

February 15, 2016

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

Dear Members of the Board,

Please be advised that an adjourned regular meeting, followed by the regular meeting, of the Board of Directors of the East Orange County Water District will be held on Thursday, **February 18, 2016**, at **4:00 p.m.** in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. Enclosed please find the agenda for the meeting.

Very truly yours,

EAST ORANGE COUNTY WATER
DISTRICT

By:  Joan C. Arneson
Secretary

JCA/

Enclosures

cc: Mailing List

150473 .08

AGENDA

EAST ORANGE COUNTY WATER DISTRICT
(EOCWD)

Thursday,
February 18, 2016
185 N. McPherson Road, Orange, California

Adjourned Regular Meeting - 4:00 p.m.

Workshop Session - Wholesale and retail connection fees (Exhibit "A")

Recommended Motion: "DIRECT STAFF TO PROVIDE NOTICE OF HEARING TO CONSIDER RECOMMENDED INCREASES OF THE WHOLESALE AND RETAIL CONNECTION FEES AT THE MARCH 17, 2016 REGULAR MEETING"

Regular Meeting – 5:00 p.m.

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

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

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

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

5. **Approval of Minutes of January 20 and 21, 2016 Meetings** (Exhibit "C")
6. **Organizational Matters**

A. Committee reorganization (informational) (Exhibit "D")

7. Operation, Management and Construction Matters

- A. Project Approval – Vista Panorama Reservoir Rehabilitation Project (Exhibit “E”)

Recommended Motion: “THAT THE PROJECT BE APPROVED, THAT A DETERMINATION BE MADE THAT THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND THAT THE GENERAL MANAGER BE AUTHORIZED TO FILE A NOTICE OF EXEMPTION”

- B. Project Approval – Orange Knoll Pressure Reducing Station Project (Exhibit “F”)

Recommended Motion: “THAT THE PROJECT BE APPROVED, THAT A DETERMINATION BE MADE THAT THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND THAT THE GENERAL MANAGER BE AUTHORIZED TO FILE A NOTICE OF EXEMPTION”

- D. Annual Form 700 filing/biennial ethics training – reminder (Exhibit “G”)

8. Financial Matters

- A. Approval of schedules of disbursements (Exhibit “H”)

- B. Report on investments/ ratification of investment activity (Exhibit “I”)

- C. Receipt and filing of financial statements (January 31) – (Exhibit “J”)

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. Report on investment portfolio (Exhibit “K”)

- E. Appointment of Treasurer – (Exhibit “L”)

Recommended Motion: “THAT CINDY BYERRUM, CPA, OF THE PLATINUM CONSULTING GROUP, BE APPOINTED TO SERVE AS THE DISTRICT’S TREASURER”

- F. Position classification and compensation ranges – (Exhibit “M”)

Recommended Motion: “THAT THE POSITION CLASSIFICATION AND COMPENSATION SCHEDULE BE AMENDED AS RECOMENDED; THAT SUCH SCHEDULE INCLUDE EIGHT NEW JOB CLASSIFICATIONS; WASTEWATER OPERATOR I, II, AND III CLASSIFICATIONS; AND AN AMENDED SALARY RANGE OF THE GENERAL MANAGER POSITION; THAT A FIVE PERCENT PAY PREMIUM BE

ESTABLISHED FOR HOLDING LICENSING OR CERTIFICATION PROVIDING A MEASURABLE BENEFIT TO THE DISTRICT; AND THAT AN EDUCATIONAL REIMBURSEMENT ACCOUNT BE ESTABLISHED AND ADDED TO THE FY 2016-17 BUDGET”

9. Miscellaneous Matters

- A. Reports from committees and representatives to organizations
- B. Directors’ reports on meetings attended at District expense (Government Code Section 53232.3)
- C. Authorization of conference/meeting attendance (Exhibit “N”)
 - (1) Urban Water Institute Annual Conference (Palm Springs, February 10-12)
- D. Local sewer service transfer - status report (Exhibit “O”)
- E. Wholesale and retail water usage report (Exhibit “P”)

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

- F. Drought response report (Exhibit “Q”)

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

10. Informational Items

- A. General interest publications (Exhibit “1”)

11. Closed Sessions

- A. Closed session – conference with labor negotiators (Government Code Section 54957.6)
 Agency designated representatives: Directors Davert and Dulebohn
 Unrepresented employees: General Manager; Superintendent; Administrative Assistant; Water Distribution Operator II

Open session

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

12. Adjournment

The scheduled date of the next Regular Meeting of the Board of Directors is **March 17, 2016**, 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.

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: WATER RATE STUDY – WHOLESALE & RETAIL ZONE CAPACITY FEES
DATE: FEBRUARY 18, 2016

BACKGROUND

At the April 16, 2015 Meeting, the Board approved a contract with Raftelis Financial Consultants to perform the following services:

- 1) Review and recommendation of the Wholesale Zone Water Rates and Capacity Fees
- 2) Review and recommendations of the Retail Zone Water Rates and Capacity Fees
- 3) Preparation of a Financial Plan and Cost of Service Analysis Report for both the Wholesale and Retail Zones in support of the fee recommendations.

Review of the Wholesale and Retail Zone Water Rates has been complicated by the drought and uncertainty with regards to future cost of groundwater and imported water; we anticipate that staff will return to the April Board Meeting with recommendations for water rate adjustments as OCWD and MWDOC/MET provide clarity on these costs over the next month.

A Capacity Fee is applied to all new or expanded connections to the District's WZ and RZ water systems. Capacity fees recover the costs associated with providing additional facility capacity to new users and existing users requiring additional capacity. Though the terms "capacity fee" and "connection fee" are often used interchangeably, connection fees are understood to mean the costs associated with the physical installation of the new lateral connection and meter to a water main and can be thought of as "plumbing charges;" these charges are directly reimbursable to the district based upon the actual time and materials the District expends on the installation. The Capacity Fee covers the capital cost of the rest of the existing system (mains, reservoirs, pump stations, etc.).

The Wholesale Zone and Retail Zone have had historically different methodologies for capacity fees, with the Wholesale Zone having a flat charge of \$500 for an Equivalent Meter Unit (EMU)¹, and a \$0.25/ft² charge for an EMU. The Retail Zone has a charge of \$2,500 per EMU.

It should be noted that these capacity rates have not been increased for a very long time. For the Wholesale Zone, the capacity charge was initiated on April 20, 1978 and while they have been reviewed and renewed from time to time, they have not been increased in the almost 38 years since their initial adoption. The increase in the Engineering News Record's Construction Cost Index (ENR-CCI) has been 321% since 1978.

For the Retail Zone, the current capacity fee was set in 1985 at \$2,500 per EMU; it has not been increased in the subsequent 30 years; the ENR-CCI increase has been 201% since 1985.

¹ An EMU is equal to a 3/4" meter; this is the minimum meter size for both the WZ and RZ.

Capacity Charge Methodology

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Capacity charges are governed by the requirements of Government Code Section 66000 (and specifically Section 66013), which contains requirements relating to the calculation, adoption, administration and enforcement of impact fee systems (agencies can adopt impact fees to mitigate the impact of the proposed development). There are several methods that could be used to calculate the Capacity Fee; three industry-accepted approaches were considered: System Buy-In Method, Incremental-Cost Pricing Method and Specific Capacity Method:

1. **System Buy-In Method:** The buy-in concept is based on the premise that new users are buying into an existing system which already has the capacity to serve them, and by doing so they achieve a financial position that is on par with the existing users of the system who originally provided and paid for that capacity. New users pay for the cost or value associated with the portion of the existing system capacity they use by paying a proportionate share of the “book value” of the system. For example, if the existing system has 100 units of capacity for average or peak usage and the new user buys one unit of capacity, then the new user pays 1/100 of the original cost of the existing system. In this manner new users and existing users then face future capital needs on an equal footing.
2. **Incremental-Cost Pricing Method:** This method is based on the premise that new users should pay for the incremental portion of both existing reserve capacity which must be replaced and any new capacity which must be added to the system to meet their needs. The goal of this method is to eliminate or minimize the need to raise existing user rates in order to fund new facilities to accommodate growth.
3. **Specific Capacity Method:** The specific capacity method determined capacity fees based on the cost to construct the incremental capacity required. For example, if it cost X dollars to construct Y units of new capacity, then the capacity fee per unit is determined to be X/Y . This method does not take into account the value of surplus capacity in existing facilities, and is therefore most applicable in situations where there is no available capacity in the existing facilities and new users have to be served entirely through the creation of additional capacity.

Because the Retail Zone has existing capacity and is nearing the end of its useful life (per the recently completed Master Plan/Capital Improvement Program), it was determined that the Buy-In Method was the most equitable. The sum of the original cost (Total Asset Value at 6/30/15), plus the value of the Reserve Fund were derived and then divided by the number of meters to arrive at the recommended Capacity Fee (see attached summary tables).

The tables shown below list the recommended Capacity Fees for both the Wholesale and Retail Zones. Note that the base (minimum) residential meter size for both the WZ is 5/8" or 3/4" and for the RZ it is 3/4". From this minimum meter size, an Equivalent Meter Unit (EMU) is assigned based upon the American Water Works Association (AWWA) Manual of Water Supply Practices M1 Manual, “Principles of Water Rates, Fees and Charges (Sixth Edition). The EMU is used to allocate costs based upon the base level of service required for the smallest meter. Once the meter size is determined, the EMU is multiplied by the fee per EMU and the Capacity Fee is calculated.

Recommended Wholesale Zone Capacity Fee				
Meter Size	Existing Fee	AWWA Ratio	Proposed Fee	% Increase
5/8" or 3/4"	\$500	1.0	\$ 890	78
1"	\$500	1.67	\$ 1,483	197
1 1/2"	\$0.25/ft ²	3.33	\$ 2,966	N/A
2"	\$0.25/ft ²	5.33	\$ 4,745	N/A
3"	\$0.25/ft ²	11.67	\$10,380	N/A
4"	\$0.25/ft ²	21.00	\$18,684	N/A
6"	\$0.25/ft ²	53.33	\$47,451	N/A
8"	\$0.25/ft ²	93.33	\$83,038	N/A
10"	\$0.25/ft ²	140.00	\$124,558	N/A

Recommended Retail Zone Capacity Fee				
Meter Size	Existing Fee	AWWA Ratio	Proposed Fee	% Increase
3/4"	\$2,500	1.0	\$ 5,705	128
1"	\$2,500	1.67	\$ 9,508	280
1 1/2"	\$2,500	3.33	\$19,016	661
2"	\$2,500	5.33	\$30,425	1,117
3"	\$2,500	11.67	\$66,555	2,562

While the increase for a WZ 5/8" or 3/4" meter represents a 78% increase over the current fee, as noted above, the ENR-CCI has increased 310% over the last 38 years. For the RZ, the proposed increase represents a 128% increase over the current fee, however the ENR-CCI has increased 201%.

As required by Section 66013, staff is recommending changing the historical practice of a flat meter charge in favor of one which allocates the cost of service for larger meters (and larger capacity/fire flow requirements) on the user creating the demand using the AWWA Ratios. This increase for large meters is significant, however, allocation of costs by size of meter has been required since the late 1980s, so this methodology brings the District in line with what has been standard practice amongst the majority of water agencies for over two decades.

As noted previously, the Capacity Fees are subject to Government Code Section 66000 requirements, including holding at least one public hearing as part of a regularly scheduled meeting. After review and comment, the Board may wish to direct staff to schedule a public hearing for the rate increase for the March 17, 2016 Board Meeting.

Additionally, notice of this meeting must be mailed 14 days prior to the meeting to any interested party who filed a written request with the District within one year of the date in which it was originally received. While the District has in the past received requests for such notice from the Building Industry

Association, the last such request was received in June, 2014. Staff well understands that the BIA may wish to comment on this increase and will ensure that notification is provided to them. The District is also required to provide the supporting data for the increase within 10 days of the meeting; staff proposes to post it on the District's website prior to March 7th to meet that requirement.

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Raftelis Project Manager Sanjay Gaur will be present at the workshop meeting to provide a review of the process they undertook to develop a new connection fee schedule for both the Wholesale and Retail Zones and the recommended rates.

FINANCIAL IMPACT

Currently, connection fees provide less than \$10,000 per year of income to the WZ, and have provided zero income to the RZ for the past three years. The WZ fees are collected when development occurs in the underlying retail water agency; the potential for development in these agencies is unknown at this time. The RZ has experienced recent inquiries regarding development of 4-5 lots, however we expect that these developers will purchase permits prior to the implementation of the rate increase, so the increase will have minimal effect in the near term.

RECOMMENDATION

Direct staff to provide notice of a public hearing to consider an increase to the Wholesale Zone and Retail Zone connection fees at the March 17, 2016 Board Meeting pursuant to staff's recommendation.

Wholesale Zone Capacity Fee Increase Supporting Calculations

SYSTEM BUY-IN CAPACITY FEE CALCULATIONS FOR WHOLESAL ZONE

Total Asset Values as of 06/30/15	\$	11,992,036
Plus Reserves Ending Balance as of 06/30/15	\$	6,108,830
Less: Outstanding Debt Principal	\$	-
Net Asset Value	\$	18,100,866
Current Connections		20,835
Current Capacity Fee		\$500 /connection
Calculated Capacity Fee (\$/EMU) in 2015\$		\$869/EMU
Difference		\$369/EMU
2015 CCI		10,981
Extrapolated CCI to Budget Year		11,243
Proposed Capacity Fee (\$/EMU) in 2016\$		\$890/EMU

Meter Size	AWWA Ratios (EMU)	Proposed Capacity Fee
5/8"	1.00	\$890
3/4"	1.00	\$890
1"	1.67	\$1,483
1-1/2"	3.33	\$2,966
2"	5.33	\$4,745
3"	11.67	\$10,380
4"	21.00	\$18,684
6"	53.33	\$47,451
8"	93.33	\$83,038
10"	140.00	\$124,558

Retail Zone Capacity Fee Increase

Supporting Calculations

SYSTEM BUY-IN CAPACITY FEE CALCULATIONS FOR RETAIL ZONE

Total Asset Values as of 06/30/15	\$	6,080,572
Plus Reserves Ending Balance as of 06/30/15	\$	2,265,055
Less: Outstanding Debt Principal	\$	-
Net Asset Value	\$	8,345,627

Current EMU (Equivalent Meter Unit)	1,498
Current Capacity Fees	\$2,500/connection
Difference	\$5,572/ EMU

Current Year CCI	10,981
Extrapolated CCI to Budget Year	11,243
Proposed Capacity Fee (\$/EMU) in 2016\$	\$5,705 / EMU

Meter Size	AWWA Ratios (EMU)	Proposed Capacity Fees
3/4"	1.00	\$5,705
1"	1.67	\$9,508
1-1/2"	3.33	\$19,016
2"	5.33	\$30,425
3"	11.67	\$66,555

EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT

January 2016

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

GENERAL MATTERS

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

SEWER

A. OCSD Transfer

See Agenda Item

WHOLESALE ZONE

A. Peters Canyon (6 MG) Reservoir Status Update

Security System – Staff has met with two security integration companies and is developing a scope of work for both companies to bid on; we are also negotiating with Crown Castle with regards to their participating on the costs of the system. Staff will also return with a recommended amendment to the Crown Castle agreement to the Ad-Hoc Cell Site Committee, as well as a recommended contractor for the completion of the security system installation; this contract is targeted for the March Board Meeting.

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

Reservoir Roof – awaiting specifications and drawings from Carollo Engineering.

Storm Water Drainage Improvements – Staff is pleased to report that the storm water drainage improvements are complete and has invited contractor Tom Hughes of Champion Paving to attend the Board Meeting so that we can express our thanks to him, Inspector Brian Arie, Superintendent Jerry Mendzer and Engineer Bill Everest for a job very well done.

Substantial completion occurred on February 1st. Because one of the trench drain grates needed to be widened and special ordered, Champion requested 6 additional days which they were entitled to due to significant rain delays during the first week of January. Staff is very appreciative of the excellent work Champion Paving did and for the concern that was exhibited throughout the project by working diligently to complete the drainage improvements in a timely manner and provide several value added elements in the project. A Notice of Completion and acceptance of the Project will be brought to the March Meeting for Board approval.

Master Plans and Treatment Plant Feasibility Study Update

Master Plan Status:

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

WTP Feasibility Study:

Presentation of the draft financial feasibility study was reviewed with Nabil Saba and Rudy Rosas of the City of Santa Ana. Despite the preliminary indications that the project water will meet or exceed the cost of MET water, there is the potential to reduce project capital costs via value engineering and/or obtaining grant funds. The City would like to explore the potential for this with us and will be drafting an agreement to share some of the costs of this effort with us. We anticipate returning to the Engineering and Operations Committee with further information in March.

B. OC-70 Meter Test Comparison

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

Over the past several years, staff has conducted many analyses and failed to find a cause or a pattern of loss that yielded clues as to the cause. After exhausting all reasonable possibilities on the District's side of the meter, we contacted MWDOC staff and sought their assistance in setting up a meeting with MWDSC (MET) to determine if the problem is on their side of the meter.

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

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

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

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

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

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

C. WZ Connection Permits

None to report.

RETAIL ZONE

1) East Orange DroughtReach™ Program

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

After hanging door tags in early December and performing extensive customer outreach, including calling customers that had high December water bills, we are pleased to report that customers did achieve the required 36% reduction for December. Extensive outreach has been made to remind customers to reduce their irrigation timers to one time per week watering. Please refer to the monthly agenda item for December's DroughtReach™ activities.

2) Well / Booster Station Operations

East Well – For January, 100% of the Retail Zone demand was met using groundwater; Total groundwater pumped during December was 28.9 acre feet. Total retail demand was 33.6 acre feet. The additional 4.7 acre feet of water needed to meet the retail demand came from storage.

150 HP Motor Damage: On Sunday, January 31st, the East Well motor suffered an electrical short. Delta Motor Company performed the last rebuild of the motor which was still under a 2 year warranty. Delta removed and inspected the motor and concluded that the failure was caused by

windblown rain which worked its way into the motor which voided the warranty. Delta is currently in the process of rebuilding the motor and expected delivery and installation is Friday, February 19th. To ensure that water or moisture doesn't get into the motor again, staff is looking to install an enclosure to protect the motor from the elements.

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 RZ demand, augmented by imported water purchases. Staff will be sending out requests for quotes to pull and video the West Well and replace the Barrett Pump station 75hp booster pump the week of February 15th and will review bids with the Engineering & Operations Committee at their March Meeting.

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

3) **System Leaks**

On Sunday, January 10th, at 4pm, the District's Superintendent received an email from a customer on Barrett Lane regarding a possible water leak. After investigating the leak, it was determined to be a small service leak. Staff came back the next morning to repair the leak and found that the leak was coming from a 1 inch corporation stop. A 2 hour shutdown was performed affecting twelve (12) customers. Staff replaced the corporation stop and reconnected the service lateral.

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

No requests for permits were received in January.

JOINT SYSTEM (WZ & RZ) ACTIVITIES

SEDARU

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

A. Monthly Operations Activities

- Attended Water Loss Workshop at MWDOC (Superintendent)
- Reviewed and inspected work for Peter's Canyon Reservoir Storm Water Drainage Project (Superintendent)
- Attended weekly Engineering meeting with GM (Superintendent)
- Repaired leaking corporation stop on Barrett Lane (Staff)
- Attended construction meetings for Peters Canyon Reservoir Storm Water Project (Superintendent)
- Reviewed RZ and WZ master plans and provided comments (Superintendent)
- Met with Pure Technologies (Superintendent)
- Replaced lateral valve on Old Foothill (staff)
- Met with alarm company to discuss options (Superintendent)
- Reviewed District assets for SEDARU (Superintendent)
- Obtained quotes for reservoir cleaning (Superintendent)
- Met with City of Tustin to discuss OC43 connection (Staff)

General Manager's Report – January 2016

- Put together information for retail pressure reducing stations (Superintendent)
- Potholed inlet and outlet lines at Peters Canyon Reservoir (Staff)
- Performed tune-up on F-250 Crew truck (Staff)

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 – January 21, 2016

Meeting Summary: 1) MWDOC Rate Study – Representatives from Raftelis outline the study scope of work and schedule. 2) Portable Diesel Trailer Emergency Equipment Request for Commitment – WEROC noted that the deadline for submission of an application is approaching. 3) Update on SWRCB Water Use Regulations – SWRCB is proposing some reduction credit for GWRS Expansion production, however the calculation for reduction is complicated – MWDOC is advocating for a per connection water allocation reduction. 4) MET 2016 & 2017 Budget Schedule – First proposed budget and rates are due out February 3; MET Board will adopt rates in April. Prognosis is for higher rates than projected two years ago. 5) MWDOC FY 2016/17 Budget – First draft of budget due out March 1; adoption at May Board Meeting.

B. OC Reliability Study – January 21, 2016

Meeting Summary: The third of four Workgroup meetings targeted the completion of the Phase I effort. The Phase 1 GAP analysis assumed no new projects; Phase 2 is designed to start looking at projects that may be feasible (MWD/OCWD/Others), both with and without a California Waterfix and other MET and MET member agency projects. Phase 2 is designed to produce "portfolios" that provide various reliability and cost effectiveness benefits that will assist with the decision-making process.

C. Finance Committee – February 8, 2016

Meeting Summary: 1) Treasurer Recommendation – Ms. Ohlund noted that Ms. Byerrum has done an outstanding job as Treasurer. Staff had originally planned to see a shared service arrangement for the Treasurer duties and gain an additional internal control by having another outside party, however, the separation of duties and controls between her and Josh Byerrum, Reyna Ayala and Sylvia Prado provided enhanced protection. Additionally, Ms. Byerrum provides value in her familiarity with debt issuance, knowledge of PERS and other administrative and financial operations of the District. Staff recommended, and the Committee concurred, that she be offered the permanent position. 2) WZ & RZ Connection Fee Increase – The information reviewed with the Committee at their November 16, 2015 Meeting was reviewed and discussed. Chair Davert noted that the increase was large, however the rates hadn't been raised in over 34 and 30 years, respectively. 2) Budget Reports – Ms. Ohlund noted that these reports had inadvertently been included in the January 2016 Board Meeting agenda as they were received earlier than usual; they will be included in the agenda for February also. 3) Classification/Compensation/Benefit Recommendations – Ms. Ohlund presented the Committee with the results of an update of the 2014 Classification and Compensation Survey; the survey revealed that EOCWD minimum and maximum salary ranges were below the median of agencies surveyed. Additionally, the issue of retention of employees and creating a pathway for career advancement was reviewed. Ms. Ohlund reviewed a proposed schedule that created 8 new job classifications that could be used as career paths for employees' achieving advanced training and experience. Ms. Ohlund also requested the creation of two new benefits: Educational reimbursement (for relevant college-level education) and a differential pay program to reward employees that hold licensing or certification in excess of what is required for their jobs. The Committee recommended that the Board approve the recommended classification/compensation and benefit improvements.

D. Groundwater Producers Meeting – February 10, 2016

Meeting Summary: 1) Huntington Beach (Poseidon) Desalination Project - Several options for conveyance were presented; OCWD has dropped the three most expensive Alternatives 1A, 1B, 1C; MET has stated that EOCF#2 is not available for wheeling project water to South Orange County; OCWD Board will hold a workshop on March 2nd. 2) Future Met Rates: Harvey De La Torre summarized the latest rates table: thought that the increase to the Tier 1 Supply rate is from the SWP and Habitat Conservation programs; said that treatment costs decrease because MET has "changed the way it allocates conveyance costs. 3) FY '17 Budget - To be discussed at March 9th GWP Meeting. 4) OCSD Influent Flows – still running flat. 4) SWRCB Regulations Status – Discussed EOCWD letter requesting discussion on how OCWD will allocate SWRCB IPR supply credit; agendaized for upcoming Board Meeting.

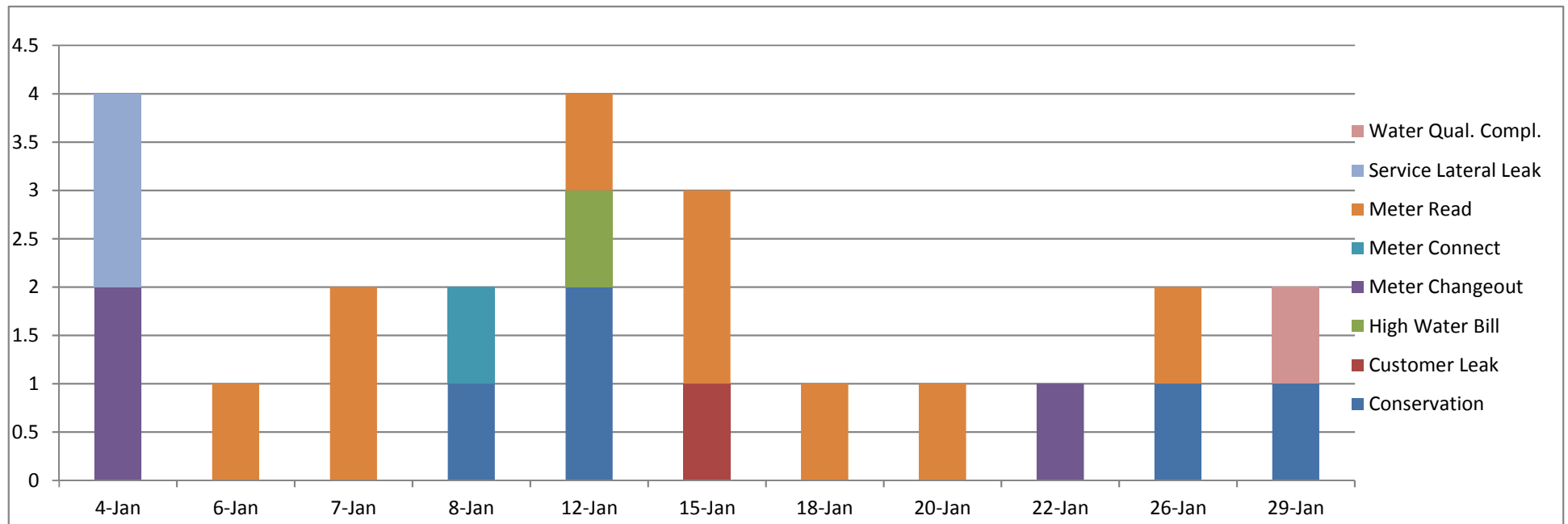
E. Engineering & Operations Committee – February 15, 2016

Meeting Summary: 1) East Well – 150 HP Motor Damage – Moisture in the motor caused an electrical short that is not covered by the warranty; repairs and reinstallation expected by February 19th. 2) East Well Pumping Water Level – levels holding steady at 269 BGS. 3) Approval of PRV and Vista Panorama Projects – The Committee approved recommending the two projects be approved and CEQA Notices of Exemption filed. 4) RZ Water Use – The RZ met its 36% reduction requirement for January; it was noted that February will be difficult to meet with the extended heatwave, however the District has met its cumulative reduction goal. Staff will be applying for the IPR credit (7%) and returning to the Board with further plans in April depending upon March weather and MET water allocations. 5) RZ System PRV Project Status Report – Staff is obtaining proposals from Steven Andrews Engineering and RCE Consultants for the design of the PRV project. Anticipate making a recommendation to the Committee at their March Meeting. 6) PCR Reservoir – Work is now complete; requested that the contractor attend the Board Meeting to thank him for excellent work. 7) Leak Detection System – Staff is in the process of obtaining quotes from three geotech/contractors for the installation of this system. 8) OC-70 Meter Issue – Staff reviewed the status of the installation of a new meter on the reservoir influent line to assist with determining meter accuracy; the new 24" meter has been ordered and should be delivered by mid-March. Staff was urged to check for ground current in the area to eliminate effect on the meter. MET/MWDOC will review and approve installation location by March 1. 9) WZ Water Sales – very low demand for January. 10) Security System – Staff is working with Crown Castle to finalize the Jamboree gate equipment and access monitoring equipment; agreement to the Board at the March meeting. 11) Reservoir Cleaning Program – the Committee reviewed the three bids and approved proceeding with Potable Divers, Inc. at a cost of \$10,100 to clean the three reservoirs (Newport, Andres and Vista Panorama). 12) MWDOC Water Loss Audit Program – Kickoff teleconference with Lucy Andrews and Reinhard Sturm of Water Systems Optimization is Friday, February 19th. 13) Participation in WEROC Fuel Trailer Program – Staff has submitted our application for a trailer. 14) Preparation of 2015 CCR – Staff is proposing to use Stetson Engineering again to assist with this effort.

EOCWD Customer Work- January 2016

Count of work Column Labels

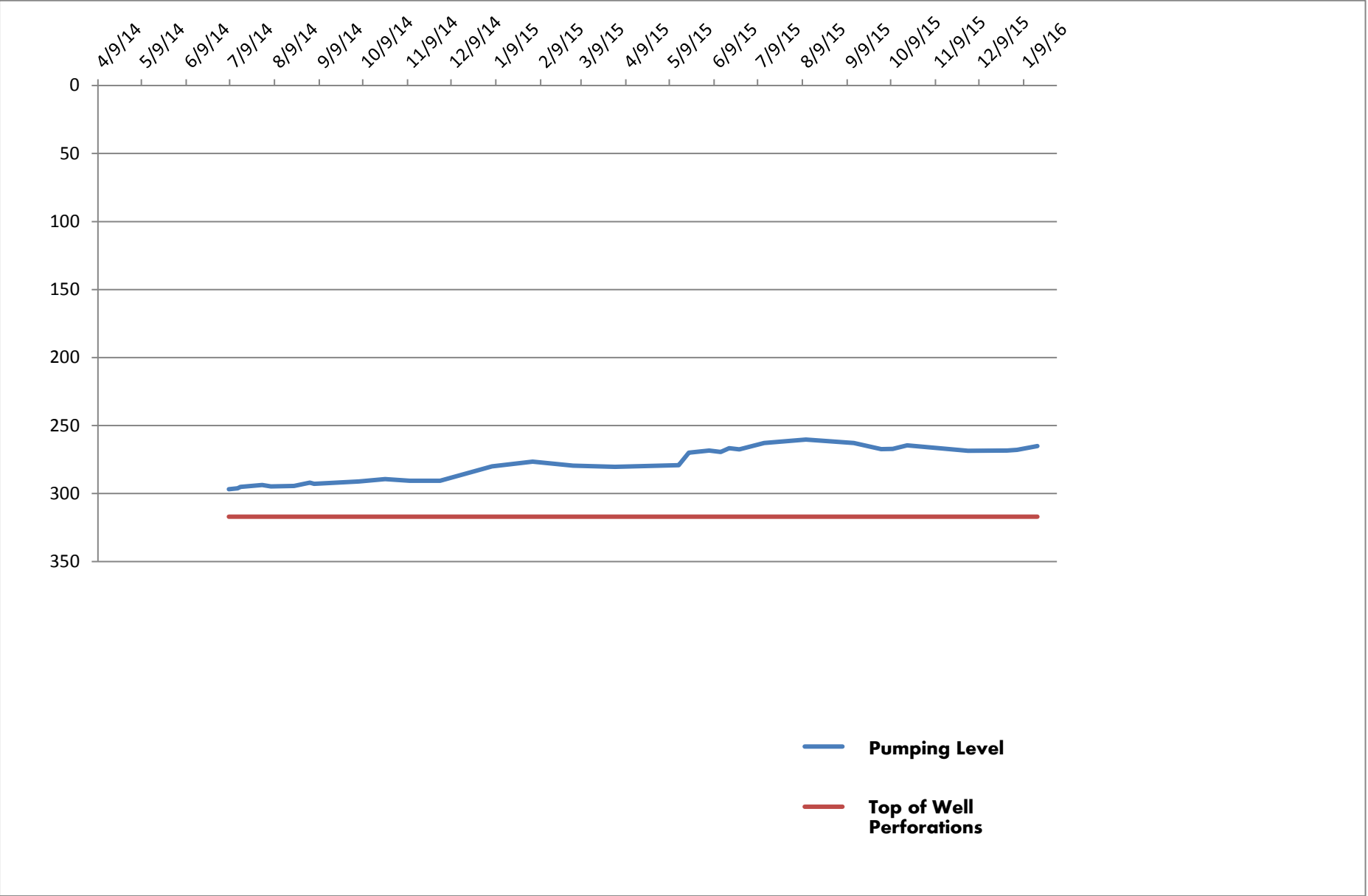
Row Labels	Conservation	Customer Leak	High Water Bill	Meter Changeout	Meter Connect	Meter Read	Service Lateral Leak	Water Qual. Compl.	Grand Total
4-Jan				2			2		4
6-Jan						1			1
7-Jan						2			2
8-Jan	1				1				2
12-Jan	2		1			1			4
15-Jan		1				2			3
18-Jan						1			1
20-Jan						1			1
22-Jan				1					1
26-Jan	1					1			2
29-Jan	1							1	2
Grand Total	5	1	1	3	1	9	2	1	23



EAST ORANGE COUNTY WATER DISTRICT

East Well Pumping Water Level

Jan. 15, 2014	276.8	317
April 9, 2014	276.9	317
May 6, 2014	280.3	317
July 8, 2014	296.8	317
July 14, 2014	296.2	317
July 16, 2014	295.1	317
July 31, 2014	293.7	317
August 6, 2014	294.7	317
August 22, 2014	294.4	317
September 2, 2014	291.9	317
September 5, 2014	292.8	317
October 6, 2014	291.1	317
October 24, 2014	289.3	317
November 10, 2014	290.5	317
December 1, 2014	290.5	317
January 6, 2015	280	317
February 3, 2015	276.6	317
March 3, 2015	279.5	317
April 1, 2015	280.3	317
May 15, 2015	279.2	317
May 22, 2015	270	317
June 5, 2015	268.3	317
June 13, 2015	269.5	317
June 19, 2015	266.7	317
June 26, 2015	267.5	317
July 13, 2015	262.8	317
August 11, 2015	260.3	317
September 13, 2015	262.8	317
October 2, 2015	267.3	317
October 10, 2015	267.1	317
October 20, 2015	264.5	317
December 1, 2015	268.5	317
December 28, 2015	268.3	317
January 4, 2016	267.8	317
January 18, 2016	265	317



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

January 20, 2016

1. **Call to Order.** An Adjourned Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by DOUGLASS DAVERT, President of the Board of Directors, at 5:00 p.m. on Wednesday, January 20, 2016, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, Secretary, recorded the minutes of the meeting.

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

Also present were:

LISA OHLUND	General Manager
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel
WILLIAM VANDERWERFF	Former Director

and the following candidates for appointment to fill the vacancy on the Board of Directors:

WILLIAM BAUER
THOMAS A. BROZ
KEVIN GREENE
KEITH JOSEPH KUNTZ
KEVIN G. RICE
JOHN L. SEARS
DAVID L. STUART
LISA M. WOOLERY

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

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

4. **Vacancy on the Board of Directors.**

A. **Candidate Forum.** President DAVERT said that with the resignation of Mr. VANDERWERFF, a vacancy was created and the Board announced its intent to fill it by appointment. He described the area within the District's boundaries and provided information about the District. President DAVERT noted that the resumes of all of the candidates were very impressive. He then briefly explained that the candidate forum would be informal and each candidate would be called on in a randomly selected order and have approximately 3 minutes to address the Board about their qualifications and interests in serving on the Board,

followed by any questions and discussion Board members might have. He announced that candidate MarilynThoms had withdrawn her application as, due to conflicting commitments, she won't have the time to serve on the Board. President DAVERT introduced staff and the other Board members introduced themselves.

Candidates GREENE, SEARS, BROZ, WOOLERY, BAUER, STUART, RICE and KUNTZ addressed the Board, commenting on their backgrounds and reasons for their interest in serving on the Board. Director BELL raised a question about time availability for service on the Board. President DAVERT summarized the general time commitments of monthly Board and Committee meetings and asked if this would pose a problem for any of the candidates. None of the candidates said it would. Mr. VANDERWERFF was recognized and said he was very impressed with the candidates and encouraged everyone's interest and involvement.

B. Consideration of Candidates and Selection. A written ballot was conducted by the Board to select a candidate to fill the vacancy by appointment. The written ballots were voted and handed to Ms. ARNESON, who then read aloud the ballots, as follows:

Director DULEBOHN:	Candidate KEVIN GREENE
President DAVERT:	Candidate JOHN SEARS
Director BELL:	Candidate JOHN SEARS
Director EVERETT:	Candidate JOHN SEARS

C. Appointment. It was the consensus that John Sears be appointed.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution No. 762 was adopted, entitled: "Resolution of the Board of Directors of the East Orange County Water District Appointing John L Sears to the Office of Director."

D. Administration of Oath of Office. Secretary ARNESON administered the oath of office to Mr. SEARS.

5. Adjournment.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 6:00 p.m., the next regular meeting being Thursday, January 21, 2016, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

Joan C. Arneson

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

January 21, 2016

1. **Call to Order.** A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by DOUGLASS DAVERT, President of the Board of Directors, at 5:00 p.m. on Thursday, January 21, 2016, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JOAN ARNESON, Secretary, recorded the minutes of the meeting.

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

LISA OHLUND	General Manager
JERRY MENDZER	Maintenance & Operations Superintendent
SYLVIA PRADO	District Administrative Assistant
JOAN ARNESON	District Secretary and Legal Counsel
BILL EVEREST	District Consultant
ART VALENZUELA	City of Tustin
GRAHAM JUBY	Carollo Engineers
DAVID BARANOWSKI	Carollo Engineers

2. **Public Communications to the Board.** President DAVERT welcomed Director SEARS, appointed at last evening's meeting. Director SEARS expressed appreciation for the appointment process.

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

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

B. **Peters Canyon Treatment Plant Financial Feasibility Study.** DAVID BARANOWSKI of Carollo Engineers provided an overview of the financial feasibility study, including the development of a financial model, engineering and financial inputs, key variables and assumptions, and the comparison of five scenarios including baseline, worst case, best case and two intermediate variations. He showed graphic comparisons of the scenarios with the projected MWD rate. Mr. VALENZUELA inquired whether high operation and maintenance costs were evaluated, and Ms. OHLUND responded that a full-time operator was included as a conservative estimation. Director BELL noted that all of the agencies on the SAC line except EOCWD have developed treatment facilities for cost and/or reliability reasons; but there are also quality considerations that differ between the Colorado supply and the MWD blended supply. Ms. OHLUND said that in order for the project to be recommended to the Board it must compare favorably with MWD water cost, and there will be greater clarity on this

once MWD has completed its budget process. She added that staff will look for grant funding opportunities.

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

ACTION TAKEN:

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

5. **Minutes.**

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the minutes of the meeting of December 17, 2015 were approved as submitted.

6. **Organizational Matters.**

Updating of Account Signature Authorizations. Ms. OHLUND said the three proposed resolutions were a housekeeping item necessary to maintain the District's day-to-day financial activities.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Resolution Nos. 763, 764 and 765 were adopted, entitled, respectively:

"Resolution of the Board of Directors of the East Orange County Water District Authorizing Signatures for All Accounts, Authorizing Selection of Depositories, and Rescinding Prior Resolution;"

"Resolution of the Board of Directors of the East Orange County Water District Regarding Designation of Officers Authorized To Order Sale, Assignment, Transfer, and/or Delivery of District Investment Securities (Raymond James Financial Services, Inc., Account), and Rescinding Prior Resolution;" and

"Resolution of the Board of Directors of the East Orange County Water District Regarding Designation of Officers Authorized To Order Deposit and Withdrawal of District Funds In and From the Local Agency Investment Fund."

Committee Reorganization. The elimination of the Operations & Personnel Committee, and consolidation of operations with Engineering and personnel with Finance was discussed. Director BELL said he had proposed in committee that the committee meetings be noticed as Board meetings so that other members can participate if desired; he added that by

stipulating that only the committee members will receive the per-diem compensation and by having staff prepare minutes, the additional cost could be limited. Ms. OHLUND said this will increase the level of work for the small staff. President DAVERT said that if participation is the concern, the Board meetings should be lengthened or increased, but if information is the concern, the Committees could be asked for more information from the discussions at their meetings. It was the consensus as suggested by Ms. OHLUND that the ad hoc Investment Committee's function be handled by the Finance Committee.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, it was determined that the Operations & Personnel Committee will be reorganized, with operations to be consolidated with the Engineering Committee and personnel to be consolidated with the Finance Committee.

President DAVERT requested that each of the Directors indicate their interests in committee assignments.

7. Operation, Management and Construction Matters.

A. Municipal Water District of Orange County (MWDOC) Water Loss Program.
Director BELL stated that he would not participate in this discussion due to his part-time services for MWDOC. Ms. OHLUND recommended approval, stating that the State's loss reporting requirements are expected to affect future infrastructure decisions and a good baseline will be important for the District.

ACTION TAKEN:

Upon a motion duly made, seconded and carried 4-0-1 (BELL abstaining), the fiscal year 2015/16 capital improvement budget was amended to add \$20,000 to Account No. 7900-100-1 and \$25,000 to Account No. 7900-100-2, the contract with MWDOC for water loss control services, in the not-to-exceed amount of \$45,000, was approved and the General Manager was authorized to execute the contract.

B. Water Quality Briefing. Ms. OHLUND said that there were good lessons for all water agencies in the Flint, Michigan water contamination crisis, and as requested by Director EVERETT she provided a brief history and summary of that situation. Mr. MENDZER reported on lead and copper rule testing in the District, explaining that although the District's system does not have lead piping, there may be lead in customers' plumbing which generally is a problem only if a home is vacated for a period. He said permissible lead content has been reduced to zero in customer service connection parts, and thus will be gradually eliminated as those are phased out.

8. **Financial Matters.**

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$638,350.17 from Wholesale and Retail Operating Funds, \$2,330.21 for directors' payroll, and \$45,836.32 for employees' payroll.

B. Investment Activity. Schedules of investments were presented.

C. Financial Statements (December 31). 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.

9. **Miscellaneous Matters.**

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

B. Directors' Reports on Meetings Attended. None.

C. Authorization of Conference and Meeting Attendance. Ms. OHLUND reported that the MWDOC dinner will feature as a speaker SWRCB's chair Felicia Marcus.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, Director BELL and if additional accommodations can be obtained, Director SEARS, were authorized to attend the February 10-12 Urban Water Institute Annual Conference.

D. Orange County Sanitation District #7 Local Sewer Service Reorganization – Status Report. Ms. OHLUND reported that she had no information to add to her written status report.

E. Water Demand Status Report. Ms. OHLUND reported that sales are at an historical low.

ACTION TAKEN:

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

F. Drought Response Report. Ms. OHLUND discussed the State Water Resources Control Board staff's consideration of adjusting future reduction targets to give credit for programs like the Groundwater Replenishment System.

ACTION TAKEN:

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

10. Informational Items.

A. General Interest Publications. Included was *Channel 4 Southern California* – 'Exceptional' Drought Improves Only 2 Percent After California Storms.

11. Closed Session. President DAVERT announced that the Board would meet in closed sessions listed in the agenda as follows: **(A)** conference with labor negotiators (Govt. Code §54957.6) – agency designated representatives: Directors Bell and Dulebohn – unrepresented employees: Superintendent; Management Analyst; Administrative Assistant; Water Distribution Operator III; Water Distribution Operator II; Water Distribution Operator I; Part-Time Office Assistant.

OPEN SESSION

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

12. Adjournment. Ms. OHLUND recommended that the next meeting include a workshop session at 4:00 p.m.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 7:00 p.m., to Thursday, February 18, 2016, at 4:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

Joan C. Arneson



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: COMMITTEE APPOINTMENTS
DATE: FEBRUARY 18, 2016

Background

President Davert has made the committee appointments pursuant to the attached listing.

For purposes of memorialization, it should be noted that pursuant to action taken at the January 21, 2016 Board Meeting, the Operations and Engineering Committees have been combined (including the former "Planning" duties of the Operations Committee). Additionally, the former Personnel functions of the Operations Committee have been assigned to the Finance Committee.

Other modifications made by President Davert include assigning the Ad-Hoc Investment Committee duties to the Finance Committee; combining the Ad Hoc Consolidation/Merger/Acquisition Committee with the Ad-Hoc Local Agency Formation Commission (LAFCO) Committee and suspending appointments to the Orange County Water District (OCWD) and Orange County Council of Governments for lack of necessity.

Recommendation

This is an information item only; no action is necessary.

**EAST ORANGE COUNTY WATER DISTRICT
COMMITTEE APPOINTMENTS
FEBRUARY 18, 2016**

COMMITTEE, AGENCY, OR GROUP	FREQUENCY	APPOINTMENTS	
		Regular Members or Representatives	Alternate Members or Representatives
Engineering & Operations Committee**	Monthly	Richard Bell John Dulebohn	Sy Everett
Finance Committee **	Monthly	Sy Everett Doug Davert	John Dulebohn
Ad Hoc Consolidation/ LAFCO Issues Committee	As Needed	Doug Davert John Sears	Richard Bell
Ad-Hoc Cell Site Committee	As Needed	Doug Davert Sy Everett	John Sears
Independent Special Districts of OC (ISDOC)	As Needed	John Dulebohn	Richard Bell
Water Advisory Committee of OC (WACO)	As Needed	John Sears	Richard Bell
ACWA/JPIA	As Needed	Doug Davert	Sy Everett
Municipal Water District (MWDOC) and Metropolitan (MET) for AMP	As Needed	Doug Davert	John Sears
Member Agency Managers	Monthly	General Manager	Staff
Ground Water Producers (OCWD)	Monthly	General Manager	Staff

**Standing Committee. Standing committee members should announce their meetings dates and post their agenda 72 hours before the committee meeting. Wherever possible, committees should meet at least 8 days before a Board meeting so the Board meeting agenda can be prepared properly.

General Manager shall forward meeting dates of agencies to representatives, as needed.

Agency representative shall, when necessary, inform the General Manager of items that should be added to Board agenda for reporting or action to be taken.

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: CAPITAL PROJECTS APPROVAL/NOTICE OF EXEMPTION – VISTA PANORAMA RESERVOIR RETROFIT & REPAIR PROJECT
DATE: FEBRUARY 18, 2016

BACKGROUND

The District's 2015/16 Retail Zone Capital Improvement Budget includes a retrofit and repair project at the Vista Panorama Reservoir site.

The Vista Panorama Reservoir (VPR) and hydropneumatic tank (HT) provide domestic service and fire protection to a separate high elevation service area in the RZ. A seismic upgrade of the HT is already underway (project approval and Notice of Exemption were obtained at the November 19, 2015 Board Meeting); this request is for the seismic retrofit of the VPR.

Anticipated improvements include: 1) addition of steel horizontal wrapping to strengthen the exterior of the reservoir concrete walls, 2) subsequent addition of gunite to the exterior walls, 3) installation of an interior liner, 4) potential roof repairs, 5) relocation of the standby power engine generator, 6) other site improvements. Construction of the VPR seismic upgrade is anticipated in late summer 2016.

Under the California Environmental Quality Act (CEQA), any discretionary public works project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment is subject to compliance with CEQA's environmental analysis process. Under this process, the District must:

- 1) Approve the project(s)
- 2) Determine their respective environmental classification (Exempt from CEQA, Categorically Exempt, Initial Study and Environmental Impact Report)

District counsel has determined that the projects are Categorically Exempt as this work constitutes the repair, replacement, rehabilitation and/or reconstruction of an existing structure where the structure will have substantially the same purpose and capacity as the structure replaced. Attached is a Notice of Exemption for the three projects that details these findings.

The Engineering Committee reviewed these projects and CEQA requirements at their February 15, 2016 Meeting and recommends that the Board approve the projects and the Notice of Exemption.

FISCAL IMPACT

The recommended action has no direct fiscal impact; funds have been budgeted in the CIP for this project.

RECOMMENDATION

The Board approve the Vista Panorama Retrofit and Improvements and direct the General Manager to file a Notice of Exemption with the County.

Exempt per Gov't Code 6103

County Clerk's Filing Stamp

Return to:

Lisa Ohlund
EAST ORANGE COUNTY WATER DISTRICT
185 N. McPherson Road
Orange, CA 92869-3720

NOTICE OF EXEMPTION
(State CEQA Guidelines §15062)

To: County Clerk
County of Orange
700 Civic Center Drive West
P.O. Box 838
Santa Ana, CA 92701

From: East Orange County Water District (Applicant/ Lead Agency)
185 N. McPherson Road
Orange, CA 92869-3720

Project Name:

Vista Panorama Reservoir retrofit and improvements

Project Location (specific):

See attached location map

Project Location:

City: unincorporated
County: Orange

Description of Nature, Purpose and Beneficiaries of Project:

The Project consists of 1) addition of steel horizontal wrapping to strengthen the exterior of the reservoir concrete walls, 2) subsequent addition of gunite to the exterior walls, 3) addition of interior liner, 4) potential roof repairs, 5) relocation of the standby power engine generator, and 6) other site improvements, for the District's existing Vista Panorama Hydropneumatic Tank. The beneficiaries are the customers served by the District.

Name of Public Agency Approving Project: East Orange County Water District

Name of Person Carrying Out Project: East Orange County Water District

Exempt Status: (check one)

- Ministerial (State Guidelines §15268)
- Declared Emergency (State Guidelines §15269(a))
- Emergency Project (State Guidelines §15269(b) or (c))
- Feasibility or Planning Study (State Guidelines §15262)
- Statutory Exemption (Public Resources Code §§ [see below])
- x Categorical Exemption (State Guidelines §§ [see below])

Class 1--- Existing Facilities, includes operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use, including, restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment (State Guidelines §15301)

Class 2 --- Replacement or Reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced (State Guidelines §15302)

Class 4 --- Minor Alterations to Land, includes minor trenching and backfilling where surface is restored (State Guidelines §15304)

Reasons project has been determined to have exempt status:

The rehabilitation will not increase the capacity of the existing facility. The alteration to land will be minor and the surface will be restored.

If filed by applicant, and applicant is other than the East Orange County Water District, attach certified document of exemption finding.

Submission of this form is optional. Local agencies may file this form with the county clerk pursuant to Public Resources Code Section 21152(b). The filing of the notice starts a 35-day statute of limitations on court challenges to the approval of the project under Public Resources Code Section 21167(d). Failure to file the notice results in the statute of limitations being extended to 180 days.

Lisa Ohlund, General Manager
Staff Member Responsible for Preparation

District Secretary

Date

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: CAPITAL PROJECTS APPROVAL/NOTICE OF EXEMPTION – ORANGE KNOLL & CIRCULA PANORAMA PRESSURE REGULATING STATION PROJECTS
DATE: FEBRUARY 18, 2016

BACKGROUND

The District's 2015/16 Retail Zone Capital Improvement Budget includes a project to upgrade two Pressure Regulating Stations (PRSs) that serve the Orange Knoll and Circula Panorama areas of the Retail Zone.

In the FY'16 Retail Zone (RZ) CIP, funding was included for this project. The Orange Knoll PRS provides fire protection and domestic service to several residences, as well as the other adjacent areas. The vault is in poor condition and will be replaced with an above-ground vault, PRV, and appurtenances. The new Circula Panorama PRS will provide a second RZ supply and hydraulic control of flows from a major reservoir. This facility is beyond its useful life, and corrosion has deteriorated the equipment.

Construction of the improvements is expected to occur in Summer 2016. The existing PRS's will remain in service until new construction is completed. Joint construction in one bid package is expected to result in cost savings and implementation time.

Under the California Environmental Quality Act (CEQA), any discretionary public works project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment is subject to compliance with CEQA's environmental analysis process. Under this process, the District must:

- 1) Approve the project(s)
- 2) Determine their respective environmental classification (Exempt from CEQA, Categorically Exempt, Initial Study and Environmental Impact Report)

District counsel has determined that the projects are Categorically Exempt as this work constitutes the repair, replacement, rehabilitation and/or reconstruction of an existing structure where the structure will have substantially the same purpose and capacity as the structure replaced. Attached is a Notice of Exemption for the project that details these findings.

The Engineering and Operations Committee reviewed these projects and CEQA requirements at their February 15, 2016 Meeting and recommends that the Board approve the projects and the Notice of Exemption.

FISCAL IMPACT

The recommended action has no direct fiscal impact; funds have been budgeted in the CIP for this project.

RECOMMENDATION

The Board approve the Orange Knoll and Circula Panorama PRS Improvements and direct the General Manager to file a Notice of Exemption with the County.

Exempt per Gov't Code 6103

County Clerk's Filing Stamp

Return to:

Lisa Ohlund
EAST ORANGE COUNTY WATER DISTRICT
185 N. McPherson Road
Orange, CA 92869-3720

NOTICE OF EXEMPTION
(State CEQA Guidelines §15062)

To: County Clerk
County of Orange
700 Civic Center Drive West
P.O. Box 838
Santa Ana, CA 92701

From: East Orange County Water District (Applicant/ Lead Agency)
185 N. McPherson Road
Orange, CA 92869-3720

Project Name:

ORANGE KNOLL & CIRCULA PANORAMA - PRS IMPROVEMENTS

Project Location (specific):

See attached location map

Project Location:

City: unincorporated
County: Orange

Description of Nature, Purpose and Beneficiaries of Project:

The Project consists of 1) replacement of the existing Orange Knoll pressure reducing station vault, which is in poor condition, with an above-ground vault, pressure reducing valve, and appurtenances, and 2) replacement of the Circula Panorama pressure reducing station, which is beyond its useful life and has experienced corrosion of the equipment, with an above-ground vault, pressure reducing valve, and appurtenances. The beneficiaries are the customers served by the District.

Name of Public Agency Approving Project: East Orange County Water District

Name of Person Carrying Out Project: East Orange County Water District

Exempt Status: (check one)

- Ministerial (State Guidelines §15268)
- Declared Emergency (State Guidelines §15269(a))
- Emergency Project (State Guidelines §15269(b) or (c))
- Feasibility or Planning Study (State Guidelines §15262)
- Statutory Exemption (Public Resources Code §§ [see below])
- x Categorical Exemption (State Guidelines §§ [see below])

Class 1--- Existing Facilities, includes operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use, including, restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment (State Guidelines §15301)

Class 2 --- Replacement or Reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced (State Guidelines §15302)

Class 4 --- Minor Alterations to Land, includes minor trenching and backfilling where surface is restored (State Guidelines §15304)

Reasons project has been determined to have exempt status:

The rehabilitation will not increase the capacity of the existing facilities. Any alteration to land will be minor and the surface will be restored.

If filed by applicant, and applicant is other than the East Orange County Water District, attach certified document of exemption finding.

Submission of this form is optional. Local agencies may file this form with the county clerk pursuant to Public Resources Code Section 21152(b). The filing of the notice starts a 35-day statute of limitations on court challenges to the approval of the project under Public Resources Code Section 21167(d). Failure to file the notice results in the statute of limitations being extended to 180 days.

Lisa Ohlund, General Manager
Staff Member Responsible for Preparation

District Secretary

Date

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: STATEMENT OF ECONOMIC INTERESTS (FORM 700)/BIANNUAL AB1234
ETHICS TRAINING
DATE: FEBRUARY 18, 2016

Background

As required by Resolution No. 626 adopted in 1982 to comply with requirements of the Fair Political Practices Commission (FPPC), both the District's elected officials and high-level employees – including the General Manager and Treasurer - are required to file a Statement of Economic Interests ("SEI" or "Form 700") annually; for purposes of administrative efficiency, we request that all statements be filed prior to the March Board Meeting (March 17th).

The Form 700 is a public document that discloses certain economic information from designated individuals for the purpose of identifying and disclosing potential conflicts of interest. The Form 700 discloses investments, income, and assets of business entities/trusts, including: real property; loans; business positions; gifts; and, travel payments, advancements and reimbursements. The form can be filed either electronically with the Clerk of the Board via the eDisclosure System, or by filing a paper copy; District Secretary Joan Arneson will contact all filers with instructions regarding either methodology.

While not posted on the District's website, the Form 700s filed by the District's designated individuals are available for any member of the public to inspect and receive a copy. The District's Form 700s are made available as soon as possible during the agency's regular business hours. Additionally, access to the District's Form 700s is not subject to the Public Records Act procedures, and no conditions are placed on persons seeking access to the forms. Lastly, no information or identification is required from persons seeking access to the Form 700s.

California Law (AB1234) also requires that local officials obtain ethics training once every two years; all Board Members are due for this training this year. This training is offered online at no charge via the Office of the Attorney General and the FPPC, and is also periodically offered at conferences for a fee. Our insurance carrier, ACWA JPIA, also strongly recommends that Directors take the Sexual Harassment training that is also offered online or at conferences.

Recommendation

This is an information item only; no action is necessary.

EAST ORANGE COUNTY WATER DISTRICT

DISBURSEMENT SUMMARY

February 18, 2016

WHOLESALE AND RETAIL BILLS	\$496,687.60
DIRECTOR'S PAYROLL	\$2,875.96
EMPLOYEE'S PAYROLL	\$42,838.64
DISBURSEMENT TOTAL	<u><u>\$542,402.20</u></u>

TRANSFER SUMMARY

TRANSFERS	\$ 170,000.00
TRANSFER TOTAL	<u><u>\$170,000.00</u></u>

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

Bill s For Consideration

As of February 9, 2016

Type	Date	Num	Name	Credit
1001-10 · Checking-WZ				
Bill Pmt -Check	01/20/2016	10814	ARAMARK UNIFORM SERVICES	29.99
Bill Pmt -Check	01/20/2016	10815	AT&T	519.45
Bill Pmt -Check	01/20/2016	10816	BOARD OF EQUALIZATION	80.00
Bill Pmt -Check	01/20/2016	10817	HOME DEPOT CREDIT SERVICES	250.02
Bill Pmt -Check	01/20/2016	10818	INSTANT LUBE, INC.	204.34
Bill Pmt -Check	01/20/2016	10819	JERRY MENDZER	129.56
Bill Pmt -Check	01/20/2016	10820	SUNBELT RENTALS	113.14
Bill Pmt -Check	01/20/2016	10821	TOTAL EXTERMINATING INC	275.00
Bill Pmt -Check	01/20/2016	10822	YO FIRE	2,662.69
Bill Pmt -Check	02/03/2016	10823	ALLCOM	195.00
Bill Pmt -Check	02/03/2016	10824	ARAMARK UNIFORM SERVICES	57.48
Bill Pmt -Check	02/03/2016	10825	AT&T	533.52
Bill Pmt -Check	02/03/2016	10826	BC TRAFFIC SPECIALIST	193.33
Bill Pmt -Check	02/03/2016	10827	BOWIE ARNESON WILES & GIANNO...	3,326.00
Bill Pmt -Check	02/03/2016	10828	CAROLLO ENGINEERING	44,398.19
Bill Pmt -Check	02/03/2016	10829	CHAMPION PAVING INC.	176,908.00
Bill Pmt -Check	02/03/2016	10830	CSDA	5,659.00
Bill Pmt -Check	02/03/2016	10831	EAST ORANGE COUNTY WATER DI...	33,400.42
Bill Pmt -Check	02/03/2016	10832	GALLADE CHEMICAL	163.65
Bill Pmt -Check	02/03/2016	10833	GENERATOR SERVICES CO, INC	1,260.00
Bill Pmt -Check	02/03/2016	10834	HACH COMPANY	287.28
Bill Pmt -Check	02/03/2016	10835	ISDOC	200.00
Bill Pmt -Check	02/03/2016	10836	MEYERS NAVE	3,860.84
Bill Pmt -Check	02/03/2016	10837	MWDOC	170,561.47
Bill Pmt -Check	02/03/2016	10838	PTI SAND & GRAVEL	407.58
Bill Pmt -Check	02/03/2016	10839	Sandwood Enterprise Inc	270.00
Bill Pmt -Check	02/03/2016	10840	SOUTHERN CALIFORNIA EDISON	261.54
Bill Pmt -Check	02/03/2016	10841	TAB ANSWER NETWORK	28.11
Bill Pmt -Check	02/03/2016	10842	TRUESDAIL LABORATORIES, INC	378.00
Bill Pmt -Check	02/03/2016	10843	ULINE	58.29
Bill Pmt -Check	02/03/2016	10844	USA BLUE BOOK	75.54
Bill Pmt -Check	02/03/2016	10845	DONAVERIT	215.66
Bill Pmt -Check	02/03/2016	10846	AT&T	110.41
Bill Pmt -Check	02/03/2016	10847	AT&T LONG DISTANCE	157.09
Bill Pmt -Check	02/03/2016	10848	COMMUNICATIONS LAB	10,031.16
Bill Pmt -Check	02/03/2016	10849	GENERATOR SERVICES CO, INC	945.00
Bill Pmt -Check	02/03/2016	10850	HOME DEPOT CREDIT SERVICES	737.84
Bill Pmt -Check	02/03/2016	10851	ID MODELING, INC.	800.00
Bill Pmt -Check	02/03/2016	10852	INSTANT LUBE, INC.	49.45
Bill Pmt -Check	02/03/2016	10853	LEWIS CONSULTING GROUP	5,000.00
Bill Pmt -Check	02/03/2016	10854	PLATINUM CONSULTING GROUP	3,638.75
Bill Pmt -Check	02/03/2016	10855	SOUTHERN CALIFORNIA EDISON	3,132.14
Bill Pmt -Check	02/03/2016	10856	TRENCH SHORING COMPANY	172.50
Bill Pmt -Check	02/03/2016	10857	XEROX CORPORATION	48.05
Bill Pmt -Check	02/09/2016	10858	ACWA-JPIA (EMP INSURANCE)	9,992.14
Bill Pmt -Check	02/09/2016	10859	ARAMARK UNIFORM SERVICES	27.49
Bill Pmt -Check	02/09/2016	10860	AT&T LONG DISTANCE	38.06
Bill Pmt -Check	02/09/2016	10861	BRAITMAN & ASSOCIATES	250.00
Bill Pmt -Check	02/09/2016	10862	CA BANK & TRUST	3,321.51
Bill Pmt -Check	02/09/2016	10863	CR&R INC.	52.08
Bill Pmt -Check	02/09/2016	10864	GENERATOR SERVICES CO, INC	945.00
Bill Pmt -Check	02/09/2016	10865	IRVINE PIPE SUPPLY	186.60
Bill Pmt -Check	02/09/2016	10866	PETTY CASH	173.22
Bill Pmt -Check	02/09/2016	10867	SC FUELS	658.15
Bill Pmt -Check	02/09/2016	10868	SOUTHERN CALIFORNIA EDISON	3,345.79
Bill Pmt -Check	02/09/2016	10869	TIME WARNER CABLE	179.99
Bill Pmt -Check	02/09/2016	10870	TRUESDAIL LABORATORIES, INC	395.50
Bill Pmt -Check	02/09/2016	10871	UNDERGROUND SERVICE ALERT	72.00
Bill Pmt -Check	02/09/2016	10872	USA FACT	65.53
Bill Pmt -Check	02/09/2016	10873	W R EVEREST & ASSOCIATES	4,900.00
Bill Pmt -Check	02/09/2016	10874	YO FIRE	299.06
Total 1001-10 · Checking-WZ				496,687.60
TOTAL				496,687.60

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

**PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF
1-Dec-15**

DATE	CHECK NO	AMOUNT	PAYABLE TO
01/21/16	222	\$507.92	BOARD DIRECTOR
01/21/16	223	\$ 392.49	BOARD DIRECTOR
01/21/16	224	\$ 161.61	BOARD DIRECTOR
01/21/16	225	\$ 1,260.86	BOARD DIRECTOR - PRESIDENT
		<u>\$2,322.88</u>	TOTAL PAYROLL CHECKS

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

1/21/2016	\$374.86	ADP TAXES
1/21/2016	\$178.22	PERS ELECTRONIC FUNDS TRANSFER
	<u>\$553.08</u>	TOTAL CHARGES & TRANSFER
	<u>\$2,875.96</u>	GRAND TOTAL PAYROLL

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

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

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

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	1/6/2016	\$ 2,201.36	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	1/6/2016	\$ 1,918.43	GENERAL MANAGER
AUTO DEPOSIT	1/6/2016	\$ 1,957.28	WATER DISTRIBUTION II
AUTO DEPOSIT	1/6/2016	\$ 1,168.23	WATER DISTRIBUTION I
AUTO DEPOSIT	1/6/2016	\$ 1,715.24	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	1/6/2016	\$ 1,624.55	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	1/6/2016	\$ 544.12	TEMPORARY PROJECT INSPECTOR
AUTO DEPOSIT	1/20/2016	\$ 2,239.87	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	1/20/2016	\$ 1,910.77	GENERAL MANAGER
AUTO DEPOSIT	1/20/2016	\$ 1,543.39	WATER DISTRIBUTION II
AUTO DEPOSIT	1/20/2016	\$ 1,231.69	WATER DISTRIBUTION I
AUTO DEPOSIT	1/20/2016	\$ 1,921.82	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	1/20/2016	\$ 1,558.88	ADMINISTRATIVE ASSISTANT
AUTO DEPOSIT	1/20/2016	\$ 738.46	TEMPORARY PROJECT INSPECTOR

<u>\$ 22,274.09</u>	TOTAL PAYROLL CHECKS
---------------------	----------------------

PAYROLL TAXES, ADP CHARGES, AND PERS EFT

1/6/2016	\$6,810.93	ADP TAXES
1/6/2016	\$1,751.50	PERS ELECTRONIC FUNDS TRANSFER
1/6/2016	\$465.91	PERS PEPRA MEMBER
1/6/2016	\$1,350.05	CAL PERS 457 - ING BANK
1/20/2016	\$6,705.28	ADP TAXES
1/20/2016	\$1,731.25	PERS ELECTRONIC FUNDS TRANSFER
1/20/2016	\$465.91	PERS PEPRA MEMBER
1/20/2016	\$1,283.72	CAL PERS 457 - ING BANK

PAYROLL 1/6/2016	PAYROLL 1/20/2016
\$11,129.21	\$11,144.88
\$10,378.39	\$10,186.16
\$21,507.60	\$21,331.04

<u>\$20,564.55</u>	TOTAL TRANSFERS
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<u>\$42,838.64</u>	GRAND TOTAL PAYROLL
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*Note: Payroll is processed by ADP (Automatic Data Processing)

EAST ORANGE COUNTY WATER DISTRICT
FUNDS TRANSFERRED BETWEEN ACCOUNTS
18-Feb-16

DATE	TRANSFER NO	AMOUNT	FROM	TO	REASON FOR FUND TRANSFER
2/9/2016	T58	\$ 170,000.00	CB&T MONEY MARKET	CB&T CHECKING	EXCESS FUNDS

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

	SECURITY TYPE	BOOK VALUE
BEGINNING BALANCES JANUARY 1, 2016		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	\$ 6,473,941
RAYMOND JAMES-CDs	DEMAND BROKERAGE	\$ 1,548,640
US TREASURY OBLIGATIONS	US TREASURY	\$ -
Total		\$ 8,022,582
ACTIVITY		
ADDITIONS		
DEPOSIT TO RAYMOND JAMES-INTEREST	DEMAND BROKERAGE	\$ 0.05
REDUCTIONS		
ENDING BALANCES JANUARY 31, 2016		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	\$ 6,479,933
RAYMOND JAMES-CDs and CASH	CERTIFICATES OF DEPOSIT	\$ 1,548,640
US TREASURY OBLIGATIONS	US TREASURY	\$ -
TOTAL		\$ 8,028,574

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

NAME	SECURITY TYPE AND NUMBER	PURCHASE DATE	MATURITY DATE	INTEREST		MARKET VALUE	PURCHASE PRICE	PREMIUM OR DISCOUNT	ACCRUED INTEREST	FACE VALUE	% TO PORTFOLIO
				STATED	YIELD						
LAIF	DEMAND	N/A	N/A	0.320%	0.320%	\$ 6,474,665	\$ 6,479,933	\$ -	\$ -	\$ -	80.71%
RJ-CD	AMERICAN EXPRESS	12/09/15	12/09/20	2.250%	2.250%	110,388	110,000	0	0	110,000	1.37%
RJ-CD	CAPITAL ONE BANK	08/17/15	08/20/20	2.300%	2.300%	101,043	100,000	0	0	100,000	1.25%
RJ-CD	CIT BANK	03/06/13	03/06/18	1.100%	1.100%	145,328	145,000	0	0	145,000	1.81%
RJ-CD	DISCOVER BANK	10/17/12	10/17/16	1.200%	1.200%	100,462	100,000	0	0	100,000	1.25%
RJ-CD	DISCOVER BANK	02/20/13	02/20/18	1.100%	1.100%	149,322	150,000	0	0	150,000	1.87%
RJ-CD	EVERBANK	01/30/15	11/15/19	1.500%	1.740%	147,885	148,818	-1,650	468	150,000	1.85%
RJ-CD	FEDERAL FARM CREDIT	06/05/15	05/28/19	1.430%	1.482%	40,000	39,938	-73	11	40,000	0.50%
RJ-CD	GE MONEY BANK	10/25/12	08/31/17	1.650%	1.650%	100,798	100,998	754	244	100,000	1.26%
RJ-CD	GE CAPITAL RETAIL BANK	11/19/12	11/09/16	1.350%	1.350%	100,435	100,536	499	37	100,000	1.25%
RJ-CD	GE CAPITAL RETAIL BANK	02/22/13	02/22/18	1.100%	1.100%	149,315	150,000	0	0	150,000	1.87%
RJ-CD	GOLDMAN SACHS BANK	02/13/13	02/13/18	1.200%	1.200%	149,651	150,000	0	0	150,000	1.87%
RJ-CD	GOLDMAN SACHS BANK	10/11/12	10/03/17	1.550%	1.550%	100,621	99,977	-11	34	100,000	1.25%
RJ-CD	SYNCHRONY BANK	01/30/15	01/30/20	1.800%	1.800%	150,804	150,000	0	0	150,000	1.87%
RJ	CASH	N/A	N/A	0.000%	0.020%	3,373	3,373	0	0	3,373	0.04%
					1.334%	\$ 8,024,089	\$ 8,028,574	\$ (480)	\$ 796	\$ 1,548,374	100.00%

LAIF=LOCAL AGENCY INVESTMENT FUND

RJ=RAYMOND JAMES

CERTIFICATION

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

Cindy Byerrum, Treasurer

CINDY BYERRUM, TREASURER

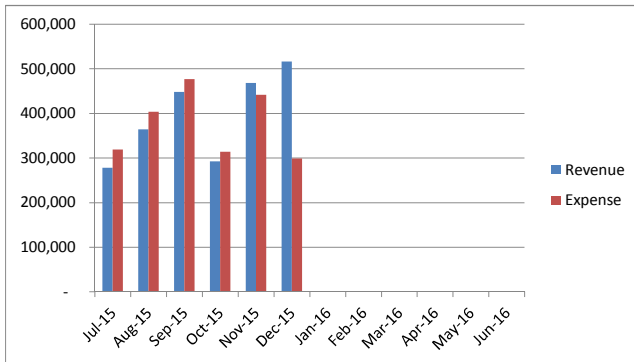
Wholesale Zone Financial Summary

For Period Ending December 31, 2015

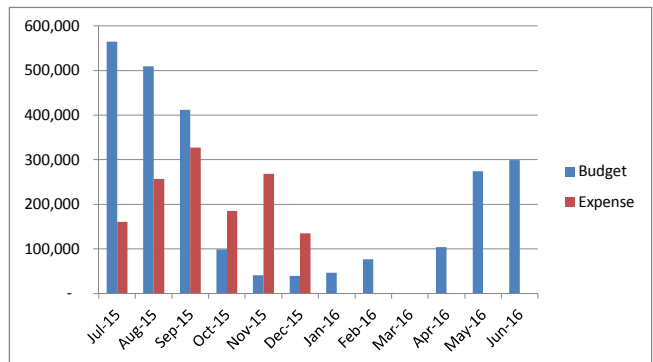
YTD Operating Income \$ 2,367,517

YTD Operating Expense \$ 2,254,927

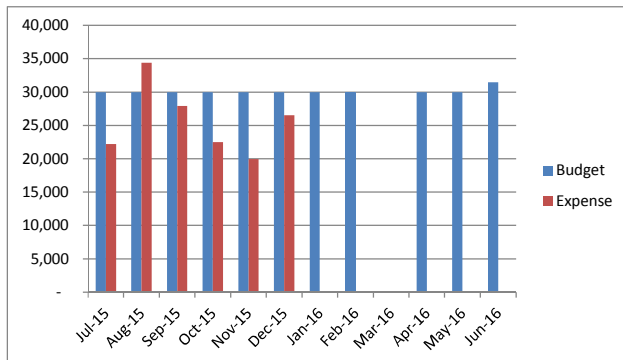
Revenue vs. Expenses



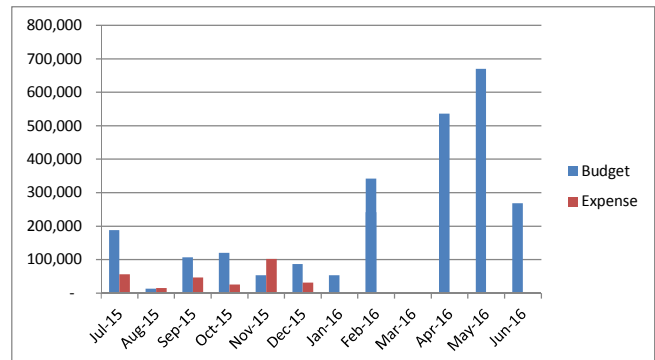
Water Purchased Budget vs. Actual



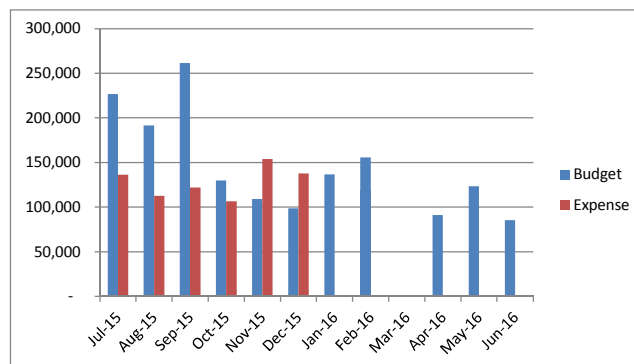
Salaries & Benefits Budget vs. Actual



CIP Budget & Actual



O&M Budget vs. Actual



WHOLESALE ZONE

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

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	OPERATING REVENUE:					
2	WATER SALES	135,004	1,333,327	2,494,800	(1,161,473)	53.44%
3	FIXED CHARGES	54,455	326,732	653,950	(327,218)	49.96%
4	EOCWD FIXED CHARGES	38,502	246,018	459,327	(213,309)	53.56%
5	REIMBURSED EXP-IRWD	-	-	-	-	0.00%
6	OTHER CHARGES	(4,968)	28,479	82,325	(53,846)	34.59%
7	TOTAL OPERATING REVENUE:	222,993	1,934,556	3,690,402	(1,755,846)	
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES	283,782	367,424	678,500	(311,076)	54.15%
10	RENTAL INCOME - CELLULAR ANTENNAS	8,271	49,576	108,020	(58,444)	45.90%
11	INTEREST & INVESTMENT EARNINGS	0	11,474	20,900	(9,426)	54.90%
12	NOTE RECEIVABLE - AMP	-	144	-	144	0.00%
13	MISCELLANEOUS INCOME (EXPENSE)	1,350	4,342	600	3,742	723.73%
14	TOTAL NON-OPERATING REVENUES, NET	293,404	432,961	808,020	(375,059)	53.58%
15	NET OPERATING INCOME	516,397	2,367,517	4,498,422	(2,130,905)	52.63%

EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
16	OPERATING EXPENSE:					
17	SOURCE OF SUPPLY	134,943	1,332,720	2,494,900	(1,162,180)	53.42%
18	MET/MWDOC FIXED CHARGE	35,619	219,104	507,975	(288,871)	43.13%
19	EOCWD FIXED CHARGE	18,837	113,019	226,000	(112,981)	50.01%
20	ENERGY	155	1,092	2,600	(1,508)	42.00%
21	OPERATIONS & MAINTENANCE	38,621	217,349	631,850	(414,501)	34.40%
22	GENERAL & ADMINISTRATIVE	31,584	175,955	257,145	(81,190)	68.43%
23	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	31,496	188,976	377,952	(188,976)	50.00%
24	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
25	MARKET VALUE ADJUSTMENT ON INVESTMENTS	8,027	6,713	-	6,713	0.00%
26	TOTAL OPERATING EXPENSE	299,281	2,254,927	4,498,422	(2,243,495)	50.13%
27	NET INCOME FROM OPERATIONS	217,116	112,589	-	112,589	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	NET INCOME (LOSS)	217,116	112,589	-	112,589	

Wholesale Zone

December 2015 Variance Report - 50% of Budget Year Expended

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
<u>New</u>				
INTEREST EARNED - RAYMOND JAMES	I	10,235.56	61.29%	YTD is over 60% of budget due to more interest received than expected
TAXES SUPPLEMENTAL ROLL	I	8,114.23	81.14%	YTD is over 80% of budget due to the timing of receipts
<u>Ongoing</u>				
CONNECTION FEES	I	15,000.00	1500.00%	YTD is higher than budget due to receipt of a large deposit in Tustin
LATE CHARGE	I	2,765.03	2765.03%	YTD is higher than budget due to late charges for various customers
TAXES-UNSECURED	I	14,442.96	72.21%	YTD is over 70% of budget due to the timing of receipts
WATER PURCHASED AMP	E	1,065,418.90	85.41%	YTD is at 85% due to more use of the AMP line and OC 43 & OC 48 lines
METER TESTING	E	2,699.80	89.99%	YTD is almost 90% due to timing of the year and when testing is performed
EQUIPMENT RENTAL	E	20,433.26	108.11%	YTD is over budget due to generator expenses being more than expected
COMPUTER CONSULTING	E	4,604.50	92.09%	YTD is near budget due to unexpected computer expense
LAFCO	E	87,050.00	290.17%	YTD is higher than budget due to timing of the year when bills are received and costs relating to sewers
PERS CLASSIC (ER-PAID MEMBER)	E	3,943.69	0.00%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS PEPRA (ER)	E	2,133.09	0.00%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS UNFUNDED	E	2,734.68	0.00%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS PEPRA (EMPLOYEE)	E	(1,129.77)	0.00%	This account is a new account and was budgeted in Line 70 PERS Classic (Employee)

Capital Projects

New

Ongoing

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

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 WATER SALES	135,004	1,333,327	2,494,800	(1,161,473)	53.44%
2 METER CHARGE	152	837	2,200	(1,363)	38.05%
3 LATE CHARGE	-	2,765	100	2,665	2765.03%
4 CONNECTION FEES	-	15,000	1,000	14,000	1500.00%
5 EOCWD RESERVE FUND CHARGE	25,481	152,888	302,079	(149,191)	50.61%
6 EOCWD READINESS TO SERVE CHARGE	13,021	78,130	156,248	(78,118)	50.00%
7 RETAIL SERVICE CONNECTIONS	18,836	113,019	226,000	(112,981)	50.01%
8 MET-MWDOC READINESS TO SERVE	20,686	124,115	243,250	(119,135)	51.02%
9 MET-MWDOC CAPACITY CHARGE	14,933	89,598	184,700	(95,102)	48.51%
10 MET-MWDOC CHOICE-WS	(5,120)	24,060	80,025	(55,965)	30.07%
11 REIMBURSED EXPENSES-IRWD	-	-	-	-	0.00%
12 REFUNDS	-	817	-	817	0.00%
13 Total OPERATING REVENUE:	222,993	1,934,556	3,690,402	(1,755,846)	
14 NON OPERATING INCOME					
15 INTEREST EARNED-LAIF	-	1,238	4,200	(2,962)	29.49%
16 INTEREST EARNED - RAYMOND JAMES	0	10,236	16,700	(6,464)	61.29%
17 TAXES-SECURED	277,400	340,420	590,000	(249,580)	57.70%
18 TAXES-UNSECURED	-	14,443	20,000	(5,557)	72.21%
19 TAXES SUPPLEMENTAL ROLL	4,922	8,114	10,000	(1,886)	81.14%
20 TAXES PRIOR YEARS	796	3,782	6,900	(3,118)	54.81%
21 TAXES HOMEOWNER'S SUBVENTION	665	665	3,300	(2,635)	20.15%
22 TAXES PUBLIC UTILITY	-	-	8,300	(8,300)	0.00%
23 TAXES TUSTIN RDA	-	-	40,000	(40,000)	0.00%
24 TAXES MISC	-	-	-	-	0.00%
25 RENT INCOME- AT&T	4,540	27,190	56,000	(28,810)	48.55%
26 RENT INCOME- CROWN CASTLE	3,731	22,386	52,020	(29,634)	43.03%
27 AMP SALE INSTALLMENTS	-	144	-	144	0.00%
28 MISCELLANEOUS INCOME	1,350	4,342	600	3,742	723.73%
29 Total NON OPERATING INCOME:	293,404	432,961	808,020	(375,059)	
30 Total OPERATING REVENUE	516,397	2,367,517	4,498,422	(2,130,905)	
31 NET OPERATING INCOME:	516,397	2,367,517	4,498,422	(2,130,905)	

EXPENSES

32 EOCF #2 NONINTERR OC 43	-	200,199	499,000	(298,801)	40.12%
33 EOCF #2 NONINTERR OC 48	6,923	67,102	748,500	(681,398)	8.96%
34 WATER PURCHASED AMP	128,020	1,065,419	1,247,400	(181,981)	85.41%
35 AMP_FAP LEASE EXPENSE	-	-	-	-	0.00%
36 MET-MWDOC CHOICE BUDGET	-	10,120	80,025	(69,905)	12.65%
37 MET-MWDOC READINESS TO SERVE	20,686	119,385	243,250	(123,865)	49.08%

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

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
38	MET-MWDOC CAPACITY FEES	14,933	89,599	184,700	(95,101)	48.51%
39	MWDOC RETAIL SERVICE CONNECT	18,837	113,019	226,000	(112,981)	50.01%
40	UTILITY- SCADA RTU	155	1,092	2,600	(1,508)	42.00%
41	SMALL TOOLS	259	2,119	3,600	(1,481)	58.85%
42	GASOLINE, OIL & DIESEL FUEL	316	1,643	5,000	(3,357)	32.85%
43	REGULATORY PERMITS	362	1,296	7,000	(5,704)	18.51%
44	PROF SERV WATER QUAL. CONTROL	1,813	6,940	25,500	(18,560)	27.22%
45	SCADA REPLACEMENTS / UPGRADES	-	-	10,000	(10,000)	0.00%
46	OPERATIONS REPORTING SOFTWARE	191	1,445	20,000	(18,555)	7.23%
47	METER PURCHASE/REPAIR	-	1,645	10,000	(8,355)	16.45%
48	PRESSURE REGULATORS R&M	-	-	5,000	(5,000)	0.00%
49	R/M- MAINS	851	8,783	25,000	(16,217)	35.13%
50	SERVICE CONNECTIONS R&M	-	750	1,500	(750)	50.02%
51	RESERVOIRS R&M	-	1,350	25,000	(23,650)	5.40%
52	R/M- VAULTS	2,440	2,521	10,000	(7,479)	25.21%
53	R/M- CATHODIC PROTECTION	146	918	15,000	(14,082)	6.12%
54	MAINTAIN & OPERATE EOCF#2	1,417	8,500	50,000	(41,500)	17.00%
55	METER TESTING	-	2,700	3,000	(300)	89.99%
56	SAC LINE R&M	204	1,221	25,800	(24,579)	4.73%
57	EQUIPMENT RENTAL	4,095	20,433	18,900	1,533	108.11%
58	EQUIPMENT MAINTENANCE	-	567	3,500	(2,933)	28.06%
59	VEHICLE MAINTENANCE	-	443	2,800	(2,357)	15.81%
60	MAINTENANCE-BUILDINGS AND GROUNDS	-	603	3,800	(3,197)	15.87%
61	WAGES	18,679	107,107	230,500	(123,393)	46.47%
62	PAYROLL TAXES- FICA & MEDICARE	1,464	8,669	17,600	(8,931)	49.26%
63	PERS CLASSIC(ER-CONTRIBUTION)	1,077	7,215	37,900	(30,685)	19.04%
64	PERS CLASSIC (ER-PAID MEMBER)	618	3,944	-	3,944	0.00%
65	PERS PEPRA (ER)	433	2,133	-	2,133	0.00%
66	PERS UNFUNDED	456	2,735	-	2,735	0.00%
67	PERS CLASSIC (EMPLOYEE)	(464)	(1,796)	(5,700)	3,904	0.00%
68	PERS PEPRA (EMPLOYEE)	(123)	(1,130)	-	(1,130)	0.00%
69	PAYROLL TAXES- SUI & ETT	56	231	1,300	(1,069)	17.79%
70	HEALTH & ACCIDENT INSURANCE	3,724	19,436	64,000	(44,564)	30.37%
71	DENTAL INSURANCE	278	1,727	4,400	(2,673)	39.25%
72	VISION INSURANCE	63	335	900	(565)	37.22%
73	LIFE INSURANCE	26	142	350	(208)	40.47%
74	WORKER'S COMP INSURANCE	208	2,301	8,200	(5,899)	28.06%
75	UNIFORMS	33	423	2,000	(1,577)	21.13%
76	UTILITIES- OFFICE- ELECT & WTR	227	1,843	4,000	(2,157)	46.07%
77	UTILITIES-DUMPSTER	26	183	500	(317)	36.52%
78	MCPHERSON FAX	43	256	400	(144)	64.07%
79	MCPHERSON INTERNET	90	710	2,400	(1,690)	29.57%
80	MCPHERSON OFFICE PHONES	252	1,824	3,500	(1,677)	52.10%
81	DISTRICT WEBSITE	51	305	2,250	(1,945)	13.55%

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

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
82	ANSWERING SERVICE	14	84	200	(116)	42.16%
83	CELLPHONES	135	809	2,000	(1,191)	40.44%
84	PHONE CIRCUITS TO CTRL EQUIP	467	2,417	4,000	(1,583)	60.43%
85	TRAINING/SCHOOLS	(6)	116	7,000	(6,885)	1.65%
86	CONSERVATION EDUCATION	152	1,955	5,000	(3,045)	39.11%
87	TRAVEL- CONF/SEMINARS	-	2,073	9,500	(7,428)	21.82%
88	MILEAGE	79	362	700	(338)	51.73%
89	BOARD MEETING EXPENSE	309	1,089	3,000	(1,911)	36.29%
90	DUES & MEMBERSHIP- ACWA	-	-	3,700	(3,700)	0.00%
91	DUES & MEMBERSHIPS- OCWA	-	-	75	(75)	0.00%
92	DUES & MEMBERSHIPS- AWWA	-	-	400	(400)	0.00%
93	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
94	DUES & MEMBERSHIP- CSDA	-	41	3,500	(3,460)	1.16%
95	DUES- ISDOC/URBAN WTR	-	-	1,100	(1,100)	0.00%
96	POSTAGE	31	190	2,000	(1,810)	9.52%
97	OFFICE SUPPLY/FURN/SMALL EQUIP	431	1,188	7,000	(5,812)	16.97%
98	PUBLICATIONS & LEGAL NOTICES	-	1,268	5,000	(3,732)	25.35%
99	COPIER CONTRACT	23	181	650	(469)	27.83%
100	OFFICE EQUIPMENT R&M	-	114	800	(686)	14.22%
101	OUTSIDE SERVICES	365	17,029	10,000	7,029	170.29%
102	AUDITING	-	3,375	8,200	(4,825)	41.16%
103	TAX COLLECTION FEES	695	897	7,000	(6,103)	12.81%
104	TREASURER	-	-	5,000	(5,000)	0.00%
105	ACCOUNTING	1,415	12,037	25,500	(13,463)	47.20%
106	LEGAL	1,313	14,035	25,000	(10,965)	56.14%
107	COMPUTER CONSULTING	90	4,605	5,000	(396)	92.09%
108	ENGINEERING-WS	560	5,991	20,000	(14,009)	29.95%
109	LAFCO	22,484	87,050	30,000	57,050	290.17%
110	UNDERGROUND SERVICE ALERT	35	260	400	(141)	64.88%
111	BANK CHARGES	197	1,033	2,000	(967)	51.66%
112	INSURANCE-AUTO & GEN LIABILITY	846	4,930	12,000	(7,070)	41.08%
113	INSURANCE-PROPERTY	219	1,315	3,750	(2,435)	35.06%
114	INSURANCE-EMP. FIDELITY BOND	18	109	300	(191)	36.48%
115	SECURITY	-	-	1,500	(1,500)	0.00%
116	ELECTION EXPENSE	-	-	15,000	(15,000)	0.00%
117	MISCELLANEOUS EXP	-	50	500	(450)	10.00%
118	DIRECTOR- R. BARRETT	-	-	-	-	0.00%
119	DIRECTOR- W. VANDERWERFF	634	3,534	6,500	(2,966)	54.37%
120	DIRECTOR- J. DULEBOHN	150	1,300	3,600	(2,300)	36.11%
121	DIRECTOR- R. BELL	150	875	3,600	(2,725)	24.31%
122	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
123	DIRECTOR- W. EVERETT	88	525	3,600	(3,075)	14.58%
124	DEPRECIATION EXP.	-	-	-	-	0.00%
125	TRANS TO CAPITAL PROJECTS	6,323	37,937	75,873	(37,937)	50.00%

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

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
126	TRANSFER TO (FROM) RESERVES	25,173	151,040	302,079	(151,040)	50.00%
127	MARKET VALUE ADJUST-INVESTMENT	8,027	6,713	-	6,713	0.00%
128	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
128	Total EXPENSES:	299,281	2,254,927	4,498,422	(2,243,495)	
129	NET INCOME FROM OPERATIONS:	217,116	112,589	-	112,589	
130	OTHER INCOME AND EXPENSE					
131	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
132	Total OTHER INCOME AND EXPENSE	-	-	-	-	0.00%
133	NET INCOME (LOSS)	217,116	112,589	-	112,589	

No assurance is provided on these financial statements.

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

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

WHOLESALE ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT

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

MONTH: DECEMBER 2015

REVENUE		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2015-16	OVER	OF BUDGET
		REVENUE	REVENUE	BUDGET	(UNDER)	EXPENDED
1	FUNDS PROVIDED BY RESERVE	-	-	6,150,881	(6,150,881)	0.00%
2	CAPITAL PROJECTS REVENUE					
3	INTEREST EARNINGS	-	2,468	16,700	(14,232)	14.78%
4	REIMBURSEMENTS	-	-	-	-	0.00%
5	TRANSFER FROM OPERATING EXPENSES	31,496	188,976	377,952	(188,976)	50.00%
6	NET OPERATING INCOME	31,496	191,444	6,545,533	(6,354,089)	
EXPENSES		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2015-16	OVER	OF BUDGET
		EXPENSES	EXPENSES	BUDGET	(UNDER)	EXPENDED
7	CAPITAL PROJECTS EXPENSES					
8	UWMP UPDATE	140	26,216	55,000	(28,784)	47.67%
9	6 MG SECURITY GATE @ JAMBOREE	-	190	11,000	(10,810)	1.73%
10	6 MG SECURITY SYSTEM	-	-	25,000	(25,000)	0.00%
11	PIPELINE INSPECTION	-	-	31,000	(31,000)	0.00%
12	BETTERMENT & REPLACEMENT PLAN	27,025	216,548	70,000	146,548	309.35%
13	PROGRAMMATIC CEQA	-	-	40,000	(40,000)	0.00%
14	6 MG RESERVOIR ROOF REPAIRS	3,921	19,041	1,475,000	(1,455,959)	1.29%
15	PIPELINE CATHODIC PROTECTION	-	-	45,500	(45,500)	0.00%
16	OFFICE/YARD IMPROVEMENT	-	3,127	7,000	(3,873)	44.67%
17	11.5 CATHODIC PROTECTION	-	-	57,000	(57,000)	0.00%
18	NEW VEHICLE TO SUPPLEMENT FLEET	-	-	20,000	(20,000)	0.00%
19	6 MG TREATMENT PLANT	-	3,150	657,500	(654,350)	0.48%
20	ANDRES RESERVOIR VULNERABILITY UPGRADE	-	-	15,000	(15,000)	0.00%
21	VALVE REPLACEMENT (12" - 27")	-	-	23,000	(23,000)	0.00%
22	NEWPORT RESERVOIR MIXING SYSTEM	-	-	15,500	(15,500)	0.00%
23	6 MG RESERVOIR MIXING LAB	-	-	15,500	(15,500)	0.00%
24	11.5 & 1 MG RESERVOIR ISOLATION VALVES	-	-	35,000	(35,000)	0.00%
25	OC33 RECONNECTION	-	-	45,000	(45,000)	0.00%
26	VULNERABILITY UPGRADES-OC 70	-	490	12,000	(11,510)	4.08%
27	SEDARU IMPROVEMENTS	-	7,070	20,000	(12,930)	35.35%
28	WZ CAPITALIZED ACCOUNTING	-	-	5,000	(5,000)	0.00%
					-	0.00%
29	TOTAL OPERATING EXPENSE	31,086	275,831	2,680,000	(2,404,169)	
30	NET INCOME FROM OPERATIONS	410	(84,387)	3,865,533	(3,949,920)	
31	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
32	NET INCOME (LOSS)	410	(84,387)	3,865,533	(3,949,920)	

**FOR WHOLESALE
MONTH: DECEMBER 2015**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
FUNDED BY RESERVES	-	-	6,150,881	(6,150,881)	
1 INTEREST-LAIF-CAP	-	2,468	16,700	(14,232)	14.78%
2 REIMBURSEMENTS	-	-	-	-	0.00%
3 TRANSFER FROM WZ OPERATIONS EXPENSES	6,323	37,937	75,873	(37,937)	50.00%
4 TRANSFER FROM CAPITAL RESERVES	25,173	151,040	302,079	(151,040)	50.00%
5 Total NON OPERATING INCOME:	31,496	191,444	6,545,533	(6,354,088)	
6 Total OPERATING REVENUE	31,496	191,444	6,545,533	(6,354,088)	
7 NET OPERATING INCOME:	31,496	191,444	6,545,533	(6,354,088)	
EXPENSES					
8 UWMP Update	140	26,216	55,000	(28,784)	47.67%
9 6 MG Security Gate @ Jamboree-Construction	-	190	10,000	(9,810)	1.90%
10 6 MG Security Gate @ Jamboree-Labor	-	-	1,000	(1,000)	0.00%
11 6 MG Security System-Construction	-	-	20,000	(20,000)	0.00%
12 6 MG Security System-Labor	-	-	5,000	(5,000)	0.00%
13 Pipeline Inspection-Engineering	-	-	30,000	(30,000)	0.00%
14 Pipeline Inspection-Labor	-	-	1,000	(1,000)	0.00%
15 Betterment & Replacement Plan-Engineering	27,025	216,548	70,000	146,548	309.35%
16 Programmatic CEQA	-	-	40,000	(40,000)	0.00%
17 6 MG Reservoir Roof Repairs-Construction	-	-	1,300,000	(1,300,000)	0.00%
18 6 MG Reservoir Roof Repairs-Engineering	3,921	16,941	150,000	(133,059)	11.29%
19 6 MG Reservoir Roof Repairs-Labor	-	2,100	25,000	(22,900)	8.40%
20 Pipeline Cathodic Protection-Construction	-	-	20,000	(20,000)	0.00%
21 Pipeline Cathodic Protection-Engineering	-	-	25,000	(25,000)	0.00%
22 Pipeline Cathodic Protection-Labor	-	-	500	(500)	0.00%
23 Office/Yard Improvement-Construction	-	3,127	5,000	(1,873)	62.53%
24 Office/Yard Improvement-Labor	-	-	2,000	(2,000)	0.00%
25 11.5 Cathodic Protection-Construction	-	-	30,000	(30,000)	0.00%
26 11.5 Cathodic Protection-Engineering	-	-	25,000	(25,000)	0.00%
27 11.5 Cathodic Protection-Labor	-	-	2,000	(2,000)	0.00%
28 New Vehicle To Supplement Fleet	-	-	20,000	(20,000)	0.00%
29 6 MG Treatment Plant - Preliminary	-	3,150	500,000	(496,850)	0.63%
30 6 MG Treatment Plant - CEQA	-	-	75,000	(75,000)	0.00%
31 6 MG Treatment Plant-Construction	-	-	-	-	0.00%
32 6 MG Treatment Plant-Engineering	-	-	75,000	(75,000)	0.00%
33 6 MG Treatment Plant-Labor	-	-	7,500	(7,500)	0.00%
34 Andres Reservoir Vulnerability Upgrade-Construction	-	-	9,000	(9,000)	0.00%
35 Andres Reservoir Vulnerability Upgrade-Engineering	-	-	5,000	(5,000)	0.00%
36 Andres Reservoir Vulnerability Upgrade-Labor	-	-	1,000	(1,000)	0.00%
37 Valve Replacement (12" - 27")-Construction	-	-	12,000	(12,000)	0.00%

**FOR WHOLESALE
MONTH: DECEMBER 2015**

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
38 Valve Replacement (12" - 27")-Engineering	-	-	5,000	(5,000)	0.00%
39 Valve Replacement (12" - 27")-Labor	-	-	6,000	(6,000)	0.00%
40 Newport Reservoir Mixing System-Labor	-	-	500	(500)	0.00%
41 Newport Reservoir Mixing System-Engineering	-	-	2,500	(2,500)	0.00%
42 Newport Reservoir Mixing System-Construction	-	-	12,500	(12,500)	0.00%
43 6 MG Reservoir Mixing Lab-Labor	-	-	500	(500)	0.00%
44 6 MG Reservoir Mixing Lab-Engineering	-	-	2,500	(2,500)	0.00%
45 6 MG Reservoir Mixing Lab-Construction	-	-	12,500	(12,500)	0.00%
46 11.5 & 1 MG Reservoir Isolation Valves-Labor	-	-	10,000	(10,000)	0.00%
47 11.5 & 1 MG Reservoir Isolation Valves-Engineering	-	-	5,000	(5,000)	0.00%
48 11.5 & 1 MG Reservoir Isolation Valves-Construction	-	-	20,000	(20,000)	0.00%
49 OC33 Reconnection-Labor	-	-	10,000	(10,000)	0.00%
50 OC33 Reconnection-Engineering	-	-	10,000	(10,000)	0.00%
51 OC33 Reconnection-Construction	-	-	25,000	(25,000)	0.00%
52 Vulnerability Upgrades-OC 70-Construction	-	490	12,000	(11,510)	4.08%
53 Sedaru Improvements	-	7,070	20,000	(12,930)	35.35%
54 WZ Capitalized Accounting	-	-	5,000	(5,000)	0.00%
55 Total EXPENSES:	31,086	275,831	2,680,000	(2,404,169)	
56 NET INCOME (LOSS)	410	(84,387)	3,865,533	(3,949,919)	-2.18%

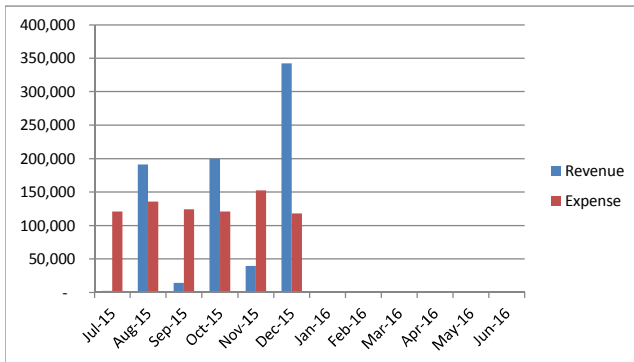
Retail Zone Financial Summary

For Period Ending December 31, 2015

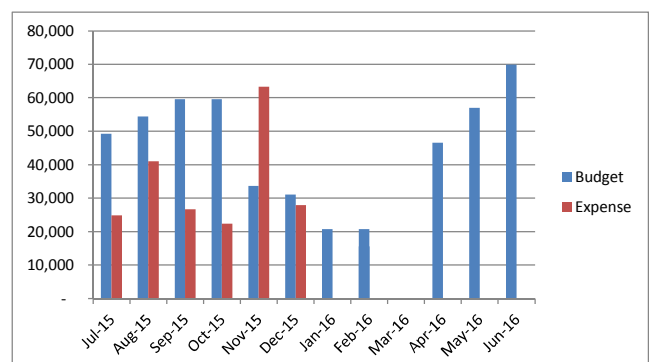
YTD Operating Income \$ 789,227

YTD Operating Expense \$ 772,459

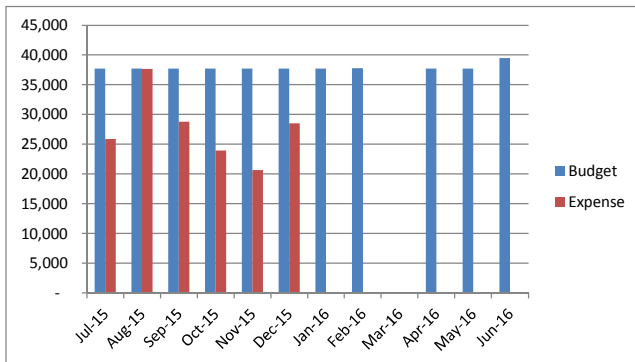
Revenue vs Expenses



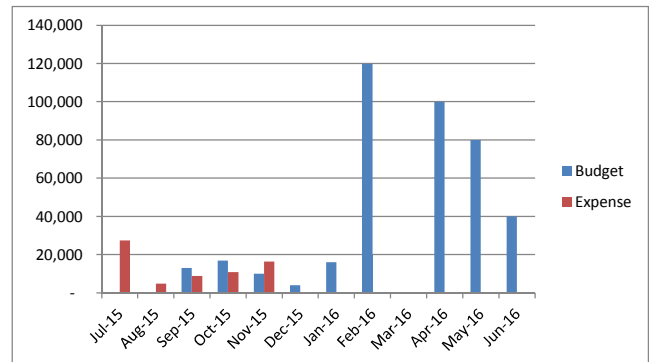
Water Purchased Budget vs. Actual



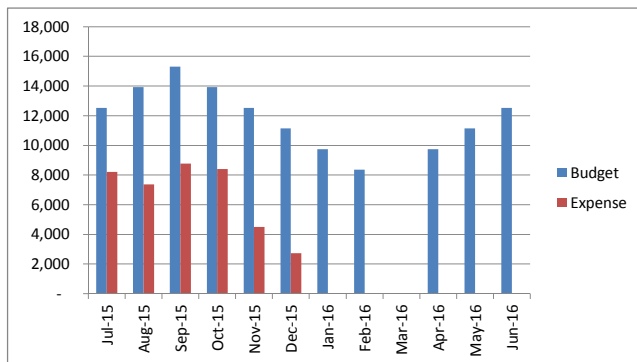
Salaries & Benefits Budget vs. Actual



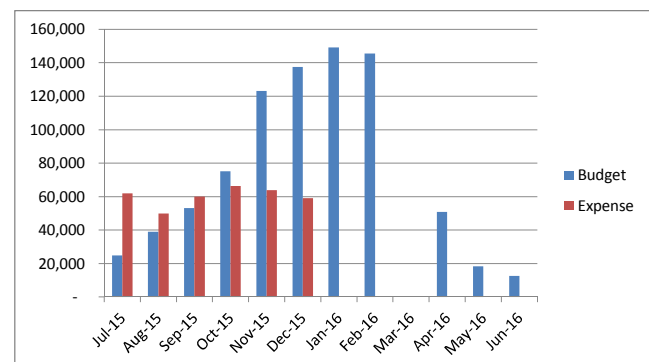
CIP Budget vs. Actual



Electrical Budget vs. Actual



O&M Budget vs. Actual



RETAIL ZONE

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

REVENUE		MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
1	OPERATING REVENUE:					
2	WATER SALES	121,495	389,408	1,270,115	(880,707)	30.66%
3	METER CHARGE	59,900	179,477	387,415	(207,938)	46.33%
4	OTHER CHARGES	110	7,942	10,600	(2,658)	74.92%
5	TOTAL OPERATING REVENUE:	181,505	576,827	1,668,130	(1,091,303)	34.58%
6	NON-OPERATING REVENUES (EXPENSES):					
7	PROPERTY TAXES	160,742	208,166	397,590	(189,424)	52.36%
8	INTEREST & INVESTMENT EARNINGS	4	1,324	4,080	(2,756)	32.44%
9	MISCELLANEOUS INCOME	150	2,910	500	2,410	582.06%
10	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
11	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
12	TOTAL NON-OPERATING REVENUES, NET	160,895	212,400	402,170	(189,770)	52.81%
13	NET OPERATING INCOME	342,400	789,227	2,070,300	(1,281,073)	38.12%

EXPENSES		MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
DESCRIPTION						
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	20,429	161,301	435,300	(273,999)	37.06%
16	MET/MWDOC FIXED CHARGE	1,089	6,532	12,300	(5,768)	53.10%
17	WZ FIXED CHARGE	2,207	13,244	19,250	(6,006)	68.80%
18	PIPELINE CAPACITY LEASE	4,169	26,703	51,000	(24,297)	52.36%
19	ENERGY	2,492	38,124	135,000	(96,876)	28.24%
20	OPERATIONS & MAINTENANCE	37,289	221,483	693,930	(472,447)	31.92%
21	GENERAL & ADMINISTRATIVE	17,387	97,572	308,520	(210,948)	31.63%
22	TRANSFER TO CAPITAL PROJECTS EXPENSE	25,000	150,000	300,000	(150,000)	50.00%
23	RETAIL OPERATIONS CONTINGENCY FUND	5,417	32,500	65,000	(32,500)	50.00%
24	FUNDED TO/BY RESERVE	4,167	25,000	50,000	(25,000)	50.00%
25	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
26	TOTAL OPERATING EXPENSE	119,645	772,459	2,070,300	(1,297,841)	37.31%
27	NET INCOME FROM OPERATIONS	222,754	16,768	-	16,768	
28	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
29	NET INCOME (LOSS)	222,754	16,768	-	16,768	

Retail Zone**December 2015 Variance Report - 50% of Budget Year Expended**

Account Name	Income(I) Expense (E)	YTD Amount	Percent Received/ Spent	Comments
Operating				
<u>New</u>				
MCPHERSON FAX	E	256.26	85%	The expenses were higher than anticipated causing YTD to be at 70% of budget
INTEREST INCOME-MM	I	21.81	73%	YTD is over 70% due to receiving more interest than expected
<u>Ongoing</u>				
TAXES UNSECURED	I	8,221.08	54%	YTD is over 50% due to timing of collections
MISCELLANEOUS INCOME	I	2,910.28	582%	YTD is over budget due to rebate for new vehicle purchase in PY
EOCWD WR RESERVE FUND CHARGE	E	4,515.00	94%	YTD is over 75% of budget due to underbudgeting the account
OUTSIDE SERVICES	E	7,128.38	71%	YTD is over 60% of budget due to PR services and strategic plan
COMPUTER CONSULTING	E	4,604.50	92%	YTD is over 60% of budget due to unexpected computer expenses
COMPUTER BILLING (RZ BILLS)	E	4,429.38	62%	YTD is over 75% of budget due to unplanned work on computers
PERS Classic (ER-paid member)	E	4,511.10	0%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS PEPRA (ER)	E	2,454.18	0%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS Unfunded	E	3,146.34	0%	This account is a new account and was budgeted in Line 66 PERS Classic (ER-Contribution)
PERS PEPRA (Employee)	E	(1,299.79)	0%	This account is a new account and was budgeted in Line 70 PERS Classic (Employee)
Capital				
<u>New</u>				
<u>Ongoing</u>				

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 WATER SALES	121,495	389,408	1,020,115	(630,707)	38.17%
2 DROUGHT SURCHARGE	-	-	250,000	(250,000)	0.00%
3 METER CHARGE	59,900	179,477	387,415	(207,938)	46.33%
4 LATE CHARGE	(90)	5,364	11,000	(5,636)	48.77%
5 RETURNED CHECK CHARGE	-	260	1,000	(740)	26.00%
6 TURN OFF CHARGE	200	200	600	(400)	33.33%
7 OTHER CHARGES	-	1,300	-	1,300	0.00%
8 UNCOLLECTIBLE ACCOUNTS	-	-	(2,000)	2,000	0.00%
9 TURN ON NEW SERVICE	-	-	-	-	0.00%
10 REFUNDS	-	817	-	817	0.00%
11 Total OPERATING REVENUE:	181,505	576,827	1,668,130	(1,091,303)	
12 INTEREST INCOME-MM	4	22	30	(8)	72.70%
13 INTEREST-LAIF-OP	-	1,302	4,050	(2,748)	32.14%
14 TAXES SECURED	157,124	192,820	346,545	(153,725)	55.64%
15 TAXES UNSECURED	-	8,221	15,100	(6,879)	54.44%
16 TAXES SUPPLEMENTAL ROLL	2,788	4,596	9,900	(5,304)	46.42%
17 TAXES PRIOR YEARS	453	2,153	3,900	(1,747)	55.19%
18 TAXES HOMEOWNER'S SUBVENTION	377	377	1,900	(1,523)	19.82%
19 TAXES PUBLIC UTILITY	-	-	4,300	(4,300)	0.00%
20 TAXES TUSTIN RDA	-	-	20,945	(20,945)	0.00%
21 TAXES MISC	-	-	-	-	0.00%
22 TAXES ACCRUED	-	-	(5,000)	5,000	0.00%
23 DISPOSAL OF ASSETS GAIN(LOSS)	-	-	-	-	0.00%
24 MISCELLANEOUS INCOME	150	2,910	500	2,410	582.06%
25 Total NON OPERATING INCOME:	160,895	212,400	402,170	(189,770)	
26 Total OPERATING REVENUE	342,400	789,227	2,070,300	(1,281,073)	
27 NET OPERATING INCOME:	342,400	789,227	2,070,300	(1,281,073)	

EXPENSES

28 WATER PURCHASED	25,935	81,843	242,100	(160,257)	33.81%
29 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
30 WATER PURCHASED IN LIEU CREDIT	-	-	-	-	0.00%
31 OCWD- REPLENISH ASSESSMENT	(5,506)	79,459	193,200	(113,741)	41.13%
32 MET-MWDOC READINESS TO SERVE	2,823	16,936	35,000	(18,064)	48.39%
33 MET-MWDOC CAPACITY FEES	1,347	8,080	16,000	(7,920)	50.50%
34 MET-MWDOC CHOICE	-	1,687	-	1,687	0.00%
35 MWDOC RETAIL SERVICE CONNECT	1,089	6,532	12,300	(5,768)	53.10%
36 EOCWD WR RESERVE FUND CHARGE	753	4,515	4,800	(285)	94.06%
37 EOCWD WR READINESS TO SERVE	1,455	8,729	14,450	(5,721)	60.41%
38 UTILITY STOLLER RESERVOIR	1,153	16,892	60,000	(43,108)	28.15%
39 UTILITY VISTA PANORAMA BOOSTER	188	1,498	8,000	(6,502)	18.73%
40 UTILITIES- WELLS- EAST/WEST	1,151	19,735	67,000	(47,265)	29.45%
41 SMALL TOOLS	195	2,089	3,600	(1,511)	58.02%
42 GASOLINE, OIL & DIESEL FUEL	386	2,008	6,700	(4,692)	29.96%
43 REGULATORY PERMITS	362	2,403	6,600	(4,197)	36.41%
44 NPDS PERMIT	-	-	-	-	0.00%
45 PROF SERV WATER QUAL. CONTROL	456	4,130	20,000	(15,870)	20.65%
46 CHLORINE GENERATOR/SALT PURCH	421	421	1,200	(779)	35.10%
47 WEST WELL MAINTENANCE	-	231	3,500	(3,269)	6.60%
48 EAST WELL MAINTENANCE	-	-	5,000	(5,000)	0.00%
49 STOLLER RESERVOIR/BOOSTER R&M	266	850	9,000	(8,150)	9.45%
50 VISTA PANORAMA BOOSTER R&M	-	-	4,200	(4,200)	0.00%
51 R&M VISTA PANORAMA RESERVOIR	-	-	12,000	(12,000)	0.00%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: DECEMBER 2015

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
52	CHLORINE GENERATOR	-	1,443	6,000	(4,557)	24.04%
53	SCADA REPAIR/UPGRADE	-	-	12,000	(12,000)	0.00%
54	OPERATIONS REPORTING SOFTWARE	676	4,260	16,000	(11,740)	26.62%
55	HYDRANT REPAIR & REPLACEMENTS	2,626	5,499	16,100	(10,601)	34.16%
56	METER PURCHASE REPAIR	-	2,379	20,000	(17,621)	11.90%
57	PRV- R & M	-	-	2,000	(2,000)	0.00%
58	R/M- MAINS	706	10,253	30,000	(19,747)	34.18%
59	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
60	SERVICE LATERALS R&M	-	3,014	25,000	(21,986)	12.05%
61	RESERVOIRS R&M	-	98	2,000	(1,902)	4.90%
62	R/M- VAULTS	356	776	1,500	(724)	51.72%
63	R/M- CATHODIC PROTECTION	-	-	5,000	(5,000)	0.00%
64	METER TESTING	-	300	1,000	(700)	30.00%
65	EQUIPMENT RENTAL	-	1,218	20,000	(18,782)	6.09%
66	BACKHOE R&M	-	567	4,500	(3,933)	12.60%
67	VEHICLES R&M	-	451	3,500	(3,049)	12.89%
68	BUILDING/GROUNDS R&M	-	603	3,500	(2,897)	17.23%
69	WAGES	21,491	123,231	281,700	(158,469)	43.75%
70	PAYROLL TAXES- FICA & MEDICARE	1,673	9,903	21,600	(11,697)	45.85%
71	PERS Classic(ER-Contribution)	1,231	8,306	46,300	(37,994)	17.94%
72	PERS Classic (ER-paid member)	707	4,511	-	4,511	0.00%
73	PERS PEPRA (ER)	499	2,454	-	2,454	0.00%
74	PERS Unfunded	524	3,146	-	3,146	0.00%
75	PERS Classic (Employee)	(532)	(2,051)	(7,100)	5,049	28.88%
76	PERS PEPRA (Employee)	(142)	(1,300)	-	(1,300)	0.00%
77	PAYROLL TAXES- SUI & ETT	65	258	4,100	(3,842)	6.29%
78	HEALTH & ACCIDENT INSURANCE	4,581	23,995	87,900	(63,905)	27.30%
79	DENTAL INSURANCE	340	2,111	5,300	(3,189)	39.82%
80	VISION INSURANCE	77	409	1,100	(691)	37.22%
81	LIFE INSURANCE	31	173	430	(257)	40.27%
82	WORKER'S COMP INSURANCE	255	2,810	10,000	(7,190)	28.10%
83	UNIFORMS	39	532	2,700	(2,168)	19.72%
84	DISTRICT WEBSITE	51	305	10,650	(10,345)	2.86%
85	MCPHERSON FAX	43	256	300	(44)	85.42%
86	MCPHERSON INTERNET	90	572	4,000	(3,428)	14.31%
87	MCPHERSON OFFICE PHONES	252	1,824	3,525	(1,701)	51.73%
88	ANSWERING SERVICE	14	84	250	(166)	33.74%
89	PHONE CIRCUITS TO CTRL EQUIP	398	1,540	3,000	(1,460)	51.34%
90	CELLPHONES	135	809	1,700	(891)	47.58%
91	UNDERGROUND SERVICE ALERT	35	260	500	(241)	51.90%
92	TRAINING/SCHOOLS	(6)	76	6,500	(6,425)	1.16%
93	CONSERVATION EDUCATION	7,393	15,629	20,000	(4,371)	78.14%
94	TRAVEL-CONF/SEMINARS	-	2,113	9,500	(7,387)	22.24%
95	MILEAGE	70	345	900	(555)	38.34%
96	DUES & MEMBERSHIPS- ACWA	-	-	3,750	(3,750)	0.00%
97	DUES & MEMBERSHIPS- OCWA	-	-	75	(75)	0.00%
98	DUES & MEMBERSHIPS- AWWA	-	-	400	(400)	0.00%
99	DUES & MEMBERSHIP- FCA	-	-	20	(20)	0.00%
100	DUES & MEMBERSHIP-CSDA	-	41	3,500	(3,460)	1.16%
101	DUES- ISDOC/URBAN WTR	-	-	1,000	(1,000)	0.00%
102	MISCELLANEOUS EXP	-	50	500	(450)	10.00%
103	DIRECTOR- R. BARRETT	-	-	-	-	0.00%
104	DIRECTOR- W. VANDERWERFF	634	3,534	6,500	(2,966)	54.37%
105	DIRECTOR- J. DULEBOHN	150	1,300	3,600	(2,300)	36.11%
106	DIRECTOR- R. BELL	150	875	3,600	(2,725)	24.31%
107	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
108	DIRECTOR- W. EVERETT	88	525	3,600	(3,075)	14.58%
109	BOARD MEETING EXPENSE	309	1,089	2,000	(911)	54.44%
110	POSTAGE	648	2,681	5,000	(2,319)	53.61%
111	OFFICE SUPPLY/FURN/SMALL EQUIP	431	1,188	6,000	(4,812)	19.80%
112	PUBLICATIONS & LEGAL NOTICES	-	546	20,000	(19,454)	2.73%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL
MONTH: DECEMBER 2015

	DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
113	COPIER CONTRACT	23	181	650	(469)	27.84%
114	VERSATERM CONTRACT (RZ BILLS)	-	550	5,000	(4,450)	11.00%
115	BANK CHARGES	968	3,957	7,900	(3,943)	50.09%
116	OUTSIDE SERVICES	381	7,128	10,000	(2,872)	71.28%
117	AUDITING	-	3,375	8,400	(5,025)	40.18%
118	TAX COLLECTION FEES	394	508	7,000	(6,492)	7.25%
119	COMPUTER BILLING (RZ BILLS)	567	4,429	7,100	(2,671)	62.39%
120	TREASURER	-	-	5,000	(5,000)	0.00%
121	ACCOUNTING	1,414	12,037	25,500	(13,463)	47.20%
122	LEGAL	1,313	13,135	35,000	(21,865)	37.53%
123	COMPUTER CONSULTING	90	4,605	5,000	(396)	92.09%
124	ENGINEERING-RZ	280	3,178	40,000	(36,822)	7.95%
125	LAFCO	8	2,350	5,000	(2,651)	46.99%
126	INSURANCE-AUTO & GEN LIABILITY	721	3,824	8,000	(4,176)	47.81%
127	INSURANCE-PROPERTY	73	438	3,000	(2,562)	14.61%
128	INSURANCE-EMP. FIDELITY BOND	16	97	400	(303)	24.27%
129	OFFICE EQUIPMENT R&M	-	114	1,000	(886)	11.38%
130	UTILITIES-DUMPSTER	26	183	500	(317)	36.52%
131	UTILITIES- OFFICE- ELECT & WTR	227	1,843	4,200	(2,357)	43.88%
132	SECURITY	-	-	1,500	(1,500)	0.00%
133	ELECTION EXPENSE	-	-	8,000	(8,000)	0.00%
134	DEPRECIATION EXP.	-	-	-	-	0.00%
135	TRANS TO CAPITAL PROJECTS	25,000	150,000	300,000	(150,000)	50.00%
136	RZ- CONTINGENCY FUND	5,417	32,500	65,000	(32,500)	50.00%
137	FUNDED TO/BY RESERVE-RZ	4,167	25,000	50,000	(25,000)	50.00%
138	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
139	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
140	TOTAL OPERATING EXPENSES:	119,645	772,459	2,070,300	(1,297,841)	
141	NET INCOME FROM OPERATIONS:	222,754	16,768	-	16,768	
142	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
143	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
144	Total OTHER INCOME AND EXPENSES	-	-	-	-	
145	NET INCOME (LOSS)	222,754	16,768	-	16,768	

No assurance is provided on these financial statements.

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

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

RETAIL ZONE CAPITAL PROJECTS

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

REVENUE					
DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
1 FUNDS PROVIDED BY RESERVE	-	-	1,958,747	(1,958,747)	0.00%
2 CAPITAL PROJECTS REVENUE					
3 CAPITAL PROJECTS FEES	47,811	143,331	288,000	(144,669)	49.77%
4 CONNECTION FEES	500	6,449	2,500	3,949	257.97%
5 INTEREST EARNINGS	-	200	500	(300)	40.03%
6 TRANSFER FROM OPERATING EXPENSES	29,167	175,000	350,000	(175,000)	50.00%
7 LOAN FOR SYSTEM IMPROVEMENTS	-	-	5,000,000	(5,000,000)	
8 NET OPERATING INCOME	77,477	324,981	7,599,747	(7,274,766)	
EXPENSES					
DESCRIPTION	MONTHLY ACTUAL EXPENSES	YTD ACTUAL EXPENSES	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
9 CAPITAL PROJECTS EXPENSES					
10 LOAN FOR SYSTEM IMPROVEMENTS	-	-	113,700	(113,700)	0.00%
11 MASTER PLAN & CONDITION ASSESSMENT	-	59,052	86,000	(26,948)	68.66%
12 OFFICE/YARD IMPROVEMENT	-	3,127	6,000	(2,873)	52.11%
13 NEW VEHICLE TO SUPPLEMENT FLEET	-	-	20,000	(20,000)	0.00%
14 VP HYDRO TANK SEISMIC UPGRADE	-	-	62,000	(62,000)	0.00%
15 VISTA PANORAMA RESERVOIR REPAIR	-	2,310	166,000	(163,690)	1.39%
16 VALVE RAISING-CRAWFORD CANYON	-	-	18,000	(18,000)	0.00%
17 VALVE REPLACEMENTS	-	-	25,000	(25,000)	0.00%
18 ALLOWANCE FOR SYSTEM RELOCATION	-	-	110,000	(110,000)	0.00%
19 BACKUP GENERATOR FOR VP BOOSTER	-	-	50,500	(50,500)	0.00%
20 6" MAGMETERS @ STOLLER PRVS	-	-	15,000	(15,000)	0.00%
21 STOLLER 150HP BOOST PUMP	-	-	81,000	(81,000)	0.00%
22 REPLACEMENT RECOMMENDATIONS	-	-	180,000	(180,000)	0.00%
23 BACKUP SYSTEM PRV - CIRCULA PANORAMA	-	280	710,000	(709,720)	0.04%
24 NEW WELL CONSTRUCTION	-	-	65,000	(65,000)	0.00%
25 SECURITY IMPROVEMENTS-RESERVOIR SITES	-	-	15,000	(15,000)	0.00%
26 WELL DISINFECTION CONVERSION	-	-	57,500	(57,500)	0.00%
27 WEST WELL REHABILITATION	-	-	72,000	(72,000)	0.00%
28 SCADA SYSTEM ADDITIONS	-	-	20,000	(20,000)	0.00%
29 SEDARU IMPROVEMENTS	-	3,570	10,000	(6,430)	35.70%
30 CAPITALIZED ACCOUNTING	-	-	5,000	(5,000)	0.00%
31 TOTAL OPERATING EXPENSE	-	68,338	1,887,700	(1,819,362)	
32 NET INCOME FROM OPERATIONS	77,477	256,643	5,712,047	(5,455,404)	
33 PRIOR YEARS EXPENSES	-	-	-	-	
34 NET INCOME (LOSS)	77,477	256,643	5,712,047	(5,455,404)	

FOR RETAIL
MONTH: DECEMBER 2015

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
REVENUE					
1 FUNDED BY RESERVES	-	-	1,958,747	(1,958,747)	
2 WATER SALES-CAPITAL PROJECTS	47,811	143,331	288,000	(144,669)	49.77%
3 CONNECTION FEES	500	6,449	2,500	3,949	257.97%
4 INTEREST-LAIF-CAP	-	200	500	(300)	40.03%
5 TRANSFER IN CAPITAL PROJECTS	25,000	150,000	300,000	(150,000)	50.00%
6 TRANSFER IN CAPITAL RESERVES	4,167	25,000	50,000	(25,000)	50.00%
7 LOAN FOR SYSTEM IMPROVEMENTS	-	-	5,000,000	(5,000,000)	0.00%
8 Total NON OPERATING INCOME:	77,477	324,981	7,599,747	(7,274,766)	
9 Total OPERATING REVENUE	77,477	324,981	7,599,747	(7,274,766)	
10 NET OPERATING INCOME:	77,477	324,981	7,599,747	(7,274,766)	

EXPENSES

11 Loan For System Improvements	-	-	113,700	(113,700)	0.00%
12 Master Plan & Condition Assessment-Construction	-	-	50,000	(50,000)	0.00%
13 Master Plan & Condition Assessment-Engineering	-	59,052	35,000	24,052	168.72%
14 Master Plan & Condition Assessment-Labor	-	-	1,000	(1,000)	0.00%
15 Office/Yard Improvement-Construction	-	2,588	5,000	(2,412)	51.77%
16 Office/Yard Improvement-Engineering	-	-	-	-	0.00%
17 Office/Yard Improvement-Labor	-	538	1,000	(462)	53.81%
18 New Vehicle To Supplement Fleet	-	-	20,000	(20,000)	0.00%
19 VP Hydro Tank Seismic Upgrade-Construction	-	-	40,000	(40,000)	0.00%
20 VP Hydro Tank Seismic Upgrade-Engineering	-	-	20,000	(20,000)	0.00%
21 VP Hydro Tank Seismic Upgrade-Labor	-	-	2,000	(2,000)	0.00%
22 Vista Panorama Reservoir Repair-Construction	-	-	100,000	(100,000)	0.00%
23 Vista Panorama Reservoir Repair-Engineering	-	630	60,000	(59,370)	1.05%
24 Vista Panorama Reservoir Repair-Labor	-	1,680	6,000	(4,320)	28.00%
25 Valve Raising-Crawford Canyon-Construction	-	-	17,000	(17,000)	0.00%
26 Valve Raising-Crawford Canyon-Engineering	-	-	500	(500)	0.00%
27 Valve Raising-Crawford Canyon-Labor	-	-	500	(500)	0.00%
28 Valve Replacements-Labor	-	-	20,000	(20,000)	0.00%
29 Valve Replacements-Construction	-	-	5,000	(5,000)	0.00%
30 Allowance For System Relocation-Labor	-	-	5,000	(5,000)	0.00%
31 Allowance For System Relocation-Engineering	-	-	5,000	(5,000)	0.00%
32 Allowance For System Relocation-Construction	-	-	100,000	(100,000)	0.00%
33 Backup Generator For VP Booster-Labor	-	-	500	(500)	0.00%
34 Backup Generator For VP Booster-Construction	-	-	50,000	(50,000)	0.00%
35 6" Magmeters @ Stoller Prvs-Labor	-	-	5,000	(5,000)	0.00%
36 6" Magmeters @ Stoller Prvs-Construction	-	-	10,000	(10,000)	0.00%

FOR RETAIL
MONTH: DECEMBER 2015

DESCRIPTION	MONTHLY ACTUAL	YTD ACTUAL	ANNUAL 2015-16 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
37 Stoller 150Hp Boost Pump-Labor	-	-	80,000	(80,000)	0.00%
38 Stoller 150Hp Boost Pump-Engineering	-	-	1,000	(1,000)	0.00%
39 Replacement Recommendations-Labor	-	-	20,000	(20,000)	0.00%
40 Replacement Recommendations-Engineering	-	-	60,000	(60,000)	0.00%
41 Replacement Recommendations-Construction	-	-	100,000	(100,000)	0.00%
42 Backup System PRV - Circula Panorama-Labor	-	-	10,000	(10,000)	0.00%
43 Backup System PRV - Circula Panorama-Engineering	-	280	100,000	(99,720)	0.28%
44 Backup System PRV - Circula Panorama-Construction	-	-	600,000	(600,000)	0.00%
45 New Well Construction-Construction	-	-	10,000	(10,000)	0.00%
46 New Well Construction-Labor	-	-	5,000	(5,000)	0.00%
47 New Well Construction-Engineering	-	-	50,000	(50,000)	0.00%
48 Security Improvements-Reservoir Sites-Labor	-	-	5,000	(5,000)	0.00%
49 Security Improvements-Reservoir Sites-Construction	-	-	10,000	(10,000)	0.00%
50 Well Disinfection Conversion-Labor	-	-	2,500	(2,500)	0.00%
51 Well Disinfection Conversion-Engineering	-	-	10,000	(10,000)	0.00%
52 Well Disinfection Conversion-Construction	-	-	45,000	(45,000)	0.00%
53 West Well Rehabilitation-Labor	-	-	2,000	(2,000)	0.00%
54 West Well Rehabilitation-Construction	-	-	70,000	(70,000)	0.00%
55 SCADA System Additions-Engineering	-	-	20,000	(20,000)	0.00%
56 Sedaru Improvements	-	3,570	10,000	(6,430)	35.70%
57 Capitalized Accounting	-	-	5,000	(5,000)	0.00%
58 TOTAL OPERATING EXPENSES:	-	68,338	1,887,700	(1,819,362)	
59 Net Income (Loss):	<u>77,477</u>	<u>256,643</u>	<u>5,712,047</u>	<u>(5,455,404)</u>	



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: INVESTMENT REPORT
DATE: FEBRUARY 18, 2016

Background

At the July 19, 2012 Meeting, the Board retained the services of Mr. Shawn Dewane of Raymond James Financial Services, Inc. to provide investment services to the District. At that time, they authorized the placement of \$1,500,000 into Certificates of Deposit purchased in the name of the District. The investment parameters given to Mr. Dewayne were that the average portfolio maturity range should be between 3.0 and 3.5 years (no funds would be placed longer than five years to maturity), no more than 5% of the funds would be placed with one single issuer, and the yield to maturity target was 1.2%.

Over the past three and one-half years, the funds have been placed by Mr. Dewayne into CDs in 13 banks. The portfolio maturity is now 2.5 years and the yield to maturity is approximately 1.5%. The current market value for the portfolio is \$1,548,374; the estimated annual income is approximately \$21,000. Comparatively, the total \$6.0 million portfolio that resided at LAIF last year yielded less than \$6,500 of interest last year. The current portfolio results are attached to this memo.

Mr. Dewayne will be present at the meeting to discuss the portfolio and answer any questions the Board may have.

Recommendation

No action is necessary; for information only.



Fixed Income Portfolio Analysis

Prepared for

East Orange Cou

February 15, 2016

Account Name

23857121 - East Orange Cou

Presented By

Shawn Dewane
Investment Management Consultant
949-631-7200

PORTFOLIO OVERVIEW

23857121 - East Orange Cou

report as of 2/15/16

TOTAL POSITIONS

Original Face Value	\$1,545,000.00
Current Face Value	\$1,545,000.00
Est Annual Income	\$22,742.00
Valid Positions	13
Exceptions	0
Total Positions	13

Includes all positions with recognized CUSIP and valid quantity provided
Please see exception report for positions not included in reports.

POSITIONS W/ MARKET PRICE

Priced Orig. Face Value	\$1,545,000.00
Priced Current Face Value	\$1,545,000.00
Priced Positions	13 of 13
Priced Market Principal	\$1,548,765.75
Average Coupon	1.47%
Average Price	100.24

Includes all positions with recognized CUSIP, quantity and market price on report date.

POSITIONS INCLUDED IN PORTFOLIO ANALYSIS

Estimated Portfolio Totals

Original Face Value	\$1,545,000.00
Current Face Value	\$1,545,000.00
Market Value	\$1,548,765.75
Accrued Interest	\$5,949.55
Total Market Value	\$1,554,715.30

Estimated Portfolio Averages

Coupon	1.47 %
Maturity	2.53 yrs
Effective Maturity	2.45 yrs
Modified Duration	2.36
Yield to Maturity	1.31 %
Yield to Worst	1.31 %
Market Price	100.24
Rating	AAA

Positions 13 of 13

Original Face: the original dollar value at issuance
Current Face: the dollar value after the current factor is applied

Includes all positions with recognized CUSIP, quantity, market price and derived calculations on report date.
Coupon and Market Price weighted by Current Face Value, all others weighted by Market Value.

A disclaimer and definitions of terms are provided at the end of this report. Please read thoroughly before making any investment decisions.

Data and evaluations are provided by Interactive Data Corp (IDC) and other sources deemed reliable.

PORTFOLIO OVERVIEW @ ACQUISITION

23857121 - East Orange Cou

report as of 2/15/16

TOTAL POSITIONS

Original Face Value	\$1,545,000.00
Face Value @ Acquisition	\$1,545,000.00
Valid Positions	13
Exceptions	0
Total Positions	13

Includes all positions with recognized CUSIP and valid quantity provided
Please see exception report for positions not included in reports.

POSITIONS W/ ACQUISITION DATA

Orig. Face Value	\$1,545,000.00
Face Value @ Acquisition	\$1,545,000.00
Positions w/ Acq Data	13 of 13
Original Principal Cost	\$1,544,468.15
Average Purchase Price	99.97

Includes all positions with recognized CUSIP and acquisition data.

POSITIONS INCLUDED IN ACQUISITION ANALYSIS

Estimated Portfolio Totals

Original Face Value	\$1,545,000.00
Face Value @ Acquisition	\$1,545,000.00
Original Principal Cost	\$1,544,468.15
Adjusted Principal Cost	\$1,543,945.48
Current Market Value	\$1,548,765.75
Estimated Gain/Loss	\$4,820.27
Positions	13 of 13

Estimated Portfolio Averages

Yield to Worst (cost)	1.48 %
Yield to Worst (mkt)	1.31 %
Yield to Maturity (cost)	1.48 %
Yield to Maturity (mkt)	1.31 %
Orig Purchase Price	99.97
Adjusted Price	99.93
Current Market Price	100.24

Includes all positions with recognized CUSIP, quantity, acquisition cost and date and derived calculations at acq date.
Average Yield to Worst/Maturity (cost) weighted by original principal cost. Adjusted Price is fully amortized/accreted book price.

Face Value @ Acquisition - where factors at acquisition date are not available original issuance values will be used.
Calculations based upon available bond descriptive data.
Positions where acquisition data is missing can be identified in the POSITION DETAIL report

A disclaimer and definitions of terms are provided at the end of this report. Please read thoroughly before making any investment decisions.

PORTFOLIO SUMMARY - MARKET VALUE WEIGHTED - ALL SECURITY TYPES

23857121 - East Orange Cou

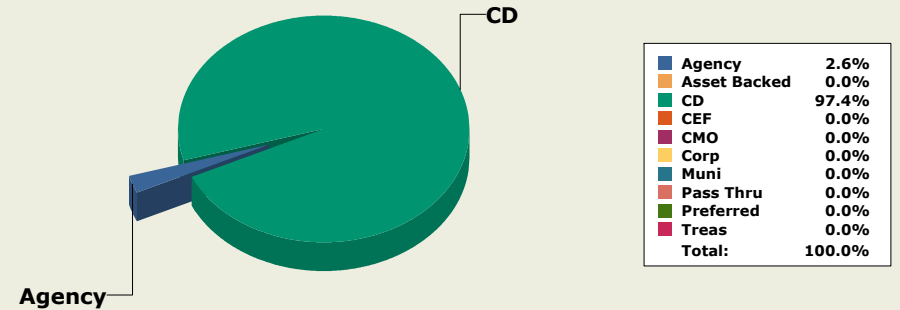
report as of 2/15/16

PORTFOLIO SUMMARY

<u>Portfolio Totals</u>	<u>Fed Exempt</u>	<u>Fed Taxable</u>	<u>Total</u>
Priced Current Face	-	\$1,545,000	\$1,545,000
Positions	-	13	13 of 13
Market Value	-	\$1,548,766	\$1,548,766
Accrued Interest	-	\$5,950	\$5,950
Total Market Value	-	\$1,554,715	\$1,554,715
Est Annual Income	-	\$22,742	\$22,742
<u>Portfolio Averages</u>			
** Coupon Rate	-	1.472%	1.472%
Maturity	-	2.5yrs	2.5yrs
Effective Maturity	-	2.4yrs	2.4yrs
Modified Duration	-	2.4	2.4
Yield To Maturity	-	1.31%	1.31%
Yield To Worst	-	1.31%	1.31%
** Market Price	-	100.244	100.244

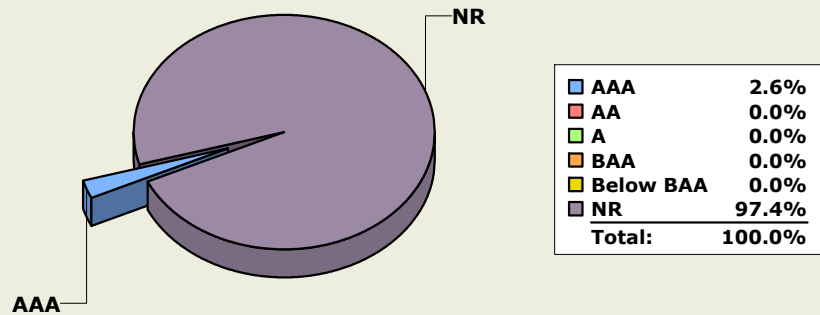
** Par Value wtd, other avgs Mkt Value wtd. Incl only positions with mkt value & calcs on report date.
For perpetual securities avg calcs, Final Maturity assume 40 yrs, Yield to Maturity uses strip yield.

POSITIONS BY SECURITY TYPE



Includes only positions with market price & calculations on report date. Market Value-weighted.

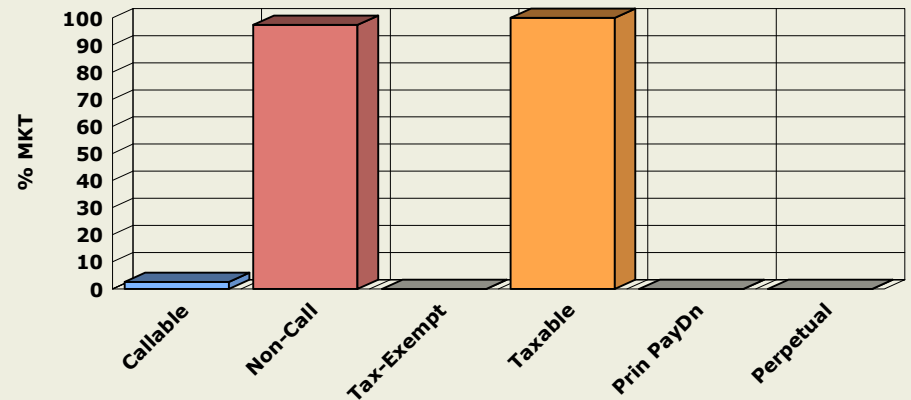
PORTFOLIO RATING SUMMARY



Best of Short/Long term equivalent Moody's, Standard & Poor's, or Fitch Rating.
Includes only positions with market value & calculations on report date. Market Value-weighted.

*Fitch displayed for municipal bonds only.

SECURITY FEATURES



Includes only positions with market price & calculations on report date. Market Value-weighted.

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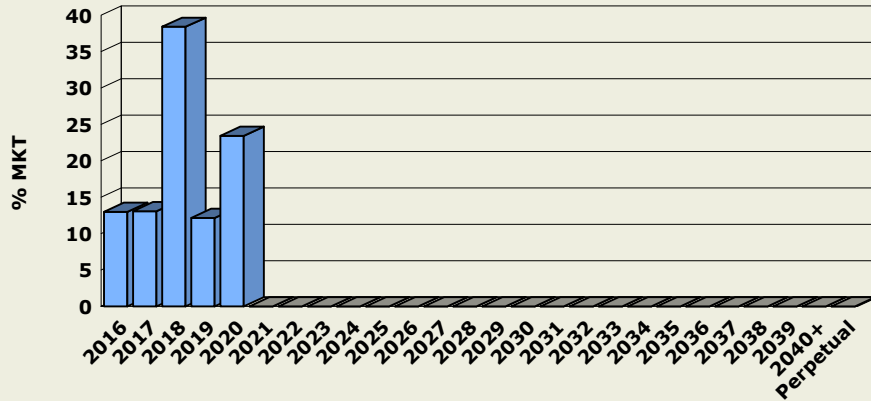
Data and evaluations are provided by Interactive Data Corp (IDC) and other sources deemed reliable.

PORTFOLIO SUMMARY - MARKET VALUE WEIGHTED - ALL SECURITY TYPES

23857121 - East Orange Cou

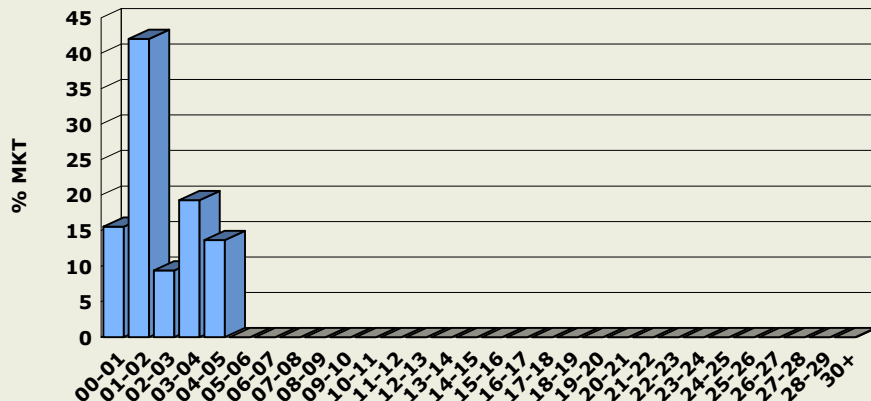
report as of 2/15/16

MATURITY EXPOSURE



Includes only positions with market price & calculations on report date. Market Value-weighted.

DURATION EXPOSURE



Includes only positions with market price & calculations on report date. Market Value-weighted.

PORTFOLIO EXPOSURE

<u>Maturity</u>			<u>Effective Maturity</u>		<u>Duration to Worst</u>		
Average: 2.53yrs			Average: 2.45yrs		Average: 2.36		
Year	\$ Mkt	% Mkt	\$ Mkt	% Mkt	Year	\$ Mkt	% Mkt
2016	\$201,714	13.0%	\$241,840	15.6%	00-01	\$241,840	15.6%
2017	\$202,953	13.1%	\$202,953	13.1%	01-02	\$653,542	42.0%
2018	\$596,847	38.4%	\$596,847	38.4%	02-03	\$146,258	9.4%
2019	\$189,083	12.2%	\$148,957	9.6%	03-04	\$300,272	19.3%
2020	\$364,118	23.4%	\$364,118	23.4%	04-05	\$212,804	13.7%
2021	-	-	-	-	05-06	-	-
2022	-	-	-	-	06-07	-	-
2023	-	-	-	-	07-08	-	-
2024	-	-	-	-	08-09	-	-
2025	-	-	-	-	09-10	-	-
2026	-	-	-	-	10-11	-	-
2027	-	-	-	-	11-12	-	-
2028	-	-	-	-	12-13	-	-
2029	-	-	-	-	13-14	-	-
2030	-	-	-	-	14-15	-	-
2031	-	-	-	-	15-16	-	-
2032	-	-	-	-	16-17	-	-
2033	-	-	-	-	17-18	-	-
2034	-	-	-	-	18-19	-	-
2035	-	-	-	-	19-20	-	-
2036	-	-	-	-	20-21	-	-
2037	-	-	-	-	21-22	-	-
2038	-	-	-	-	22-23	-	-
2039	-	-	-	-	23-24	-	-
2040+	-	-	-	-	24-25	-	-
Perpet	-	-	-	-	25-26	-	-
					26-27	-	-
					27-28	-	-
					28-29	-	-
					30+	-	-

Avg life used in Effective Maturity for principal pay-downs.

Includes only positions with market price & calculations on report date. Market Value-weighted.

For Avg Maturity calculations, perpetual securities assume 40 yrs.

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Data and evaluations are provided by Interactive Data Corp (IDC) and other sources deemed reliable.

PORTFOLIO SUMMARY - MARKET VALUE WEIGHTED - AGENCY

23857121 - East Orange Cou

report as of 2/15/16

PORTFOLIO SUMMARY

Portfolio Totals

Priced Current Face	\$40,000
Positions	1 of 13
Market Value	\$40,000
Accrued Interest	\$126
Total Market Value	\$40,126
Est Annual Income	\$572

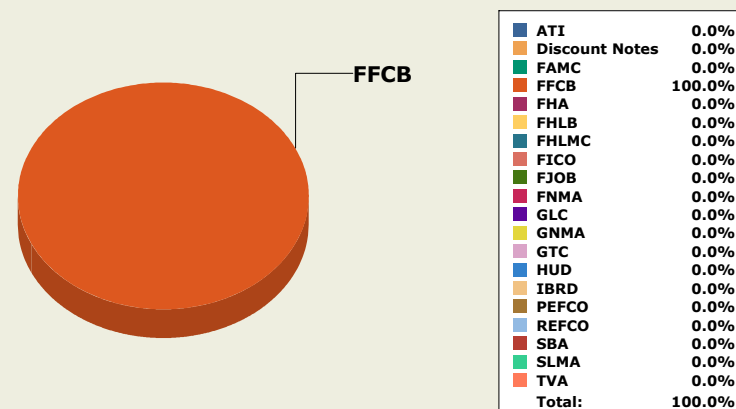
Portfolio Averages

** Coupon Rate	1.430%
Maturity	3.3yrs
Effective Maturity	0.0yrs
Modified Duration	0.0
Yield to Maturity	1.43%
Yield To Worst	1.37%

** Market Price 100.001

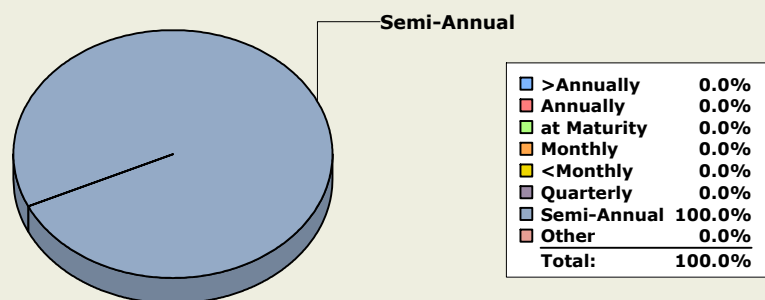
** Par Value wtd, other avgs Mkt Value wtd. Incl only positions with mkt value & calcs on report date.
For perpetual securities avg calcs, Final Maturity assume 40 yrs, Yield to Maturity uses strip yield.

POSITIONS by TYPE



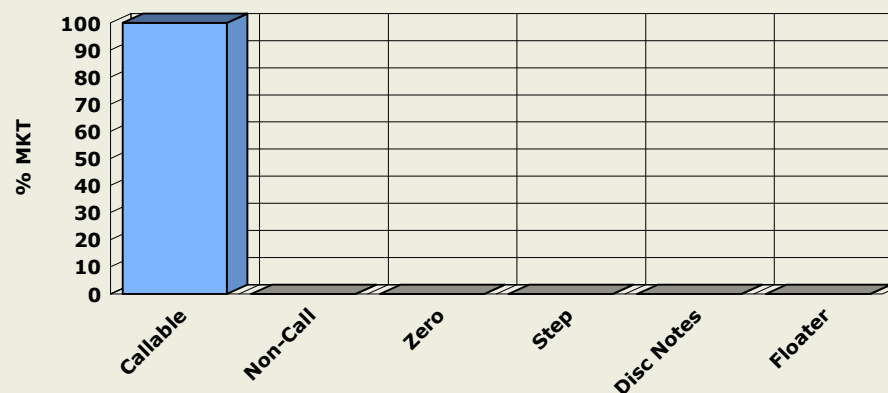
Includes only positions with market price & calculations on report date. Market Value-weighted.

INTEREST PAYMENT FREQUENCY



Includes only positions with market value & calculations on report date. Market Value-weighted.

SECURITY FEATURES



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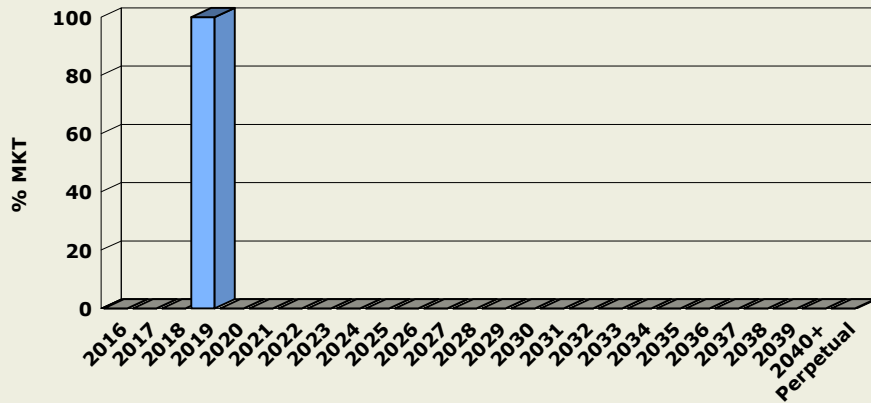
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PORTFOLIO SUMMARY - MARKET VALUE WEIGHTED - AGENCY

23857121 - East Orange Cou

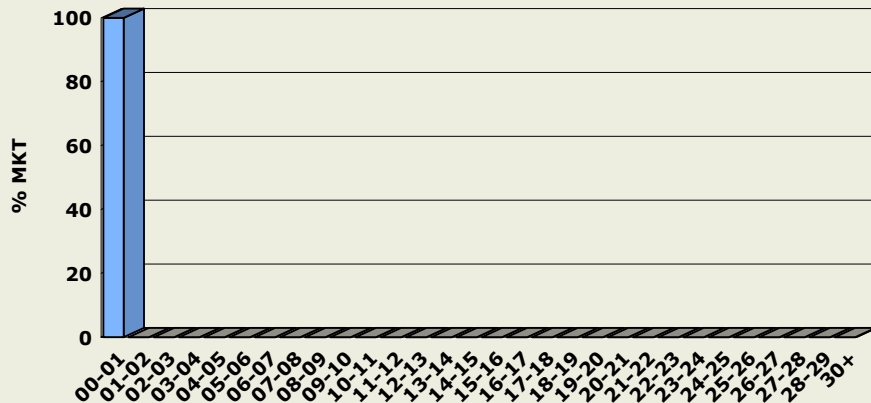
report as of 2/15/16

MATURITY EXPOSURE



Includes only positions with market price & calculations on report date. Market Value-weighted.

DURATION EXPOSURE



Includes only positions with market price & calculations on report date. Market Value-weighted.

PORTFOLIO EXPOSURE

<u>Maturity</u>			<u>Effective Maturity</u>		<u>Duration to Worst</u>		
Average: 3.28yrs			Average: 0.02yrs		Average: 0.02		
Year	\$ Mkt	% Mkt	\$ Mkt	% Mkt	Year	\$ Mkt	% Mkt
2016	-	-	\$40,126	100.0%	00-01	\$40,126	100.0%
2017	-	-	-	-	01-02	-	-
2018	-	-	-	-	02-03	-	-
2019	\$40,126	100.0%	-	-	03-04	-	-
2020	-	-	-	-	04-05	-	-
2021	-	-	-	-	05-06	-	-
2022	-	-	-	-	06-07	-	-
2023	-	-	-	-	07-08	-	-
2024	-	-	-	-	08-09	-	-
2025	-	-	-	-	09-10	-	-
2026	-	-	-	-	10-11	-	-
2027	-	-	-	-	11-12	-	-
2028	-	-	-	-	12-13	-	-
2029	-	-	-	-	13-14	-	-
2030	-	-	-	-	14-15	-	-
2031	-	-	-	-	15-16	-	-
2032	-	-	-	-	16-17	-	-
2033	-	-	-	-	17-18	-	-
2034	-	-	-	-	18-19	-	-
2035	-	-	-	-	19-20	-	-
2036	-	-	-	-	20-21	-	-
2037	-	-	-	-	21-22	-	-
2038	-	-	-	-	22-23	-	-
2039	-	-	-	-	23-24	-	-
2040+	-	-	-	-	24-25	-	-
Perpet	-	-	-	-	25-26	-	-
					26-27	-	-
					27-28	-	-
					28-29	-	-
					30+	-	-

Avg life used in Effective Maturity for principal pay-downs.

Includes only positions with market price & calculations on report date. Market Value-weighted.

For Avg Maturity calculations, perpetual securities assume 40 yrs.

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PORTFOLIO POSITION DETAIL - AGENCY

23857121 - East Orange Cou

report as of 2/15/16

Page 1 of 1

Type	Orig Face	Security Description	Moody's/S&P Insurer (secondary)	St BQ	AMT	Coupon	Maturity	Priced To	Duration Convexity	Eval Price Eval Value	Eval YTW Eval YTM	Acq Price Acq Cost	Acq Date Acq Yield	Adj Cost	% Asset G / L
CUSIP	Curr Face		Underlying							Accrued Int	Curr YLD				
Agency	40	FEDERAL FARM CREDIT	Aaa / AA+		1.430	05/28/19	Call		0.02	100.001	1.374	99.815	06/05/15	99.846	100.00%
3133ECQQ0		BANK					02/24/16		0.00	40,000	1.429	39,926	1.478		\$62
Callable 02/16@100							@100.000			\$126	1.430				

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PORTFOLIO SUMMARY - MARKET VALUE WEIGHTED - CD

23857121 - East Orange Cou

report as of 2/15/16

PORTFOLIO SUMMARY

Portfolio Totals

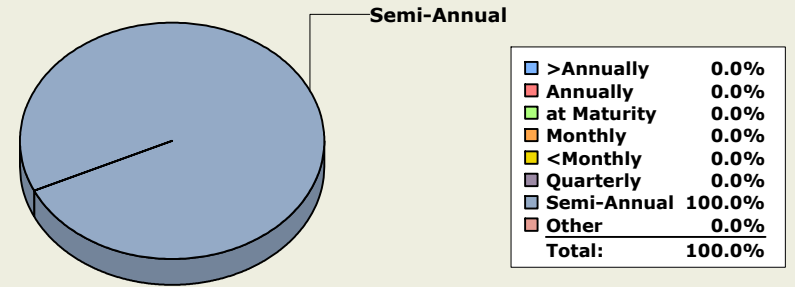
Priced Current Face	\$1,505,000
Positions	12 of 13
Market Value	\$1,508,765
Accrued Interest	\$5,824
Total Market Value	\$1,514,589
Est Annual Income	\$22,170

Portfolio Averages

** Coupon Rate	1.473%
Maturity	2.5yrs
Effective Maturity	2.5yrs
Modified Duration	2.4
Yield to Maturity	1.31%
Yield To Worst	1.31%
** Market Price	100.250

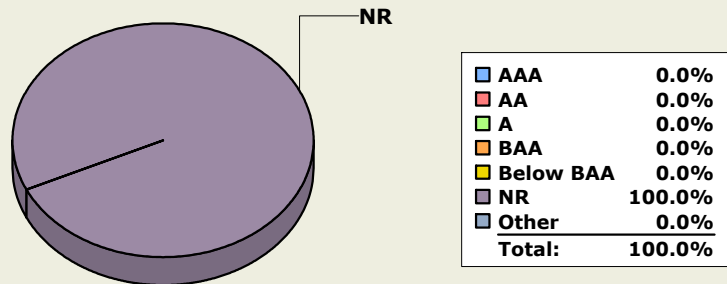
** Par Value wtd, other avgs Mkt Value wtd. Incl only positions with mkt value & calcs on report date.
For perpetual securities avg calcs, Final Maturity assume 40 yrs, Yield to Maturity uses strip yield.

INTEREST PAYMENT FREQUENCY



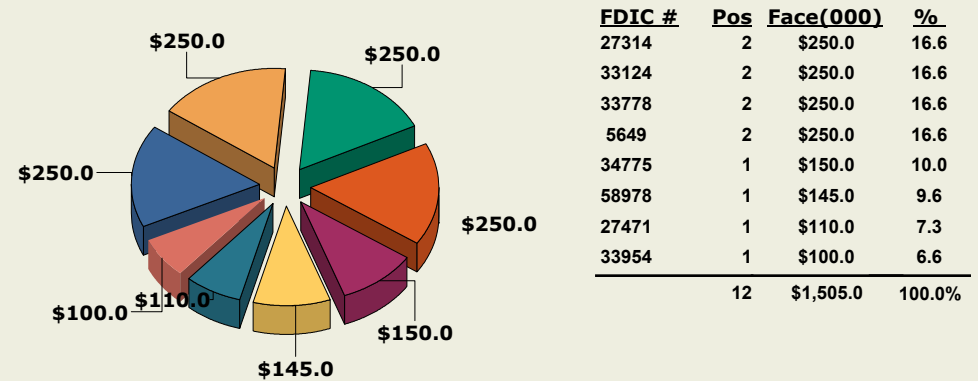
Includes only positions with market price & calculations on report date. Market Value-weighted.

PORTFOLIO RATING SUMMARY



Best of Short/Long term equivalent Moody's, Standard & Poor's, or Fitch Rating.
Includes only positions with market value & calculations on report date. Market Value-weighted.

CD EXPOSURE by FDIC NUMBER



Current Face Value - weighted

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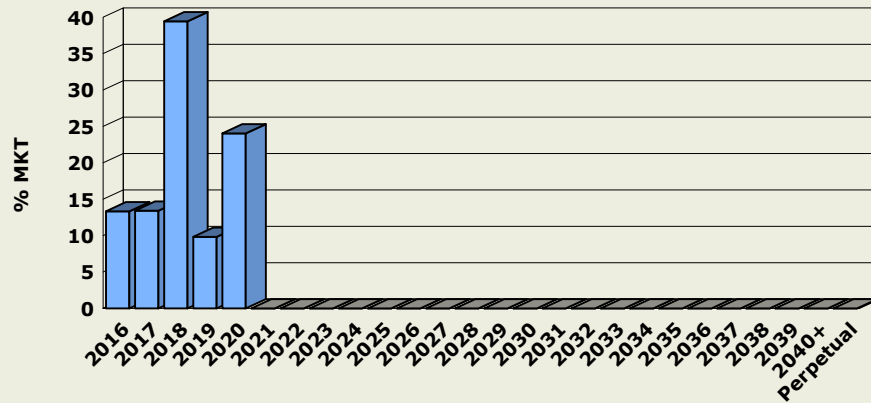
Data and evaluations are provided by Interactive Data Corp (IDC) and other sources deemed reliable.

PORTFOLIO SUMMARY - MARKET VALUE WEIGHTED - CD

23857121 - East Orange Cou

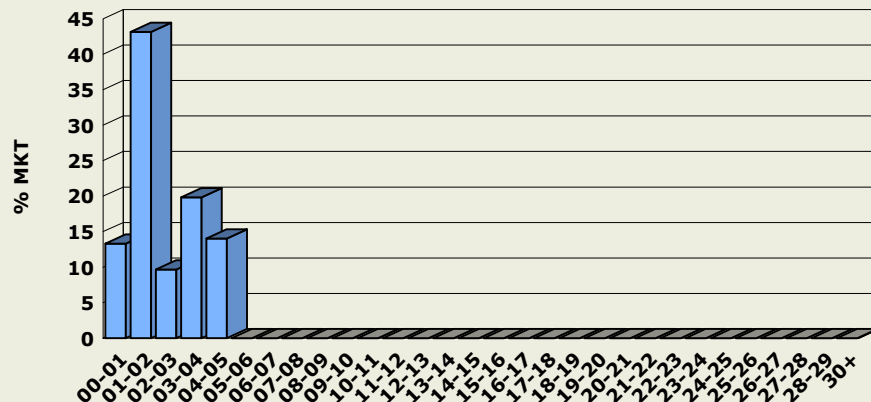
report as of 2/15/16

MATURITY EXPOSURE



Includes only positions with market price & calculations on report date. Market Value-weighted.

DURATION EXPOSURE



Includes only positions with market price & calculations on report date. Market Value-weighted.

PORTFOLIO EXPOSURE

<u>Maturity</u>			<u>Effective Maturity</u>			<u>Duration to Worst</u>		
Average: 2.51yrs			Average: 2.51yrs			Average: 2.42		
Year	\$ Mkt	% Mkt	\$ Mkt	% Mkt	Year	\$ Mkt	% Mkt	
2016	\$201,714	13.3%	\$201,714	13.3%	00-01	\$201,714	13.3%	
2017	\$202,953	13.4%	\$202,953	13.4%	01-02	\$653,542	43.1%	
2018	\$596,847	39.4%	\$596,847	39.4%	02-03	\$146,258	9.7%	
2019	\$148,957	9.8%	\$148,957	9.8%	03-04	\$300,272	19.8%	
2020	\$364,118	24.0%	\$364,118	24.0%	04-05	\$212,804	14.1%	
2021	-	-	-	-	05-06	-	-	
2022	-	-	-	-	06-07	-	-	
2023	-	-	-	-	07-08	-	-	
2024	-	-	-	-	08-09	-	-	
2025	-	-	-	-	09-10	-	-	
2026	-	-	-	-	10-11	-	-	
2027	-	-	-	-	11-12	-	-	
2028	-	-	-	-	12-13	-	-	
2029	-	-	-	-	13-14	-	-	
2030	-	-	-	-	14-15	-	-	
2031	-	-	-	-	15-16	-	-	
2032	-	-	-	-	16-17	-	-	
2033	-	-	-	-	17-18	-	-	
2034	-	-	-	-	18-19	-	-	
2035	-	-	-	-	19-20	-	-	
2036	-	-	-	-	20-21	-	-	
2037	-	-	-	-	21-22	-	-	
2038	-	-	-	-	22-23	-	-	
2039	-	-	-	-	23-24	-	-	
2040+	-	-	-	-	24-25	-	-	
Perpet	-	-	-	-	25-26	-	-	
					26-27	-	-	
					27-28	-	-	
					28-29	-	-	
					30+	-	-	

Avg life used in Effective Maturity for principal pay-downs.

Includes only positions with market price & calculations on report date. Market Value-weighted.

For Avg Maturity calculations, perpetual securities assume 40 yrs.

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PORTFOLIO POSITION DETAIL - CD

23857121 - East Orange Cou

report as of 2/15/16

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Type	Orig Face	Security Description	Moody's/S&P Insurer (secondary)	St BQ	AMT	Coupon	Maturity	Priced To	Duration	Eval Price	Eval YTW	Acq Price	Acq Date	Adj Cost	% Asset
CUSIP	Curr Face		Underlying						Convexity	Eval Value Accrued Int	Eval YTM Curr YLD	Acq Cost	Acq Yield		G / L
CD	100	DISCOVER BK	NR/NR		1.200	10/17/16	Maturity		0.65	100.477	0.475	100.000	10/17/12	99.999	6.66%
254671HC7		GREENWOOD DEL							0.01	100,477	0.475	100,000	1.200		\$478
Conditional Puts - Death of holder			FDIC #: 5649							\$411	1.194				
CD	100	GE CAPITAL BANK SALT	NR/NR		1.350	11/09/16	Maturity		0.71	100.449	0.726	100.499	11/19/12	100.092	6.66%
36161THC2		LAKE CITY, UT							0.01	100,449	0.726	100,499	1.221		\$357
Conditional Puts - Death of holder - Restricted States:			FDIC #: 33778							\$377	1.344				
CD	100	GE CAPITAL RETAIL	NR/NR		1.650	08/31/17	Maturity		1.50	100.878	1.070	100.750	10/25/12	100.243	6.69%
36160KPR0		BANK DRAPER UT							0.03	100,878	1.070	100,750	1.489		\$635
Conditional Puts - Death of holder - Restricted States:			FDIC #: 27314							\$773	1.636				
CD	100	GOLDMAN SACHS BK	NR/NR		1.550	10/03/17	Maturity		1.59	100.712	1.105	99.943	10/11/12	99.980	6.68%
38143AH57		USA NEW YORK FOR							0.03	100,712	1.105	99,943	1.562		\$732
Conditional Puts - Death of holder - Restricted States:			FDIC #: 33124							\$590	1.539				
CD	150	GOLDMAN SACHS BK	NR/NR		1.200	02/13/18	Maturity		1.95	99.900	1.251	100.000	02/13/13	100.000	9.93%
38143A6F7		USA NEW YORK FOR							0.05	149,850	1.251	150,000	1.200		(\$150)
Conditional Puts - Death of holder - Restricted States:			FDIC #: 33124							\$30	1.201				
CD	150	DISCOVER BK	NR/NR		1.100	02/20/18	Maturity		1.96	99.690	1.257	100.000	02/20/13	100.000	9.91%
254671KJ8		GREENWOOD DEL							0.05	149,535	1.257	150,000	1.100		(\$465)
Conditional Puts - Death of holder			FDIC #: 5649							\$827	1.103				
CD	150	GE CAPITAL BK	NR/NR		1.100	02/22/18	Maturity		1.97	99.686	1.259	100.000	02/22/13	100.000	9.91%
36161TJA4									0.05	149,529	1.259	150,000	1.100		(\$471)
Conditional Puts - Death of holder - Restricted States:			FDIC #: 33778							\$818	1.103				
CD	145	CIT BK SALT LAKE CITY	NR/NR		1.100	03/06/18	Maturity		2.01	100.367	0.918	100.000	03/06/13	100.000	9.65%
17284A6C7		UTAH							0.05	145,532	0.918	145,000	1.100		\$532
Conditional Puts - Death of holder			FDIC #: 58978							\$725	1.096				
CD	150	EVERBANK	NR/NR		1.500	11/15/19	Maturity		3.60	98.910	1.802	98.900	01/30/15	99.133	9.83%
29976DPF1		JACKSONVILLE FLA							0.15	148,365	1.802	148,350	1.740		(\$334)
Conditional Puts - Death of holder - Restricted States:			FDIC #: 34775							\$592	1.517				
CD	150	SYNCHRONY BANK	NR/NR		1.800	01/30/20	Maturity		3.79	100.778	1.596	100.000	01/30/15	99.999	10.02%
87164WFD5									0.17	151,167	1.596	150,000	1.800		\$1,168
Conditional Puts - Death of holder - Restricted States:			FDIC #: 27314							\$148	1.786				
CD	100	CAPITAL ONE BK USA	NR/NR		2.300	08/12/20	Maturity		4.24	101.389	1.975	100.000	08/12/15	100.000	6.72%
140420UF5		NATL ASSN GLEN							0.21	101,389	1.975	100,000	2.300		\$1,389
Conditional Puts - Death of holder			FDIC #: 33954							\$44	2.268				
CD	110	AMERICAN EXPRESS	NR/NR		2.250	12/09/20	Maturity		4.52	100.802	2.073	100.000	12/09/15	99.997	7.35%
02587DJ90		CENTURION BANK							0.23	110,882	2.073	110,000	2.250		\$886
Conditional Puts - Death of holder - Restricted States:			FDIC #: 27471							\$488	2.232				

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PORTFOLIO REINVESTMENT PROCEEDS REPORT

23857121 - East Orange Cou

report as of 2/15/16

Reinvestment Proceeds Available this Month (to 02/29/2016)

Coupon Payments	\$1,663.56
Projected Principal Paydowns	\$0.00
Maturing Proceeds	\$0.00
Called Bond Proceeds	\$0.00
Total Available	\$1,663.56

Reinvestment Proceeds Available next Month (03/01/2016 to 03/31/2016)

		<u>Cumulative</u>
Coupon Payments	\$1,618.05	\$3,281.62
Projected Principal Paydowns	\$0.00	\$0.00
Maturing Proceeds	\$0.00	\$0.00
Called Bond Proceeds	\$0.00	\$0.00
Total Available	\$1,618.05	\$3,281.62

Reinvestment Proceeds Available following Month (04/01/2016 to 04/30/2016)

		<u>Cumulative</u>
Coupon Payments	\$1,378.77	\$4,660.38
Projected Principal Paydowns	\$0.00	\$0.00
Maturing Proceeds	\$0.00	\$0.00
Called Bond Proceeds	\$0.00	\$0.00
Total Available	\$1,378.77	\$4,660.38

This report is a summary of cash flows available for reinvestment by period. More detail is available in the PORTFOLIO PROJECTED CASH FLOW SUMMARY and PORTFOLIO CASH FLOW DETAIL report components.

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PORTFOLIO CASH FLOW DETAIL

23857121 - East Orange Cou

report as of 2/15/16

Qty Held (000)	Security Description	Type	St	Coupon Rate	Maturity	Payment Date	Coupon Payment	Principal Payment	Total	CUSIP
150	DISCOVER BK GREENWOOD DEL Conditional Put	CD		1.100	02/20/18	02/20/16	\$831.78	-	\$831.78	254671KJ8
150	GE CAPITAL BK Conditional Puts - Death of holder	CD		1.100	02/22/18	02/22/16	\$831.78	-	\$831.78	36161TJA4
100	GE CAPITAL RETAIL BANK DRAPER UT Condition	CD		1.650	08/31/17	03/01/16	\$822.74	-	\$822.74	36160KPR0
145	CIT BK SALT LAKE CITY UTAH Conditional Puts - D	CD		1.100	03/06/18	03/06/16	\$795.32	-	\$795.32	17284A6C7
100	GOLDMAN SACHS BK USA NEW YORK FOR FUTU	CD		1.550	10/03/17	04/03/16	\$777.12	-	\$777.12	38143AH57
100	DISCOVER BK GREENWOOD DEL Conditional Put	CD		1.200	10/17/16	04/17/16	\$601.64	-	\$601.64	254671HC7
100	GE CAPITAL BANK SALT LAKE CITY, UT Condition	CD		1.350	11/09/16	05/09/16	\$673.15	-	\$673.15	36161THC2
150	EVERBANK JACKSONVILLE FLA Conditional Puts	CD		1.500	11/15/19	05/15/16	\$1,121.92	-	\$1,121.92	29976DPF1
40	FEDERAL FARM CREDIT BANK Callable 02/16@10	Agency		1.430	05/28/19	05/28/16	\$286.00	-	\$286.00	3133ECQQ0
110	AMERICAN EXPRESS CENTURION BANK Conditio	CD		2.250	12/09/20	06/09/16	\$1,240.89	-	\$1,240.89	02587DJ90
150	SYNCHRONY BANK Conditional Puts - Death of ho	CD		1.800	01/30/20	07/30/16	\$1,346.30	-	\$1,346.30	87164WFD5
100	CAPITAL ONE BK USA NATL ASSN GLEN ALLEN V	CD		2.300	08/12/20	08/12/16	\$1,146.85	-	\$1,146.85	140420UF5
150	GOLDMAN SACHS BK USA NEW YORK FOR FUTU	CD		1.200	02/13/18	08/13/16	\$897.53	-	\$897.53	38143A6F7
150	DISCOVER BK GREENWOOD DEL Conditional Put	CD		1.100	02/20/18	08/20/16	\$822.74	-	\$822.74	254671KJ8
150	GE CAPITAL BK Conditional Puts - Death of holder	CD		1.100	02/22/18	08/22/16	\$822.74	-	\$822.74	36161TJA4
100	GE CAPITAL RETAIL BANK DRAPER UT Condition	CD		1.650	08/31/17	09/01/16	\$831.78	-	\$831.78	36160KPR0
145	CIT BK SALT LAKE CITY UTAH Conditional Puts - D	CD		1.100	03/06/18	09/06/16	\$804.05	-	\$804.05	17284A6C7
100	GOLDMAN SACHS BK USA NEW YORK FOR FUTU	CD		1.550	10/03/17	10/03/16	\$777.12	-	\$777.12	38143AH57
100	DISCOVER BK GREENWOOD DEL Conditional Put	CD		1.200	10/17/16	10/17/16	\$601.64	\$100,000.00	\$100,601.64	254671HC7
100	GE CAPITAL BANK SALT LAKE CITY, UT Condition	CD		1.350	11/09/16	11/09/16	\$680.55	\$100,000.00	\$100,680.55	36161THC2
150	EVERBANK JACKSONVILLE FLA Conditional Puts	CD		1.500	11/15/19	11/15/16	\$1,134.25	-	\$1,134.25	29976DPF1
40	FEDERAL FARM CREDIT BANK Callable 02/16@10	Agency		1.430	05/28/19	11/28/16	\$286.00	-	\$286.00	3133ECQQ0
110	AMERICAN EXPRESS CENTURION BANK Conditio	CD		2.250	12/09/20	12/09/16	\$1,240.89	-	\$1,240.89	02587DJ90
150	SYNCHRONY BANK Conditional Puts - Death of ho	CD		1.800	01/30/20	01/30/17	\$1,361.10	-	\$1,361.10	87164WFD5
100	CAPITAL ONE BK USA NATL ASSN GLEN ALLEN V	CD		2.300	08/12/20	02/12/17	\$1,159.45	-	\$1,159.45	140420UF5
150	GOLDMAN SACHS BK USA NEW YORK FOR FUTU	CD		1.200	02/13/18	02/13/17	\$907.40	-	\$907.40	38143A6F7

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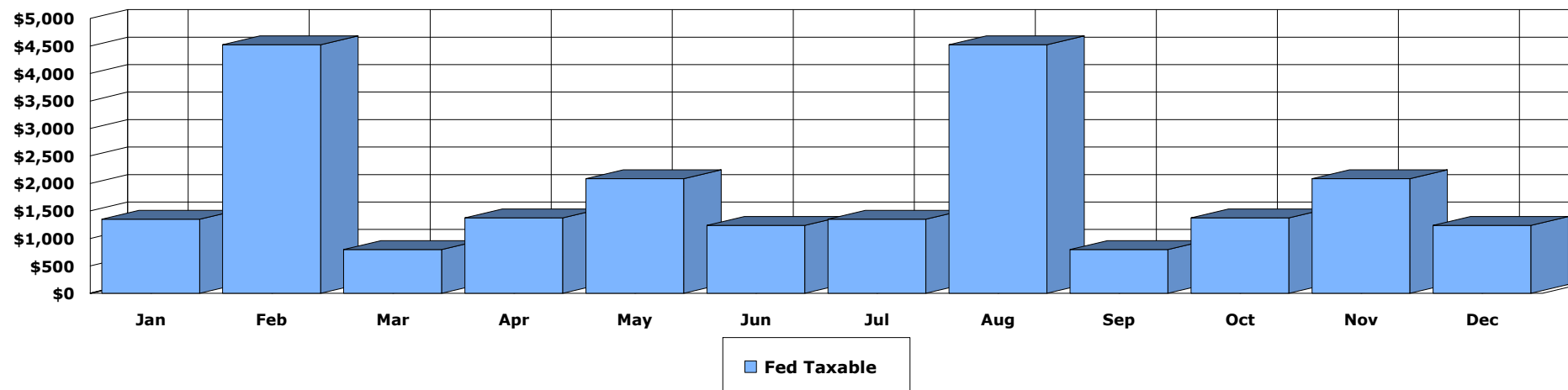
PORTFOLIO CASH FLOW

23857121 - East Orange Cou

report as of 2/15/16

ESTIMATED ANNUAL COUPON CASH FLOW SUMMARY

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Total</u>	<u>%Tot</u>
Agency	-	-	-	-	\$286	-	-	-	-	-	\$286	-	\$572	2.5%
CD	\$1,350	\$4,525	\$798	\$1,375	\$1,800	\$1,238	\$1,350	\$4,525	\$798	\$1,375	\$1,800	\$1,238	\$22,170	97.5%
Total	\$1,350	\$4,525	\$798	\$1,375	\$2,086	\$1,238	\$1,350	\$4,525	\$798	\$1,375	\$2,086	\$1,238	\$22,742	
Fed Taxable	\$1,350	\$4,525	\$798	\$1,375	\$2,086	\$1,238	\$1,350	\$4,525	\$798	\$1,375	\$2,086	\$1,238	\$22,742	100.0%
Fed TaxExempt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subj to AMT	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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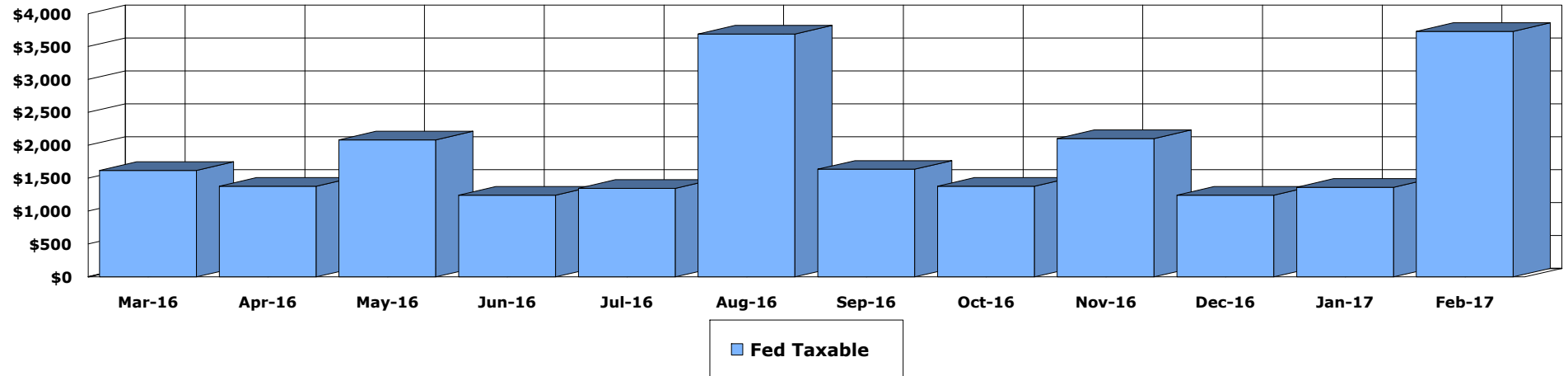
PORTFOLIO CASH FLOW

23857121 - East Orange Cou

report as of 2/15/16

COUPON CASH FLOW

	<u>Mar 16</u>	<u>Apr 16</u>	<u>May 16</u>	<u>Jun 16</u>	<u>Jul 16</u>	<u>Aug 16</u>	<u>Sep 16</u>	<u>Oct 16</u>	<u>Nov 16</u>	<u>Dec 16</u>	<u>Jan 17</u>	<u>Feb 17</u>	<u>Total</u>	<u>%Tot</u>
Agency	-	-	\$286	-	-	-	-	-	\$286	-	-	-	\$572	2.5%
CD	\$1,618	\$1,379	\$1,795	\$1,241	\$1,346	\$3,690	\$1,636	\$1,379	\$1,815	\$1,241	\$1,361	\$3,730	\$22,231	97.5%
Total	\$1,618	\$1,379	\$2,081	\$1,241	\$1,346	\$3,690	\$1,636	\$1,379	\$2,101	\$1,241	\$1,361	\$3,730	\$22,803	
Fed Taxable	\$1,618	\$1,379	\$2,081	\$1,241	\$1,346	\$3,690	\$1,636	\$1,379	\$2,101	\$1,241	\$1,361	\$3,730	\$22,803	100.0%
Fed TaxExempt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subj to AMT	-	-	-	-	-	-	-	-	-	-	-	-	-	-



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PORTFOLIO RATING / MATERIAL EVENT REPORT

23857121 - East Orange Cou

report as of 2/15/16

Security Description	Type	St	Qty	Coupon Rate	Maturity	% Mkt	Insurer Enhancement	Most Recent Material Events Date Published	Event Type	Event
DISCOVER BK GREENWOOD DEL	CD		100	1.200	10/17/16	6.49%	-			
254671HC7 Conditional Puts - Death of holder							-			
<div> <div>Moody Rating</div> <div>Standard & Poors Rating</div> <div>Fitch Rating</div> </div>										
Current Rating:	NR						NR			
Prior Current Rating:	-									
Underlying Rating:	-						-			
Prior Underlying Rating:	-									
Credit Watch:	-						-			
Outlook:	-						-			
GE CAPITAL BANK SALT LAKE CITY, UT	CD		100	1.350	11/09/16	6.49%	-			
36161THC2 Conditional Puts - Death of holder - Restricted States: OH,TX							-			
<div> <div>Moody Rating</div> <div>Standard & Poors Rating</div> <div>Fitch Rating</div> </div>										
Current Rating:	NR						NR			
Prior Current Rating:	-									
Underlying Rating:	-						-			
Prior Underlying Rating:	-									
Credit Watch:	-						-			
Outlook:	-						-			
GE CAPITAL RETAIL BANK DRAPER UT	CD		100	1.650	08/31/17	6.54%	-			
36160KPR0 Conditional Puts - Death of holder - Restricted States: TX							-			
<div> <div>Moody Rating</div> <div>Standard & Poors Rating</div> <div>Fitch Rating</div> </div>										
Current Rating:	NR						NR			
Prior Current Rating:	-									
Underlying Rating:	-						-			
Prior Underlying Rating:	-									
Credit Watch:	-						-			
Outlook:	-						-			

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Security Description	Type	St	Qty	Coupon Rate	Maturity	% Mkt	Insurer Enhancement	Most Recent Date Published	Material Events Event Type	Event
GE CAPITAL BK	CD		150	1.100	02/22/18	9.67%	-			
36161TJA4	Conditional Puts - Death of holder - Restricted States: OH,TX, FA									-
	<u>Moody Rating</u>	<u>Standard & Poors Rating</u>		<u>Fitch Rating</u>						
Current Rating:	NR	NR		NR						
Prior Current Rating:	-	-								
Underlying Rating:	-	-		-						
Prior Underlying Rating:	-	-								
Credit Watch:	-	-		-						
Outlook:	-	-		-						
CIT BK SALT LAKE CITY UTAH	CD		145	1.100	03/06/18	9.41%	-			
17284A6C7	Conditional Puts - Death of holder									-
	<u>Moody Rating</u>	<u>Standard & Poors Rating</u>		<u>Fitch Rating</u>						
Current Rating:	NR	NR		NR						
Prior Current Rating:	-	-								
Underlying Rating:	-	-		-						
Prior Underlying Rating:	-	-								
Credit Watch:	-	-		-						
Outlook:	-	-		-						
FEDERAL FARM CREDIT BANK	Agency		40	1.430	05/28/19	2.58%	-			
3133ECQQ0	Callable 02/16@100									-
	<u>Moody Rating</u>	<u>Standard & Poors Rating</u>		<u>Fitch Rating</u>						
Current Rating:	Aaa eff 10/30/2014	AA+ eff 05/21/2013		AAA eff 04/21/2015						
Prior Current Rating:	-	-								
Underlying Rating:	-	-		NR						
Prior Underlying Rating:	-	-								
Credit Watch:	-	-		-						
Outlook:		Stable eff 06/10/2013		-						

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Security Description		Type	St	Qty	Coupon Rate	Maturity	% Mkt	Insurer Enhancement	Most Recent Material Events Date Published	Event Type	Event
EVERBANK JACKSONVILLE FLA		CD		150	1.500	11/15/19	9.58%		-		
29976DPF1	Conditional Puts - Death of holder - Restricted States: TX								-		
	<u>Moody Rating</u>			<u>Standard & Poors Rating</u>		<u>Fitch Rating</u>					
	Current Rating: NR			NR		NR					
	Prior Current Rating: -			-							
	Underlying Rating: -			-		-					
	Prior Underlying Rating: -			-							
	Credit Watch: -			-		-					
	Outlook:			-		-					
SYNCHRONY BANK		CD		150	1.800	01/30/20	9.73%		-		
87164WFD5	Conditional Puts - Death of holder - Restricted States: TX								-		
	<u>Moody Rating</u>			<u>Standard & Poors Rating</u>		<u>Fitch Rating</u>					
	Current Rating: NR			NR		NR					
	Prior Current Rating: -			-							
	Underlying Rating: -			-		-					
	Prior Underlying Rating: -			-							
	Credit Watch: -			-		-					
	Outlook:			-		-					
CAPITAL ONE BK USA NATL ASSN GLEN A		CD		100	2.300	08/12/20	6.52%		-		
140420UF5	Conditional Puts - Death of holder								-		
	<u>Moody Rating</u>			<u>Standard & Poors Rating</u>		<u>Fitch Rating</u>					
	Current Rating: NR			NR		NR					
	Prior Current Rating: -			-							
	Underlying Rating: -			-		-					
	Prior Underlying Rating: -			-							
	Credit Watch: -			-		-					
	Outlook:			-		-					

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PORTFOLIO POSITION DETAIL

23857121 - East Orange Cou

report as of 2/15/16

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Type	Orig Face	Security Description	Moody's/S&P/Fitch* Insurer (secondary)	St BQ				Eval Price	Eval YTW				
CUSIP	Curr Face		Underlying	AMT	Coupon	Maturity	Priced To	Duration Convexity	Eval Value Accrued Int	Eval YTM Curr YLD	Acq Price Acq Cost	Acq Date Acq Yield	Adj Cost %
CD	100	DISCOVER BK	NR / NR		1.200	10/17/16	Maturity	0.65	100.477	0.475	100.000	10/17/12	99.999
254671HC7		GREENWOOD DEL						0.01	100,477	0.475	100,000	1.200	6.49%
Conditional Puts - Death of holder			FDIC #: 5649						\$411	1.194			\$478
CD	100	GE CAPITAL BANK	NR / NR		1.350	11/09/16	Maturity	0.71	100.449	0.726	100.499	11/19/12	100.092
36161THC2		SALT LAKE CITY, UT						0.01	100,449	0.726	100,499	1.221	6.49%
Conditional Puts - Death of holder - Restricted States			FDIC #: 33778						\$377	1.344			\$357
CD	100	GE CAPITAL RETAIL	NR / NR		1.650	08/31/17	Maturity	1.50	100.878	1.070	100.750	10/25/12	100.243
36160KPR0		BANK DRAPER UT						0.03	100,878	1.070	100,750	1.489	6.51%
Conditional Puts - Death of holder - Restricted States			FDIC #: 27314						\$773	1.636			\$635
CD	100	GOLDMAN SACHS BK	NR / NR		1.550	10/03/17	Maturity	1.59	100.712	1.105	99.943	10/11/12	99.980
38143AH57		USA NEW YORK FOR						0.03	100,712	1.105	99,943	1.562	6.50%
Conditional Puts - Death of holder - Restricted States			FDIC #: 33124						\$590	1.539			\$732
CD	150	GOLDMAN SACHS BK	NR / NR		1.200	02/13/18	Maturity	1.95	99.900	1.251	100.000	02/13/13	100.000
38143A6F7		USA NEW YORK FOR						0.05	149,850	1.251	150,000	1.200	9.68%
Conditional Puts - Death of holder - Restricted States			FDIC #: 33124						\$30	1.201			(\$150)
CD	150	DISCOVER BK	NR / NR		1.100	02/20/18	Maturity	1.96	99.690	1.257	100.000	02/20/13	100.000
254671KJ8		GREENWOOD DEL						0.05	149,535	1.257	150,000	1.100	9.66%
Conditional Puts - Death of holder			FDIC #: 5649						\$827	1.103			(\$465)
CD	150	GE CAPITAL BK	NR / NR		1.100	02/22/18	Maturity	1.97	99.686	1.259	100.000	02/22/13	100.000
36161TJA4								0.05	149,529	1.259	150,000	1.100	9.65%
Conditional Puts - Death of holder - Restricted States			FDIC #: 33778						\$818	1.103			(\$471)
CD	145	CIT BK SALT LAKE CITY	NR / NR		1.100	03/06/18	Maturity	2.01	100.367	0.918	100.000	03/06/13	100.000
17284A6C7		UTAH						0.05	145,532	0.918	145,000	1.100	9.40%
Conditional Puts - Death of holder			FDIC #: 58978						\$725	1.096			\$532
Agency	40	FEDERAL FARM CREDIT	Aaa / AA+		1.430	05/28/19	Call	0.02	100.001	1.374	99.815	06/05/15	99.846
3133ECQQ0		BANK					02/24/16	0.00	40,000	1.429	39,926	1.478	2.58%
Callable 02/16@100							@100.000		\$126	1.430			\$62
CD	150	EVERBANK	NR / NR		1.500	11/15/19	Maturity	3.60	98.910	1.802	98.900	01/30/15	99.133
29976DPF1		JACKSONVILLE FLA						0.15	148,365	1.802	148,350	1.740	9.58%
Conditional Puts - Death of holder - Restricted States			FDIC #: 34775						\$592	1.517			(\$334)
CD	150	SYNCHRONY BANK	NR / NR		1.800	01/30/20	Maturity	3.79	100.778	1.596	100.000	01/30/15	99.999
87164WFD5								0.17	151,167	1.596	150,000	1.800	9.76%
Conditional Puts - Death of holder - Restricted States			FDIC #: 27314						\$148	1.786			\$1,168
CD	100	CAPITAL ONE BK USA	NR / NR		2.300	08/12/20	Maturity	4.24	101.389	1.975	100.000	08/12/15	100.000
140420UF5		NATL ASSN GLEN						0.21	101,389	1.975	100,000	2.300	6.55%
Conditional Puts - Death of holder			FDIC #: 33954						\$44	2.268			\$1,389
CD	110	AMERICAN EXPRESS	NR / NR		2.250	12/09/20	Maturity	4.52	100.802	2.073	100.000	12/09/15	99.997
02587DJ90		CENTURION BANK						0.23	110,882	2.073	110,000	2.250	7.16%
Conditional Puts - Death of holder - Restricted States			FDIC #: 27471						\$488	2.232			\$886

A disclaimer and definitions of terms are provided at the end of this report. Please read thoroughly before making any investment decisions.

Data and evaluations are provided by Interactive Data Corp (IDC) and other sources deemed reliable.

* Fitch displayed for municipal bonds only.

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PORTFOLIO EXCEPTION AND REDEMPTIONS

23857121 - East Orange Cou

report as of 2/15/16

Security Description	Type CUSIP	St	Qty	Cpn	Maturity	Acq Cost Acq Date
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No Exceptions

Terms and Definitions

Accrued Interest

The amount of interest that has accumulated from and including the most recent interest payment date or dated date up to but not including the date of settlement.

Adjustable and Floating Rate Bonds

A bond for which the interest rate is adjusted periodically according to a predetermined formula (i.e. linked to an index). In case of variable securities such as step-ups or floaters, the initial yield may be lower than the yield on comparable fixed -rate bonds in return for the potential of higher yields over the life of the investment.

Adjusted Price (Adj Price)

Acquisition price adjusted by amortization of a premium or accretion of a discount using the constant yield method as recommended by the IRS except preferreds.

Alternative Minimum Tax (AMT)

Taxation based on an alternative method of calculating federal income tax intended to ensure that taxpayers are not able to avoid paying any federal income tax.

Auction Rate Preferred Securities (ARS)

Floating-rate bonds where the rate is periodically reset by a dutch auction.

BQ (Bank Qualified Bonds)

Designation given to bonds when the issuer expects to issue no more than \$10 million in par in the calendar year.

Convexity

A measure of the change in a security's duration with respect to changes in interest rates. The more convex a security is, the more its duration will change with interest rate changes.

Coupon

The bond's annual interest rate expressed as a percentage. Payment frequency may vary with each security and some bonds pay interest at maturity.

Coupon Cash Flow (Graph)

Cash flow over the next 12 months including atypical interest payments for first or last coupons. Auction, Floating and Variable rate securities assume constant coupon rate to maturity which may not represent actual future results.

Current Face Value

The current amount of principal outstanding on a security, which is calculated by multiplying the original face value by the most recent factor (i.e. discount bond, Collateralized Mortgage Obligation or factored security).

Current Yield

The ratio of interest paid to the purchase or market price, stated as a percentage. For example, a bond with a current market price of \$1,000 that pays \$60 per year in interest would have a current yield of 6%.

Effective Maturity

The date to which a bond is priced taking into account embedded options (i.e. call or pay down features). Call or average life dates are substituted for maturity dates on bonds priced to a call for portfolio average calculations.

Estimated Annual Coupon Cash Flow (Graph)

Estimated Annual Income (see below) in monthly graphical format.

Estate Protection Feature (survivor's option, death put)

This feature allows the estate of the beneficial holder to return the bond to the issuer at face (par) value in the event of the beneficial holder's death, regardless of the price at which the security is trading at that time. If this security has a zero coupon, then it will be redeemed at the accreted value. As certain limitations may apply, please refer to each individual issuer's prospectus, offering circular or disclosure document.

Estimated Annual Income

Annual cash flow from coupon payments based on current portfolio composition; does NOT reflect long or short first coupon payments or maturing bonds. Auction, Floating and Variable rate securities assume constant coupon rate to maturity which may not represent actual future results.

G/L (Unrealized Gain/Loss)

The difference between the adjusted purchase price of the bond and its current evaluated market price.

Insurer

The company that guarantees the payment of principal and interest on the bonds (also includes PSF a credit enhancement provided by the Texas Permanent School Fund).

Market Price

Price per \$100 based on current market as determined by third party data sources; subject to change without notice.

Market Value

The sum of each security's most recent market price multiplied by quantity held.

Maturity

The date on which the bond is due; unpaid principal balance is payable and interest payments stop. Adjusted for pre-refunded, crossover refunded and mandatory put bonds. Certain securities may reflect average life based upon principal pay-down assumptions.

Modified Duration

A measurement of price volatility when interest rates change. Bonds of similar duration will have similar price movements for a given move in interest rates. Effective Duration takes into account any calls, puts or other options of the security.

Mortgage-Backed Securities

Mortgage backed securities are generally regarded as higher yielding investments with relative safety of principal. However, the potential reward of higher yields is dependent on the predictability of timing the return of principal contingent upon the cash flows from the underlying mortgage pools. Homeowners have the option of prepaying their principal at any time. For those well-diversified portfolios looking for an additional yield and willing to accept the prepayment risk, mortgage backed securities are an alternative worth investigating. Fannie Mae, Ginnie Mae, and Freddie Mac are government sponsored enterprises backing the timely payment of principal and interest. This backing does not protect against loss of principal if sold prior to maturity.

Original Face Value (Par)

The face value or original principal amount of a security on its issue date.

Past Performance

There can be no assurance that past performance will be repeated in the future.

Preferred Securities

Preferred securities are considered fixed income investments as their income payments are generally fixed over the term of the investment and will react similarly to other debt investments to changes in the market conditions. Preferred securities are quoted on either current yield or yield to call if trading at a premium. Some preferred securities may have a deferrable interest feature, which allows the issuer, in certain circumstances, to defer interest payments between 5 to 10 years or longer depending on the security. The deferred income will generally accumulate, but will be considered as ordinary income for the year in which it is accrued, even though the holder of the security receives no payment until the issuer reinstates interest payments. If deferred, the ability of issuer to reinstate interest payments is subject to credit worthiness of the issuer.

Term to Maturity and Early Redemption (call)

Except where noted, the investments shown are for a specified term. Some investments provide for the maturity extension by the issuer. Some preferred securities are perpetual and, therefore, have no stated maturity date. The yields displayed assume ownership until maturity date or termination date. Should your ownership cease for any reason prior to that date, the amount of principal you receive may differ from that originally invested (market risk), and your return may differ from that shown. Certain early redemption features, such as calls, provide the issuer an option to repay principal prior to maturity and may change the term of the investment. The likeliness of a call may vary, and may depend upon prevailing interest rates and credit condition of issuers. Bonds may only be called at the issuer's option, on predetermined dates or at any time with notice.

Total Market Value

Market value plus accrued interest as of the last pricing date.

Yield to Maturity

Yield to final maturity based on current market evaluation. Adjusted for pre-refunded, crossover refunded and mandatory put bonds. Auction, Floating and Variable rate securities assume constant coupon rate to maturity which may not represent actual future results.

Yield to Worst

Yield to applicable call, average life or maturity date whichever is lowest based on current market evaluation. Auction, Floating and Variable rate securities assume constant coupon rate to maturity which may not represent actual future results.

Disclaimer

YIELDS REPRESENT YIELD TO MATURITY OR YIELD TO WORST CALL AS INDICATED. PLEASE REVIEW THIS INFORMATION CAREFULLY WITH YOUR FINANCIAL ADVISOR TO ASSURE IT MEETS YOUR INVESTMENT OBJECTIVES.

Minimum purchases may apply. Prices and yields are subject to change based upon market conditions and availability.

An overview of these investments, their features and risks is available at raymondjames.com, "Smart Bond Investing" at finra.org, under "Learn More" at investinginbonds.com, or emma.msrb.org.

RISK CONSIDERATIONS: These securities are subject to risk factors that may decrease (or increase) the market value of your investment. Interest or dividend rate risk is the risk that changes in interest rates may reduce (or increase) the market value of your investment. Generally, a rise in interest rates decreases market price; while a fall in interest rates increases market price. Default or credit risk is the risk that the issuer, obligor, or insurer will be unable to make interest payments or repay principal when due. Liquidity risk is the risk that you will be unable to sell these securities in the secondary market. If you decide to sell prior to maturity, your proceeds may be more or less than the original cost, and may be subject to capital gains or loss.

CREDIT RISK OR DEFAULT RISK refers to the risks that the issuer's creditworthiness may weaken or possibly the issuer will not be able to pay interest or repay principal. Adverse changes in the creditworthiness and rating may decrease value of the investment. Generally, higher yields and/or lower ratings reflect higher perceived credit risk. Independent rating agencies provide actual and underlying security ratings on most securities which at times include future outlook and/or placement of the security under review for future action. These ratings are subject to change at any time and are not meant as a recommendation to buy, sell or hold. Securities with the same rating can actually trade at significantly different prices. Raymond James trade confirmations, online accounts and monthly statements display only the current ratings and subsequent changes of those Rating Agencies to which Raymond James subscribes. Investors may request Moody's and/or S&P credit reports from their financial advisors, and Fitch reports are available for municipal bonds. To learn more please refer to moodys.com <<http://moodys.com>>, standardandpoors.com <<http://standardandpoors.com>>, and [fitchratings.com](http://www.fitchratings.com) <<http://www.fitchratings.com>>

Insurance, if specified, relates to the timely payment of principal and interest. Insurance does not guarantee market value or protect against fluctuations in bond prices resulting from general market fluctuations. No representation is made as to the insurer's ability to meet its financial commitments and the underlying credit should be considered. High yield bonds are not suitable for all investors and are generally considered speculative in nature with greater potential loss of interest and/or principal. Brokered Certificate of Deposit FDIC insurance covers up to \$250,000 (including principal and interest) for deposits held in different ownership categories, including single accounts, joint accounts, trust accounts, IRAs, and certain other retirement accounts, per issuer. Funds may not be withdrawn until the maturity date or redemption date. However, these CDs are negotiable, which means, that although not obligated to do so, Raymond James and other broker/dealers currently maintain an active secondary market at current interest rates. FDIC insurance does not guarantee market value or protect against fluctuations in CD prices resulting from general market changes.

INCOME: In general, fixed income investments pay a fixed interest rate coupon. Some bonds, however can pay variable payments such as step coupons and or variable rates based on a predetermined formula. Interest from taxable zero coupon securities is subject to annual taxation as ordinary income, even though no income is received. Certain federally tax-exempt municipal securities, although federally tax-exempt, may be subject to federal alternative minimum tax (AMT). Brokered CDs-annual percentage yields (APY) represents the interest earned based on simple interest calculations

MATURITY: Brokered CDs with a maturity of longer than 1 yr are considered as Long-Term. Certain early redemption features, such as a call at issuer's option, provide the issuer an option to repay principal prior to maturity and may change the term of the investment. Certain brokered CDs are also callable at the option of the issuer. Modified Duration and Convexity are measures of price sensitivity of a fixed-income security to changes in interest rates. Modified

Duration is the approximate percentage change in price that would occur with a 1% change in interest rates. Convexity estimates the impact of interest rate changes on modified duration. Modified Duration and Convexity may be used together to approximate price volatility of fixed-income securities. Modified Duration does not account for early redemption features, such as calls by the issuer. Mortgage-backed securities and Collateralized Mortgage Obligations (CMOs) are priced based on average life which includes prepayment assumptions that may or may not be met and changes in prepayments may significantly affect yield and average life.

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Investors are urged to consult with their own tax advisors with regard to their specific situation prior to making any investment decisions with tax consequences.

The portfolio evaluation is intended as a tool to assist our clients manage their fixed income investments. The following analysis is based on information supplied to us by you or your financial advisor and other sources believed to be reliable but are not guaranteed for accuracy or completeness. We are not responsible for errors in report listings or incorrect information supplied by our various subscribed services. Due to the data complexity, some securities may not be included in the portfolio analysis. Opinions, projections, and estimates are subject to change without notice and may be based on industry conventions that do not make a complete analysis of every material fact. Any substantial change in interest rates, market conditions and credit quality of the issuer may not be reflected in the evaluation. There can be no assurance that past performance can be repeated in the future. This firm or persons associated with it may at any time be long or short any securities mentioned in this report and may from time to time sell or buy such securities. This firm or one of its affiliates may from time to time perform investment banking or other services for, or solicit investment banking or other business from any company mentioned herein. Further, an employee of this firm may be a director of a company mentioned here. For complete information about proposed new issue bonds, including expenses and charges, obtain a prospectus from your financial advisor. Information in this report is not intended and should not be used for any official tax, lending, or legal purposes. Please contact your tax or legal advisor regarding the tax treatment and consequences of fixed income investments. This report does not supersede or replace your monthly statement. No part of this document may be reproduced in any manner without written permission of the Fixed Income Department of Raymond James.

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MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: APPOINTMENT OF DISTRICT TREASURER
DATE: FEBRUARY 18, 2016

Background

Last July, the Board appointed Cindy Byerrum, CPA of Platinum Consulting Group as the District Treasurer on an interim basis pending the recommendations of the Finance Committee.

Water Code Section 30540(b)(1) requires the appointment of either an Auditor (as an independent contractor) or a Treasurer to carry out the duties required under Section 30582: “install and maintain a system of auditing and accounting that shall completely and at all times show the financial condition of the district.”

The Pun Group fulfills the independent Auditor role required under Sections 30540, however there are Treasurer duties that are not performed by the Auditor, and that provide a needed level of internal control over cash and investments. These duties include:

- A. Periodic investment of funds at the direction of the Board of Directors.
- B. Annual review of the District's Investment Policy and submission of recommended changes to the Finance Committee and Board of Directors.
- C. Preparation of monthly Treasurer's Report, including review of statement reconciliation.
- D. Transfer of funds between accounts at the request of District staff to facilitate bill payments and/or maximize investment returns.
- E. Attend and participate in the annual Audit Interview with the External Auditor.
- F. Provide any and all information requested by the External Auditor during the annual audit.
- G. Provide periodic information and opinions regarding investments as requested by the Board and District staff;
- H. Other related services as requested.

Ms. Byerrum has been performing these duties well, and has provided value-added services in that she acts as Treasurer for other agencies and has been able to provide us with comparative information regarding portfolio returns and investment strategies, and has confirmed the prudence and effectiveness of our approach. Based upon her performance and the value brought to the agency, staff recommends that the Board appoint Ms. Byerrum to the permanent Treasurer's position.

Fiscal Impact

The estimated cost for these services is \$4,500 per year. Funds have been budgeted in Account #'s 5263-10 and 5263-20; expenditures are expected to continue at the same level and remain within the funds budgeted.

Recommendation

The Board appoint Ms. Cindy Byerrum, CPA of the Platinum Consulting Group as the District Treasurer.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: CLASSIFICATION/COMPENSATION & EMPLOYEE BENEFIT RECOMMENDATIONS
DATE: FEBRUARY 18, 2016

Background

Employee retention rates are an important indicator of a business' ability to maximize the investment made in hiring and training employees; many studies show that the total cost of losing an employee can range from thousands to 1.5-2.0 times annual salary. EOCWD has historically enjoyed high retention rates and has benefitted inordinately - through excellent customer service and competitive rates - from a small, well-trained workforce. There are many tools we use to retain our employees: competitive salaries and benefits, a workplace that is responsive to their desire for fulfilling professional development and one that is a happy place to work, with harmonious relationships at all levels.

Looking forward, EOCWD may be challenged to provide competitive salaries and benefits as well as a fulfilling professional development path for our employees. Currently, an upward career path is limited for both field and office employees, both in terms of the potential to move upward in job classification, and in terms of encouraging advanced education outside of the workplace. Recognizing this situation, the Finance Committee recently reviewed and recommended:

- 1) Amending the Classification and Compensation Schedule to reflect the results of the 2016 Classification and Compensation Study;
- 2) Creation of eight (8) new job classifications that provide upward career mobility;
- 3) Creation of an educational reimbursement account to be included in the FY 16/17 Budget;
- 4) Creation of a five percent (5%) pay premium for holding licensing or certification that provides a measurable benefit to the District;
- 5) Creation of Wastewater Operator I, II and III job classifications in anticipation of the transfer of sewer services to the District; and
- 6) Establishment of a salary range for the General Manager that is reflective of the results of the Classification and Compensation Survey. The Committee recommended separating this from the actual salary negotiations with the General Manager so as to provide uniformity in classification and compensation policy.

Attached to this memo is the recommended Classification and Compensation Schedule with classifications listed by Fair Labor Standards Act (FLSA) Status (Exempt or Non-Exempt). Additions to the schedule are shown with bold and italicized Position Titles. Existing classification are shown in regular type. The recommended salary ranges are based upon the attached Classification and Compensation Survey of benchmarked positions. Based upon the key surveyed positions, job classifications that are higher or lower are provided a 15% differential to retain vertical separation and avoid salary compaction.

The attached Classification and Compensation Survey is an update of the last survey that was performed in July 2014. The survey includes the current salary ranges for the five agencies that were

surveyed in 2014, as well as the addition of a sixth agency, Yorba Linda Water District. Please note that while some adjustments to the salary ranges were made at that time, salary ranges **were not** adjusted to the median shown in the survey at that time. The recommendations contained in this proposed Classification and Compensation Schedule **do** recommend adjusting salary ranges to the median of the survey.

2

Creation of an educational reimbursement budget, is a sound business practice, and one that all of the surveyed agencies include in their own compensation packages and operating budgets. This reimbursement is designed to encourage staff to obtain job relevant, college-level education during their off-hours (the District would continue to send staff to appropriate job related training of all kinds). College level liberal arts and science/engineering studies benefit the District by instilling critical thinking and enhanced technical skills that enable them to work independently and with greater knowledge and efficiency. Staff recommends the initial establishment of a \$5,500 budget, and returning to the Board with a policy that details reimbursement criteria.

Similarly, creation of a budget that would reward employees for holding licensing or certification in excess of that which their current job requires is a significant benefit to the District on a daily basis. It provides opportunities for cross-training and cross-efficiencies, as well as provides depth to the emergency response pool. Staff recommends the initial establishment of a \$7,000 budget, also returning to the Board with a policy that details reimbursement criteria.

Financial Impact

There is no immediate financial impact realized with the creation of the new classifications, nor with approval of the survey median for the job classifications. There would be an immediate financial impact to the FY 15/16 Budget of approximately \$3,422 for the licensing pay differential (6-month impact, annual impact = \$6,845 per year), as staff is recommending that this differential pay be made effective January 1, 2016. There is no immediate budgetary impact to the creation of the educational reimbursement account as this is recommended to be included in the FY 16/17 Budget (at an initial cost of \$5,000).

Recommendation

The Board approve the six recommendations of the Finance Committee.

Classification and Compensation Schedule (Proposed)

February 18, 2016

FLSA Status	Position Title	Current Salary Range	Proposed Salary Range
Exempt Management	General Manager	\$9,584-\$9,483	\$13,583-\$18,338
	Operations Manager	N/A	\$10,079 - 13,606
	Administrative Services Manager/Assistant Board Secretary	N/A	\$8415-\$11,360
Non-Exempt - Field	Superintendent	\$6,897-\$9,311	\$7,013-\$9,468
	Water Supervisor	N/A	\$5,869-\$7,923
	Wastewater Supervisor	N/A	\$5,683-\$7,672
	Water Operator III	\$4,386-\$7,043	\$4,891-\$7,043
	Water Operator II	\$3,814-\$6,124	\$4,253-\$5,742
	Water Operator I	\$3,316-\$5,325	\$3,697-\$4,991
	Wastewater Operator III	N/A	\$4,736-\$6,394
	Wastewater Operator II	N/A	\$4,118-\$5,559
	Wastewater Operator I	N/A	\$3,581-\$4,835
Non-Exempt - Administrative/Financial/Customer Service			
	Management Analyst III	N/A	\$7,589-\$10,245
	Management Analyst II	N/A	\$6,599-\$8,909
	Management Analyst I	\$5,670-\$7,650	\$5,738-\$7,746
	Administrative Assistant III	N/A	\$6,383-\$8,617
	Administrative Assistant II	N/A	\$5,550-\$7,493
	Administrative Assistant I	\$4,653-\$6,282	\$4,826-\$6,515
	Office Assistant F/T	N/A	\$3,141-\$4,241
	Office Assistant P/T	\$14.14-\$17.50/hr	\$18.12-\$24.46/hr

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

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: General Manager

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	General Manager	\$13,772.00	\$21,484.00	56%
City of Orange	No Comparable Position			
City of Santa Ana	No Comparable Position			
City of Tustin	No Comparable Position			
Laguna Beach County Water District	General Manager	\$20,166.67	\$20,166.67	
El Toro Water District	General Manager	\$19,841.25	\$19,841.25	0%
Serrano Water District	General Manager	\$13,583.33	\$13,583.33	0%
Mesa Water	General Manager	\$22,119.00	\$22,119.00	0%
Yorba Linda Water District	General Manager	\$13,712.56	\$16,707.43	22%
Median		\$17,199.14	\$18,983.61	10%
East Orange County Water District¹	General Manager	\$9,583.33	\$9,583.33	0%
Δ (Difference)		(\$7,615.80)	(\$9,400.28)	
Proposed Salary Range	General Manager	\$13,583.33	\$18,337.50	35%

Benchmark Criteria: Chief executive of the district. Responsible for all aspects of the District's operations and for the implementation of district policy as set by the Board of Directors.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Operations Manager

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Executive Director of Operations	\$11,333.00	\$17,224.00	52%
City of Orange	Water Manager	\$8,898.00	\$11,411.00	28%
City of Santa Ana	Water Resources Manager	\$9,393.00	\$13,941.00	48%
City of Tustin	Water Services Manager	\$9,215.66	\$11,815.89	28%
Mesa Water	Water Operations Manager	\$11,534.00	\$15,901.00	38%
Yorba Linda Water District	Operations Manager	\$10,094.93	\$12,299.73	22%
Median		\$10,078.10	\$13,765.44	37%
East Orange County Water District¹	No Current Position	N/A	N/A	N/A
Δ (Difference)				
Proposed Salary Range	Operations Manager	\$10,078.10	\$13,605.43	35%

Benchmark Criteria: Under the direction of the General Manager, plans organizes, oversees, coordinates and reviews the work of staff related to all programs and activities of the district's water and wastewater operations. Requires a Grade III Water Treatment Operators License, a Grade IV Water Distribution Operator license and Grade II CWEA Wastewater Collection Systems Certification.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Administrative Services Manager/Assistant Board Secretary

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Human Resources Manager	\$7,328.00	\$10,296.00	41%
City of Orange	Deputy City Clerk	\$7,624.00	\$9,776.00	28%
City of Santa Ana	Administrative Services Manager	\$8,511.00	\$12,632.00	48%
City of Tustin	Administrative Services Manager	\$8,318.92	\$10,666.13	28%
Mesa Water	Administrative Services Manager	\$11,534.00	\$15,901.00	38%
Yorba Linda Water District	Records Management Administrator	\$7,174.27	\$8,741.20	22%
Median		\$8,415.03	\$11,335.39	35%
East Orange County Water District¹	No Comparable Position	N/A	N/A	N/A
Δ (Difference)				
Proposed Salary Range	Administrative Services Manager	\$8,415.03	\$11,360.29	35%

Benchmark Criteria: Under limited supervision, excercises independent judgment in the direction, oversight, coordination and operations of the district's administrative functions. Oversees administrative operations and supervises staff on a day-to-day basis. Acts as Assistant Board Secretary.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Superintendent

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Operations Supervisor	\$6,067.00	\$8,617.00	42%
City of Orange	Assistant Water Manager	\$8,054.00	\$10,328.00	28%
City of Santa Ana	Senior Water Operations Supervisor	\$5,992.00	\$8,029.00	34%
City of Tustin	Water Treatment Supervisor	\$7,037.42	\$9,023.05	28%
Mesa Water	Water Operations/Maintenance Supervisor	\$7,395.00	\$10,195.00	38%
Yorba Linda Water District	Water Production Superintendent	\$7,533.07	\$9,178.00	22%
Median		\$7,013.08	\$9,228.34	32%
East Orange County Water District¹	Superintendent	\$6,896.92	\$9,310.83	35%
Δ (Difference)		(\$116.16)	\$82.49	
Proposed Salary Range	Water/Wastewater Supervisor	\$7,013.08	\$9,467.66	35%

Benchmark Criteria: Under limited supervision, excercises independent judgment in the direction, oversight, coordination and review of staff performing difficult and complex professional, technical an administrative support related to the operation and maintenance of the District's wholesale and retail water and wastewater operations. Supervises district field operations (water & wastewater) in the absence of the Operations Manager.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Water Distribution II

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Operator II*	\$3,958.00	\$7,245.00	83%
City of Orange	Water Plant Operator II	\$4,232.00	\$5,427.00	28%
City of Santa Ana	Water Systems Operator II	\$4,173.00	\$5,596.00	34%
City of Tustin	Water Distribution Operator II	\$4,013.92	\$5,146.46	28%
Mesa Water	Water Systems Operator II	\$4,296.00	\$6,867.00	60%
Yorba Linda Water District	Water Quality Technician II	\$4,845.80	\$5,915.87	22%
Median		\$4,253.12	\$6,032.89	42%
East Orange County Water District	Water Distribution Operator II	\$3,813.33	\$6,123.50	61%
Δ (Difference)		(\$439.79)	\$90.61	
Proposed Salary Range	Water/Wastewater Operator II	\$4,253.12	\$5,741.71	35%

Benchmark Criteria: Under general supervision, performs a variety of water, wastewater operational, maintenance, repair, water quality and general system duties. Requires Grade II Water Distribution Operator license and Grade I CWEA Wastewater Collection System certification.

* Denotes minimum pay for Operator I and maximum pay for Operator III - IRWD doesn't show Operator II minimum or maximum salary range

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Wastewater Collection Operator II

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Collection System Technician II	\$3,958.00	\$5,542.00	40%
City of Orange	N/A	N/A	N/A	N/A
City of Santa Ana	Water Services Operator II	\$3,640.00	\$4,883.00	34%
City of Tustin	N/A	N/A	N/A	N/A
Mesa Water	N/A	N/A	N/A	N/A
Yorba Linda Water District	Maintenance Distribution Operator II	\$4,404.40	\$5,366.40	22%
City of Newport Beach	Senior Utilities Specialist	\$4,161.73	\$5,856.93	41%
City of Huntington Beach	Wastewater Operations Leadworker	\$4,842.93	\$5,997.33	24%
City of Fullerton	Sewer Program Specialist	\$3,701.00	\$4,723.00	28%
Median		\$4,118.01	\$5,394.78	31%
East Orange County Water District	N/A	N/A	N/A	N/A
Δ (Difference)				
Proposed Salary Range	Water/Wastewater Operator II	\$4,118.01	\$5,559.31	35%

Benchmark Criteria: Under general supervision, performs a variety of skilled and semi-skilled wastewater operational, maintenance, repair, water quality and general system duties. Requires Grade II CWEA Wastewater Collection System certification.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Management Analyst

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Analyst	\$5,681.00	\$7,667.00	35%
City of Orange	Administrative Analyst II	\$5,377.00	\$6,896.00	28%
City of Santa Ana	Management Analyst	\$5,640.00	\$7,200.00	28%
City of Tustin	Management Analyst	\$5,443.32	\$6,979.16	28%
Mesa Water	Financial Analyst	\$5,777.00	\$8,791.00	52%
Yorba Linda Water District	Management Analyst	\$6,506.93	\$7,928.27	22%
Median		\$5,737.54	\$7,576.91	32%
East Orange County Water District	Management Analyst	\$5,670.00	\$7,650.00	35%
Δ (Difference)		(\$67.54)	\$73.09	
Proposed Salary Range	Management Analyst	\$5,737.54	\$7,745.68	35%

Benchmark Criteria: Under minimal supervision, possesses significant level of specialized, technical or functional administrative and/or bookkeeping expertise and is assigned responsibility to exercise routine independent decision making and take action to resolve issues within the scope of the position. Supervises office staff in absence of General Manager.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Administrative Assistant

Agency	Class Title	Monthly Salary Range		Range Spread
		Min	Max	
Irvine Ranch Water District	Administrative Assistant	\$5,681.00	\$7,667.00	35%
City of Orange	Administrative Assistant	\$3,908.00	\$5,011.00	28%
City of Santa Ana	Office Supervisor	\$4,054.00	\$5,434.00	34%
City of Tustin	Management Assistant	\$4,304.59	\$5,519.14	28%
Mesa Water	Financial Services Assistant	\$5,106.00	\$7,039.00	38%
Yorba Linda Water District	Human Resource Analyst	\$5,902.00	\$7,191.60	22%
Median		\$4,825.93	\$6,310.29	31%
East Orange County Water District	Administrative Assistant	\$4,652.75	\$6,281.83	35%
Δ (Difference)		(\$173.18)	(\$28.46)	
Proposed Salary Range	Administrative Assistant	\$4,825.93	\$6,515.01	35%

Benchmark Criteria: Under general supervision, performs varied administrative, customer service, billing, human resources and bookkeeping services. May directly supervise subordinate administrative staff.

East Orange County Water District
Classification and Compensation Study
February 2016

BENCHMARK TITLE: Office Assistant Full-Time & Part-Time

Agency	Class Title	Monthly Salary Range			Range Spread	Hourly Salary Range			Range Spread
		Min	Max			Min	Max		
Irvine Ranch Water District	Office Specialist	\$ 3,528.00	\$ 4,840.00		37%	\$20.35	\$17.92		-12%
City of Orange	Office Assistant	\$ 2,955.00	\$ 3,790.00		28%	\$17.05	\$21.87		28%
City of Santa Ana	Office Assistant	\$ 2,896.00	\$ 3,880.00		34%	\$16.71	\$22.38		34%
City of Tustin	Office Assistant	\$ 2,872.13	\$ 3,683.33		28%	\$16.57	\$21.25		28%
Mesa Water	Office Assistant	\$ 3,614.00	\$ 4,982.00		38%	\$20.85	\$28.74		38%
Yorba Linda Water District	Office Clerk	\$ 2,981.33	\$ 3,633.07		22%	\$17.20	\$20.96		22%
Median		\$ 3,141.08	\$ 4,134.73		32%	\$18.12	\$22.19		22%
East Orange County Water District	Office Assistant F/T & P/T	\$ 2,450.93	\$ 2,450.93		0%	\$14.14	\$14.14		0%
Δ (Difference)		(\$690.14)	(\$1,683.80)			(\$3.98)	(\$8.05)		
Proposed Salary Range	Office Assistant F/T & P/T	\$3,141.08	\$4,240.46		35%	\$18.12	\$24.46		35%

Benchmark Criteria: Under general supervision, performs varied administrative, customer service, billing, conservation, human resources and bookkeeping services on a part-time basis as needed.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: CONFERENCE AND MEETING ATTENDANCE REQUEST
DATE: FEBRUARY 16, 2016

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:

- Elected Officials Forum – April 7, 2016, 6:00 p.m. MWDOC

The Board President is the designated attendee; one other District elected official is invited to attend.

FISCAL IMPACT

No financial impact

RECOMMENDATION

If desired, designate an additional Board Member to attend this meeting.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LOCAL SEWER TRANSFER
DATE: FEBRUARY 18, 2016

ACTIVITIES UPDATE

Outreach & Communications

On January 7, 2015, General Manager Ohlund met with members of the Lincoln Club Water Issues Committee and presented background information regarding the sewer transfer.

OC LAFCO/OCSD

There was no LAFCO Meeting held in January. General Manager Ohlund responded to several information requests from LAFCO Project Manager Ben Legbandt regarding the revised EOCWD 100-Year Financing Model (with bond issuance) submission.

General Manager Ohlund attended the OCSD Board Meeting on January 27th. The Board approved an agreement with IRWD for transfer of the sewers that was substantially similar, but not identical, to the agreement that OCSD entered into with EOCWD. Significantly, the same assurances regarding dedication of flows originating from other transferred and/or consolidated areas were not dedicated to OCSD, nor were the existing flows that go to IRWD through the HATS system pledged to OCSD (approximately 1 MGD). General Manager Ohlund noted this to the OCSD Board; OCSD counsel concurred.

RECOMMENDATION

Information item only; no action required.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – JANUARY 2016
DATE: FEBRUARY 18, 2016

Wholesale Zone Water Demands

Attached is a graphical representation of the Wholesale Zone water demand through January 31, 2016. Water sales for the month of January totaled 63.7 AF; total year-to-date sales are 1,507.6 AF. This is a 54.40 AF or 75.9% decrease in demand from January, 2015.

Retail Zone Water Demands

Page 1 of the attached report is an overview of the sources of water supply and our monthly usage (45 AF). Currently, all water supplied to the RZ is from the groundwater basin. With the end of the Coastal Pumping Transfer Program (CPTP), we will begin to provide some imported water to the RZ.

Page 2 of the report depicts our 10-year water usage and how much of this was groundwater versus imported water. As shown on this graph, drought allocations begun in 2014/15 have reduced total demand below the 10 year average of 1,070 AF. We expect that this will continue to decrease this year due to the enhanced conservation required under the drought.

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

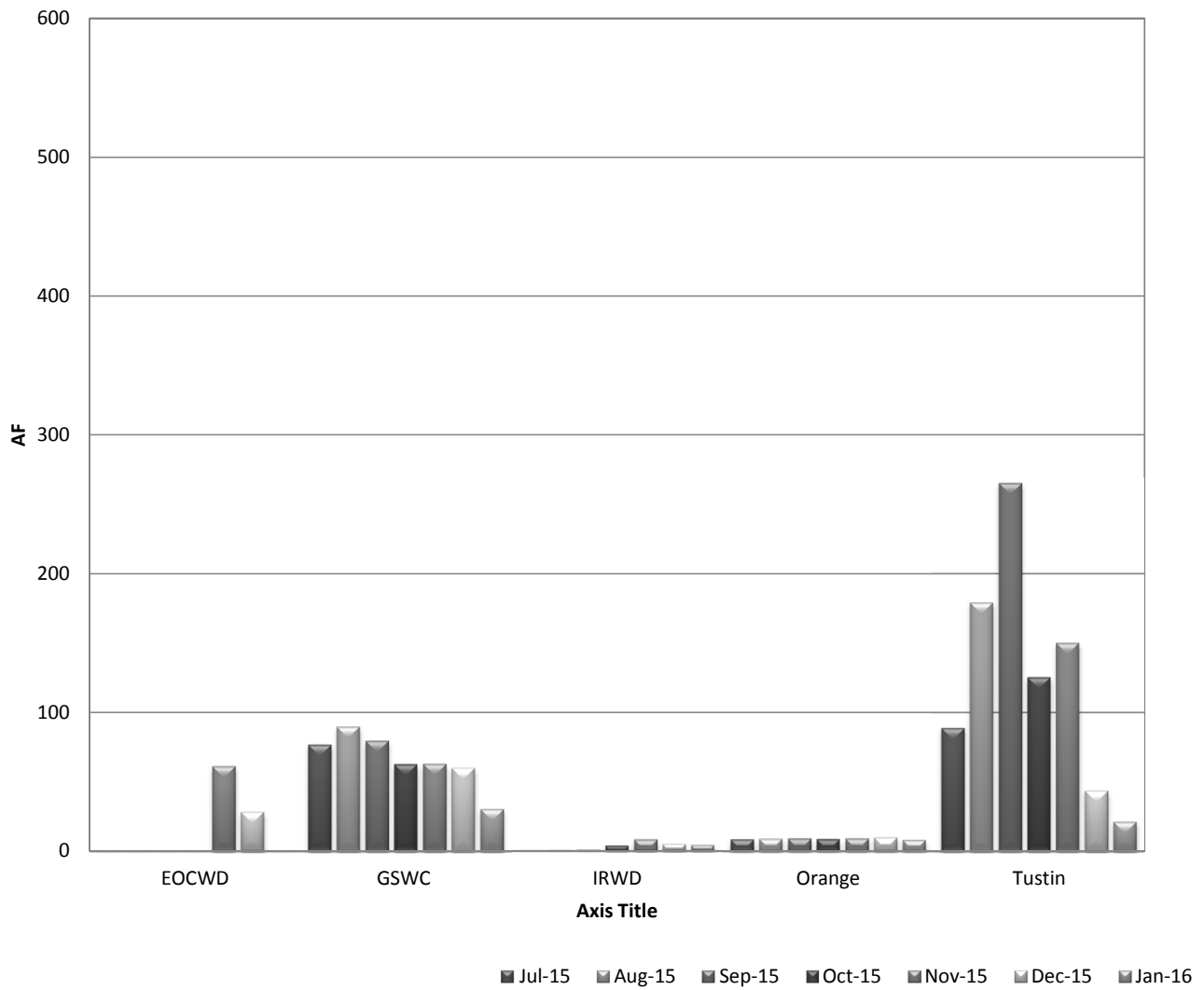
As shown on Page 4, total production for the month of January was 29 AF; this is 30 AF (51%) lower than our demand for January 2015, and 34 AF (54%) lower than our average demand for the last 6 years.

Also attached are graphs depicting the Retail Zone's water demand, including a table that shows "gallons per capita per day" or GPCD. The effect of the increased conservation is shown very vividly here - the table shows our residents' per person, per day water consumption for the month of **January 2016 (93)** compared to **January 2015 (190)**. This number is derived by dividing the total amount of water used by the population (a number calculated by the Center for Demographics at Cal State Fullerton). For comparison, the average GPCD for the South Coast area of California is 176 GPCD (Source: Department of Water Resources). The average GPCD for RZ customers for FY 2014/15 was 246 GPCD.

Wholesale Zone Water Demand

Total Monthly Sales for January, 2016 = 63.70 AF

Total YTD Sales for July 2015 - January 2016 = 1,507.63 AF



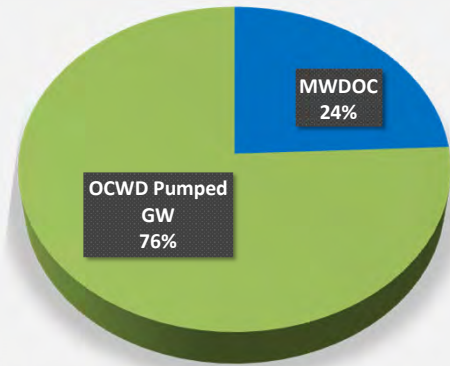
East Orange County Retail Zone Water Usage Report

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

Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	-	-	-	-	60	28	-	-	-	-	-	-	89
OCWD Pumped GW	54	69	60	46	0	17	29	-	-	-	-	-	275
Total	54	69	60	46	61	45	29	-	-	-	-	-	364

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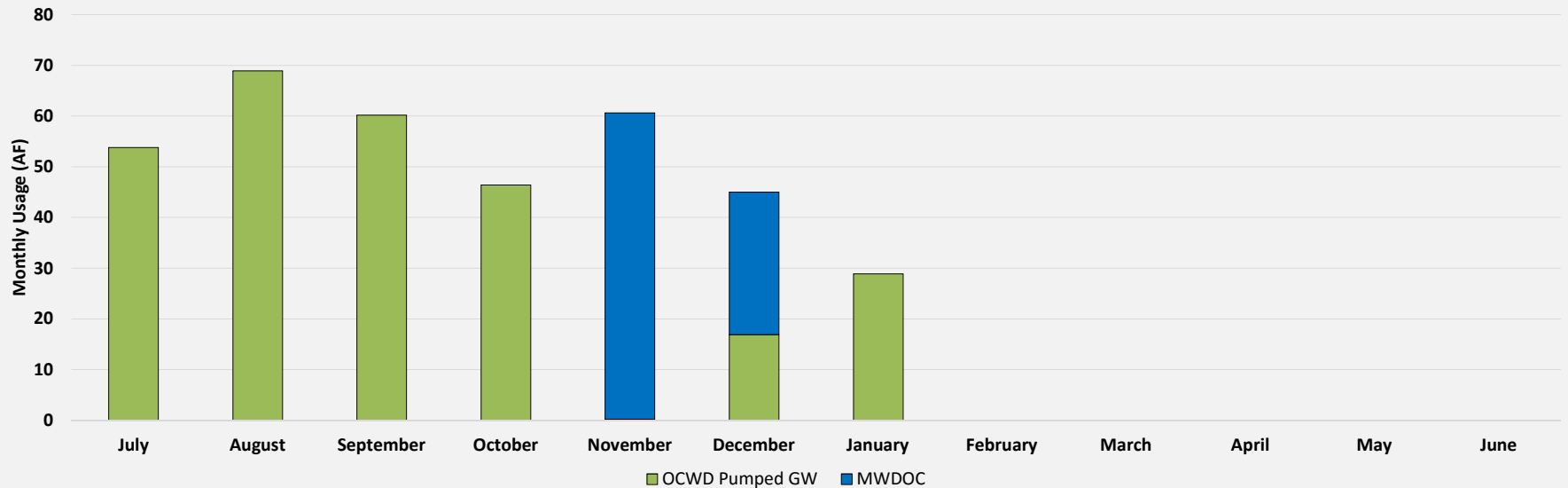
2015-16 Sources of Water Supply



MWDOC Calendar Year and Fiscal Year Purchases



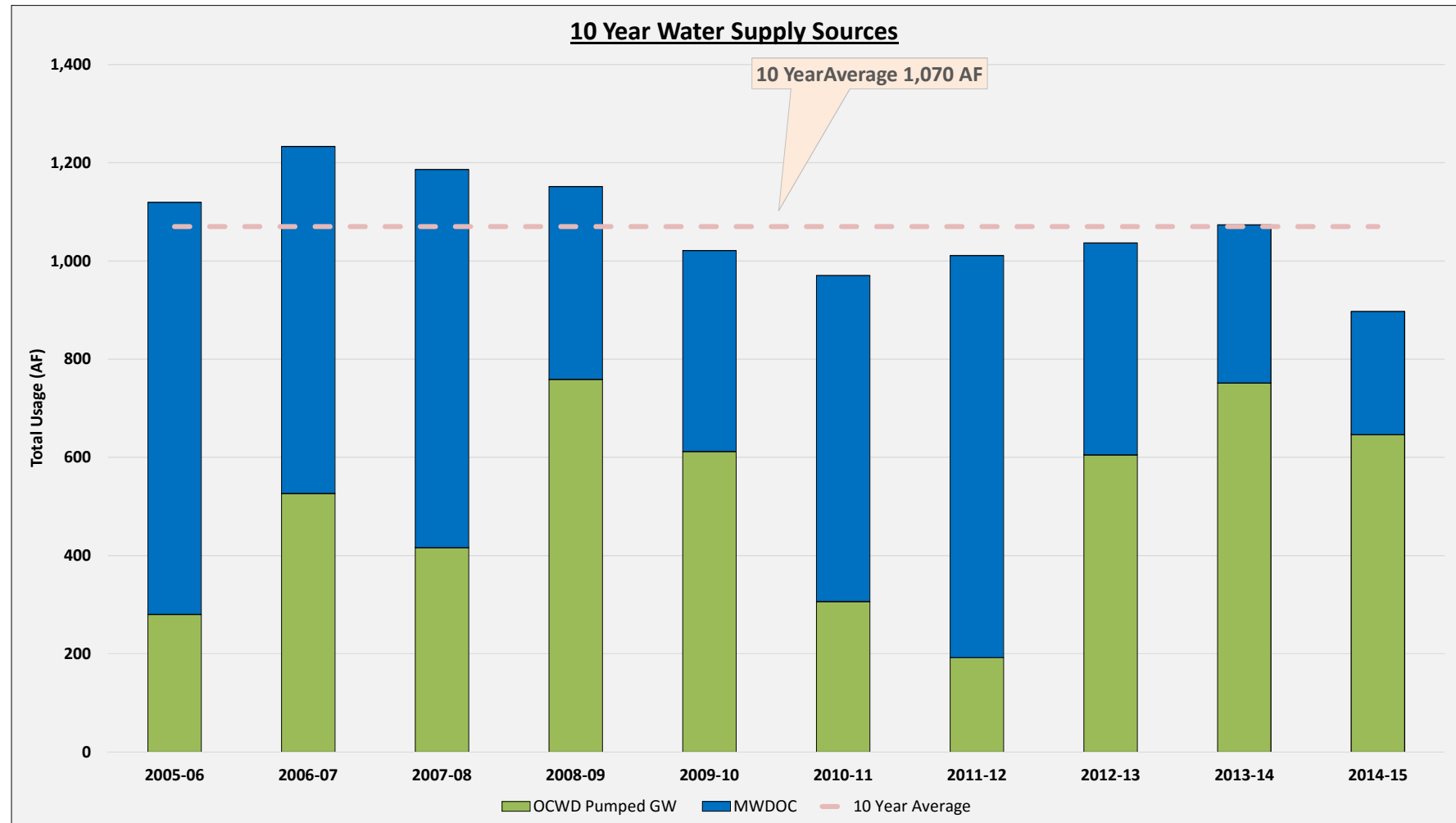
2015-16 Water Supply Sources



East Orange County Retail Zone Water Usage Report

Annual Water Usage

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

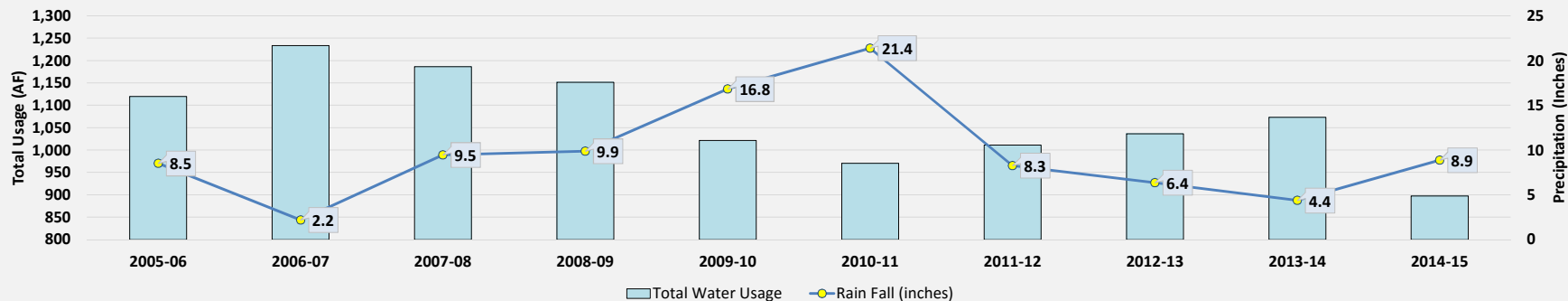


East Orange County Retail Zone Water Usage Report

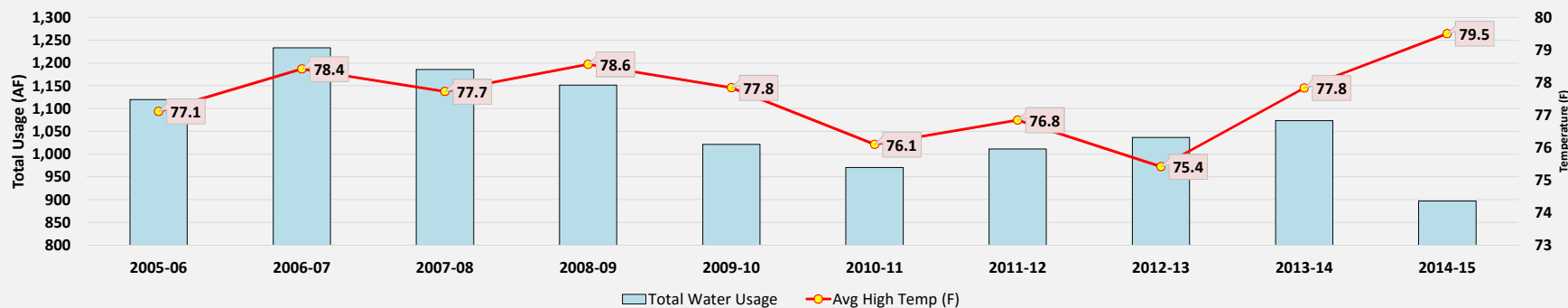
Water Usage Variables

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

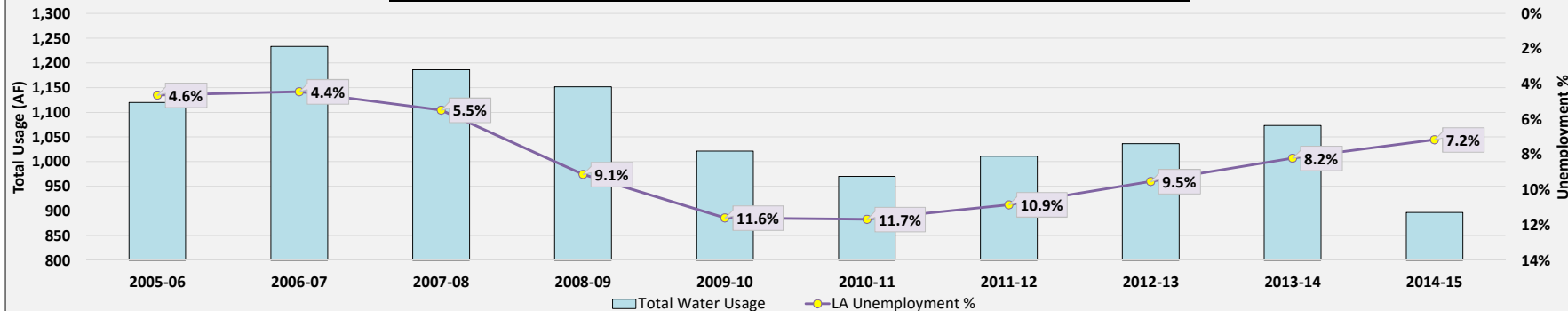
10 Year Water Usage VS Precipitation (SNA #121 Station)



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



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



East Orange County Retail Zone Water Usage Report

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

Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	Total
2008-09 Usage	127	127	114	108	96	57	91	46	83	101	103	100	1,152
2009-10 Usage	123	124	112	97	86	55	52	35	59	74	96	110	1,021
2010-11 Usage	112	118	109	76	73	49	58	55	54	78	92	98	970
2011-12 Usage	120	119	98	88	63	68	71	58	67	65	95	100	1,011
2012-13 Usage	114	118	107	99	75	42	58	62	73	85	101	103	1,037
2013-14 Usage	104	108	111	94	87	66	81	63	69	80	108	103	1,073
2014-15 Usage	100	104	102	93	74	41	59	53	72	73	52	74	897
Average of Last 6 FYs	112	115	106	91	76	53	63	54	66	76	91	98	1,002
Monthly Usage Percentage	11%	11%	11%	9%	8%	5%	6%	5%	7%	8%	9%	10%	100%

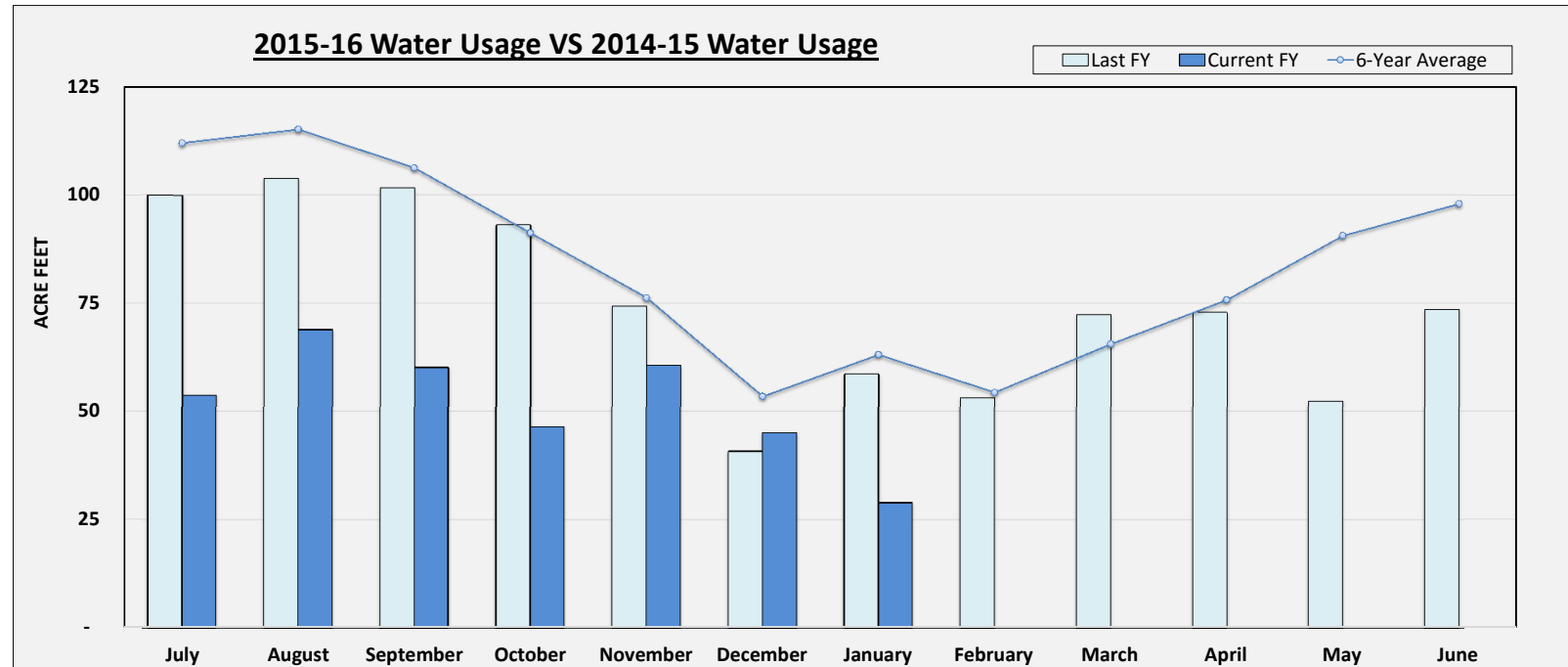
Water Usage By Source

Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	-	-	-	-	60.4	28.1	-	-	-	-	-	-	88.5
CPTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Imported Total	-	-	-	-	60	28	-	-	-	-	-	-	88.50

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	53.8	68.9	60.2	46.4	0.2	16.9	28.9	-	-	-	-	-	275.3
Less CPTP	-	-	-	-	-	-	-	-	-	-	-	-	-
Local Total	54	69	60	46	0	17	29	-	-	-	-	-	275.30

Total Usage 2015-16	54	69	60	46	61	45	29	-	-	-	-	-	363.80
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FY 14-15 versus FY 13-14 -46% -34% -41% -50% -19% +10% -51%

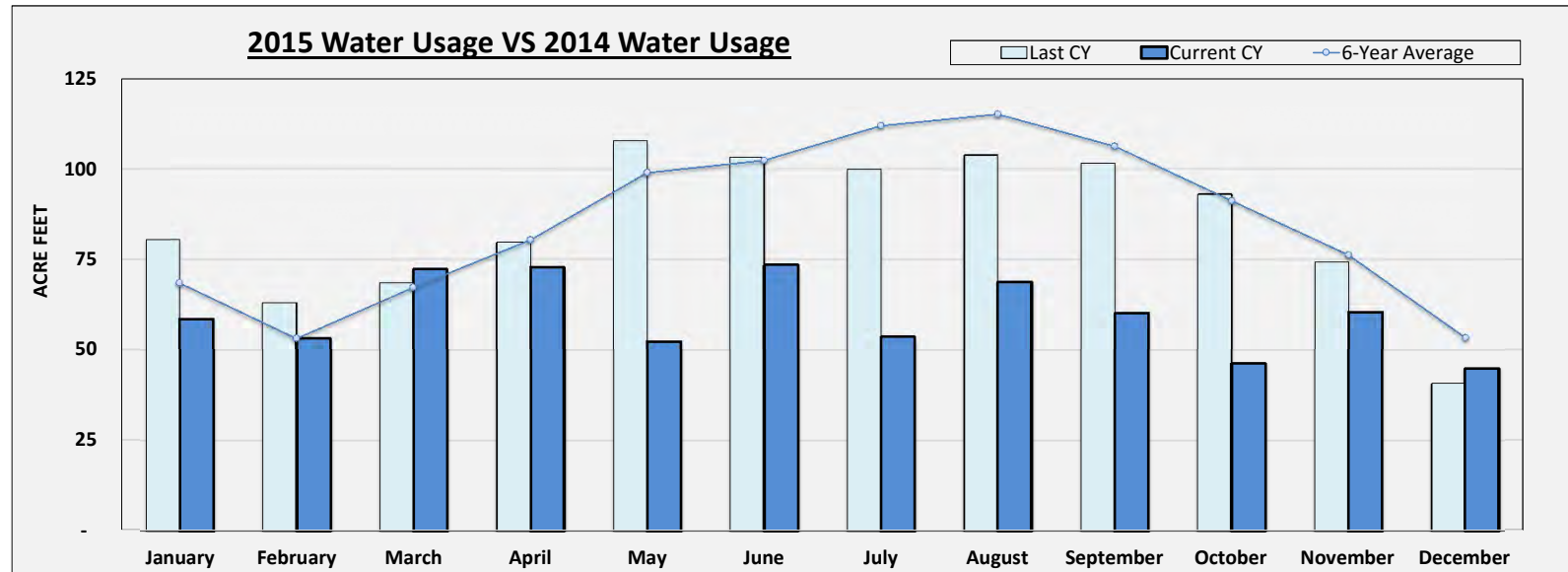


East Orange County Retail Zone Water Usage Report

Historical Monthly Potable Usage (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2009	91	46	83	101	103	100	123	124	112	97	86	55	1,120
2010	52	35	59	74	96	110	112	118	109	76	73	49	962
2011	58	55	54	78	92	98	120	119	98	88	63	68	990
2012	71	58	67	65	95	100	114	118	107	99	75	42	1,010
2013	58	62	73	85	101	103	104	108	111	94	87	66	1,052
2014	81	63	69	80	108	103	100	104	102	93	74	41	1,017
6 year Average	69	53	67	80	99	102	112	115	106	91	76	53	1,025

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



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

	Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2014-15 Usage (AF)		100	104	102	93	74	41	59	53	72	73	52	74	897
2014-15 GPCD	3,249	323	336	340	301	249	132	190	191	234	244	170	246	246
2015-16 Usage (AF)		54	69	60	46	61	45	29	-	-	-	-	-	364
2015-16 GPCD	3,257	174	222	201	150	202	145	93	-	-	-	-	-	172
FY over FY change in GPCD		-150	-114	-139	-151	-47	+13	-97						-75

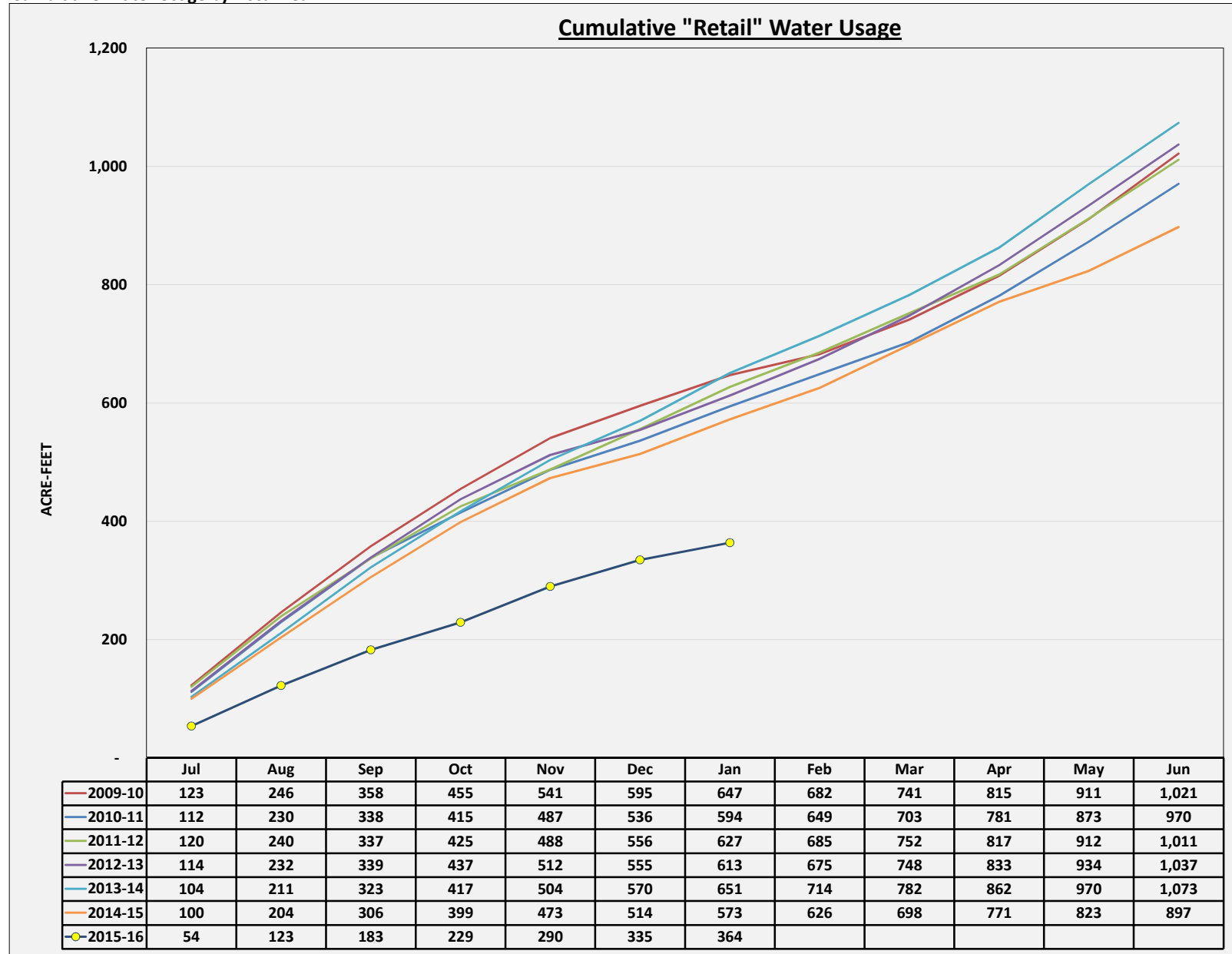
*Cumulative through the end of the last month shown

*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 - January 2016

<i>Activity</i>	<i>Date</i>	<i>Action</i>
Meetings		
Water Loss Workshop-Jerry	January 12, 2016	Jerry attended the Water Loss Workshop offered at MWDOC.
Water Waste/High Water Bill Phone Calls		
Turf Removal pre-inspection-Minh	January 8, 2016	Customer at Barrett Hill Circle had a Turf Removal -Pre-Inspection.
Water conservation assistance-Minh	January 12, 2016	Customer at Orange Knoll requested assistance with water conservation and irrigation help.
Water conservation assistance-Minh	January 12, 2016	Customer at Baja Panorama requested assistance. Customer has 20 fruit trees. The irrigation system was fine.
Turf removal post-inspection-Matt	January 26, 2016	Customer at Daniger Road had a Turf Removal Post- Inspection. Customer was thanked for doing everything they can to conserve water.
Water conservation assistance-Minh	January 26, 2016	EOCWD conducted a water conservation assistance at Villa del Cerro to check the irrigation system for any possible leaks.

Water conservation assistance-Minh	January 26, 2016	Customer at Villa del Cerro had a water conservation appointment to check the meter and the irrigation area for any possible leaks.
WUE Meetings/Materials		
MET Survey	January-16	Reviewed results of MET commissioned telephone survey of 1,000 people. Most respondents are willing to conserve, but believe they have done everything they can; public support is high for infrastructure investments, resistant to prohibitions on the installation of swimming pools; awareness of need for water conservation is high.
Drought Social Media/Print Messaging Efforts		
Facebook	January-16	Site is updated on a weekly basis by Communications Lab staff and EOCWD staff. Ten posts were shared in EOCWD's Facebook page.
Twitter	January-16	Twitter activity is maintained by Communications Lab staff providing content. Ten tweets were shared in Twitter.
EOCWD Drought Page on Website	January-16	Drought- Web site was not update with any water conservation content.

Foothill Sentry Ad	January-16	The Foothills Sentry release shows a 39.6% water reduction for January 2016.
Orange County Register	January-16	Orange County Value of Water Campaign series in the Register includes feature story on EOCWD efforts to meet 36% cutback.
Customer Rebate Activities		
None	January-16	No rebate activity for January 2016.
Groundwater Replenishment System (GWRS) Credits		
MWDOC/OCWD	January 31, 2016	The GWRS production allocated to EOCWD can be reported as Indirect Potable Reuse (IPR). For the month of January, EOCWD showed an IPR credit of 13.7 acre feet (equivalent to 4.5 million gallons or 40 % of the RZ's January demand) that was sent to GWRS by sewer customers in the RZ for eventual reuse through the groundwater wells. This number represents "new" water that wasn't imported.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: GENERAL INTEREST PUBLICATIONS
DATE: FEBRUARY 18, 2016

BACKGROUND

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

- *"Vote 'yes' on Paso Robles groundwater district to keep management local"* Phil Dirkx, San Luis Obispo Tribune, February 16, 2016
- *"Water districts consider merger"* Sam Matthews, Tracy Press News, February 12, 2016

RECOMMENDATION

Information only; no action required.

OVER THE HILL FEBRUARY 11, 2016 10:36 AM

Vote 'yes' on Paso Robles groundwater district to keep management local

HIGHLIGHTS



BY PHIL DIRKX
Special to The Tribune

CORRECTION: A previous version of this column incorrectly stated that landowners voting on whether to form the Paso Robles groundwater district have one vote for each acre they own. In fact, each landowner has one vote, no matter how much acreage they own.

**

The election to form the Paso Robles Basin Water District has some people confused. They aren't sure what "yes" would really mean if they mark it on their ballots. A few called and emailed me about it.

They want to know for sure whether "yes" would mean "for" or "against" the water district. Ballots can be confusing. So can the arguments of opponents and proponents.

The mail election is proceeding right now on whether an independent district should be formed to manage the Paso Robles groundwater basin. The water level in the basin is steadily declining. We are pumping out more water than our rains can replace.

Many voters want to halt the basin's shrinkage, but they worry that they might mark their ballots wrong. They aren't sure what "yes" will mean. Will it mean, "Yes, form the district"? Or could it mean something like, "Yes, everything is OK, keep it the way it is"?

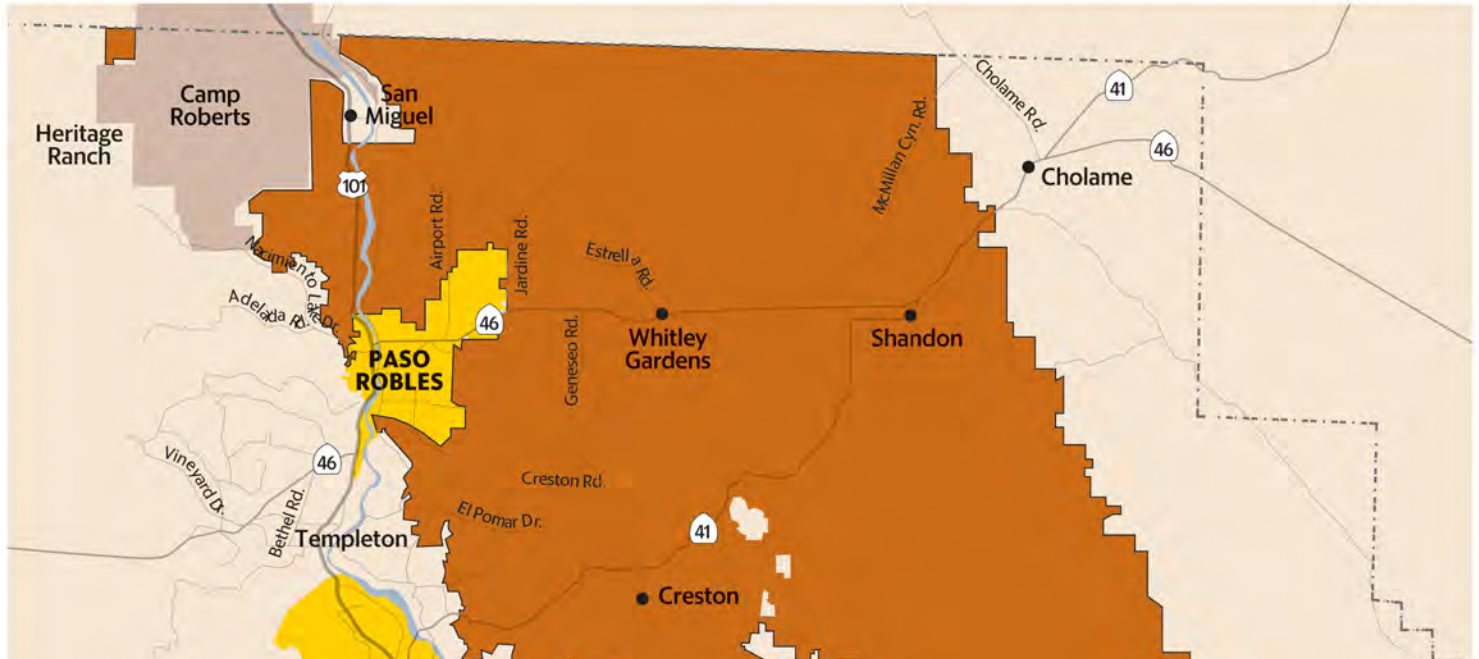
I can understand their confusion. It's a complicated issue. And we reporters and columnists who write about elections often say "vote in favor of" instead of a "yes" vote.

The plainest answer I could find for those worried people is in a San Luis Obispo County Local Agency Formation Commission report dated Nov. 19, 2015. It says, "A 'yes' vote on this measure is a vote to form the Paso Robles Basin Water District. A 'no' vote on this measure is a vote against forming the Paso Robles Basin Water District."

So if you want the district to be formed, vote “yes” on Measure A-16 on your ballot. It would impose a tax to pay for running the district. Also vote “yes” on Measure B-16 on your ballot. It would authorize the actual formation of the Paso Robles Basin Water District. That’s simple enough.

Paso Robles groundwater basin district boundary

If approved, the Paso Robles groundwater basin district would manage water use over a North County territory of 790 square miles. The map was developed by engineering firm Fugro in 2002.



SOURCE: LAFCO

TRIBUNE MAP BY JOE TARICA

But then it gets complicated. The tax measure is being voted on by the registered voters in the district. To pass, it must get “yes” votes from two-thirds of the voters who vote. But the measure to authorize the actual forming of the district is being voted on by the property owners of the district. But if either ballot measure fails to get the required votes, the district won’t be formed. The county would then take over the basin management, and if it didn’t do it, the state would.

But if the voters do cast the required numbers of “yes” votes, the district will be governed by a locally elected nine-member board of directors. Three directors would be elected by the district’s registered voters. The other six would be elected by district property owners. Large-property owners would elect two, medium-property owners would elect two and small-property owners would elect two.

I can’t vote in this basin election. I live outside the proposed district’s boundaries. But if I could, I’d vote “yes” for measures A and B. I think the basin’s best hope is local management.

Phil Dirx's column is special to The Tribune. He has lived in Paso Robles for more than five decades, and his column appears here every week. Reach Dirx at 238-2372 or phild2008@sbcglobal.net.



MORE OVER THE HILL

COMMENTS

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**Gary Felsman**

Glad someone is looking to simplify the language so everyone can understand it. I would vot yes as well, but I don't live in that voting district either.

Like · Reply · Feb 13, 2016 3:09pm

**Marie Johnson-Roth** · Owner Operator at Marie Roth, Resource Consultant

How is the county that is paid to manage your resources not local?

Like · Reply · Feb 11, 2016 7:37pm

**Dana Merrill** · Paso Robles, California

3 out of 5 Supervisors live over the hill. And even our north county supervisors don't live in the proposed district. That's why we get little priority for any projects or even keeping the water we have. It flows to cities north and south

Like · Reply · Feb 14, 2016 7:30am

**Laurie Gage** · UCLA

Thank you Mr. Dirx for explaining some of the ins and outs of the voting process for Measures A and B, as well as your support for the concept of local managment by people who live in the Basin, for people in the Basin. One correction: landowners will be voting on the formation of the District on a "one landowner, one vote" basis, not on an acreage basis.

Like · Reply · Feb 11, 2016 7:15pm

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Water districts consider merger

By Sam Matthews | Posted: Friday, February 12, 2016 7:00 am

Two major Tracy area irrigation districts, both struggling to secure sufficient water in the face of drought-triggered state restrictions and legal challenges, have launched serious merger discussions.

Representatives of the West Side and Byron Bethany irrigation districts — both established more than a century ago — have reported that talks during the past month could lead to establishment of a single 36,000-acre district sometime this year.

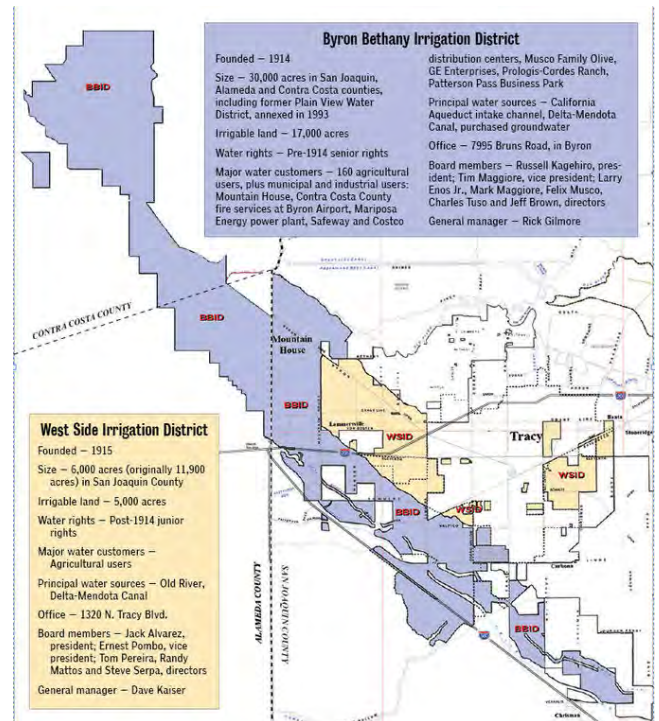
A merger would join the smaller, 6,000-acre West Side Irrigation District, which encompasses land mostly west of Tracy but also surrounding three sides of the urban area, with the 30,000-acre Byron Bethany district, which has land northwest of Tracy extending north into the Byron area and also including land in the former Plain View Water District along the Delta-Mendota Canal.

As Tracy has grown, farmland originally in the West Side district has been annexed to the city, reducing the district's acreage from the original 11,900 acres to the present 6,000.

Although merger talks are in their first stages, the State Water Resources Control Board has already combined the districts' separate hearings on charges of unauthorized diversion of river water into a joint hearing on March 21.

Jack Alvarez, president of the WSID board of directors, said the merger talks were aimed at providing "a win-win outcome" for both districts by establishing a stronger district able to better represent the interests of the districts and their water customers.

"The state for the last couple of years has beaten us up pretty good, so this offer came along to merge with BBID, and the time has come to explore the possibility of a merger with BBID," he said.



BBID-WSID merger map

The boards of Byron Bethany Irrigation District and West Side Irrigation District have been meeting to discuss merging the two districts. Byron Bethany (violet) covers 30,000 acres in three counties west and north of Tracy, including the community of Mountain House, while West Side (yellow) serves 6,000 acres in and around the city.

Alvarez said a possible merger had been discussed privately among land owners in the district over the years, and the board was giving it serious consideration.

He also noted that he and Ernest Pombo, the West Side board vice president, were aware that a merger, if finally given approval by both districts, would close West Side's 100-year history as an independent district — and also end two generations of Alvarez and Pombo families as WSID board members, beginning when their fathers, the late Pete Alvarez and Ernest Pombo Sr., became longtime directors in the 1950s.

Both Alvarez and Rick Gilmore, general manager of Byron Bethany, reported that they had encountered no opposition to a merger from land owners in their districts.

"The districts complement each other ... and we have a number of agreements over the years in moving water around," Gilmore said. "Both districts have agreed to some thresholds for going forward with our discussions."

The two districts have traditionally pumped irrigation water from Delta waterways and from the Delta-Mendota Canal. Restrictions on accessing both sources of water have resulted in conflicts between the districts and the State Water Resources Control Board.

The boards of both districts have provided representatives to an ad hoc committee charged with examining all aspects of the proposed merger.

Representing Byron Bethany are Russell Kagehiro, board president; Tim Maggiore, a board member from the Byron area; and Gilmore.

From West Side are Alvarez; Tom Pereira, a board member from the Tracy area; and Dave Kaiser, district general manager.

Committee members first visited West Side district facilities near Tracy and later met in the district office on Tracy Boulevard to look at financial and operational issues.

Gilmore said they will report their findings to their boards of directors in public sessions, "creating an open process."

While the possibility of a merger has been the periodic topic of informal discussions over the years, a letter urging the districts to move forward toward a merger was sent last month to both boards by Mike Sandhu of Sandhu Bros., Tracy-based almond growers and processors who have orchards in both districts.

Sandhu said he felt that with all the challenges facing the districts to secure sufficient water and deal with the state, there was a growing need to eliminate duplication of efforts, including two boards, two staffs and two sets of legal advisers.

The Sandhu letters were placed on the agendas of January meetings of both boards for discussion in

open sessions.

If merger talks proceed and are given final approval, a district reorganization and plan would be submitted to the San Joaquin County Local Agency Formation Commission, which establishes public-agency boundaries. Elections would be required only if major opposition surfaced.

If LAFCo flashes the green light, possibly sometime in the next several months, then the merger could be completed before the end of the year.