

AGENDA

EAST ORANGE COUNTY WATER DISTRICT  
(EOCWD)

Thursday,  
January 16, 2014

5:00 p.m.

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

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

4. **General Manager’s Report (Exhibit “A”)**

**Recommended Motion:** “THAT THE GENERAL MANAGER’S REPORT BE RECEIVED AND FILED”

5. **Approval of Minutes of December 13, 2013 Special Meeting and December 19, 2013 Meetings (Exhibit “B”)**

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

A. Presentation - Orange County Sanitation District #7 (Exhibit “C”)

B. Hunt Resource Strategies engineering services contract for conceptual review of rebuilding the Peters Canyon Treatment Plant (Exhibit “D”)

**Recommended Motion:** “THAT A CONTRACT WITH HUNT RESOURCE STRATEGIES FOR ENGINEERING SERVICES FOR THE REVIEW OF REBUILDING THE PETERS CANYON TREATMENT PLANT BE APPROVED AND THAT STAFF BE AUTHORIZED TO EXECUTE THE CONTRACT AS PRESENTED WITH NON-SUBSTANTIVE CHANGES”

C. Wholesale and retail water usage report (Exhibit “E”)

## 7. Financial Matters

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

**Recommended Motion:** “THAT THE SCHEDULES OF DISBURSEMENTS BE APPROVED”

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

(1) Investment report

**Recommended Motion:** “THAT THE SCHEDULES OF INVESTMENTS BE RATIFIED AND APPROVED”

- C. Receipt and filing of financial statements (November 30) – (Exhibit “H”)

**Recommended Motion:** “THAT THE FINANCIAL STATEMENTS BE RECEIVED AND FILED”

## 8. Miscellaneous Matters

- A. Authorization of meeting attendance

(1) MWDOC Water Policy Forum & Dinner – February 6, 2014 (Exhibit “I”)

(2) Urban Water Institute Spring – February 19-21, 2014 (Exhibit “J”)

- A. Reports from committees and representatives to organizations

- B. Directors’ reports on meetings attended

- C. Committee/ designated representative assignments by President (Exhibit “K”)

- D. Change to next meeting date (Exhibit “L”)

**Recommended Motion:** ADJOURN THE MEETING TO THURSDAY, FEBRUARY 27, 2014.

## 9. Informational Items

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

**10. Closed Session**

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

**Open Session**

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

**11. Adjournment**

The scheduled date of the next Regular Meeting of the Board of Directors is **February 20, 2014**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

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

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

# EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT

January 2014

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

## GENERAL MATTERS

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

## WHOLESALE ZONE

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

Security System – Staff is working out some last details with AT&T regarding the installation of the fiber line and internet connection prior to commencement of construction, tentatively scheduled for March, 2014.

Roof Repair – On November 13<sup>th</sup>, Western Wood Structures performed an inspection of the glulam beams inside the Peters Canyon (6 MG) reservoir to assess their overall condition. Once the report is received, Brady Engineering's structural engineers will review the report and provide recommendations regarding the seismic compliance of the reservoir roof, walls and pilasters with the 2010 California Building Code. The Engineering Committee reviewed the proposal and approved it at their November 25<sup>th</sup> meeting.

Brady and AARK Engineering are reviewing Western Wood Structure's inspection report of the Peters Canyon (16 MG) reservoir beams. Additionally, Brady is working with American Geotechnical, Inc. to assess the seismic stability of the reservoir. We anticipate that they will report back to the Engineering Committee at their February meeting.

Proposed Reconstruction of Treatment Plant – See Agenda Item 6B.

### B. MET Shutdown – Allen-McColloch Pipeline Inspection and Maintenance Work

As noted in last month's GM Report, there is an 11-day shutdown of the Allen-McColloch Pipeline (AMP) scheduled from January 13<sup>th</sup> through January 23<sup>rd</sup>. MET is taking the pipeline out of service to perform inspection and lining repair work. In preparation for this shutdown, staff held two meetings with the Retail Agencies to review their operations and projected demands from their turnouts supplied by OC-70, our AMP connection. OC-48 and OC-43 will not be affected – Orange County Feeder #2 is unaffected. This is an extensive shutdown – 4 days longer than the 7-day minimum storage required by MET.

MWDOC, in concert with MET, prepared a news release for the media; EOCWD is linking to this document on our website. Additionally, we have sent an email to our Retail Zone customers notifying them of the shutdown, assuring them that we have water for normal usage, but asking them to, as always, be prudent in their water use, but to be especially frugal during this 11-day shutdown to allow us some cushion for fire-flow and other emergencies.

Once the shutdown is over, staff will be taking advantage of having a mostly empty 6 MG reservoir to perform cleaning and inspection work. It will be necessary to have the reservoir offline for 5 days in order to complete all the work including water quality sampling and testing. The reservoir will be back online by January 28<sup>th</sup>.

### **C. Minimum Demand Policy Development**

ID Modeling is currently working to identify specific times during the year that seem to present the worst case scenarios based on water quality data provided to them by staff. Once those specific time frames are identified, staff will provide further data to develop the minimum demand model.

## **RETAIL ZONE**

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

East Well is operational and meeting all of the RZ demands. The West Well is non-operational and staff are evaluating options for full and partial rehabilitation of the well.

### **2) System Leaks – Vista Panorama and Marcy Ranch Rd.**

Staff responded to a report of a leak in front of 12551 Vista Panorama at 9:00 AM on Christmas Morning. Staff determined that it was a service leak and attempted to clamp the 1-inch galvanized steel service line. Unfortunately once the service line was exposed and the condition was assessed; it was determined to be un-repairable. At that point staff made the decision to replace the service line with new 1-inch copper. Water was turned off to approximately 13-homes for approximately 3 hours; customers were generally understanding of the need to immediately repair the leak.

Staff initially responded to a report of a leak in front of 13031 Marcy Ranch Road in August, 2013; a wet spot had developed in road in front of this property. Staff investigated using leak detection equipment and also potholed in the street to try and determine the source of water. At that time, no leak was detected and none of the potholing revealed any indication of a leak on the district's waterline. Eventually the leak disappeared only to surface further up the street in front of 13015 Marcy Ranch Road. Additional potholing and leak detection was performed and again, staff was unable to determine the source of the water spot. Staff contacted the County of Orange Road Division who sent an inspector out to examine the water spot. The County sent one of their water quality specialist out to test the water as well and determined that it was groundwater. The County informed staff that a similar situation occurred in November of 2005 and determined it to be a natural spring. In November 2013, the wet spot again disappeared and then reappeared in front of 13026 Marcy Ranch Road. Again, staff investigated and could not determine the water source. On Monday, January 6<sup>th</sup>, staff again investigated the water spot and was able to acoustically hear a possible leak. Potholing was performed and it was determined that there was a small pinhole leak on the 1" black plastic service line to 13012 Marcy Ranch Rd. Staff repaired the leak and the wet spot is gone at this time.

### **3) Installation of Transferred Connections from City of Tustin**

In December, the District received requests from two City of Tustin customers (owning 3 total properties) on Old Foothill Road (12881, 12885, and 12889) to transfer their service from Tustin to EOCWD. They were experiencing multiple leaks on their existing service lines (on their

property) which spanned over 500 feet in length, as well as low pressure. Staff requested and received approval for the transfer from Tustin's Water Manager and received approval from the Operations, Planning and Personnel Committee. After considering the cost of continually repairing the service lines as well as the cost to replace 500 feet of water line, these customers preferred to connect to the District's service area and pay the associated connection and installation fees (including all labor and materials - due to EOCWD's work load, Serrano Water District was contacted to assist with this work), which shortened their service runs to approximately 25 feet. An added benefit to connecting to EOCWD was that their water pressure almost tripled. The transfer was completed on January 9<sup>th</sup>.

#### **4) Water Smart Home Certification Program**

The District has six customers participating in this MWDOC sponsored program, participation in which was approved by the EOCWD Board in August. The customers apply online to have a home inspection performed by the Mission Conservation District (MCD). The customers, located on Circula Panorama, Crawford Canyon Road, Miriam Place and Panorama View, Via Aventura, and Barrett Lane met with District and MCD representatives on November 27<sup>th</sup>, December 10<sup>th</sup>, December 19<sup>th</sup>, and January 6<sup>th</sup> to go through each interior and exterior plumbing fixture and evaluate their water efficiency. The customers will receive a water use report with recommendations on how to make their home water efficient (assuming they don't meet efficiency standards). The customer then has 90 days to implement the recommendations and provide proof to MWDOC by providing invoices, receipts, and photographs. If all program criteria are met, the homeowner will receive a certificate stating that their home has been certified as being water efficient.

#### **5) Operational Activities**

- SEDARU Training
- Met with Serrano and inspected installation work of 3 new services on Old Foothill (Superintendent)
- Took Ford Crew Truck in for repair
- Reviewed inventory and ordered supplies – service line parts and new meters
- Responded to data requests (Superintendent)
- Met with AT&T at the 6 MG Reservoir site (Superintendent)
- Work Order – high bill at 18936 Smiley, 12992 Barrett Lane, 13162 Lemon Leaf, 12546 Greenwald Lane, 19841 High Crest Circle
- Service line replacement for 12551 and 12612 Vista Panorama
- Work Order – low pressure at 12598 Vista Panorama
- Work Order – Turn off water at 13146 Old Foothill, 10472 Crawford Canyon
- Put together operation plan for AMP shutdown (Superintendent)
- Conference call with ID Modeling (Superintendent)
- Repaired leak on service line for 13012 Marcy Ranch Rd.
- Met with customer regarding service to 12221 Circula Panorama
- Valve program – mainline valves on Crawford, Barrett, Old Foothill, Hewes, and Marcy Ranch Rd.
- Meter change outs at 12691 Hinton Way, 13151 Barrett Hill Circle, 13421 Shepard Way, 19246 Fairhaven Extension, 19001 Fairhaven Extension, 12576 Barrett Lane,

- Work Order – turn on water at 13146 Old Foothill, 10472 Crawford Canyon,
- WZ Meter reading / billing (Superintendent)
- Prepared for AMP Shutdown

### **Daily Tasks**

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

### **Weekly Tasks**

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

### **Monthly Tasks**

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

## **MISCELLANEOUS ITEMS**

### **1) Meetings**

District Staff attended the following meetings:

#### **A. MWDOC Manager's Meeting, December 19, 2013**

Meeting Summary: A) Presentation of Polling Results – Lewis Consulting presented the results of the annual MWDOC polling of 750 Orange County residents in the MWDOC service area. Generally, water is still perceived as relatively inexpensive. Orange County

residents don't understand the Delta issues, but they believe that they have changed their behaviors and are being more water efficient, including washing full loads of laundry and checking for leaks. They generally think that water agencies are communicating well with them. Most get the news about water through their bill insert with TV news and newspapers their second and third choice; interestingly though, amongst 18-30 year olds, the internet, email and social media were their primary source of information. A large majority of respondents – 70% - believe that desalination is highly or somewhat preferred option to maintain or increase Orange County's water supply. B) Bay-Delta Conservation Plan – The public review period for the 34,000 page BDCP will be 120 days in compliance with the federal Endangered Species Act (ESA) and the state Natural Community Conservation Planning Act (NCCPA), December 13, 2013 -April 14, 2014. Formal comments can only be submitted in a very strict format to Ryan Wulff at the National Marine Fisheries Services. Local Public Hearings will be held in Los Angeles on February 4<sup>th</sup>; Ontario on February 5<sup>th</sup> and San Diego on February 6<sup>th</sup>. C) MWDOC/OCWD Consolidation Update – Both MWDOC and OCWD Boards have adopted principles of consolidation that are roughly similar, however OCWD desires that the new agency be called OCWD and MWDOC prefers a new name entirely. They are tackling the governance issue first because it may contain a fatal flaw. Several managers, including the EOCWD General Manager question what powers and authorities would result the two agencies don't hold now, and what exceptional benefit would be provided? All agreed that the cost savings would probably not be significant. Some agencies were concerned that this process could result in delays to much needed groundwater and imported water projects as the staff of both agencies await the outcome of this process. D) Water Supply Report – Precipitation is at historic lows, discussion of allocations may be starting at the MET. E) Member Agency Input into MWDOC Budget Preparation – MWDOC has sent out its formal request for Member Agency input into their budget. F) MWDOC FY 14/15 Budget Preparation – MWDOC staff anticipate publishing the first draft of the budget by the March and reviewing it at the March Manager's Meeting; the first draft will go to their Administration & Finance Committee in March also; with the final recommended budget presented at the May Board Meeting. G) Sharing of WEROC Water/Wastewater maps with WEROC Agencies – Members were asked if MWDOC could share the composite map showing all agencies and the backbone system for all agencies. MWDOC has not shared this map historically for security reasons, but asked that a policy be developed that would allow sharing. Member agency managers were generally supportive of generalized information being shared, but asked that detailed maps of their agency not be shared without their knowledge.

## **B. Engineering Committee Meeting, January 8, 2014**

Meeting Summary – A) Peters Canyon Treatment Plant – General Manager Ohlund extended her apologies to the Committee for bringing the Master Plan/Condition Assessment/Treatment Plant Feasibility Studies budget increase to the Board before the Committee and the Board had adequate information with which to determine whether it was appropriate to proceed with the Studies themselves. After speaking with Director Bell, she spoke with District Engineer Lauri and discussed a plan to go forward that included obtaining further engineering information regarding MET's water quality and future treatment cost information, however concerns about time delays and the impact on financing costs, coupled with the fact that many engineering firms were interested in providing proposals for the Studies combined to cause concern that the traditional proposal selection process would ultimately cause a 2-3 month delay before a firm was brought on. Ms. Ohlund contacted Kevin Hunt of Hunt Water Resources and discussed the issues with him, and also provided him with project documentation for review. Mr. Hunt attended the Engineering Committee Meeting to discuss the proposal with the Committee. After extensive discussion and review, the Committee approved the proposal and recommended its adoption by the Board.

### **Water Availability Request**

Staff met with a representative from the development company that owns the property as 12221 Circula Panorama. An existing single family residence has been demolished and the developer is applying for a lot split; they were advised of the District's development requirements and provided with fee information.

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

December 13, 2013

**1. Call to Order.** A Special Meeting of the Board of Directors of the East Orange County Water District was called to order by WILLIAM VANDERWERFF, President of the Board of Directors, at 3:00 p.m. on Friday, December 13, 2013, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. Ms. Lisa OHLUND, General Manager, recorded the minutes of the meeting.

The following Directors were present: RICHARD BARRETT, RICHARD BELL, JOHN DULEBOHN and WILLIAM VANDERWERFF.

Also present were:

LISA OHLUND	General Manager
JOHN BAKKER	Special Counsel (via conference call)
GREG NEWMARK	Special Counsel (via conference call)

**1.(A) Closed Session.** President VANDERWERFF announced that the Board would meet in the following closed session as listed in the agenda: Conference with real property negotiators - the local sewer improvements and associated real property rights (known as Orange County Sanitation District Service Area #7) generally located within the City of Tustin, the unincorporated County of Orange area referred to as the East Orange/Tustin Foothill/Lemon Heights/Cowan Heights area and a portion of the City of Orange referred to as the El Modena area. Agency Negotiator: Lisa OHLUND, General Manager. Negotiating Parties: Orange County Sanitation District. Under Negotiation: Price and terms of payment.

**OPEN SESSION**

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

**1.(B) Closed Session.** President VANDERWERFF announced that the Board would meet in the following closed session as listed in the agenda: Conference with legal counsel - Government Code Section 54956.9(d)(4), one potential case.

**OPEN SESSION**

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

**2. Adjournment.**

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 5:15 p.m., to a Regular Meeting of the Board of Directors, to be held on Thursday, December 19, 2013 at 5:00 p.m. in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

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Lisa Ohlund

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

December 19, 2013

**1. Call to Order.** A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by WILLIAM VANDERWERFF, President of the Board of Directors, at 5:07 p.m. on Thursday, December 19, 2013, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California. JEFFREY HOSKINSON, Acting Secretary, recorded the minutes of the meeting (the minutes with respect to Items 8, 10(B), 10(c), and 11 were recorded by General Manager OHLUND).

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

Also present were:

LISA OHLUND	General Manager
JERRY MENDZER	Maintenance & Operations Superintendent
JEFFREY A. HOSKINSON	Acting District Secretary and Legal Counsel
ROB HANFORD	Golden State Water Company
DARCY BURKE	Municipal Water District of Orange County
PAUL KAYMARK	Charles Z. Fedak & Co
SHAWN DEWANE	Raymond James Financial Services, Inc.
PHIL LAURI	Mesa Consolidated Water District
DENIS BILODEAU	Orange County Water District

**2. Public Communications to the Board.** Public comment made by Mr. BILODEAU during course of meeting, regarding status of Orange County Water District ("OCWD") and MWDOC merger and regarding invocation of exemption under Water District Act by Big Canyon in Newport Beach, California, allowing drilling of well with no cost for water based on established lack of hydrologic connection to basin.

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

**4. General Manager's Report.** Ms. OHLUND indicated she had nothing to add to the General Manager's report, and addressed an inquiry regarding a \$100,000 generator.

**ACTION TAKEN:**

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

**5. Approval of Minutes of the November 21, 2013 Meeting**

**ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the minutes of the November 21, 2013 regular meeting were approved.

**ITEMS 7D, 7B, AND 6E, RESPECTIVELY, WERE MOVED UP THE AGENDA FOR CONSIDERATION, AS THE MATTERS INVOLVED PRESENTATIONS FROM THIRD-PARTIES, BUT ARE PRESENTED IN ORDER IN THESE MINUTES.**

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

A. Water Quality and Emergency Operations Modeling Analysis.

**ACTION TAKEN:**

Upon a motion duly made, seconded, and carried unanimously, Amendment No. 2 to the Contract with ID modeling for Water Quality and Emergency Operations Modeling Analyses was approved in the not-to-exceed amount of \$13,500 and staff was authorized to execute the amendment as presented with non-substantive changes.

B. Brady Engineering Contract for Geotechnical Services at the Peters Canyon (6MG) Reservoir

**ACTION TAKEN:**

Upon a motion duly made, seconded, and carried unanimously, the Amendment to the Contract with Brady & Associates for Geotechnical Services in the not-to-exceed amount of \$17,958 was approved, and staff was authorized to execute the Amendment as presented with non-substantive changes.

- C. Master Plan Update and Water Plant Feasibility Study – Budget Increase. Board engaged in discussion of Master Plan Update, and need for a budget increase to provide for additional analysis for Water Treatment Plant. Mr. LAURI discussed the need for the studies and the data that will be provided to enable the Board to evaluate whether to proceed with reconstructing the Water Treatment Plant. Mr. BELL expressed concerns regarding the future availability of Colorado River water, and the need to ensure that if local water supply is used, customer satisfaction and reliability is maintained. Board discussed the need for the study, and options for dividing the analysis in order to develop decision points, rather than the full study all at once. Board discussed ability to make decisions without the information in the analysis to be provided by budget increase, and discussed that the \$500,000 contract authorization being considered is an increase of \$105,000 from the previously approved \$395,000 amount, and the need for the study had been approved in the budget process, but now staff learned that the probable cost was higher than anticipated. Mr. BARRETT indicated that whether to build the plant would be purely a business deal, in that either the plant would be projected to save money or not, and that those economics would be the bottom line.

President VANDERWERFF expressed a preference that the issue be circulated one more time through the Engineering Committee, to see if any other solutions could be identified to allow for study to occur at existing budget, and allow for a review before the additional analysis was completed.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the Board approved the referral of the matter back to the Engineering Committee, for further consideration.

- D. Presentation to Dr. Joseph Reichenberger / Loyola Marymount University.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the Board postponed consideration this presentation, and granted Ms. OHLUND discretion to provide the District's appreciation to Mr. Reichenberger and invite him to another meeting.

- E. Presentation on Bay Delta Plan. Ms. BURKE, on behalf of MWDOC, made a presentation to the Board on the Bay Area Delta Plan, based on the December 13, 2013 release of the Bay Delta Conservation Plan. Ms. BURKE reported that the public review period extends through April 14, 2014.

ACTION TAKEN: None

- F. Wholesale and retail water usage report. Ms. OHLUND indicated she had nothing to add to the report.

ACTION TAKEN: None

**7. Financial Matters.**

A. Schedule of Disbursements. Schedules of disbursements in the following amounts were presented: \$650,330.47 from Wholesale and Retail Operating Funds, \$2,402.08 for directors payroll, and \$32,258.78 for employees payroll.

B(1). Investment Activity. Report made on investment activity.

C. Receipt and Filing of Financial Statements.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, (1) the schedules of disbursements were approved as submitted, (2) the report of investments and investment activity were ratified and approved, and (3) the financial statements were received and filed.

B(2). Report on Investments/Ratification of Investment Activity. SHAWN DEWANE provided report to Board regarding District investments, including Fixed Income Portfolio Analysis.

ACTION TAKEN:

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

D. Presentation of Audited Financial Statements – Fiscal Year Ended June 30, 2013. Board heard and received Powerpoint presentation, and engaged in discussion on unfunded pension liabilities. President VANDERWERFF asked about comparison with other agencies, to which it was stated that the District has funded a greater percentage of its liability than many other public agencies, with the District funding approximately 82.3 percent as compared to an approximate average of 73 to 76 percent, and that the District has no unfunded post-employment benefits as they don't offer these benefits, where most other agencies do.

ACTION TAKEN:

Upon a motion duly made, seconded and carried unanimously, the Audited Financial Statements and Management Letter for the Fiscal Year Ended June 30, 2013 were received and filed.

**8. Miscellaneous Matters.**

- A. Reports from committees and representatives to organizations. None
- B. Director's Reports on Meetings Attended: None

**9. Informational Items.**

- A. General Interest Publications. No action.

**10. Closed Session.**

- A. **Conference with Real Property Negotiators (Closed Session).** President VANDERWERFF announced that the Board would meet in the following closed session as listed in the agenda as Closed Session Item 10(A), to hold a conference with its real property negotiators (Government Code Section 54956.8) regarding local sewer improvements and associated real property rights (known as Orange County Sanitation District Service Area #7) generally located within the City of Tustin, the unincorporated County of Orange area referred to as the East Orange/Tustin Foothill/Lemon Heights/Cowan Heights area and a portion of the City of Orange referred to as the El Modena area. Mr. HOSKINSON was excused and left the meeting prior to this closed session.
- B. **Conference with Legal Counsel** – Anticipated Litigation – President VANDERWERFF announced that the Board would meet again in the following closed session as listed in the agenda as Closed Session Item 10(b) - Conference with Legal Counsel – Government Code § 54956.9(d)(4).

**OPEN SESSION**

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

**11. Adjournment.****ACTION TAKEN:**

Upon a motion duly made, seconded and carried unanimously, the meeting was adjourned at 7:50 p.m., to Thursday, January 16, 2013, at 5:00 p.m., to be held in the Offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

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Jeffrey A. Hoskinson



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: ORANGE COUNTY SANITATION DISTRICT LOCAL SEWER AREA #7 - PRESENTATION**  
**DATE: JANUARY 16, 2014**

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## **BACKGROUND**

The Orange County Sanitation District was formed in 1954 to provide regional wastewater collection, treatment and disposal. OCSD's 471 square mile service area comprises all of north Orange County and serves over 87% of the population of the entire county. They operate and maintain 580 miles of trunk and local sewers and are the third largest wastewater discharger in the western United States.

In 1986, the Orange County Board of Supervisors passed the responsibility to own and operate several small County Sewer Maintenance districts to OCSD. OCSD objected to this transfer as they are not equipped to maintain small diameter local sewers as their equipment is sized for large regional sewers and 2) the ad valorem tax mechanism that was passed to them was inadequate to cover the cost of maintaining these sewers. Since then, OCSD has worked to transfer these local sewers to the local cities and sewerage agencies.

In 2007, OCSD staff approached the City of Tustin regarding the transfer of Local Sewer Area #7 to the City; this sewer area is the largest of the remaining local sewers. At the same time, the OCSD Board instituted a local sewer fee to augment the AV taxes received and to set up and supply a capital reserve fund. For the past six years, OCSD and Tustin have failed to reach agreement on the transfer of the sewers.

In September 2013, staff began discussions with OCSD regarding the potential for OCSD to transfer Sewer Area #7 to EOCWD. A presentation will be provided to the Board providing background information regarding Sewer Area #7 and what would be involved in executing such a transfer with regards to the Orange County LAFCO process.

Staff is still in the process of discussing the price and terms of payment with OCSD and is working to finalize these issues within the next month.

## **RECOMMENDATION**

Information item; no action is required.



# MEMO

**TO:** BOARD OF DIRECTORS  
**FROM:** GENERAL MANAGER  
**SUBJECT:** ENGINEERING SERVICES REQUEST – CONTRACT WITH HUNT RESOURCE STRATEGIES  
**DATE:** JANUARY 16, 2014

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## **Background**

At the December 19, 2013 meeting, staff submitted a request to increase the budget for the combined Master Plan/Condition Assessment for the Wholesale and Retail Zones and the Feasibility Study for the Rebuilding of the Peters Canyon Treatment Plant by \$100,000.

The Board discussed the issue at length, particularly addressing concerns that the long-term quality of Lake Matthews water (both Colorado River and if State Water Project water becomes available) and the long-term MET treatment costs be examined in more depth before initiating a large, detailed study. The issue was referred back to the Engineering Committee for further discussion.

Staff assessed the Board's comments and determined that some additional engineering services were needed, however, we did not want to solicit the firms that may be proposing on the project and provide one firm with an advantage over the others because of this preliminary work. Additionally, because of the rising interest rate environment that is looming that could substantially affect the cost of the project, there is an urgency to limiting delay in the selection of an engineer. The delay incurred by proceeding through the normal proposal/selection process (2-3 months) necessitated quickly locating and retaining a qualified, knowledgeable engineer on a sole-source basis.

Staff contacted Kevin Hunt of Hunt Water Resources (HWR) to discuss the issues and establish his ability to provide the needed technical services in a timely manner. Mr. Hunt reviewed the 2012 Brady Preliminary Evaluation of the Peters Canyon Treatment Plant as well as the draft Request for Proposal for the Master Plan/Condition Assessment/Feasibility Study and other District resources, and subsequently provided the attached proposal.

HWR proposes to perform eight (8) tasks to conceptually review the need for and approach to rebuilding the treatment plant. Among the major tasks included in their work is to review the MET cost of service information and proposed treated water rates and to meet with appropriate MET staff to discuss issues that may affect the reliability of their long-term treatment cost forecast. HWR will also look at future projected WZ customer demands and meet with those agencies to provide a preliminary basis for sizing the plant. Additionally, they will meet with the Santiago Aqueduct Commission Operator, IRWD, to review the condition of the Baker Line and any down-stream operations that could affect the Reach 1 (EOCWD's capacity). Based upon this and other information developed, HWR will provide a letter report regarding the benefits and risks of reconstructing the

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Peters Canyon Treatment Plant. The not-to-exceed cost for this work is \$14,500 and is estimated to be completed within six weeks.

2

At their January 8<sup>th</sup> Engineering Meeting, the Committee reviewed the proposal with staff and HWR and recommended approval of the contract.

**Recommendation**

The Board approve a contract with Hunt Water Resources for engineering services for the review of rebuilding the Peters Canyon treatment plant for the not-to-exceed amount of \$14,500 and that staff be authorized to execute the contract as presented with non-substantive changes.

January 8, 2014

Ms. Lisa Ohlund  
General Manager  
East Orange County Water District

Subject: Hunt Resource Strategies proposal to conceptually review the need for and approach to rebuilding the Peters Canyon Treatment Plant

Dear Ms. Ohlund:

East Orange County Water District (EOCWD) has efficiently met the needs of its service area for over 50 years. During this period, in response to opportunity and challenges, it has provided treated water wholesale service, water treatment service, storage, pumping, transmission, and distribution throughout its wholesale service area. The District has provided retail service to a portion of its service area for the last 20 years. EOCWD has modified its operations to adapt to changed conditions as needed.

Currently EOCWD has both critical needs to address and opportunities before it.

- It must evaluate its aging infrastructure and plan for the future needs of its service area, both wholesale and retail.
- It has an opportunity to reconstruct its water treatment plant to both improve reliability and possibly save money for its constituents.

EOCWD proposes to address these needs and opportunities by contracting for a wholesale and retail master plan together with a feasibility study of reactivating the Peters Canyon Treatment Plant. These two activities may cost up to \$500k. Prior to commencing such a significant effort you have asked me for a proposal which would:

- A. Address the need for the water treatment plant and assess the associated benefits and risks.
- B. Review several of the technical assumptions for the plant, including: Water demand, projected Metropolitan Water District (Metropolitan) treated water surcharge, potential access to local surface water in the area and, wholesale untreated transmission risks.
- C. Review the approach of combining the master planning and treatment feasibility efforts.

My approach to economically addressing the questions presented above is to:

1. Review available existing reports, studies, and memos in EOCWD's possession which are relevant to these issues.
2. Request that EOCWD obtain summary data on the IRWD et al Baker Project, and the Expanded Serrano Water District Plant.

3. Review the latest Metropolitan cost of service information and proposed treated water rates. Meet with the appropriate Metropolitan staff to discuss issues affecting the reliability of their long term treatment cost forecast and factors that could significantly influence the cost. Provide EOCWD a letter report on the Metropolitan treated water rate projections.
4. Review past EOCWD water demand and project future demands based upon trends, retail agency projections, OCWD basin operations, SB 7X7 impacts and other factors as appropriate. Provide EOCWD a letter report on demands.
5. Review information available and meet with IRWD (SAC operator) to discuss the condition of the Baker Line (Santiago Aqueduct) Reach 1, and any down-stream operation risks that could affect reach 1. Provide EOCWD a letter report summarizing risks, if any, and possible costs to maintain and repair the SAC line.
6. Review hydrologic and legal/institutional ability to purchase periodic supplies of Irvine Lake water from Serrano Water District and/or IRWD. Discuss with SWD and IRWD separately. Prepare letter report to EOCWD.
7. Based upon the above findings, provide a report and presentation to EOCWD outlining the benefits and risks associated with reconstructing the Peters Canyon Treatment Plant, together with a recommendation on how to proceed. Benefits, for example, could include financial savings, improved reliability, operational efficiencies, operational flexibility, independence, etc. Risks could encompass higher costs than initially expected or forecast in the future, water quality impacts from alternate source, potentially stranded assets if the EOCWD Basin Production Percentage becomes very high or demands significantly increase, etc. The report will incorporate the demand information, Metropolitan rate information, local surplus water availability, and SAC line reach 1 report. The draft report will be reviewed with the General Manager and a presentation given to the District Board. Comments and corrections will then be incorporated into a final letter report.
8. I will review proposed scope of work for the master plan and feasibility study to identify possible areas of savings or need for more detail, appropriate sequencing of tasks, and whether there are savings or improved technical results to found by separating the master plan from the feasibility study.

Table 1 presents the level of effort required to complete the scope of work outlined above by task. The total estimated fee is calculated on a time and materials basis, not to exceed \$14,500. Assuming reasonable cooperation in setting up the necessary meetings, the study can be completed within six weeks.

Please call if you have any questions. I am excited at the opportunity to help EOCWD on this complex and timely decision.

Sincerely,



Kevin P. Hunt, P.E

Table 1

Manpower and cost by Task

Task	Principal Hours	Assistant/Clerical Hours
1. Report review	5	1
2. Baker/Serrano report review	2	1
3. Metropolitan treatment	8	2
4. Water demands	8	8
5. SAC condition assessment	6	2
6. Local Surface water supply	6	4
7. Reports & presentation	12	6
8. Proposal scope	3	1
<b>Total Hours</b>	<b>50</b>	<b>25</b>
Rate	\$225/hour	\$110/hour
Manpower cost	\$11,250	\$2,750
Total manpower cost: \$14,000		
Miscellaneous Expenses: \$500		
<b>Total Study Cost: \$14,500</b>		



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: WHOLESALE AND RETAIL ZONE WATER DEMANDS – DECEMBER 2013**  
**DATE: JANUARY 16, 2014**

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## **Wholesale Zone Water Demands**

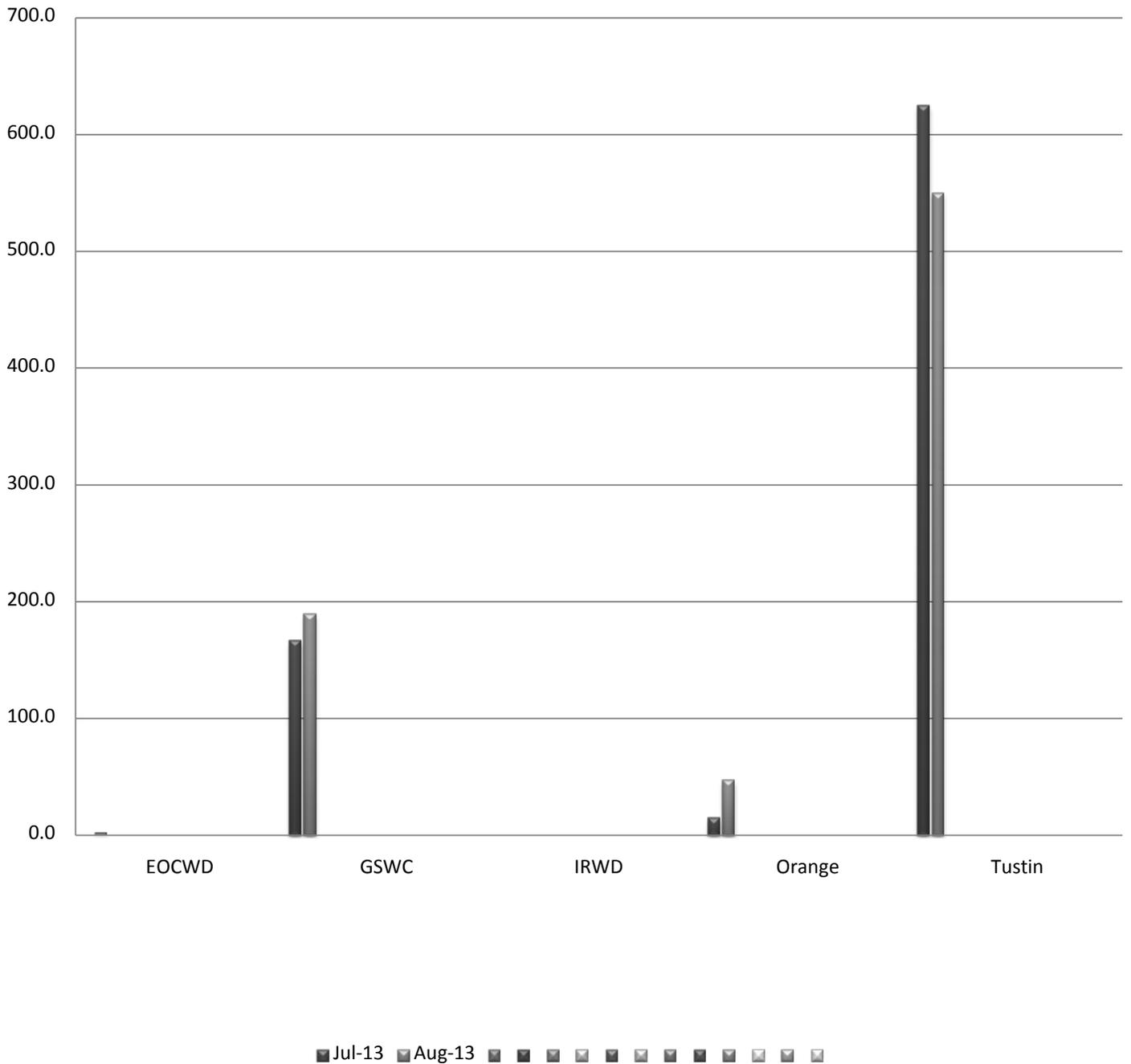
Attached is a graphical representation of the Wholesale Zone water demand through December 31, 2013. Water sales for the month of December total 432.2 AF; total year-to-date sales are 4,089.83 AF. This is an 281AF or 150% increase in demand from December, 2012.

## **Retail Zone Water Demands**

Also attached are graphs depicting the Retail Zone's water demand. As shown in Figure 1, total demand for the month of December was 66 AF; this is 10 AF or 22% above our average demand for the last 5 years. Figure 2 shows that RZ demand is now tracking above the most recent 5-year average demand. If this trend holds, this would confirm 2012's increasing demand trend.

# Wholesale Zone Water Demand

Total Monthly Sales for August 2013 = 789.2AF  
Total YTD Sales for July - August 2013= 1,596.79 (AF)



**Fig. 1**

**Monthly Retail Water Usage: FY 13-14 "Retail" Water [1] versus Average**

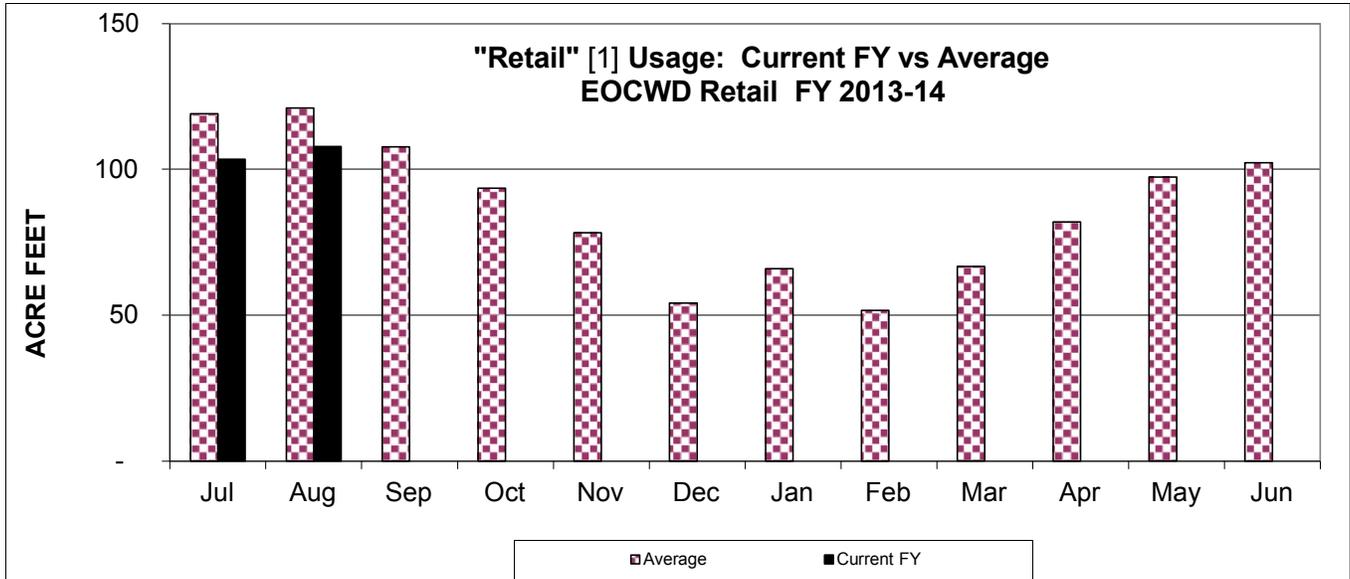
Retail Agency: **EOCWD Retail Zone**

*Preliminary  
numbers subject to change*

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2008-09 Usage	127	127	114	108	96	57	91	46	83	101	103	100	1,152
2009-10 Usage	123	124	112	97	86	55	52	35	59	74	96	110	1,021
2010-11 Usage	112	118	109	76	73	49	58	55	54	78	92	98	970
2011-12 Usage	120	119	98	88	63	68	70	60	65	72	95	100	1,017
2012-13 Usage	114	118	107	99	75	42	58	62	73	85	101	103	1,037
<b>Average Usage</b>	119	121	108	93	78	54	66	52	67	82	97	102	1,039

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

MET water purch. plus CUP-IN	-	-	-	-	-	-	-	-	-	-	-	-	-
MET purch. via EO Whole	0	1.6	-	-	-	-	-	-	-	-	-	-	1.6
subtract In-Lieu	-	-	-	-	-	-	-	-	-	-	-	-	-
MET sold to	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>MET Total</b>	-	<b>2</b>	-	-	-	-	-	-	-	-	-	-	<b>2</b>
OCWD Pumped GW	103.5	106.3	-	-	-	-	-	-	-	-	-	-	209.8
OCWD In-Lieu other:	-	-	-	-	-	-	-	-	-	-	-	-	-
other:	-	-	-	-	-	-	-	-	-	-	-	-	-
other:	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Local Total</b>	<b>104</b>	<b>106</b>	-	-	-	-	-	-	-	-	-	-	<b>210</b>
<b>"Retail" [1] Usage 13-14</b>	<b>104</b>	<b>108</b>	-	-	-	-	-	-	-	-	-	-	<b>211</b>
Current FY vs Average	-13%	-11%	-	-	-	-	-	-	-	-	-	-	-

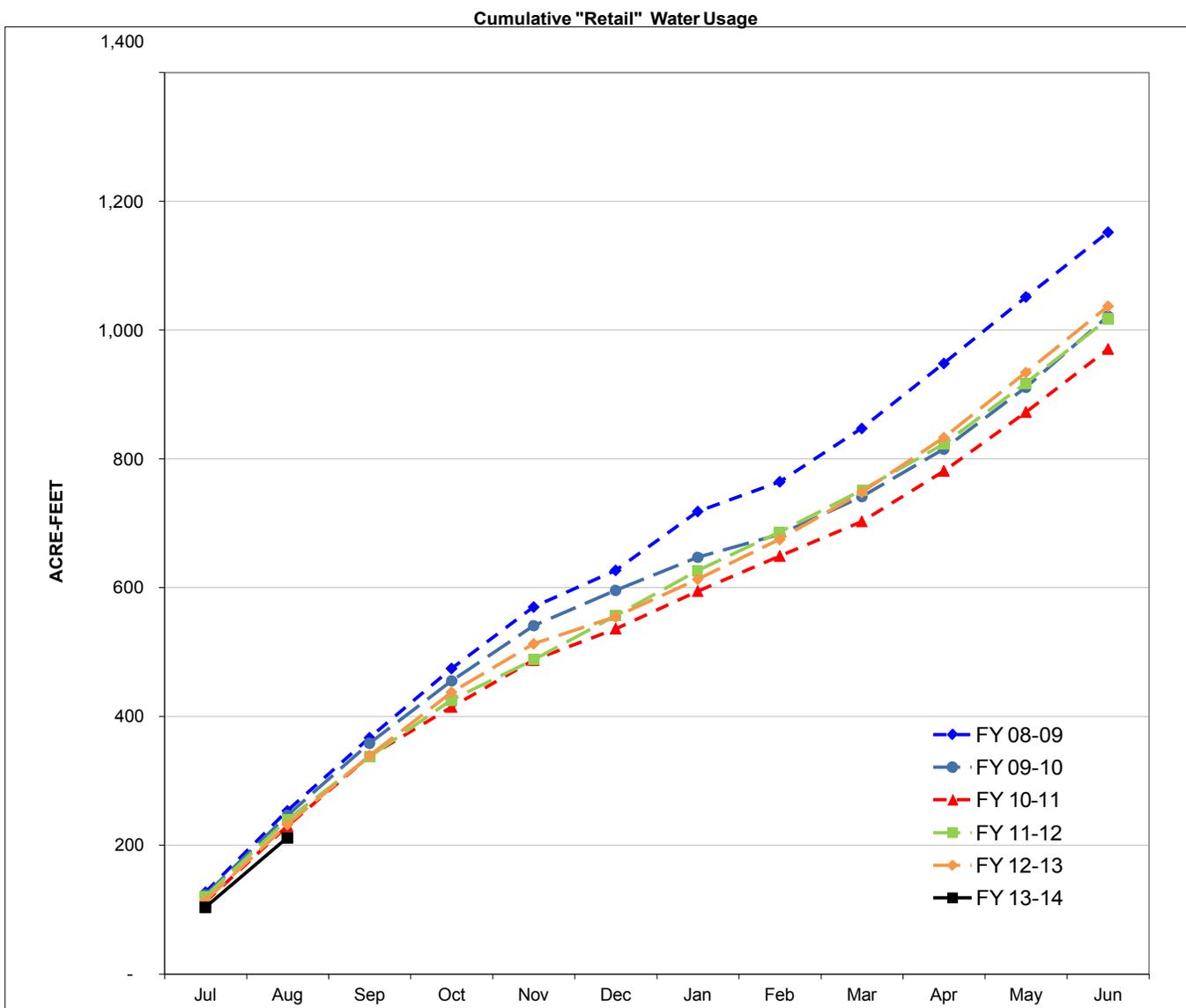


[1] "Retail" usage includes MET water and Local water but excludes recycled water.

Preliminary

**Fig. 2**  
**Cumulative Monthly "Retail Water" [1] Demand In Current and Previous Fiscal Years**  
 cumulative through the end of the last month shown  
**EOCWD Retail Zone**

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
FY 08-09	127	253	367	474	570	627	718	764	847	948	1,051	1,152
FY 09-10	123	246	358	455	541	595	647	682	741	815	911	1,021
FY 10-11	112	230	338	415	487	536	594	649	703	781	873	970
FY 11-12	120	240	337	425	488	556	626	686	751	823	917	1,017
FY 12-13	114	232	339	437	512	555	613	675	748	833	934	1,037
FY 13-14	104	211										



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

**EAST ORANGE COUNTY WATER DISTRICT**

**DISBURSEMENT SUMMARY  
JANUARY 16, 2014**

WHOLESALE AND RETAIL BILLS	\$698,548.18
DIRECTOR'S PAYROLL	\$2,760.07
EMPLOYEE'S PAYROLL	\$39,341.78
<b>DISBURSEMENT TOTAL</b>	<b><u><u>\$740,650.03</u></u></b>

**TRANSFER SUMMARY  
JANUARY 16, 2014**

TRANSFERS	\$ -
<b>TRANSFER TOTAL</b>	<b><u><u>\$0.00</u></u></b>

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

Check History Report  
Sorted By Check Number  
Activity From: 12/13/2013 to 6/30/2014

EAST ORANGE COUNTY WATER DIST (EOC)

Bank Code: A CHECKING- CA BANK & TRUST

Check Number	Check Date	Vendor Number	Name	Check Amount	Check Type
008548	12/19/2013	L56882	LOYOLA MARYMOUNT UNIVERSITY	2,000.00	Auto
008549	12/31/2013	A034150	ACWA-JPIA (EMP INSURANCE)	9,363.20	Auto
008550	12/31/2013	A034159	ACWA- WORKERS COMP	2,357.00	Auto
008551	12/31/2013	A650060	ARC	78.94	Auto
008552	12/31/2013	A724082	AT&T	829.87	Auto
008553	12/31/2013	C004110	CSDA	3,174.00	Auto
008554	12/31/2013	CUST RZ	RUTH REYNOLDS	17.27	Auto
008555	12/31/2013	H004494	HACH COMPANY	291.21	Auto
008556	12/31/2013	H555841	NICOLE HOPP	119.78	Auto
008557	12/31/2013	I522422	INSTANT LUBE, INC.	63.98	Auto
008558	12/31/2013	O81196	OCCU-MED LTD	606.11	Auto
008559	12/31/2013	P706224	PSOMAS	161.81	Auto
008560	12/31/2013	T764656	TRUESDAIL LABORATORIES, INC	237.50	Auto
008561	1/8/2014	M842327	MWDOC	499,891.56	Auto
008562	1/10/2014	A435319	ALLCOM	170.00	Auto
008563	1/10/2014	A724082	AT&T	53.56	Auto
008564	1/10/2014	A724083	AT&T	162.34	Auto
008565	1/10/2014	B647368	BRADY	1,680.25	Auto
008566	1/10/2014	C002110	CA BANK & TRUST	1,566.09	Auto
008567	1/10/2014	CUST RZ	JOHN BEARDALL	196.53	Auto
008568	1/10/2014	E028422	EAST ORANGE COUNTY WATER DIST.	4,888.03	Auto
008569	1/10/2014	G172337	GENERATOR SERVICES CO, INC	2,205.00	Auto
008570	1/10/2014	H147215	HD SUPPLY WATERWORKS, LTD	2,088.25	Auto
008571	1/10/2014	H21093	HENSON CONSULTING GROUP	2,537.50	Auto
008572	1/10/2014	H550882	HOME DEPOT CREDIT SERVICES	131.31	Auto
008573	1/10/2014	I678193	IRVINE PIPE SUPPLY	571.03	Auto
008574	1/10/2014	K026049	MAIN GRAPHICS	829.08	Auto
008575	1/10/2014	O649654	ORANGE COUNTY TREASURER	440.00	Auto
008576	1/10/2014	O650816	ORANGE COUNTY WATER DISTRICT	141,063.60	Auto
008577	1/10/2014	P025940	PARADISE DRINKING WATERS	54.35	Auto
008578	1/10/2014	P420232	PLATINUM CONSULTING GROUP	7,810.00	Auto
008579	1/10/2014	S005733	SADDLEBACK EQUIP. RENTALS, INC	81.20	Auto
008580	1/10/2014	S077326	SC FUELS	692.73	Auto
008581	1/10/2014	S563332	SOUTHERN CALIFORNIA EDISON	7,754.75	Auto
008582	1/10/2014	S730160	STEVEN ANDREWS ENGINEERING	3,920.00	Auto
008583	1/10/2014	T002605	TAB ANSWER NETWORK	32.56	Auto
008584	1/10/2014	U499787	UNDERGROUND SERVICE ALERT	48.00	Auto
008585	1/10/2014	V178373	VERIZON WIRELESS	335.96	Auto
008586	1/10/2014	X178697	XEROX CORPORATION	43.83	Auto
Bank A Total:				<u>698,548.18</u>	
Report Total:				<u><u>698,548.18</u></u>	

EAST ORANGE COUNTY WATER DISTRICT  
CALIFORNIA BANK & TRUST  
Prior Month's Checks To Ratify  
DIRECTORS' PAYROLL\*  
JANUARY 16, 2014

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

DATE	CHECK NO	AMOUNT	PAYABLE TO
12/19/13	619	\$159.86	BOARD DIRECTOR - VICE PRESIDENT
12/19/13	620	\$388.24	BOARD DIRECTOR
12/19/13	621	\$274.05	BOARD DIRECTOR
12/19/13	622	\$1,241.79	BOARD DIRECTOR - PRESIDENT
		\$2,063.94	TOTAL PAYROLL CHECKS
<b>PAYROLL TAXES, ADP CHARGE, AND PERS EFT</b>			
<b>(PERS TRANSFERRED WITH EMPLOYEE PAYROLL)</b>			
12/19/2013		\$381.10	ADP TAXES
12/19/2013		\$93.05	ADP CHARGE
12/19/2013		\$221.98	PERS ELECTRONIC FUNDS TRANSFER
		\$696.13	TOTAL CHARGES & TRANSFER
		<b>\$2,760.07</b>	<b>GRAND TOTAL PAYROLL</b>

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

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

EAST ORANGE COUNTY WATER DISTRICT  
 CALIFORNIA BANK & TRUST  
 Prior Month's Checks To Ratify  
 EMPLOYEES' PAYROLL\*  
 JANUARY 16, 2014

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	12/11/2013	\$ 1,158.66	WATER DISTRIBUTION I
AUTO DEPOSIT	12/11/2013	\$ 1,971.00	OFFICE MANAGER
AUTO DEPOSIT	12/11/2013	\$ 432.16	OFFICE ASSISTANT
AUTO DEPOSIT	12/11/2013	\$ 3,389.15	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	12/11/2013	\$ 2,804.66	GENERAL MANAGER
AUTO DEPOSIT	12/11/2013	\$ 1,838.50	WATER DISTRIBUTION II
AUTO DEPOSIT	12/11/2013	\$ 579.12	WATER DISTRIBUTION III
AUTO DEPOSIT	12/24/2013	\$ 1,078.29	WATER DISTRIBUTION I
AUTO DEPOSIT	12/24/2013	\$ 1,970.99	OFFICE MANAGER
AUTO DEPOSIT	12/24/2013	\$ 723.44	OFFICE ASSISTANT
AUTO DEPOSIT	12/24/2013	\$ 1,868.39	MAINTENANCE AND OPERATIONS SUPERINTENDENT
AUTO DEPOSIT	12/24/2013	\$ 1,394.37	GENERAL MANAGER
AUTO DEPOSIT	12/24/2013	\$ 1,480.53	WATER DISTRIBUTION II
		<u>\$ 20,689.26</u>	TOTAL PAYROLL CHECKS

**PAYROLL TAXES, ADP CHARGES, AND PERS EFT**

12/11/2013	\$6,788.91	ADP TAXES
12/11/2013	\$2,116.68	PERS ELECTRONIC FUNDS TRANSFER
12/11/2013	\$1,375.00	CAL PERS 457 - ING BANK
12/11/2013	\$99.56	ADP CHARGE
12/24/2013	\$4,790.14	ADP TAXES
12/24/2013	\$2,015.77	PERS ELECTRONIC FUNDS TRANSFER
12/24/2013	\$1,375.00	CAL PERS 457 - ING BANK
12/24/2013	\$91.46	ADP CHARGE & ADJUSTMENT

PAYROLL 12/11/2013	PAYROLL 12/24/2013
\$12,173.25	\$8,516.01
\$10,380.15	\$8,272.37
<b>\$22,553.40</b>	<b>\$16,788.38</b>

<u>\$18,652.52</u>	TOTAL TRANSFERS
<u><b>\$39,341.78</b></u>	<b>GRAND TOTAL PAYROLL</b>

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



## Treasurer's Report

January 11, 2014

Board of Directors  
East Orange County Water District

### DIRECTORS

Richard E. Barrett  
Richard B. Bell  
Douglass S. Davert  
John Dulebohn  
William Vanderwerff

Lisa Ohlund  
General Manager

The accompanying information contained in Schedule 1, Distribution of Investment Activity for the month December 2013, and Schedule 2, Investment Portfolio, as of December 31, 2013 (which are presented only for supplementary analysis purposes) have been prepared by management who is responsible for their integrity and objectivity. These schedules have not been compiled, reviewed or audited by outside accountants.

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

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

*Carl R. Schoonover*

Carl R. Schoonover  
Treasurer

185 N Mc Pherson Road  
Orange, CA 92869-3720

[www.cocwd.com](http://www.cocwd.com)

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

**EAST ORANGE COUNTY WATER DISTRICT  
SCHEDULE 1 - INVESTMENT ACTIVITY  
MONTH OF DECEMBER 2013**

	SECURITY TYPE	BOOK VALUE
<b>BEGINNING BALANCES DECEMBER 1, 2013</b>		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	5,341,886
RAYMOND JAMES-CDs	DEMAND BROKERAGE	1,513,723
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
<b>Total</b>		<b>6,855,609</b>
<b>ACTIVITY</b>		
<b>ADDITIONS</b>		
DEPOSIT TO MORGAN STANLEY SMITH BARNEY	DEMAND MM	0
DEPOSIT TO LAIF-FROM CHECKING	DEMAND LAIF	0
DEPOSIT TO LAIF-INTEREST	DEMAND LAIF	0
DEPOSIT TO RAYMOND JAMES-FROM CHECKING	DEMAND BROKERAGE	0
DEPOSIT TO RAYMOND JAMES-INTEREST	DEMAND BROKERAGE	752
SOLD MS LS US TREAS	MUTUAL FUND	0
TRANSFERS BETWEEN FUNDS	DUE TO/FROM	0
<b>REDUCTIONS</b>		
TRANSFER FROM LAIF TO CHECKING	DEMAND LAIF	0
TRANSFERS BETWEEN FUNDS	DUE TO/FROM	0
TRANSFERS TO CHECKING	DEMAND MM	0
TRANSFER TO RAYMOND JAMES	DEMAND MM	0
SOLD US TREASURY BOND	US TREASURY BOND/NOTE	0
MATURITY OF US TREASURY NOTE	US TREASURY NOTE	0
PURCHASE US TREASURY BOND FED STRIP	TREASURY BOND	0
<b>ENDING BALANCES DECEMBER 31, 2013</b>		
LOCAL AGENCY INVESTMENT FUND	DEMAND LAIF	5,341,886
RAYMOND JAMES-CDs and CASH	CERTIFICATES OF DEPOSIT	1,514,475
DUE TO FROM OTHER FUNDS	DUE TO/FROM	0
US TREASURY OBLIGATIONS	US TREASURY	0
<b>TOTAL</b>		<b>6,856,361</b>

**EAST ORANGE COUNTY WATER DISTRICT  
SCHEDULE 2 - INVESTMENT PORTFOLIO  
DECEMBER 31, 2013**

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	0.264%	0.264%	5,341,886	5,341,886	0	0	5,341,886	77.96%
RJ-CD	ALLY BANK	12/05/12	12/05/14	0.750%	0.750%	200,520	200,000	0	0	200,000	2.92%
RJ-CD	AMERICAN EXPRESS	10/25/12	01/26/15	0.850%	0.850%	100,237	100,000	0	0	100,000	1.46%
RJ-CD	AMERICAN EXPRESS	10/25/12	07/27/15	1.000%	1.000%	100,405	100,000	0	0	100,000	1.46%
RJ-CD	BMW BANK OF N AMERICA	11/19/12	11/12/15	2.000%	2.000%	102,387	102,937	2,898	38	100,000	1.46%
RJ-CD	CIT BANK	03/06/13	03/06/18	1.100%	1.100%	142,835	145,000	0	0	145,000	2.12%
RJ-CD	DISCOVER BANK	10/17/12	10/17/16	1.200%	1.200%	100,331	100,000	0	0	100,000	1.46%
RJ-CD	DISCOVER BANK	02/20/13	02/20/18	1.100%	1.100%	147,872	150,000	0	0	150,000	2.19%
RJ-CD	GE MONEY BANK	10/25/12	08/31/17	1.650%	1.650%	100,176	100,998	754	244	100,000	1.46%
RJ-CD	GE CAPITAL RETAIL BANK	11/19/12	11/09/16	1.350%	1.350%	100,157	100,536	499	37	100,000	1.46%
RJ-CD	GE CAPITAL RETAIL BANK	02/22/13	02/22/18	1.100%	1.100%	146,043	150,000	0	0	150,000	2.19%
RJ-CD	GOLDMAN SACHS BANK	02/13/13	02/13/18	1.200%	1.200%	147,554	150,000	0	0	150,000	2.19%
RJ-CD	GOLDMAN SACHS BANK	10/11/12	10/03/17	1.550%	1.550%	99,717	99,977	-11	34	100,000	1.46%
RJ	CASH	N/A	N/A	0.000%	0.000%	15,027	15,027			15,027	0.22%
					<b>0.419%</b>	<b>\$6,845,146</b>	<b>\$6,856,361</b>	<b>\$4,142</b>	<b>\$354</b>	<b>\$6,851,913</b>	<b>100.00%</b>

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

LAIF=LOCAL AGENCY INVESTMENT FUND  
RJ=RAYMOND JAMES

**CERTIFICATION**

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

*Carl R. Schoonover*

CARL R. SCHOONOVER, TREASURER

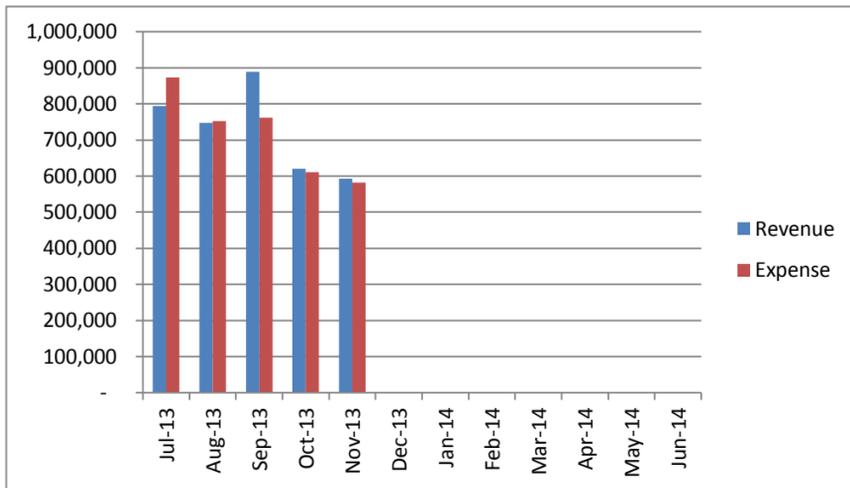
# Wholesale Zone Financial Summary

## For Period Ending November 30, 2013

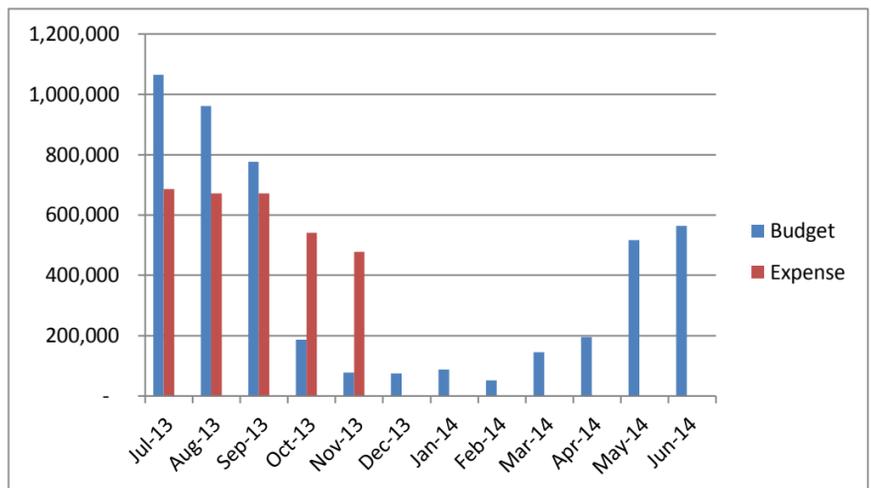
YTD Operating Income    \$        3,643,075

YTD Operating Expense    \$        3,579,380

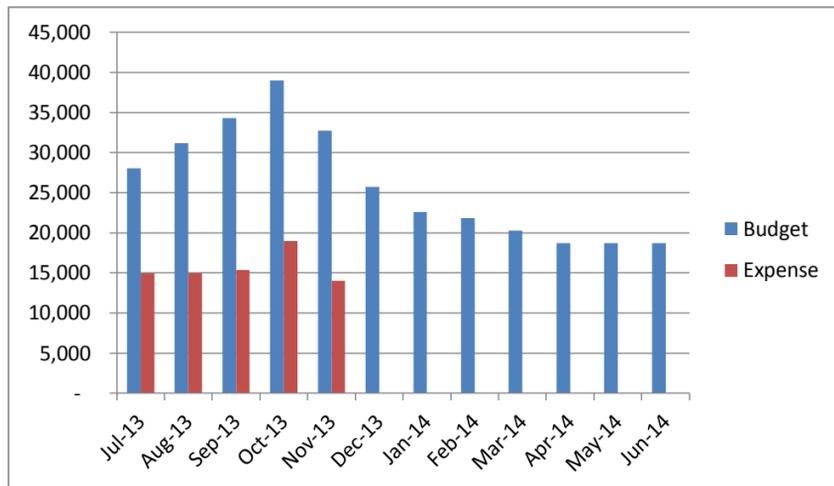
**Revenue vs. Expenses**



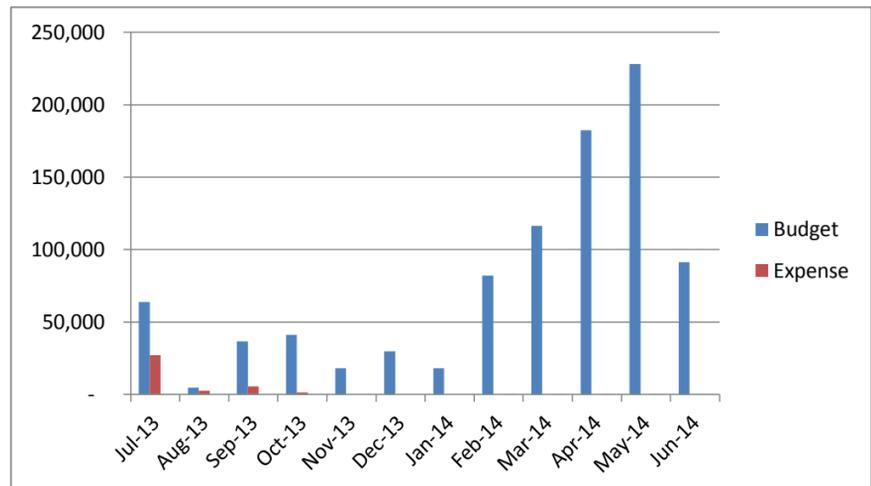
**Water Purchased Budget vs. Actual**



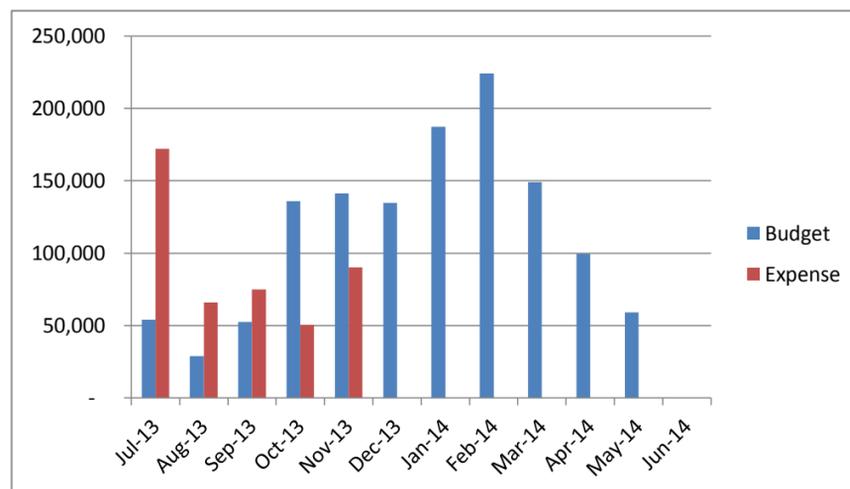
**Salaries & Benefits Budget vs. Actual**



**CIP Budget & Actual**



**O&M Budget vs. Actual**



## WHOLESALE ZONE

EAST ORANGE COUNTY WATER DISTRICT  
 2013-2014 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 MONTH: NOVEMBER 2013

<b>REVENUE</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		REVENUE	REVENUE	BUDGET	(UNDER)	EXPENDED
1	OPERATING REVENUE:					
2	WATER SALES	477,420	3,047,247	4,705,463	(1,658,216)	64.76%
3	FIXED CHARGES	37,087	185,433	480,255	(294,822)	38.61%
4	EOCWD FIXED CHARGES	21,772	108,860	250,000	(141,140)	43.54%
5	REIMBURSED EXP-IRWD	-	6,110	19,516	(13,406)	31.31%
6	OTHER CHARGES	202	2,287	30	2,257	7623.13%
7	<b>TOTAL OPERATING REVENUE:</b>	<b>536,481</b>	<b>3,349,936</b>	<b>5,455,264</b>	<b>(2,105,327)</b>	
8	NON-OPERATING REVENUES (EXPENSES):					
9	PROPERTY TAXES	46,306	68,636	659,500	(590,864)	10.41%
10	RENTAL INCOME - CELLULAR ANTENNAS	4,200	42,533	100,000	(57,467)	42.53%
11	INTEREST & INVESTMENT EARNINGS	1,689	8,147	14,640	(6,493)	55.65%
12	NOTE RECEIVABLE - AMP	3,880	173,573	47,355	126,218	366.53%
13	MISCELLANEOUS INCOME	50	250	500	(250)	50.00%
14	<b>TOTAL NON-OPERATING REVENUES, NET</b>	<b>56,125</b>	<b>293,138</b>	<b>821,995</b>	<b>(528,857)</b>	
15	<b>NET OPERATING INCOME</b>	<b>592,606</b>	<b>3,643,075</b>	<b>6,277,259</b>	<b>(2,634,184)</b>	

<b>EXPENSES</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		EXPENSES	EXPENSES	BUDGET	(UNDER)	EXPENDED
16	OPERATING EXPENSE:					
17	SOURCE OF SUPPLY	477,330	3,047,337	4,705,463	(1,658,126)	64.76%
18	MET/MWDOC FIXED CHARGE	23,811	119,056	328,607	(209,551)	36.23%
19	EOCWD FIXED CHARGE	14,525	73,990	166,648	(92,658)	44.40%
20	ENERGY	195	704	2,600	(1,896)	27.09%
21	OPERATIONS & MAINTENANCE	27,711	145,067	536,100	(391,033)	27.06%
22	GENERAL & ADMINISTRATIVE	18,544	89,538	304,351	(214,813)	29.42%
23	TRANSFER TO CAPITAL PROJECTS EXPENSE & RESERVES	20,778	103,889	239,990	(136,101)	43.29%
24	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
25	MARKET VALUE ADJUSTMENT ON INVESTMENTS	(1,302)	(202)	-	(202)	0.00%
26	<b>TOTAL OPERATING EXPENSE</b>	<b>581,592</b>	<b>3,579,379</b>	<b>6,283,759</b>	<b>(2,704,379)</b>	
27	<b>NET INCOME FROM OPERATIONS</b>	<b>11,014</b>	<b>63,695</b>	<b>(6,500)</b>	<b>70,195</b>	
28	PRIOR YEARS INCOME (EXPENSES)	-	(4,030)	(500)	(4,530)	
29	<b>NET INCOME (LOSS)</b>	<b>11,014</b>	<b>59,665</b>	<b>(7,000)</b>	<b>74,726</b>	

## Wholesale Zone

### November 2013 Variance Report - 41.6% of Budget Year Expended

<u>Account Number</u>	<u>Account Name</u>	<u>Income(I) Expense (E)</u>	<u>YTD Amount</u>	<u>Percent Received/ Spent</u>	<u>Comments</u>
<b>Nov-13</b>					
<b><u>New</u></b>					
5339-0001-1	OPERATIONS REPORTING SOFTWARE	E	2,970	66.01%	Purchase of I-Pads in November
<b><u>Ongoing</u></b>					
4110-0001-1	WATER SALES	I	3,047,247	64.76%	Water sales are higher than anticipated
4980-0001-1	AMP SALE INSTALLMENTS	I	173,573	366.53%	MWDOC paid the full portion of their loan outstanding
4924-0001-1	INTEREST EARNED - RAYMOND JAMES	I	8,147	62.67%	Interest earned is higher than expected
5130-0043-1	EOCF #2 NONINTERR OC 43	E	1,030,234	72.98%	Increased sales causing increased supply costs
5130-0048-1	EOCF #2 NONINTERR OC 48	E	870,224	92.47%	Increased sales causing increased supply costs
5345-0001-1	PRESSURE REGULATORS R&M	E	4,455	148.49%	Overage due to pressure regulator maintenance
5350-0041-1	SERVICE CONNECTIONS R&M	E	992	99.15%	Replace sampling valve
5359-0001-1	SAC LINE R&M	E	1,481	74.06%	R&M is higher than expected
5365-0001-1	EQUIPMENT RENTAL	E	8,821	220.53%	Unplanned generator rental
5610-0009-1	MCPHERSON FAX	E	114	57.19%	Underbudgeted based on current billings
5618-0031-1	DUES & MEMBERSHIPS- AWWA	E	207	68.83%	Annual dues paid at the beginning of the year
5639-0001-1	OUTSIDE SERVICES	E	2,680	111.67%	Unplanned pest control services
5644-0003-1	ACCOUNTING- SERRANO	E	15,458	70.26%	Unplanned consulting expenses
5648-0001-1	LAFCO	E	11,144	61.91%	LAFCO bill has been received and paid
9510-0001-1	PRIOR YEARS INCOME (EXPENSES)	E	(4,030)	806.10%	Prior year Department of Health invoice

## Capital Projects

<b><u>New</u></b>					
<b><u>Ongoing</u></b>					
107	BACKUP GENERATOR AT OC70 PUMP STATION-CONST (CARRYOVER)	E	-	0.00%	Costs are higher than anticipated due to MET design review of proposed generator.

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE  
MONTH: NOVEMBER 2013

ACCOUNT DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>					
1 4110-0001-1 WATER SALES	477,420	3,047,247	4,705,463	(1,658,216)	64.76%
2 4111-0001-1 STANDBY	202	1,146	-	1,146	0.00%
3 4112-0001-1 LATE CHARGE	-	-	30	(30)	0.00%
4 4114-0001-1 EOCWD RESERVE FUND CHARGE-WS	17,445	87,227	200,000	(112,774)	43.61%
5 4115-0001-1 READINESS TO SERVE - EOCWD	4,327	21,634	50,000	(28,366)	43.27%
6 4130-0001-1 RETAIL SERVICE CONNECTIONS	14,525	72,627	166,648	(94,021)	43.58%
7 4131-0001-1 READINESS TO SERVE - MWDOC	14,637	73,186	203,564	(130,378)	35.95%
8 4133-0001-1 MET-MWDOC CAPACITY CHARGE	7,924	39,620	110,043	(70,423)	36.00%
9 4134-0001-1 MET-MWDOC CHOICE-WS	-	1,141	-	1,141	0.00%
10 4160-0060-1 REIMBURSED EXP- IRWD	-	6,110	19,516	(13,406)	31.31%
11 4160-0065-1 REFUNDS	-	-	-	-	0.00%
12 Total OPERATING REVENUE:	536,481	3,349,936	5,455,264	(2,105,327)	
13 NON OPERATING INCOME					
14 4915-0001-1 INTEREST INCOME-WS	-	-	51	(51)	0.00%
15 4916-0001-1 INTEREST-MORGAN STANLEY-OP	-	-	-	-	0.00%
16 4916-0957-1 INTEREST-MORGAN STANLEY- CONT	-	-	-	-	0.00%
17 4917-0001-1 INTEREST- LAIF- OP	-	-	103	(103)	0.00%
18 4917-0957-1 INTEREST-LAIF-CONT.	-	-	-	-	0.00%
19 4918-0001-1 INTEREST-US TREASURY BOND	-	-	-	-	0.00%
20 4918-0957-1 INTEREST US TREASURY BOND	-	-	-	-	0.00%
21 4922-0001-1 INTEREST INCOME-CTY OF ORANGE	-	-	51	(51)	0.00%
22 4923-0001-1 INTEREST INCOME-ACWA	-	-	1,435	(1,435)	0.00%
23 4924-0001-1 INTEREST EARNED - RAYMOND JAMES	1,689	8,147	13,000	(4,853)	62.67%
24 4930-0030-1 TAXES SECURED	45,223	47,071	585,000	(537,929)	8.05%
25 4930-0031-1 TAXES UNSECURED	-	14,271	15,000	(729)	95.14%
26 4930-0032-1 TAXES SUPPLEMENTAL ROLL	505	2,923	5,000	(2,077)	58.46%
27 4930-0040-1 TAXES PRIOR YEARS	579	4,370	15,000	(10,630)	29.13%
28 4930-0052-1 TAXES HOMEOWNER'S SUBVENTION	-	-	4,000	(4,000)	0.00%
29 4930-0054-1 TAXES PUBLIC UTILITY	-	-	10,000	(10,000)	0.00%
30 4930-0055-1 TAXES TUSTIN RDA	-	-	40,000	(40,000)	0.00%
31 4930-0056-1 TAXES MISC	-	-	500	(500)	0.00%
32 4930-0057-1 TAXES ACCRUED	-	-	(15,000)	15,000	0.00%
33 4930-0058-1 STATE TAXES CONFISCATED	-	-	-	-	0.00%
34 4930-0059-1 PROCEEDS IN-LIEU TAXES	-	-	-	-	0.00%
35 4975-0001-1 RENT INCOME- AT&T	-	22,036	50,000	(27,964)	44.07%
36 4977-0001-1 RENT INCOME- CROWN CASTLE	4,200	20,497	50,000	(29,503)	40.99%
37 4980-0001-1 AMP SALE INSTALLMENTS	3,880	173,573	47,355	126,218	366.53%
38 4990-0001-1 MISCELLANEOUS INCOME	50	250	500	(250)	50.00%
39 Total NON OPERATING INCOME:	56,125	293,138	821,995	(528,857)	
40 Total OPERATING REVENUE	592,606	3,643,075	6,277,259	(2,634,184)	
41 NET OPERATING INCOME:	592,606	3,643,075	6,277,259	(2,634,184)	

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESale  
MONTH: NOVEMBER 2013

ACCOUNT DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>EXPENSES</b>					
42 5130-0043-1 EOCF #2 NONINTERR OC 43	121,416	1,030,234	1,411,639	(381,404)	72.98%
43 5130-0048-1 EOCF #2 NONINTERR OC 48	150,834	870,224	941,093	(70,868)	92.47%
44 5130-0070-1 WATER PURCHASED AMP	205,080	1,146,878	2,352,731	(1,205,853)	48.75%
45 5138-0001-1 WATER PURCHASED	-	-	-	-	0.00%
46 5139-0001-1 WATER PURCHASED IN-LIEU	-	-	-	-	0.00%
47 5141-0001-1 WATER PURCHASED-IN LIEU CREDIT	-	-	-	-	0.00%
48 5149-0001-1 AMP_FAP LEASE EXPENSE	1,250	6,250	15,000	(8,750)	41.67%
49 5161-0001-1 MET-MWDOC READINESS TO SERVE	14,637	73,186	203,564	(130,378)	35.95%
50 5163-0001-1 MET-MWDOC CAPACITY FEES	7,924	39,620	110,043	(70,423)	36.00%
51 5164-0001-1 MWDOC RETAIL SERVICE CONNECT	14,525	73,990	166,648	(92,658)	44.40%
52 5219-0001-1 UTILITY- SCADA RTU	195	704	2,600	(1,896)	27.09%
53 5313-0001-1 SMALL TOOLS	98	747	2,400	(1,653)	31.12%
54 5320-0001-1 GASOLINE, OIL & DIES-WS	-	-	-	-	0.00%
55 5320-0022-1 GASOLINE, OIL & DIESEL FUEL	545	1,545	8,800	(7,256)	17.55%
56 5324-0001-1 REGULATORY PERMITS	417	2,083	5,000	(2,917)	41.67%
57 5326-0001-1 NPDS PERMIT	-	-	-	-	0.00%
58 5327-0001-1 PROF SERV WATER QUAL. CONTROL	597	4,803	25,000	(20,197)	19.21%
59 5338-0001-1 SCADA REPAIR/UPGRADE	-	4,945	12,500	(7,555)	39.56%
60 5339-0001-1 OPERATIONS REPORTING SOFTWARE	1,707	2,970	4,500	(1,530)	66.01%
61 5343-0001-1 METER PURCHASE/REPAIR	3,992	8,068	15,000	(6,932)	53.79%
62 5345-0001-1 PRESSURE REGULATORS R&M	-	4,455	3,000	1,455	148.49%
63 5350-0035-1 R/M- MAINS	-	761	25,000	(24,239)	3.05%
64 5350-0039-1 DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
65 5350-0041-1 SERVICE CONNECTIONS R&M	-	992	1,000	(8)	99.15%
66 5350-0051-1 RESERVOIRS R&M	259	2,421	20,000	(17,579)	12.10%
67 5350-0052-1 R/M- VAULTS	-	319	10,000	(9,681)	3.19%
68 5350-0402-1 R/M- CATHODIC PROTECTION	156	819	20,500	(19,681)	4.00%
69 5357-0001-1 MAINTAIN & OPERATE EOCF#2	3,833	19,167	46,000	(26,833)	41.67%
70 5358-0001-1 METER TESTING	-	-	3,000	(3,000)	0.00%
71 5359-0001-1 SAC LINE R&M	296	1,481	2,000	(519)	74.06%
72 5365-0001-1 EQUIPMENT RENTAL	1,260	8,821	4,000	4,821	220.53%
73 5370-0070-1 BACKHOE R&M	-	-	3,000	(3,000)	11.08%
74 5370-0071-1 VEHICLES R&M	225	1,108	10,000	(8,892)	11.08%
75 5370-0080-1 BUILDING/GROUNDS R&M	283	1,193	3,500	(2,307)	34.10%
76 5467-0001-1 WAGES	8,812	51,392	175,000	(123,608)	29.37%
77 5469-0069-1 PAYROLL TAXES- FICA & MEDICARE	786	4,336	18,000	(13,664)	24.09%
78 5469-0083-1 RETIREMENT- PERS	1,216	6,838	42,000	(35,162)	16.28%
79 5480-0070-1 PAYROLL TAXES- SUI & ETT	13	113	2,000	(1,887)	5.64%
80 5480-0072-1 HEALTH & ACCIDENT INSURANCE	2,605	12,904	55,000	(42,096)	23.46%
81 5480-0075-1 DENTAL INSURANCE	198	982	4,000	(3,018)	24.55%
82 5480-0076-1 VISION INSURANCE	37	186	1,000	(814)	18.59%
83 5480-0080-1 LIFE INSURANCE	31	156	900	(744)	17.33%
84 5480-0082-1 WORKER'S COMP INSURANCE	225	1,108	10,000	(8,892)	11.08%
85 5486-0001-1 UNIFORMS	119	354	4,000	(3,646)	8.84%
86 5607-0001-1 DISTRICT WEBSITE	-	460	1,500	(1,040)	30.64%
87 5610-0009-1 MCPHERSON FAX	23	114	200	(86)	57.19%

## EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE  
MONTH: NOVEMBER 2013

	ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
88	5610-0010-1	MCPHERSON INTERNET	48	242	1,000	(758)	24.22%
89	5610-0015-1	MCPHERSON OFFICE PHONES	94	783	1,600	(817)	48.92%
90	5610-0016-1	ANSWERING SERVICE	16	108	246	(138)	43.82%
91	5610-0017-1	PHONE CIRCUITS TO CTRL EQUIP	307	1,780	4,600	(2,820)	38.69%
92	5610-0019-1	CELLPHONES	97	468	1,650	(1,182)	28.35%
93	5610-0020-1	UNDERGROUND SERVICE ALERT	71	143	400	(257)	35.81%
94	5611-0001-1	TRAINING/SCHOOLS	10	251	2,500	(2,249)	10.03%
95	5613-0001-1	CONSERVATION EDUCATION	-	108	15,000	(14,892)	0.72%
96	5614-0001-1	TRAVEL- CONF/SEMINARS	-	776	5,000	(4,225)	15.51%
97	5616-0001-1	MILEAGE	20	141	300	(159)	47.09%
98	5618-0029-1	DUES & MEMBERSHIP- ACWA	1,535	1,535	2,800	(1,265)	54.81%
99	5618-0030-1	DUES & MEMBERSHIPS- OCWA	-	-	100	(100)	0.00%
100	5618-0031-1	DUES & MEMBERSHIPS- AWWA	-	207	300	(94)	68.83%
101	5618-0032-1	DUES & MEMBERSHIP- FCA	-	-	30	(30)	0.00%
102	5618-0033-1	DUES & MEMBERSHIP- CSDA	-	-	2,000	(2,000)	0.00%
103	5618-0037-1	DUES- ISDOC/URBAN WTR	250	250	900	(650)	27.78%
104	5619-0001-1	MISCELLANEOUS EXP	-	23	500	(477)	4.69%
105	5620-0021-1	DIRECTOR- R. BARRETT	88	350	2,500	(2,150)	14.00%
106	5620-0022-1	DIRECTOR- W. VANDERWERFF	463	1,913	5,000	(3,088)	38.25%
107	5620-0023-1	DIRECTOR- D. CHAPMAN	-	-	-	-	0.00%
108	5620-0024-1	DIRECTOR- J. DULEBOHN	150	600	3,600	(3,000)	16.67%
109	5620-0026-1	DIRECTOR- R. BELL	275	913	3,600	(2,688)	25.35%
110	5620-0027-1	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
111	5621-0001-1	BOARD MEETING EXPENSE	8	113	2,000	(1,887)	5.64%
112	5632-0001-1	POSTAGE	15	99	800	(701)	12.42%
113	5633-0001-1	OFFICE SUPPLY/FURN/SMALL EQUIP	22	1,965	7,000	(5,035)	28.07%
114	5634-0001-1	PUBLICATIONS & LEGAL NOTICES	-	76	5,500	(5,424)	1.37%
115	5635-0001-1	COPIER CONTRACT	19	79	425	(346)	18.55%
116	5638-0001-1	BANK CHARGES	117	603	3,300	(2,697)	18.27%
117	5639-0001-1	OUTSIDE SERVICES	340	2,680	2,400	280	111.67%
118	5640-0001-1	AUDITING	-	3,074	8,800	(5,726)	34.93%
119	5641-0001-1	TAX COLLECTION FEES	115	212	2,000	(1,788)	10.59%
120	5644-0001-1	TREASURER	-	812	10,000	(9,188)	8.12%
121	5644-0003-1	ACCOUNTING- SERRANO	6,194	15,458	22,000	(6,542)	70.26%
122	5645-0001-1	LEGAL	7,002	29,782	80,000	(50,218)	37.23%
123	5646-0001-1	COMPUTER CONSULTING	-	380	4,000	(3,620)	9.50%
124	5647-0001-1	ENGINEERING-WS	-	5,291	30,000	(24,709)	17.64%
125	5648-0001-1	LAFCO	-	11,144	18,000	(6,856)	61.91%
126	5650-0050-1	INSURANCE-AUTO & GEN LIABILITY	835	4,173	15,000	(10,827)	27.82%
127	5650-0051-1	INSURANCE-PROPERTY	176	878	5,000	(4,122)	17.56%
128	5650-0052-1	INSURANCE-EMP. FIDELITY BOND	18	88	500	(412)	17.62%
129	5670-0072-1	OFFICE EQUIPMENT R&M	-	24	300	(276)	8.10%
130	5680-0083-1	UTILITIES-DUMPSTER	25	237	1,500	(1,263)	15.79%
131	5680-0084-1	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
132	5680-0085-1	UTILITIES- OFFICE- ELECT & WTR	214	1,208	3,500	(2,292)	34.50%
133	5686-0001-1	SECURITY	-	-	2,000	(2,000)	0.00%
134	5689-0001-1	ELECTION EXPENSE	-	-	25,000	(25,000)	0.00%
135	8910-0001-1	DEPRECIATION EXP.	-	-	-	-	0.00%
136	8955-0001-1	TRANS. TO WRCI-CAPITAL PROJECT	-	-	-	-	0.00%

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE  
MONTH: NOVEMBER 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
137	8961-0001-1 TRANS TO CAPITAL PROJECTS	3,333	16,663	39,990	(23,328)	41.67%
138	8981-0001-1 TRANSFER TO (FROM) RESERVES	17,445	87,227	200,000	(112,774)	43.61%
139	9011-0001-1 MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
140	9011-0953-1 MARKET VALUE ADJUST-INVESTMENT	(1,302)	(202)	-	(202)	0.00%
141	9011-0957-1 MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
142	Total EXPENSES:	581,592	3,579,379	6,283,759	(2,704,379)	
143	NET INCOME FROM OPERATIONS:	11,014	63,695	(6,500)	70,195	
144	OTHER INCOME AND EXPENSE					
145	9510-0001-1 PRIOR YEARS INCOME (EXPENSES)	-	(4,030)	(500)	(4,530)	806.10%
146	Total OTHER INCOME AND EXPENSE	-	(4,030)	(500)	(4,530)	806.10%
147	NET INCOME (LOSS)	11,014	59,665	(7,000)	74,726	

## WHOLESALE ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT  
 2013-2014 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 MONTH: NOVEMBER 2013

<b>REVENUE</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		REVENUE	REVENUE	BUDGET	(UNDER)	EXPENDED
1	FUNDS PROVIDED BY RESERVE	-	-	819,010	(819,010)	0.00%
2	CAPITAL PROJECTS REVENUE					
3	CONNECTION FEES	500	3,038	10,000	(6,963)	30.38%
4	INTEREST EARNINGS	-	-	15,000	(15,000)	0.00%
5	INTEREST RECEIVABLE- AMP SALE	-	1	15,000	(14,999)	0.00%
6	TRANSFER FROM OPERATING EXPENSES	3,333	16,663	39,990	(23,328)	41.67%
7	REIMBURSEMENT FOR STORM DAMAGE REPAIRS	-	-	-	-	0.00%
8	REIMBURSEMENT FOR SECURITY UPGRADES	-	-	-	-	0.00%
9	<b>NET OPERATING INCOME</b>	<b>3,833</b>	<b>19,701</b>	<b>899,000</b>	<b>(879,299)</b>	

<b>EXPENSES</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		EXPENSES	EXPENSES	BUDGET	(UNDER)	EXPENDED
10	CAPITAL PROJECTS EXPENSES					
11	CAPITALIZED ACCOUNTING COSTS	-	-	5,000	(5,000)	0.00%
12	METAL FLASHING AT PETERS CANYON RESERVOIR	-	74	11,000	(10,926)	0.67%
13	SECURITY GATE AT 6 MG SITE-CONST	-	-	9,000	(9,000)	0.00%
14	SECURITY SYSTEM AT PETERS CANYON RESERVOIR	-	2,009	20,000	(17,991)	10.04%
15	BACKUP GENERATOR AT OC70 PUMP STATION	-	25,240	36,000	(10,760)	70.11%
16	PIPELINE INSPECTIONS-ENGINEERING	-	-	26,000	(26,000)	0.00%
17	BETTERMENT AND REPLACEMENT PLAN	-	-	75,000	(75,000)	0.00%
18	6 MG RESERVOIR ROOF REPAIRS	-	7,423	190,000	(182,577)	3.91%
19	6 MG RESERVOIR - LANDSCAPE/V-DITCH	-	-	50,000	(50,000)	0.00%
20	SLURRY SEAL ASPHALT AROUND ANDRES & NEWPORT RESERVOIRS	-	-	11,000	(11,000)	0.00%
21	CATHODIC PROTECTION - PIPELINES	-	-	26,000	(26,000)	0.00%
22	MCPHERSON OFFICE/YARD IMPROVEMENTS	-	347	13,000	(12,653)	2.67%
23	11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM	-	-	36,000	(36,000)	0.00%
24	USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
25	MOBILE ENGINE DRIVEN PUMP	-	1,638	-	1,638	0.00%
26	NEW PROJECT - 6 MG TREATMENT PLANT FEASIBILITY STUDY	-	-	255,000	(255,000)	0.00%
27	VULNERABILITY UPGRADES-ANDRES RESERVOIR	-	-	15,000	(15,000)	0.00%
28	VALVE REPLACEMENTS (12" - 27")	-	-	23,000	(23,000)	0.00%
29	REPLACE BACKHOE	-	-	25,000	(25,000)	0.00%
30	NEW PROJECT - NEWPORT RESERVOIR MIXING SYSTEM	-	-	31,000	(31,000)	0.00%
31	NEW PROJECT- ISOLATION VALVES - 11.5 & 1 MG	-	-	41,000	(41,000)	0.00%
32	<b>TOTAL OPERATING EXPENSE</b>	<b>-</b>	<b>36,731</b>	<b>913,000</b>	<b>(876,269)</b>	
33	<b>NET INCOME FROM OPERATIONS</b>	<b>3,833</b>	<b>(17,030)</b>	<b>(14,000)</b>	<b>(3,030)</b>	
34	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	
35	<b>NET INCOME (LOSS)</b>	<b>3,833</b>	<b>(17,030)</b>	<b>(14,000)</b>	<b>(3,030)</b>	

EAST ORANGE COUNTY WATER DISTRICT

FOR WHOLESALE  
MONTH: NOVEMBER 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
	FUNDED BY RESERVES	-	-	819,010	(819,010)	
1	4113-0001-1 CONNECTION FEES	500	3,038	10,000	(6,963)	30.38%
2	4914-0953-1 INTEREST- RAYMOND JAMES	-	-	15,000	(15,000)	0.00%
3	4916-0953-1 INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
4	4917-0953-1 INTEREST-LAIF-CAP	-	-	-	-	0.00%
5	4918-0953-1 INTEREST-US TREASURY BOND	-	-	-	-	0.00%
6	4925-0001-1 INTEREST INCOME-AMP SALE	-	1	15,000	(14,999)	0.00%
7	4991-0010-1 REIMBURSEMENT- STORM DAMAGE	-	-	-	-	0.00%
8	4991-0011-1 REIMBURSEMENT-SECURITY UPGRAD	-	-	-	-	0.00%
9	4993-0953-1 TRANSFER FROM WS OPERATIONS	3,333	16,663	39,990	(23,328)	41.67%
10	Total NON OPERATING INCOME:	3,833	19,701	899,000	(879,298)	
11	Total OPERATING REVENUE	3,833	19,701	899,000	(879,298)	
12	NET OPERATING INCOME:	3,833	19,701	899,000	(879,298)	

EXPENSES

13	7900-100C-1 CAPITALIZED ACCOUNTING COSTS	-	-	5,000	(5,000)	0.00%
14	7912-102C-1 METAL FLASHING AT PETERS CANYON RESERVOIR-CONSTRUCTION	-	-	10,000	(10,000)	0.00%
15	7912-102L-1 METAL FLASHING AT PETERS CANYON RESERVOIR-LABOR	-	74	1,000	(926)	7.37%
16	7912-103C-1 SECURITY GATE AT 6 MG SITE-CONST (WZ PORTION)(CARRYOVER)	-	-	8,000	(8,000)	0.00%
17	7912-103L-1 SECURITY GATE AT 6 MG SITE-LABOR (WZ PORTION)(CARRYOVER)	-	-	1,000	(1,000)	0.00%
18	7912-105C-1 SECURITY SYSTEM AT PETERS CANYON RESERVOIR-CONSTRUCTION	-	2,009	15,000	(12,991)	13.39%
19	7912-105L-1 SECURITY SYSTEM AT PETERS CANYON RESERVOIR-LABOR	-	-	5,000	(5,000)	0.00%
20	7912-107C-1 BACKUP GENERATOR AT OC70 PUMP STATION-CONST (CARRYOVER)	-	25,000	35,000	(10,000)	71.43%
21	7912-107L-1 BACKUP GENERATOR AT OC70 PUMP STATION-LABOR	-	240	1,000	(760)	24.05%
22	7912-110E-1 PIPELINE INSPECTIONS-ENGINEERING (CARRYOVER)	-	-	25,000	(25,000)	0.00%
23	7912-110L-1 PIPELINE INSPECTIONS-LABOR	-	-	1,000	(1,000)	0.00%
24	7912-201E-1 BETTERMENT AND REPLACEMENT PLAN-ENGINEERING (CARRYOVER)	-	-	75,000	(75,000)	0.00%
25	7913-102C-1 6 MG RESERVOIR ROOF REPAIRS-CONSTRUCTION	-	-	150,000	(150,000)	0.00%
26	7913-102E-1 6 MG RESERVOIR ROOF REPAIRS-ENGINEERING	-	7,370	30,000	(22,630)	24.57%
27	7913-102L-1 6 MG RESERVOIR ROOF REPAIRS-LABOR	-	53	10,000	(9,947)	0.53%
28	7913-104C-1 6 MG RESERVOIR - LANDSCAPE/V-DITCH-CONSTRUCTION	-	-	30,000	(30,000)	0.00%
29	7913-104E-1 6 MG RESERVOIR - LANDSCAPE/V-DITCH-ENGINEERING	-	-	5,000	(5,000)	0.00%
30	7913-104L-1 6 MG RESERVOIR - LANDSCAPE/V-DITCH-LABOR	-	-	15,000	(15,000)	0.00%
31	7913-105C-1 SLURRY SEAL ASPHALT AROUND ANDRES & NEWPORT RESERVOIRS-CONST.	-	-	10,000	(10,000)	0.00%
32	7913-105L-1 SLURRY SEAL ASPHALT AROUND ANDRES & NEWPORT RESERVOIRS-LABOR	-	-	1,000	(1,000)	0.00%
33	7913-106C-1 CATHODIC PROTECTION - PIPELINES-CONSTRUCTION	-	-	20,000	(20,000)	0.00%
34	7913-106E-1 CATHODIC PROTECTION - PIPELINES-ENGINEERING	-	-	5,000	(5,000)	0.00%
35	7913-106L-1 CATHODIC PROTECTION - PIPELINES-LABOR	-	-	1,000	(1,000)	0.00%
36	7913-201C-1 MCPHERSON OFFICE/YARD IMPROVEMENTS-CONSTRUCTION	-	347	10,000	(9,653)	3.47%
37	7913-201L-1 MCPHERSON OFFICE/YARD IMPROVEMENTS-LABOR	-	-	3,000	(3,000)	0.00%
38	7913-202C-1 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-CONSTRUCTION	-	-	25,000	(25,000)	0.00%
39	7913-202E-1 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-ENGINEERING	-	-	10,000	(10,000)	0.00%
40	7913-202L-1 11.5 MG RESERVOIR CATHODIC PROTECTION SYSTEM-LABOR	-	-	1,000	(1,000)	0.00%
41	7913-203C-1 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
42	7913-204C-1 MOBILE ENGINE DRIVEN PUMP- CONST.	-	1,638	-	1,638	0.00%
43	7914-101E-1 NEW PROJECT - 6 MG TREATMENT PLANT FEASIBILITY STUDY-ENGINEERING	-	-	250,000	(250,000)	0.00%
44	7914-101L-1 NEW PROJECT - 6 MG TREATMENT PLANT -LABOR	-	-	5,000	(5,000)	0.00%
45	7914-102C-1 VULNERABILITY UPGRADES-ANDRES RESERVOIR-CONSTRUCTION	-	-	9,000	(9,000)	0.00%
46	7914-102E-1 VULNERABILITY UPGRADES-ANDRES RESERVOIR-ENGINEERING	-	-	5,000	(5,000)	0.00%
47	7914-102L-1 VULNERABILITY UPGRADES-ANDRES RESERVOIR-LABOR	-	-	1,000	(1,000)	0.00%
48	7914-103C-1 VALVE REPLACEMENTS (12" - 27")-CONSTRUCTION	-	-	12,000	(12,000)	0.00%
49	7914-103E-1 VALVE REPLACEMENTS (12" - 27")-ENGINEERING	-	-	5,000	(5,000)	0.00%
50	7914-103L-1 VALVE REPLACEMENTS (12" - 27")-LABOR	-	-	6,000	(6,000)	0.00%
51	7914-201C-2 REPLACE BACKHOE	-	-	25,000	(25,000)	0.00%
52	7914-xx1C-1 NEW PROJECT- CONSTSTRUCTION - NEWPORT RESERVOIR MIXING SYSTEM	-	-	25,000	(25,000)	0.00%
53	7914-xx2C-1 NEW PROJECT- CONSTRUCTION - ISOLATION VALVES - 11.5 & 1 MG	-	-	30,000	(30,000)	0.00%
54	7914-xx1E-1 NEW PROJECT- ENGINEERING - NEWPORT RESERVOIR MIXING SYSTEM	-	-	5,000	(5,000)	0.00%
55	7914-xx2E-1 NEW PROJECT- ENGINEERING - ISOLATION VALVES - 11.5 & 1 MG RESERVOIRS	-	-	5,000	(5,000)	0.00%
56	7914-xx1L-1 NEW PROJECT- LABOR - NEWPORT RESERVOIR MIXING SYSTEM	-	-	1,000	(1,000)	0.00%
57	7914-xx2L-1 NEW PROJECT- LABOR- ISOLATION VALVES - 11.5 & 1 MG	-	-	6,000	(6,000)	0.00%
58	Total EXPENSES:	-	36,731	913,000	(876,269)	
59	NET INCOME FROM OPERATIONS:	3,833	(17,030)	(14,000)	(3,030)	
60	NET INCOME (LOSS)	3,833	(17,030)	(14,000)	(3,030)	

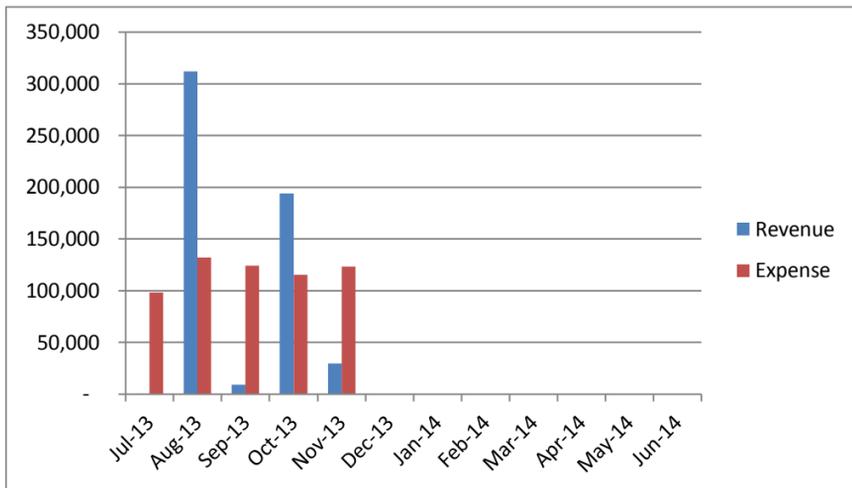
# Retail Zone Financial Summary

## For Period Ending November 30, 2013

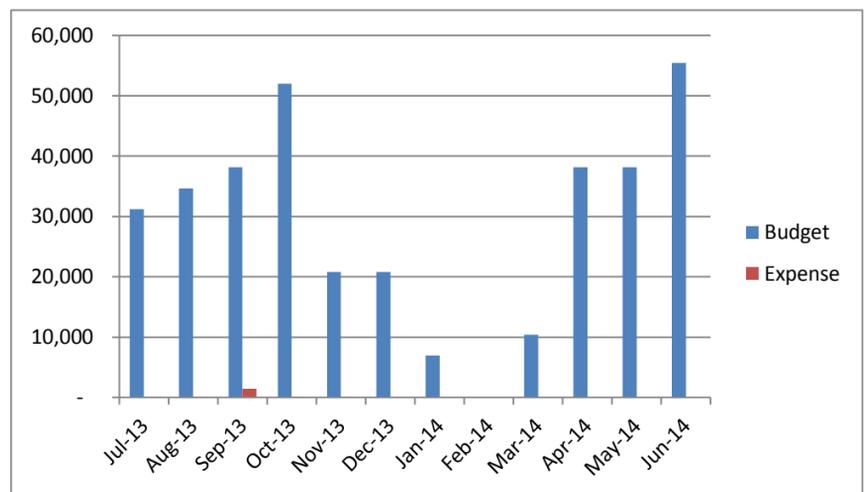
YTD Operating Income    \$            545,121

YTD Operating Expense    \$            593,146

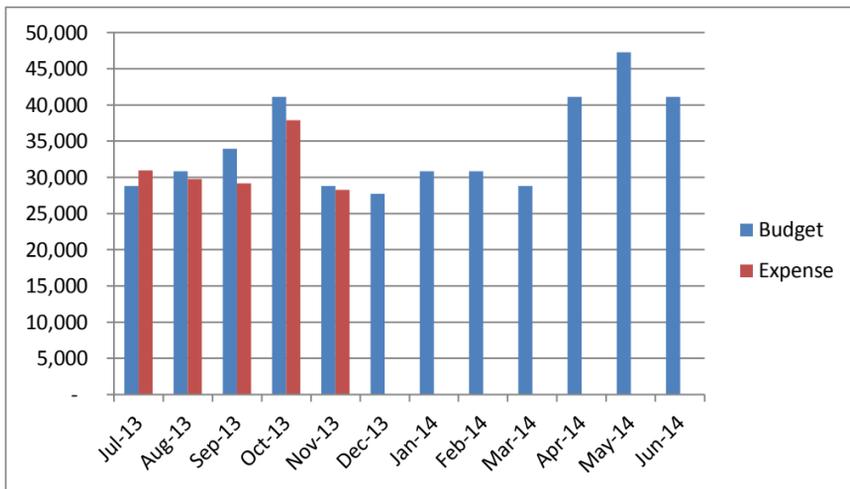
**Revenue vs Expenses**



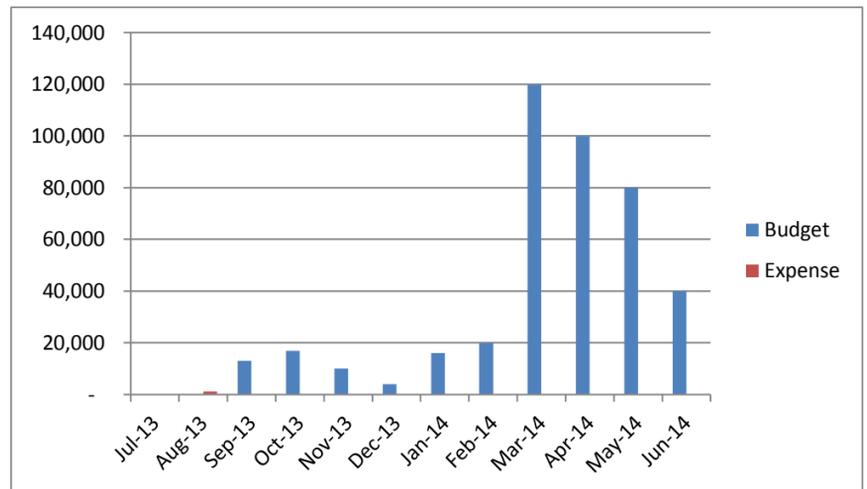
**Water Purchased Budget vs. Actual**



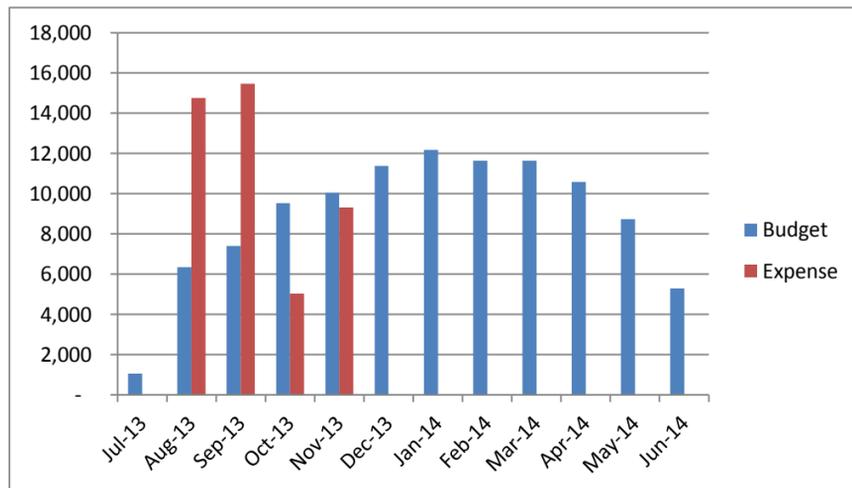
**Salaries & Benefits Budget vs. Actual**



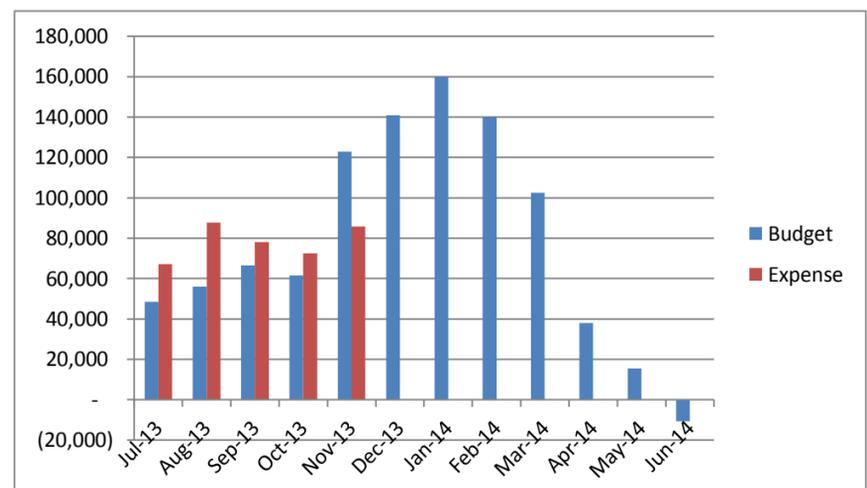
**CIP Budget vs. Actual**



**Electrical Budget vs. Actual**



**O&M Budget vs. Actual**



## RETAIL ZONE

EAST ORANGE COUNTY WATER DISTRICT  
 2013-2014 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 MONTH: NOVEMBER 2013

<b>REVENUE</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		REVENUE	REVENUE	BUDGET	(UNDER)	EXPENDED
1	OPERATING REVENUE:					
2	WATER SALES	702	388,095	1,095,925	(707,830)	35.41%
3	METER CHARGE	127	111,887	364,000	(252,113)	30.74%
4	OTHER CHARGES	2,235	6,039	5,200	839	116.14%
5	<b>TOTAL OPERATING REVENUE:</b>	<b>3,065</b>	<b>506,021</b>	<b>1,465,125</b>	<b>(959,103)</b>	<b>34.54%</b>
6	NON-OPERATING REVENUES (EXPENSES):					
7	PROPERTY TAXES	26,431	39,091	361,200	(322,109)	10.82%
8	INTEREST & INVESTMENT EARNINGS	1	7	440	(433)	1.64%
9	MISCELLANEOUS INCOME	-	1	500	(499)	0.12%
10	MARKET VALUE ADJUSTMENT ON INVESTMENTS	-	-	-	-	0.00%
11	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
12	<b>TOTAL NON-OPERATING REVENUES, NET</b>	<b>26,432</b>	<b>39,099</b>	<b>362,140</b>	<b>(323,041)</b>	
13	<b>NET OPERATING INCOME</b>	<b>29,497</b>	<b>545,121</b>	<b>1,827,265</b>	<b>(1,282,144)</b>	

<b>EXPENSES</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		EXPENSES	EXPENSES	BUDGET	(UNDER)	EXPENDED
14	OPERATING EXPENSE:					
15	SOURCE OF SUPPLY	23,190	134,562	540,496	(405,934)	24.90%
16	MET/MWDOC FIXED CHARGE	846	4,232	10,156	(5,924)	41.67%
17	WZ FIXED CHARGE	1,242	6,211	15,000	(8,789)	41.41%
18	PIPELINE CAPACITY LEASE	2,724	13,622	44,000	(30,378)	30.96%
19	ENERGY	9,093	43,354	101,750	(58,396)	42.61%
20	OPERATIONS & MAINTENANCE	48,148	207,683	590,095	(382,412)	35.19%
21	GENERAL & ADMINISTRATIVE	13,630	60,941	229,765	(168,825)	26.52%
22	TRANSFER TO CAPITAL PROJECTS EXPENSE	14,508	72,542	174,100	(101,558)	41.67%
23	RETAIL OPERATIONS CONTINGENCY FUND	5,833	29,167	70,000	(40,833)	41.67%
24	FUNDED TO/BY RESERVE	4,167	20,833	50,000	(29,167)	41.67%
25	DEPRECIATION & AMORTIZATION	-	-	-	-	0.00%
26	<b>TOTAL OPERATING EXPENSE</b>	<b>123,383</b>	<b>593,146</b>	<b>1,825,362</b>	<b>(1,232,215)</b>	
27	<b>NET INCOME FROM OPERATIONS</b>	<b>(93,886)</b>	<b>(48,026)</b>	<b>1,903</b>	<b>(49,929)</b>	
28	PRIOR YEARS INCOME (EXPENSES)	40	(202)	(1,903)	1,701	
29	<b>NET INCOME (LOSS)</b>	<b>(93,926)</b>	<b>(47,824)</b>	<b>-</b>	<b>(48,228)</b>	

## Retail Zone

### November 2013 Variance Report - 41.6% of Budget Year Expended

<u>Account Number</u>	<u>Account Name</u>	<u>Income(I) Expense (E)</u>	<u>YTD Amount</u>	<u>Percent Received/ Spent</u>	<u>Comments</u>
<b><u>New</u></b>					
5324-0002-2	REGULATORY PERMITS	E	3,223	128.91%	Fees for the SWRCB were not budgeted
5350-0041-2	SERVICE LATERALS R&M	E	12,534	62.67%	Unplanned expense of \$7.6K of asphalt repairs at various locations
<b><u>Ongoing</u></b>					
4930	PROPERTY TAXES	I	7	1.64%	Purchased water is low due to the reliance on OCWD water
5130-0070-2	WATER PURCHASED	E	1,678	0.48%	Purchased water is low due to the reliance on OCWD water
5146-0002-2	OCWD- REPLENISH ASSESSMENT	E	132,884	68.53%	OCWD water is high due to not using EOCWD purchased water
5206-0002-2	UTILITY STOLLER RESERVOIR	E	21,371	47.49%	Higher than expected power usage
5339-0002-2	OPERATIONS REPORTING SOFTWARE	E	11,349	70.93%	There was one time Sedaru set up, configuration, training, and implementation costs
5345-0002-2	PRV- R & M	E	1,345	67.26%	One time expense Related to Daniger fire pump installation
5365-0002-2	EQUIPMENT RENTAL	E	6,614	3306.83%	Unplanned generator rental
5610-0009-2	MCPHERSON FAX	E	114	55.79%	Budget would have been around \$260 instead of \$200
5618-0031-2	DUES & MEMBERSHIPS- AWWA	E	207	75.09%	These are one time dues paid at the beginning of the year
5638-0002-2	BANK CHARGES	E	3,198	79.95%	Bank charges are higher than expected
5639-0002-2	OUTSIDE SERVICES	E	2,910	48.50%	There was pest control services that were unplanned
5644-0003-2	ACCOUNTING- SERRANO	E	15,458	65.78%	There were unplanned accounting consultant expenses
9510-0002-2	PRIOR YEARS INCOME (EXPENSES)	E	(202)	0.00%	There was a health invoice received that pertained to prior year

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>						
1	4110-0002-2	702	388,095	1,095,925	(707,830)	35.41%
2	4111-0002-2	127	111,887	364,000	(252,113)	30.74%
3	4112-0002-2	2,205	5,709	9,000	(3,291)	63.44%
4	4115-0002-2	30	30	500	(470)	6.00%
5	4116-0002-2	-	300	700	(400)	42.86%
6	4117-0002-2	-	-	-	-	0.00%
7	4118-0002-2	-	-	(5,000)	5,000	0.00%
8	4121-0002-2	-	-	-	-	0.00%
9	4160-0065-2	-	-	-	-	0.00%
10	4166-0002-2	-	-	-	-	0.00%
11	Total OPERATING REVENUE:	3,065	506,021	1,465,125	(959,103)	
12	4915-0002-2	1	7	40	(33)	18.00%
13	4916-0002-2	-	-	-	-	0.00%
14	4917-0002-2	-	-	100	(100)	0.00%
15	4918-0002-2	-	-	200	(200)	0.00%
16	4922-0002-2	-	-	100	(100)	0.00%
17	4930-0030-2	25,798	26,846	315,000	(288,154)	8.52%
18	4930-0031-2	-	8,092	13,000	(4,908)	62.24%
19	4930-0032-2	304	1,676	2,200	(524)	76.16%
20	4930-0040-2	328	2,478	8,000	(5,522)	30.97%
21	4930-0052-2	-	-	3,000	(3,000)	0.00%
22	4930-0054-2	-	-	5,000	(5,000)	0.00%
23	4930-0055-2	-	-	20,000	(20,000)	0.00%
24	4930-0056-2	-	-	-	-	0.00%
25	4930-0057-2	-	-	(5,000)	5,000	0.00%
26	4930-0058-2	-	-	-	-	0.00%
27	4930-0059-2	-	-	-	-	0.00%
28	4990-0002-2	-	1	500	(499)	0.12%
29	Total NON OPERATING INCOME:	26,432	39,099	362,140	(323,041)	
30	Total OPERATING REVENUE	29,497	545,121	1,827,265	(1,282,144)	
31	NET OPERATING INCOME:	29,497	545,121	1,827,265	(1,282,144)	

**EXPENSES**

32	5130-0070-2	75	1,678	346,596	(344,918)	0.48%
33	5139-0002-2	-	-	-	-	0.00%
34	5141-0002-2	-	-	-	-	0.00%
35	5146-0002-2	23,115	132,884	193,900	(61,016)	68.53%
36	5161-0002-2	1,999	9,997	27,500	(17,503)	36.35%
37	5163-0002-2	725	3,625	16,500	(12,875)	21.97%
38	5164-0002-2	846	4,232	10,156	(5,924)	41.67%
39	5165-0010-2	247	3,480	3,000	480	116.00%
40	5165-0020-2	995	2,731	12,000	(9,269)	22.76%
41	5206-0002-2	3,666	21,371	45,000	(23,629)	47.49%
42	5212-0002-2	408	2,617	6,750	(4,133)	38.77%
43	5216-0002-2	5,019	19,367	50,000	(30,633)	38.73%
44	5313-0002-2	98	747	3,075	(2,328)	24.29%
45	5320-0002-2	-	-	-	-	0.00%
46	5320-0022-2	1,058	3,018	9,020	(6,002)	33.46%
47	5324-0002-2	2,314	3,223	2,500	723	128.91%
48	5326-0002-2	-	-	-	-	0.00%
49	5327-0002-2	323	2,388	20,000	(17,612)	11.94%
50	5328-0002-2	295	917	2,700	(1,783)	33.95%
51	5329-0002-2	-	-	3,250	(3,250)	0.00%
52	5330-0002-2	-	135	3,250	(3,115)	4.16%
53	5331-0002-2	-	-	6,000	(6,000)	0.00%
54	5332-0002-2	279	279	4,200	(3,921)	6.65%
55	5333-0002-2	-	-	5,300	(5,300)	0.00%
56	5334-0002-2	-	-	3,000	(3,000)	0.00%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL  
MONTH: NOVEMBER 2013

	ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
57	5338-0002-2	SCADA REPAIR/UPGRADE	-	-	2,100	(2,100)	0.00%
58	5339-0002-2	OPERATIONS REPORTING SOFTWARE	5,288	11,349	16,000	(4,651)	70.93%
59	5342-0002-2	HYDRANT REPAIR & REPLACEMENTS	-	78	16,100	(16,022)	0.49%
60	5343-0002-2	METER PURCHASE REPAIR	-	152	9,200	(9,048)	1.66%
61	5345-0002-2	PRV- R & M	-	1,345	2,000	(655)	67.26%
62	5350-0035-2	R/M- MAINS	-	3,404	23,000	(19,596)	14.80%
63	5350-0039-2	DAMAGE REPAIR- CAL EMA	-	-	-	-	0.00%
64	5350-0041-2	SERVICE LATERALS R&M	7,593	12,534	20,000	(7,466)	62.67%
65	5350-0051-2	RESERVOIRS R&M	-	747	2,000	(1,253)	37.35%
66	5350-0052-2	R/M- VAULTS	-	-	1,500	(1,500)	16.79%
67	5350-0402-2	R/M- CATHODIC PROTECTION	437	2,183	13,000	(10,817)	16.79%
68	5358-0002-2	METER TESTING	210	210	1,000	(790)	21.00%
69	5365-0002-2	EQUIPMENT RENTAL	945	6,614	200	6,414	3306.83%
70	5370-0070-2	BACKHOE R&M	-	-	3,500	(3,500)	0.00%
71	5370-0071-2	VEHICLES R&M	747	1,090	3,100	(2,010)	35.17%
72	5370-0080-2	BUILDING/GROUNDS R&M	283	1,193	4,000	(2,807)	29.83%
73	5467-0002-2	WAGES	18,285	104,057	255,000	(150,943)	40.81%
74	5469-0069-2	PAYROLL TAXES- FICA & MEDICARE	1,456	8,187	22,000	(13,813)	37.21%
75	5469-0083-2	RETIREMENT- PERS	2,283	13,032	51,100	(38,068)	25.50%
76	5480-0070-2	PAYROLL TAXES- SUI & ETT	13	164	1,000	(836)	16.37%
77	5480-0072-2	HEALTH & ACCIDENT INSURANCE	5,056	25,183	60,000	(34,817)	41.97%
78	5480-0075-2	DENTAL INSURANCE	384	1,918	5,000	(3,082)	38.37%
79	5480-0076-2	VISION INSURANCE	73	363	1,200	(837)	30.24%
80	5480-0080-2	LIFE INSURANCE	61	303	800	(497)	37.92%
81	5480-0082-2	WORKER'S COMP INSURANCE	437	2,183	13,000	(10,817)	16.79%
82	5486-0002-2	UNIFORMS	231	686	2,000	(1,314)	34.31%
83	5607-0002-2	DISTRICT WEBSITE	-	460	3,000	(2,540)	15.32%
84	5610-0009-2	MCPHERSON FAX	23	114	205	(91)	55.79%
85	5610-0010-2	MCPHERSON INTERNET	48	242	525	(283)	46.13%
86	5610-0015-2	MCPHERSON OFFICE PHONES	94	783	1,600	(817)	48.92%
87	5610-0016-2	ANSWERING SERVICE	16	108	250	(142)	43.12%
88	5610-0017-2	PHONE CIRCUITS TO CTRL EQUIP	288	1,149	3,000	(1,851)	38.31%
89	5610-0019-2	CELLPHONES	97	468	1,550	(1,082)	30.18%
90	5610-0020-2	UNDERGROUND SERVICE ALERT	71	143	400	(257)	35.81%
91	5611-0002-2	TRAINING/SCHOOLS	20	289	2,000	(1,711)	14.46%
92	5613-0002-2	CONSERVATION EDUCATION	-	-	4,000	(4,000)	0.00%
93	5614-0002-2	TRAVEL-CONF/SEMINARS	-	731	5,000	(4,269)	14.61%
94	5616-0002-2	MILEAGE	20	141	500	(359)	28.26%
95	5618-0029-2	DUES & MEMBERSHIPS- ACWA	1,535	1,535	3,500	(1,965)	43.85%
96	5618-0030-2	DUES & MEMBERSHIPS- OCWA	-	-	75	(75)	0.00%
97	5618-0031-2	DUES & MEMBERSHIPS- AWWA	-	207	275	(69)	75.09%
98	5618-0032-2	DUES & MEMBERSHIP- FCA	-	-	10	(10)	0.00%
99	5618-0033-2	DUES & MEMBERSHIP-CSDA	-	-	3,500	(3,500)	0.00%
100	5618-0037-2	DUES- ISDOC/URBAN WTR	250	250	900	(650)	27.78%
101	5619-0002-2	MISCELLANEOUS EXP	-	15	500	(485)	3.07%
102	5620-0021-2	DIRECTOR- R. BARRETT	88	350	2,500	(2,150)	14.00%
103	5620-0022-2	DIRECTOR- W. VANDERWERFF	463	1,913	6,000	(4,088)	31.88%
104	5620-0023-2	DIRECTOR- D. CHAPMAN	-	-	-	-	0.00%
105	5620-0024-2	DIRECTOR- J. DULEBOHN	150	600	3,600	(3,000)	16.67%
106	5620-0026-2	DIRECTOR- R. BELL	275	913	3,600	(2,688)	25.35%
107	5620-0027-1	DIRECTOR- D. DAVERT	-	-	-	-	0.00%
108	5621-0002-2	BOARD MEETING EXPENSE	8	113	1,000	(887)	11.28%
109	5632-0002-2	POSTAGE	87	1,285	6,000	(4,715)	21.42%
110	5633-0002-2	OFFICE SUPPLY/FURN/SMALL EQUIP	22	1,965	6,500	(4,535)	30.23%
111	5634-0002-2	PUBLICATIONS & LEGAL NOTICES	-	295	7,550	(7,255)	3.90%
112	5635-0002-2	COPIER CONTRACT	19	79	550	(471)	14.33%
113	5636-0002-2	VERSATERM CONTRACT (RZ BILLS)	-	2,269	3,000	(731)	75.62%
114	5638-0002-2	BANK CHARGES	348	3,198	4,000	(802)	79.95%
115	5639-0002-2	OUTSIDE SERVICES	340	2,910	6,000	(3,090)	48.50%
116	5640-0002-2	AUDITING	-	2,726	8,200	(5,474)	33.24%
117	5641-0002-2	TAX COLLECTION FEES	65	120	4,000	(3,880)	3.01%
118	5642-0002-2	COMPUTER BILLING (RZ BILLS)	-	3,106	7,000	(3,894)	44.37%
119	5644-0002-2	TREASURER	-	812	10,250	(9,438)	7.92%
120	5644-0003-2	ACCOUNTING- SERRANO	6,194	15,458	23,500	(8,042)	65.78%
121	5645-0002-2	LEGAL	2,153	3,427	20,000	(16,573)	17.14%
122	5646-0002-2	COMPUTER CONSULTING	-	380	10,000	(9,620)	3.80%

	ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
123	5647-0002-2	ENGINEERING-RZ	-	4,886	45,000	(40,114)	10.86%
124	5648-0002-2	LAFCO	-	2,446	5,000	(2,554)	48.93%
125	5650-0050-2	INSURANCE-AUTO & GEN LIABILITY	580	2,900	7,500	(4,600)	38.66%
126	5650-0051-2	INSURANCE-PROPERTY	122	610	1,675	(1,065)	36.43%
127	5650-0052-2	INSURANCE-EMP. FIDELITY BOND	16	78	150	(72)	52.10%
128	5670-0072-2	OFFICE EQUIPMENT R&M	-	24	300	(276)	8.10%
129	5680-0083-2	UTILITIES-DUMPSTER	25	237	1,000	(763)	23.69%
130	5680-0084-2	UTILITIES- THE GAS CO.- OFFICE	-	-	-	-	0.00%
131	5680-0085-2	UTILITIES- OFFICE- ELECT & WTR	214	1,208	4,100	(2,893)	29.45%
132	5686-0002-2	SECURITY	-	-	1,000	(1,000)	0.00%
133	5689-0002-2	ELECTION EXPENSE	-	-	-	-	0.00%
134	5912-0002-2	INTEREST EXPENSE DWR	-	-	-	-	0.00%
135	8900-0002-2	DISPOSAL OF ASSET GAIN (LOSS)	-	-	-	-	0.00%
136	8910-0002-2	DEPRECIATION EXP.	-	-	-	-	0.00%
137	8920-0959-2	PRIOR YEAR ADJUSTMENTS	-	-	-	-	0.00%
138	8960-0002-2	TRANS TO CAPITAL PROJECT AF	-	-	-	-	0.00%
139	8961-0002-2	TRANS TO CAPITAL PROJECTS	14,508	72,542	174,100	(101,558)	41.67%
140	8975-0002-2	RZ- CONTINGENCY FUND	5,833	29,167	70,000	(40,833)	41.67%
141	8996-0002-2	FUNDED TO/BY RESERVE-RZ	4,167	20,833	50,000	(29,167)	41.67%
142	9011-0002-2	MARKET VALUE ADJUST-INVESTMENT	-	-	-	-	0.00%
143		TOTAL OPERATING EXPENSES:	123,383	593,146	1,825,362	(1,232,215)	
144		NET INCOME FROM OPERATIONS:	(93,886)	(48,026)	1,903	(49,929)	
145	9510-0002-2	PRIOR YEARS INCOME (EXPENSES)	40	(202)	(1,903)	1,701	0.00%
146	9510-0959-2	PRIOR YEARS INCOME (EXPENSES)	-	-	-	-	0.00%
147		Total OTHER INCOME AND EXPENSES	40	(202)	(1,903)	1,701	
148		NET INCOME (LOSS)	(93,926)	(47,824)	-	(48,228)	

## RETAIL ZONE CAPITAL PROJECTS

EAST ORANGE COUNTY WATER DISTRICT  
 2013-2014 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
 MONTH: NOVEMBER 2013

<b>REVENUE</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		REVENUE	REVENUE	BUDGET	(UNDER)	EXPENDED
1	FUNDS PROVIDED BY RESERVE	-	-	213,650	(213,650)	0.00%
2	CAPITAL PROJECTS REVENUE					
3	CAPITAL PROJECTS FEES	129	90,088	288,000	(197,912)	31.28%
4	CONNECTION FEES	-	-	-	-	0.00%
5	INTEREST EARNINGS	-	-	-	-	0.00%
6	TRANSFER FROM OPERATING EXPENSES	14,508	72,542	174,100	(101,558)	41.67%
7	FUNDS BORROWED FROM WHOLESALE ZONE	-	-	-	-	0.00%
8	REIMBURSEMENT- RZ BILL RATE STUDY	-	-	-	-	0.00%
9	<b>NET OPERATING INCOME</b>	<b>14,638</b>	<b>162,629</b>	<b>675,750</b>	<b>(513,121)</b>	
<b>EXPENSES</b>		MONTHLY	YTD	ANNUAL	BUDGET \$	PERCENT
DESCRIPTION		ACTUAL	ACTUAL	2013-14	OVER	OF BUDGET
		EXPENSES	EXPENSES	BUDGET	(UNDER)	EXPENDED
10	CAPITAL PROJECTS EXPENSES					
11	RZ CAPITALIZED ACCOUNTING COST	-	-	5,000	5,000	0.00%
12	BETTERMENT & REPLACEMENT PLAN	-	-	70,500	70,500	0.00%
13	MCPHERSON OFFICE/YARD IMPROVE-	-	347	15,000	14,653	2.31%
14	CATHODIC PROTECTIONS-	-	-	5,500	5,500	0.00%
15	USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	15,000	0.00%
16	MOBILE ENGINE DRIVEN PUMP	-	1,638	-	(1,638)	0.00%
17	MCPHERSON HOUSE REMODEL	-	-	-	-	0.00%
18	VIEW RIDGE MODIFICATION-	-	-	-	-	0.00%
19	VP VAULT PIPING/METER UPGRADE-	-	-	27,000	27,000	0.00%
20	VISTA PANORAMA RESERVOIR REPAIR-	-	(720)	85,000	85,720	-0.85%
21	VP PUMP REBUILD-	-	-	5,250	5,250	0.00%
22	VALVE RAISING-CRAWFORD CANYON-	-	-	13,000	13,000	0.00%
23	VALVE REPLACEMENTS- SYSTEM	-	-	20,000	20,000	0.00%
24	ALLOW FOR SYSTEM RELOCATION-	-	-	12,000	12,000	0.00%
25	BACKUP GENERATOR FOR VP BOOSTER-	-	26	-	(26)	0.00%
26	6" MAG METERS @ STOLLER PRVS-	-	-	15,000	15,000	0.00%
27	STOLLER 150HP BOOSTER PUMP -	-	-	37,000	37,000	0.00%
28	REPLACE BACKHOE-	-	-	25,000	25,000	0.00%
29	BACKUP SYSTEM PRV - CIRCULA PANORAMA-	-	-	50,000	50,000	0.00%
30	JOINT WELL - ENGINEERING	-	-	105,000	105,000	0.00%
31	WELL DISINFECTION CONVERSION -	-	-	57,500	57,500	0.00%
32	WEST WELL REHABILITATION -REPLACEMENT-	-	-	72,000	72,000	0.00%
33	CHARMAINE / FOWLER PIPING MODIFICATION -	-	-	26,000	26,000	0.00%
34	SCADA SYSTEM SITE ADDITIONS - VP SIDEHILL AND RZ FIRE PUMP	-	-	15,000	15,000	0.00%
35	<b>TOTAL OPERATING EXPENSE</b>	<b>-</b>	<b>1,291</b>	<b>675,750</b>	<b>674,459</b>	
36	<b>NET INCOME FROM OPERATIONS</b>	<b>14,638</b>	<b>161,338</b>	<b>-</b>	<b>161,338</b>	
37	PRIOR YEARS EXPENSES	-	-	-	-	
38	<b>NET INCOME (LOSS)</b>	<b>14,638</b>	<b>161,338</b>	<b>-</b>	<b>161,338</b>	

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL  
MONTH: NOVEMBER 2013

ACCOUNT DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
<b>REVENUE</b>					
1 FUNDED BY RESERVES	-	-	213,650	(213,650)	
2 4109-0002-2 WATER SALES-CAPITAL PROJECTS	129	90,088	288,000	(197,912)	31.28%
3 4113-0002-2 CONNECTION FEES	-	-	-	-	0.00%
4 4915-0959-2 INTEREST INCOME- CHAPMAN AVE	-	-	-	-	0.00%
5 4916-0959-2 INTEREST-MORGAN STANLEY-CAP	-	-	-	-	0.00%
6 4917-0959-2 INTEREST-LAIF-CAP	-	-	-	-	0.00%
7 4918-0959-2 INTEREST US TREASURY BOND	-	-	-	-	0.00%
8 4991-0012-2 REIMBURSEMENT- RZ BILL RATE STUDY	-	-	-	-	0.00%
9 4994-0959-2 TRANSFER IN CAPITAL PROJECTS	14,508	72,542	174,100	(101,558)	41.67%
10 Total NON OPERATING INCOME:	14,638	162,629	675,750	(513,121)	
11 Total OPERATING REVENUE	14,638	162,629	675,750	(513,121)	
12 NET OPERATING INCOME:	14,638	162,629	675,750	(513,121)	

**EXPENSES**

13 7900-100C-2 RZ CAPITALIZED ACCOUNTING COST	-	-	5,000	(5,000)	0.00%
14 7912-201E-2 BETTERMENT & REPLACEMENT PLAN	-	-	70,000	(70,000)	0.00%
15 7912-201L-2 BETTERMENT & REPLACEMENT PLAN	-	-	500	(500)	0.00%
16 7913-201C-2 MCPHERSON OFFICE/YARD IMPROVE-CONST.	-	347	10,000	(9,653)	3.47%
17 7913-201L-2 MCPHERSON OFFICE/YARD IMPROVE-LABOR	-	-	5,000	(5,000)	0.00%
18 7913-202C-2 CATHODIC PROTECTIONS-CONST.	-	-	5,000	(5,000)	0.00%
19 7913-202L-2 CATHODIC PROTECTION-LABOR	-	-	500	(500)	0.00%
20 7913-203C-2 USED VEHICLE TO SUPPLEMENT FLEET	-	-	15,000	(15,000)	0.00%
21 7913-204C-2 MOBILE ENGINE DRIVEN PUMP	-	1,638	-	1,638	0.00%
22 7913-204L-2 MOBILE ENGINE DRIVEN PUMP LABOR	-	-	-	-	0.00%
23 7913-205C-2 MCPHERSON HOUSE REMODEL	-	-	-	-	0.00%
24 7913-501C-2 VIEW RIDGE MODIFICATION-CONST.	-	-	-	-	0.00%
25 7913-503C-2 VP VAULT PIPING/METER UPGRADE-CONST.	-	-	20,000	(20,000)	0.00%
26 7913-503E-2 VP VAULT PIPING/METER UPGRADE-ENG.	-	-	5,000	(5,000)	0.00%
27 7913-503L-2 VP VAULT PIPING/METER UPGRADE-LABOR	-	-	2,000	(2,000)	0.00%
28 7913-504C-2 VISTA PANORAMA RESERVOIR REPAIR-CONST.	-	(720)	65,000	(65,720)	-1.11%
29 7913-504E-2 VISTA PANORAMA RESERVOIR REPAIR-ENG.	-	-	15,000	(15,000)	0.00%
30 7913-504L-2 VISTA PANORAMA RESERVOIR REPAIR-LABOR	-	-	5,000	(5,000)	0.00%
31 7913-505C-2 VP PUMP REBUILD-CONST.	-	-	5,000	(5,000)	0.00%
32 7913-505L-2 VP PUMP REBUILD-LABOR	-	-	250	(250)	0.00%
33 7913-507C-2 VALVE RAISING-CRAWFORD CANYON-CONST.	-	-	12,000	(12,000)	0.00%
34 7913-507E-2 VALVE RAISING-CRAWFORD CANYON-ENG.	-	-	500	(500)	0.00%
35 7913-507L-2 VALVE RAISING-CRAWFORD CANYON-LABOR	-	-	500	(500)	0.00%
36 7913-508C-2 VALVE REPLACEMENTS- SYSTEM CONST.	-	-	15,000	(15,000)	0.00%
37 7913-508L-2 VALVE REPLACEMENTS- SYSTEM LABOR	-	-	5,000	(5,000)	0.00%
38 7913-509C-2 ALLOW FOR SYSTEM RELOCATION-CONST.	-	-	10,000	(10,000)	0.00%
39 7913-509E-2 ALLOW FOR SYSTEM RELOCATION-ENG.	-	-	2,000	(2,000)	0.00%
40 7913-510C-2 BACKUP GENERATOR FOR VP BOOSTER-CONST.	-	26	-	26	0.00%
41 7913-510L-2 BACKUP GENERATOR FOR VP BOOSTER-LABOR	-	-	-	-	0.00%
42 7913-511C-2 6" MAG METERS @ STOLLER PRVS-CONST.	-	-	10,000	(10,000)	0.00%
43 7913-511L-2 6" MAG METERS @ STOLLER PRVS-LABOR	-	-	5,000	(5,000)	0.00%
44 7913-512C-2 STOLLER 150HP BOOSTER PUMP - CONSTRUCTION	-	-	35,000	(35,000)	0.00%
45 7913-512E-2 STOLLER 150HP BOOSTER PUMP - ENGINEERING	-	-	1,000	(1,000)	0.00%

EAST ORANGE COUNTY WATER DISTRICT

FOR RETAIL  
MONTH: NOVEMBER 2013

ACCOUNT	DESCRIPTION	MONTHLY ACTUAL REVENUE	YTD ACTUAL REVENUE	ANNUAL 2013-14 BUDGET	BUDGET \$ OVER (UNDER)	PERCENT OF BUDGET EXPENDED
46	7913-512L-2 STOLLER 150HP BOOSTER - LABOR	-	-	1,000	(1,000)	0.00%
47	7914-201C-2 REPLACE BACKHOE-CONSTRUCTION	-	-	25,000	(25,000)	0.00%
48	7914-503C-2 BACKUP SYSTEM PRV - CIRCULA PANORAMA-CONSTRUCTION	-	-	30,000	(30,000)	0.00%
49	7914-503E-2 BACKUP SYSTEM PRV - CIRCULA PANORAMA-ENGINEERING	-	-	10,000	(10,000)	0.00%
50	7914-503L-2 BACKUP SYSTEM PRV - CIRCULA PANORAMA-LABOR	-	-	10,000	(10,000)	0.00%
51	7914-507E-2 JOINT WELL - ENGINEERING	-	-	100,000	(100,000)	0.00%
52	7914-507L-2 JOINT WELL - LABOR	-	-	5,000	(5,000)	0.00%
53	7914-508C-2 WELL DISINFECTION CONVERSION -CONST/EQUIP	-	-	45,000	(45,000)	0.00%
54	7914-508E-2 WELL DISINFECTION CONVERSION-ENGINEERING	-	-	10,000	(10,000)	0.00%
55	7914-508L-2 WELL DISINFECTION CONVERSION - LABOR	-	-	2,500	(2,500)	0.00%
56	7914-509C-2 WEST WELL REHABILITATION -REPLACEMENT-CONSTRUCTION	-	-	70,000	(70,000)	0.00%
57	7914-509L-2 WEST WELL REHABILITATION -REPLACEMENT-LABOR	-	-	2,000	(2,000)	0.00%
58	7914-515C-2 CHARMAINE / FOWLER PIPING MODIFICATION - CONST	-	-	5,000	(5,000)	0.00%
59	7914-515E-2 CHARMAINE / FOWLER PIPING MODIFICATION - ENG	-	-	2,000	(2,000)	0.00%
60	7914-515L-2 CHARMAINE / FOWLER PIPING MODIFICATION - LABOR	-	-	7,000	(7,000)	0.00%
61	7912-201C-2 MCPHERSON OFFICE/YARD IMPROVEMENTS	-	-	10,000	(10,000)	0.00%
62	7913-509L-2 ALLOW FOR SYSTEM RELOCATION-LABOR.	-	-	2,000	(2,000)	0.00%
63	7914-540E-2 SCADA SYSTEM SITE ADDITIONS - VP SIDEHILL AND RZ FIRE PUMP	-	-	15,000	(15,000)	0.00%
64	TOTAL OPERATING EXPENSES:	-	1,291	675,750	(674,459)	
65	Net Income (Loss):	14,638	161,338	-	161,338	



# MEMO

**TO:** BOARD OF DIRECTORS  
**FROM:** GENERAL MANAGER  
**SUBJECT:** MWDOC WATER POLICY FORUM  
**DATE:** JANUARY 16, 2014

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## **BACKGROUND**

The Municipal Water District of Orange County (MWDOC), which supplies us with imported water via the Metropolitan Water District of Southern California (MET), sponsors three to four water policy forums annually (held in a dinner format at a local hotel). The first forum of the year is scheduled for Thursday, February 6, 2014 commencing at 5:30 p.m.

The keynote speaker will be Dr. Christopher Thornberg, founding partner of Beacon Economics, and an expert in economic trends within California and the nation. Dr. Thornberg is widely known for predicting the subprime mortgage crash of 2007 and the subsequent global recession.

At the Forum, Dr. Thornberg will present a comprehensive forecast for the U.S. and California economies, with a special focus on water issues affecting the state and why they are so critical to healthy, long-term economic growth. Attendees will gain insight into the ongoing economic recovery and the future direction in which the economy is headed in both the near- and long-terms. Dr. Thornberg will also focus on the leading risk still facing the economy: the political dysfunction in Washington, DC, the Federal deficit, and the slowing international economy.

Cost to attend the dinner is \$75 per person; reservations are due by Friday, January 31<sup>st</sup>.

## **RECOMMENDATION**

The Board consider Board and staff attendance at the MWDOC Water Policy Forum on February 6<sup>th</sup> and instruct staff as to whom will attend.



# MEMO

**TO:** BOARD OF DIRECTORS  
**FROM:** GENERAL MANAGER  
**SUBJECT:** REQUEST TO ATTEND THE URBAN WATER INSTITUTE CONFERENCE  
**DATE:** JANUARY 16, 2014

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## **Background**

The District is a member of the Urban Water Institute (UWI), a 503(b) nonprofit public education corporation that was established in 1993. Its mission is to provide non-partisan information of timely and pertinent interest to the water resource industry, including public agencies and private firms, with particular emphasis on water economics, management and resource policies as they affect consumers and the general economy. The Institute is governed by a volunteer board of 38 directors drawn from hands-on policy makers, elected officials and industry leaders who are active in the water resources industry. In December, General Manager Ohlund was elected by the Board to Chair the Institute.

UWI's Spring Water Conference will be held at the Palm Springs Hilton from February 19<sup>th</sup>-21<sup>st</sup>. The conference agenda is attached and the focus is on innovation in the water industry – innovative public policy, innovative private sector inventions and innovative water supply. There will also be a special presentation of a lifetime achievement award to Patricia Mulroy, the retiring General Manager of the Southern Nevada Water Authority.

The General Manager's accommodations are paid for by the Institute; the single expense will be for conference registration and transportation (she uses the District vehicle to attend). Funding for her attendance has been allocated as part of a \$2,000 allocation she is provided through her employment contract.

Pursuant to Resolution 658 Travel and Expense Policy, attendance by any Board Member at a non-regularly scheduled conference or meeting requires Board approval. Should any Board Members desire to attend, conference registration is \$375.00; the room cost is \$142.00/night plus taxes.

## **Recommendation**

The Board review and discuss the requests by General Manager Ohlund, and any other Board Member, and provide direction.



# Urban Water Institute's Spring Water Conference

## February 19-21, 2014 • Hilton Palm Springs Hotel • Palm Springs, CA

### Wednesday, February 19, 2014

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

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

- Lisa Ohlund, Chairman, Urban Water Institute

#### **1:15 p.m. - Welcome to Palm Springs**

- Mayor Steve Pougnet, Palm Springs

#### **1:30 p.m. - Futuristic Watershed Management- A Case Study**

- John Kingsbury, Executive Director, Mountain Counties Water Resources Association
- Jim Branham, Executive Director, Sierra Nevada Conservancy
- Roger C. Bales, Ph.D, Professor of Engineering, University of California, Merced
- Martha H. Conklin, Ph.D, Professor of Engineering, University of California, Merced

#### **2:45 p.m. - Networking Break**

#### **3:00 p.m. - How Can California Universities Drive Innovation?**

- Moderator: Mary Aileen Matheis, Director, Irvine Ranch Water District
- David Feldman, Chair, Department of Planning, Policy & Design, University of California Irvine
- Michael Kiparsky, Associate Director of the Wheeler Institute, University of California Berkeley

#### **4:00 p.m. - New Water...Is Cadiz Part Of The Answer?**

- Scott Slater, CEO/President, Cadiz, Inc.

#### **5:00 p.m. - Adjourn**

#### **5:30 p.m. - Welcome Reception**

### Thursday, February 20, 2014

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

#### **9:00 a.m. - Opening Remarks & Speaker Introduction**

- Lisa Ohlund, Chairman, Urban Water Institute

#### **9:15 a.m. - Bay Area Innovation...What's New in Northern California Water?**

- Nicole Sandkulla, General Manager, Bay Area Water Supply & Conservation Agency

#### **10:00 a.m. - Future of Direct Potable Reuse**

- Moderator: Rich Nagel, General Manger, West Basin Municipal Water District
- Fran Spivy-Weber, Vice Chair, California State Water Resources Control Board
- Dave Smith, Managing Director, WaterReuse California
- Rhodes Trussell, Founder, Trussell Technologies
- Mark Milan, CEO, Data Instincts

#### **11:15 a.m. - Networking Break**

#### **11:30 a.m. - City of San Diego Water Challenges**

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



# Urban Water Institute's Spring Water Conference

## February 19-21, 2014 • Hilton Palm Springs Hotel • Palm Springs, CA

### 12:00 p.m. - Luncheon, Networking & Exhibits

#### 12:45 p.m. - Lifetime Achievement Award Presentation

- Introduction: Lisa Ohlund, Chairman, Urban Water Institute
- Presentation: Jeff Kightlinger, General Manager, Metropolitan Water District
- Recipient: Pat Mulroy, General Manager, Southern Nevada Water Authority

#### 1:45 p.m. - Current Legal Developments in Ratemaking

- Moderator: Matt Stone, General Manager, Rancho California Water District
- Michael G. Colantuono, Partner, Colantuono & Levin, PC
- Joel Kuperberg, Attorney, Rutan & Tucker, LLP
- Paul Jones, General Manager, Eastern Municipal Water District

### 2:45 p.m. - Networking Break

#### 3:00 p.m. - Innovation & Water: Where is the Cutting Edge?

- Moderator: Roy Wolfe, Business & Technology Manager, Metropolitan Water District
- Rob Renner, Executive Director, Water Research Foundation
- Bill Kelly, Business Development Director, Isle Inc.
- Dr. Greg Quist, Chief Scientist, Hadronex

### 4:00 p.m. - Private Sector Inventions in Water

- Moderator: Roy Wolfe, Business & Technology Manager, Metropolitan Water District
- Warren Coleman, Senior Management Analyst, City of Brea
- Representative from Niagara Conservation
- Rick Hansen, General Manager, Three Valleys Municipal Water District

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

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

## Friday, February 21, 2014

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

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

### 9:00 a.m. - Opening Remarks & Speaker Introduction

- James Noyes, Executive Director, Urban Water Institute

### 9:15 a.m. - Fracking Update & Future of Geothermal

- Mark Nechodom, Director, California Department of Conservation



## Urban Water Institute's Spring Water Conference February 19-21, 2014 • Hilton Palm Springs Hotel • Palm Springs, CA

### **10:00 a.m. - Will Geothermal Be The Solution For The Salton Sea?**

- Kevin Kelley, General Manager, Imperial Irrigation District
- Vince Signorotti, Vice President, Resource & Real Estate Assets, Energy Source
- David Nahai, Partner, Lewis, Brisbois, Bisgaard & Smith

### **11:15 a.m. - Watershed Management In Controversial Areas**

*The keynote speech will focus on the speaker's experiences with watershed management in one of the most controversial areas in the United States and it will identify short and long-term planning needed to sustain the economy and environment of this region.*

- Malissa McKeith, President, Citizens United for Resources and the Environment

### **12:00 p.m. - Conference Adjourn**



# MEMO

**TO:** BOARD OF DIRECTORS  
**FROM:** GENERAL MANAGER  
**SUBJECT:** ANNUAL COMMITTEE APPOINTMENTS  
**DATE:** JANUARY 16, 2014

---

## **Background**

Board President Bill VanderWerff has made the committee appointments pursuant to the attached listing; there are no changes to the 2013 committee appointments.

## **Recommendation**

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

**EAST ORANGE COUNTY WATER DISTRICT  
STANDING COMMITTEE APPOINTMENTS  
JANUARY 2013**

COMMITTEE, AGENCY, OR GROUP	FREQUENCY	APPOINTMENTS	
		Regular Members or Representatives	Alternate Members or Representatives
Operations, Policy & Personnel Committee **	Monthly	Richard Bell Bill VanderWerff	John Dulebohn
Engineering Committee **	Monthly	Richard Bell Bill VanderWerff	Richard Barrett
Finance Committee **	Monthly	John Dulebohn Doug Davert	Bill VanderWerff
Ad Hoc Consolidation/ Merger/ Acquisition Committee	As Needed	Bill Vanderwerff Doug Davert	Richard Bell
Ad Hoc Investment Committee	As Needed	Bill Vanderwerff Richard Barrett	Doug Davert
Independent Special Districts of OC (ISDOC)	As Needed	John Dulebohn	Richard Barrett
Water Advisory Committee of OC (WACO)	As Needed	Bill Vander Werff	Richard Bell
Local Agency Formation Commission (LAFCO)	As Needed	Bill VanderWerff Doug Davert	Richard Barrett
ACWA, JPIA, and Insurance Safety	As Needed	Doug Davert	Richard Barrett
Municipal Water District (MWDOC) and Metropolitan (MET) for AMP	As Needed	Richard Bell	Bill VanderWerff
Orange County Water District (OCWD)	As Needed	John Dulebohn	Richard Bell
Orange County Council of Governments (OCCOG)	As Needed	Richard Bell	Doug Davert
Antenna Site Leases	As Needed	Bill Vanderwerff Doug Davert	Richard Bell
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.

Updated 2 January 2013

My Documents / Excell / Standing Committee



# MEMO

**TO:** BOARD OF DIRECTORS  
**FROM:** GENERAL MANAGER  
**SUBJECT:** REQUEST TO CHANGE DATE OF THE FEBRUARY BOARD MEETING  
**DATE:** JANUARY 16, 2014

---

## **BACKGROUND**

General Manager Ohlund is the Chairman of the Urban Water Institute and a member of their conference planning committee; she is also a speaker at the conference.

Unfortunately, the UWI Annual Conference is set for Wednesday, February 19<sup>th</sup> through Friday, February 21<sup>st</sup> conflicts with the February Board Meeting that falls on Thursday, February 20<sup>th</sup>. General Manager Ohlund requests that the Board consider moving the Board Meeting one week to Thursday, February 27<sup>th</sup> to assist with the scheduling conflict.

## **RECOMMENDATION**

The Board approve moving the regularly scheduled 5:00 p.m. board meeting set for Thursday, February 20, 2014 to Thursday, February 27, 2014.



# MEMO

**TO: BOARD OF DIRECTORS**  
**FROM: GENERAL MANAGER**  
**SUBJECT: GENERAL INTEREST PUBLICATIONS**  
**DATE: JANUARY 16, 2014**

---

## **Background**

Attached to this memo are copies of various publications that provide information pertinent to current events in the water industry, including the following:

- "Value of Water Survey" – Presentation to MWDOC Manager's Group – Lewis Consulting Group
- Los Angeles Times Editorial – "Hard truths about California's water future"
- Los Angeles Daily News Editorial – "Southern Californians must get worried about water"
- Santa Clarita Valley Signal – "Once chance to do it right"
- San Francisco Gate: "Bay Delta Plan a solid start for water future"
- Update on Water Supply Conditions for Water Year 2014 – Presentation to MWDOC Manager's Group – MWDOC staff

## **Recommendation**

Information only; no action required.

# Municipal Water District of Orange County

## *"VALUE OF WATER SURVEY"*

Areas of public awareness of water issues, value of water,  
water conservation messaging and water conservation efforts

Survey of 750 Orange County residents in MWDOC service area

September 16 – October 2, 2013

+/- 3.58% margin of error with 95% confidence

Presented by:

Lewis Consulting Group, LLC

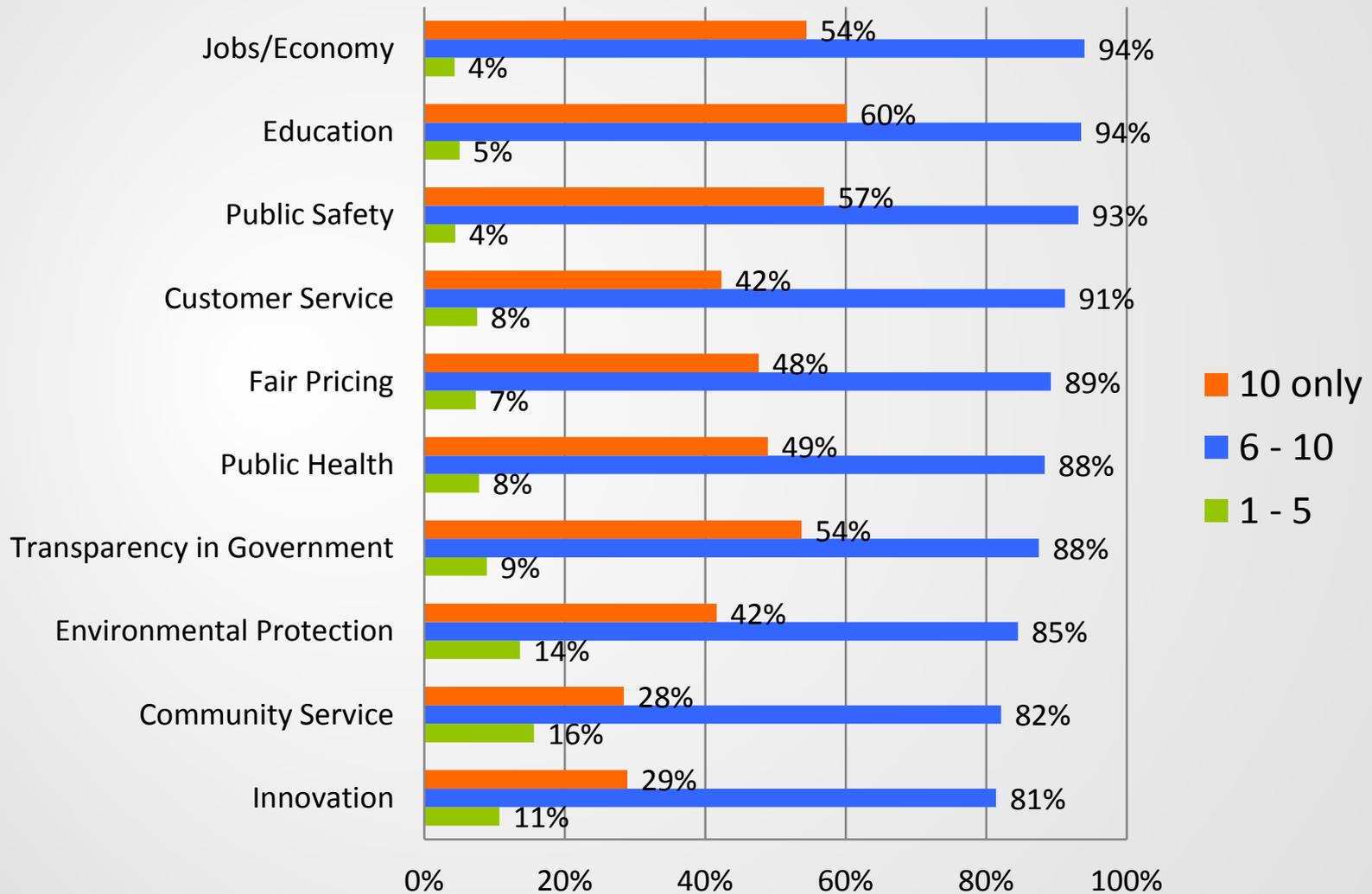
John Lewis, President

1914 W. Orangewood Avenue #201

Orange, CA 92868

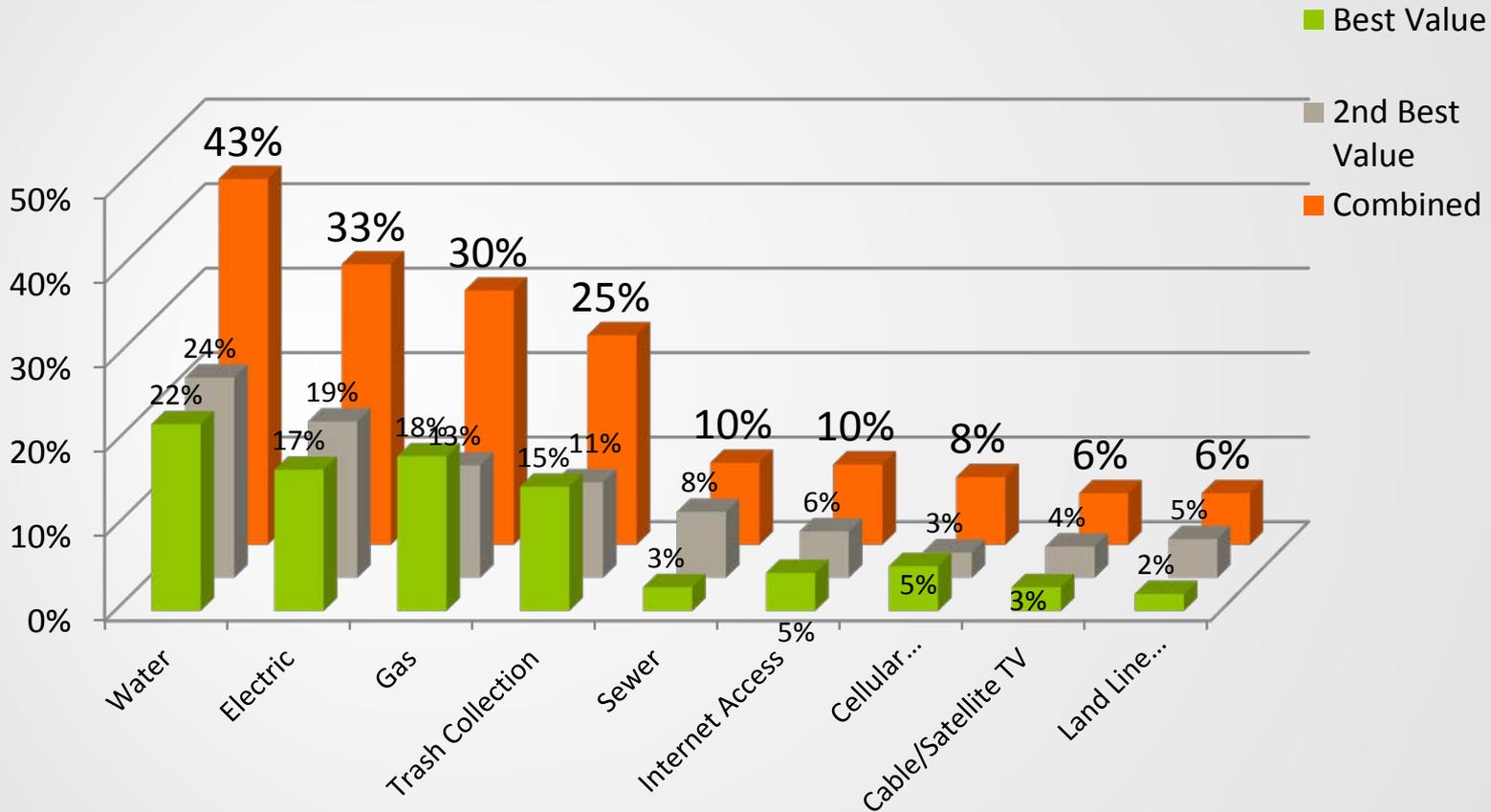
(714) 937-1005

Q1 Using a 10-point scale, with 1 being Not at All Important and 10 being Extremely Important, how important are the following values to you personally?



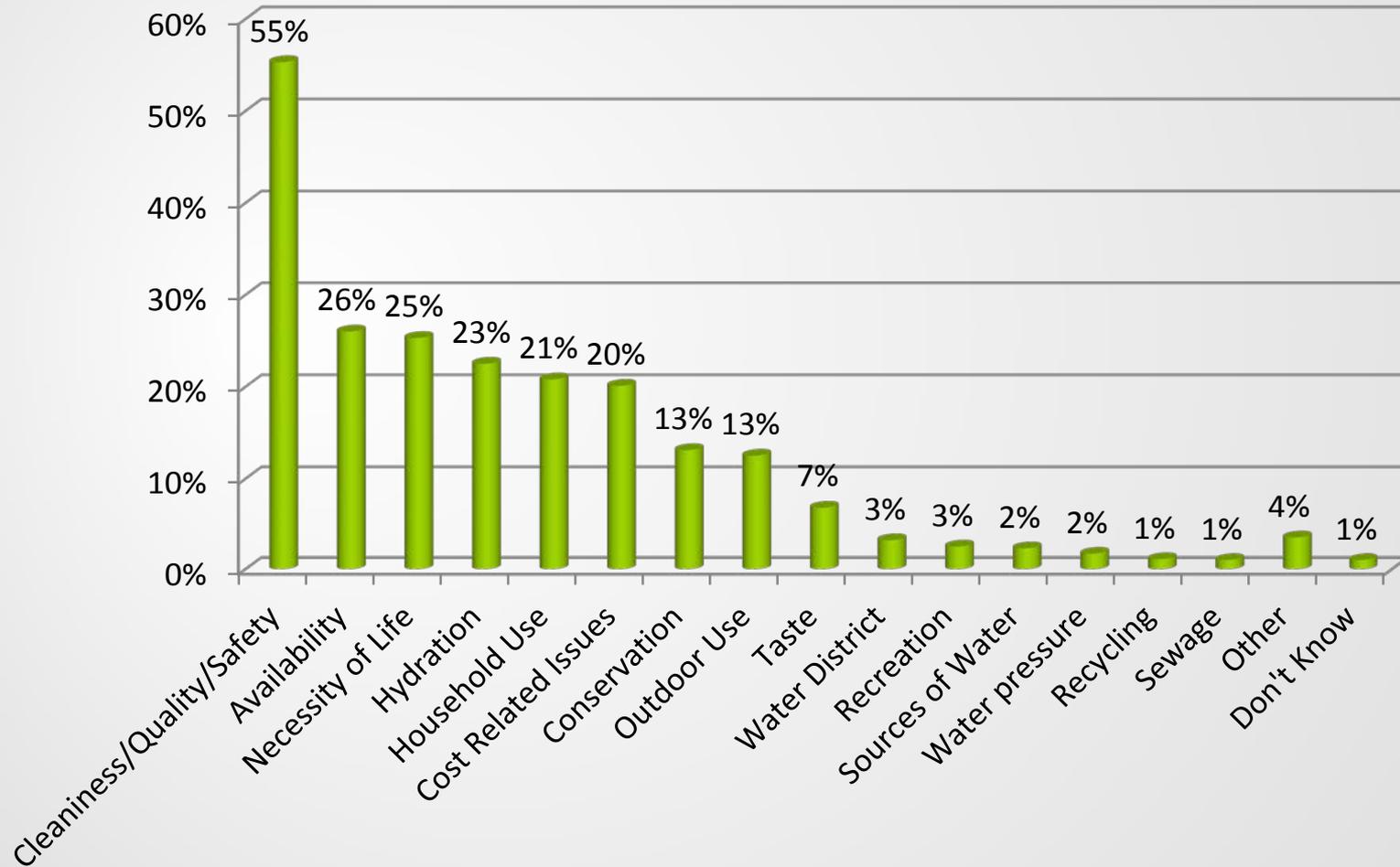
Q2 I am going to mention nine utilities that serve the needs of residents and businesses in Orange County. Considering only those utilities that you pay for, which do you believe provides the best value for the service you receive? What is the next best value?

Cable/ Satellite TV, Water; Sewer; Land Line Telephone, Cellular Telephone, Gas, Electric, Trash Collection, Internet Access

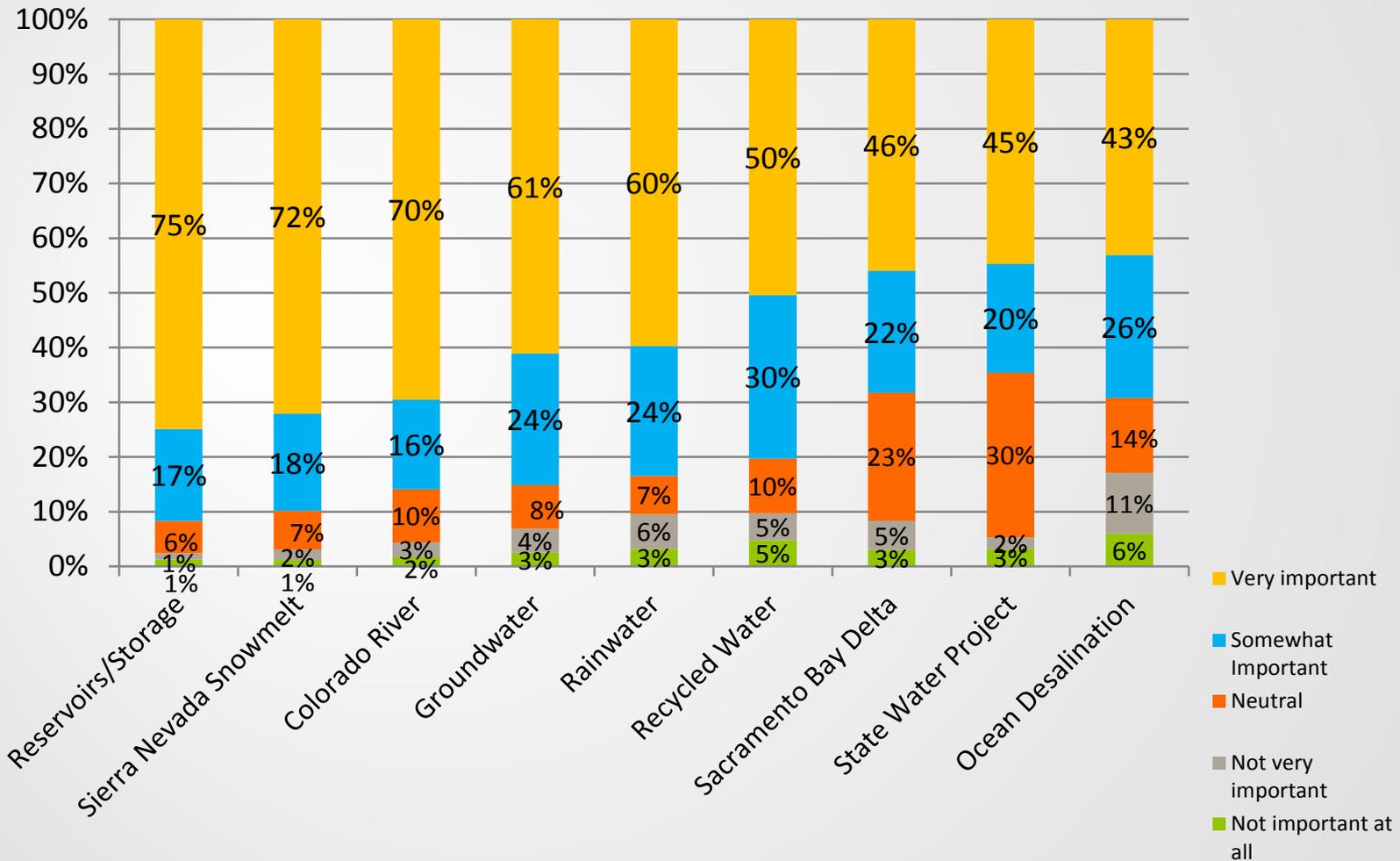


Q3 When you think about WATER as an important part of your life, what are THREE things that come to mind?

### Important attributes of Water to you

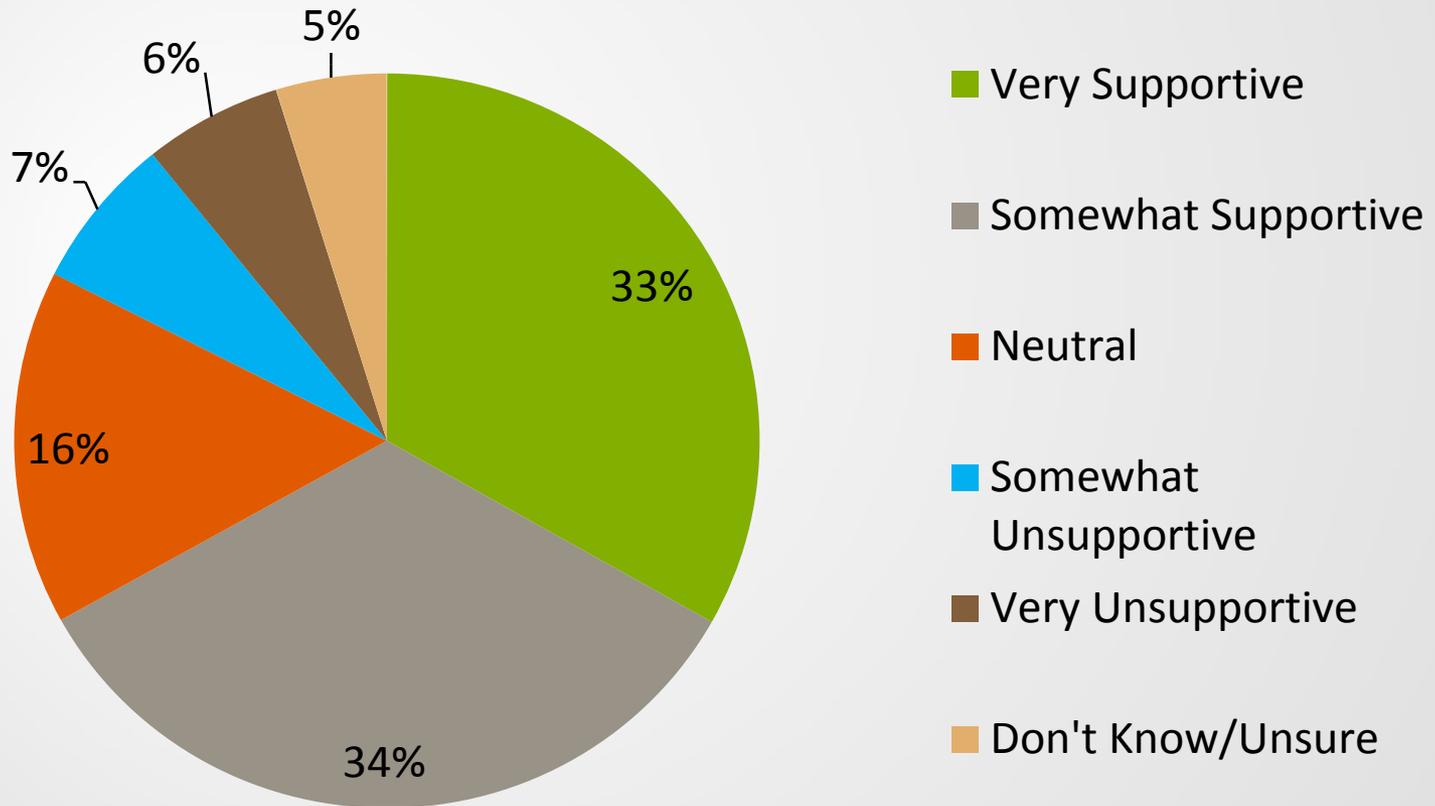


Q4 Please rate how important each of these sources are to Orange County's drinking water supply. Please rate each source as Very Important, Somewhat Important, Not Very Important, or Not at All Important. Reservoirs/ Storage, Groundwater, The Colorado River, Rainwater, Snowmelt in the Sierra Nevada Mountains, The State Water Project, The Sacramento Bay Delta, Ocean Desalination, Recycled Water.

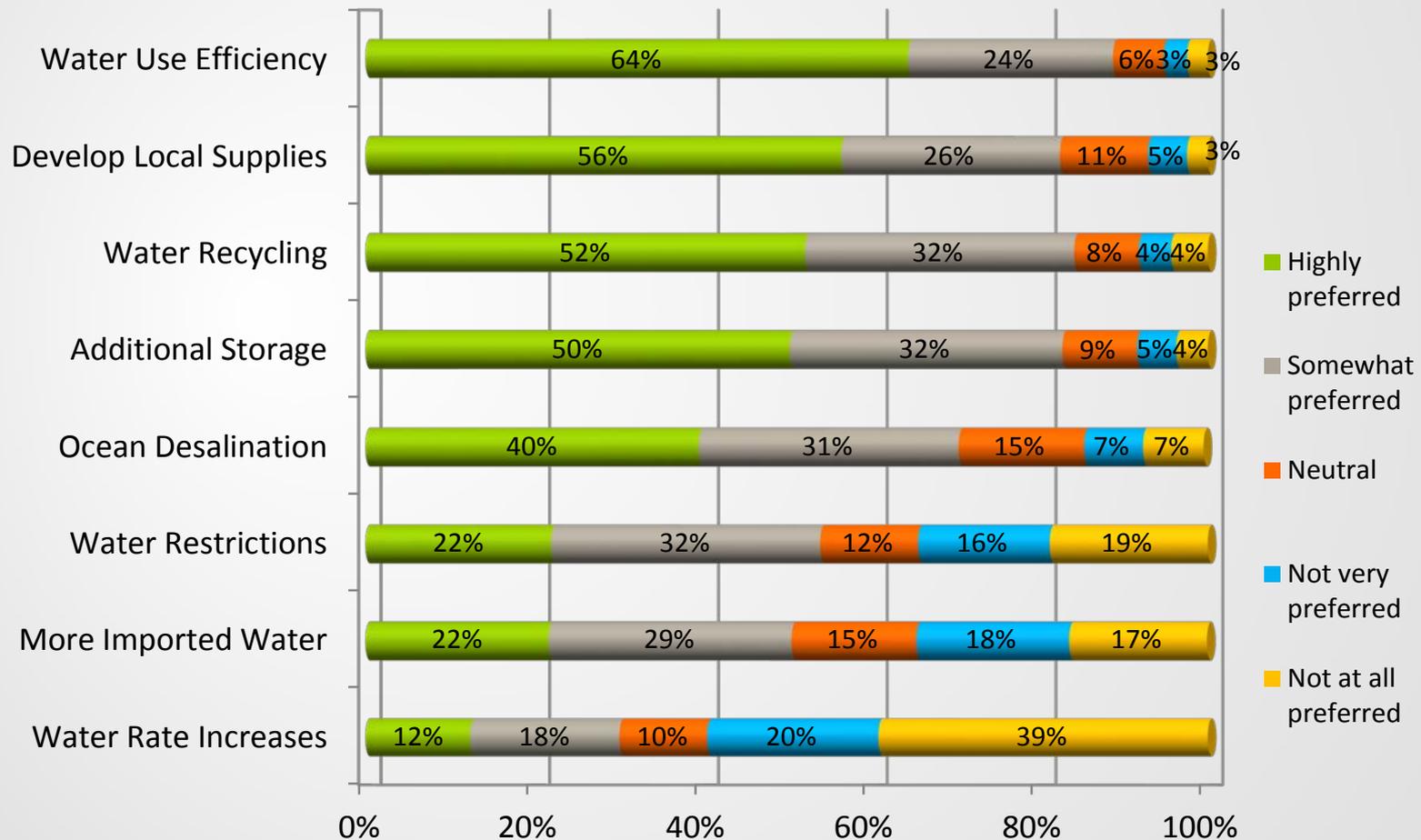


Q5 How supportive are you of investments by your water provider in ocean desalination projects?

### Ocean Desalination Project Investment

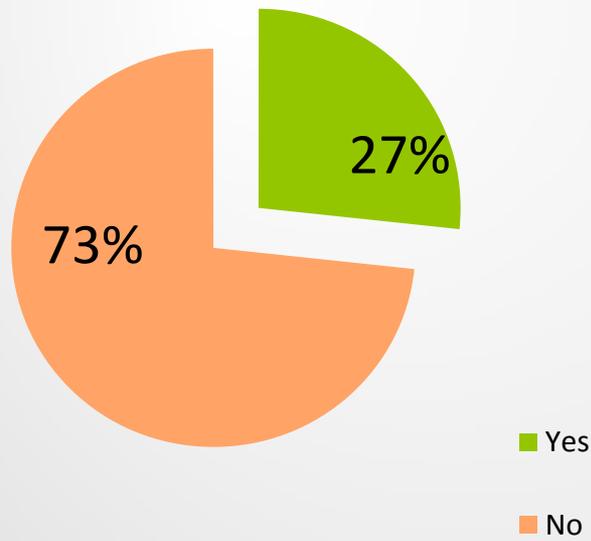


Q6 Water providers in Orange County are concerned with continuing to ensure water supply reliability for everyone in the county. Please rate your preference for each of the following as options to consider as they look for ways to maintain and increase reliability of Orange County's water supply. Please rate each option as Highly Preferred, Somewhat Preferred, Not Very Preferred, or Not at All Preferred.

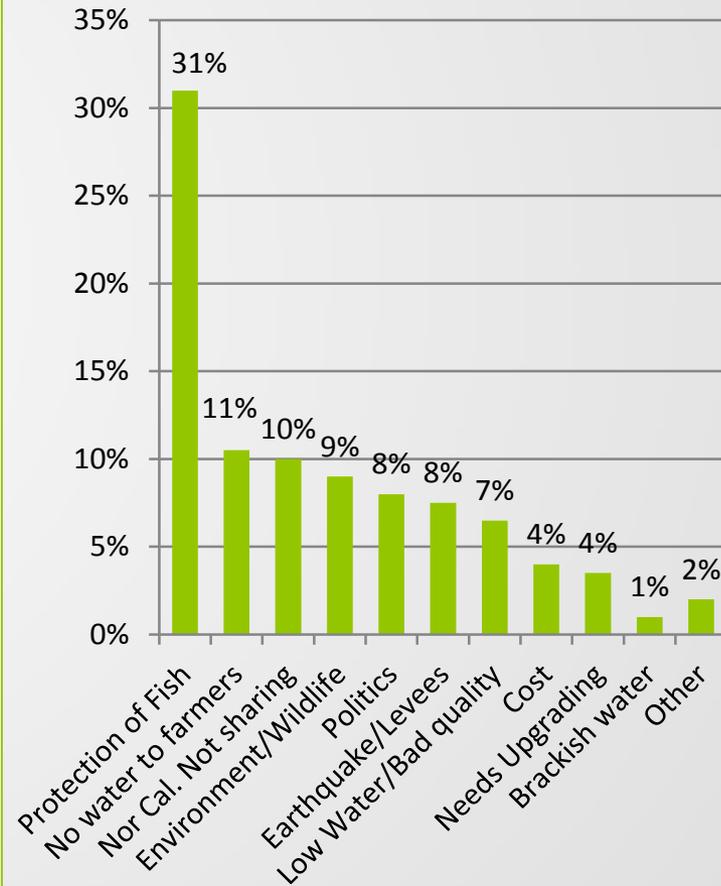


Q7 Are you aware of any major issues associated with the Sacramento Bay Delta and the state water project?

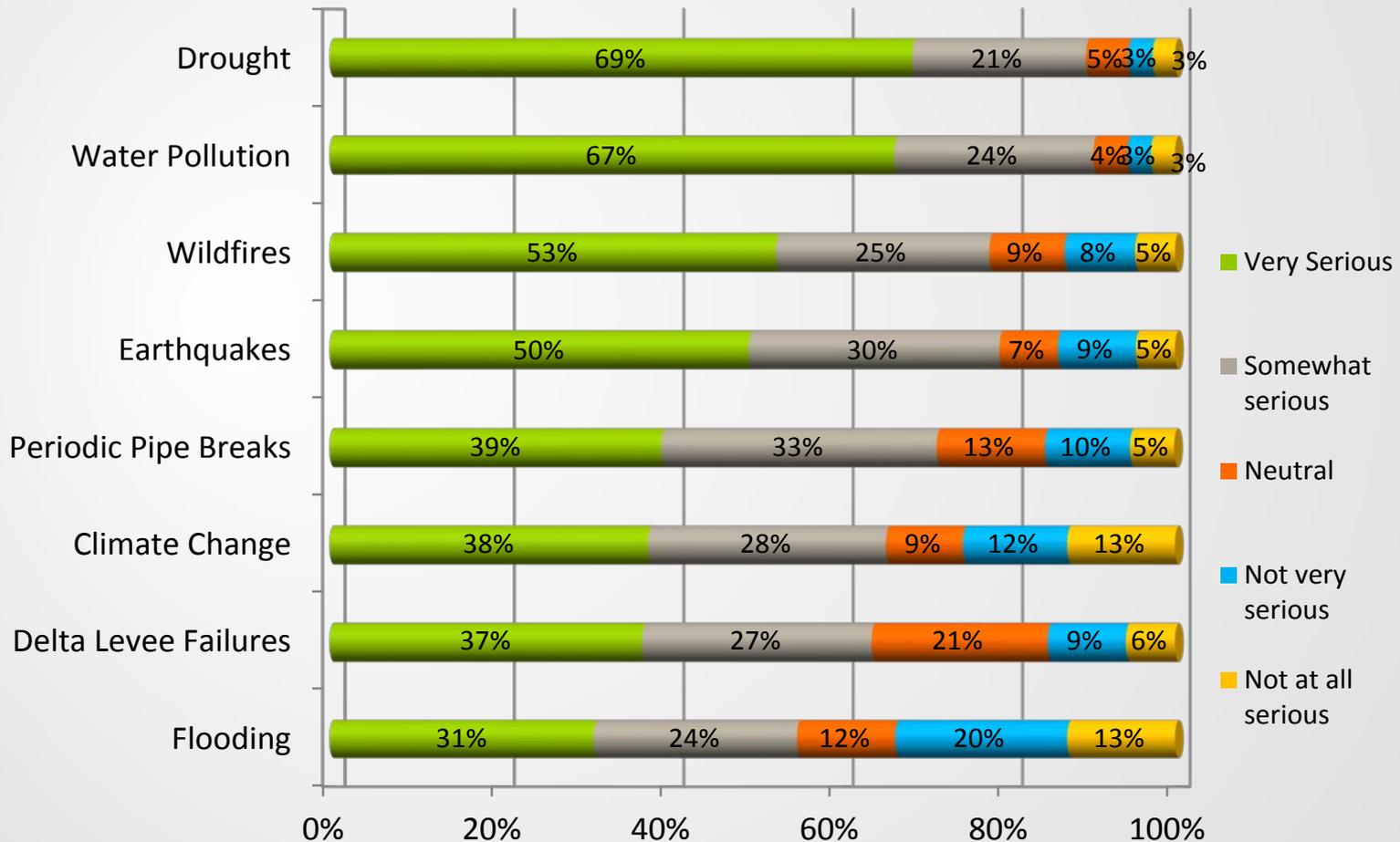
### Awareness of Issues with Delta and SWP



### What is the issue?

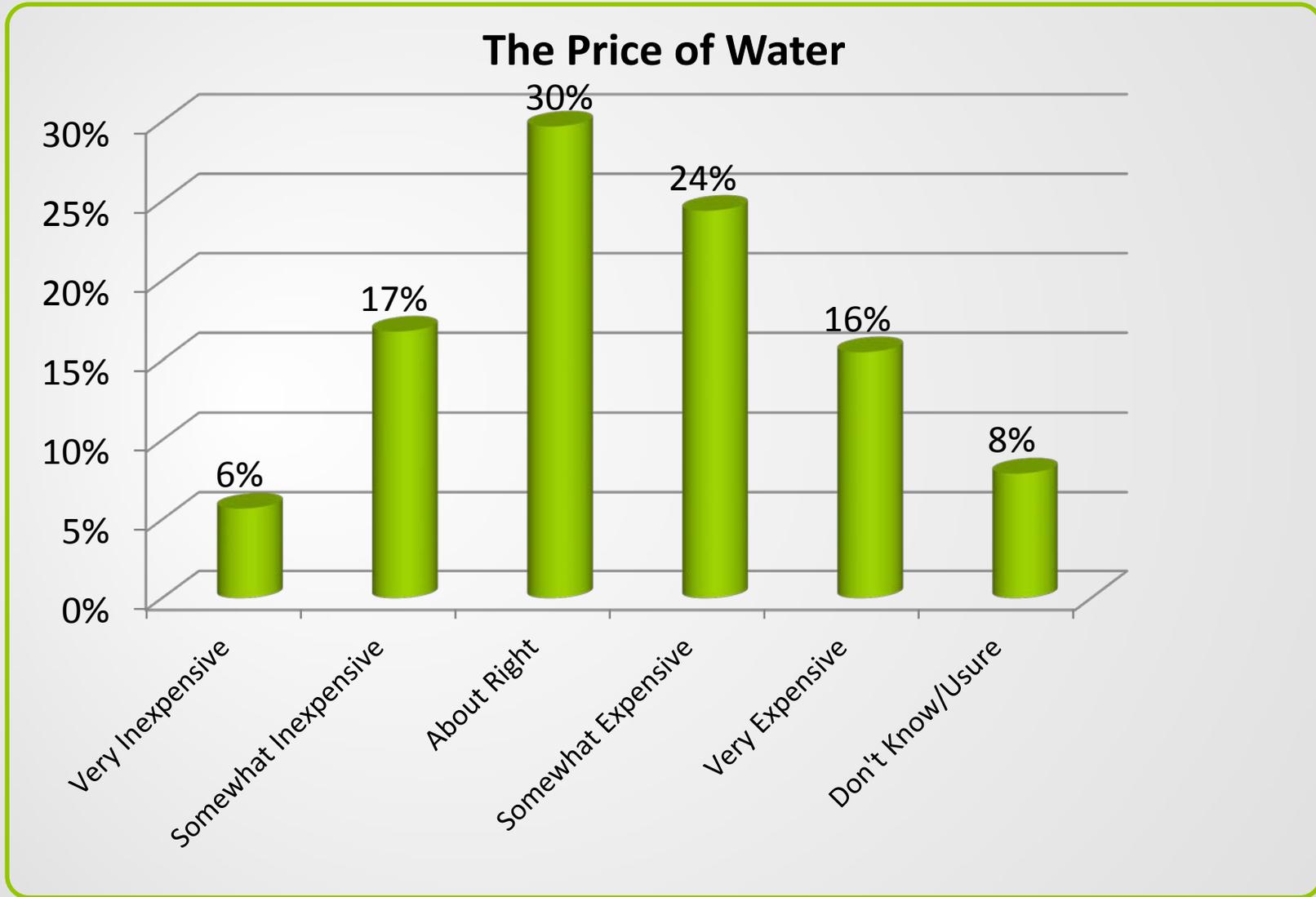


Q8 How serious are the following occurrences as threats to reliable long term water supplies in Orange County? Please rate each one as Very Serious, Somewhat Serious, Not Very Serious, or Not at All Serious.



Municipal Water District of Orange County - Value of Water Survey, 2013

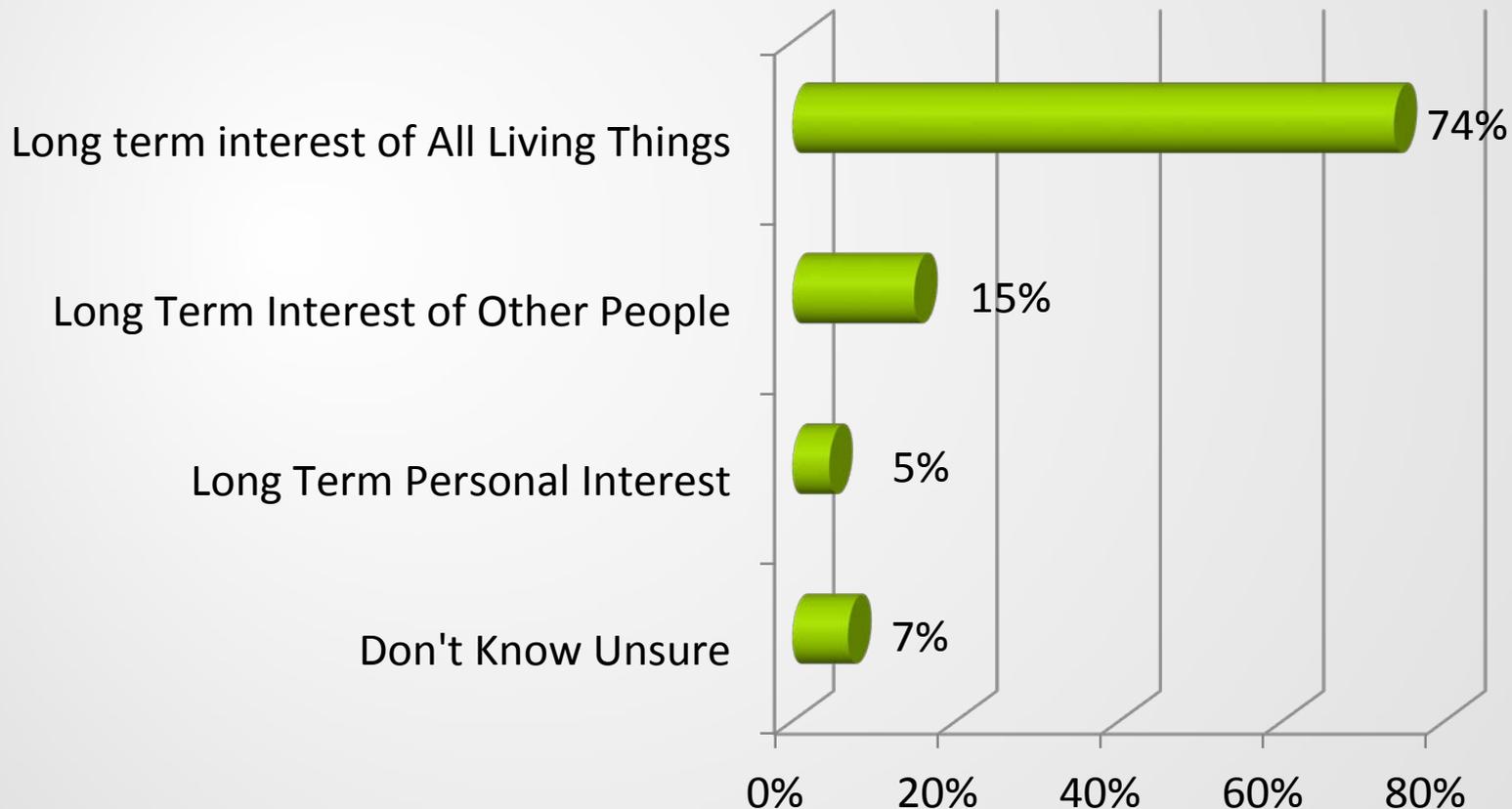
Q9 In your opinion, is the price you pay for water



Q10 In your opinion, which of the following is the most important reason to protect the environment?

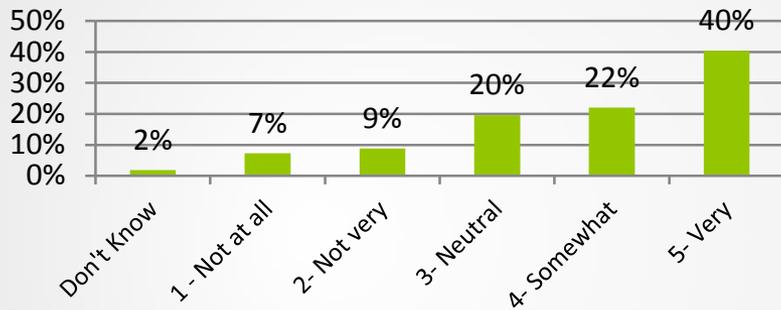
It is in my own long-term interest, It is in the long-term interest of other people, It is in the long-term interest of all living things

## Most Important Reason to Protect the Environment

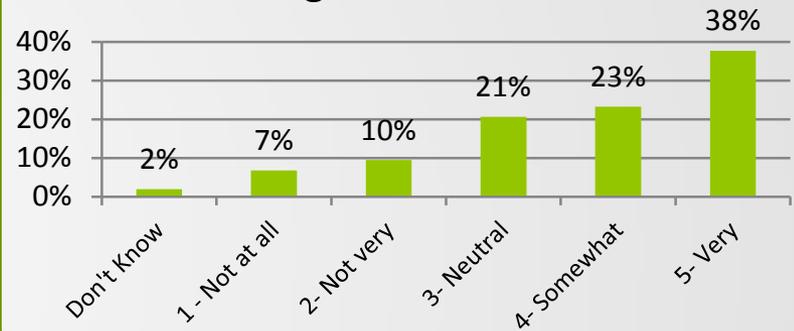


Q11 I'm going to read you four messages. After each message, please indicate how persuasive you find each message. Please respond using a scale from 1 to 5, with 1 being Not at All Persuasive and 5 being Very Persuasive.

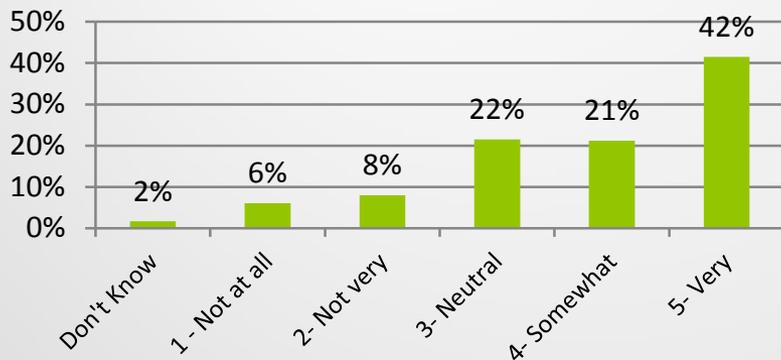
**A. Please be water efficient to preserve our water resources for future generations**



**B. Please be water efficient or there may not be enough for future generations**



**C. Don't waste water because every drop is valuable**

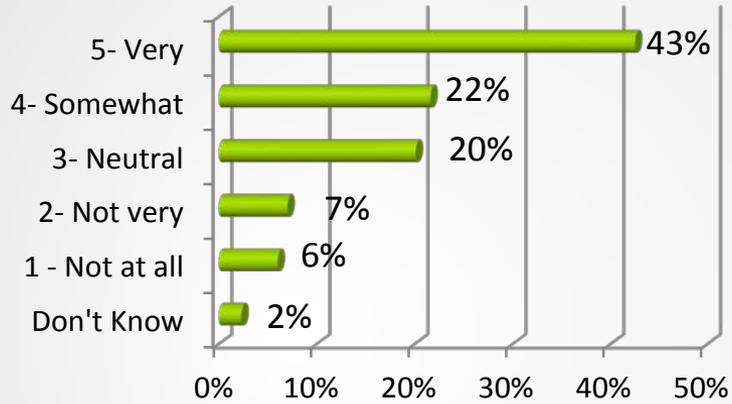


**D. Don't waste water or someday there may not be enough**

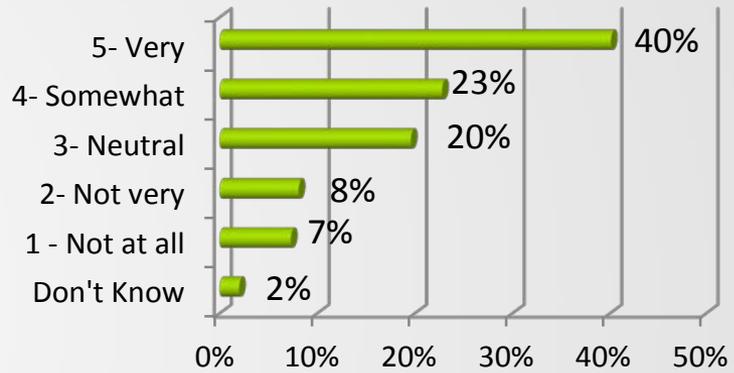


Q12 I'm going to read you three more messages. After each message, please indicate how likely you would be to perform the requested behavior. Please respond using a scale from 1 to 5, with 1 being Not at All Likely and 5 being Very Likely to perform the requested behavior.

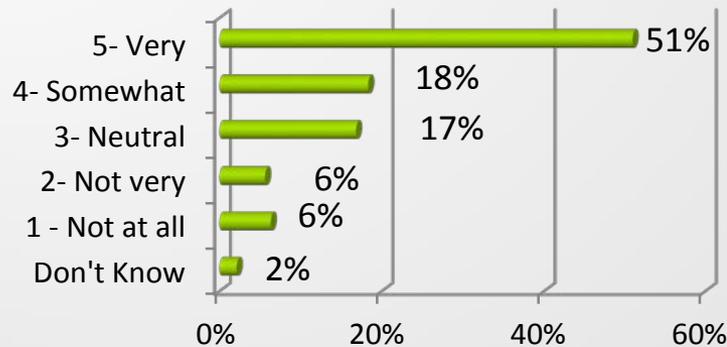
### A. Your Future Depends on It



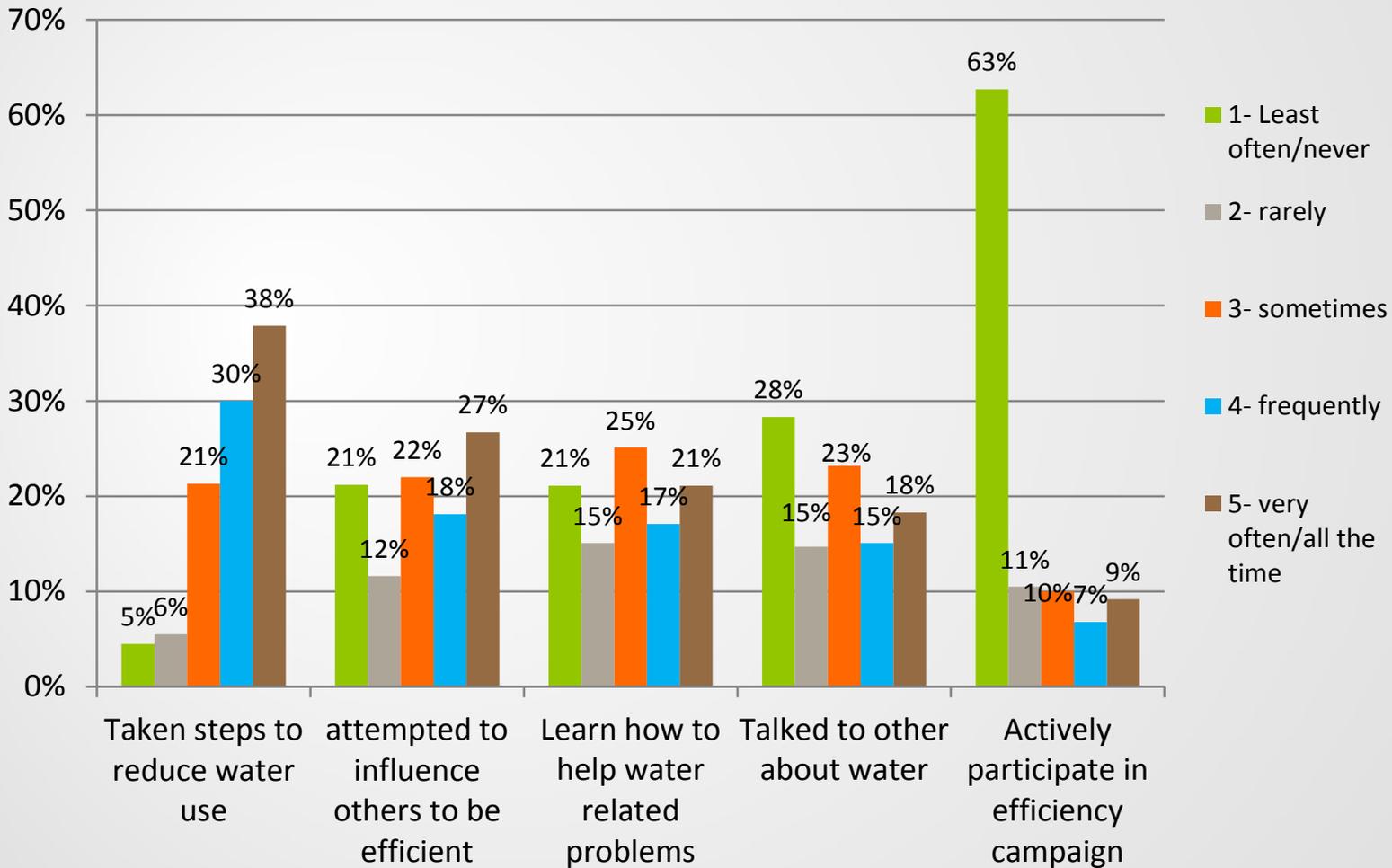
### B. The Future of Your Friends and Family Members Depends On It



### C. The Future of All Living Things Depends on It

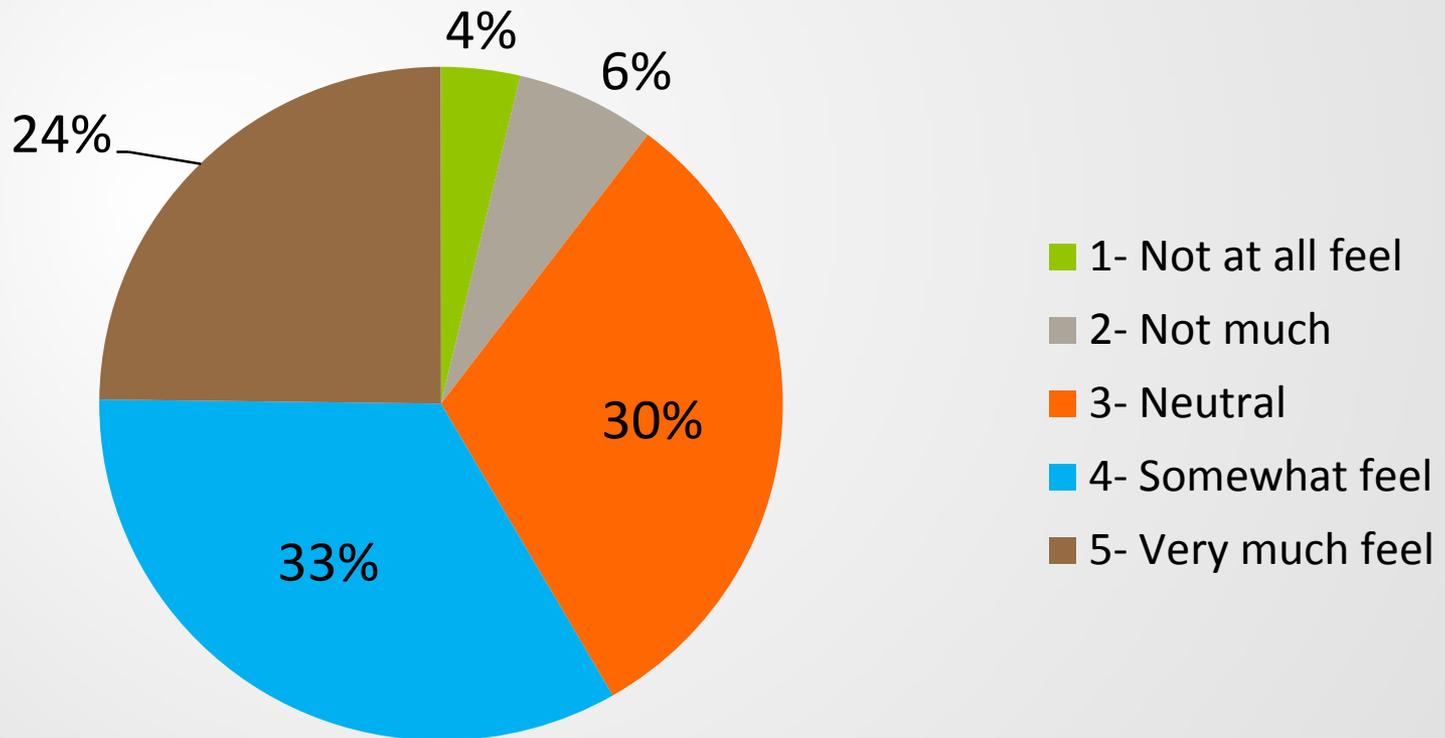


Q13 How often have you engaged in each of the following behaviors? Please respond using a scale from 1 to 5, with 1 being Least Often or Never and 5 being Very Often or All the Time.



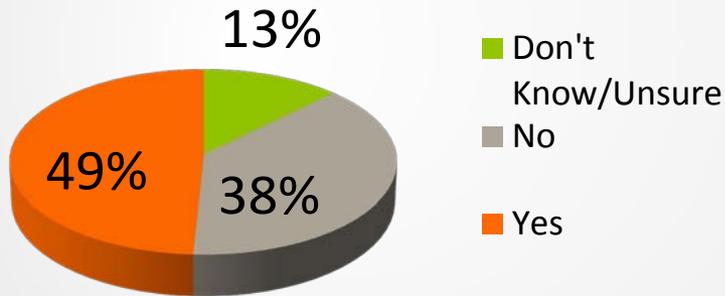
Q14 To what extent do you feel that you live an Environmentally Sustainable Lifestyle? Please respond using a scale from 1 to 5, with 1 being you Do Not at All Feel and 5 being you Very Much Feel that you live an environmentally sustainable lifestyle.

### Feel like you live an environmentally sustainable lifestyle

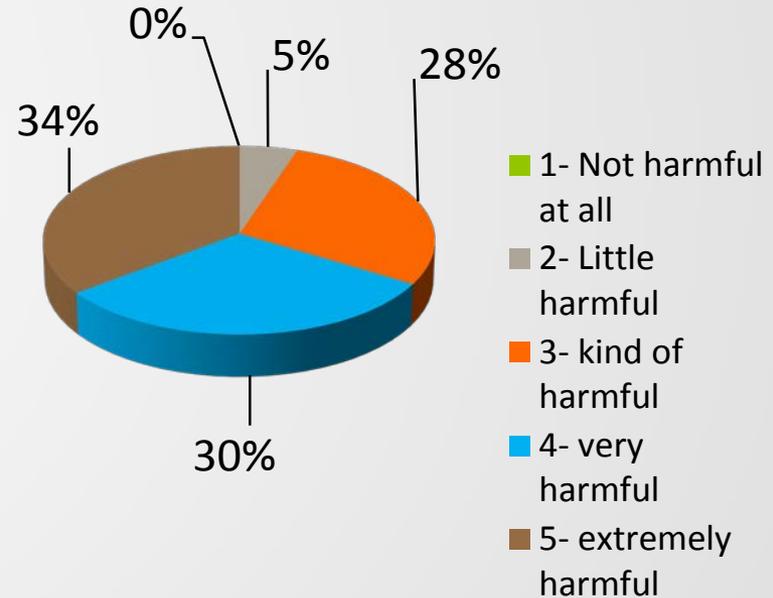


Q15 When we water our lawns and gardens, overspray from sprinklers can cause water to run into the storm drains. In your opinion, is this water run-off harmful to the environment?

### Is run off environmentally harmful

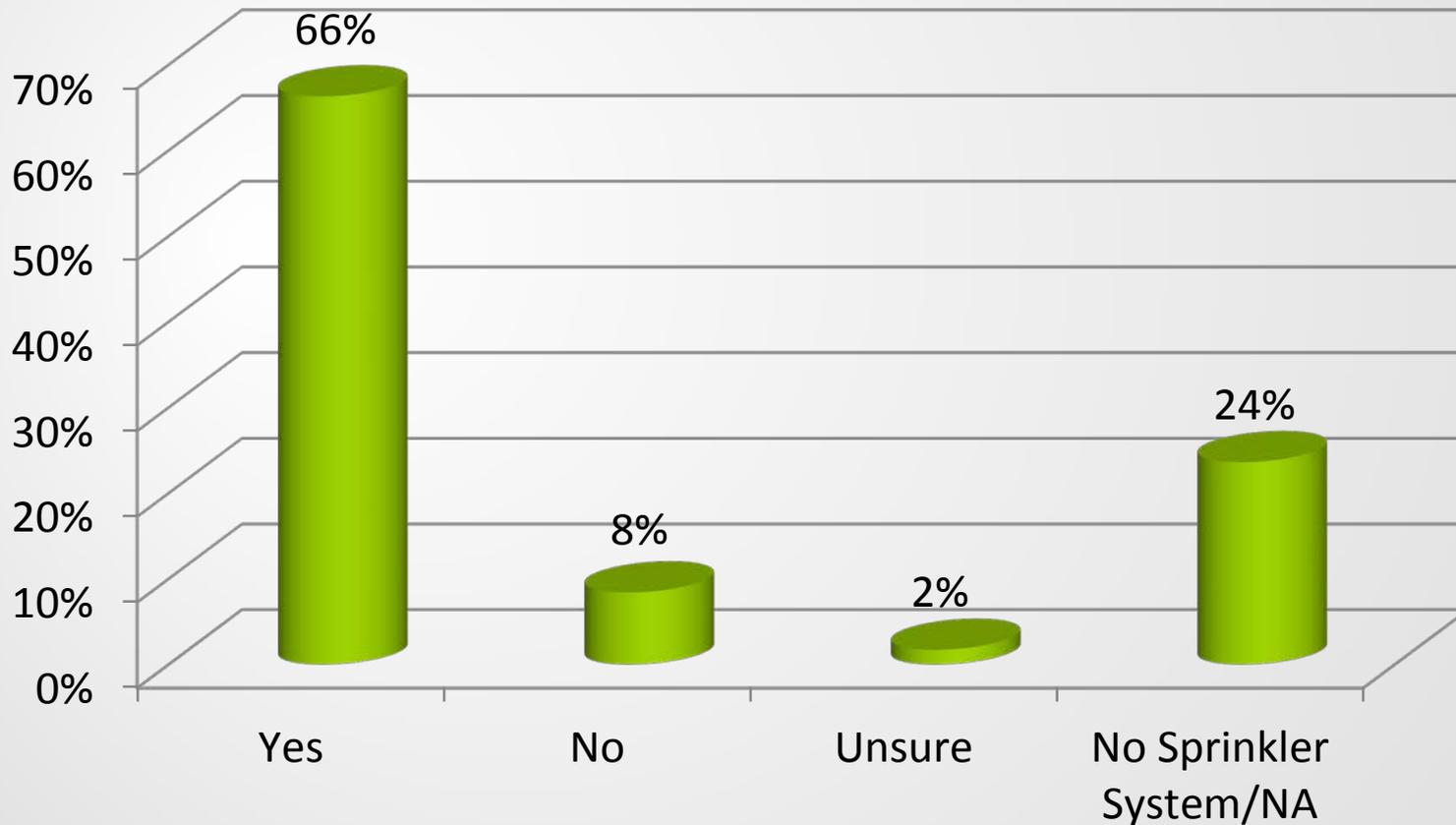


### How harmful is runoff?

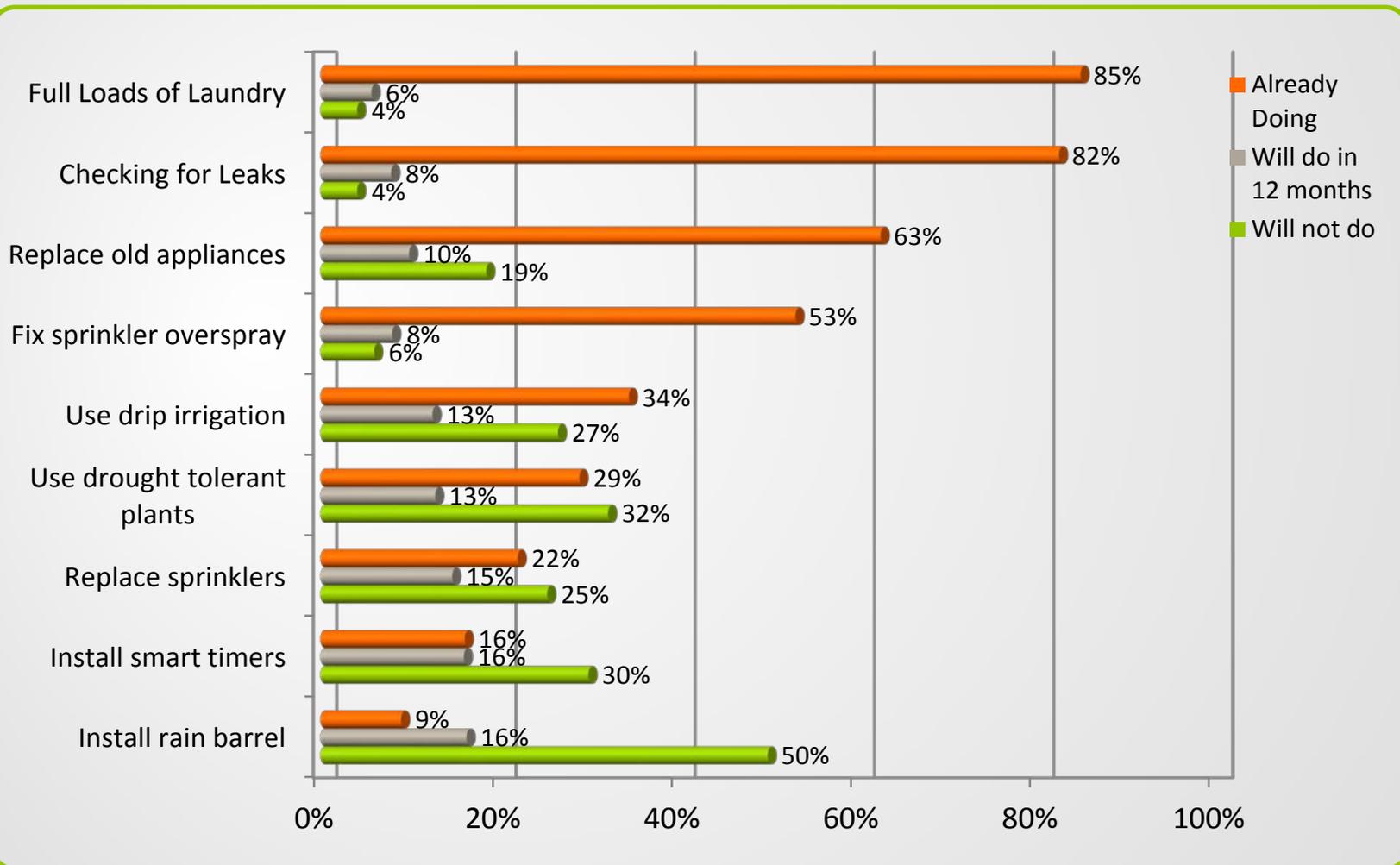


Q16 Could you or someone else in your household correctly adjust the running time on your sprinkler system?

### Can someone adjust sprinkler system

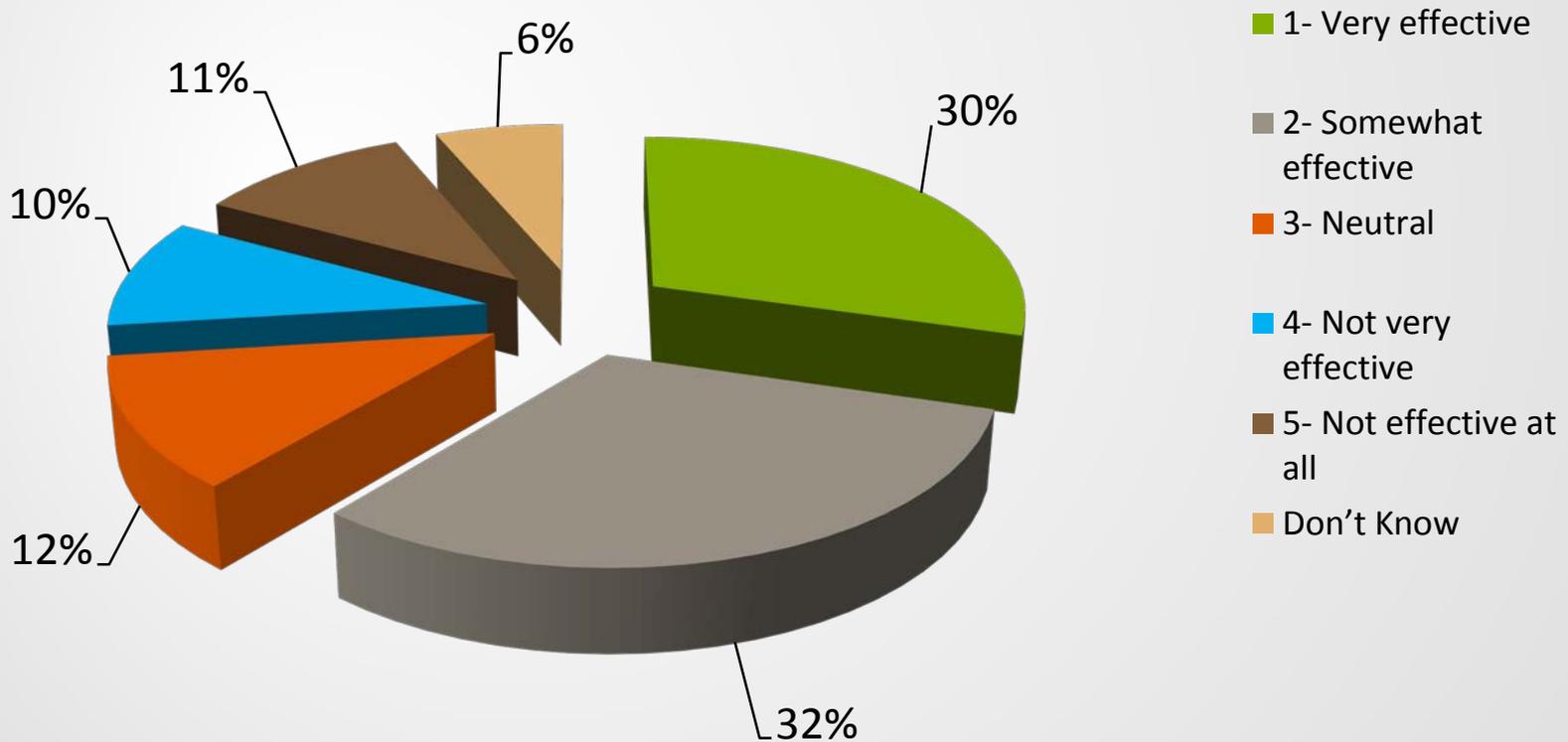


Q17 There are many actions households can take to become more water efficient. Thinking realistically about your household, please indicate for each action whether you have already done it or currently doing it, will probably do it in the next 12 months, or probably will not do it in the next 12 months?

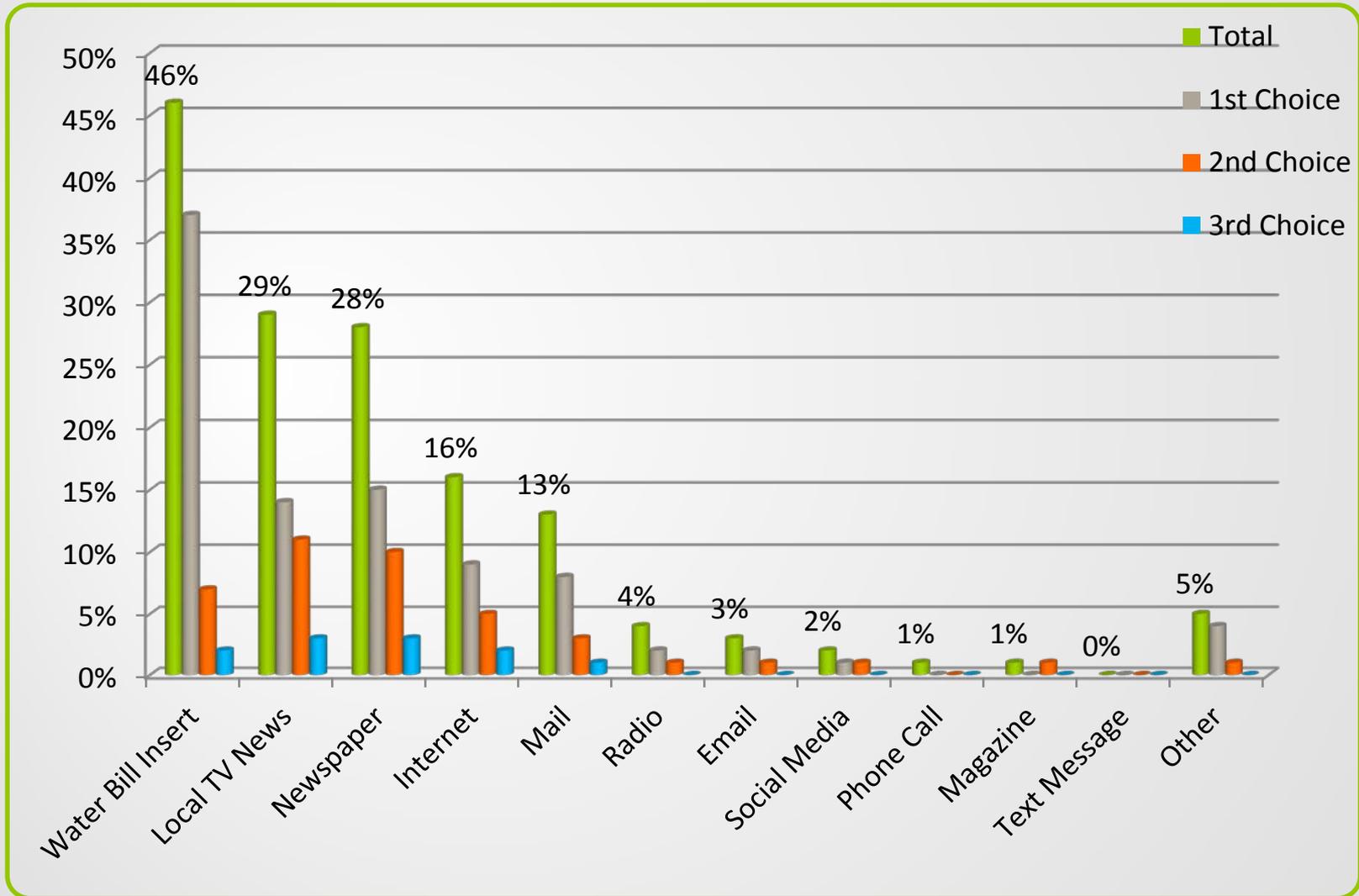


Q18 In your opinion, how effective is your water provider at keeping you informed about water-related issues?

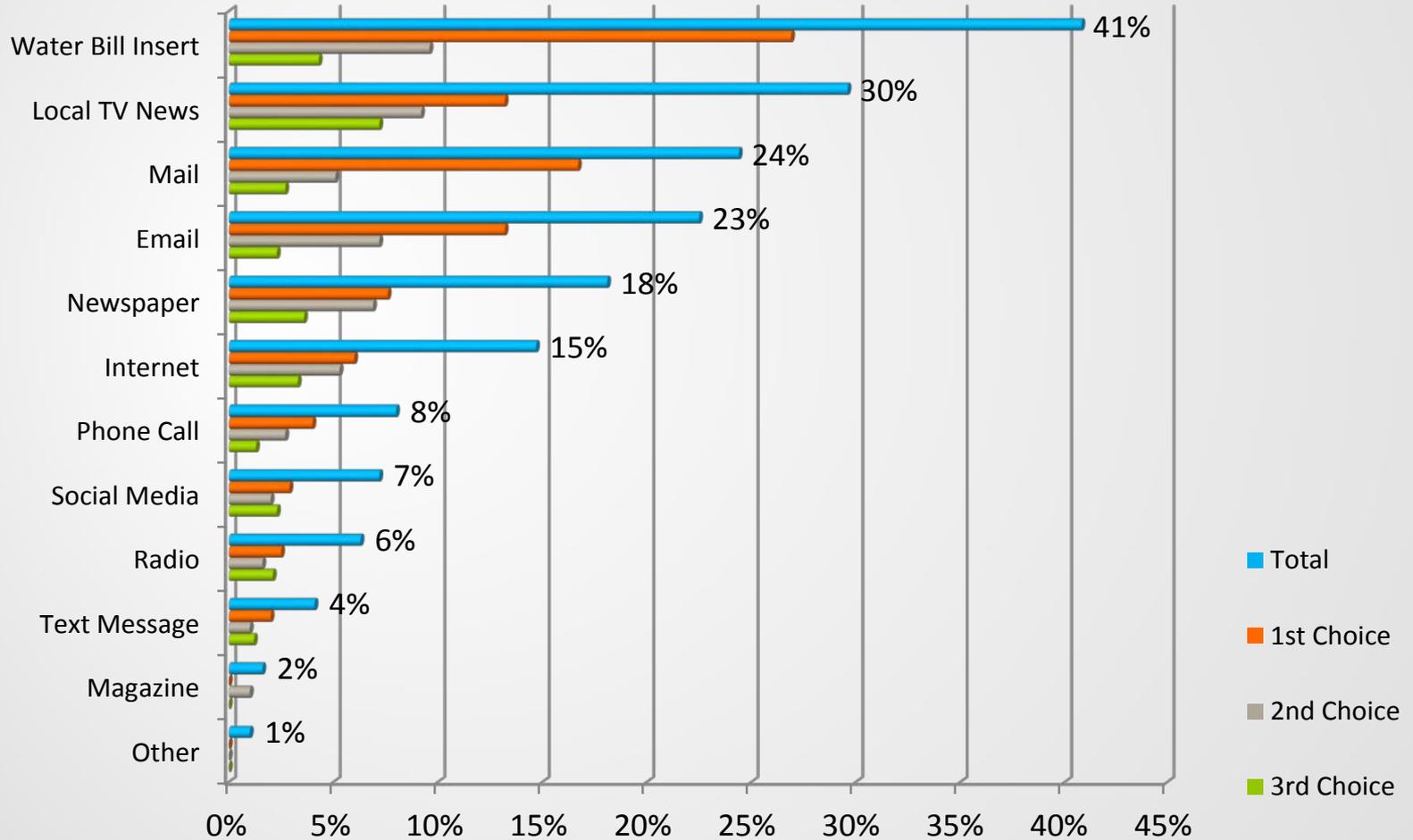
### Effectiveness of water provider keeping you informed



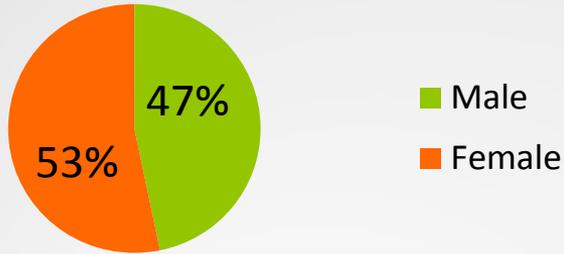
## Q19 Where do you get your news about water?



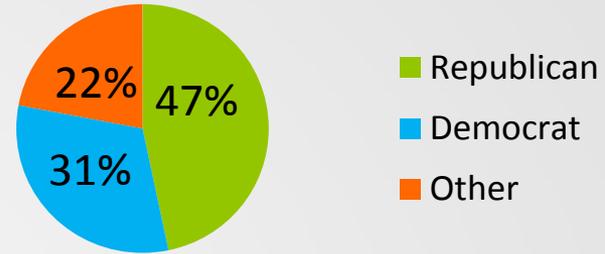
Q20 When there is important news regarding water, how would you prefer to receive it? I'm going to read you a list, please select up to three of the following



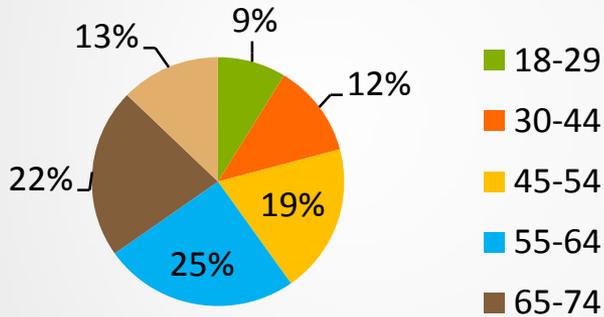
## Gender



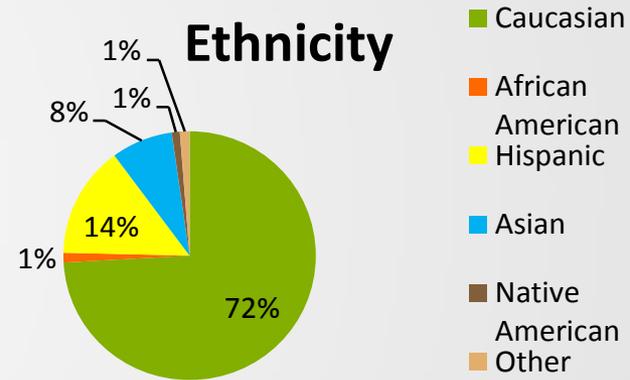
## Partisan



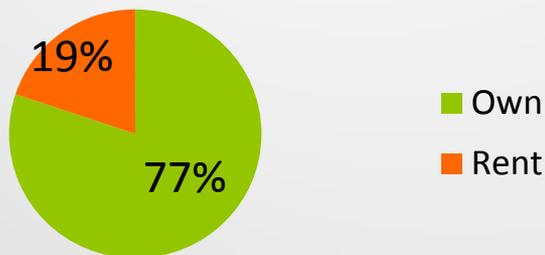
## Age



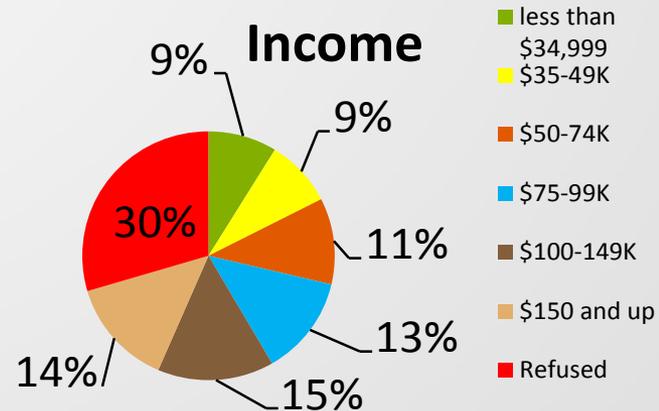
## Ethnicity



## Rent or Own



## Income



# Key Observations

- A strong plurality of MWDOC customers believe water represents a good value when compared to the value delivered from the costs of other utilities. A slight majority believe that the current price of water is about right or inexpensive, however, a clear majority reject future price increases.
- An overwhelming majority, 61%, believe their water provider effectively shares information regarding water related issues. 37% of those surveyed attain water information principally from water bill inserts. Two other popular forms of acquiring water news are from TV news and newspapers.
- A key finding of this survey is how preferences on how to receive information dramatically varies by age. Younger people are disproportionately and increasingly relying on the internet, email and social media. Reliance on newspapers sharply drops off among those under the age of 55.
- There is still a big need for water education. Only 27% of those surveyed are aware of any major issue associated with the Sacramento Bay Delta and State Water Project. However, there are a host of challenges for water that are identified as either very serious or somewhat serious threats.
- Many Orange Countians have taken steps to conserve water and others plan additional steps in the next year.
- A large majority of respondents, 70%, continue to believe that desalination is a highly or somewhat preferred option to maintain or increase Orange County's water supply.

latimes.com/opinion/editorials/la-ed-bay-delta-20131215,0,1367123.story

# latimes.com

Editorial

## Hard truths about California's water future

**First, the state must act to stave off disaster. Second, no one will get all the water they want.**

By The Times editorial board

December 15, 2013

At the heart of California's vast and complex plumbing system, and the plan to re-engineer it with advertisement two tunnels under the Sacramento-San Joaquin River Delta, are two truths. The first is that failing to take any action at all will result in almost certain disaster. Climate change is altering the volume of annual Sierra snowpack that feeds the delta, sustains its fragile ecosystem and provides sufficient water to keep Central Valley crops growing and to quench the thirst of urban areas from the East Bay to Southern California. Levees, pumps and canals that were designed for yesterday's climate conditions cannot stave off environmental and economic collapse if precipitation levels drop or change form from snowfall to winter rain.

The second truth is that none of the interests that have worked to craft the draft proposal released last week for public comment can get all the water it wants, because there simply is not enough of it. That's the whole point, and the central defining issue for much of California's history. To sustain the delta, much of the snowmelt and rainfall that moves down the Sacramento River must keep flowing to the San Francisco Bay in order to push back the brackish water trying to make its way inland.

But restoration of the degraded delta, mandatory to protect endangered species as well as to keep the pumps online, won't happen by itself, and it must be paid for by customers who need to secure their Central Valley and Southern California supplies. There won't be enough water to keep urban users' rates from rising or to allow farmers to continue the historic overuse that has depleted valley groundwater and turned desert scrubland into orchards.

The Brown administration's 34,000-page draft plan represents the most comprehensive effort in a generation to fit the scientific, engineering and political pieces together in order to allow Californians to adapt to climate change while sustaining both the environment and the economy. It is a product of more than seven years of talks, studies and dickering — none of which, by the way, has ended. Environmentalists, urban water contractors like the Metropolitan Water District, Central Valley contractors like the Kern County Water Agency and local delta agricultural and political interests are continuing to jockey for position, each wanting better guarantees of supply.

The burden is on each of them to demonstrate how some alternative project or system — not simply something imaginable but something politically, legally and financially achievable, and not in the distant future after the delta has further degraded but now — would be better.

Likewise, the burden on proponents of the plan is to show just how the current proposal is going to pencil out. If water contractors are unwilling to enter into long-term agreements to purchase the water that would be supplied by the new project — and some of the Central Valley contractors have voiced concern that they wouldn't be getting enough acre-feet for their bucks — there would be no one left to pay for it except urban ratepayers. And that won't work; the costs would be too high for them to bear alone.

In the meantime, negotiations can be expected to become more intense and more public, so it might be wise for Californians to work on their myth-busting skills.

For Southern Californians, especially residents of Los Angeles, myth No. 1 is that the environmental problems of the delta have no impact south of the Tehachapis, because we get our water from the Colorado River and, in L.A., from the Owens Valley. We may have our own environmental comeuppance to deal with, the thinking goes, but it's in the Eastern Sierra and the Gulf of California, not in the delta.

But that hasn't been the case for decades. Much of Southern California's drinking water, including in the city of L.A., comes from the State Water Project, including the aqueduct that diverts water from the delta and the massive pumps that lift it over the mountains and into our reservoirs.

The corollary myth believed by many in Northern California is that delta water is diverted only for Los Angeles. That's untrue. The same system that sends water to Southern California also provides the primary supply for Silicon Valley and much of the East Bay.

Those Northern California cities, at least as much as their counterparts 300 miles to the south, are dependent on a delta solution that keeps the water flowing.

There are those who argue, here as well as in counties farther to the north, that a sustainable water future for Southern California lies in conservation and reclamation rather than in continuing to bring in current levels of delta water.

And that's very nearly true. Los Angeles, especially, has excelled at conservation, using the same amount of water today as it did 20 years ago despite a growing population. We will need to do more — clean up contaminated aquifers, recapture storm-water runoff, increase storage capacity. Those projects and more are necessary parts of a water portfolio.

But so is the delta. It is California's great switchyard for water supply, its best mechanism for flood control, its most crucial habitat for wildlife. The draft plan should be measured by how well it preserves that switchyard, and how well, or how poorly, any alternative plan, or inaction, would get the same job done.

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## Here's an early warning — another earthquake is coming: Larry Wilson

Friday, December 13, 2013

DailyNews.com

LA Daily News (<http://www.dailynews.com>)

### Southern Californians must get worried about water: Editorial

It's safe to say few Californians will make it all the way through the 10,000 pages of the Environmental Impact Report on the proposed Bay Delta Conservation Plan released last week.

Perhaps, even though there are 38 million of us, no single Californian will do so. Life is short. Yet California water politics are long.

But as we enter a rainy season that meteorologists say is going to be a dry one, as we prepare for what may be a statewide water emergency and another official drought, this is huge. What's at stake involves the one-third of Southern California's water supply that comes from the Delta. We currently are at the mercy of uncertain supplies. Contrary to propaganda from some of our fellow Californians to the north, the \$12 billion plan would not deliver more water to Southern California - it would just make fair statewide distribution more reliable. We are one state, not two - it's not "their" water.

But Bay Area water whiners, very much including their politicians, are much better than Southern Californians at setting the water agenda. They get their water from faraway sources, too - including Hetch Hetchy in Yosemite; don't let them pretend that's not so. During this comment period on the EIR, we need to speak that truth, and to get our politicians to do so as well. It's time for a real call to arms.

Water in California is never about the rainfall, as such, or the runoff from the Sierra snowpack. Water here is about laws, and regulations, and bureaucracy. We have to make our case. In the state as a whole, there is still essentially enough water to go around for us to drink and to wash our clothes and to drip-irrigate our newly xeriscaped yards with their Mediterranean plantings now that the Connecticut-style lawns have been ripped out. But there is no thing like certainty that the water we have will be allocated anything like fairly to Californians. Unless, that is, you're a rice farmer with ancient rights to wastefully flood your fields.

Still, the knee-jerk Northern California rant against the plan to make water delivery to Southern California more regularized is: "They're trying to steal our water!"

Come clean, ranters. Except in our minds, there's no such thing as Northern, no such thing as Southern. In fact for decades Northern Californians have been trying to steal our water, and rather successfully so.

As the bureaucracies involved rev up the process to review the EIR on the project, they're looking for citizen comments on it. There is an executive summary - as well as, yes, the whole thing - at <http://baydeltaconservationplan.com/PublicReview/PublicReviewDraftEIR-EIS.aspx>. Go there, and weigh in about our state's water.

Given the seriousness of what appears to be another drought, Sen. Dianne Feinstein and Rep. Jim Costa,

D-Fresno, wrote to Gov. Jerry Brown and President Barack Obama last week asking them to declare a drought emergency and federal disaster in the state.

If it is as dry as has been predicted, this would be the third year that rainfall is less than the statewide norm.

One key reason these lawmakers are calling for action is that the state Department of Water Resources, in light of the drought, has announced plans to release just 5?percent of the water allocated to Central Valley farmers this year. Those farmers, as opposed to the ones who happen to have the Bay Delta waters in their back yard just below Sacramento, rely on the allocated water to be able to farm at all. Feinstein, though she is from San Francisco, has to represent the entire state; Costa, though he is frequently maligned by the very farmers he is trying to help, represents the Central Valley.

All of us are operating at the mercy of the increasingly restrictive environmental regulations placed on Delta water. That's precisely what the Bay Delta project is designed to help fix - and it aims to do so by creating a better environment for the fish and the other wildlife, as well as the historic wetlands that have been hurt by extreme practices such as flooding fields, in the Delta region.

The twin-tunnel diversion proposed in the plan is admittedly a massively technological fix to the problem of providing regular water supplies throughout the state. But we are not asking for more water down here - just reliable delivery.

Southern Californians have been vigilant in recent years about conservation. If you agree we only want our fair share, tell Sacramento.

**URL:**

<http://www.dailynews.com/opinion/20131213/southern-californians-must-get-worried-about-water-ed>

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## [Santa Clarita Valley Signal](#)

# One chance to do it right

By Dan Masnada  
December 11, 2013

Build it once. Build it right.

That approach can be applied to many things. If you were building a house from scratch, what would serve you better — cutting corners on design, construction techniques and materials or building a well-designed home meant to last?

Is the cheaper house better if you have to rebuild it in a few years or if you have to add on because your design wasn't large enough to accommodate your family?

The same questions could be posed when considering the proposed solution to California's water infrastructure crisis, and at Castaic Lake Water Agency we believe the answer is obvious:

Let's pick the right solution, let's build it once, and let's build it right.

The Santa Clarita Valley will be impacted by the outcome of how this issue is addressed, as currently about half of our water is imported through the State Water Project.

The question of how to best address the state's water infrastructure crisis will make headlines in the weeks and months to come, but the current situation is unacceptable.

A single earthquake could wreak havoc in the Sacramento-San Joaquin River Delta and disrupt Southern California's water supply for up to a year or more.

We at CLWA are very concerned, as the U.S. Geological Survey estimates there is a 60 percent chance that such a quake could occur in the next 30 years.

The Bay Delta Conservation Plan proposal to modernize the state's water-delivery system with two tunnels under the Delta would avoid this calamity.

These same facilities will help deal with the effects of rising sea levels and help restore more natural flow patterns in the Delta. Other aspects of the program will re-establish wetlands on lands that were drained.

With this week's release of the public draft of the environmental study for the Bay Delta Conservation Plan, some are inaccurately characterizing this as a Southern California water grab or an attempt to "drain the Delta."

Neither of these claims is correct. Rather, they are made to play to regional provincial interest.

## Bay Delta Plan a solid start for water future

Published 6:22 pm, Friday, December 13, 2013

Amid the flood of charts, graphs and documents (more than 34,000 pages) released by state and federal officials as another step toward realizing Gov. Jerry Brown's ambitious water plan, there are a few currents of hope for Northern California.

The draft Bay Delta Conservation Plan still outlines the need for three enormous water intakes on the Sacramento River and two 40-foot-diameter, 30-mile-long tunnels to bypass the system of crumbling delta canals, dikes and levees that serve as the state's plumbing system to move water from the wetter north to the thirsty south. It states, however, that federal and state fish and wildlife agencies, not water contractors, will determine tunnel operations. Under the most likely scenario, those rules will allow more water to flow through the delta and to the sea.

This is good news on two counts for those of us who love the San Francisco Bay: It protects the bay's environmental health and helps support Northern California salmon fisheries, each of which has suffered from delta water diversions to southern cities and agribusiness.

The rules also diminish the possibility the tunnels would be built, as the increased flows for the delta and bay ecosystem mean less, not more, water for Southern California. University of Pacific economist Jeffrey Michael suggests the economics of the project won't pencil out with less water unless urban water users agree to subsidize the cost of water for farms. So far, urban agency officials have said emphatically no.

The water agencies footing the bill for the preliminary studies still support the project, but their members have yet to commit to the \$16.8 billion - 70 percent of the cost - of construction and operations. The remaining \$7.6 billion is expected to come from federal funding and a state water bond.

It must be noted this "conveyance" plan is smaller - 60 percent smaller - than the failed 1982 peripheral canal proposal that bitterly divided the state. It also isn't simply a blueprint for a plumbing system: It ties water operations to ecosystem restoration and protection goals.

The public has four months to comment, then revisions will follow, with final approval in late 2014 or early 2015.

We don't rejoice too much, however. The tunnels won't resolve our woes, but with most Californians and almost all irrigated agriculture relying on delta deliveries, water remains the state's most serious challenge. It will take work on the part of all Californians to find answers.

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**HEARST** newspapers

The truth is the Bay Delta Conservation Plan is designed to meet California's co-equal goals of ensuring water supply reliability and enhancing the ecosystem in the Sacramento-San Joaquin Delta.

The plan would basically stabilize water supplies we currently receive from the Delta. Pumping would continue within existing restrictions to protect fish and wildlife, but would be more efficient, more reliable and less vulnerable to climate change and natural disasters.

Administrative draft documents have been circulating for several months, and with the release of the public draft comes the beginning of the formal comment period, during which the public can weigh in on the Bay Delta

Conservation Plan draft environmental impact report/environmental impact statement.

We recognize that building the new conveyance system will not be cheap — and the cheapest option will not necessarily be the right one. Ultimately, California's ratepayers and taxpayers will be asked to pay costs — in the billions — to build it.

But the economic benefits are also in the billions, and the costs of not building it, especially in light of reduced snowpack levels due to the changing climate and the inevitability of a major earthquake, are clearly unacceptable.

As the public reviews the plan documents from now through April 14, we hope for a productive exchange of ideas and a general sense of recognition that the question isn't whether California can afford to build the new water conveyance system. The question is: Can we afford not to build it?

We believe the answer is obvious: California's future depends on the Bay Delta Conservation Plan. We need a solution for the Delta to protect the state's economy, quality of life and natural environment alike.

We need to build it right, it needs to meet the state's needs for many decades, and it needs to be built to last.

Just like a family's home, it may be our state's most important investment.

*Dan Masnada is the general manager of the Castaic Lake Water Agency.*

<http://www.signalscv.com/section/33/article/110426/>

# Update on Water Supply Conditions for Water Year 2014

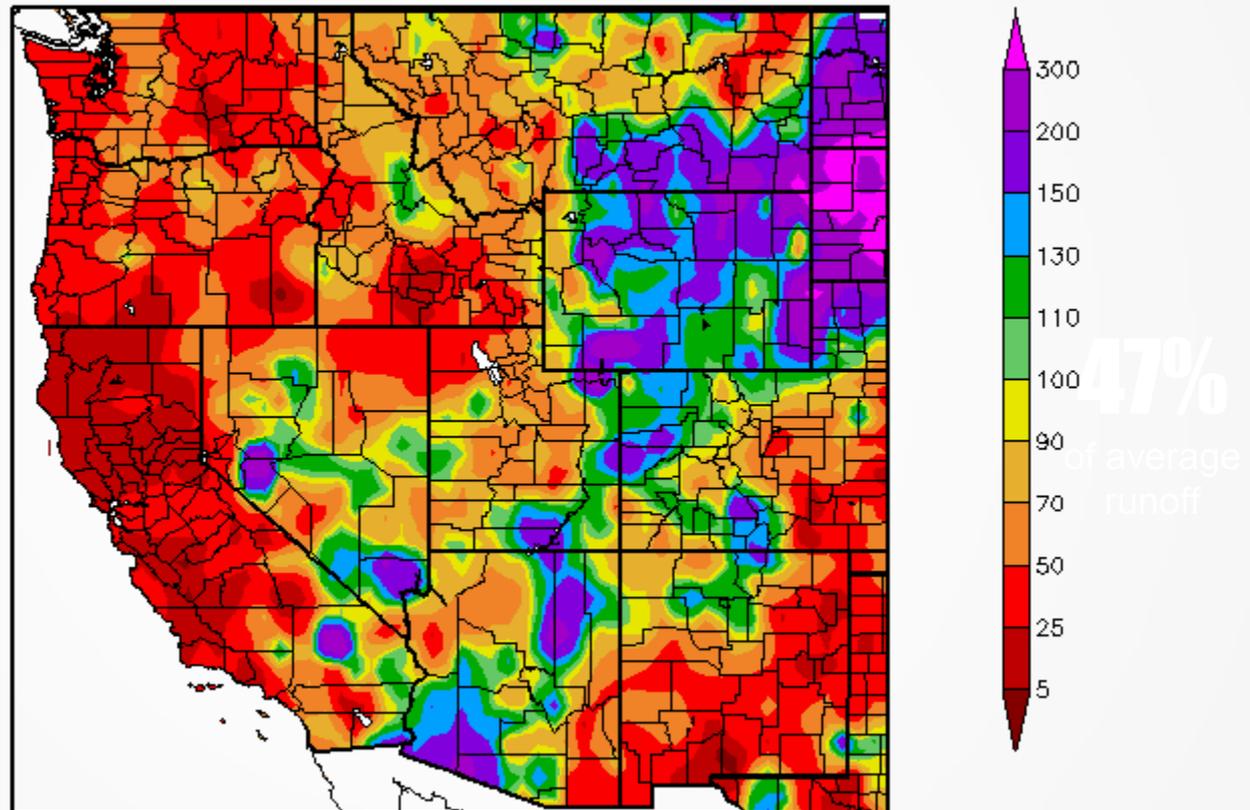
**Municipal Water District of Orange County**

**December 19, 2013**



# Percent of Normal Precipitation

Percent of Normal Precipitation (%)  
10/1/2013 - 12/18/2013



Generated 12/19/2013 at HPRCC using provisional data.

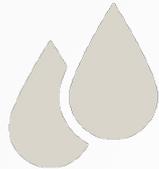
Regional Climate Centers

# Northern Sierra 8-Station Index

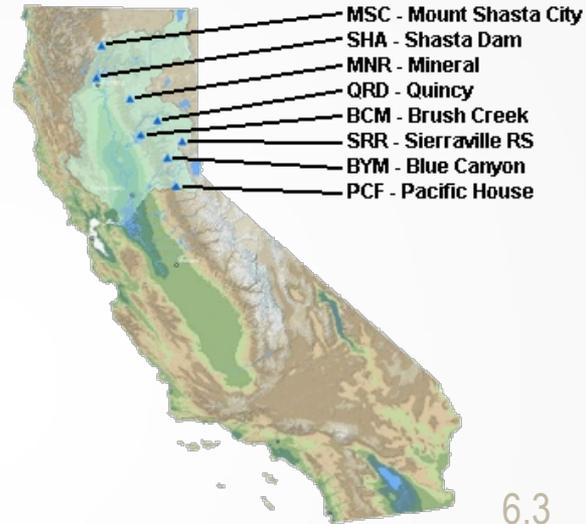
## Total for Calendar Year 2013



**16.3**  
INCHES



**32%**  
OF AVG

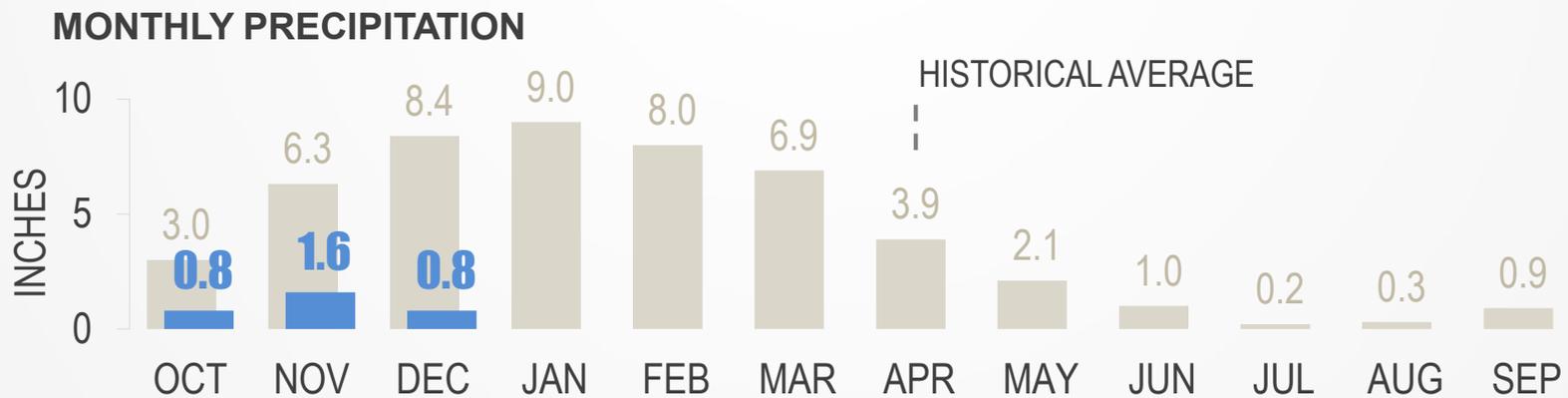
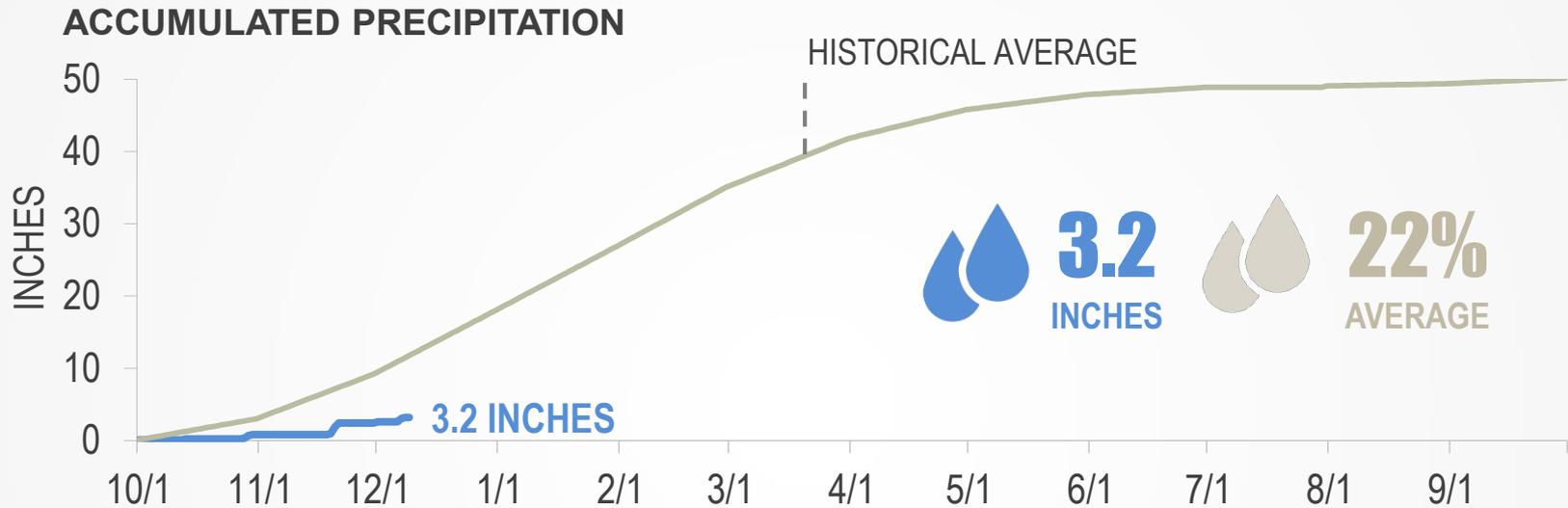


### MONTHLY PRECIPITATION



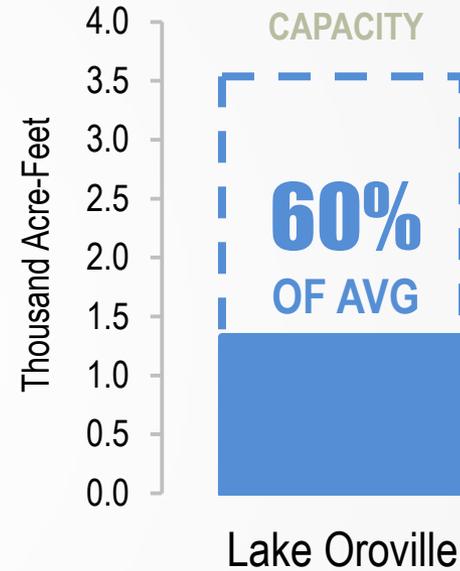
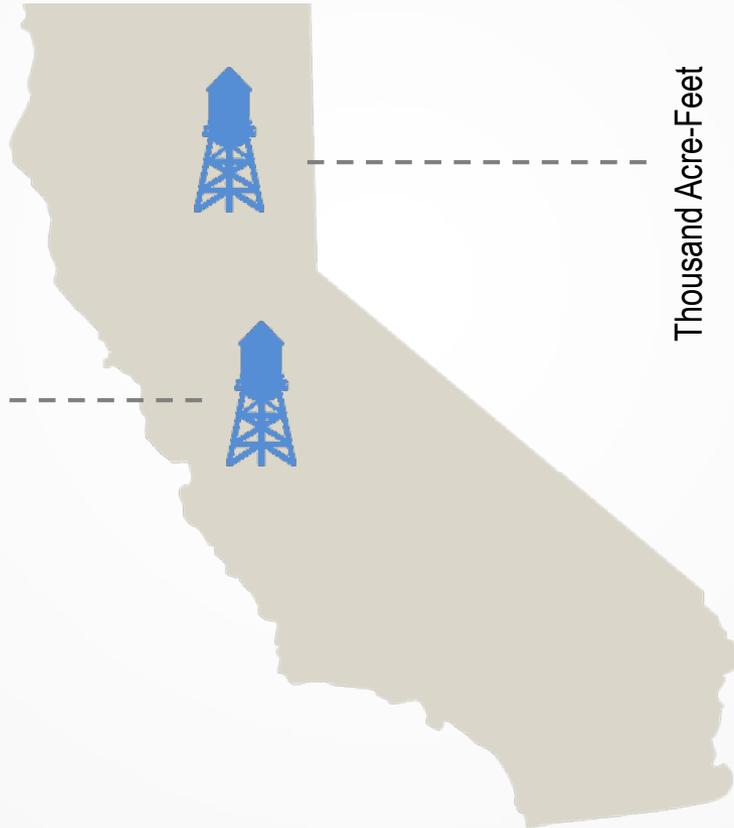
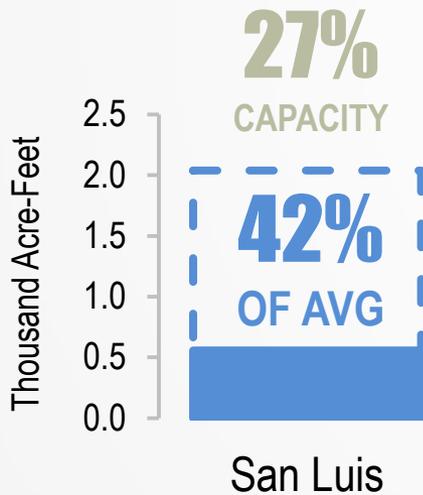
# Northern Sierra 8-Station Index

## As of December 18, 2013



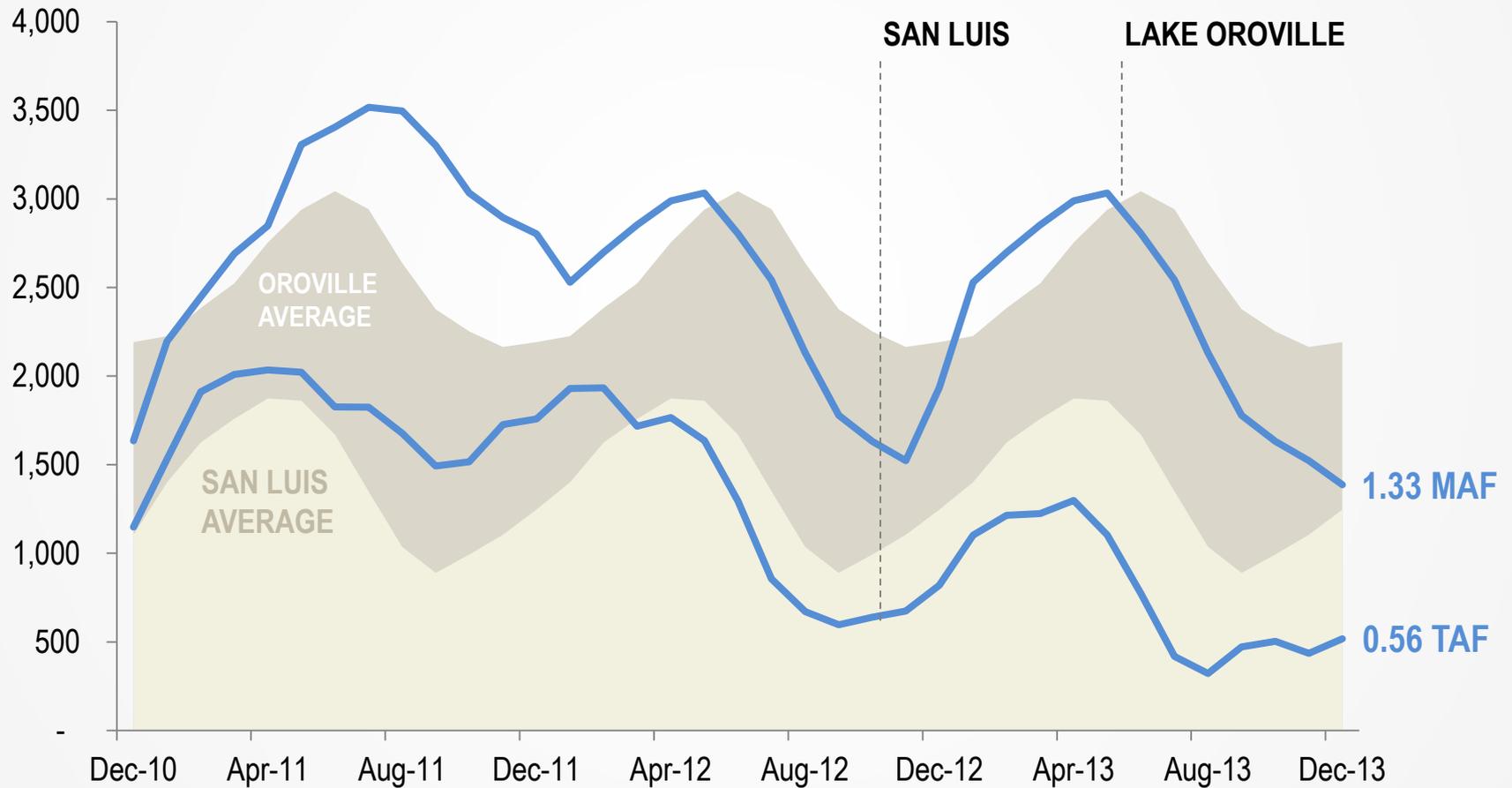
# Statewide Reservoir Conditions

## As of December, 18 2013

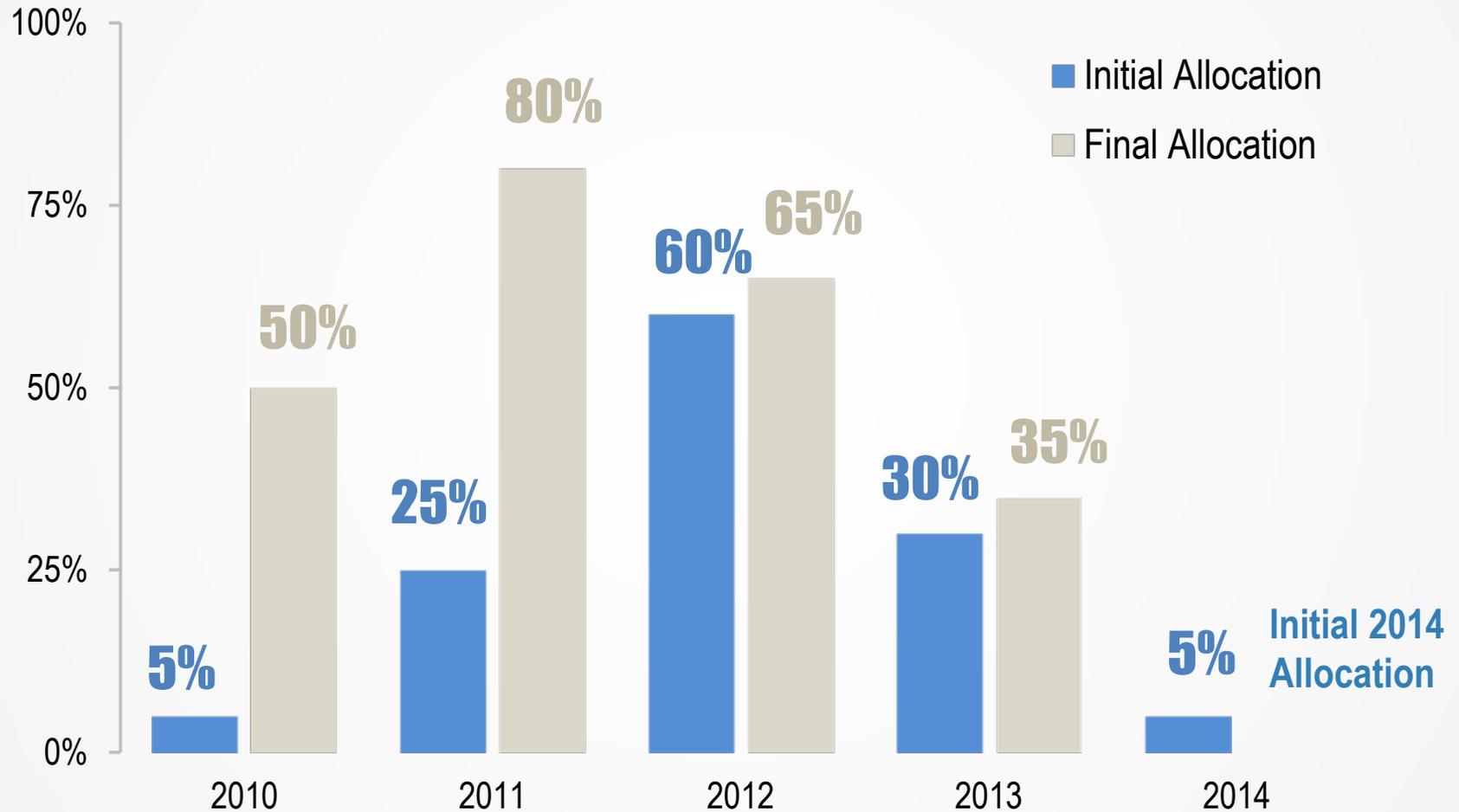


# Statewide Reservoir Conditions

As of December 18, 2013

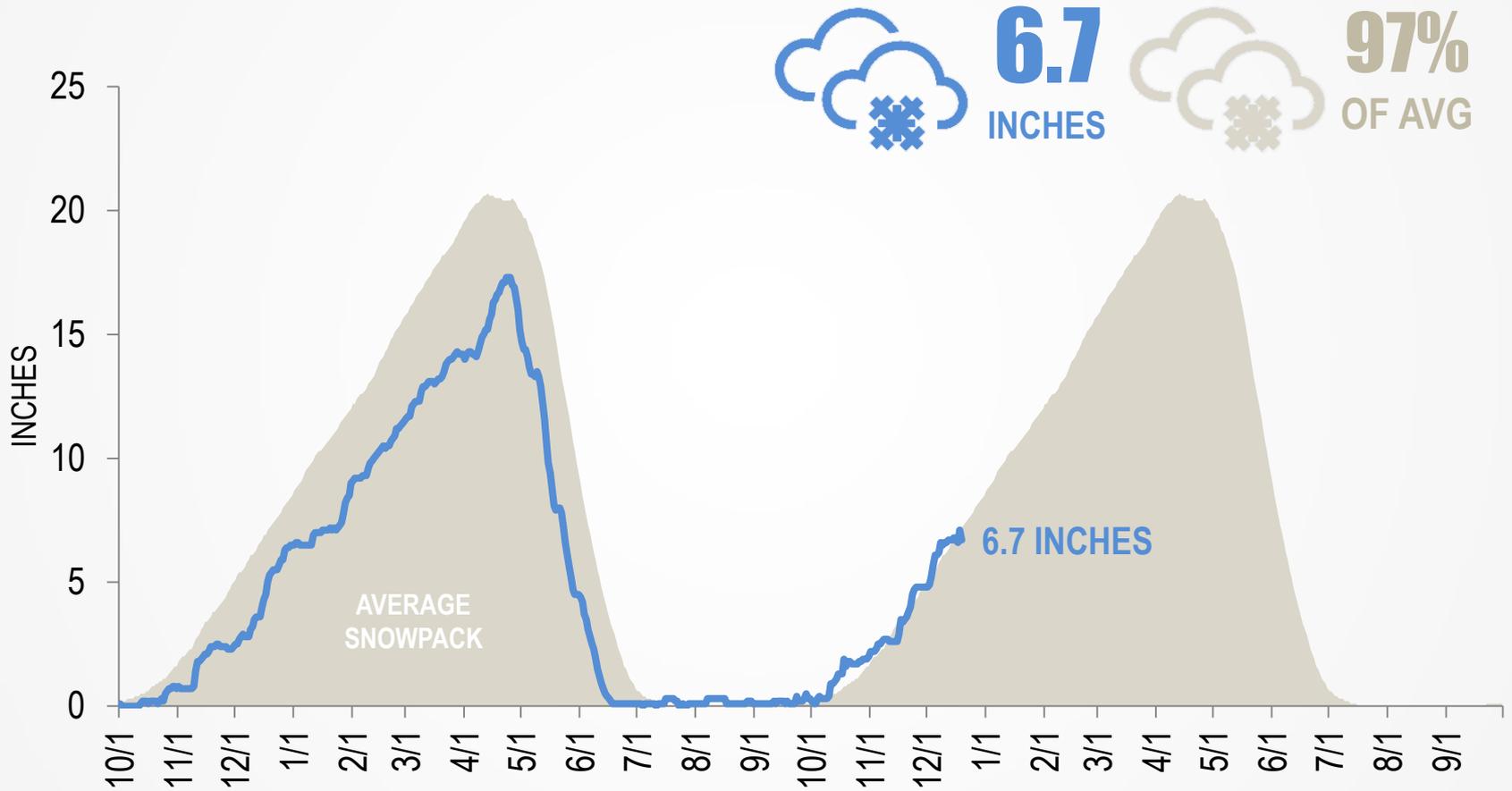


# California State Water Project "Table A" Allocation



# Upper Colorado River Snowpack

## December 18, 2013

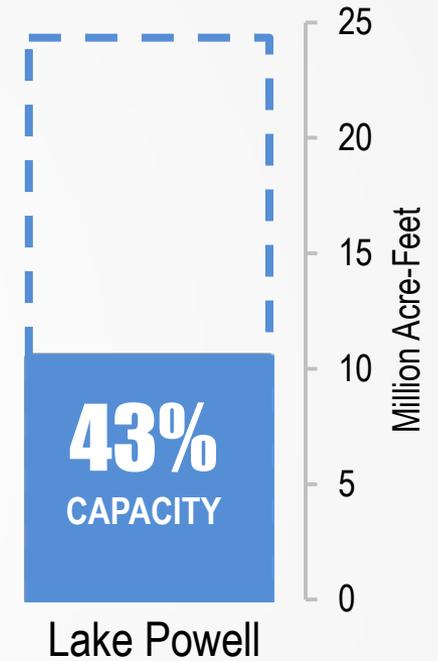
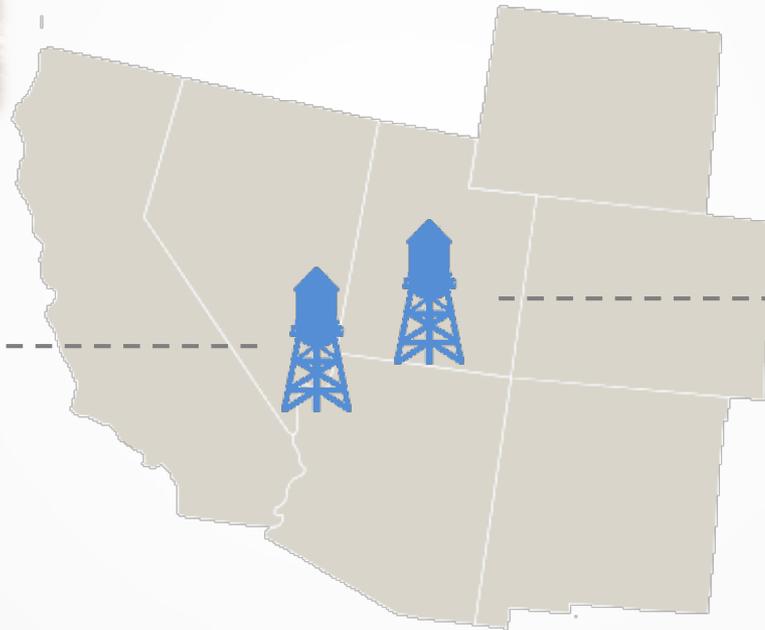
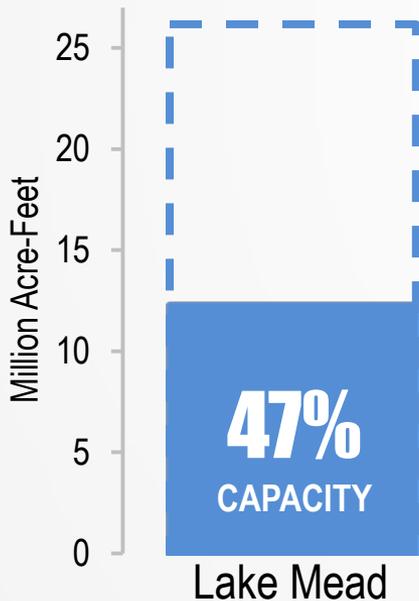


 **6.7**  
INCHES

 **97%**  
OF AVG

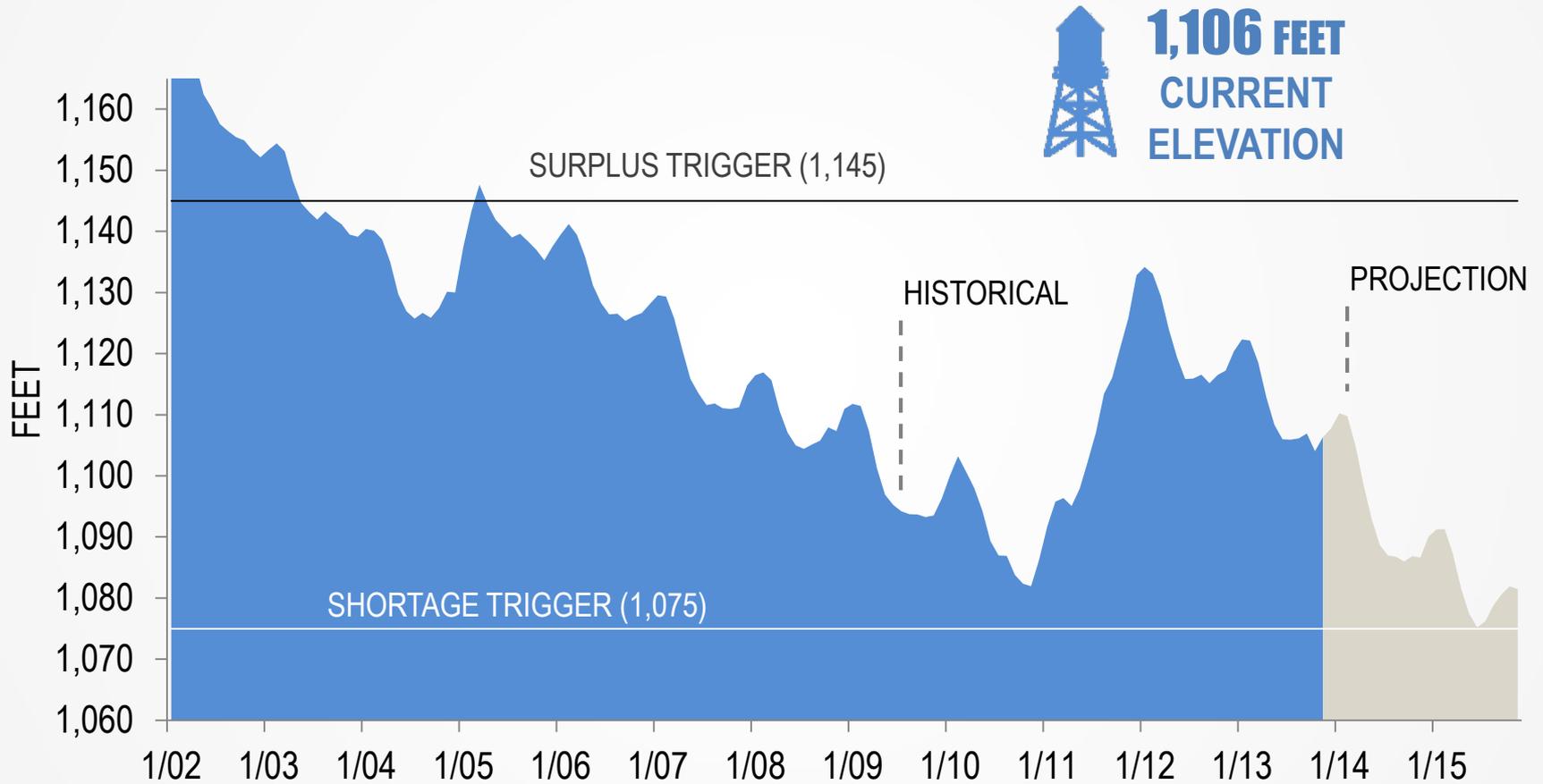
# Colorado River Reservoir Conditions

As of December 18, 2013



# Lake Mead Elevation

## December 2013 - 24 Month Study



**1,106 FEET**  
CURRENT  
ELEVATION

SURPLUS TRIGGER (1,145)

HISTORICAL

PROJECTION

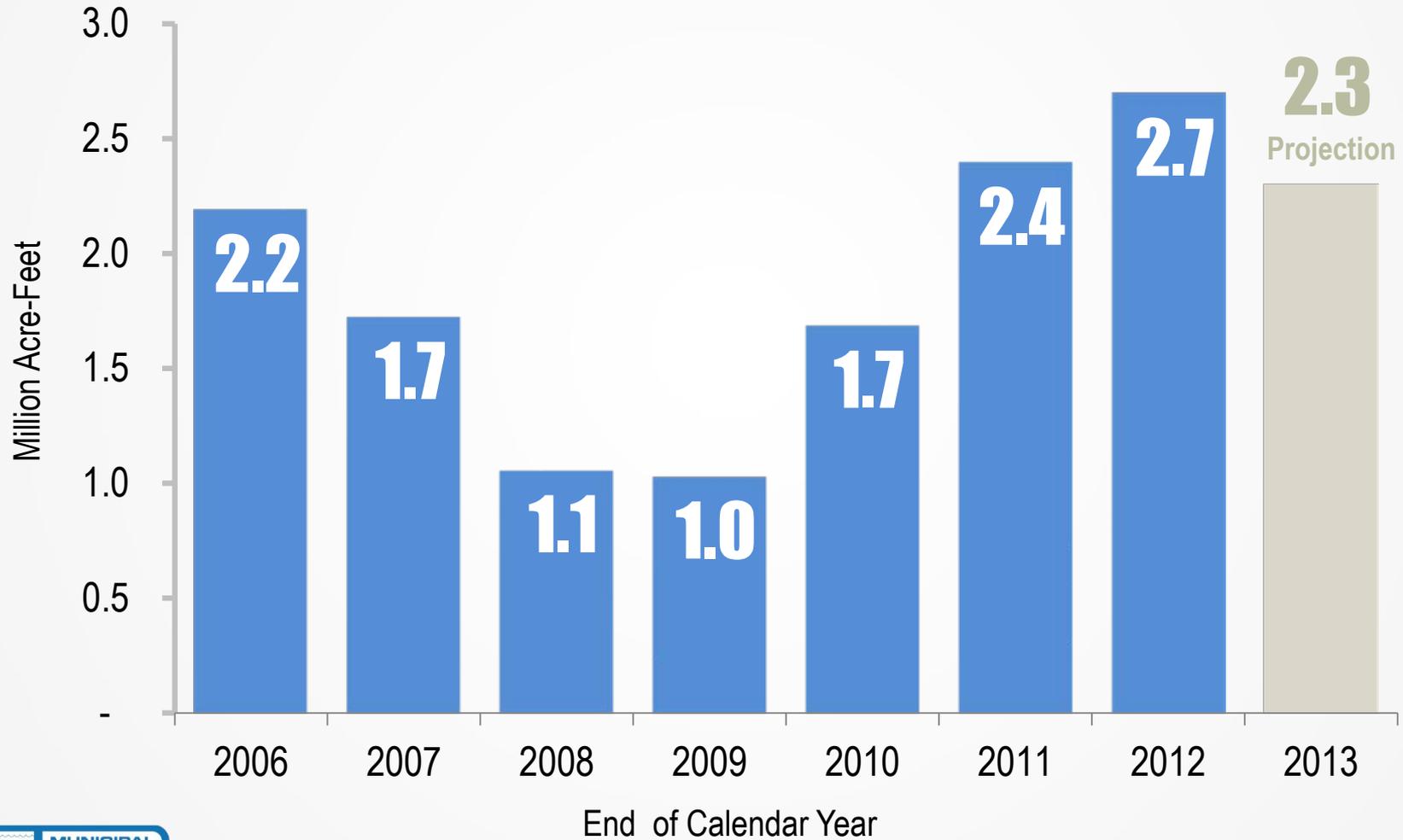
SHORTAGE TRIGGER (1,075)

# Metropolitan Water District 2013 Supply and Demand Balance

Water Balance	Low Demand	High Demand
Total Supplies	1,611,000	1,611,000
Total Demands	2,000,000	2,030,000
<b>Net Water Balance*</b>	<b>-389,000</b>	<b>-419,000</b>

\*Negative balance to be made up through storage and other water supplies.

# Metropolitan Storage

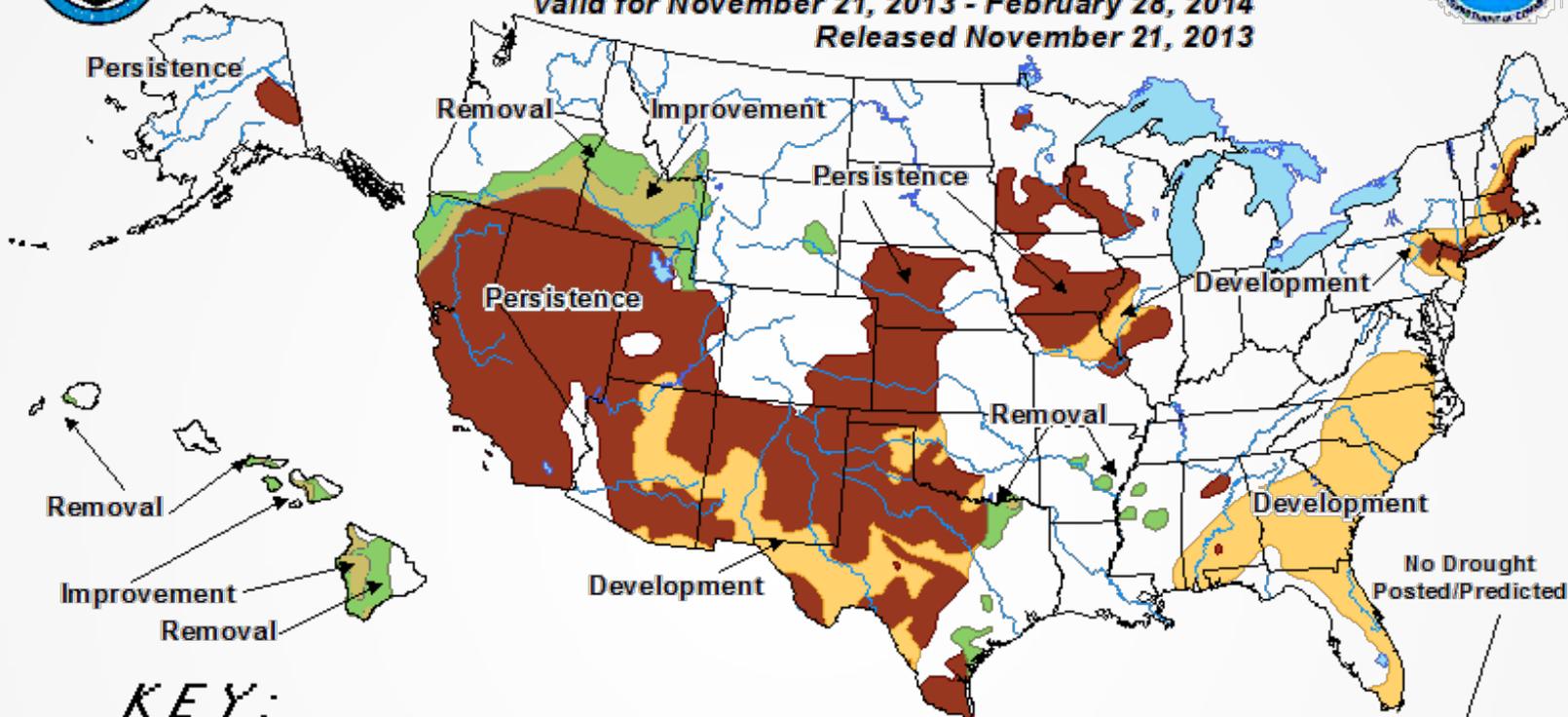




# U.S. Seasonal Drought Outlook

## Drought Tendency During the Valid Period

Valid for November 21, 2013 - February 28, 2014  
Released November 21, 2013



Removal

Improvement

Removal

### KEY:



Drought persists or intensifies



Drought remains but improves



Drought removal likely



Drought development likely

Author: David Miskus, Climate Prediction Center, NOAA

[http://www.cpc.ncep.noaa.gov/products/expert\\_assessment/season\\_drought.html](http://www.cpc.ncep.noaa.gov/products/expert_assessment/season_drought.html)

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Short-term events – such as individual storms – cannot be accurately forecast more than a few days in advance. Use caution for applications – such as crops – that can be affected by such events. "Ongoing" drought areas are approximated from the Drought Monitor (D1 to D4 intensity).

For weekly drought updates, see the latest U.S. Drought Monitor.

NOTE: The tan area areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period although drought will remain.

The Green areas imply drought removal by the end of the period (D0 or none)

