the EOCWD Retail Zone, as an aggregated amount equal to the charge multiplied by the number of the purveyor's retail water service meters as reported to MWDOC.

Section 5. An EOCWD readiness-to-serve charge in the amount per month per retail water connection set forth in Exhibit A, separate from and in addition to the above-established rate per acre foot, is established and shall be calculated and billed as follows: This charge shall be billed to each retail water purveyor, including the EOCWD Retail Zone, as an aggregated amount equal to the charge multiplied by the number of the purveyor's retail water service meters as reported to MWDOC.

Section 6. The per retail water connection charges established by MWDOC are not included in the above-established rate and shall be passed through to the retail water purveyors within EOCWD, as follows: This charge shall be billed to each retail water purveyor as an aggregated amount equal to the charge multiplied by the number of the purveyor's retail water service meters.

Section 7. The readiness-to-serve charges and new-demand charges¹ established by MWDOC are not included in the above-established rate and shall be passed through to the retail water purveyors within EOCWD, as follows: to facilitate efficient and accurate determination of per-agency base amounts and collection of charges, MWDOC and EOCWD have determined that MWDOC shall determine the charges. MWDOC shall collect the entire amount of the MWDOC readiness-to-serve charge and new demand charge in the case of agencies receiving wholesale service from both MWDOC and EOCWD (Irvine Ranch Water District (including service as successor to Santiago County Water District), City of Orange and Golden State Water Company), and EOCWD shall collect the entire amount of the MWDOC readiness-to-serve charge and new demand charge in the case of agencies receiving all wholesale service from EOCWD (City of Tustin, Irvine Ranch Water District (as successor to Orange Park Acres Mutual Water Company), EOCWD Retail Zone and any other EOCWD customers purchasing at wholesale or retail not listed in this sentence). The administrative procedure for apportionment, adjustment (if any), and collection of this charge shall be as set forth in Resolution No. 531 and as established by MWDOC.

Section 8. The MWDOC capacity charge shall be allocated by EOCWD and billed to each retail water purveyor as a fixed charge in monthly installments as invoiced to EOCWD by MWDOC. EOCWD shall apportion the charge among the retail water purveyors based upon the largest amount of water each purveyor purchased from EOCWD, excluding in-lieu deliveries, during the period May through September in the last three calendar years preceding the current year.

Section 9. Each retail water purveyor receiving an allocation of EOCWD's or MWDOC's per retail connection charges, or MWDOC's readiness-to-serve, new demand or capacity charges and corresponding base amounts derived from EOCWD purchases shall establish the manner of recovering such amounts, including any transactions with respect to its base amounts, in its own discretion.

¹ The new demand charge has been suspended by MWDOC; it may be reactivated.

Section 10. Pursuant to Resolution No. 595, included in the per acre foot rates established hereby is the amount of \$0 per acre foot which shall be deposited into the reserve for facilities replacement purposes within the Replacements and Capital Improvements Fund - Wholesale System, and the amount of \$0 per acre foot which shall be deposited into the Emergency/Contingency/Reserve Fund.

Section 11. The rates and charges established herein shall be effective on the applicable dates set forth in Exhibit A.

Section 12. The rates and charges for the wholesale system shall be billed monthly by the 16th of the month, and shall be due on the first of the following month. Late fees shall apply as set forth in the retailer service agreements.

ADOPTED, SIGNED AND APPROVED this 16th day of July, 2015.

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 a Regular Meeting of said District held on July 16, 2015, 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

EAST ORANGE COUNTY WATER DISTRICT
RATES AND CHARGES FOR
WHOLESALE WATER SERVICE

Adopted by Resolution No. ____
Effective July 1, 2015¹

	Existing	New Rate	Effective
Wholesale Full Service Treated	\$923.00/AF	\$923.00/AF	July 1, 2014
Wholesale Full Service Treated	\$923.00/AF	\$942.00/AF	January 1, 2015
EOCWD Readiness-to-Serve Charge	\$ 2.75/Meter	\$ 7.50/Meter	July 1, 2015
EOCWD Reserve Fund Charge	\$ 11.00/Meter	\$ 14.50/Meter	July 1, 2015

¹ Except as otherwise noted

RESOLUTION NO. 758

RESOLUTION OF THE BOARD OF DIRECTORS OF EAST ORANGE
COUNTY WATER DISTRICT ADOPTING OPERATING BUDGET
AND MAKING DETERMINATION RELATIVE TO
APPROPRIATIONS SUBJECT TO LIMITATION FOR 2015/2016
FISCAL YEAR (RETAIL ZONE)

WHEREAS, the Board of Directors of East Orange County Water District (EOCWD) has duly considered the revenues anticipated to be received by the EOCWD Retail Zone during the 2015/2016 fiscal year and all charges, claims, expenditures and expenses anticipated to be incurred by the EOCWD Retail Zone during the 2015/2016 fiscal year; and

WHEREAS, Article XIII B of the Constitution of the State of California provides that the appropriations of local agencies will be limited each year to those of the previous year, adjusted for changes in population, cost of living and transfers in sources of funding; and

WHEREAS, Section 9(c) of Article XIII B excludes from "appropriations subject to limitation" the appropriations of any special district which existed on January 1, 1978, and which, in the 1977-78 fiscal year, levied an ad valorem tax rate of not more than 12 and 1/2 cents per \$100 of assessed value; and

WHEREAS, Section 8 of Article XIII B specifically excludes from "proceeds of taxes" any user charges or fees or regulatory fees as long as such fees and charges do not produce revenues exceeding the costs reasonably borne in providing the regulation, product or service, and Section 9 thereof excludes debt service from appropriations subject to limitation; and

WHEREAS, EOCWD was formed and existing prior to and as of January 1, 1978, and in the fiscal year 1977-78, levied a tax rate of 8.69 cents per \$100 of assessed value for operating revenues;

NOW, THEREFORE, the Board of Directors of EOCWD DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

Section 1. Pursuant to Section 9(c) of Article XIII B, this Board finds and determines that the appropriations comprising the EOCWD Retail Zone Operating Fund Budget for the fiscal year 2015/2016 are not subject to limitation under the provisions of Article XIII B and Section 7900 and following of the Government Code of the State of California.

Section 2. That the estimated amount of money required to be raised by taxes on the taxable property within the EOCWD Retail Zone during the 2015/2016 fiscal year, be and the same is hereby established in the amounts and total amount set forth on Exhibit "A" attached

hereto, which exhibit is by this reference incorporated herein, and the said budget is hereby approved.

Section 3. That the estimated amount of money needed to be raised by the EOCWD Retail Zone for the Operating Fund of the EOCWD Retail Zone as provided in said budget for the 2015/2016 fiscal year is **\$2,344,000**. The amount of taxes to be received by the EOCWD Retail Zone therefor is to be determined by the Auditor of the County of Orange, separately from the amount to be received by the EOCWD overall district pursuant to Resolution No. 719.

Section 4. That the President and Secretary, be and the same are hereby authorized to execute the budget and deliver copies of this resolution, including said Exhibit "A," to the Auditor of the County of Orange, and the Auditor of the County of Orange is hereby authorized to make the necessary adjustments in order to produce a total tax rate or amount for the EOCWD Retail Zone not in excess of the rate or amount to be determined by the Auditor of the County of Orange for the full assessed value of taxable property within the EOCWD Retail Zone.

Section 5. Revenues collected from connection fees and capital project charges are hereby appropriated to pay the costs of the capital projects as shown in the Master Plan for the Retail Zone, as amended and supplemented from time to time.

ADOPTED, SIGNED and APPROVED this 16th day of July, 2015.

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

[illegible]

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. 758 was duly adopted by the Board of Directors of said District at a Regular Meeting of said District held on July 16, 2015, and that it was so adopted by the following vote:

AYES: BELL, DAVERT, DULEBOHN, EVERETT, VANDERWERFF

NOES: NONE

ABSENT: NONE

ABSTAIN: NONE

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

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: CONFERENCE AND MEETING ATTENDANCE REQUEST
DATE: JULY 16, 2015

BACKGROUND

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

- Urban Water Institute Annual Conference – August 26-28, 2015
Registration: \$375 Hotel: Hilton - \$199/night
Location: San Diego

A conference agenda is attached.

RECOMMENDATION

The Board approve attendance at the Urban Water Institute Annual Conference for designated Board Members as desired.



Urban Water Institute's Annual Water Conference

August 26-28, 2015 • Hilton San Diego Resort & Spa • San Diego, CA

Wednesday, August 26, 2015

12:00 p.m. - Registration, Networking & Exhibits

1:00 p.m. - Opening Remarks & Introduction

- Lisa Ohlund, Chair, Urban Water Institute

1:15 p.m. - Welcome to San Diego

1:30 p.m. – Pure Water San Diego: 1981-2035, a 54-Year Journey Towards Water Reliability”

- Halla Razak, Public Utilities Director, City of San Diego

2:30 p.m. - Networking Break

2:45 p.m. – Back to the Future: Drought Preparedness in San Diego County – How This Drought Differs From The 1990-92 Drought

- Mark Weston, Board Chair, San Diego County Water Authority

3:45 p.m. – Excellence in Water Education Award for Rita Schmidt Sudman

- Presented By: Lisa Ohlund, Chair, Urban Water Institute
- Accepted By: Rita Schmidt Sudman, Former Executive Director, Water Education Foundation & Co-Author “Water-More Or Less”

5:00 p.m. - Adjourn

5:30 p.m. - Welcome Reception

6:30 p.m. – Dinner On Your Own

Thursday, August 27, 2015

8:00 a.m. - Registration, Exhibits, Networking & Continental Breakfast

9:00 a.m. - Opening Remarks

- James Noyes, Executive Director, Urban Water Institute

9:15 a.m. – Managing The Colorado River In A Drought

- Jennifer McCloskey, Lower Colorado Regional Deputy Director, Bureau of Reclamation

10:00 a.m. – Potential Shortages Of The Colorado River in 2016/2017.....The Lower Basin Responds

- Charles Cullom, Colorado River Programs Manager, Central Arizona Project
- Gregory Walch, General Counsel, Las Vegas Valley Water District
- Bill Hasencamp, Colorado River Resources Manager, Metropolitan Water District

11:00 a.m. – Networking Break

11:15 a.m. – Two Perspectives On Western Water Law & It's Impact On The Drought

- Moderator: Ane Deister, Vice President, Parsons Environment & Infrastructure
- Justice Gregory J. Hobbs, Jr., Colorado Supreme Court
- Justice Ronald B. Robie, California Courts of Appeal



Urban Water Institute's Annual Water Conference

August 26-28, 2015 • Hilton San Diego Resort & Spa • San Diego, CA

12:15 p.m. – Luncheon & Water Leader of the Year Award

- Dr. Jerry Meral, Former Deputy Secretary, California Natural Resources Agency

1:30 p.m. – Sites Reservoir-When Will It Happen?

2:30 p.m. – How To Communicate With The Public During The Drought, In a Crisis & On The Ground

- Ron Wildermuth, Public Information Manager, West Basin Municipal Water District
- Sue Sims, Group Manager for External Affairs, Metropolitan Water District
- Susan Cordone, Conservation Coordinator, California Water Service Company

3:30 p.m. - Networking Break

3:45 p.m. – Fixing Today's Water Supply for Tomorrow

- John Kingsbury, Executive Director, Mountain Counties Water Resources Association

5:00 p.m. - Adjourn - Chairman's Reception

6:00 p.m. - Dinner On Your Own

Friday, August 28, 2015

8:00 a.m. - Registration, Exhibits, Networking & Buffet Breakfast with Chairman's Drawing

Don't miss your opportunity to participate in the Chairman's Drawing! Please pick up your raffle ticket at the registration desk.

8:30 a.m. - Opening Remarks

- James Noyes, Executive Director, Urban Water Institute

8:45 a.m. – Busted by the State for Drinking Too Much: Enforcement of the Emergency Water Conservation Regulations

- Christian M. Carrigan, Director, Office of Enforcement, State Water Resources Control Board
- Larry G. Parlin, Director of Utilities, City of Modesto
- Gregory J. Newmark, Principal, Meyers Nave

9:45 a.m. – Interactive Session: Drought Worse Case Scenarios..... What are the Next Steps?

Share your voice on ways to survive the drought, improve resiliency and advise the state on lessons learned, what's worked, obstacles and where changes are needed.

- Moderator: Ed Means, President, Means Consulting
- Moderator: Kevin Hunt, Partner, Hunt Thornton Resource Strategies

11:30 a.m. - Conference Adjourn



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LOCAL SEWER TRANSFER – JUNE STATUS UPDATE
DATE: JULY 16, 2015

ACTIVITIES UPDATE

Outreach & Communications

On June 9, 2015, President VanderWerff, General Manager Ohlund and consultant Brian Lochrie attended the Orange City Council Meeting; General Manager Ohlund requested the City's continuing support for the district's sewer acquisition.

On June 17, 2015, President VanderWerff, General Manager Ohlund and consultant Brian Lochrie attended the LAFCO public information workshop for the sewer transfer. President VanderWerff spoke in support of the district's sewer acquisition.

On June 19, 2015, President VanderWerff and General Manager Ohlund attended a Board Meeting of the Foothills Community Association (FCA) and requested their continued support for the District's sewer acquisition.

OC LAFCO

At their June 17th Commission Meeting, the Executive Director of CALAFCO provided an overview to the Commission on CALAFCO's organizational structure, budget, member activities and a briefing on current legislation impacting LAFCOs. She noted that OC LAFCO is a very active member. LAFCO staff provided the historical background and requirements for MSRs and OC LAFCO's past efforts to meet the State mandate for the past three MSR cycles. It was noted by Chair McGregor that the Community Workshop on the Sewer Area #7 transfer would be held on June 17th and that the Focused MSR is in draft form and would go through significant changes before coming to the Commission at their July 8th meeting. A brief overview of FPPC provisions and Incompatible Offices regulations was provided to the Commissioners by their legal counsel; they were advised to meet individually with legal counsel to obtain additional details.

RECOMMENDATION

Information item only; no action required.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – JUNE 2015
DATE: JULY 16, 2015

Wholesale Zone Water Demands

Attached is a graphical representation of the Wholesale Zone water demand through June 30, 2015. Total water sales for the month of June totaled 353.79 AF; total year-to-date sales are 4,672.80AF. This is a 347 AF or 50% decrease in demand from June 2014.

Water sales declined from 7,256.68 AF in FY 2013/14 to 4,672.80 AF in FY 2014/15 – a decrease of 2,583.88 AF or 36%.

Retail Zone Water Demands

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

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

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

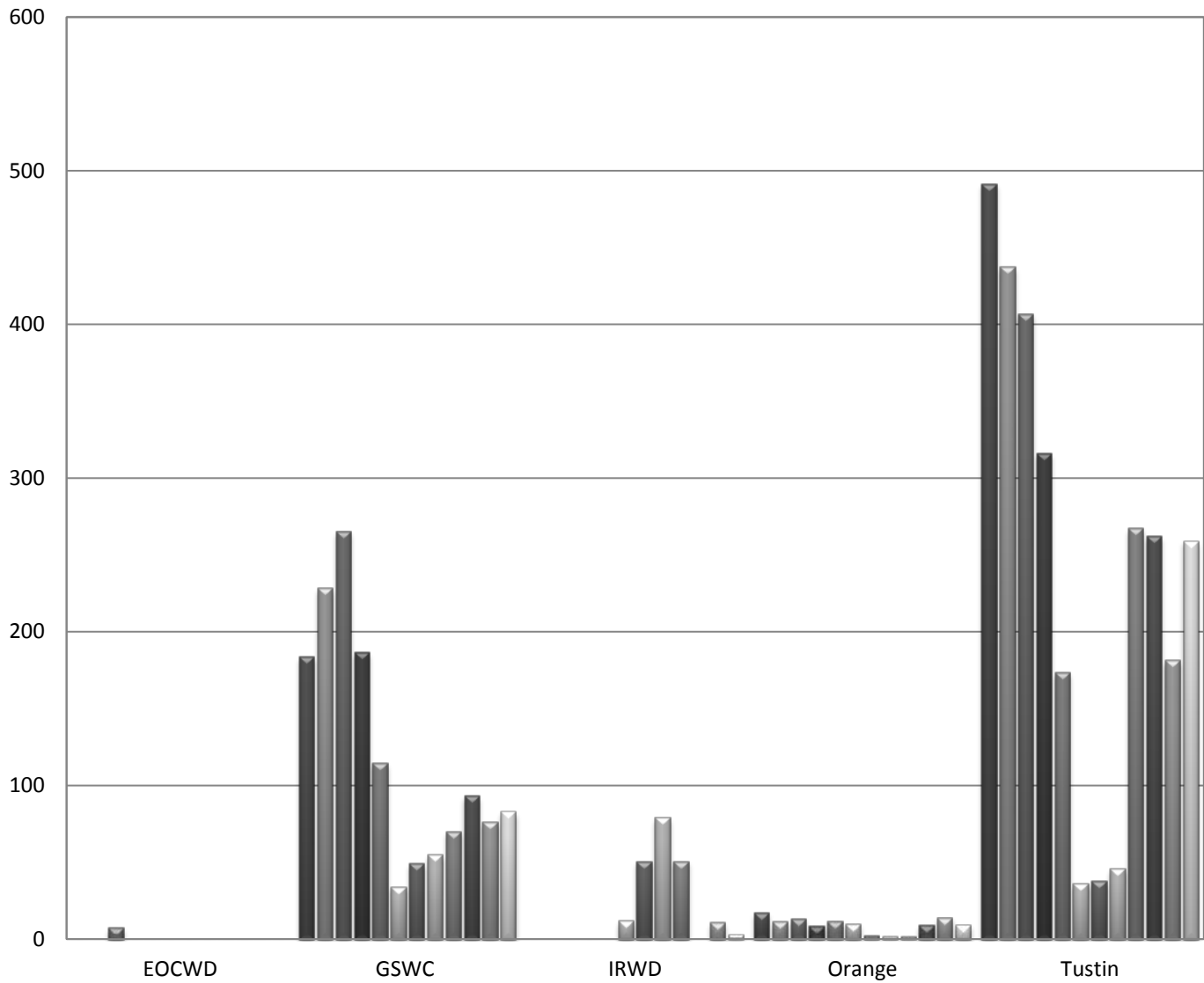
As shown on Page 4, total demand for the month of June was 74 AF; this is 29 AF (29%) lower than our demand for May 2014 and 28 AF (28%) lower than our average demand for the last 6 years. For the year, our demand totaled 897 AF, a reduction of 176 AF or 16% over FY 2013/14. That represents a total savings of 57,200,000 gallons of water or 17,616 gallons per resident of the Retail Zone.

Also attached are graphs depicting the Retail Zone's water demand; they have deleted Page 5 that graphed our historic water use by year and added a table that shows "gallons per capita per day" or GPCD. The 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 **June 2015 (246)** compared to **June 2014 (347)**. 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 is 247.

Wholesale Zone Water Demand

Total Monthly Sales for June, 2015=353.79 AF

Total YTD Sales for July - June, 2015 = 4,672.80 AF



■ Jul-14 ■ Aug-14 ■ Sep-14 ■ Oct-14 ■ Nov-14 ■ Dec-14 ■ Jan-15 ■ 2/1/205 ■ Mar-15 ■ Apr-15 ■ May-15 ■ Jun-15

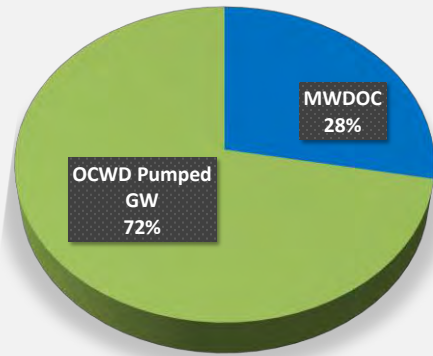
East Orange County Retail Zone Water Usage Report

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

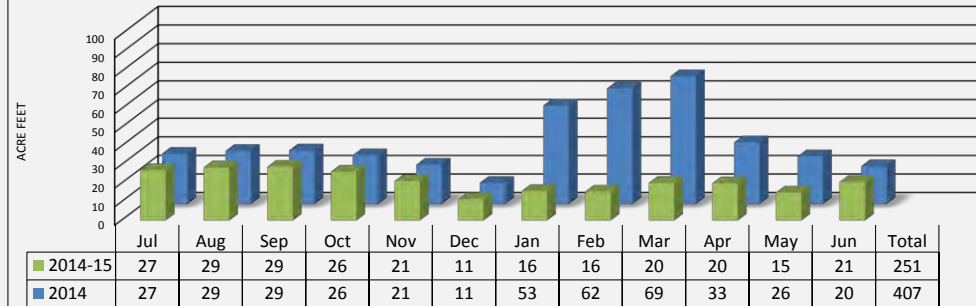
Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	27	29	29	26	21	11	16	16	20	20	15	21	251
OCWD Pumped GW	73	75	73	67	53	29	43	38	52	53	37	53	646
Total	100	104	102	93	74	41	59	53	72	73	52	74	897

2014 MWDOC Usage	27	29	29	26	21	11	53	62	69	33	26	20	407
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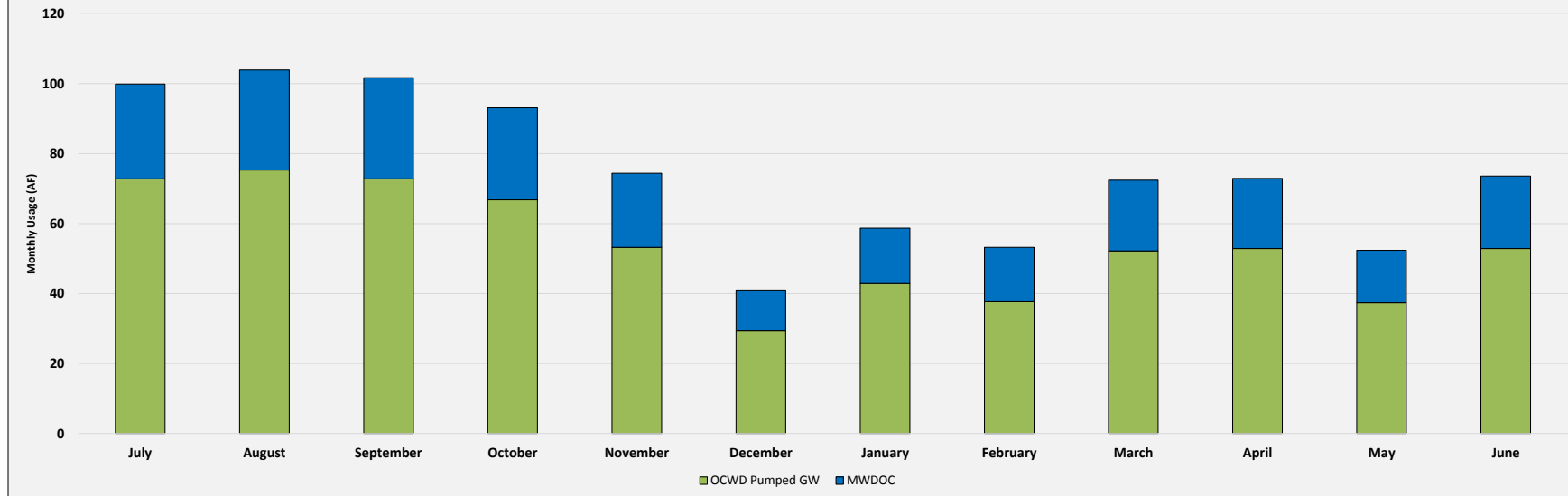
2014-15 Sources of Water Supply



MWDOC Calendar Year and Fiscal Year Purchases



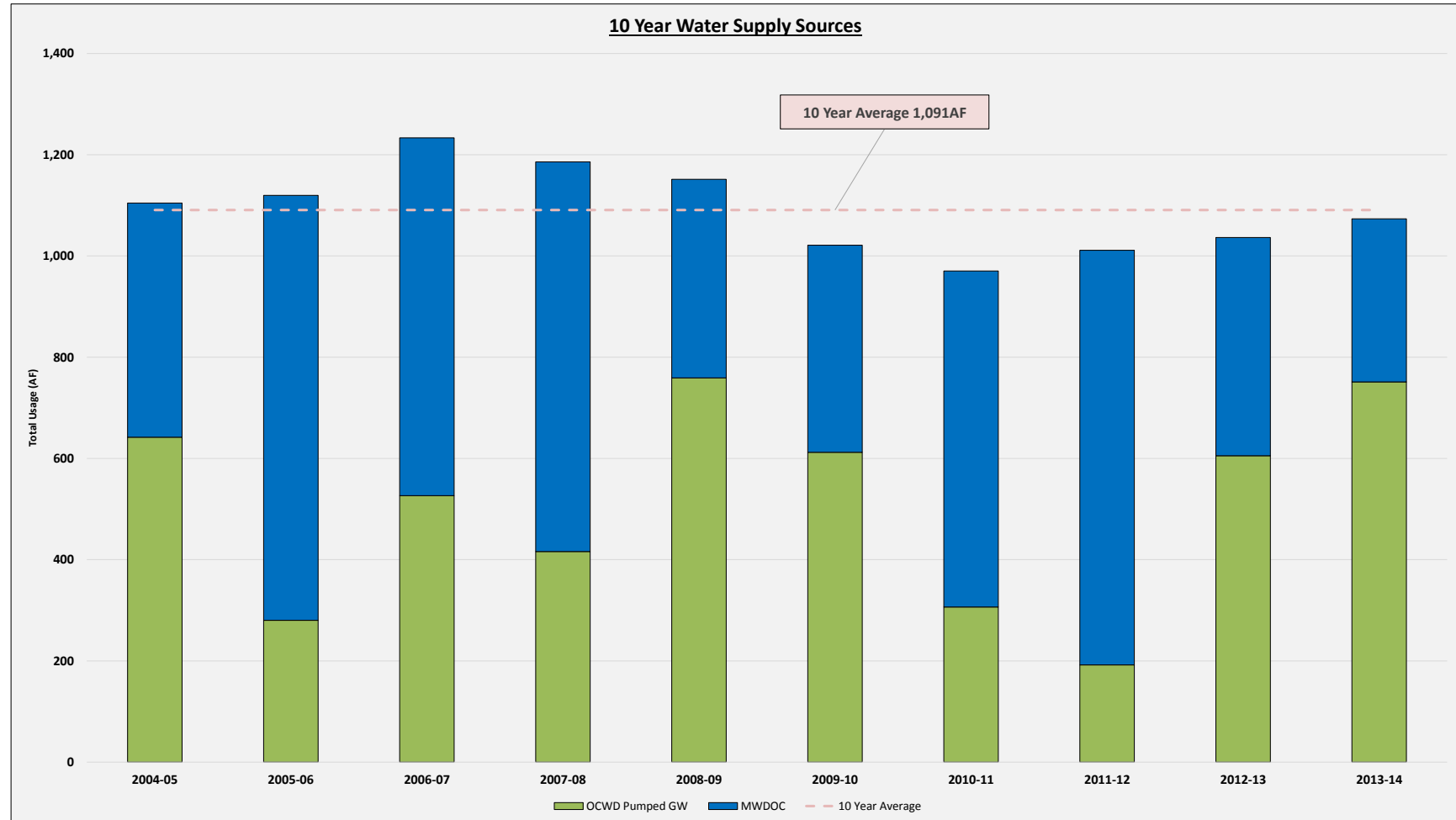
2014-15 Water Supply Sources



East Orange County Retail Zone Water Usage Report

Annual Water Usage

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

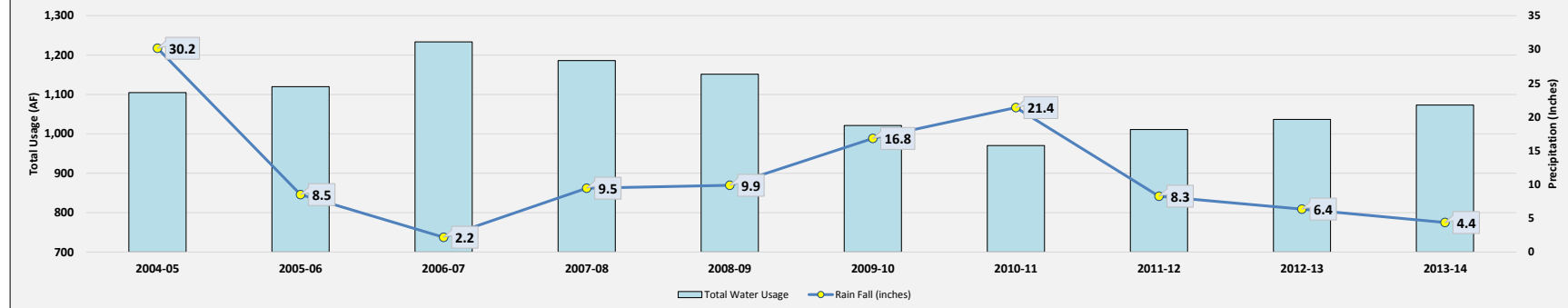


East Orange County Retail Zone Water Usage Report

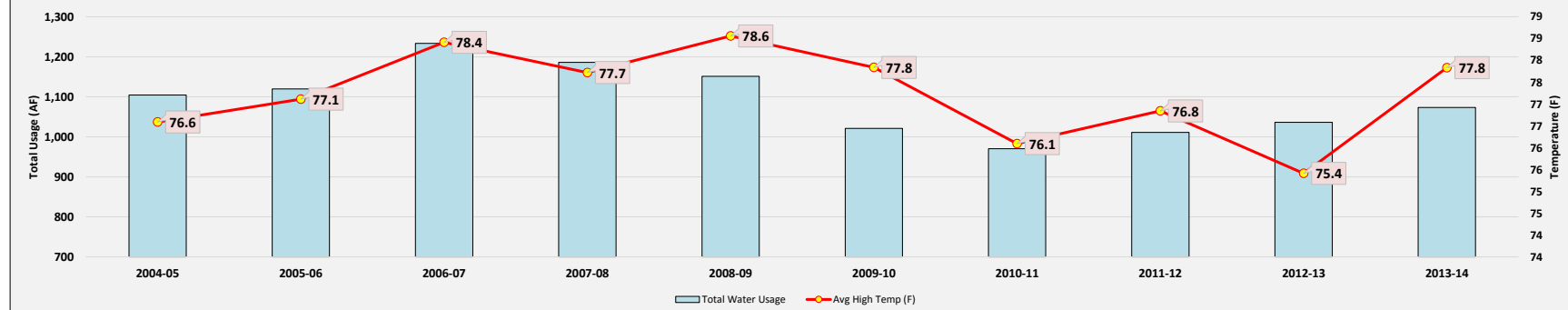
Water Usage Variables

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

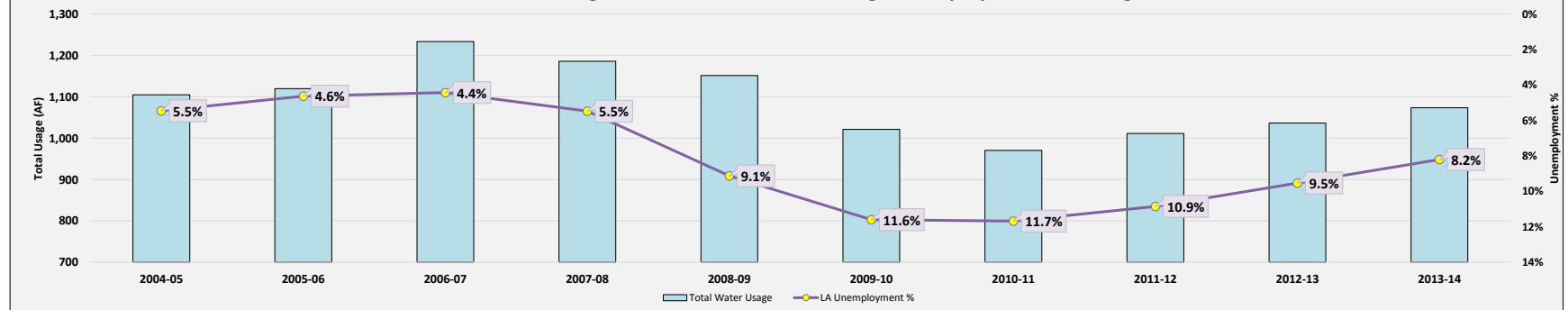
10 Year Water Usage VS Precipitation (SNA #121 Station)



10 Year Water Usage VS Average High Temperature (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
2007-08 Usage	139	125	114	110	89	72	50	58	88	108	114	119	1,186
2008-09 Usage	127	127	114	108	96	57	91	46	83	101	103	100	1,152
2009-10 Usage	123	124	112	97	86	55	52	35	59	74	96	110	1,021
2010-11 Usage	112	118	109	76	73	49	58	55	54	78	92	98	970
2011-12 Usage	120	119	98	88	63	68	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
Average of Last 6 FYs	116	119	108	94	80	56	69	53	67	80	99	102	1,044
Monthly Usage Percentage	11%	11%	10%	9%	8%	5%	7%	5%	6%	8%	9%	10%	100%

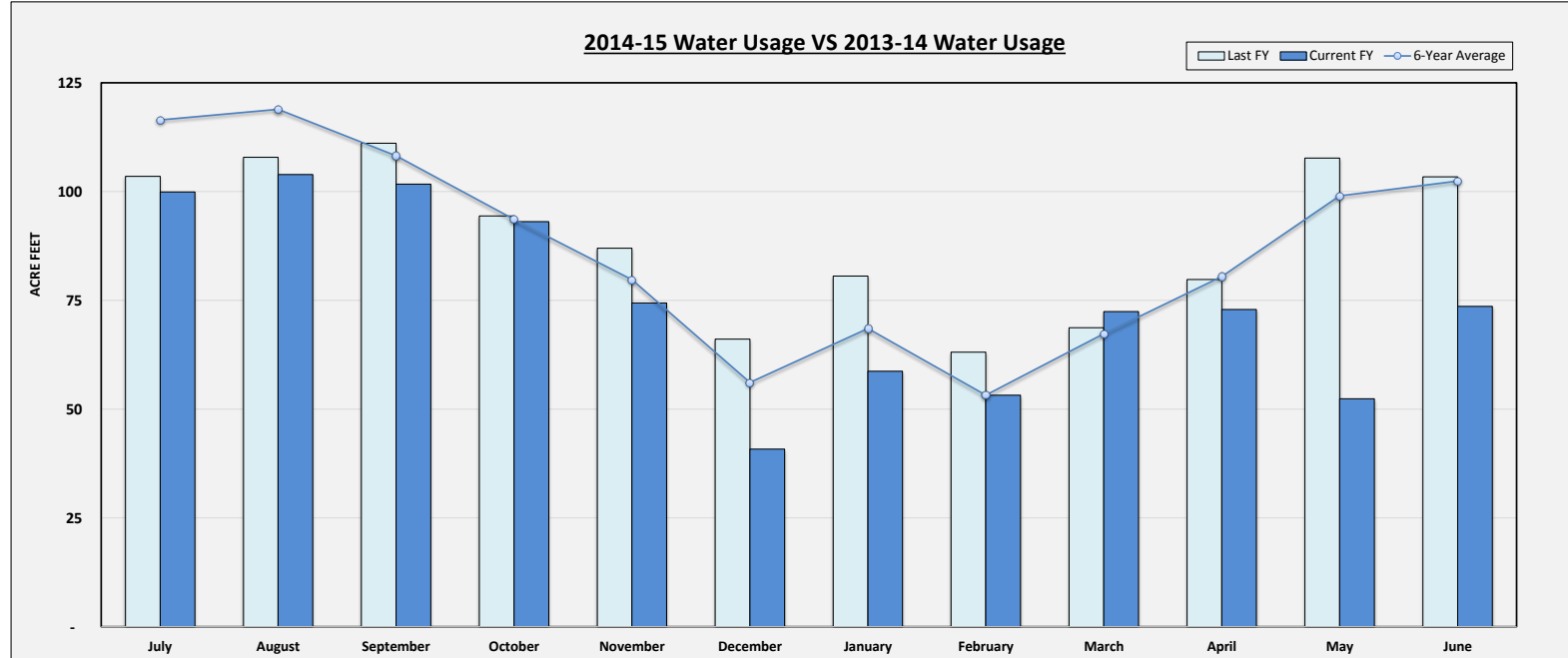
Water Usage By Source

Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	0.0	0.0	7.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.3
CPTP	27.1	28.6	21.6	26.3	21.2	11.4	15.8	15.5	20.2	20.0	15.0	20.7	243.4
Imported Total	27	29	29	26	21	11	16	16	20	20	15	21	251

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	99.9	103.9	94.4	93.1	74.4	40.8	58.7	53.2	72.4	72.9	52.4	73.6	889.7
Less CPTP	(27.1)	(28.6)	(21.6)	(26.3)	(21.2)	(11.4)	(15.8)	(15.5)	(20.2)	(20.0)	(15.0)	(20.7)	(243.4)
Local Total	73	75	73	67	53	29	43	38	52	53	37	53	646

Total Usage 2014-15	100	104	102	93	74	41	59	53	72	73	52	74	897
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FY 14-15 versus FY 13-14	-3%	-4%	-8%	-1%	-14%	-38%	-27%	-16%	+5%	-9%	-51%	-29%	-16%
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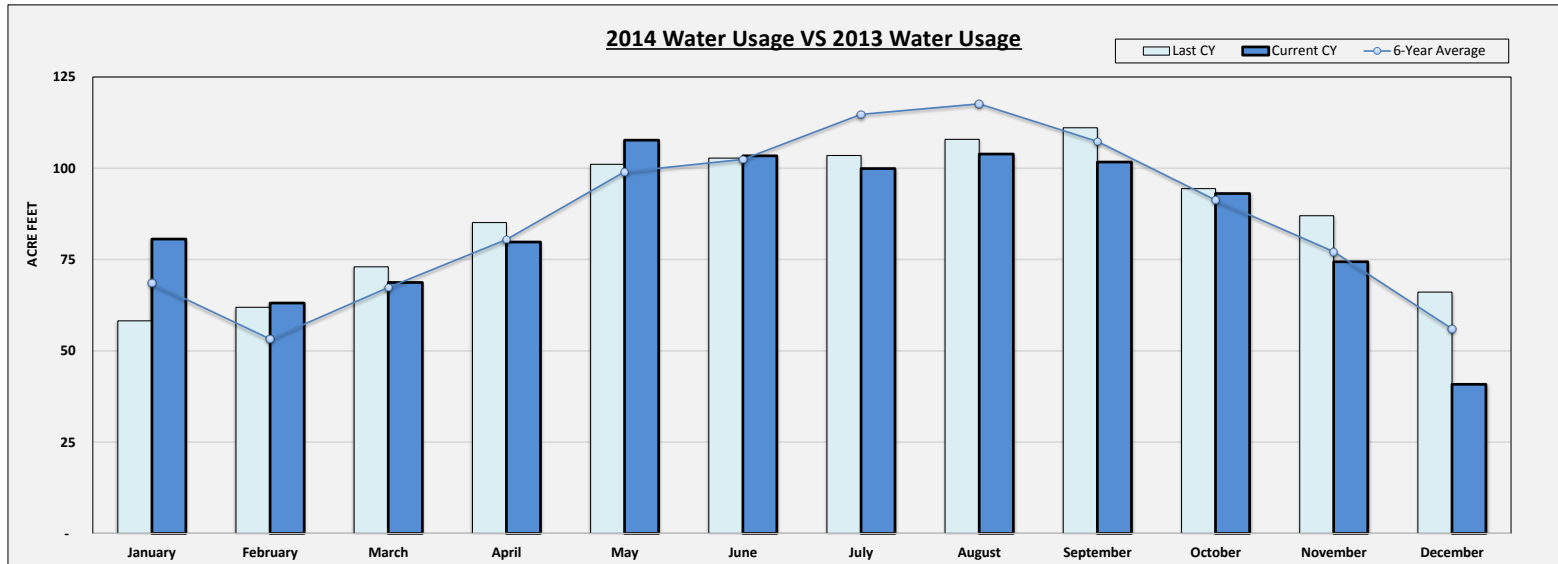


East Orange County Retail Zone Water Usage Report

10 Year Monthly (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
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	116	119	108	94	80	56	1,076
6 year Average	69	53	67	80	99	102	115	118	107	91	77	56	1,035

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



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

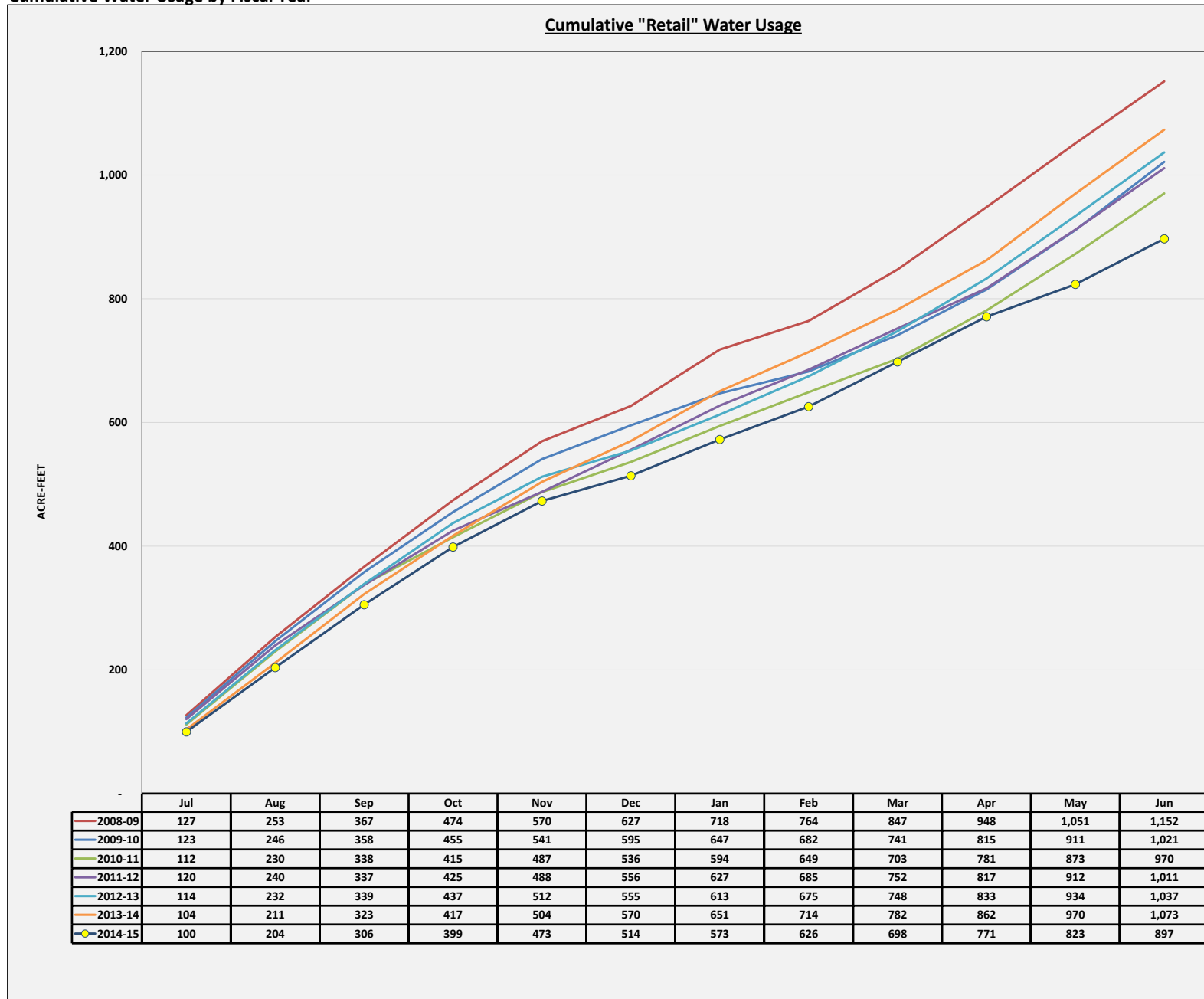
	Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2013-14 Usage (AF)	3,233	104	108	111	94	87	66	81	63	69	80	108	103	1,073
2013-14 GPCD		337	351	373	307	292	215	262	227	223	268	350	347	296
2014-15 Usage (AF)	3,247	100	104	102	93	74	41	59	53	72	73	52	74	897
2014-15 GPCD		323	336	340	301	249	132	190	191	234	244	170	246	247
FY over FY change in GPCD		-13	-14	-33	-6	-43	-83	-72	-36	+11	-24	-181	-101	-50

*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 - June 2015

Activity	Date	Action
Meetings		
OC Water Use Efficiency Workgroup Meeting	June 4, 2015	Items of discussion included: Agency roudtable/problem solving; California Urban Conservation Council BMP 1.4 Proposed Revisions; drought outreach; MET programs and incentives; MWDOC WUE program update.
Conservation Messaging Meeting - MWDOC	June 25, 2015	Topics discussed included: ACWA and MET drought messaging campaigns; MWDOC messaging campaign and individual member agency efforts; discussions regarding what efforts seemed to resonate with customers and which communication vehicles are most effective; how agencies are approaching enforcement efforts and what funds are left for turf removal.
DroughtReach Campaign Meeting #2 - Lisa Ohlund, Sylvia Prado, Jerry Mendzer, Brian Lochrie	June 6, 2015	Doorhangers announcing the meeting were hung on customer's homes on the June 2nd. Tables were set up in the parking lot at Panorama Elementary School. Coffee and donuts were served while staff demonstrated how to read a water meter, how to reset an irrigation timer and how to understand their water bill and how their water budget was developed. Conservation handouts, rebate information and drought information were handed out. Approximately 40 people came, asked questions and appeared to appreciate the information.
DroughtReach Campaign Meeting #3 - Lisa Ohlund, Sylvia Prado, Jerry Mendzer, Matt Plummer, Ty Coston, David Cordero	June 13, 2015	Doorhangers announcing the meeting were hung on customer's homes on the June 9th. Tables were set up in the parking lot at Foothill High School. Coffee and donuts were served while staff demonstrated how to read a water meter, how to reset an irrigation timer and how to understand their water bill and how their water budget was developed. Conservation handouts, rebate information and drought information were handed out. Approximately 50 people came, asked questions and appeared to appreciate the information.

DroughtReach Campaign Meeting #4 - Lisa Ohlund, Sylvia Prado, Matt Plummer, Ty Coston, Brian Lochrie	June 20, 2015	Doorhangers announcing the meeting were hung on customer's homes on the June 16th. Tables were set up in the parking lot at Foothill High School. Coffee and donuts were served while staff demonstrated how to read a water meter, how to reset an irrigation timer and how to understand their water bill and how their water budget was developed. Conservation handouts, rebate information and drought information were handed out. Approximately 65 people came, asked questions and appeared to appreciate the information.
DroughtReach Campaign Meeting #5 - Lisa Ohlund, Sylvia Prado, Matt Plummer, Ty Coston, David Cordero	June 24, 2015	This meeting was advertised on all doorhangers posted during June. Meeting was held at the El Modena Library Multi-Purpose Room. Water and cookies were served while staff demonstrated how to read a water meter, how to reset an irrigation timer and how to understand their water bill and how their water budget was developed. Conservation handouts, rebate information and drought information were handed out. Approximately 80 people came, asked questions and appeared to appreciate the information.
Water Waste/High Water Bill Phone Calls		
Water Waste - Enforcement - Ty Coston	June 3, 2015	Noticed customer washing down driveway on Baja Panorama. Stopped and informed customer of conservation ordinance which prohibits that type of water usage.
Water Waste Investigation - Jerry Mendzer	June 5, 2015	Alerted to broken irrigation line for property on Alta Panorama. Set Door tag and contacted customer.
Irrigation Contoller Assistance - Ty Coston	June 9, 2015	Assisted 2 customers on Marcy Ranch Rd. with making adjustments to sprinkler timer.
Water Waste - Enforcement - Ty Coston	June 11, 2015	Noticed customer washing down driveway on Holiday Lane. Stopped and informed customer of conservation ordinance which prohibits that type of water usage.

Irrigation Contoller Assistance - Ty Coston	June 22, 2015	Assisted customer on Winwood Lane with making adjustments to sprinkler timer.
Irrigation Contoller Assistance - Ty Coston	June 22, 2015	Assisted customer on Vista Del Valle with making adjustments to sprinkler timer.
Water Waste - Enforcement - Ty Coston	June 24, 2015	Customer on Charmaine Lane watering outside specified hours with excessive runoff. Set door tag with written warning.
Water Waste - Enforcment - Matt Plummer	June 25, 2015	Customer on Crawford Canyon Rd. left hose running creating runoff. Set door tag with written warning.
High Water Bill - Ty Coston	June 29, 2015	Checked for leaks per customer request on Crawford Canyon Rd. Reviewed water bill, budget, and water usage.

District Facilities Drought Effort

Relandscaping of Administration Building	April-June 2015	Parkway and areas around the Administration Building were relandscaped using drought tolerant plants and materials. Other District facilities' landscaping is being assessed for water usage, but already mostly landscaped with drought tolerant plants.
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Drought Social Media/Print Messaging Efforts

Facebook	June 1, 2015	In an effort to keep customers more informed, EOCWD posts any Drought or EOCWD Status updates. The page is also getting a facelift and will be relaunched in July.
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Communications Lab	June 30, 2015	Reviewd "Droughtreach" program with "David Cordero and Mike Schnell; reviewed website, Facebook, Twitter and printed materials production. Discussed long-term drought fatigue setting in for August, September, October and how to combat it. Service area "thermometer signs" are ready, Lisa is still working with the County for installation permits.
Twitter - David Cordero and Francisco Barajas	June 1, 2015	Twitter activity resumed with Communications Lab resetting up the account and providing content; Twitter feed with also be placed on website banner
EOCWD Website Drought Page	June 1, 2015	Drought Page objective is to keep Customers Informed about: SWRCB Updates, Reservoir Level Updates. Information of Rebates, MET Drought outreach Campaign, EOCWD Level 1 Water Conservation Material; undergoing facelift by CommunicationsLAB
Drought Thermometer	May 18, 2015	Developed thermometer (4) that will be placed at strategic spots in the District to show we met 36% goal for June. Working with the County Public Works staff to get a general permit; target for placing them in the District is July 15, 2015.
Foothill Sentry Ad - Sylvia Prado	June 1, 2015	For the Month of May EOCWD produced an Ad titled "You can't make this stuff! Use it wisely!" to promote saving water; a picture of rain falling accompanied the text.
Customer Rebate Activities		
Turf Removal Pre-Evaluation Request	June 8,2015	Pre-evluation inspection on Daniger Road and Vista del Valle
Turf Removal Pre-Evaluation	June 9, 2015	Pre-evaluations on Crawford Canyon and St. Thomas Drive

Turf Removal Pre - Evaluations	June 18, 2015	Pre-evaluation on Barrett Lane
Turf Removal Pre-inspection	June 19, 2015	Pre-evaluation on Circula Panorama
Turf Removal Pre-inspection	June 21, 2015	Pre-evluation on Kassy Drive
Turf Removal Pre- Inpection	June 26, 2015	Pre-evluation on Panorama Place
Turf Removal Pre- Inpection	June 29, 2015	Pre-evluation on Carmel Way, Pine Canyon, and Panorama View
MWDOC Acceptance Letter	June 30, 2015	Acceptance letters received for Daniger Rd., Kassy Drive, Via Aventura, Crawford Canyon Rd., and St. Thomas Drive.

Groundwater Replenishment System (GWRS) Credits

MWDOC/OCWD	Current Data Not yet Received at time of agenda production	The GWRS production allocated to EOCWD can be reported as Indirect Potable Reuse (IPR). The sourcewater for IPR is the wastewater generated from the RZ; this number represents "new" water that wasn't imported.
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MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: GENERAL INTEREST PUBLICATIONS
DATE: JULY 16, 2015

Background

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

- *"Special Districts: The Threat of Consolidation and How to Stop It" Adam Probolsky, Public CEO 6/8/15*
- *"Orange County's plans to turn rainwater into a resource" Aaron Orlowski, OCRegister, 7/4/15*
- *"3 Invasive Animals That Have Permanently Changed the Delta" Chris Clark, KCET, 7/6/15*


Recommendation

Information only; no action required.



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Special Districts: The Threat of Consolidation and How to Stop It

POSTED BY : [ADAM PROBOLSKY](#) JUNE 8, 2015 IN [LOCAL GOVERNMENT](#)

By Adam Probolsky.

California's special districts are the Rodney Dangerfields of government bodies.

Day in and day out, they provide us with clean water, pick up our trash, exterminate nasty pests, and even treat our sewage at a low cost to ratepayers and operating largely under the radar. Reasonably enough, if trash gets picked up and water comes out of the taps...most people are happy to let special districts operate in the background.

And, though they provide these tangible services, it seems that special districts don't get no respect!

Some of this is innocuous. No one grows up dreaming of their first election to the local cemetery district or being appointed to the airport authority. That's unlikely to change. What is changing is the ability for special districts to operate in political obscurity. This part is dangerous.

State and other local governments are eyeing special districts' assets and services, and more importantly, have the political skills to make consolidation possible. Moreover, once-a-year lobby days won't be enough to stop the seasoned political professionals in Sacramento.

Just ask redevelopment agencies, whose assets were seized in 2011 as part of Gov. Jerry Brown's plan to balance the state budget.

We're seeing a similar tactic in this year's state budget that could lead to consolidation of water districts. Under [legislative language being circulated](#) in Sacramento, the State Water Resources Control Board would have the authority to force consolidation when "a public water system fails to reliably provide an adequate supply of safe potable water." The drought is being used as political cover for special district consolidation.

Special districts no longer have the luxury of operating in obscurity. If the state can seize redevelopment assets and force consolidation of water districts as part of the budget process, nothing is sacred and all governments are vulnerable to consolidation.

This spring, our polling firm, which works with special districts throughout the state, sought to test just how vulnerable special districts are to consolidation. Our statewide survey revealed that 63.5% of California voters agree that most special districts should be consolidated into cities, counties or other local or regional government agencies.

LATEST HEADLINES

Montebello clerk gets probation for leaking police records to gang member

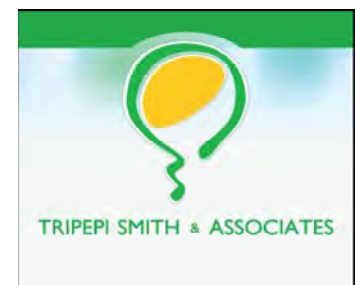
Sex offender sues city of Grover Beach

San Jose City Council's Brown Act violations called 'unintentional'

Cronyism alleged in pervasive financial misuse in West Covina

Grand jury recommends changes to Ventura County foster care, adoption systems

[Click here for more headlines](#)



We intentionally crafted the question to be somewhat biased – in order to realistically reflect the public's predisposition and lack of knowledge about special districts. Clearly, special districts are vulnerable – as most Californians initially support the idea of consolidation.

The charge now is for special districts to educate the public about each district's role and real-world positive impact in their daily lives. That starts with basic polling and other opinion research to better understand the messages that will resonate with their constituents, and then requires that agencies develop the communication tools to regularly inform those constituencies.

There's always room for improvement, and it would help that special districts also focus on greater transparency. But, by and large, special districts are among the most efficient government agencies in the state. Every day, special districts deliver millions of gallons of water to our homes and farmlands. They protect millions of people from the next fire, flood or other major emergency.

It's time for these important agencies to take pride in their achievements and share them with the public.

Polling Memorandum

TO: PublicCEO
FROM: Adam D. Probolsky
Probolsky Research
SUBJECT: California Statewide Voter Survey on Special District Consolidation
DATE: June 4, 2015

From Thursday, April 9 through Sunday, April 12, 2015, Probolsky Research conducted a telephone survey of California voters.

California Voters Say Special Districts Should be Consolidated

Our research revealed that 63.5% of California voters agree that most special districts should be consolidated into cities, counties or other local or regional government agencies.

I intentionally crafted this question to be somewhat biased, to realistically reflect the perspective of those who might be ill-informed about the important role special districts play in California and therefore be pre-disposed to seek a wholesale consolidation of them, absent further education. Clearly, it worked. Special districts are vulnerable.

[To view the voter survey results from Probolsky Research, please click here.](#)

Adam Probolsky is CEO of [Probolsky Research](#), a full service opinion research and strategy firm that specializes in special districts.

PublicCEO is proud to have a wide range of guest contributors share their insight with our publication. Please note that the views expressed in this article are those of the author and do not necessarily represent the views of, and should not be attributed to, PublicCEO as an organization.

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Polling Memorandum

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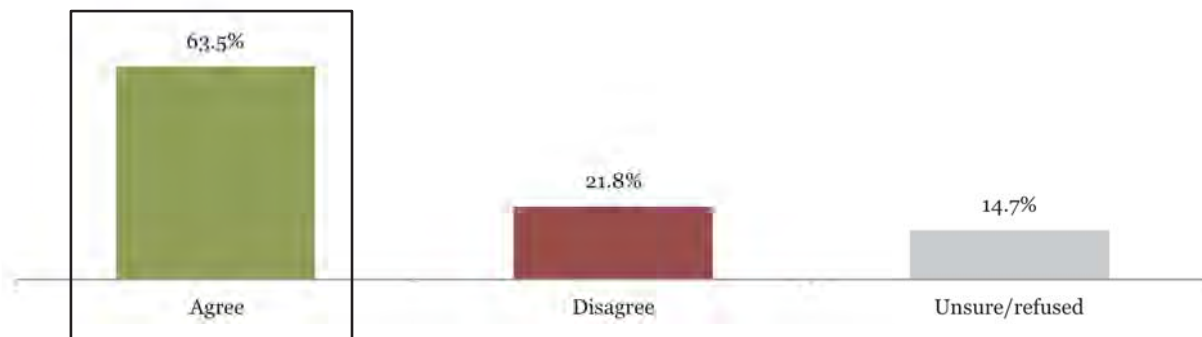
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I intentionally crafted this question to be somewhat biased, to realistically reflect the perspective of those who might be ill-informed about the important role special districts play in California and therefore be pre-disposed to seek a wholesale consolidation of them, absent further education. Clearly, it worked. Special districts are vulnerable.

The charge now is for special districts to recognize this fact and to address it, by 1) performing the necessary local opinion research to better understand the messages that will resonate with their constituents, and 2) developing the communication tools and channels to effectively, regularly reach out to those constituencies, educating them of districts' roles and impacts.

The lessons learned from the past (think redevelopment) are to protect agencies by building understanding among voters. Only then can we ensure there will be a place for special districts in the hierarchy of California governments in the future.

63.5% AGREE THAT MOST SPECIAL DISTRICTS SHOULD BE CONSOLIDATED INTO OTHER LOCAL OR REGIONAL GOV'T AGENCIES



Question: "Now, please tell me if you agree or disagree with the following statement: 'With over two-thousand special districts in California, there are just too many of these government agencies that are nothing more an extra layer of government that we just don't need. Most special districts should be consolidated into cities, counties or other local or regional government agencies.'"

A total of 1,000 interviews were collected. A survey of this size yields a margin of error of +/-3.1% with a 95% degree of confidence. Interviews were conducted with voters on both landline and cell phones and were offered in English and Spanish languages.

Probolsky Research specializes in opinion research on behalf of business, government, labor, media, political, and other special interest clients.



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3990 Westerly Place Suite 185 Newport Beach CA 92660
www.probolskyresearch.com

ORANGE COUNTY REGISTER

VIDEO: Orange County's plans to turn rainwater into a resource

[BY AARON ORLOWSKI](#)

2015-07-04 18:09:39



When the Santa Ana River leapt its banks in 1938 and tore through the small towns and farm fields of Orange County, flooding 68,400 acres and killing some 50 people, Prado Dam was already under construction.

The dam just west of Corona was meant to tame a river that for millennia had periodically flooded, depositing sandy soils in a fan starting at the mouth of the Santa Ana Canyon between Corona and Anaheim and spreading west.

The dam also heralded what became engineers' sole goal for the next six decades: When it rains, send the stormwater as quickly as possible to the ocean and avoid damage to people's homes and livelihoods. Over the ensuing decades, many of Orange County's rivers and streams were armored with concrete, a way to flush water out speedily.

With California four years into a drought and water sources scarce, engineers, environmentalists and water officials today see stormwater not as a threat, but as a wasted resource. They see the hundreds of miles of concrete channels as ferries for pollutants and pipelines of waste.

"Historically, stormwater has been the enemy. Get it out of here as quickly as we can," said Adam Hutchinson, the recharge planning manager at Orange County Water District, as he stood on the rocky slope of Prado Dam, a thin curve of river beneath him. "Now it's our friend. How can we capture it and use it?"

Schemes small and large – mostly small – for capturing water are emerging. Unlike billion-dollar desalination plants, or sewer water recycling schemes that require advanced reverse-osmosis technology, stormwater capture is not overly complex. Rules are already in place requiring newly built developments of a certain size to retain most stormwater.

Homeowners can route gutters into rain barrels, storing the water for irrigating landscapes later and replace concrete slab driveways with permeable pavement that allows water to soak into the ground.

City engineers can replace raised boulevards between street and sidewalk with rocky channels that collect water and allow it to percolate into the ground. In the future, city planners may route street gutters to large catch basins that pool then drain water through sandy soils.

The goal is to have stormwater soak into the ground where it falls, while any extra will go to regional infiltration basins, recharging aquifers. The little water that runs through storm drains will go to treatment plants, rather than carrying pollutants picked up from streets and sidewalks into the ocean.

Water supplies will increase, helping ease future droughts. And coasts will be cleaner – which is the reason stormwater regulations were put in place 25 years ago.

Keeping coasts clean

In the early 1990s, environmental concern over stormwater gained critical mass. The water, sheeting off oil-slicked streets into gutters littered with pet waste and rushing through storm channels into the ocean, was fouling coastal waters. Swimmers and surfers were getting sick from it.

So the Environmental Protection Agency set up new rules. Counties and cities that managed storm drain systems had to apply for permits to discharge water into the ocean. The water going into water bodies such as Newport's Back Bay could only have a certain amount of pollutants.

The rules spurred adoption of catch basins and infiltration ponds, which filter stormwater through soil that eliminates the pollution by picking up chemicals and breaking down bacteria. Those designs will now prove useful in storing vast amounts of stormwater for future use.

"Instead of letting water run off into the ocean, if you can retain it on-site, which they're beginning to do, it might infiltrate into the ground and can be reused," said Chris Crompton, the county's manager of water quality compliance.

Some of the most polluted water is produced by the first rains of winter, when the built-up pollution from the dry summer months first gets washed into storm drains. During low-flow storms, the Orange County Sanitation District takes and treats some of that stormwater to preserve water quality.

Some of that stormwater eventually ends up stored underground.

The Orange County Water District, the county's groundwater manager, recently expanded its operations to take and recycle more than half of the lightly treated sewer water produced by the sanitation district, which includes that small amount of stormwater plus all of the toilet, shower and dirty faucet water produced by households and businesses across north and central Orange County.

That is water that would otherwise be destined for ocean discharge five miles offshore.

OCWD purifies that water to drinking-water standards, then injects some of it underground in Fountain Valley to ward off saltwater threatening to seep into freshwater aquifers from the ocean. The rest is piped to groundwater recharge basins in Anaheim, where the water is spread across the ground and allowed to percolate into the aquifer.

Water agencies across north and central Orange County later pump that water from the ground and pipe it to customers, where it comes out of the tap.

Recycled sewer water is just one of OCWD's sources for recharging the aquifer, however.

Waste to O.C. taps

Behind Prado Dam, OCWD owns more than 2,000 acres of wetlands, dense with willows, bobcats and birds such as the endangered Least Bell's vireo. They're the largest wetlands of their kind in Southern California.

Originally, the wetlands were built to naturally treat the nitrogen-rich runoff flowing through the Santa Ana River. Now, the wetlands also act as a water storage basin during storms.

OCWD, according to their contract, is entitled to 42,000 acre-feet of water from the Santa Ana River every year. The river, which normally might run dry during certain times of the year as it flows through the Inland Empire, runs year-round with the treated wastewater from 26 plants upstream of Prado.

The flow of water to Prado Dam peaked a decade ago at 154,000 acre-feet per year, but has been dropping because of increased recycling. In 2014, 65,000 acre-feet of water went to the dam.

With more on-site recycling, less wastewater goes to treatment plants, and less water goes to the river. Inland Empire builders have installed purple pipe systems, which fix a different set of pipes to less dirty uses of water such as showers and kitchen sinks, then route that water to storage tanks for use in gardens and on landscaping.

"For years, we have been living off that water," said Hutchinson, OCWD's recharge planning manager. "That's supply we were using to replenish the system."

The U.S. Army Corps of Engineers regulates the flow of water as it passes through the Prado Dam, and OCWD diverts that water to recharge basins on the other side in Anaheim, where the water percolates through sandy soil into the aquifer beneath.

OCWD owns 1,500 acres of land along six miles of the Santa Ana River between Prado and Angel Stadium of Anaheim for that purpose. At any time 1,000 of those acres may be covered in water draining one to two feet per day.

During storms, water courses through the Santa Ana River and stops at Prado Dam, where a dilemma arises: Open the floodgates and allow water to rush through Orange County's storm drains to the ocean? Or hold the water back and release it more slowly, so it can soak into the aquifer on the other side?

In the summer, the Army Corps allows the water level behind the dam to reach 505 feet above sea level before it opens the gates and starts releasing water. During the winter, when storms are more likely and more fierce, it only allows the water to reach 498 feet.

For now, the water behind the dam is just a small stream. But when the rain picks up, OCWD, which recharges groundwater with that supply, wants the Army Corps to store water up to 505 feet year-round, increasing how much it could recharge into the aquifer.

It's likely Orange County will see a mix of stormwater capture methods in the coming decades.

Cities will capture water from large storms in regional catch basins, and will treat the rest before it reaches the ocean and fouls coastlines. But where possible, landscapes will be designed to capture stormwater on-site.

The Pacific Institute, an environmental research group, estimated last year that if Southern California and the Bay Area captured all the stormwater they could, water supplies would increase up to 630,000 acre-feet per year – or enough to serve the city of Los Angeles.

And momentum is building to capture more stormwater, with environmentalists harping on the need for it while officials convene meetings to discuss methods.

Capturing runoff

In Orange County, rules are already in place requiring newly built and redeveloped properties of a certain size – generally bigger than 10,000 square feet – to retain the water produced by 75 percent of storms. The rules, first implemented in 2011, mark a shift in how the county views stormwater.

The Ladera Ranch development in South County – a lauded example of regional stormwater management – combined flood control with open space, by building a 2.4-mile stream and a stormwater retention facility that captures 90 percent of urban runoff during small storms. The open space has water-absorbing swales and recreational trails in the same space.

Depending on the soil, water soaking through your garden into the ground may essentially stay in the garden, or it may eventually percolate all the way to groundwater aquifers deep underneath.

The water staying in the soil of your garden benefits the plants, according to Doug Kent, a landscape designer and adjunct professor of ecological land management at Cal Poly Pomona.

"You capture way more water than the property would ever naturally get and as a consequence it's going to store in the soil," Kent said. "Every garden that I store water on, you just don't have to turn on the irrigation as fast as your neighbors."

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Red-eared slider | Photo: **Greg Hume/Wikimedia Commons/Creative Commons License**
Invasive Species

3 Invasive Animals That Have Permanently Changed the Delta

(<http://www.kcet.org/news/redefine/rewild/invasive-species/3-invasive-animals-that-have-permanently-changed-the-delta.html>)

by **Chris Clarke**

July 6, 2015 2:50 PM



An explanatory series focusing on one of the most complex issues facing California: water sharing. And at its core is the Sacramento-San Joaquin Bay Delta. Stay with [kcet.org/baydelta](http://www.kcet.org/baydelta) for all the project's stories.

When American settlers started visiting the Delta, new animals came along with them. They reshaped the Delta. Over the course of the 19th and 20th centuries, the pace of introductions of new animal species increased.

There were our livestock, cattle and horses and sheep, our dogs and cats. Others we brought to release into the wild deliberately, hoping that they would be fruitful and multiply so that we could eat their descendants. And still more species stowed away in our ships, either hiding in the cargo or scooped up against their will in the ships' ballast water, to find new homes in the confluence of California's great rivers.

They made themselves right at home. It's hard to imagine the Delta without some of them now. Our attitudes toward them range from appreciation to resignation to attempted eradication. And all of them are likely to be part of the Delta for a very long time to come. Here are three of the most destructive. There are many more.

Story Continues Below



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Red-eared slider

Red eared slider turtles are undeniably attractive and quite popular. Known to science as *Trachemys scripta elegans*, red-eared sliders are the most commonly kept pet turtle in the world.

In their native lands, the southeastern United States and northern Mexico, red-eared sliders are part of an ecosystem that has adjusted to their presence over millennia. Reaching an average maximum size of 12 inches long (measured along the shell, or "plastron," the turtles spend most of their time in fresh water, basking in the sun to warm themselves, and eating. Their preferred diet consists mainly of aquatic plants, though they're omnivorous and will readily eat small fish, frogs, and other animals.

Or, for that matter, canned dog food: mature red-eared sliders are relatively easily kept as pets. That is, if you know what you're doing, and have room in your life for an animal that can reach the size of a soccer ball and live for thirty years. And there's the issue: though many Californians over the last century have gladly taken home a slider or two when they're a couple inches across in the plastron, many of those youthful adoptees have been set "free" when they get to be too big, too old, or too much bother.

In some cities, adherents to certain religious schools of thought will purchase red-eared sliders and set them free as an admirable if ecologically destructive act of charity.

And once set loose in the wild, red-eared sliders can easily dominate whatever body of water they move into. They're larger than the native western pond turtle, and require essentially the same habitat. And that means the native turtles get shoved out of what had been their habitat.

There's also some conjecture that red-eared sliders spread disease to the native western pond turtles though **the jury is still out on that.**

But the larger invasive turtles definitely outcompete the smaller natives for available food, which has contributed to the western pond turtle's decline, along with our wholesale destruction of its habitat.

All of which means: if you love a red-eared slider, don't set it free.

American bullfrog



American bullfrog | Photo: **Cornelier**/Wikimedia Commons/**Creative Commons License**

This is another import that was originally native to the eastern parts of North America. Unlike the red eared slider, bullfrogs mostly weren't brought here as pets. Instead, gastronomes began to import the frogs as a food item once the native red-legged frog started getting scarce, partly because of the red-legged's popularity on 19th century menus and partly because we'd altered its habitat.

That habitat alteration doesn't bother bullfrogs nearly as much: the gigantic frogs, with the scientific name *Lithobates catesbeianus*, do just fine in reservoirs, polluted stockponds, and other such artificial or semiartificial habitats.

And that's a problem, because the kinds of native wildlife eaten by American bullfrogs is so extensive it's almost easier to list the wildlife the frogs *don't* eat. Adult American bullfrogs are what is occasionally referred to by biologists as a "gape-limited predator." That charming phrase essentially means the frog eats whatever it can wedge into its mouth. Given that bullfrogs, North America's largest frog, can reach six inches in length not including their hind legs, those gapes can be pretty wide. American bullfrogs are known to chow down on red-legged and yellow-legged frogs, native salamanders, Delta smelts, salmon and steelhead fry and eggs, mice, baby birds, moles, voles, lizards, snakes, butterflies, dragonflies... if it fits, write the obit.

That's a big enough problem right there: bullfrog mouths are huge black holes for native wildlife. The tadpoles are a problem, too: though they generally eat algae and similar vegetarian foodstuffs, American bullfrog tadpoles will occasionally turn away from the salad bar to eat the tadpoles of other amphibians such as red-legged frogs.

Bullfrogs pose a disease threat to native amphibians as well: they're carriers of, and resistant to, the devastating disease **chytridiomycosis**, which is considered a big reason for the global amphibian extinction crisis first noticed in the tropics in the 1980s, and is becoming an increasing problem in North America.

And to add insult to injury, bullfrogs offer one more apparent threat to the state's suffering red-legged frogs. Male red-leggeds are apparently prone to finding the much larger bullfrog females irresistably attractive, which means those males spend time courting bullfrog females instead of girls of their own species. That can lead to lower reproductive success among red-legged populations, not to mention the possibility that the male red-leggeds will get eaten by their ill-advised dates.

American bullfrogs are found almost anywhere there's fresh water throughout the state, aside from in lakes in the High Sierra, which is apparently too cold for them. In the Delta, that means freshwater sloughs and ponds, tule swamps and irrigation ditches, as well as in quieter water along the main stem of rivers such as the Sacramento and American.

Given all the above damage, you might be surprised to learn that it's still legal to import bullfrogs into the state of California: last year, the California Department of Fish and Wildlife (CDFW) estimated that two million of the giant frogs are brought into the state annually, usually for sale in live food markets. Many of those animals escape, or are released into the wild by well-intentioned animal lovers.

That's prompted some official reactions as attempts to stem the influx of new live bullfrogs. CDFW moved in 2010 to require that live animal shops kill bullfrogs on site before customers left the premises. Many live animal markets failed to comply. In 2012, the city of Santa Cruz banned the sale of American bullfrogs within city limits, citing the danger to local populations of red-legged frogs and tiger salamanders. In 2014, CDFW stopped issuing long-term permits to import bullfrogs, and the California Fish and Game Commission has asked CDFW to propose longer-term measures to restrict import of the frogs, possibly including a total ban on new imports.

Mississippi silverside



Mississippi silverside | Photo: Dan Worth, California Department of Fish and Wildlife

Also called the inland silverside, *Menidia beryllina* is an attractive-looking six-inch native of the eastern United States, where it lives in lakes and streams accessible from the Atlantic Coast. In California, it was deliberately introduced in the 1960s both as a forage fish for larger, desirable game fish, or -- as in the case of the silverside's introduction to Clear Lake in 1967 -- to eat insects considered pests.

From those introductions, which also took place in the Bay Delta watershed, the silverside spread to the Delta, where in some places it's the most common fish.

Silversides eat zooplankton, the tiny floating aquatic animal fauna that includes not only animals that stay small their whole lives, like **copepods**, but the larval stages of larger fishes such as the Delta's Chinook salmon and Delta smelts. And silversides can tolerate water almost as salty as sea water, which means the brackish mixing zones where larval Delta smelts hang out are perfectly comfortable for adult silversides.

That pretty much means what it sounds like: Mississippi silversides are a major predator on Delta smelt. A 2012 study of silversides collected in the northern Delta found that almost half of the silversides the researchers collected in deeper water had eaten Delta smelt larvae within the last 36 hours.

Silversides aren't alone in that dietary choice: lots of other fish in the Delta, native or introduced, eat delta smelt. But the silverside's abundance makes this species one of the major predation threats to the Threatened smelt. And it looks as though the silverside, along with the American bullfrog and red-eared slider, is in the Delta to stay.

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- **Revisit**
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- **Reduce**