

**MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**
Jointly with the
ADMINISTRATION & FINANCE COMMITTEE
February 8, 2017, 8:30 a.m.
MWDOC Conference Room 101

Committee:

Director J. Thomas, Chairman
Director J. Finnegan
Director B. Barbre

Staff: R. Hunter, K. Seckel, C. Harris,
K. Davanaugh, H. Chumpitazi

Ex Officio Member: W. Osborne

MWDOC Committee meetings are noticed and held as joint meetings of the Committee and the entire Board of Directors and all members of the Board of Directors may attend and participate in the discussion. Each Committee has designated Committee members, and other members of the Board are designated alternate committee members. If less than a quorum of the full Board is in attendance, the Board meeting will be adjourned for lack of a quorum and the meeting will proceed as a meeting of the Committee with those Committee members and alternate members in attendance acting as the Committee.

PUBLIC COMMENTS - Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - Determine there is a need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee)

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING --

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

PRESENTATION

1. PRESENTATION BY THE COUNTY OF ORANGE REGARDING THE ORANGE COUNTY INVESTMENT POOL (OCIP) (Approximate Presentation Time: 15 min.)

PROPOSED BOARD CONSENT CALENDAR ITEMS

2. TREASURER'S REPORT
 - a. Revenue/Cash Receipt Report – January 2017
 - b. Disbursement Approval Report for the month of February 2017
 - c. Disbursement Ratification Report for the month of January 2017
 - d. GM Approved Disbursement Report for the month of January 2017
 - e. Water Use Efficiency Projects Cash Flow – January 31, 2017

- f. Consolidated Summary of Cash and Investment – December 2016
 - g. OPEB Trust Fund monthly statement (to be emailed separately)
- 3. FINANCIAL REPORT
 - a. Combined Financial Statements and Budget Comparative for the Period ending December 31, 2016
 - b. Quarterly Budget Review

ACTION ITEMS

- 4. COMMITTEE AND RESOLUTION OPTIONS RELATING TO JOINT/CONSOLIDATED COMMITTEE WITH OCWD AND DESALINATION PROJECTS
- 5. CONSIDER REVISIONS TO ADMINISTRATIVE CODE
- 6. STANDING COMMITTEE AND AD HOC COMMITTEE APPOINTMENTS FOR 2017; SCHEDULE OF COMMITTEE MEETING DATES FOR 2017
- 7. ASSOCIATION AND COMMISSION APPOINTMENTS FOR 2017
- 8. AUTHORIZE STAFF ATTENDANCE AT MULTI-STATE SALINITY COALITION CONFERENCE, MARCH 1-3, 2017, LAS VEGAS
- 9. SELECTION OF CONSULTANT FOR MEMBER AGENCIES 2016 WATER QUALITY CONSUMER CONFIDENCE REPORT

INFORMATION ITEMS – (THE FOLLOWING ITEMS ARE FOR INFORMATIONAL PURPOSES ONLY – BACKGROUND INFORMATION IS INCLUDED IN THE PACKET. DISCUSSION IS NOT NECESSARY UNLESS REQUESTED BY A DIRECTOR.)

- 10. 2016 REBATE PROGRAM – 1099-MISC FILING
- 11. LEGAL AND PROFESSIONAL SERVICES OPEN PURCHASE ORDERS
- 12. CONCEPTUAL FY 2017-18 BUDGET REVIEW
- 13. SEMI-ANNUAL DIRECTORS ACTIVITIES REPORT
- 14. SEMI-ANNUAL OVERTIME REPORT
- 15. ANNUAL AUTO ALLOWANCE REPORT
- 16. ANNUAL REVIEW OF COASTAL MUNICIPAL WATER DISTRICT ISSUES
- 17. SOLE SOURCE CONTRACT WITH JARVIS CONSTRUCTION
- 18. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration

b. Finance and Information Technology

19. MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

OTHER ITEMS

20. REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL MATTERS, EMPLOYEE BENEFITS FINANCE AND INSURANCE

ADJOURNMENT

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by telephoning Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.



**Municipal Water District of Orange County
Administration and Finance Committee Meeting
February 08, 2017**

Presentation by
Shari L. Freidenrich, CPA, CCMT, CPFA, ACPFIM
Treasurer-Tax Collector
County of Orange

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- **Municipal Water District of Orange County (MWDOC)**
 - Investment Policy Statement – Pooled Investments
 - Investment Balance in Orange County Investment Pool (OCIP) Trends
 - Investment Balances
 - Safety
 - Investment Types
 - Investment Ratings
 - Liquidity
 - Investment Maturities
 - Investment Yields
- **Other OCIP Information**



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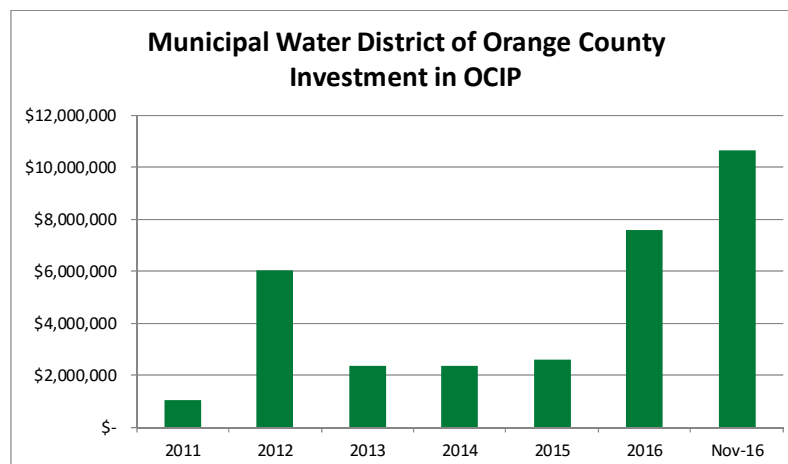


• Authorized Pooled Investments & Limitations

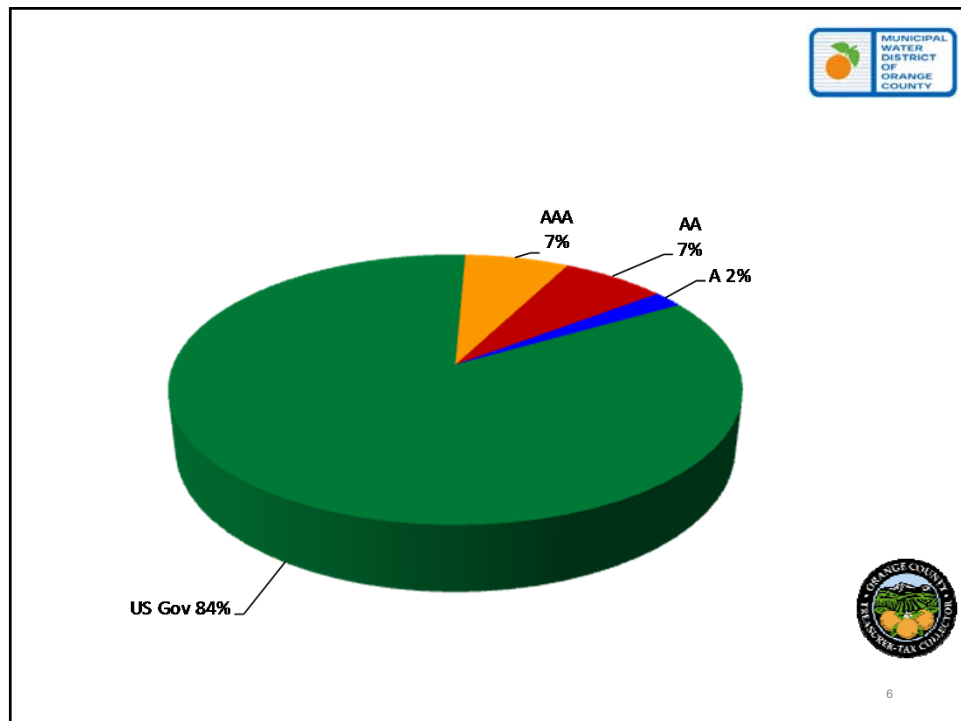
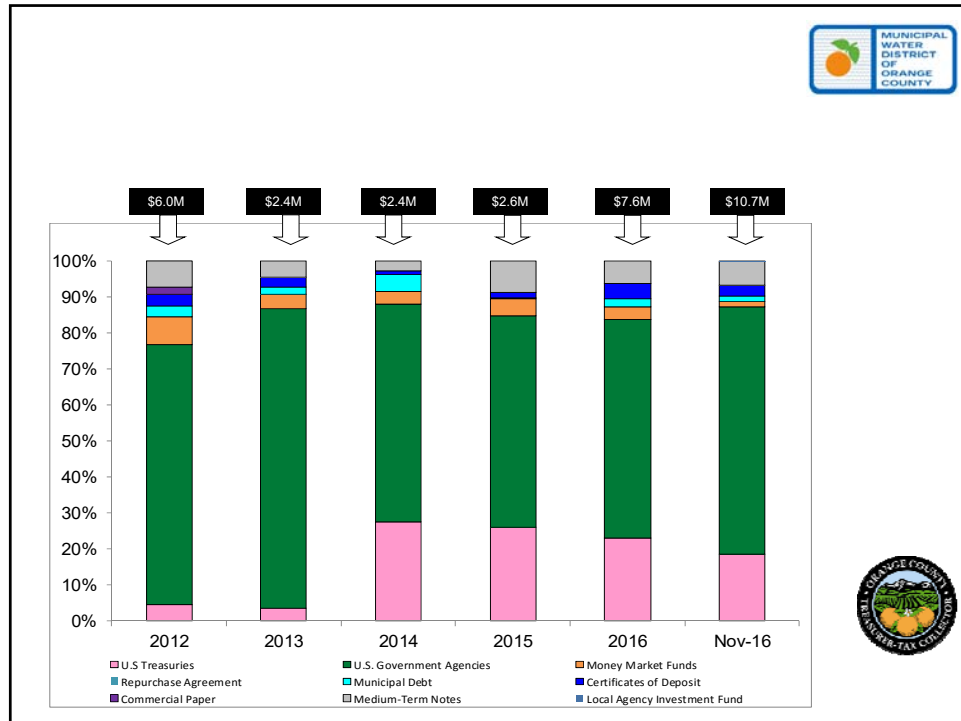
- MWDOC November 30 Balance: \$14.0 million
- OCIP
 - Maximum Amount Allowed: 100%
 - Maximum Percentage of Portfolio Allowed: 100%
 - OCIP Investment: \$10.7 million or 76.3%
- Local Agency Investment Fund (LAIF)
 - Maximum Amount Allowed: 100%
 - Maximum Percentage of Portfolio Allowed: 100%
 - LAIF Investment: \$0.12 million or 0.84%

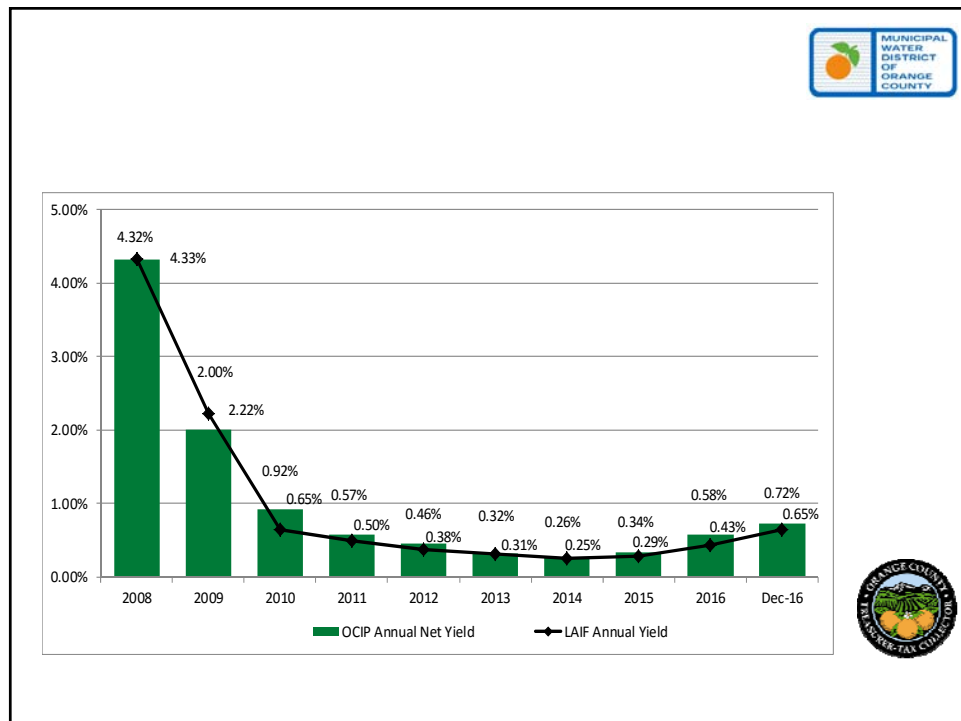
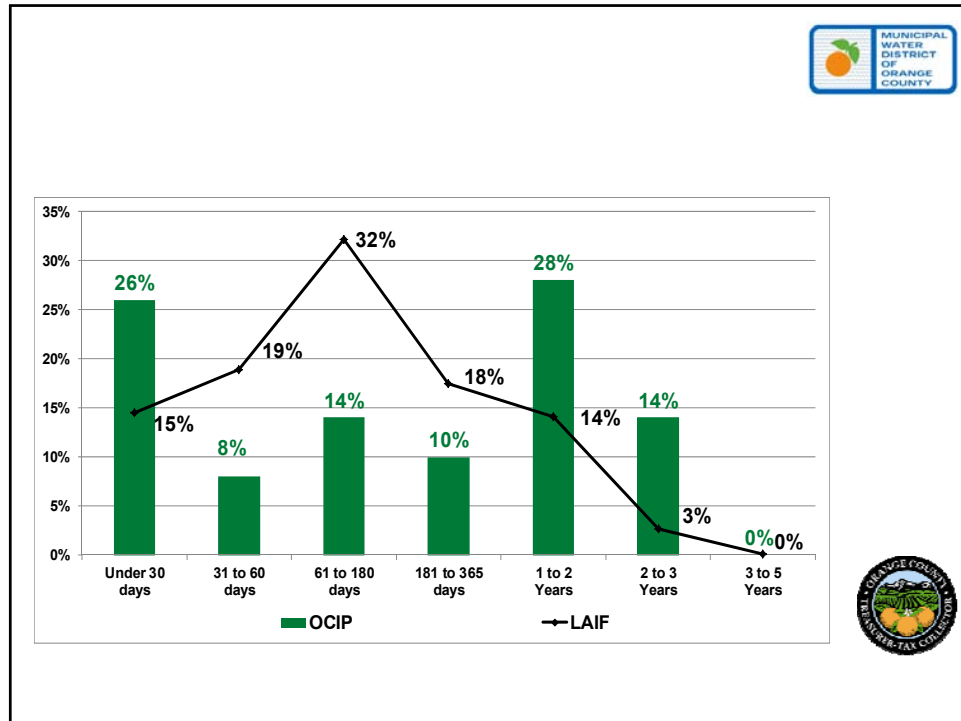


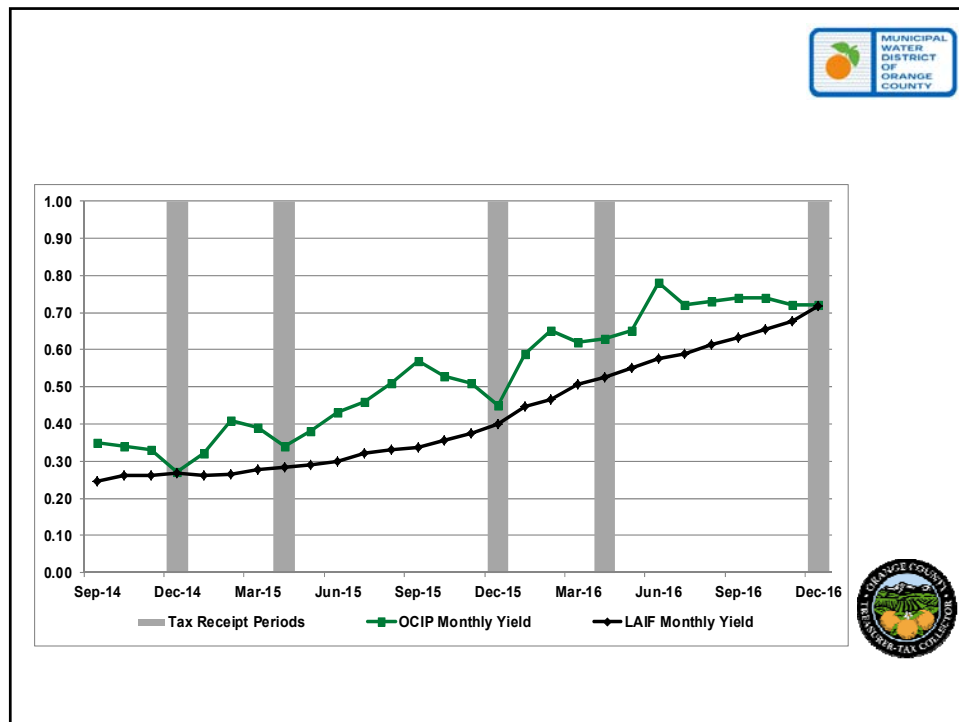
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- County Treasurer Responsibilities
- Ownership of Pool Funds
- Key Pool Statistics
- Benefits of Investing in OCIP
 - Safety
 - Liquidity
 - Yield
- Pool Participant Debt
- OCIP Oversight
- OCIP Highlights
- Contact Information



- Total assets managed by County Treasurer – \$9.5B
- OCIP Statistics (\$4.7 Billion)
 - OCIP includes short-term and long-term pooled funds
 - Weighted Average Maturity (WAM) – 328 days; Duration 1.02
 - Net Asset Value (MV/BV) = 1.00
 - YTD Net Yield: OCIP: 0.72% vs. LAIF YTD Net Yield 0.64%
 - Forecasted net yield FY 16/17 – 0.78%
 - Treasury Administrative Fees: 6.5 Basis Points (BP) (0.065%) estimated
 - LAIF Administrative Costs: 0.8 BPs (0.008%)
 - Short-term portion is rated AAAM (highest ranking) by S&P
 - Custodian – Northern Trust – DVP basis
 - Investment Policy Statement more restrictive than Gov't Code
 - Pool is not affected by the new SEC Money Market Mutual Fund Rules
- Voluntary Pool Participants Statistics
 - 50% of all voluntary participants funds available within three days
 - < 3% of OCIP
 - No current minimum or maximum amount restrictions



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	6/30/2016	6/30/2015	6/30/2008
Assets	\$3.68 billion	\$3.25 billion	\$3.13 billion
Weighted Average Maturity (WAM)	397days	391 days	212 days
Liquidity	Daily	Daily	3 Days
Expenses in Basis Points	6.6 (est)	7 (est)	10
YTD Net Yield	0.58%	0.35%	4.32%



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- Trustee/Fiduciary of Public Funds
- Invest based on “Prudent Investor” Standard
- Public Funds Investing Objectives
 - Safety, Liquidity, Yield
- County Pools Operate in the Public Interest (Government Code 27130)
 - Consolidating investment activities
 - Reducing duplication
 - Achieving economies of scale
 - Carrying out consolidated investment strategies
 - Provides a liquidity option for local government agencies



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Ownership of Pool Funds



- Government Code Section 27100.1
 - Legislation enacted specifically to clarify the status of these funds should a County file for bankruptcy
 - Funds held in trust are not funds or assets of the County
 - Relationship shall not be one of creditor-debtor
 - County Treasurer is trustee and fiduciary for depositing agency
 - No correlation between OC General Fund funds & each agency funds
 - Funds recorded individually in separate accounts
 - Memo on website
- Government Code Section 53684 (e)
 - Participant funds can't be seized by County Official



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- Safety (as of 12-31-16)
 - 98% in two highest rating categories
 - Pooled funds – more restrictive IPS than Gov't Code
 - Issuers – Dedicated Credit Analyst monitors daily
 - Diversified into six different investment types
 - MMF portion rated AAAM
 - Provides additional diversification liquidity option



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- Liquidity (as of 12-31-16)
 - Can be primary or secondary liquidity option
 - 97% of pool funds are captive
 - 26% of Portfolio liquid in 30 days, 48% in 180 days
 - 50% of Pool Participants balances available within 3 three days
 - Structure new issues to meet consolidated pooled cash needs
 - Same day liquidity
 - Local Government Investment Pools are exempt from new SEC Money Market Mutual Funds regulations



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- Net Yield (as of 12-31-16)
 - FY 16-17 Estimate - .78%, YTD - .72%
 - Receive competitive pricing due to larger pooled trade amounts
 - Access to broker's inventories using portfolio trading software
 - Yield superior to non gov't sponsored Money Market Mutual Funds due to pooled investments allowed by Code
 - Pool Administrative costs – 6.5 BP (est.)
 - Rate is blend of shorter liquidity investments pooled with longer-term investments with same day liquidity



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- Other Considerations
 - Local Agency - no travel involved to visit
 - Government Pool - no profit motive
 - Local trading desk tours
 - Local "user" conference
 - Treasury Oversight Committee meetings open to public/pool participants
 - Transparency of records / information
 - Monthly investment reports, minutes, audit reports and other oversight reports are posted online monthly
 - Treasurer is separate elected official
 - Joint Training opportunities at same cost as County
 - Available for Administration and Finance Committee or Agency presentations



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- Investment in County of Orange Bonds (as of 01-30-17, 5.8% in OCIP)
 - \$51.4 Million Pension Obligation Bonds 2016 Series A
 - 1.09% to 1.21% Interest Yield Range
 - Rated AA
 - 2/01/2017 to 6/30/2017 Maturity Range
 - 1.2% of OCIP
 - \$195.3 Million Pension Obligation Bonds 2017 Series A
 - 0.98% to 1.48% Interest Yield Range
 - Non-Rated
 - 8/01/2017 to 6/29/2018 Maturity Range
 - 4.6% of OCIP



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- Daily Internal Compliance checked by Treasury Division
- Automated pre- and post-trade compliance with Bloomberg software
- Daily/weekly/monthly/quarterly review of all approved issuers
- Treasury Investment Committee - Bi-Weekly
- Investment Credit Committee - As Needed
- Treasury Oversight Committee - Quarterly
 - Annual Written Report to Board of Supervisors
 - Meetings open to Pool participants / public
- Quarterly/Annual Audits - per Government Code
 - Annual Investment Compliance/Statement of Assets
 - No Compliance Exceptions in FY 15/16
- Various Internal Audits - internal controls
- Monthly written report to Board of Supervisors required
- Monthly report online - public and pool participants



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- Monthly Investments Report Executive Summary
- Periodic pool updates to participants
- Financial Statement Footnote disclosures for pool online
- Same day withdrawal and deposits by fax (9:30 am deadline)
 - No minimum or maximum monthly transactions or balance requirements
 - Annual treasury investment fee, no separate transaction fees
- Monthly activity statement by 10th of month (includes monthly yield)
- Communicate regularly with other public agencies on investment issues
 - Other Counties / Investment / Treasurer Groups & Associations
- Pool administrative costs reduced by over 20% since 2010
- Tours of trading desk / cash management for pool participants
- Investment / Treasury training offered to pool participant
 - 2017 Cash Handling Training



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Questions?

Contact Information:

Shari L. Freidenrich: Shari.Freidenrich@ttc.ocgov.com

Gary Nguyen: GNguyen@ttc.ocgov.com

Monthly Investment Report: ocgov.com/ocinvestments



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**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
January 2017**

WATER REVENUES

Date	From	Description	Amount
01/06/17	City of Garden Grove	November 2016 Water deliveries	56,023.19
01/06/17	South Coast Water District	November 2016 Water deliveries	432,042.63
01/06/17	City of San Clemente	November 2016 Water deliveries	527,287.40
01/10/17	El Toro Water District	November 2016 Water deliveries	527,763.58
01/10/17	City of Westminster	November 2016 Water deliveries	351,575.02
01/11/17	Laguna Beach County Water District	November 2016 Water deliveries	124,274.78
01/12/17	City of Orange	November 2016 Water deliveries	80,388.51
01/13/17	Trabuco Canyon Water District	November 2016 Water deliveries	17,891.48
01/13/17	Santa Margarita Water District	November 2016 Water deliveries	1,838,524.59
01/13/17	East Orange County Water District	November 2016 Water deliveries	235,316.57
01/13/17	Orange County Water District	November 2016 Water deliveries	1,041,178.83
01/13/17	City of San Juan Capistrano	November 2016 Water deliveries	572,209.29
01/13/17	City of Brea	November 2016 Water deliveries	68,093.41
01/13/17	Irvine Ranch Water District	November 2016 Water deliveries	2,730,325.57
01/13/17	Santiago Aqueduct Commission	November 2016 Water deliveries	44,074.80
01/13/17	Moulton Niguel Water District	November 2016 Water deliveries	1,885,504.24
01/13/17	Yorba Linda Water District	November 2016 Water deliveries	467,282.52
01/13/17	Golden State Water Company	November 2016 Water deliveries	387,140.70
01/17/17	Serrano Water District	December 2016 Water deliveries	902,125.62
01/20/17	City of Huntington Beach	December 2016 Water deliveries	865,661.71
01/23/17	City of La Habra	December 2016 Water deliveries	9,604.67
01/26/17	City of Fountain Valley	December 2016 Water deliveries	16,526.07
01/27/17	Trabuco Canyon Water District	December 2016 Water deliveries	17,891.48
01/27/17	City of San Clemente	December 2016 Water deliveries	445,848.27
01/30/17	City of Buena Park	December 2016 Water deliveries	156,320.23
01/30/17	City of Seal Beach	December 2016 Water deliveries	9,246.14

TOTAL REVENUES \$ 13,810,121.30

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
January 2017

MISCELLANEOUS REVENUES

Date	From	Description	Amount
01/09/17	MNWD	6/16/17 OC Water Summit	1,600.00
01/19/17	Stan Sprague	Jan-Feb 2017 Retiree Health insurance	256.59
01/12/17	Cathy Harris	Movie tickets	255.00
01/20/17	2 Checks	Movie tickets	51.00
01/06/17	Pat Meszaros	Movie tickets	51.00
01/26/17	Orange County Water District	Half of hotel charge for WACO presenter John Kingsbury	87.69
01/30/17	South Coast Water District	Annual State Parks Lease Extension Doheny State Beach	26,460.00
01/06/17	Mesa Water	November 2016 Smartimer rebate program	1,050.00
01/13/17	Santa Margarita Water District	November 2016 Smartimer rebate program	73.97
01/19/17	City of Buena Park	November 2016 Turf Removal rebate program	333.00
01/09/17	City of Orange	November 2016 Turf Removal rebate program	111.00
01/09/17	Moulton Niguel Water District	October 2016 Smartimers, Rotating Nozzle & Turf Removal rebate program	83,369.64
01/23/17	Santa Margarita Water District	September 2016 So Cal Watersmart Residential rebate program	1,620.00
01/09/17	Moulton Niguel Water District	November 2016 So Cal Watersmart Residential rebate program	11,600.00
01/13/17	Trabuco Canyon Water District	November 2016 So Cal Watersmart Residential rebate program	200.00
01/11/17	Irvine Ranch Water District	November 2016 So Cal Watersmart Commercial rebate program	13,500.00
01/17/17	Department of Water Resources	Jul-Sep 2016 Comprehensive Landscape WUE	1,697.75
01/03/17	Moulton Niguel Water District	Reimbursement of rebates paid in excess of eligibility	9,795.00
01/27/17	City of Huntington Beach	Reimbursement of rebates paid in excess of eligibility	1,116.13
01/12/17	City of Fountain Valley	FY 16-17 Choice Programs Billing Invoice	19,830.09
01/20/17	El Toro Water District	FY 16-17 County Wide Communication choice program	3,142.06
01/27/17	City of Orange	FY 16-17 County Wide Communication choice program	5,006.43
01/27/17	Trabuco Canyon Water District	FY 16-17 County Wide Communication choice program	2,268.18
01/30/17	South Coast Water District	FY 16-17 County Wide Communication choice program	2,806.85

TOTAL MISCELLANEOUS REVENUES \$ **186,281.38**

TOTAL REVENUES \$ **13,996,402.68**



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	<i>Aleshire & Wynder LLP</i>	
40300	December 2016 Legal services	496.80
	*** Total ***	496.80
	<i>ALTA FoodCraft</i>	
517010908	1/9/17 Coffee & tea supplies	258.92
	*** Total ***	258.92
	<i>Awards & Trophies Co., Inc.</i>	
15765	1 Director's picture plate for Director Hinman	15.43
	*** Total ***	15.43
	<i>Best Best and Krieger LLP</i>	
55401-DEC16	December 2016 Legal services	8,368.11
786977	December 2016 State legislative advocacy services	8,424.74
	*** Total ***	16,792.85
	<i>CDW Government</i>	
GNV8627	1 8-Port rack console for enclosed server racks	1,326.46
GNW9314	2 Enclosed Server racks	4,293.08
	*** Total ***	5,619.54
	<i>CV Strategies</i>	
3883	December 2016 Recruiting assistance for Director of Public Affairs position	2,868.75
	*** Total ***	2,868.75
	<i>Fry's Electronics</i>	
21807923	1/27/17 Computer supplies	263.94
	*** Total ***	263.94
	<i>El Toro Water District</i>	
2886	2017 WEROC S. EOC site annual lease	1,000.00
	*** Total ***	1,000.00
	<i>GovConnection, Inc.</i>	
54418652	12/30/16-12/29/17 Barracuda e-mail security service	644.00
	*** Total ***	644.00
	<i>Humanscale</i>	
2251791	1 Freedom task chair	597.61
	*** Total ***	597.61

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Independent Special District of Orange County</i>	
ISDOC-2017	Annual membership renewal	200.00
ISDOC012617	January 2017 PayPal receipts for 1/26/17 meeting	734.76
ISDOC012617A	1/26/17 ISDOC Meeting registration for Directors Barbre & Thomas	34.00
	*** Total ***	968.76
	<i>James C. Barker, P.C.</i>	
105-0117	January 2017 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<i>Judy Pfister</i>	
NOV-DEC2016	November-December 2016 Retiree medical premium	211.60
	*** Total ***	211.60
	<i>Lewis Consulting Group, LLC</i>	
2017-105	January 2017 Consulting services	4,187.50
	*** Total ***	4,187.50
	<i>Edward G. Means III</i>	
MWDOC-1045	January 2017 Support for MET issues & guidance to Engineering staff	6,011.77
	*** Total ***	6,011.77
	<i>Metropolitan Water District</i>	
43636	FY15-16 Operation & maintenance cost for East Orange County Feeder #2	357,390.29
	*** Total ***	357,390.29
	<i>MyBinding.com</i>	
100626072	1/17/17 Binding machine supplies	222.13
	*** Total ***	222.13
	<i>Norco Delivery Services</i>	
708018	1/13/17 Delivery charges for Board packets	169.36
	*** Total ***	169.36
	<i>Office Solutions</i>	
I-01089200	1/10/17 Office supplies	226.26
I-01087214	1/6/17 Office supplies	53.86
I-01090036	2,500 Printed windowed envelopes	265.12
I-01090038	2,000 Printed letterhead	511.81
I-01096277	1/19/17 Office supplies	390.32
I-01096752	1 Dry-erase board for WEROC office	172.39
I-01097520	1/23/17 Office supplies	53.88
I-01098309	1/24/17 Office supplies	12.93
	*** Total ***	1,686.57

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	County of Orange	
PW170323	FY16-17 Cooperative agreement for South Orange County Watershed Management Area	6,175.73
	*** Total ***	6,175.73
	Orange County Fast Print, Inc.	
53999	Business cards for D. Micalizzi	58.88
	*** Total ***	58.88
	Orange County Water District	
17043	December 2016 50% share of WACO expense	227.97
17086	December 2016 Postage, shared office & maintenance expense	8,653.61
	*** Total ***	8,881.58
	Staffing Network, LLC	
95692251	1/9/17-1/15/17 Temporary help for Administration	994.50
95692747	1/16/17-1/22/17 Temporary help for Administration	994.50
	*** Total ***	1,989.00
	Staples Advantage	
8042773096	1/21/17 Office supplies	208.51
	*** Total ***	208.51
	Top Hat Productions	
91852	7/21/16 Lunch for Managers' meeting	403.38
92295	11/17/16 Lunch for Managers' meeting	403.38
	*** Total ***	806.76
	U. S. Healthworks	
3045578-CA	1/5/17 Pre-employment exam	160.00
	*** Total ***	160.00
	USAFact, Inc.	
7012122	1/13/17 Pre-employment background check	210.53
	*** Total ***	210.53
	Vavrinek, Trine, Day & Co., LLP	
130322-IN	November 2016 Services for FY15-16 audit	1,537.00
	*** Total ***	1,537.00
	Total Core Expenditures	<hr/> 427,433.81

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Choice Expenditures:		
	State of California	
925-2014-012-2017	2/1/17-1/31/18 Lease for Doheny Ocean Desal reimbursed by South Coast Water District	26,460.00
	*** Total ***	26,460.00
	Orange County Water District	
17086	December 2016 Postage for rebate programs	21.81
	*** Total ***	21.81
	Quick Signs	
46295	15 Signs printed for Turf Removal program	2,089.00
	*** Total ***	2,089.00
	Top Hat Productions	
92469	1/10/17 Lunch for Water Loss Control workgroup	338.85
	*** Total ***	338.85
	Total Choice Expenditures	<hr/> 28,909.66
Other Funds Expenditures:		
	California State Land Commission	
A6532	Additional fee for application processing for Doheny Ocean Desal project	119.56
	*** Total ***	119.56
	Geoscience Support Services	
15025-16-08	December 2016 Doheny Ocean Desal Slant Well decommissioning	4,292.24
	*** Total ***	4,292.24
	Jensen Drilling Company	
CA-16-011	January 2016 Doheny Ocean Desal Slant Well decommissioning	254,546.75
	*** Total ***	254,546.75
	Laguna Beach County Water District	
LB161702	December 2016 Smart Timer Distribution program	560.00
	*** Total ***	560.00
	Mission RCD	
2171	December 2016 Field verifications for rebate programs	9,322.50
	*** Total ***	9,322.50

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Office Solutions</i>	
I-01096277	1/19/17 Office supplies for WEROC	39.68
	*** Total ***	39.68
	<i>Quality Fuel Trailer & Tank, Inc.</i>	
524514	Diesel fuel trailer for East Orange County Water District	18,267.60
524515	Diesel fuel trailer for South Coast Water District	18,225.79
	*** Total ***	36,493.39
	<i>Regents of the University of California at Irvine</i>	
149950	Incentive payment for Industrial program	3,225.00
151433	Incentive payment for Industrial program	2,531.00
152039	Incentive payment for Industrial program	4,178.00
	*** Total ***	9,934.00
	<i>Water Systems Optimization, Inc.</i>	
1117	December 2016 Water Loss Control program	5,235.00
	*** Total ***	5,235.00
	<i>Total Other Funds Expenditures</i>	<hr/> 320,543.12
	<i>Total Expenditures</i>	<hr/> <hr/> 776,886.59

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
136332	1/6/17	TIMEWA 5210-JAN17	Time Warner Cable January 2017 Telephone and internet expense	1,278.38
			***Total ***	1,278.38
136333	1/6/17	VERIZO 9777559812	Verizon Wireless December 2016 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
136342	1/13/17	HOMED1 7785-DEC16	Home Depot Credit Services 12/2/16 Office supplies	4.20
			***Total ***	4.20
136344	1/13/17	IRONMO NJB6353	Iron Mountain January 2017 Archived document storage fees	372.03
			***Total ***	372.03
136345	1/13/17	LYONKE 123116	Keith Lyon November 2016 Business expense	33.75
			***Total ***	33.75
136352	1/13/17	TIMEWA 3564-JAN17	Time Warner Cable January 2017 Telephone expense for 3 analog fax lines	107.21
			***Total ***	107.21
ACH002338	1/13/17	ACKEEX 123116	Linda Ackerman December 2016 Business expense	75.60
			***Total ***	75.60
ACH002341	1/13/17	BARBRE 123116	Brett Barbre December 2016 Business expense	383.62
			***Total ***	383.62
ACH002342	1/13/17	BERGJO 123116	Joseph Berg December 2016 Business expense	385.39
			***Total ***	385.39
ACH002343	1/13/17	BUSSLI 123116	Charles Busslinger December 2016 Business expense	59.40
			***Total ***	59.40
ACH002344	1/13/17	CHUMPI 123116	Hilary Chumpitazi December 2016 Business expense	59.55
			***Total ***	59.55

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2017**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH002347	1/13/17	DICKEX	Larry Dick	
		123116	December 2016 Business expense	132.30
			***Total ***	132.30
ACH002348	1/13/17	FAHLBE	Beth Fahl	
		123116	December 2016 Business expense	17.50
			***Total ***	17.50
ACH002351	1/13/17	LOEWEN	Laura Loewen	
		123116	December 2016 Business expense	116.02
			***Total ***	116.02
136426	1/31/17	SNOWM	Mary Snow	
		123116	November-December 2016 Business expense	20.47
			***Total ***	20.47
136430	1/31/17	FRANCI	Pari Francisco	
		123116	December 2016 Business expense	42.53
			***Total ***	42.53
136434	1/31/17	TAMARI	Satoru Tamaribuchi	
		123116	December 2016 Business expense	121.50
			***Total ***	121.50
136435	1/31/17	USBANK	U.S. Bank	
		4140/5443-DEC16	11/22/16-12/22/16 Cal Card charges	12,444.70
			***Total ***	12,444.70
			(See attached sheet for details)	
136436	1/31/17	VOLZKE	Jonathan Volzke	
		011217	December 2016-January 2017 Business expense	84.89
			***Total ***	84.89
ACH002365	1/31/17	BAUMHA	Melissa Baum-Haley	
		121716	October-December 2016 Business expense	329.93
			***Total ***	329.93
ACH002366	1/31/17	CHUMPI	Hilary Chumpitazi	
		013117	January 2017 Business expense	194.11
			***Total ***	194.11
ACH002367	1/31/17	DINHPA	Patrick Dinh	
		123116	November-December 2016 Business expense	21.60
			***Total ***	21.60

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH002368	1/31/17	FINNEG 123116	Joan Finnegan December 2016 Business expense ***Total ***	 69.68 69.68
ACH002371	1/31/17	HOSTER 011517	Kevin Hostert November-December 2016 Business expense ***Total ***	 116.66 116.66
ACH002372	1/31/17	SCHNEI 123116	Megan Yoo Schneider December 2016 Business expense ***Total ***	 122.45 122.45
ACH002376	1/31/17	THOMAS 123016	Jeffery Thomas December 2016 Business expense ***Total ***	 843.26 843.26
Total Core Disbursements				17,550.76

Choice Disbursements:

Total Choice Disbursements

Other Funds Disbursements:

136333	1/6/17	VERIZO 9777559812	Verizon Wireless December 2016 4G Mobile broadband unlimited service ***Total ***	 38.01 38.01
136334	1/13/17	ATTUVEOC 8599-JAN17	AT&T January 2017 U-verse internet service for WEROC N.EOC ***Total ***	 55.00 55.00
136342	1/13/17	HOMED1 7785-DEC16	Home Depot Credit Services 12/2/16 Office supplies ***Total ***	 57.47 57.47
ACH002342	1/13/17	BERGIO 123116	Joseph Berg December 2016 Business expense ***Total ***	 4.50 4.50
ACH002352	1/13/17	MESAWA 9057	Mesa Water November 2016 Credit for Local Resources program ***Total ***	 54,039.47 54,039.47

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2017**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
		TURFRP	Turf Removal Program	
136356	1/26/17	TR8-R-IRWD-7449-7410	S. Placencia	1,192.00
136357	1/26/17	TR8-R-MNT-5176-5106	C. Dean	1,354.50
136358	1/26/17	TR8-R-IRWD-5215-5146	A. Malaekheh	2,300.00
136359	1/26/17	TR8-R-IRWD-7353-7306	M. Panahi	2,026.00
136360	1/26/17	TR9-R-MNT-7346-7299	R. Casey	690.00
136361	1/26/17	TR9-R-MNT-7672-7633	G. Javadi	538.00
136362	1/26/17	TR9-R-MNT-7686-7645	A. Hidari	6,000.00
136363	1/26/17	TR9-R-MNT-7931-7896	S. Grant	826.00
136364	1/26/17	TR8-R-MNT-4920-4843	E. Schwied	2,747.50
136365	1/26/17	TR7-R-IRWD-4704-4620-ADJ	J. Malek	284.33
136366	1/26/17	TR9-R-MNT-7457-7417	D. Jackson	1,640.00
136367	1/26/17	TR9-R-MNT-7623-7584	J. Callanan	1,652.00
136368	1/26/17	TR9-R-MNT-7746-7704	M. Ghaffari	682.00
136369	1/26/17	TR9-R-MNT-7788-7745	S. Romouzi	534.00
136370	1/26/17	TR9-R-MNT-7843-7801	S. Mire	1,152.00
136371	1/26/17	TR9-R-MNT-8065-8029	T. Sullivan	1,218.00
136372	1/26/17	TR9-R-MNT-8086-8052	B. Inciong	3,110.00
136373	1/26/17	TR9-R-MNT-7774-7728	K. Hakim	1,024.00
136374	1/26/17	TR9-R-MNT-7906-7871	A. Lazere	4,042.00
136375	1/26/17	TR9-R-MNT-5035-4961	K. Kamradt	540.00
136376	1/26/17	TR8-R-MNT-6272-6199	S. Boghdady	6,607.50
136377	1/26/17	TR8-R-IRWD-7563-7523	D. Winchell	1,368.00
136378	1/26/17	TR8-R-IRWD-5146-5075	P. Gomez	1,773.63
136379	1/26/17	TR8-R-IRWD-7609-7571	M. Pitlik	1,600.00
136380	1/26/17	TR9-R-MNT-7584-7545	F. Abri	996.00
136381	1/26/17	TR8-R-IRWD-6252-6181	G. Leeds	868.00
136382	1/26/17	TR8-R-MNT-7398-7351	A. Hoekstra	1,704.00
136383	1/26/17	TR8-R-IRWD-7386-7341	T. Trytten	2,200.00
136384	1/26/17	TR8-R-IRWD-7282-7209	C. El Gorfti	526.00
136385	1/26/17	TR8-R-IRWD-7290-7226	S. Larson	3,146.00
136386	1/26/17	TR9-R-MNT-7359-7311	S. Shoults	5,530.00
136387	1/26/17	TR8-R-ETWD-7384-7339	B. Johnson	510.00
136388	1/26/17	TR8-R-IRWD-7469-7432	C. Hasse	1,046.00
136389	1/26/17	TR8-R-IRWD-7459-7419	A. Khanna	1,340.00
136390	1/26/17	TR9-R-MNT-7593-7555	E. Stephanides	4,502.00
136391	1/26/17	TR9-R-MNT-7538-7498	R. De Carvalho	998.00
136392	1/26/17	TR8-R-IRWD-7597-7559	K. Fournier	1,490.00
136393	1/26/17	TR9-R-MNT-7666-7628	E. Lumanlan	638.00
136394	1/26/17	TR9-R-MNT-7695-7654	R. Music	1,584.00
136395	1/26/17	TR9-R-MNT-7763-7716	P. Wogsberg	728.00
136396	1/26/17	TR9-R-MNT-7649-7610	D. Sandri	556.00
136397	1/26/17	TR9-R-MNT-7659-7621	S. Patel	968.00
136398	1/26/17	TR9-R-MNT-7792-7749	S. Bredice	3,012.00
136399	1/26/17	TR9-R-MNT-7744-7701	B. Pang	910.00
136400	1/26/17	TR9-R-MNT-7769-7722	T. Uecker	1,002.00
136401	1/26/17	TR9-R-MNT-7765-7718	O. Krad	976.00
136402	1/26/17	TR9-R-MNT-7767-7720	M. May	976.00
136403	1/26/17	TR9-R-MNT-7798-7757	S. Westley	2,580.00

Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2017

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
136404	1/26/17	TR9-R-MNT-7823-7784	K. Rada	1,806.37
136405	1/26/17	TR9-R-MNT-7794-7751	M. Yip	260.00
136406	1/26/17	TR9-R-MNT-7812-7774	T. Ponder	1,326.00
136407	1/26/17	TR9-R-MNT-7959-7924	M. Ming	536.00
136408	1/26/17	TR9A-R-MNT-7854-7820	Z. Niu	340.00
136409	1/26/17	TR9-R-MNT-7858-7824	B. Underhill	1,430.00
136410	1/26/17	TR9-R-MNT-7919-7883	R. Fisher	990.00
136411	1/26/17	TR9-R-MNT-7888-7853	A. Khal	1,002.00
136412	1/26/17	TR9-R-MNT-7874-7841	L. Hood	1,854.00
136413	1/26/17	TR8-R-IRWD-7907-7872	M. Salamone	1,746.00
136414	1/26/17	TR9-R-MNT-7953-7917	J. Collins	1,164.00
136415	1/26/17	TR9-R-MNT-7944-7909	D. Bird	924.00
136416	1/26/17	TR9-R-MNT-8041-8004	T. White	1,244.00
136417	1/26/17	TR9-R-MNT-7997-7961	D. Freck	1,356.00
136418	1/26/17	TR9A-R-MNT-8074-8039	J. Boegeman	1,026.00
136419	1/26/17	TR9A-R-MNT-8068-8032	W. Kersten	962.00
136420	1/26/17	TR9-R-MNT-8060-8023	T. Mathiesen	828.00
136421	1/26/17	TR9-R-MNT-9127-9084	S. Fujii	414.00
			***Total ***	102,895.83
136423	1/31/17	ATTEOC	AT&T	
		4492-JAN17	January 2017 WEROC S. EOC telephone expense	112.55
		8200-JAN17	January 2017 WEROC N. EOC telephone expense	42.33
		0532-JAN17	January 2017 WEROC N. EOC dedicated phone line	64.40
			***Total ***	219.28
136424	1/31/17	CATALI	Catalina Island Conservancy	
		0013830	January 2017 WEROC radio repeater site lease	1,636.47
			***Total ***	1,636.47
136431	1/31/17	SDGE	San Diego Gas and Electric	
		7768-JAN17	12/19/16-1/19/17 Electric service for Doheny Ocean Desal project	129.71
			***Total ***	129.71
136435	1/31/17	USBANK	U.S. Bank	
		4140-DEC16	11/22/16-12/22/16 Cal Card charges	1,417.50
			***Total ***	1,417.50
			(See attached sheet for details)	
ACH002369	1/31/17	HUBBAR	Kelly Hubbard	
		123116	December 2016 Business expense	101.94
			***Total ***	101.94
ACH002374	1/31/17	SANTAM	Santa Margarita Water District	
		NOV2016	November 2016 SCP Operation surcharge	23,802.99
			***Total ***	23,802.99

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
WIRE-170131	1/31/17	METWAT	Metropolitan Water District	
		8876	November 2016 Water deliveries	12,892,599.60
			***Total ***	12,892,599.60
			Total Other Funds Disbursements	<u>13,076,997.77</u>
			Total Disbursements	<u><u>13,094,548.53</u></u>



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Statement Detail
Statement Date: December 22, 2016
Payment Date: January 31, 2017

Date	Description	Amount
<u>K. Seckel Card</u>		
11/22/16	Orange County Forum lunch in Irvine, CA on Nov. 29, 2016 - Registration for Director Thomas & J. Volzke	\$ 160.00
11/22/16	State Water Resources Control Board Urban Advisory Group meeting in Sacramento, CA on Dec. 7, 2016 - Airfare for J. Berg	490.96
11/28/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Airfare for H. De La Torre	190.96
11/28/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Airfare for Director Barbre	292.13 ^[1]
11/29/16	ACWA Fall conference in Anaheim, CA from Nov. 29-Dec.2, 2016 - Registration for Director Tamaribuchi	830.00
11/29/16	Staff development lunch	287.88
11/29/16	December 2016-November 2017 Subscription for GraphicStock unlimited downloads	99.00
11/29/16	Lunch for 12/3/16 Boy Scout Merit Badge clinic	606.40
11/29/16	Lunch for Records Management meeting	153.50
11/29/16	Environmental Leaders workshop in Irvine, CA on Dec. 8, 2016 - Airfare for R. Henery	462.47 ^[2]
11/29/16	California Public Utilities Commission meeting in San Francisco, CA on Dec. 1, 2016 - Airfare for Director Barbre	492.95 ^[3]
12/01/16	Society for Human Resource Management annual membership	190.00
12/01/16	Orange County Emergency Management Organization Holiday lunch in Anaheim, CA on Dec. 1, 2016	1,417.50 ^[4]
12/03/16	1 Toner cartridge	86.39
12/03/16	ACWA Fall conference in Anaheim, CA from Nov. 30-Dec.2, 2016 - Accommodations for H. Baez	527.92
12/05/16	Lunch for Records Management meeting	110.16
12/06/16	1 HP Laser Jet Pro multifunction printer	316.39
12/06/16	Lunch for applicant interview review meeting	53.26
12/07/16	FedEx delivery charges for Board of Supervisors on Dec. 2, 2016	16.09
12/08/16	Lunch for Environmental Leaders workshop in Irvine, CA on Dec. 8, 2016	1,019.72 ^[5]
12/09/16	Food for Staff development meeting	23.98
12/09/16	Environmental Leaders workshop in Irvine, CA on Dec. 8, 2016 - Accommodations for R. Henery	165.45 ^[6]
12/11/16	1 Microsoft Surface Pro	930.59
12/12/16	UPS charges for Board packets on Dec. 9, 2016	5.95
12/12/16	CalDesal Annual conference in San Diego, CA from Feb. 2-3, 2017 - Registration for K. Seckel	225.00
12/13/16	Lunch for Records Management meeting	66.53

Cal Card Statement Detail
Statement Date: December 22, 2016
Payment Date: January 31, 2017

Date	Description	Amount
12/14/16	ACWA DC conference in Washington DC from Feb. 28 - Mar. 2, 2017 Registration for Director Tamaribuchi	645.00
12/15/16	Lunch for Managers' meeting	560.74
12/15/16	ACWA DC conference in Washington DC from Feb. 28 - Mar. 2, 2017 Registration for R. Hunter	645.00
12/15/16	1 Case for Microsoft Surface Pro	60.91
12/15/16	Annual license renewal of Creative Cloud software for Public Affairs	381.22
12/16/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Accommodations refund for Director Barbre	(149.83)
12/16/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Accommodations refund for Director Thomas	(192.43)
12/16/16	Lunch for Records Management meeting	167.12
12/16/16	Southern California Water Committee meeting in Chino, CA on Jan. 27, 2017 - Registration for H. Baez	70.00
12/16/16	100 Cinemark movie tickets for employee purchase	860.00
12/16/16	MWDOC office carpet repair	95.00
12/18/16	FedEx delivery charges for Board of Supervisors on Dec. 14, 2016	16.21
12/19/16	UPS charges for Board packets on Dec. 9 & 14, 2016	113.27
12/20/16	American Water Works Association California-Nevada Section Water Use Efficiency exam - Registration for S. Rae	135.00
12/20/16	American Water Works Association California-Nevada Section Water Use Efficiency exam - Registration for R. Douglas	135.00
12/20/16	American Water Works Association California-Nevada Section Water Use Efficiency exam - Registration for J. Lieu	135.00
12/20/16	American Water Works Association California-Nevada Section Water Use Efficiency exam - Registration for R. Waite	135.00
12/20/16	Software to print and file 1099 forms for Water Use Efficiency rebate recipients	164.00
Total		<u>13,197.39</u>

- 1 Director Barbre reimbursed MWDOC for \$28.00
- 2 MET to reimburse MWDOC \$231.23
- 3 Director Barbre reimbursed MWDOC \$28.00
- 4 Lunch attendees reimbured MWDOC \$1,417.50
- 5 MET to reimburse MWDOC \$509.86
- 6 MET to reimburse MWDOC \$82.73

Cal Card Statement Detail
Statement Date: December 22, 2016
Payment Date: January 31, 2017

Date	Description	Amount
<u>R. Hunter Card</u>		
11/22/16-12/22/16	Meals for R. Hunter's meetings	386.78
12/01/16	ACWA Fall conference in Anaheim, CA on Nov. 30, 2016 - Parking for R. Hunter	26.00
12/19/16	Lunch for Ethics training	252.03
		<hr/>
		664.81
	Total	<hr/> <hr/>

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of January 2017

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
136335	1/13/17	CALPER	CALPERS	
		1-14811440	FY 15-16 Fees for GASB-68 reports and schedules	1,300.00
			***Total ***	1,300.00
136427	1/31/17	NEWHOR	New Horizons CLC	
		INV-374186-D5D7H6	2/6-10/17 Training class for Administering Microsoft Exchange Server 2016 - Registration for P. Dinh	1,785.00
			***Total ***	1,785.00
136432	1/31/17	STAFFI	Staffing Network, LLC	
		95691104	12/26/16-1/1/17 Temporary help for Administration	702.78
		95691609	1/2/17-1/8/17 Temporary help for Administration	596.70
			***Total ***	1,299.48
			Total Core Disbursements	4,384.48
Choice Disbursements:				
			Total Choice Disbursements	-
Other Funds Disbursements:				
			Total Other Funds Disbursements	-
			Total Disbursements	4,384.48



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

(1) For disbursements that did not make the cut-off of previous month's Disbursement Approval report.
 Disbursements are approved by GM for payment and need A & F Committee ratification.

Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS
Cash Flow as of 1/31/17

	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	TOTALS
Cash - Beginning Balance	\$ (2,257,237.25)	\$ (3,224,747.37)	\$ (2,270,840.96)	\$ (400,006.46)	\$ (100,015.28)	\$ (85,713.95)	\$ 29,138.77	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	
REVENUES:													
BUREC				36,748.36		95,010.00							\$ 131,758.36
City of Brea	339.97		144.99		294.99								779.95
City of Buena Park	332.10		111.00	222.00	111.00	111.00	333.00						1,220.10
City of Fountain Valley													-
City of Fullerton		75.00											75.00
City of Garden Grove			222.00	666.00		777.00							1,665.00
City of Huntington Beach	640.85	49.99	519.99	117.96	557.99		1,116.13						3,002.91
City of La Habra	111.00		111.00										222.00
City of San Clemente					1,110.00								1,221.00
City of San Juan Capistrano	111.00	111.00		402.70	424.88								1,049.58
City of Santa Ana													-
City of Tustin	11,583.00	25,459.59											37,042.59
City of Newport Beach		450.00	238.99		375.99	7,516.00							8,580.98
City of Orange	2,869.43	333.00		291.00		111.00	111.00						3,715.43
City of Westminster													-
County of Orange				25,297.04		3,777.75	1,697.75						25,297.04
Department of Water Resources													45,955.17
East Orange County Water District													-
El Toro Water District	75.00	75.00		2,552.00	366.99								3,143.99
East Orange County Water Company													-
Golden State Water Company	1,980.00		75.00	50.00									2,105.00
Irvine Ranch Water District	93,764.10	542,331.88	132,095.59	309,490.34	45,597.19	32,010.98	13,500.00						1,168,790.08
Laguna Beach County Water District	1,110.00	1,041.00		396.00									2,547.00
Mesa Water District	1,127.37		80.00	209.99	149.99		1,050.00						2,617.35
Metropolitan Water District			1,934,765.85	28,195.82		70,484.98							2,033,446.65
Moulton Niguel Water District	459,396.32	683,295.61	17,279.42	102,026.49	96,834.06	4,400.00	104,764.64						1,467,996.54
MWD/DOC													-
Santa Margarita Water District	6,821.55	3,703.49	10,737.34	8,062.96		4,215.84	1,693.97						35,235.15
Serrano Water District	75.00												75.00
South Coast Water District													-
Trabuco Canyon Water District	475.00	150.00	200.00	100.00	100.00	100.00	200.00						1,325.00
Yorba Linda Water District						596.00							596.00
Miscellaneous Revenues				884.00									884.00
Miscellaneous		103.68											103.68
Interest Revenue													-
Total Revenues	580,811.69	1,297,325.91	2,097,100.17	515,712.66	145,923.08	219,110.55	124,466.49	-	-	-	-	-	\$ 4,980,450.55
EXPENDITURES:													
Aquaficient	5,400.00					5,400.00							\$ 10,800.00
Autumn Print Group													-
Bytton Printing				25,894.25	2,500.00								28,394.25
Conservation Consulting, LLC													-
City of Newport Beach					100.00								100.00
El Toro WD					100.00								100.00
Enterprise Information Systems													-
Golden State Water Company					100.00								100.00
Hotel Program													-
Industrial Program													-
Irvine Ranch Water District													-
Karen's Detail Custom Frames													-
Laguna Beach CWD						240.00							240.00
Metropolitan Water District	229,162.49	111,028.73			19,364.33		13,053.16						372,608.71
MESA													-
Mission RCD	18,300.13	14,225.68	38,367.35		8,770.78	24,081.46							103,745.40
Public Spaces program													-
Santa Margarita Water District													-
South Coast Water District													-
Spray to Drip program													-
Survey GIZMO					675.00								675.00
Turf Removal	1,287,489.27	214,655.09	175,796.98	179,854.83	110,111.64	57,547.37	102,895.83						2,128,341.01
US Bank													-
URS													-
Waterwise Consulting													-
Miscellaneous Expenses													
Interest Expense	7,579.92			5,087.40									12,667.32
Salary & Benefit	390.00	3,510.00	12,111.34	1,885.00		6,989.00							24,885.34
Total Expenditures	\$ 1,548,321.81	\$ 3,434,419.50	\$ 2,282,265.67	\$ 215,721.48	\$ 141,621.75	\$ 94,257.83	\$ 115,948.99	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 2,685,557.03
Cash - Ending Balance	\$ (3,224,747.37)	\$ (2,270,840.96)	\$ (400,006.46)	\$ (100,015.28)	\$ (95,713.95)	\$ 29,138.77	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	\$ 37,656.27	



Municipal Water District of Orange County Consolidated Summary of Cash and Investment

December 31, 2016

Street Address:18700 Ward Street
Fountain Valley, California 92708**Mailing Address:**P.O. Box 20895
Fountain Valley, CA 92728-0895

(714) 963-3058

Fax: (714) 964-9389

www.mwdoc.comWayne S. Osborne
PresidentBrett R. Barbre
Vice PresidentLarry D. Dick
DirectorJoan C. Finnegan
DirectorMegan Yoo Schneider
DirectorSat Tamaribuchi
DirectorJeffery M. Thomas
DirectorRobert J. Hunter
General Manager

District investments and cash balances are held in various funds designated for certain purposes as follows:

Fund	Book Value	% of Portfolio
Designated Reserves		
General Operations	\$2,715,630	18.59%
Grant & Project Cash Flow	1,500,000	10.27%
Election Expense	475,000	3.25%
Building Repair	350,407	2.40%
OPEB	209,006	1.43%
Total Designated Reserves	5,250,043	35.94%
General Fund	6,480,421	44.37%
Water Fund	2,534,845	17.36%
Conservation Fund	29,139	0.20%
Desalination Feasibility Study Fund	106,703	0.73%
WEROC Fund	195,613	1.34%
WEROC Fuel Trailers	(18,268)	(0.13%)
Trustee Activities	28,004	0.19%
Total	\$14,606,500	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.71%	\$358,383	\$358,383
Short-term investment			
• LAIF	0.84%	\$118,017	\$118,017
• OCIP	76.26%	11,027,382	11,027,382
Long-term investment			
• Corporate Bond	5.38%	752,718	749,110
• Certificates of Deposit	16.81%	2,350,000	2,367,139
Total	100.00%	\$14,606,500	\$14,620,031

The average number of days to maturity/call as of December 31, 2016 equaled 157 and the average yield to maturity is 0.910%. During the month, the District's average daily balance was \$21,288,826.33. Funds were invested in Federal Agency Issues, Certificates of Deposit, Negotiable CD's, Miscellaneous Securities, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of December 2016.

The \$13,531 difference between the book value and the market value on December 31, 2016 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.

Robert J. Hunter
General ManagerHilary Chumpitazi
Treasurer**MEMBER AGENCIES**

City of Brea
City of Buena Park
East Orange County Water District
El Toro Water District
Emerald Bay Service District
City of Fountain Valley
City of Garden Grove
Golden State Water Co.
City of Huntington Beach
Irvine Ranch Water District
Laguna Beach County Water District
City of La Habra
City of La Palma
Mesa Water District
Moulton Niguel Water District
City of Newport Beach
City of Orange
Orange County Water District
City of San Clemente
City of San Juan Capistrano
Santa Margarita Water District
City of Seal Beach
Serrano Water District
South Coast Water District
Trabuco Canyon Water District
City of Tustin
City of Westminster
Yorba Linda Water District

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY



Portfolio Management - Portfolio Summary December 31, 2016

12/31/2016	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	2,350,000.00	2,367,139.00	2,350,000.00	16.50	560	1.697
Corporate Bond	750,000.00	749,110.00	752,718.27	5.26	1,204	2.238
Local Agency Investment Funds	118,017.11	118,017.11	118,017.11	0.83	1	0.719
Orange County Investment Pool	11,027,382.20	11,027,382.20	11,027,382.20	77.41	1	0.654
Total Investments	14,245,399.31	14,261,648.31	14,248,117.58	100.00	157	0.910
Cash						
Cash	358,382.79	358,382.79	358,382.79		1	0.00
Total Cash and Investments	14,603,782.10	14,620,031.10	14,606,500.37		157	0.910

Total Earnings	Month Ending December	Fiscal Year to Date
Current Year	14,235.36	102,336.27
Average Daily Balance	21,288,826.33	
Effective Rate of Return	0.910%	

We certify that this report reflects the cash and investments of the Municipal Water District of Orange County and is in conformity with the Government Code requirements and the District Investment Policy and Guidelines in effect at the time of investment. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six month's estimated expenditure. The source for the market values are from Union Bank.


Robert J. Hunter, General Manager

Date

8-1-17


Hilary Chumtazi, Treasurer

Date

2/1/17

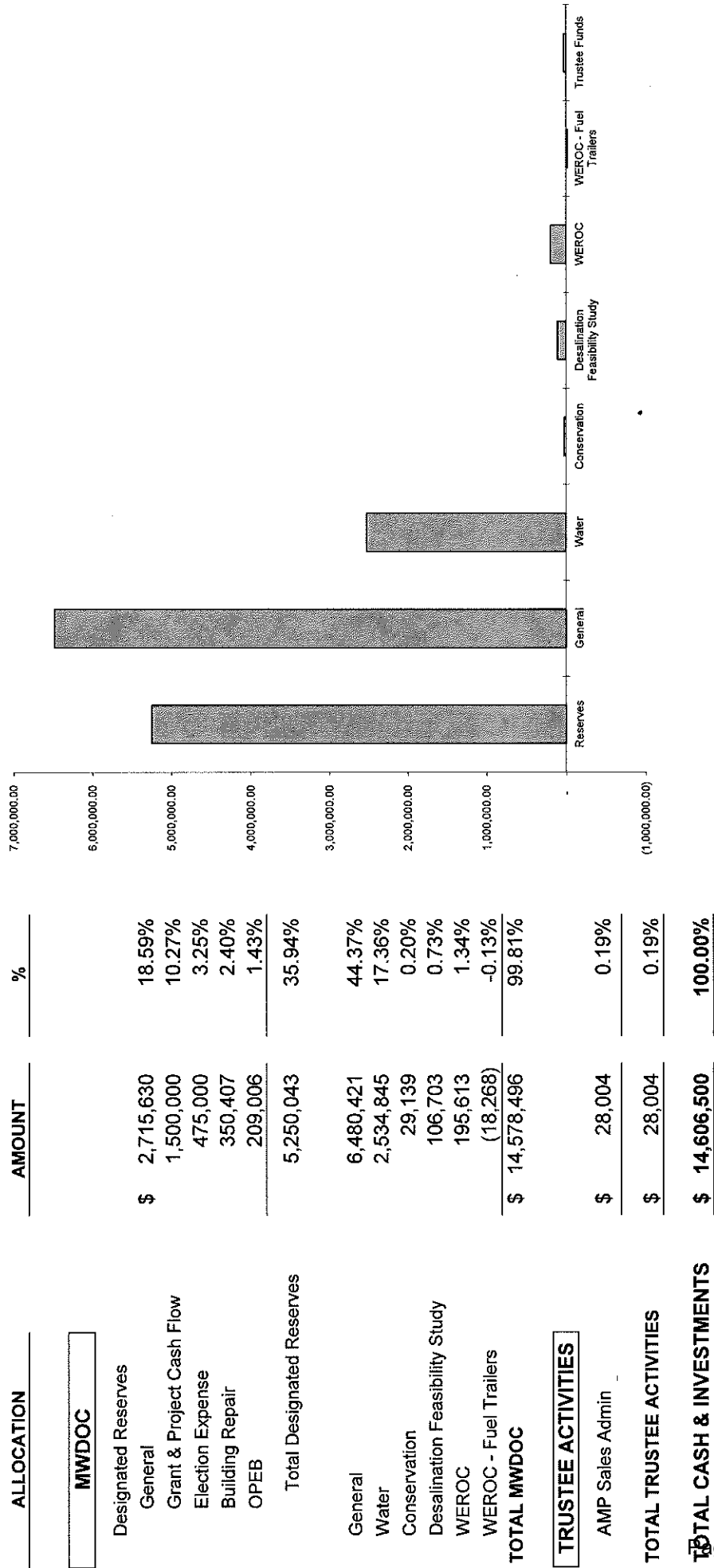
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
December 31, 2016

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Ally Bank	02006LFD0	7/23/2014	250,000.00	250,455.00	250,000.00	1.150	1.150	205	7/24/2017
American Express Bank	02587CEA4	7/29/2015	250,000.00	251,045.00	250,000.00	1.450	1.450	394	1/29/2018
Barclays Bank	06740KJP3	9/24/2015	250,000.00	253,472.50	250,000.00	1.900	1.900	996	9/23/2019
Capital One Bank	140420TY6	8/5/2015	250,000.00	251,430.00	250,000.00	1.700	1.700	583	8/6/2018
Capital One Natl Assn	14042E6C9	9/2/2015	250,000.00	253,802.50	250,000.00	1.950	1.950	976	9/3/2019
Discover Bank	2546712Y5	7/23/2014	250,000.00	251,330.00	250,000.00	1.600	1.600	569	7/23/2018
Goldman Sachs Bank	38143A4T9	1/23/2013	100,000.00	100,029.00	100,000.00	1.050	1.050	23	1/23/2017
Goldman Sachs Bank	36163FJC8	7/25/2014	250,000.00	250,455.00	250,000.00	1.200	1.200	206	7/25/2017
HSBC Bank	40434AK65	1/21/2016	250,000.00	251,512.50	250,000.00	1.550	2.534	386	1/21/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	253,607.50	250,000.00	2.050	2.050	941	7/30/2019
Sub Total			2,350,000.00	2,367,139.00	2,350,000.00	1.593	1.697	560	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	498,825.00	501,423.77	2.250	2.152	1,087	1/23/2020
Wells Fargo	94974BGR5	1/13/2016	250,000.00	250,285.00	251,294.50	2.550	2.409	1,437	12/7/2020
Sub Total			750,000.00	749,110.00	752,718.27	2.350	2.238	1,204	
Total Investments			3,100,000.00	3,116,249.00	3,102,718.27	1.776	1.828	716	
Total Earnings									
Current Year		Month Ending September	4,628.87	Fiscal Year To Date					
				27,327.65					

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
December 31, 2016

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	118,017.11	118,017.11	118,017.11	0.719	0.719	1	N/A
Sub Total			118,017.11	118,017.11	118,017.11	0.719	0.719	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	11,027,382.20	11,027,382.20	11,027,382.20	0.654	0.654	1	N/A
Sub Total			11,027,382.20	11,027,382.20	11,027,382.20	0.654	0.654	1	
Total Investments			11,145,399.31	11,145,399.31	11,145,399.31	0.655	0.655		
Cash									
Bank of America Cash	CASH0547	7/1/2011	357,882.79	357,882.79	357,882.79	0.000	0.000	1	N/A
Petty Cash Cash	CASH	7/1/2011	500.00	500.00	500.00	0.000	0.000	1	N/A
Total Cash			358,382.79	358,382.79	358,382.79	0.000	0.000	1	
Total Cash and Investments			11,503,782.10	11,503,782.10	11,503,782.10	0.655	0.655	1	
Total Earnings									
Current Year		Month Ending September	9,606.49	Fiscal Year To Date	75,008.62				

**Municipal Water District of Orange County
Cash and Investments at December 31, 2016**



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2016 THRU DECEMBER 31, 2016

**Municipal Water District of Orange County
Combined Balance Sheet
As of December 31, 2016**

<u>ASSETS</u>	Amount
Cash in Bank	358,382.79
Investments	14,248,117.58
Accounts Receivable	22,470,168.01
Accounts Receivable - Other	184,917.57
Accrued Interest Receivable	31,182.04
Prepays/Deposits	533,319.25
Leasehold Improvements	3,415,059.92
Furniture, Fixtures & Equipment	447,719.37
Less: Accum Depreciation	(2,657,121.11)
Net OPEB Asset	117,085.00
	<hr/>
TOTAL ASSETS	\$39,148,830.42
	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	22,287,935.09
Accounts Payable - Other	634.71
Accrued Salaries and Benefits Payable	401,975.13
Other Liabilities	739,945.52
Unearned Revenue	2,076,778.49
Total Liabilities	25,507,268.94
	<hr/>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	966,318.95
Total Restricted Fund Balances	966,318.95
	<hr/>
Unrestricted Fund Balances	
Designated Reserves	
General Operations	2,832,714.74
Grant & Project Cash Flow	1,500,000.00
Election Expense	475,000.00
Building Repair	350,407.45
OPEB	209,006.00
Total Designated Reserves	5,367,128.19
	<hr/>
GENERAL FUND	2,244,103.41
WEROC	101,241.62
Total Unrestricted Fund Balances	7,712,473.22
	<hr/>
Excess Revenue over Expenditures	
Operating Fund	4,813,441.88
Other Funds	149,327.43
Total Fund Balance	13,641,561.48
	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$39,148,830.42
	<hr/>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru December 2016

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	6,786,864.75	6,786,865.00	100.00%	0.00	0.25
Ground Water Customer Charge	<u>0.00</u>	<u>392,666.00</u>	<u>392,666.00</u>	<u>100.00%</u>	<u>0.00</u>	<u>0.00</u>
Water rate revenues	0.00	7,179,530.75	7,179,531.00	100.00%	0.00	0.25
Interest Revenue	<u>13,716.72</u>	<u>103,634.86</u>	<u>123,000.00</u>	<u>84.26%</u>	<u>0.00</u>	<u>19,365.14</u>
Subtotal	<u>13,716.72</u>	<u>7,283,165.61</u>	<u>7,302,531.00</u>	<u>99.73%</u>	<u>0.00</u>	<u>19,365.39</u>
Choice Programs	68,725.00	1,286,063.08	1,494,789.00	86.04%	0.00	208,725.92
Choice Prior Year Carry Over	0.00	0.00	44,416.00	0.00%	0.00	44,416.00
Miscellaneous Income	552.94	1,178.76	3,000.00	39.29%	0.00	1,821.24
School Contracts	32,300.51	32,300.51	70,000.00	46.14%	0.00	37,699.49
Transfer-In From Reserve	<u>0.00</u>	<u>0.00</u>	<u>535,873.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>535,873.00</u>
Subtotal	<u>101,578.45</u>	<u>1,319,542.35</u>	<u>2,148,078.00</u>	<u>61.43%</u>	<u>0.00</u>	<u>828,535.65</u>
TOTAL REVENUES	<u>115,295.17</u>	<u>8,602,707.96</u>	<u>9,450,609.00</u>	<u>91.03%</u>	<u>0.00</u>	<u>847,901.04</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru December 2016

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	261,208.69	1,528,213.35	3,437,120.00	44.46%	0.00	1,908,906.65
Salaries & Wages - Grant Recovery	(4,147.76)	(11,447.26)	(31,600.00)	36.23%	0.00	(20,152.74)
Salaries & Wages - Recovery	(1,638.00)	(8,899.80)	0.00	0.00%	0.00	8,899.80
Directors' Compensation	15,893.42	103,711.30	231,937.00	44.72%	0.00	128,225.70
MWD Representation	8,620.16	59,802.36	132,535.00	45.12%	0.00	72,732.64
Employee Benefits	69,136.93	421,365.99	968,160.00	43.52%	0.00	546,794.01
OPEB Annual Contribution	0.00	400,000.00	105,249.00	380.05%	0.00	(294,751.00)
Employee Benefits - Grant Recovery	(891.24)	(2,843.08)	0.00	0.00%	0.00	2,843.08
Employee Benefits - Recovery	(312.00)	(1,695.20)	0.00	0.00%	0.00	1,695.20
Director's Benefits	5,273.80	31,502.17	66,297.00	47.52%	0.00	34,794.83
Health Ins \$'s for Retirees	2,042.03	16,372.91	50,326.00	32.53%	0.00	33,953.09
Training Expense	540.00	3,594.00	12,000.00	29.95%	575.00	7,831.00
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	4,408.95	8,453.25	0.00	0.00%	3,546.75	(12,000.00)
Personnel Expenses	360,134.98	2,548,129.99	4,977,024.00	51.20%	4,121.75	2,424,772.26
Engineering Expense	2,636.88	67,018.88	405,000.00	16.55%	93,880.68	244,100.44
Legal Expense	8,864.91	90,857.02	320,000.00	28.39%	229,142.98	0.00
Audit Expense	1,537.00	18,437.00	24,000.00	76.82%	0.00	5,563.00
Professional Services	(17,111.98)	282,633.89	1,504,497.00	18.79%	482,180.06	739,683.05
Professional Fees	(4,073.19)	458,946.79	2,253,497.00	20.37%	805,203.72	989,346.49
Conference-Staff	1,580.00	9,224.10	22,125.00	41.69%	0.00	12,900.90
Conference-Directors	1,500.00	4,990.00	10,725.00	46.53%	0.00	5,735.00
Travel & Accom.-Staff	2,130.72	15,097.57	71,130.00	21.23%	0.00	56,032.43
Travel & Accom.-Directors	1,366.52	8,376.63	38,250.00	21.90%	0.00	29,873.37
Travel & Conference	6,577.24	37,688.30	142,230.00	26.50%	0.00	104,541.70
Membership/Sponsorship	6,675.00	112,448.78	134,458.00	83.63%	0.00	22,009.22
CDR Support	0.00	19,985.76	39,972.00	50.00%	19,985.74	0.50
Dues & Memberships	6,675.00	132,434.54	174,430.00	75.92%	19,985.74	22,009.72
Business Expense	452.04	2,464.69	6,000.00	41.08%	0.00	3,535.31
Maintenance Office	8,035.01	44,979.12	123,185.00	36.51%	75,695.88	2,510.00
Building Repair & Maintenance	578.34	4,712.37	11,000.00	42.84%	3,382.63	2,905.00
Storage Rental & Equipment Lease	(24,682.18)	2,471.46	7,000.00	35.31%	3,528.54	1,000.00
Office Supplies	5,171.68	16,267.37	38,280.00	42.50%	1,690.68	20,321.95
Postage/Mail Delivery	1,874.17	5,183.42	11,400.00	45.47%	3,177.35	3,039.23
Subscriptions & Books	0.00	305.46	2,000.00	15.27%	0.00	1,694.54
Reproduction Expense	(31.30)	2,614.06	36,225.00	7.22%	7,485.17	26,125.77
Maintenance-Computers	1,088.69	3,504.80	10,000.00	35.05%	1,541.10	4,954.10
Software Purchase	1,241.11	22,705.04	31,300.00	72.54%	0.00	8,594.96
Software Support	1,300.78	28,454.76	46,000.00	61.86%	0.00	17,545.24
Computers and Equipment	402.78	14,564.62	32,500.00	44.81%	0.00	17,935.38
Automotive Expense	1,371.48	8,215.13	13,828.00	59.41%	0.00	5,612.87
Toll Road Charges	21.37	322.17	1,100.00	29.29%	0.00	777.83
Insurance Expense	8,786.21	54,204.74	90,000.00	60.23%	0.00	35,795.26
Utilities - Telephone	1,584.87	9,721.12	19,200.00	50.63%	0.00	9,478.88
Bank Fees	886.86	6,128.22	10,500.00	58.36%	0.00	4,371.78
Miscellaneous Expense	8,548.70	36,511.42	114,020.00	32.02%	2.40	77,506.18
MWDOC's Contrb. To WEROC	12,532.50	75,195.00	150,390.00	50.00%	0.00	75,195.00
Depreciation Expense	425.35	3,280.96	0.00	0.00%	0.00	(3,280.96)
Other Expenses	29,588.46	341,805.93	753,928.00	45.34%	96,503.75	315,618.32
Election Expense	0.00	0.00	592,000.00	0.00%	0.00	592,000.00
MWDOC's Building Expense	47,770.30	247,461.48	495,000.00	49.99%	4,004.14	243,534.38
Capital Acquisition	0.00	22,799.05	62,500.00	36.48%	0.00	39,700.95
TOTAL EXPENSES	446,672.79	3,789,266.08	9,450,609.00	40.10%	929,819.10	4,731,523.82
NET INCOME (LOSS)	(331,377.62)	4,813,441.88	0.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July thru December 2016

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	7,433,725.90	82,925,747.60	121,881,702.00	68.04%	38,955,954.40
Readiness to Serve Charge	1,055,607.64	6,333,645.84	12,674,093.00	49.97%	6,340,447.16
Capacity Charge CCF	393,456.89	2,405,869.39	4,829,790.00	49.81%	2,423,920.61
SCP Surcharge	29,260.83	175,788.96	365,000.00	48.16%	189,211.04
Interest	560.37	3,907.32	4,800.00	81.40%	892.68
TOTAL WATER REVENUES	8,912,611.63	91,844,959.11	139,755,385.00	65.72%	47,910,425.89
<u>WATER PURCHASES</u>					
Water Sales	7,433,725.90	82,925,747.60	121,881,702.00	68.04%	38,955,954.40
Readiness to Serve Charge	1,055,607.64	6,333,645.84	12,674,093.00	49.97%	6,340,447.16
Capacity Charge CCF	402,482.50	2,414,895.00	4,829,790.00	50.00%	2,414,895.00
SCP Surcharge	20,235.22	166,763.35	365,000.00	45.69%	198,236.65
TOTAL WATER PURCHASES	8,912,051.26	91,841,051.79	139,750,585.00	65.72%	47,909,533.21
EXCESS OF REVENUE OVER EXPENDITURES	560.37	3,907.32	4,800.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July thru December 2016

	Year to Date Actual	Annual Budget	% Used
Landscape Performance Certification			
Revenues	5,511.95	118,900.00	4.64%
Expenses	5,400.00	118,900.00	4.54%
Excess of Revenues over Expenditures	111.95	0.00	
Industrial Water Use Reduction			
Revenues	95,009.98	91,236.00	104.14%
Expenses	0.00	91,236.00	0.00%
Excess of Revenues over Expenditures	95,009.98	0.00	
Spray To Drip Conversion			
Revenues	675.00	468,552.34	0.14%
Expenses	681.52	468,552.34	0.15%
Excess of Revenues over Expenditures	(6.52)	0.00	
Water Smart Landscape for Public Property			
Revenues	0.00	168,588.80	0.00%
Expenses	0.00	168,588.80	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Member Agency Administered Passthru			
Revenues	800.00	150,000.00	0.53%
Expenses	800.00	150,000.00	0.53%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	28,648.20	205,000.00	13.97%
Expenses	27,990.20	205,000.00	13.65%
Excess of Revenues over Expenditures	658.00	0.00	
HECW Rebate Program			
Revenues	143,604.22	432,000.00	33.24%
Expenses	130,393.54	432,000.00	30.18%
Excess of Revenues over Expenditures	13,210.68	0.00	
CII Rebate Program			
Revenues	225,690.00	325,000.00	69.44%
Expenses	263,290.00	325,000.00	81.01%
Excess of Revenues over Expenditures	(37,600.00)	0.00	
Large Landscape Survey			
Revenues	440.30	30,000.00	1.47%
Expenses	195.00	30,000.00	0.65%
Excess of Revenues over Expenditures	245.30	0.00	

Municipal Water District of Orange County
WUE & Other Funds Revenues and Expenditures (Actuals vs Budget)
From July thru December 2016

	Year to Date Actual	Annual Budget	% Used
Indoor-Outdoor Survey			
Revenues	0.00	3,500.00	0.00%
Expenses	14.06	3,500.00	0.40%
Excess of Revenues over Expenditures	(14.06)	0.00	
Turf Removal Program			
Revenues	1,053,342.93	1,750,000.00	60.19%
Expenses	848,712.20	1,750,000.00	48.50%
Excess of Revenues over Expenditures	204,630.73	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	129,596.09	399,751.00	32.42%
Expenses	109,084.99	399,751.00	27.29%
Excess of Revenues over Expenditures	20,511.10	0.00	
CII, Large Landscape, Performance (OWOW)			
Revenues	3,052.05	121,210.00	2.52%
Expenses	34,643.49	121,210.00	28.58%
Excess of Revenues over Expenditures	(31,591.44)	0.00	
WUE Projects			
Revenues	1,686,370.72	4,263,738.14	39.55%
Expenses	1,421,205.00	4,263,738.14	33.33%
Excess of Revenues over Expenditures	265,165.72	0.00	
WEROC			
Revenues	229,888.79	300,780.00	76.43%
Expenses	133,384.50	293,780.00	45.40%
Excess of Revenues over Expenditures	96,504.29	7,000.00	
WEROC - Fuel Trailers			
Revenues	0.00	146,140.80	0.00%
Expenses	72,530.40	146,140.80	49.63%
Excess of Revenues over Expenditures	(72,530.40)	0.00	



Memorandum

DATE: February 08, 2017

TO: Administrative & Finance Committee
(Directors Thomas, Finnegan, Barbre)

FROM: Robert Hunter

SUBJECT: Quarter ending December 2016 Financials Actual versus Budget

The following reports are attached:

- Revenues and Expenditures Actual versus Budget for the General Fund
- Revenues and Expenditures Actual versus Budget Detailed Comparative Report for the General Fund
- Revenues and Expenditures Actual versus Budget for Water Funds
- Revenues and Expenditures Actual versus Budget for Other Funds
- Revenues and Expenditures Actual versus Budget for the Water Use Efficiency Projects

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget Summary Report
Fiscal Year to Date ending December 2016 (Unaudited)
(\$000 Omitted)
General Fund and Reserve Fund

GENERAL FUND

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail Connection Charge	6,787	6,787	100.0%
Ground Water Customer Charge	393	393	100.0%
Subtotal	7,180	7,180	100.0%
Other Revenues:			
Interest income ⁽¹⁾	104	123	84.3%
Choice Programs ⁽²⁾	1,286	1,539	83.6%
School Contracts	32	70	46.1%
Other income	1	3	39.3%
Transfer in from Reserve ⁽³⁾	0	536	0.0%
Subtotal	1,423	2,271	62.7%
TOTAL REVENUES	8,603	9,451	91.0%
<u>EXPENSES</u>			
Personal Expenses (incl. Dir.)	2,548	4,977	51.2%
Professional services ⁽⁴⁾	301	1,528	19.7%
Outside engineering ⁽⁵⁾	67	405	16.5%
Legal expense ⁽⁶⁾	91	320	28.4%
Travel & Conference ⁽⁷⁾	38	142	26.5%
Dues and memberships ⁽⁸⁾	132	174	75.9%
General & Admin expense ⁽⁹⁾	342	1,346	25.4%
Building repair & expense	247	495	50.0%
Capital acquisition (not including building repairs)	23	63	36.5%
TOTAL EXPENSES	3,789	9,451	40.1%
EXCESS OF REVENUES OVER EXPENSES	4,813		

RESERVE FUND

Beginning Balance	4,690
Nov 2016 - excess from FY 15-16 General Fund	560
Net OPEB Asset	117
TOTAL RESERVE FUND	5,367

(1) Interest Income is higher due to operating income received in August and raising yields at OCIP.

(2) Choice programs billed in September and January.

(3) Transfer in from Reserves is for the Board of Directors election expense.

(4) Professional Services - Public Affairs projects in progress.

(5) Engineering projects in progress.

(6) Legal is budgeted for unanticipated events.

(7) Travel & conference mostly occurs in the Fall and Spring.

(8) Dues and memberships are primarily paid in the beginning of the year.

(9) General & Admin expenses are budgeted for unforeseen maintenance.

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending December 2016 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	6,786,865	6,786,865	100.00%
Ground Water Customer Charge	392,666	392,666	100.00%
Water rate revenues	7,179,531	7,179,531	100.00%
Choice Programs	1,286,063	1,494,789	86.04%
Choice Prior Year Carry Over	0	44,416	0.00%
Interest Revenue	103,635	123,000	84.26%
Miscellaneous Income	1,179	3,000	39.29%
School Contracts	32,301	70,000	46.14%
Transfer in from Reserve	0	535,873	0.00%
Other revenues	1,423,177	2,271,078	62.67%
TOTAL REVENUES	8,602,708	9,450,609	91.03%

OPERATING EXPENSES			
Salaries & Wages	1,528,213	3,437,120	44.46%
less Recovery's	(20,347)	(31,600)	64.39%
Directors' Compensation	103,711	231,937	44.72%
MWD Representation	59,802	132,535	45.12%
Employee Benefits	421,366	968,160	43.52%
less Recovery's	(4,538)	0	0.00%
OPEB Annual Contribution	400,000	105,249	380.05%
Directors Benefits	31,502	66,297	47.52%
Health Insurances for Retirees	16,373	50,326	32.53%
Training Expense	3,594	12,000	29.95%
Tuition Reimbursement	0	5,000	0.00%
Temporary Help Expense	8,453	0	0.00%
Personnel Expenses	2,548,130	4,977,024	51.20%
Engineering Expense	67,019	405,000	16.55%
Legal Expense	90,857	320,000	28.39%
Audit Expense	18,437	24,000	76.82%
Professional Services	282,634	1,504,497	18.79%
Professional Fees	458,947	2,253,497	20.37%
Conference-Staff	9,224	22,125	41.69%
Conference-Directors	4,990	10,725	46.53%
Travel & Accom.-Staff	15,098	71,130	21.23%
Travel & Accom.-Directors	8,377	38,250	21.90%
Travel & Conference	37,688	142,230	26.50%
Membership/Sponsorship	112,449	134,458	83.63%
CDR Support	19,986	39,972	50.00%
Dues & Memberships	132,435	174,430	75.92%

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending December 2016 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	2,465	6,000	41.08%
Maintenance Office	44,979	123,185	36.51%
Building Repair & Maintenance	4,712	11,000	42.84%
Storage Rental & Equipment Lease	2,471	7,000	35.31%
Office Supplies	16,267	38,280	42.50%
Postage/Mail Delivery	5,183	11,400	45.47%
Subscriptions & Books	305	2,000	15.27%
Reproduction Expense	2,614	36,225	7.22%
Maintenance-Computers	3,505	10,000	35.05%
Software Purchase	22,705	31,300	72.54%
Software Support	28,455	46,000	61.86%
Computers and Equipment	14,565	32,500	44.81%
Automotive Expense	8,215	13,828	59.41%
Toll Road Charges	322	1,100	29.29%
Insurance Expense	54,205	90,000	60.23%
Utilities - Telephone	9,721	19,200	50.63%
Bank Fees	6,128	10,500	58.36%
Miscellaneous Expense	36,511	114,020	32.02%
MWDOC's Contribution To WEROC	75,195	150,390	50.00%
Depreciation Expense	3,281	0	0.00%
Election Expense	0	592,000	0.00%
MWDOC Building Expense	247,461	495,000	49.99%
Capital Acquisition	22,799	62,500	36.48%
Other Expenses	612,066	1,903,428	32.16%
TOTAL EXPENSES	3,789,266	9,450,609	40.10%
EXCESS OF REVENUES OVER EXPENSES	4,813,442	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Statement of Revenues and Expenditures
Fiscal Year to Date ending December 2016 (Unaudited)
Water Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<u>Water Revenues</u>			
Water Sales	82,925,748	121,881,702	(38,955,954)
Ready to Serve Charge	6,333,646	12,674,093	(6,340,447)
Capacity Charge Flat Rate	2,405,869	4,829,790	(2,423,921)
SCP Surcharge	175,789	365,000	(189,211)
Interest	<u>3,907</u>	<u>4,800</u>	<u>(893)</u>
Total Water Revenues	<u>91,844,959</u>	<u>139,755,385</u>	<u>(47,910,426)</u>
 <u>Water Purchases</u>			
Water Sales	82,925,748	121,881,702	(38,955,954)
Ready to Serve Charge	6,333,646	12,674,093	(6,340,447)
Capacity Charge	2,405,869	4,829,790	(2,423,921)
SCP Surcharge	<u>175,789</u>	<u>365,000</u>	<u>(189,211)</u>
Total Water Purchases	<u>91,841,052</u>	<u>139,750,585</u>	<u>(47,909,533)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>3,907</u>	<u>4,800</u>	<u>(893)</u>

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending December 2016 (Unaudited)
Other Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<u>WEROC</u>			
Revenues	229,889	300,780	(70,891)
Expenditures	133,385	293,780	(160,396)
Excess of Revenues over Expenditures	96,504	7,000	89,504
 <u>WEROC Fuel Trailers</u>			
Revenues	0	146,141	(146,141)
Expenditures	72,530	146,141	(73,610)
Excess of Revenues over Expenditures	(72,530)	0	(72,530)
 <u>WUE Projects (details on next page)</u>			
Revenues	1,686,371	4,263,738	(2,577,367)
Expenditures	1,421,205	4,263,738	(2,842,533)
Excess of Revenues over Expenditures	265,166	0	265,166

Footnote:

- 1) The excess of expense over revenue is waiting for reimbursement.
- 2) USBR (Federal) Grant is billed in October and April with funds being received one month later.
- 3) DWR is billed quarterly to county and takes a few months to a year to receive funds.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending December 2016 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<u>Landscape Performance Certification</u>					
Revenues	5,512		118,900	4.64%	118,900
Expenditures	<u>5,400</u>		<u>118,900</u>	4.54%	<u>118,900</u>
Excess of Revenues over Expenditures	112	2%	0		

Actual Variance: MET reporting is every two months.

Budget Variance: Actual is less than Budgeted due to the program halting in order to distribute a new RFP.

Industrial Water Use Reduction

Revenues	95,010		91,236	104.14%	91,236
Expenditures	<u>0</u>		<u>91,236</u>	0.00%	<u>91,236</u>
Excess of Revenues over Expenditures	95,010	0%	0		

Actual Variance: Grant came in ahead of expenses.

Budget Variance: Program just starting.

Spray to Drip Conversion

Revenues	675		468,552	0.14%	468,552
Expenditures	<u>682</u>		<u>468,552</u>	0.15%	<u>468,552</u>
Excess of Revenues over Expenditures	(7)	-1%	0		

Actual Variance: No comment needed.

Budget Variance: Program has not started up this fiscal year. Plan start up is January 2017.

Water Smart Landscape for Public Property

Revenues	0		168,589	0.00%	168,589
Expenditures	<u>0</u>		<u>168,589</u>	0.00%	<u>168,589</u>
Excess of Revenues over Expenditures	0	0%	0		

Actual Variance: No activity to report.

Budget Variance: No activity to report.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending December 2016 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<u>Member Agency Administered Pass thru</u>					
Revenues	800		150,000	0.53%	150,000
Expenditures	<u>800</u>		<u>150,000</u>	0.53%	<u>150,000</u>
Excess of Revenues over Expenditures	0	0%	0		

Actual Variance: Fiscal Year Budget is mostly MET funds for truf removal, program started up in January 2017.

Budget Variance: No activity to report.

ULFT Rebate Program

Revenues	28,648		205,000	13.97%	205,000
Expenditures	<u>27,990</u>		<u>205,000</u>	13.65%	<u>205,000</u>
Excess of Revenues over Expenditures	658	2%	0		

Actual Variance: This tracks agency toilet programs, agencies slow to implement.

Budget Variance: Agencies slow to report.

HECW Rebate Program

Revenues	143,604		432,000	33.24%	432,000
Expenditures	<u>130,394</u>		<u>432,000</u>	30.18%	<u>432,000</u>
Excess of Revenues over Expenditures	13,211	9%	0		

Actual Variance: This tracks agency toilet programs, agencies slow to implement.

Budget Variance: Pass-thru program. Agencies slow to report.

CII Rebate Program

Revenues	225,690		325,000	69.44%	325,000
Expenditures	<u>263,290</u>		<u>325,000</u>	81.01%	<u>325,000</u>
Excess of Revenues over Expenditures	(37,600)	-17%	0		

Actual Variance: Revenues come from Grants. Reporting to Grants is quarterly, Expenses are monthly.

Budget Variance: No comment needed.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending December 2016 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<u>Large Landscape Survey</u>					
Revenues	440		30,000	1.47%	30,000
Expenditures	<u>195</u>		<u>30,000</u>	0.65%	<u>30,000</u>
Excess of Revenues over Expenditures	245	56%	0		

Actual Variance: Activity on this program ended in September 2016.

Budget Variance: No activity to report.

<u>Indoor-Outdoor Survey</u>					
Revenues	0		3,500	0.00%	3,500
Expenditures	<u>14</u>		<u>3,500</u>	0.40%	<u>3,500</u>
Excess of Revenues over Expenditures	(14)	0%	0		

Actual Variance: Activity on this program ended in September 2016.

Budget Variance: No activity to report.

<u>Turf Removal Program</u>					
Revenues	1,053,343		1,750,000	60.19%	1,750,000
Expenditures	<u>848,712</u>		<u>1,750,000</u>	48.50%	<u>1,750,000</u>
Excess of Revenues over Expenditures	204,631	19%	0		

Actual Variance: Grant revenue is collected out ahead of expense.

Budget Variance: Regional turf program started in January 2017.

<u>Comprehensive Landscape (CLWUE)</u>					
Revenues	129,596		399,751	32.42%	399,751
Expenditures	<u>109,085</u>		<u>399,751</u>	27.29%	<u>399,751</u>
Excess of Revenues over Expenditures	20,511	16%	0		

Actual Variance: Revenues out ahead of expenses.

Budget Variance: Program activity slow to materialize.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending December 2016 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<u>CII, Large Landscape, Performance (OWOW)</u>					
Revenues	3,052		121,210	2.52%	121,210
Expenditures	<u>34,643</u>		<u>121,210</u>	28.58%	<u>121,210</u>
Excess of Revenues over Expenditures	(31,591)	0%	0		

Actual Variance: Granting agency (DWR) slow to pay on invoices submitted to them.

Budget Variance: Program activity slow to materialize.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.



ACTION ITEM
February 15, 2017

TO: Board of Directors

**FROM: Administration & Finance Committee
(Directors Thomas, Barbre, Finnegan)**

Robert Hunter
General Manager

**SUBJECT: Committee and Resolution Options Relating to Joint/Consolidated
Committee with OCWD and Desalination Projects**

STAFF RECOMMENDATION

The Staff recommends that the Administration & Finance (A&F) Committee consider and discuss the various options to configure a potential committee structure and the desirability and content of a resolution (if any) dealing with any singular desalination project or combination of projects. Based on conclusions reached, the Committee should instruct the staff as to necessary follow-up actions for future Committee or Board discussions or actions.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee meeting).

DETAILED REPORT

Various proposals have been discussed in both the Executive and Planning & Operations (P&O) Committees during December and January as to how the MWDOC Board would prefer to organize discussions relative to desalination projects. These discussions have included considerations as to the need for or desirability of a joint resolution with OCWD and the possible assignment of the issue to a specific committee. These deliberations have included the concept of a new committee structure of a “consolidated” or “combined agency” committee. The combined agency committee structure would facilitate directors from more than one agency (e.g., MWDOC and OCWD) being appointed to the same committee. This committee structure is distinct from a “joint committee” where each agency

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core ✓	Choice __
Action item amount: n/a		Line item:	
Fiscal Impact (explain if unbudgeted):			

has their own committee and the two committees simply meet together or jointly. It is also distinct from having the existing MWDOC Ad Hoc Desalination Committee meet with “certain individual or entities” as specified in the current code. The creation of the combined agency structure would require a change to the Administrative Code.

Joint resolutions have been approved in the past and do not require any modifications to the Administrative Code.

The alternative proposals before the Directors consist of the following combinations of committee structure and resolution action.

1. Combined Agency Committee with a joint resolution
2. Combined Agency Committee without a joint resolution
3. Standing or Ad Hoc Committee with a joint resolution
4. Standing or Ad Hoc Committee without a joint resolution
5. Existing Joint Planning Committee with a joint resolution
6. Existing Joint Planning Committee without a joint resolution

Discussions at the January 19, 2017 Executive Committee meeting appeared to have been favoring the use of the existing Joint Planning Committee structure (Alternative 6).

The motion that was passed at the January 3, 2017 Planning and Operations (P&O) Committee meeting directed staff to develop and bring forward to the Board of Directors two alternate resolutions (Revised-A & Revised-B). If the Board preference is for a resolution then further discussion is required of the two alternatives.



ACTION ITEM
February 15, 2017

TO: Board of Directors

FROM: Administration & Finance Committee
(Directors Thomas, Barbre, Finnegan)

Robert Hunter
General Manager

SUBJECT: Consider Revisions to Administrative Code

STAFF RECOMMENDATION

The Staff recommends that the Administration & Finance (A&F) Committee consider and discuss the various options proposed to amend the administrative code, decide which concepts should be moved forward for action or further discussion and instruct the staff as to necessary follow-up actions for future committee or board discussions or actions.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee meeting)

DETAILED REPORT

A number of potential revisions have been identified by Directors and Staff over the last few months. Each is discussed in the following sections and referenced administrative code sections are attached.

a. Admin Code Sections 1200-1211; Committees

The concept has been raised to the Board of Directors of forming a “consolidated” or “combined agency” committee. This structure would consist of one committee with members appointed by more than one organization (e.g., MWDOC and OCWD). This combined agency committee structure does not currently exist in MWDOC’s administrative code and would need to be created through a formal revision. Current committee types are limited to standing and special (ad hoc) and membership is limited to three MWDOC Directors. Section 1200 states that “Standing and Special Committees

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core ✓	Choice __
Action item amount: n/a	Line item:		
Fiscal Impact (explain if unbudgeted):			

are responsible for reporting their findings and making recommendations to the Board of Directors. Committees are not empowered to act for the Board...”

There are two existing committee structures that are similar in function to the combined agency committee proposal. MWDOC currently has a standing committee entitled the MWDOC/OCWD Joint Planning Committee. This committee consists of three MWDOC Directors and meets jointly with a separate committee consisting of OCWD Directors. The administrative code section outlines that “the Committee shall study, advise, and make recommendations with regard to policies and practices of joint interest to OCWD and MWDOC; discuss MET policies and programs as they relate to OCWD; and discuss other items as necessary for efficient coordination between imported and local OCWD supplies.” It is not a combined committee but two independent committees meeting together.

The other similar committee structure is the Special or ad hoc committee. Section 1211 states “Special (Ad Hoc) Committees may be established by an action of the Board for the purpose of considering, studying, reviewing and making recommendations to the Board on specific matters and shall be terminated when the task is completed. A special Committee may, at the direction of the Board, meet with certain individuals or entities and report its findings to the Board for its consideration. Special Committees shall be composed of no more than three members of the Board.” The directed interaction with third parties may mimic the attributes of a combined agency committee.

As the term is not defined, it is unclear what the anticipated benefits are of a consolidated or combined agency committee and how they would differ from two separate committees meeting jointly or two ad hoc committees from two different organizations meeting with each other. These items need to be discussed to ascertain the desirability of establishing this new committee structure. If the Directors decide that they want to establish the combined agency committee structure in the code then specific instructions should be given to develop proposed language.

b. Section 1301; Timing of Election of Officers

The code currently specifies that the President and Vice President shall be elected to one-year terms at the first regular Board meeting of January of each year. This month was based on the prior State requirement that newly elected officials assume their position on the first Friday in January. The officer elections were therefore at the first Board meeting after the newly elected Directors took office. Because the State has moved the date for assuming office to the first Friday in December the question has been raised as to whether MWDOC should move the election of officers from January to December.

c. Section 1307(8); Process for Removing and Adding Items to/from Board or Committee Agendas

There is very little text in the Administrative Code concerning powers, authority or process to add or remove agenda items from Committee or Board of Directors meeting agendas. Section 1206 states that the “Executive Committee shall review the draft Standing Committee agendas. Any substantive changes to the agendas subsequent to the review by the Executive Committees shall be approved by the Committee Chair.”

Section 1307(8) states that the Board delegates to the General Manager or his designee the authority to “remove or prohibit an item that has passed through a Committee from being presented to the full Board (only with the concurrence of the Committee Chair). This was modified from a previous version that required the concurrence of the President.

In practice, draft committee agendas are prepared by Staff and include any requests made by Directors along with the ongoing business items, standing reports and carry-over items. These items and agendas are reviewed and modified as desired by the Executive Committee. It is not unusual that items are added or deleted from these committee agendas as circumstances change leading up to a committee meeting. Actions may have been delayed or accelerated to cause changes relating to a wide range of items including contracts, grants, outside agency reports, legislation, etc. These changes to agendas are discussed by the Committee Chair and General Manager and apparently have not raised significant concerns in the past from either Directors or Staff.

There have been occasions where a request has been made to add an item directly to the Board agenda subsequent to the committee meeting but more than 72 hours before the Board meeting. By practice this decision has been made by the President but is not specified in the code. Section 1110 of the Administrative Code outlines the conditions and procedures permitting the addition of agenda items for a Board meeting within the 72 hour window; essentially emergency or continued items.

There have been several instances where there has been a need or desire to remove items from the Board agenda that have been advanced by committee. The current Administrative Code language was requested by the General Manager to establish a procedure and bilateral control: General Manager and Director. Prior to this addition the code was silent on the issue.

A policy question has now been asked as to whether anyone should have the authority to remove an item from a Board agenda that has been forwarded by a Committee. Such a change would require modification to the existing code. Based upon the deliberation of the Directors and if they conclude that further definition of current procedures and powers or changes in such should be implemented, then specific language for adoption into the Administrative Code will need to be developed and approved by the Board.

d. Appointments to Committee Upon Vacancy in Committee (due to election)

There are three code sections dealing with the appointment of committee members. The general duty to appoint is listed in Section 1303 under the duties and power of the President and requires the ratification of the Board. Section 1202 – Appointments specifies that the “Board President, by the end of February of each year, shall recommend to the Board the appointment of members of the Standing Committees...Members, including the Committee Chairs, shall be appointed to the Standing and Special Committees by the President and ratified by Board action.” And finally in Section 1204 the Committee Chair has the power to appoint an alternate committee member when one is absent.

Two conditions have been highlighted:

1. Timing of Committee Appointments after Elections – Because of the appointment schedule discussed above under “b.” there is a two month lag between the seating of new Directors in December and the confirmation of committee members in February. The suggestion has been made that either this date should be moved from February to January in the code or that an interim committee appointments to fill vacancies resulting from elections should be made by the President in December.
2. The code is somewhat vague as to the appointment of replacement committee chairs or members to fill vacancies outside of the annual process and it is silent on the issue of changing committee membership during the year. It is advisable to clarify the code on these two points. Presumably that process would reflect the current annual process requirement whereby the President recommends and Board ratifies.



ACTION ITEM

February 15, 2017

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, Barbre)

FROM: Wayne Osborne, President

SUBJECT: STANDING COMMITTEE AND AD HOC COMMITTEE APPOINTMENTS FOR 2017; SCHEDULE OF COMMITTEE MEETING DATES FOR 2017

PRESIDENT'S RECOMMENDATION

It is recommended that the Board of Directors: (1) ratify the list of Standing Committee and Ad Hoc Committee Appointments as presented by the President of the Board; and (2) ratify Committee meeting dates/times for 2017.

COMMITTEE RECOMMENDATION

To be determined.

SUMMARY

In accordance with the MWDOC Administrative Code, the Board of Directors shall consider the appointment of members of its Standing Committees by the end of February of each year. It also provides the Board shall review and establish Special Committees as appropriate. Members shall be appointed to Standing and Special Committees by the President of the Board and ratified by the Board of Directors. The current Standing Committees of the Board of Directors are:

Administration & Finance Committee
Planning & Operations Committee
Public Affairs & Legislation Committee
Executive Committee
MWDOC/OCWD Joint Planning Committee

Attached is President Osborne's slate of nominations to MWDOC Standing and Ad Hoc Committees, along with proposed meeting dates for the upcoming year.

Budgeted (Y/N): NA	Budgeted amount: NA	Core ____	Choice ____
Action item amount: NA		Line item:	
Fiscal Impact (explain if unbudgeted):			

2017
STANDING COMMITTEE APPOINTMENTS
Municipal Water District of Orange County

STANDING COMMITTEE	MEMBERS	COMMITTEE DATE (Attached is List of Exact Dates for 2016)
Executive Committee (President, Vice President and Immediate Past President)	W. Osborne, Chair B. Barbre L. Dick	Thursday following Regular Board meeting 8:30 a.m.
Administration & Finance Committee	J. Thomas, Chair B. Barbre J. Finnegan	2 nd Wednesday 8:30 a.m.
Planning & Operations Committee	L. Dick, Chair M. Yoo Schneider S. Tamaribuchi	1 st Monday 8:30 a.m.
Public Affairs & Legislation Committee	S. Tamaribuchi, Chair L. Dick B. Barbre	3 rd Monday 8:30 a.m.
MWDOC/OCWD Joint Planning Committee	W. Osborne, Chair B. Barbre L. Dick	4 th Wednesday 8:30 a.m. (bi-monthly)
AD HOC COMMITTEES	Members	Alternates
Ad Hoc Committee on Water Policy Forum	B. Barbre L. Dick M. Yoo Schneider	
Ad Hoc Committee on Member Agency Relations	J. Thomas M. Yoo Schneider S. Tamaribuchi	
Ad Hoc Committee Re Water Summit	J. Thomas W. Osborne S. Tamaribuchi	
Ad Hoc Committee on MWDOC/OCWD Building Issues	B. Barbre S. Tamaribuchi	
Ad Hoc Committee on Desalination	W. Osborne B. Barbre L. Dick	

STANDING COMMITTEE DATES FOR 2017 (Through February 2018)

Planning & Operations Committee

*This Committee generally meets the first Monday of each month at 8:30 a.m. An * indicates those months requiring a change in the meeting date and/or time (due to holiday or conflict)*

Monday	March 6, 2017	8:30 a.m.
Monday	April 3, 2017	8:30 a.m.
Monday	May 1, 2017	8:30 a.m.
Monday	June 5, 2017	8:30 a.m.
Month	July 3, 2017	8:30 a.m.
Monday	August 7, 2017	8:30 a.m.
*Tuesday	September 5, 2017	8:30 a.m. (Meets on Tuesday due to holiday)
Monday	October 2, 2017	8:30 a.m.
Monday	November 6, 2017	8:30 a.m.
Monday	December 4, 2017	8:30 a.m.
*Tuesday	January 2, 2018	8:30 a.m. (Meets on Tuesday due to holiday)
Monday	February 5, 2018	8:30 a.m.

Administration & Finance Committee

*This Committee generally meets the second Wednesday of each month at 8:30 a.m. An * indicates those months requiring a change in the meeting date (due to holiday or conflict)*

Wednesday	March 8, 2017	8:30 a.m.
Wednesday	April 12, 2017	8:30 a.m.
Wednesday	May 10, 2017	8:30 a.m.
Wednesday	June 14, 2017	8:30 a.m.
Wednesday	July 12, 2017	8:30 a.m.
Wednesday	August 9, 2017	8:30 a.m.
Wednesday	September 13, 2017	8:30 a.m.
Wednesday	October 11, 2017	8:30 a.m.
Wednesday	November 8, 2017	8:30 a.m.
Wednesday	December 13, 2017	8:30 a.m.
Wednesday	January 10, 2018	8:30 a.m.
Wednesday	February 14, 2018	8:30 a.m.

Public Affairs & Legislation Committee

*This Committee generally meets the third Monday of each month at 8:30 a.m. An * indicates those months requiring a change in the meeting date (due to holiday or conflict)*

Monday	March 20, 2017	8:30 a.m.
Monday	April 17, 2017	8:30 a.m.
Monday	May 15, 2017	8:30 a.m.
Monday	June 19, 2017	8:30 a.m.
Monday	July 17, 2017	8:30 a.m.
Monday	August 21, 2017	8:30 a.m.
Monday	September 18, 2017	8:30 a.m.
Monday	October 16, 2017	8:30 a.m.

Monday	November 20, 2017	8:30 a.m.
Monday	December 18, 2017	8:30 a.m.
Monday	January 15, 2018	8:30 a.m.
*Tuesday	February 20, 2018	8:30 a.m. (Tuesday due to holiday)

Executive Committee

*This Committee generally meets the Thursday following the Regular Board Meeting at 8:30 a.m.; the Regular Board meeting is held the third Wednesday of each month at 8:30 a.m. An * indicates those months requiring a change in the meeting date (due to holiday or conflict)*

Thursday	March 16, 2017	8:30 a.m.
Thursday	April 20, 2017	8:30 a.m.
Thursday	May 18, 2017	8:30 a.m.
Thursday	June 22, 2017	8:30 a.m.
Thursday	July 20, 2017	8:30 a.m.
Thursday	August 17, 2017	8:30 a.m.
Thursday	September 21, 2017	8:30 a.m.
Thursday	October 19, 2017	8:30 a.m.
Thursday	November 16, 2017	8:30 a.m.
Thursday	December 21, 2017	8:30 a.m.
Thursday	January 18, 2018	8:30 a.m.
Thursday	February 22, 2018	8:30 a.m.

MWDOC/OCWD Joint Planning Committee Meetings

*This Committee generally meets the fourth Wednesday of each month at 8:30 a.m. An * indicates those months requiring a change in the meeting date (due to holiday or conflict)*

Wednesday	March 22, 2017	8:30 a.m.
Wednesday	May 24, 2017	8:30 a.m.
Wednesday	July 26, 2017	8:30 a.m.
*Wednesday	October 25, 2017	8:30 a.m. (Meets in October rather than Sept)
Wednesday	January 24, 2018	8:30 a.m.

MWDOC Elected Officials Forums

These meetings are held twice a year (April/November); historically on the first Thursday of the month

Wednesday	April 26, 2017	6:00 p.m.
Thursday	November 2, 2017	6:00 p.m.

By Resolution, the Board established its Board meeting dates as the first and third Wednesdays of each month at 8:30 a.m.

Proposed Canceled Board Meeting Dates Due to Conflicts with ACWA

March 1, 2017 Workshop Board Meeting with MET Directors



ACTION ITEM
February 15, 2017

TO: Board of Directors
FROM: Wayne Osborne, President
SUBJECT: ASSOCIATION AND COMMISSION APPOINTMENTS FOR 2017

PRESIDENT'S RECOMMENDATION

It is recommended that the Board of Directors:

1. Ratify the appointment of Representatives and Alternates to Associations as presented by the President of the Board; and
2. Adopt proposed Resolution approving the appointment of one Representative and an Alternate to the Santiago Aqueduct Commission (SAC), for submission to SAC.

COMMITTEE RECOMMENDATION

To be determined.

DETAILED REPORT

In accordance with Board policy, the appointment of MWDOC Board Representatives to outside associations are to be considered by the end of February of each year. The policy provides that appointments shall be ratified by the Board of Directors, as presented by the President of the Board.

Attached are President Osborne's recommendations for Association and Commission appointments for 2017.

Budgeted (Y/N): NA	Budgeted amount: NA	Core __	Choice __
Action item amount: NA		Line item:	
Fiscal Impact (explain if unbudgeted):			

2017 AGENCY REPRESENTATIVES' APPOINTMENTS Municipal Water District of Orange County		
Association/Commission	Members	Normal Meeting Times
Santiago Aqueduct Commission	Rep.: S. Tamaribuchi Alt: K. Seckel	Quarterly; 3 rd Thurs. at 8:30 a.m.
Water Advisory Committee of Orange County (WACO) Planning Committee <i>Staff Support: H. Baez</i>	Rep: J. Finnegan W. Osborne L. Dick	3 rd Tuesday 7:30 am
Independent Special Districts of OC (ISDOC) <i>Staff Support: H. Baez</i>	Rep: J. Finnegan W. Osborne L. Dick	1 st Tues 7:30 am
NWRA Municipal Caucus <i>Staff Support: H. Baez</i>	Rep: L. Ackerman	
Southern California Water Committee <i>Staff Support: H. Baez/R. Hunter</i>	Reps: M. Yoo Schneider S. Tamaribuchi L. Dick	
Orange County Business Council <i>www.ocbc.org</i> Legislative <i>Staff Support: H. Baez</i> Infrastructure <i>Staff Support: H. Baez/R. Hunter</i>	Reps: S. Tamaribuchi L. Dick Reps: S. Tamaribuchi L. Dick	2/3/17 9:30 am 3/3/17 9:30 am 4/7/17 9:30 am 6/9/17 9:30 am 8/4/17 9:30 am 2/14/17 7:30 am 3/14/17 7:30 am 4/11/17 7:30 am 5/9/17 7:30 am 6/13/17 7:30 am
California Special Districts Association	Rep: J. Finnegan Alt: L. Dick	

Colorado River Water Users Association <i>Staff Support: H. DeLaTorre</i>	MWDOC Board of Directors	Annually in Dec.
Center for Demographic Research Oversight Committee <i>Staff Support: K. Seckel</i>	Rep: J. Finnegan Alt: B. Barbre	
ACWA Joint Powers Insurance Authority <i>Staff Support: C. Harris</i>	Rep: J. Finnegan Alt: L. Dick	
ACWA Federal Affairs Committee <i>Staff Support: H. Baez</i>	Rep: L. Ackerman	
ACWA Local Government Committee <i>Staff Support: H. Baez</i>	Reps: L. McKenney	
ACWA Region 10 <i>Staff Support: H. Baez</i>	All Directors Eligible to Attend	
Orange County Council of Governments <i>Staff Support: H. Baez</i>	Rep: J. Finnegan Alt: M. Yoo Schneider	4 th Thurs. at 10:30 am (no meeting in December; November is 3 rd Thurs.)
Orange County Operational Area Executive Board <i>Representative Appointed by ISDOC</i> <i>Staff Support: K. Hubbard</i>	Rep: K. Hubbard	Quarterly, 2:45 pm (normally Wed)
CALDesal <i>Staff Support: K. Seckel</i>	Rep: K. Seckel Alt: W. Osborne M. Yoo Schneider B. Barbre	
South Orange County Economic Coalition	Rep: J. Thomas Alt: M. Yoo Schneider	
South Orange County Watershed Management Area Executive Committee <i>Staff Support: K. Seckel, C. Busslinger</i>	Rep: M. Yoo Schneider Alt: J. Thomas	
Association of California Cities; Orange County	Rep: L. Dick	

RESOLUTION NO. _____
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

**RE: DESIGNATION OF MEMBER AND
ALTERNATES TO SANTIAGO AQUEDUCT COMMISSION**

2017

WHEREAS, the Santiago Aqueduct Commission (SAC) was formed to manage and operate the Santiago Aqueduct system; and

WHEREAS, the SAC consists of six (6) members, one member each of the governing bodies from El Toro Water District, Irvine Ranch Water District, Trabuco Canyon Water District, Santa Margarita Water District, Moulton Niguel Water District and Municipal Water District of Orange County (MWDOC); and

WHEREAS, it is understood that MWDOC represents itself and East Orange County Water District, County of Orange and the Irvine Company; and

WHEREAS, under the provisions of the Santiago Aqueduct Commission Joint Powers Agreement, MWDOC has the right to designate one member to the SAC and a first and second alternate to serve in the absence of the regular member.

NOW, THEREFORE, BE IT RESOLVED that MWDOC hereby designates Sat Tamaribuchi as the member, and Karl Seckel as alternate to the Santiago Aqueduct Commission, to assume their positions upon taking the oath of office.

Said Resolution was adopted this _____ day of _____, 2017 by the following roll call vote.

AYES:

NOES:

ABSENT:

ABSTAIN:

I HEREBY CERTIFY the foregoing is a full, true and correct copy of Resolution No. _____ adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on _____.

Maribeth Goldsby, Secretary
Municipal Water District of Orange County



ACTION ITEM
February 15, 2017

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Barbre, Finnegan)

Robert J. Hunter, General Manager

Staff Contacts: Pat Meszaros, Charles Busslinger

**SUBJECT: AUTHORIZE STAFF ATTENDANCE AT MULTI-STATE SALINITY
COALITION CONFERENCE, MARCH 1-3, 2017, LAS VEGAS**

STAFF RECOMMENDATION

It is recommended that the Board of Directors: Consider authorizing Charles Busslinger's attendance at the Multi-State Salinity Coalition Conference to be held March 1-3, 2017 in Las Vegas.

COMMITTEE RECOMMENDATION

To be determined.

DETAILED REPORT

The 2017 Multi-State Salinity Coalition: "Less Water, More Salt...The New Reality" is a three-day conference which promotes the mission of the Coalition which is to meet the growing need in the United States for safe, sustainable, adequate and affordable water supplies, they promote advancements in desalination-related technologies, salinity control strategies and associated policies. Attached is the agenda.

Budgeted (Y/N): No	Budgeted amount: NA	Core <u>X</u>	Choice __
Action item amount: \$800 (includes travel and registration)		Line item:	
Fiscal Impact (explain if unbudgeted):			

MSSC 2017 Annual Salinity Summit
“Less Water, More Salt...The New Reality”
Tuscany Suites & Casino
March 2-3, 2017

Wednesday, March 1, 2017

12:30 p.m.-4:00 p.m. Las Vegas Wash Tour. *Clark County Nature Preserve - Introduction to the Las Vegas Wash, Pabco Weir -Water Quality Monitoring and Wildlife Management, Well Trailhead -Engineering Erosion Control and Revegetation, Northshore Bridge - Lake Las Vegas and Lower Las Vegas Wash, 33 Hole -Lake Mead Water Levels and the Future*

4:00 p.m.-7:00 p.m. Exhibitor and Poster Presentation Set Up - Florentine C

5:00 p.m.-7:00 p.m. MSSC Summit Conference Registration - Florentine Foyer

5:00 p.m.-6:00 p.m. Platinum & Diamond Sponsor VIP Party – Siena

6:00 p.m-7:30 p.m. MSSC Board Meeting - Siena

Thursday, March 2, 2017

7:00 a.m.-4:00 p.m. MSSC Summit Conference Registration - Florentine Foyer

7:00 a.m.-8:00 a.m. Continental Breakfast, Exhibit and Poster Presentation Area - Florentine C

8:00 a.m.-8:05 a.m. Opening Remarks & Preview - Florentine AB

Ernesto Avila, P.E. Avila & Associates Consulting Engineers, Inc., Program Director, Multi-State Salinity Coalition

8:05 a.m.-8:30 a.m. Opening Keynote Presentation: - Florentine AB

- **Bob Lotts**, Water Resources Manager, Arizona Public Service Co., *“How Palo Verde NGS Employs Treatment and Air Quality Provisions to Deal with High TDS and Salinity Issues”*

8:30 a.m.-10:00 a.m. Legislative Session: - Florentine AB

This session is the traditional Summit Kick-Off Session. Federal and legislative representatives will discuss the future prospects of desalination management and water and energy projects and their financing for the future.

Moderator: **John O'Donnell**, Senior Partner, Murray, Montgomery & O'Donnell

Speakers:

- TBD
- TBD
- TBD
- TBD

10:00 a.m.-10:15 a.m. Break - Exhibit and Poster Presentation Area - Florentine C

10:15 a.m.-10:30 a.m. Lake Mead Presentation: - Florentine AB

- **Guy Carpenter**, Board of Directors, Central Arizona Project, & President, National Reuse Association

10:30 a.m.-12:00 p.m. Saving the Colorado Session: - Florentine AB

Last year, The Discovery Channel aired a documentary titled "Killing the Colorado" which blames "short-sighted policies and poor planning" as the major cause of the current shortage on the river. Contrary to the impression left by recent media coverage, cooperation by the States and water agencies on the Colorado River is at an all-time high now that water levels are near an all-time low. Hear from four leading experts on their efforts to manage the drought's impacts and save the Colorado.

Moderator: **Warren Teltz**, Senior Resource Specialist, Metropolitan Water District of Southern California

Speakers:

- **Colby Pellegrino**, Colorado River Program Manager, Southern Nevada Water Authority, *"Drought: A Nevada Prospective"*
- **Bill Hasencamp**, Manager Colorado River Program, Metropolitan Water District of Southern California
- **Eric Kuhn**, General Manager, Colorado River District, *"Drought Contingency Planning in the Upper Colorado Basin - a Paradigm Shift"*
- **Chuck Cullom**, Colorado River Programs Manager, Central Arizona Water Conservation District

12:00 p.m.-12:35 p.m. Special Recognition & Luncheon – Florentine C

Moderator: **Dr. Robert Mace**, Deputy Executive Administrator Office of Water Science & Conservation, Texas Water Development Board, President, Multi State Salinity Coalition

- **12:00 p.m.-12:05 p.m. Diamond Contributor:** Department of Interior, Bureau of Reclamation
- **Bureau of Reclamation Water Challenge –**
- **12:05 p.m.-12:10 p.m. Platinum Sponsor:** Eastern Municipal Water District
- **12:10 p.m.-12:15 p.m. Platinum Sponsor:** El Paso Water
- **12:15 p.m.-12:20 p.m. Platinum Sponsor:** John Shomaker & Associates, Inc.

- 12:20 p.m.-12:25 p.m. **Platinum Sponsor:** Water Works Engineers, LLC
- 12:25 p.m.-12:35 p.m. **"Salt of the Earth Award"**

12:35 p.m.-1:20 p.m. Keynote Speakers: - Kathleen Ferris, Producer & Michael Schiffer, Producer, Writer and Director - Florentine C

Documentary Movie - Ground Water Management, "Groundwater - to Enact a Law for the Common Good". This lively documentary tells the true and inspiring story of the contentious battle between the farms, cities and mines that led, against all odds, to the passage of the celebrated 1980 Arizona Groundwater Management Act, a landmark law in the American West.

1:30 p.m.-2:45 p.m. The Effects of Salinity on Agricultural Session: - Florentine AB

Increased demands to support the southwest's growing population centers and recent droughts have placed greater pressure on agriculture to become more efficient with regards to limited water resources. As a result, agribusiness managers are being compelled to utilize sources of water which were previously considered marginal for crop production. At the same time, regulatory pressures have heightened the need to employ best management practices to minimize irrigation runoff and reduce the impacts of farm operations on streams, lakes, and groundwater resources. This session will review the impacts of salinity on today's agriculture.

Moderator: Jeff Wall, Assistant General Manager - Operations and Maintenance, Eastern Municipal Water District

Speakers:

- **Ari Michelsen**, Professor, Center Director and Regents Fellow, Texas A&M AgriLife Research and Extension Center, "Evaluating the Long-Term Impacts and Viability of Irrigated Agriculture Under Elevated Salinity"
- **Kib Jacobson**, Salinity Control Program Manager, Department of Interior, Bureau of Reclamation, "Impacts on Irrigated Agriculture by the Colorado River Basin Salinity Control Program"
- **Dr. Jeffery Silvertooth**, Associate Dean Director for Extension & Economic Development and Associate Director, Arizona Experiment Station College of Agriculture and Life Sciences (CALS), University of Arizona "Salinity, Sodictity, & Water Management in Desert Crop Production Systems"
- **Josué Medellín-Azuara**, Senior Research, Center for Watershed Sciences, University of California – Davis, "Exploring Physical and Behavioral Responses to Salinity in Agriculture: A Case Study from Kern County, California."

2:45 p.m.-3:00 p.m. Break - Exhibit and Poster Presentation Area - Florentine C

3:00 p.m.-4:15 p.m. Watershed Management Session - Florentine AB

In the last decade there have been continuous industry and technology advancements in water treatment, water reclamation, desalination, and direct potable reuse of reclaimed water that continue to lower commodity cost margins and stretch water supplies. However, with the drought, limited and over-stretched water supplies, and new and increasing water supply deficits, and poor-quality water mitigation, there is a new "One-Water" philosophy that has water providers, water

users, and environmental stakeholders coming together to better collaborate and manage water from a more holistic philosophy. This “One-Water” approach attempts to think of all water equally regardless of its characterization as vital and integral to all intended and unintended users. Some examples of this are the more holistic approach of engaging stakeholders for better water management at the watershed or basin level. Also, there have been significant shifts at the county or city levels towards better water management through land use planning towards low-impact development (LID), LEED, and more sustainable development. This Panel of experts and practitioners will share their vision, expertise and real life practical experience on how they have embraced collaborative efforts at the watershed or basin level in solving or addressing challenges.

Moderator: **Mark Holmes**, Water Resources Manager City of Goodyear, AZ

Speakers:

- **Mark Holmes**, Water Resources Manager, City of Goodyear, AZ, *“From Brine to Beautiful” A One-Water Watershed Approach to R/O Brine Disposal*”
- **Lee Ester**, Manager, SRP Water Measurement, Salt River Project, *“SRP Flowtopography® Evaluating Steamflow Responses Utilizing Time Lapse Photography”*
- **KayLee Nelson**, Bureau of Reclamation, *“Basin Study Program, Successes of this Program from a Watershed Basin Wide Management Approach”*
- **Roger Peery**, CEO/Principal Hydrogeologist, John Shomaker Associates, Inc., *“Impacts on Water Resources Subsequent to Wildfires in the Lincoln National Forest, New Mexico”*

4:15 p.m.-5:30 p.m. International Session: - Florentine AB

Droughts, global warming, salinity control have no borders. Many countries around the globe are facing similar challenges that we are facing in the US. To allow learning how salinity challenges are addressed in the different parts of the world, the group of internationally recognized experts will share their global experience.

Moderator: **Gilbert Trejo**, Chief Technical Officer, El Paso Water

Speakers:

- **Jennifer McCloskey**, Deputy Regional Director, Bureau of Reclamation, *“Partnerships and Progress on the Lower Colorado River” Reclamation's Role in Drought Contingency & the BOR's Continued Partnership with Mexico*”
- **Mike Mickley**, President, Mickley & Associates *“Permitting Practices for Seawater Concentrate Disposal”*
- **Brock McEwen**, Water Technology Director, CH2M, *“Potable Reuse Emergence in Brazil”*
- **Val Frenkel**, VP Process Engineering, Greeley and Hansen, LLC, *“Controlling Salinity: Reverse Complimented by Forward Osmosis”*

5:30 p.m.-7:00 p.m. Reception, Exhibit and Poster Presentation Area - Florentine C

Friday, March 3, 2017

7:30 a.m.-12:00 p.m. MSSC Summit Conference Registration - Florentine Foyer

7:30 a.m.-9:00 a.m. Breakfast with the MSSC Board Member Round Table Exhibit and Poster Presentation Area - Florentine C

- **Updates from Texas, Arizona, California, New Mexico, Colorado**

9:00 a.m.-10:45 a.m. Deep Well Injection Session: - A Tool in the Tool Box- Florentine AB

Deep well injection is a technically viable approach to managing the concentrate that is produced from an inland desalting process. This session will provide an overview of case studies from El Paso and San Antonio where deep well injection is being used for concentrate disposal. Panelists will discuss an assortment of topics related to deep well injection including; geology necessary for successful injection, regulatory requirements, and overview of the costs and construction requirements for injection wells.

Moderator: **Scott Reinert**, Hydrogeologist, Water Resources Manager, El Paso Water
Speakers:

- **Scott Reinert**, Hydrogeologist, Water Resources Manager, El Paso Water, *"An Overview of Deep Well Injection for the City of El Paso"*
- **Brad Cross**, Associate Vice President/Hydrogeologist, LBG Guyton Associates, *"San Antonio Water System, Deep Well Injection for Concentrate Disposal"*
- **Steve Finch Jr.**, V.P., Principal Hydrogeologist-Geochemist, John Shomaker & Associates, Inc., *"Deep Well Injection in the State of New Mexico"*
- **Don Barnett**, Executive Director, Colorado River Basin Salinity Control Forum, *"The Paradox Valley Unit: 20 Years - 2.2 Million Tons"*

10:45 a.m.-11:00 a.m. Break, Exhibit & Poster Presentation Area - Florentine C

11:00 a.m.-12:30 p.m. Innovative Salinity Management Strategies Session: - Florentine AB

This session focuses on the evolving regulatory challenges of salinity management and opportunities and technologies available to address these challenges. As the regulatory environment evolves, so too must our strategies to successfully manage salinity while maximizing the production of high quality water.

Moderator: **Chris Hassert**, Planning & Engineering Director City of Scottsdale
Speakers:

- **Karl Longley**, Professor Emeritus, California Water Institute, California State University, Fresno, *"Regulatory Issues Confronting a Successful Desalination Program"*

- **Paul Kelley**, Executive Director, CalDesal, *"Regulatory Issues and Opportunities in Desalinization"*
- **Melissa Meeker**, Chief Executive Officer, Water Environment & Reuse Foundation (WE&RF), *"Discuss New Research Opportunities and Innovative Strategies Employed by WE&RF"*
- **Charlie He**, Associate Vice President, & **Pei Xu**, Assistant Professor, Civil Engineering, Carollo Engineers Inc., *"EDR Pilot Work and Results, New Mexico State University and Carollo, Scottsdale Water Campus Project"*
- **J. Hubble Hausman**, CEO, Enviro Water Minerals Company, EWM, *"Update on El Paso's Enhanced Recovery / Concentrate Processing Plant"*

12:30 p.m. Closing Remarks, Summary & Adjourn - Florentine AB



ACTION ITEM
February 15, 2017

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Finnegan and Barbre)

Robert Hunter
General Manager

Staff Contact: Jonathan Volzke

**SUBJECT: SELECTION OF CONSULTANT FOR 2016 MEMBER AGENCIES
WATER QUALITY CONSUMER CONFIDENCE REPORTS**

STAFF RECOMMENDATION

Staff recommends the Board of Directors: Award a contract to Stetson Engineering for preparation of Water Quality Consumer Confidence Reports at the cost of \$35,100 per year for five years.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

For several years, the Municipal Water District of Orange County (MWDOC) has provided professional consulting services to our member agencies in coordinating and preparing their mandated Water Quality Consumer Confidence Reports (CCRs).

Stetson Engineering has performed the work for the previous six years, for \$35,000 per year; participating agencies reimburse MWDOC for the expense. Under MWDOC's administrative code, the contract was due for review.

As part of that process, MWDOC issued a Request for Proposals. The RFP was sent to Trussell Technologies, Arcadis, WQTS and Stetson Engineering, as well as posted on the MWDOC website.

Budgeted (Y/N): Y	Budgeted amount: \$35,000	Core	Choice x
Fiscal Impact (explain if unbudgeted):			

Arcadis responded that the firm appreciated the opportunity to participate, but declined to submit a proposal because prior staffing commitments.

Stetson Engineering is the only firm that submitted a proposal, for \$35,100 annually. The firm has extensive experience in preparing Water Quality Consumer Confidence Reports throughout Southern California and can meet the legally mandated timeline laid out in the RFP.



INFORMATION ITEM

February 10, 2016

TO: **Administration & Finance Committee**
(Directors Thomas, Barbre, Finnegan)

FROM: **Robert Hunter, General Manager**

Staff Contact: Hilary Chumpitazi

SUBJECT: 2016 Rebate program – 1099-MISC Filing

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee: receive and file this information.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

This is our second year filing 1099-MISC forms for applicants who received a rebate of \$600 or more. We began holding rebate checks until we received a W-9 form from the applicant in April 2016. There are 119 checks that were mailed January through March 2016 in which we have not received a W-9 form. As such, staff has sent four separate emails and one mailed letter to these applicants requesting a completed W-9 form.

Staff purchased 1099 software to upload and print the 1099-MISC forms. There were a total of 3,834 1099's mailed. Those applicants that didn't provide a W-9 still received a 1099-MISC form with another letter and a W-9 form asking them to complete and return.

We will file the 1099's electronically with the IRS on or before March 31, 2017. If we receive a federal tax exemption prior to this date we will not file and will send an email out to notify all applicants of the exemption. If we do not receive the exemption then we will continue to collect W-9 forms up until the last day and then file 1099's with the IRS for those individuals that provided us with their tax payer identification number. As of February 2nd we have 114 outstanding W-9's.

Budgeted (Y/N):	Budgeted amount:	Core ____	Choice ____
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			

Municipal Water District of Orange County
Legal and Professional Services Open Purchase Orders
as of December 31, 2016

Item No. 11

Department	Consultant	Purpose	Approval Method	PO #	Date Opened	PO Amount including prior year increases	PO Increase/Decrease	Expensed This Fiscal Year	Total Expensed	Remaining Amount	% Complete
Legal Expenses											
Administration	Aleshire & Wynder LLP	Legal council services	Budget Approval	PO002725	7/1/16	25,000.00		10,830.60	10,830.60	14,169.40	43%
	Best Best & Krieger	Legal council services	Budget Approval	PO002724	7/1/16	260,000.00		76,707.52	76,707.52	183,292.48	30%
	Best Best & Krieger	Legal council services-Personnel Issues	Budget Approval	PO002724	7/1/16	35,000.00		3,318.90	3,318.90	31,681.10	9%
	Best Best & Krieger	Legal council services-AMP	Budget Approval	PO002724	7/1/16	15,000.00		362.60	362.60	14,637.40	2%
Audit Expenses											
Engineering Expenses											
Met Issues & Special Projects	Arcadis	Urban Water Management Plan	Board Approval 7/15/15	PO002746	9/23/15	898,266.00		3,897.00	675,226.00	223,040.00	75%
	Black & Veatch	Consulting on O.C. pipelines	Board Approval 4/20/16	PO002753	7/14/16	25,000.00		24,993.13	24,993.13	6.87	100%
	CDM Smith	OC Water Reliability Investigation	Board Approval 10/15/14, 8/19/15, 11/18/15	PO002748	2/18/15	221,240.00	204,035.00	33,821.91	372,097.35	53,177.65	87%
	Means Consulting, LLC	Consulting on MET Issues	Budget Approval	PO002733	7/1/16	30,000.00		8,203.84	8,203.84	21,796.16	27%
Professional Expenses	Public Financial Management, Inc.	Poseidon Workgroup & EOCF#2 consulting	R. Hunter Approval 12/23/15	PO002768	1/13/16	15,000.00				15,000.00	0%
Administration	Dissinger Associates	Pension Plan administration	Budget Approval	PO002737	7/1/16	4,200.00		100.00	100.00	4,100.00	2%
	Gladwell Governmental Services, Inc.	Update records management procedures	Board Approval 6/15/16	PO002743	8/15/16	30,350.00		8,700.00	8,700.00	21,650.00	29%
	Raffelis Financial Consultants	Budget Based Tiered Rates grant assistance	Board Approval 5/19/10	PO000265	10/11/10	36,350.00		12,481.15	12,481.15	23,868.85	34%
	WageWorks	Cafeteria Plan administrative fee	Budget Approval	PO002738	7/1/16	1,900.00				1,900.00	0%
Governmental Affairs	Richard Ackerman	Legal Consulting on water policy issues	Budget Approval	PO002732	7/1/16	36,000.00		9,225.00	9,225.00	26,775.00	26%
Water Use Efficiency	AquaEfficient Consulting	Customized irrigation reports for IRWD	R. Hunter Approval 8/4/16	PO002822	10/25/16	10,800.00		5,400.00	5,400.00	5,400.00	50%
	McCall's Meter Sales & Service	Meter accuracy testing meeting	Board Approval 9/21/16	PO002873	12/15/16	400.00		100.00	100.00	300.00	25%
	Mission Resource Conservation District	Field verification for Smart Timer and Rotating Nozzle rebate programs	Board Approval 9/19/12 & 4/17/13	PO001149	10/31/12	609,708.43	(14,014.61)	195.00	553,596.51	42,097.31	93%
	Mission Resource Conservation District	Field verification for Landscape Device Installation inspections	Board Approval 10/6/14	PO001953	12/9/14	320,875.46		74,746.51	244,925.99	75,949.47	76%
Desalination Programs	Mission Resource Conservation District	Turf Removal and Spray to Drip inspections	Pass-through funding from member agencies	PO002304	9/2/15	334,058.60		5,600.58	181,173.17	152,885.43	54%
	Mission Resource Conservation District	Turf Removal surveys and audits	Board Approval 6/15/16	PO002726	6/22/16	60,000.00	(10,000.00)	17,073.30	45,674.55	4,325.45	91%
	Water Systems Optimization, Inc.	Water Loss Control workgroup and technical assistance	Board Approval 10/21/15	PO002728	3/9/16	1,253,280.00	33,000.00	73,054.48	282,563.84	1,003,716.16	22%
	WaterWise Consulting, Inc.	Turf Removal surveys and audits	Board Approval 6/15/16	PO002727	06/22/16	40,000.00	(15,100.00)	5,910.00	9,360.00	15,540.00	38%
Public Affairs	Chambers Group Inc.	Baseline environmental monitoring for Doheny Ocean Desal project	Board Approval 1/21/15	PO002747	4/8/15	153,346.00	6,608.00	4,822.50	151,478.05	8,475.95	95%
	Geoscience Support Services, Inc.	Doheny Ocean Desal decommissioning	Board Approval 4/20/16	PO002749	8/17/16	169,856.80		74,087.34	74,087.34	95,769.46	44%
	Jensen Drilling Company	Doheny Ocean Desal decommissioning	Board Approval 12/21/16	PO002908	12/21/16	297,777.00				297,777.00	0%
	Discovery Science Center	School program	Board Approval 5/4/15 / Budget Approval 12/21/16	PO002796	9/28/16	253,277.36		74,959.36	74,959.36	178,318.00	30%
Public Affairs	L.A. Design Studio	Website redesign	Board Approval 12/21/16	PO002887	12/21/16	42,600.00				42,600.00	0%
	Orange County Dept. of Education	High School Education program	Board Approval 5/20/15	PO002864	12/6/16	135,960.00				135,960.00	0%
	Spotlight Video	Whiteboard videos for Choice program	Board Approval 11/16/16	PO002877	12/27/16	28,725.00		11,675.00	11,675.00	17,050.00	41%
Financial IT	Union Bank	Custodial bank fees	Budget Approval	PO002787	09/21/16	2,500.00		1,250.00	1,250.00	1,250.00	50%
Totals											
						5,346,470.65	204,528.39	529,034.57	2,838,489.90	2,712,509.14	51%



INFORMATION ITEM

February 8, 2017

TO: Board of Directors

FROM: Administration & Finance Committee
(Directors Thomas, Barbre, Finnegan)

Robert J. Hunter, General Manager

Staff Contact: Karl Seckel

**SUBJECT: FY 2016-17 BUDGET YEAR END PROJECTIONS AND CONCEPTUAL
FY 2017-18 BUDGET REVIEW**

STAFF RECOMMENDATION

It is recommended that the Board of Directors: Receive and file the information.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

Projected Year-End Estimates for 2016-17

Staff has begun preparation of the 2017-18 Budget and as part of that process, projections are being prepared for the final six months of the current fiscal year in order to calculate the estimated fiscal year 2016-17 Year End Projections. Preliminary variance estimates for 2016-17 include:

1. Salaries and Benefits are projected to be approximately \$250,000 under budget because of staffing transitions (as staff have left, the positions have not been filled immediately). This will be partially offset by Temporary Help Expenses that will be over budget. We are projecting that we will shortly be at full staffing and salaries and benefits in the second half of the fiscal year will be greater than the first half. Offers have been made for the two open Water Use Efficiency positions. There are two open positions that are in active recruitment (WEROC and Administrative).

Budgeted (Y/N): NA	Budgeted amount: NA	Core ____	Choice ____
Action item amount: NA		Line item:	
Fiscal Impact (explain if unbudgeted):			

2. The Director Compensation line item is about \$8,000 under budget due to fewer meetings being submitted for the per diem compensation.
3. The OPEB line item is over budget (additional contributions were made) by almost \$300,000 due to the Board of Directors' decision to fully fund this obligation through a combination of trust and reserve funds.
4. The Election Expense will be under budget as only three of the four races were contested. We are estimating that savings at \$148,000 but we have not yet received the invoice for November's election. The expense and reserve contribution will be adjusted once we receive the invoice.
5. The Engineering Expense line item shows as being approximately \$130,000 under budget in part to the carryover of funds from the prior year's budget. Additional work in the second part of the year dealing with extensions of the reliability analysis and project analysis for MET and OC will likely reduce this preliminary estimate.
6. The Legal Expenses are anticipated to be more than \$125,000 under budget, although staff is still in the process of analyzing the expected expenses for the remainder of the year.
7. Professional Fees are both Core and Choice and originate from departments not related to Engineering and MET. The majority of the estimated under budget variance were from Choice Programs and therefore has an offsetting balance in the Choice Revenue line. The largest component of the Professional Fees variance is from Public Affairs (-\$270,000) with \$180,000 associated with Choice programs that were either deferred or came in significantly under budget (e.g., white board videos). An additional \$44,000 was from the Poseidon Choice Program under which the Member Agency Work Group was not convened. The Water Use Efficiency Choice Program is also \$50,000 under budget as the WaterSmart landscape program was not active during the program review and audit period.
8. We are currently showing a \$95,000 under budget estimate for Building Expenses associated with the schedule for work in the library, Room 101, Room 102 and the copier room as well as office space planning. The estimate is likely to change as we process the estimates for the dozens of roof leaks that last month's rain have brought to light and the cost of the back hallway plumbing damage repair.

Development of 2017-18 Budget Estimates

Looking forward to the Proposed Budget for 2017-18, staff has begun assessing a number of issues and assumptions, including:

- Continuation of the migration of pension benefit costs from MWDOC to the employees at the rate of 1% per year. We are currently at 5% employee contribution and will move to 6% in this budget with the final target of 7% the following fiscal year.

- We have not completed our survey but are currently using a salary escalation of 4% of total salary expense for the performance pool. This is consistent with the last few years.
- The first draft budget will include the addition of two full-time positions.
 - One person in Government Affairs to focus on Washington, D.C. issues
 - One administrative person to manage our contact database
- The draft budget will include the addition of a twelfth paid holiday in alignment with the Federal, State, Orange County and Metropolitan schedules. This proposed holiday is Martin Luther King, Jr. Day.
- This year's budget will include an expanded view of capital requirements for WEROC to include a capital reserve fund.
- The current preliminary work indicates a small rate increase similar to that projected in the financial model in last year's budget document.

Staff will continue working on preparation of the budget towards publication of the first DRAFT by March 1 for distribution to the Board and member agencies.

**Municipal Water District of Orange County
Director's Activity Report
Reporting Period from 07/01/16 to 12/31/16**

Activity Description	MWDOC Directors								MET Directors				Director's		
	Thomas	Barbre	Yoo Schneider	Dick	Finnegan	Hinman	Osborne	Tamaribuchi	Subtotal	Barbre	Ackerman	McKenney	Dick	Subtotal	Total
Per Diem ⁽¹⁾															
MWDOC Committee & Board mtg	12,452	14,127	-	14,757	10,057	10,623	9,988	8,305	80,309	-	1,655	1,930	277	3,862	84,171
MET Committee & Board mtg	-	-	-	-	-	-	-	-	-	6,598	4,964	5,240	4,968	21,769	21,769
Meetings with Member Agencies	-	6,497	-	-	1,719	1,712	-	859	10,787	-	-	-	-	-	10,787
Other Misc meetings & activities	13,735	3,640	-	8,628	3,173	2,858	4,440	7,163	43,637	9,896	7,997	9,100	10,762	37,756	81,392
Subtotal-Per Diem	26,186	24,264	-	23,385	14,948	15,194	14,428	16,327	134,733	16,494	14,616	16,270	16,007	63,387	198,120
Travel, Conferences & Misc. ⁽²⁾															
ACWA	1,304	-	325	-	-	-	-	1,542	3,171	-	-	446	-	446	3,616
CCEEB	-	-	-	-	-	-	-	2,227	2,227	-	-	-	-	-	2,227
CRWUA	1,322	1,388	-	-	-	-	-	-	2,710	-	-	-	-	-	2,710
Legislative Activities in Sacramento	-	505	-	-	-	-	-	-	505	-	-	-	-	-	505
Washington DC Legislative Trips	-	2,886	-	-	-	-	-	-	2,886	-	-	-	-	-	2,886
ISDOC	17	17	-	17	-	17	17	-	85	-	-	-	-	-	85
OCWA	40	-	-	-	-	-	-	-	40	-	-	-	-	-	40
Urban Water Institute	-	-	-	-	-	-	753	-	753	-	-	-	-	-	753
So Cal Water Committee	-	-	-	-	-	-	-	200	200	-	-	-	-	-	200
Other Travel Expenses	200	-	21	-	-	40	-	133	394	-	-	-	-	-	394
Mileage	852	1,269	96	953	360	902	-	397	4,828	-	318	-	-	318	5,146
Toll Charges	-	-	5	-	-	191	-	18	214	-	-	-	-	-	214
Telephone/Fax/Cable	228	-	-	-	282	150	-	-	660	-	-	-	-	-	660
Subtotal-Travel, Conferences & Misc.	3,962	6,065	447	970	642	1,299	770	4,517	18,671	-	318	446	-	763	19,435
Total	30,149	30,329	447	24,355	15,590	16,493	15,198	20,844	153,404	16,494	14,933	16,716	16,007	64,150	217,554

(1) Per Diem for MWDOC Directors includes benefits

(2) Includes conference registration, travel, lodging, meals, transportation, mileage and other miscellaneous related costs; does not include Per Diem.

2/2/2017

Municipal Water District of Orange County
Semi-Annual Comparison for Overtime Hours Worked
for the Six-month periods ending December 2016 and 2015

Employee	7/1/15 - 12/31/15		7/1/16 - 12/31/16	
	Hours Worked	Dollar Equivalent ⁽¹⁾	Hours Worked	Dollar Equivalent ⁽¹⁾
Baca, Tiffany	13.50		0.00	
Baum-Haley, Melissa	41.00		0.00	
Dinh, Patrick	1.50		4.00	
Dye, Stephanie	1.50		0.00	
Fahl, Beth	22.75		0.50	
Francisco, Pari	0.00		2.00	
Gunawan, Lina	2.00		3.50	
Kanzler, Andrew	0.00		28.50	
Loewen, Laura	8.00		3.00	
Roberto, Bryce	16.00		18.50	
Snow, Mary	7.00		1.50	
TOTAL	113.25	\$6,135	61.50	\$3,373

(1) Dollar equivalent calculated at 1.5 x hourly rate



INFORMATION ITEM

February 8, 2017

TO: **Administration & Finance Committee**
(Directors Thomas, Barbre, Finnegan)

FROM: **Robert Hunter, General Manager**

Staff Contact: **Cathleen Harris, Administrative Services Manager**

SUBJECT: **ANNUAL AUTO ALLOWANCE**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file as presented.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

In accordance with the Auto Allowance Policy, the General Manager shall submit an annual report to the Administration and Finance Committee listing employees receiving a vehicle allowance and any exceptions to the provisions of the policy. The following positions are currently receiving monthly auto allowances in the amount of \$500:

Title
Director of Water Use Efficiency
Director of Public Affairs
Associate General Manager
Governmental Affairs Manager
WEROC Programs Manager
Assistant General Manager

General Manager receives a monthly car allowance in the amount of \$750.

Budgeted (Y/N): Y	Budgeted amount: \$ \$45,000	Core X__	Choice __
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			



INFORMATION ITEM

February 8, 2017

TO: Administration & Finance Committee
(Directors Thomas, Finnegan, Barbre)

FROM: Robert Hunter, General Manager

SUBJECT: Annual Review of Coastal Municipal Water District Issues

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee: No changes at this time.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

Below is the excerpt from the Administrative Code relative to outstanding issues involving MWDOC's consolidation with Coastal Municipal Water District. Staff has reviewed the sections and does not recommend any changes at this time (the last substantive change was made to this Section in 2011 and has been reviewed each year since; minor changes were made during the Administrative Review process in 2015).

Budgeted (Y/N): N/A	Budgeted amount:	Core √	Choice __
Action item amount:	Line item:		
Fiscal Impact (explain if unbudgeted):			

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ADMINISTRATIVE CODE**

MWDOC/COASTAL CONSOLIDATION ISSUES	§12000-12002
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§12000 INTRODUCTION

MWDOC and Coastal MWD consolidated effective January 17, 2001. Many factors and issues were evaluated in bringing the two agencies together. MWDOC has documented several of the issues in the event they become important for future consideration. The Administration & Finance Committee shall review these issues on an annual basis until such time as the Administration & Finance Committee determines a review is no longer necessary.

§12001 Standby Charge Levied in MWDOC and Coastal Service Areas

This is an issue has to do with the level of Standby Charge being levied in the MWDOC service area of \$10.09 per acre or per parcel less than an acre and a similar but higher charge of \$11.60 in the Coastal service area. The Standby Charge levied by MET is higher in the Coastal service area because at the time the Standby Charge was established by MET (1993), it was partially based on the dependence on imported water to the member agency service area. Since the Coastal service area had proportionally fewer groundwater resources than the MWDOC service area, the charge was higher. Amounts raised by MET through the Standby Charge are forwarded to each participating MET member agency (including MWDOC and Coastal) as credits against the amount owing under MET's Readiness-to Serve Charge. The higher charge in the Coastal service area generates about \$120,000 per year more than if the charge was reduced to \$10.09 to match the MWDOC service area standby charge.

During the consolidation transition period (from 1998-2000), MET engaged in continued discussions regarding restructuring of its rates and charges, and the continued levy of a MET Readiness-to-Serve Charge was often in doubt. Consequently, no action was taken by Coastal or MWDOC to request that MET equalize the two charges. The only reason for retaining this item is to be aware of the different levels of the Standby Charge in the event MET ever changes its rate structure.

§12002 MET Capacity Provided in the EOCF#2 for the Coastal Service Area

The East Orange County Feeder Number 2 (EOCF#2) is a 25-mile long treated water transmission main, constructed in 1962 by MET, Anaheim, Santa Ana, MWDOC and Coastal. The purpose of the pipeline was to increase the treated water capacity to southeastern Orange County and to replace capacity to Anaheim, Santa Ana and Coastal that had been used in the Orange County Feeder by the growing MWDOC service area. It should be remembered that upon the formation of the MWDOC service area in 1951 the Anaheim and Santa Ana city service areas from MET had been frozen and the growing portions of these cities beyond the boundaries as they existed in 1951 was included as

part of the MWDOC service area. That has since been changed.

Coastal MWD purchased 10.0 cfs of capacity in the EOCF#2 as it was constructed. This capacity has since been assigned to the retail agencies within Coastal (July 2000). In addition, MET provided 84 cfs of oversizing capacity in the facility to meet the additional needs of Coastal and the original city areas of Anaheim, Fullerton and Santa Ana. MET's 84 cfs of capacity provided was designated to the following areas:

Agency	cfs
Anaheim	6
Santa Ana	15
Coastal	63
Met Total	84

In MET Resolution 6635, adopted January 12, 1965, it was noted that:

"the capacities allocated to MET in the several reaches of the East Orange County Feeder No. 2 shall be used for delivery of water to said older member cities to meet their requirements for services to areas which were within their boundaries on November 26, 1951, the date of the annexation of Orange County Municipal Water District to MET and to the Coastal Municipal Water District as it was constituted on January 1, 1955, until such time as like delivery of water can be made to them in whole or in part through other facilities, provided, that until such conveyance capacity is needed for delivery to such older members for such purpose and always subject to the policy declared herein as to such older members, it may be used by MET for the sale and delivery of water in accordance with the provisions of the Metropolitan Water District Act. . . . "

The exact meaning of this section in today's context given that MET has provided capacity in the Allen McColloch Pipeline and South County Pipeline facilities to serve both MWDOC and Coastal, has not been fully analyzed or debated with MET. Rather, the purpose of this section is to raise the issue and provide that the consolidation of MWDOC and Coastal shall not in any manner erode or diminish any rights that the retail agencies within the Coastal service area may have or be able to assert with respect to any or all of the 63 cfs of capacity in the EOCF#2 provided by MET.

M-5/2005; M-2/16/11; M-6/17/15

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Fiscal Year 2017-18

Sole Source Procurement Justification for Projects under \$25,000*



- A. Supplier Information/Name of Company and Prime Contact at the Supplier and at MWDOC: Jarvis Restoration
- B. Contract awards to Supplier over prior 36-months: No
- C. Product(s) or Service(s) to be provided and Deliverables: Emergency Services for overflow of sewage leak in the office.
- D. Justification Definition** Urgent necessity in an effort to contain leak and clean up sewage spill in hallway and bathrooms.
- E. Narrative Explanation: Sewage leak due to low pressure flow in the pipes caused back up in sewage drains in the restrooms and into hallway. The costs for this effort include the emergency call to take care of the immediate situation, asbestos testing of wet walls, clean-up of area, repair and paint walls and replace carpet in hallway.
- F. Budget Line Item Reference & Amount: 2000-19-8811, amount of \$15,279
- G. Core or Choice designation: Core
- H. Signature/Approvals:

 2-2-2017
Requestor –Cathleen Harris Date

 2-3-17
General Manager Date

* Projects over \$25,000 must go to a Committee of the Board.

** Possible justifications include but are not limited to: Only qualified bidder; Proprietary item; Urgent necessity; Bid process did not produce competitors; Governmental agency, association or Utility; Prior phase of professional services contract completed successfully by same Consultant; and Special technical expertise by Consultant for tasks desired.

Administration Activities Report
January 6, 2017 to February 2, 2017

Activity	Summary
Administration/Board	<ul style="list-style-type: none"> • Maribeth has been scheduling meetings for Rob Hunter and other various meetings of the Board members • Maribeth has been assisting Rob/Karl with various write ups and follow-up for the Committees and Board • Maribeth continues to send the Water Supply Reports to the member agencies • Maribeth worked with President Osborne on the Committee/Association assignments • Maribeth worked with the Hilton to secure a date and cost effective event for the Board's special meeting • Maribeth orchestrated the logistics for the Elected Officials Forum • Pat has been scheduling meetings for Rob, Karl, Keith and Harvey, MET Directors' luncheon meeting, OC MET Managers, MWDOC Managers and ordering lunches for several meetings • Pat proofed and formatted letters for Rob, Karl, Heather and Keith • Pat registered staff and board members for conferences and events; scheduled travel for AWWA, ACWA Conf., DC legislative initiatives, ACWA Federal Affairs and Legislative Committees; SWRCB on emergency regs, CUWCC; Urban Water Institute and other misc. travel and/or workshops, which includes preparation of purchase requisitions and back-up. • Pat formatted a letter, added logos for 14 member agencies and sent it to the Board of Supervisors on the Flood Control issue. • Pat formatted and sent out a letter on emergency regs to Governor Brown with copies to OC delegation • Pat mailed and emailed to each of our member agency managers a letter regarding SDCWA's letter on turf and MET rates.
MWDOC/OCWD Joint Administration	<ul style="list-style-type: none"> • Cathy and OCWD staff met with the janitorial services to discuss improvements needed in cleaning of certain MWDOC and joint office areas.
Health Benefits	<ul style="list-style-type: none"> • No new information to report.
Records Management	<ul style="list-style-type: none"> • Pari attended a meeting with Cities Digital to review a system for email archiving. • Pari spent a day with the consultant to prepare for implementation of the strike team/scanning project. The consultant will assist with training when the team arrives. • Pari permanently withdrew 51 boxes of documents from Iron Mountain that will be scanned into Laserfiche and then destroyed. This will be the first wave of work for the strike team. • Pari cleared approximately 60 more boxes out of the library/vault and is working through others.

Records Management (continued)	<ul style="list-style-type: none"> Leah and Danielle have completed scanning the board packets on the shelf in the hallway. The shelves have been removed. Danielle has begun reorganizing the agreement files in the vault in order to save space.
CalPERS	No new information to report.
Agency Inquiries	No new information to report.
Recruitment /Departures	<ul style="list-style-type: none"> The pre-employment process for the WUE Coordinator position is underway. Damon Micalizzi began his position as Director of Public Affairs on January 16th. Recruitment efforts for the WEROC Coordinator position continues.
Other	
Projects and Activities	<ul style="list-style-type: none"> Cathy and Leah are working on paint and carpeting for hallway area that was damaged by a water leak. It is anticipated the repair work will begin the weekend of February 3rd. MWDOC Staff Meeting was held on January 26. Cathy and Leah obtained proposals for paint, drywall repair and carpet for the hallway area. Work will begin February 3rd. On January 10, 11 and 13, Cathy participated in interviews for the Water Use Efficiency Departments two open positions. Cathy attended meetings with Records Management Consultant on February 3 to review the overall project, progress to date, upcoming training for temporary help in reviewing, scanning and purging files; and next steps. Cathy gathered budget information for cost centers 11, 12, 13 and 19 to submit to Finance for compilation.

**INFORMATION ITEM**

February 08, 2017

TO: Administration & Finance Committee
(Directors Thomas, Barbre, Finnegan)

FROM: Robert J. Hunter, General Manager

Staff Contact: Jeff Stalvey

SUBJECT: Finance and IT Pending Items Report

SUMMARY

The following list details the status of special projects that are in-progress or to be completed during FY 2016-17.

Description	% of Completion	Estimated Completion date	Status
<u>Finance</u>			
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
Government Compensation in California Report 2016	0%	03-30-17	Not Started
Preparation of documents for FY17-18 budget process.	30%	5-31-17	In Progress
2017 W-9 collection for water rebates. Currently holding 1 January rebate check, awaiting a completed W-9.	On-going	On-going	In Progress
Prepare and file 2016 1099's. Mailed 3,834 1099-MISC forms. Still requesting 114 W-9's not submitted. Will file with IRS electronically on or before March 31 st .	80%	03-31-17	In Progress
RFP for Financial Consultant to assist with GASB 68 continued implementation, finances and annual financials.	0%	02-29-17	Not Started
RFP for new Auditors. Existing auditors have served us for 5 years.	20%	06-30-17	In Progress

<u>Information Technology</u>			
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Get quotes and have Fire Suppression system installed in IT Server room	10%	6/30/17	On Hold
Purchase and install enclosed Server Racks.	70%	6/30/17	In Progress

Description	% of Completion	Estimated Completion date	Status
<u>FY 2016-17 Completed Special Tasks</u>			
<u>Finance</u>			
State Tax filing for Water Facilities FY15-16	100%	9/1/16	Completed
FY2015-16 Annual Audit by Vavrinek, Trine, Day & Company	100%	10-19-16	Completed
Annual Financial Statement Report FY2015-16	100%	10-19-16	Completed
State Controller Report preparation FY15-16	100%	1/15/2017	Completed
<u>Information Technology</u>			
Upgrade Server software for Data Server.	100%	3/31/17	Completed
Upgrade and deploy new Backup software with Cloud backup.	100%	3/31/17	Completed
Upgrade District Firewall.	100%	6/30/17	Completed
Upgrade HR ABRA Server (software)	100%	3/31/17	Completed
Upgrade and Migrate Record Management Server to Storage Area Network (SAN) Box, purchase new scanners.	100%	3/31/17	Completed
Upgrade computers and monitors for Staff.	100%	3/31/17	Completed



INFORMATION ITEM

February 8, 2017

TO: **Administration & Finance Committee**
(Directors Thomas, Osborne, Finnegan)

FROM: Robert Hunter, General Manager

Staff Contact: Kevin Hostert

SUBJECT: Monthly Water Usage Data, Tier 2 Projection, and Water Supply Info.

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee receive and file this information.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

The attached figures show the recent trend of water consumption in Orange County (OC), an estimate of Tier 2 volume for MWDOC, and selected water supply information.

- Fig. 1 OC Water Usage, Monthly by Supply OCWD Groundwater water was the main supply in December.
- Fig. 2 OC Water Usage, Monthly, Comparison to Previous Years Water usage in December 2016 was above below average compared to the last 5 years. Higher usage is primarily due to the end of mandatory water restrictions set by the State Water Resources Control Board. In June 2016, all water conservation became voluntary for MWDOC agencies.
- Fig. 3 Historical OC Water Consumption OC water consumption is projected to be 527,500 AF in FY 2016-17 (*this includes ~15 TAF of agricultural usage and non-retail water agency usage*). This is about 28,000 AF more than FY 2015-16 and is about 45,000 AF less than FY 2014-15. Water usage per person is projected to be slightly higher than in FY 2016-17 for Orange County at 147 gallons per day (This includes recycled water). Although OC population has increased 20% over the past two decades, water usage has not increased, on

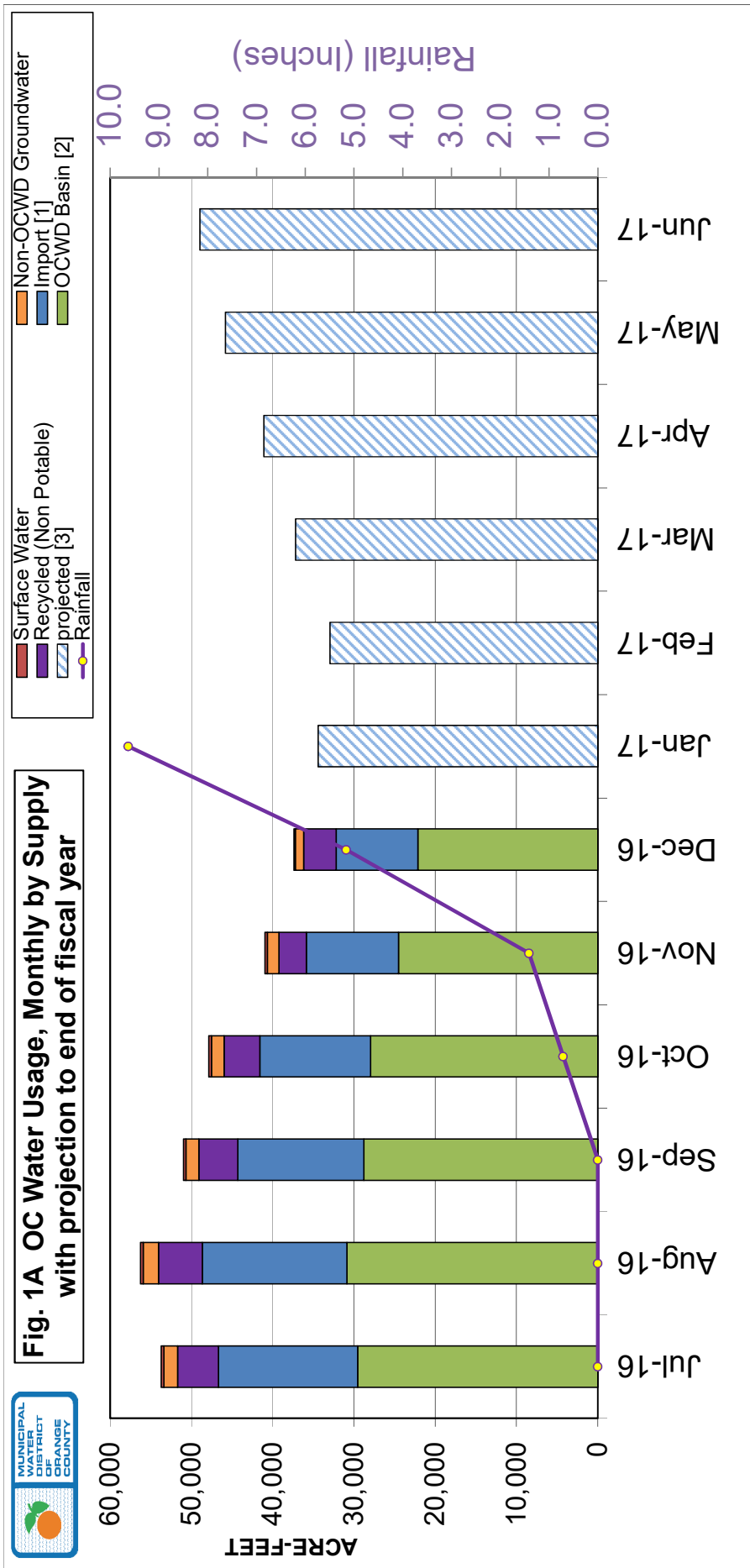
Budgeted (Y/N): N	Budgeted amount: N/A	Core <u>X</u>	Choice <u> </u>
Action item amount: N/A	Line item:		
Fiscal Impact (explain if unbudgeted):			

average. A long-term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts.

Fig. 4 MWDOC “Firm” Water Purchases, 2016 “Firm” water above the Tier 1 limit will be charged at the higher Tier 2 rate. Tier 2 purchases are zero in 2016.

Water Supply Information Includes data on: Rainfall in OC; the OCWD Basin overdraft; Northern California and Colorado River Basin hydrologic data; the State Water Project (SWP) Allocation, and regional storage volumes. The data has implications for the magnitude of supplies from the three watersheds that are the principal sources of water for OC. Note that a hydrologic year is Oct. 1st through Sept. 30th.

- Orange County’s accumulated rainfall through January was well above average for this period. Orange County has had below average rainfall for the past 5 hydrologic years. La Nina conditions are diminishing and will continue to decline throughout the 2017 spring (La Nina is generally associated with cool dry winters in Southern California). It has been reported that the large ridge of High pressure, which has been blocking storms for the past few years, has dissipated and we are seeing very wet weather this winter in California.
- Northern California accumulated precipitation through January was around 198% of normal for this period. January 2017 rainfall well was above the historical average for that month. The Northern California snowpack is 148% of normal as of January 30th. The State of California has been in a declared Drought Emergency since January 2014. As of late January drought conditions have improved significantly and only 26% of California is still suffering from severe or extreme drought. The State Water Project Contractors initial Table A Allocation is at 60% as of the end of January.
- Colorado River Basin accumulated precipitation through January was 137% average for this period. The Upper Colorado Basin snowpack was 161% of normal as of January 30th. This follows five below-average hydrologic years; the Colorado River Basin is in the recovery of a long-term drought. Lake Mead and Lake Powell combined have about 61% of their average storage volume for this time of year. If Lake Mead’s level falls below a “trigger” limit 1,075 ft. at the end of a calendar year, then a shortage will be declared by the US Bureau of Reclamation (USBR), impacting Colorado River water deliveries for the Lower Basin states. As of late January Lake Mead levels were above the “trigger” limit. The USBR predicts that the “trigger” level will not be hit by the end of 2017.



[1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.

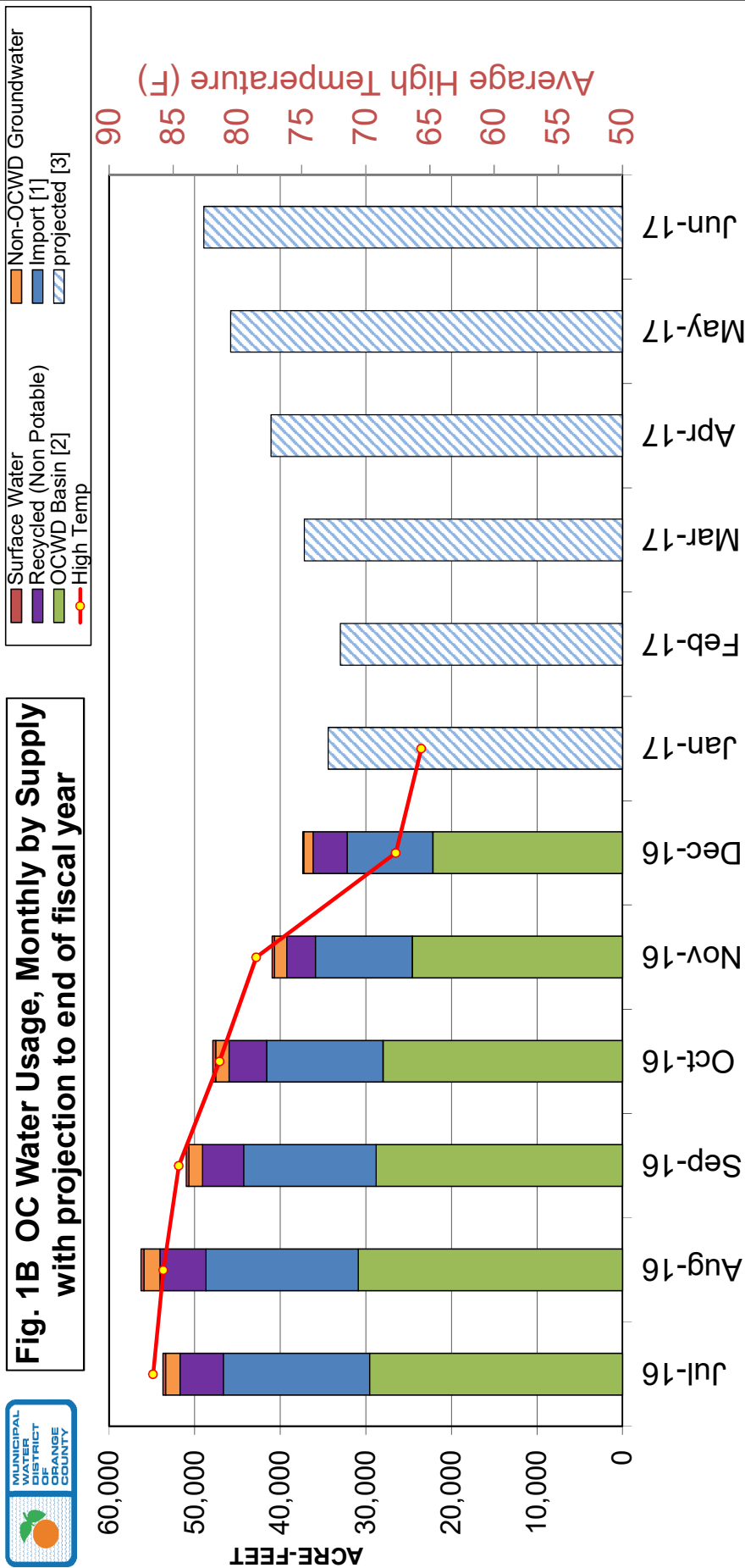
[2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '15-16 is 75%.

[3] MWDOC's estimate of monthly demand is based on the projected FY 15-16 "Retail" water demand and historical monthly demand patterns.

[4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



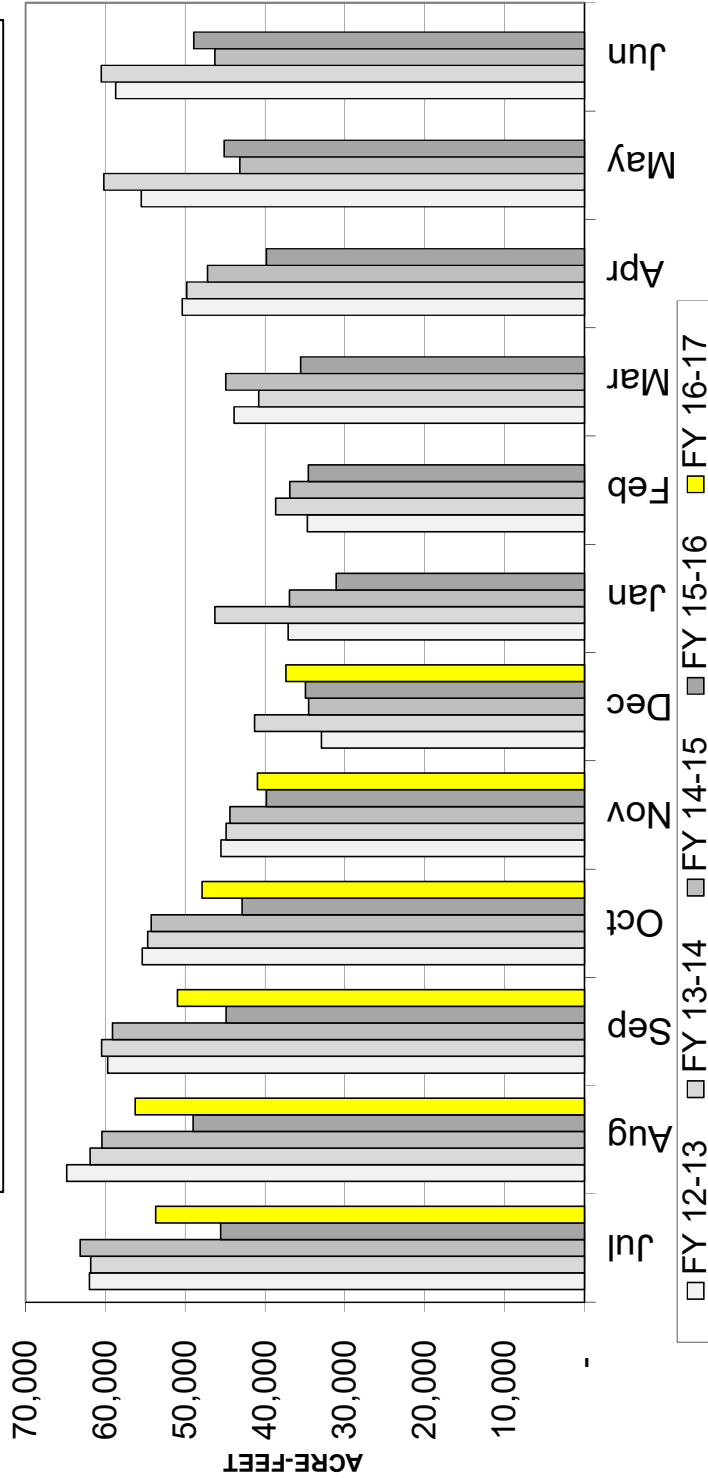
**Fig. 1B OC Water Usage, Monthly by Supply
with projection to end of fiscal year**



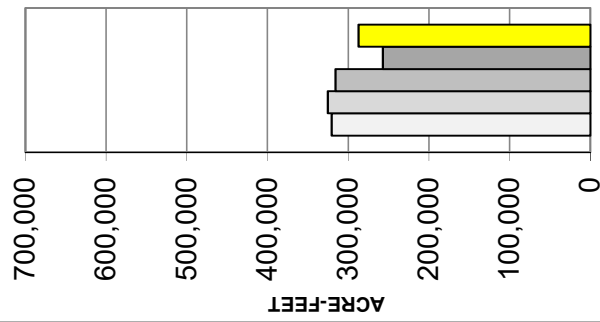
[1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.
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 [3] MWDOC's estimate of monthly demand is based on the projected FY 15-16 "Retail" water demand and historical monthly demand patterns.
 [4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



Fig. 2A OC Monthly Water Usage [1]: Comparison to Last 4 Fiscal Years



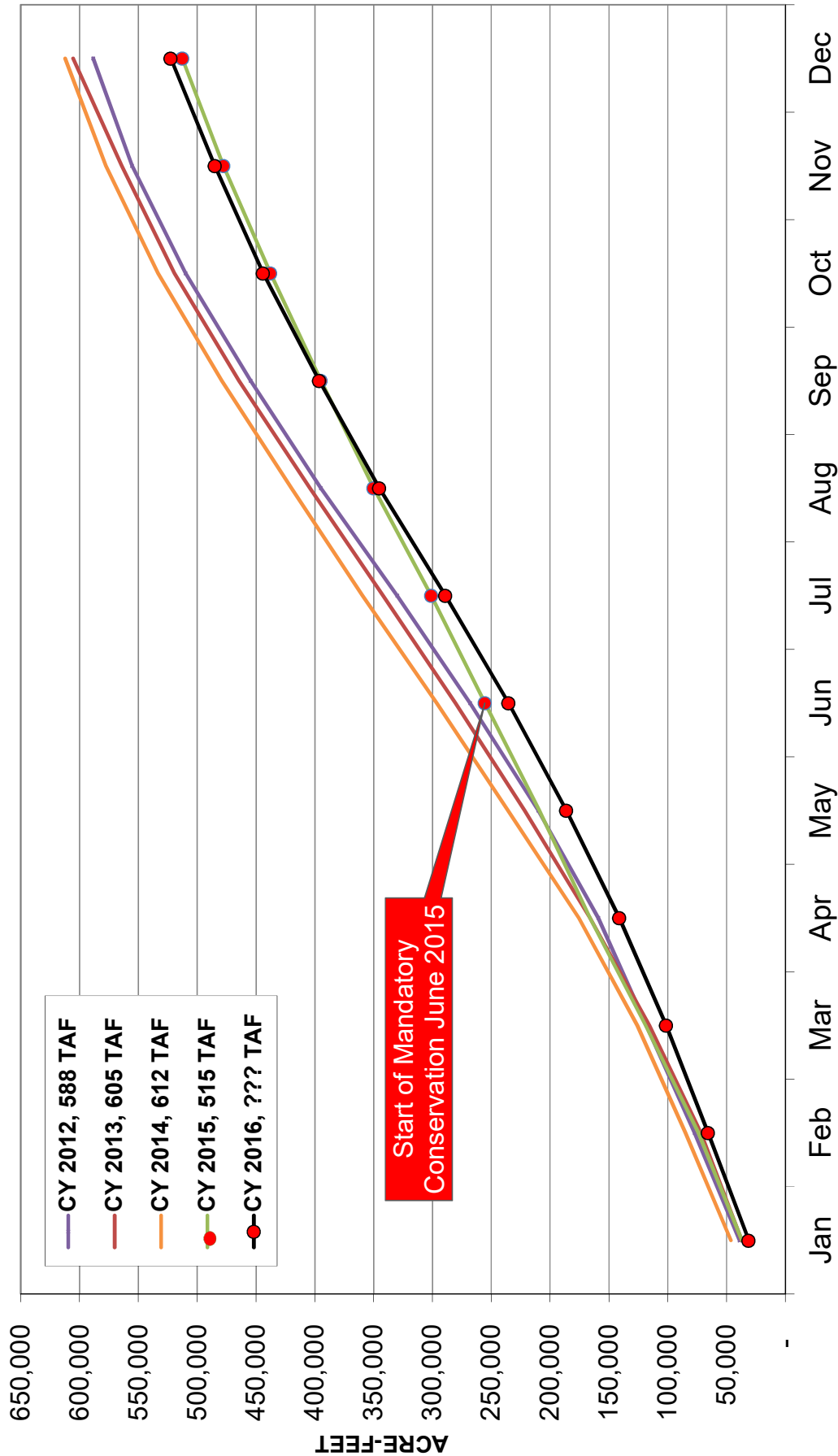
Partial Year Subtotals



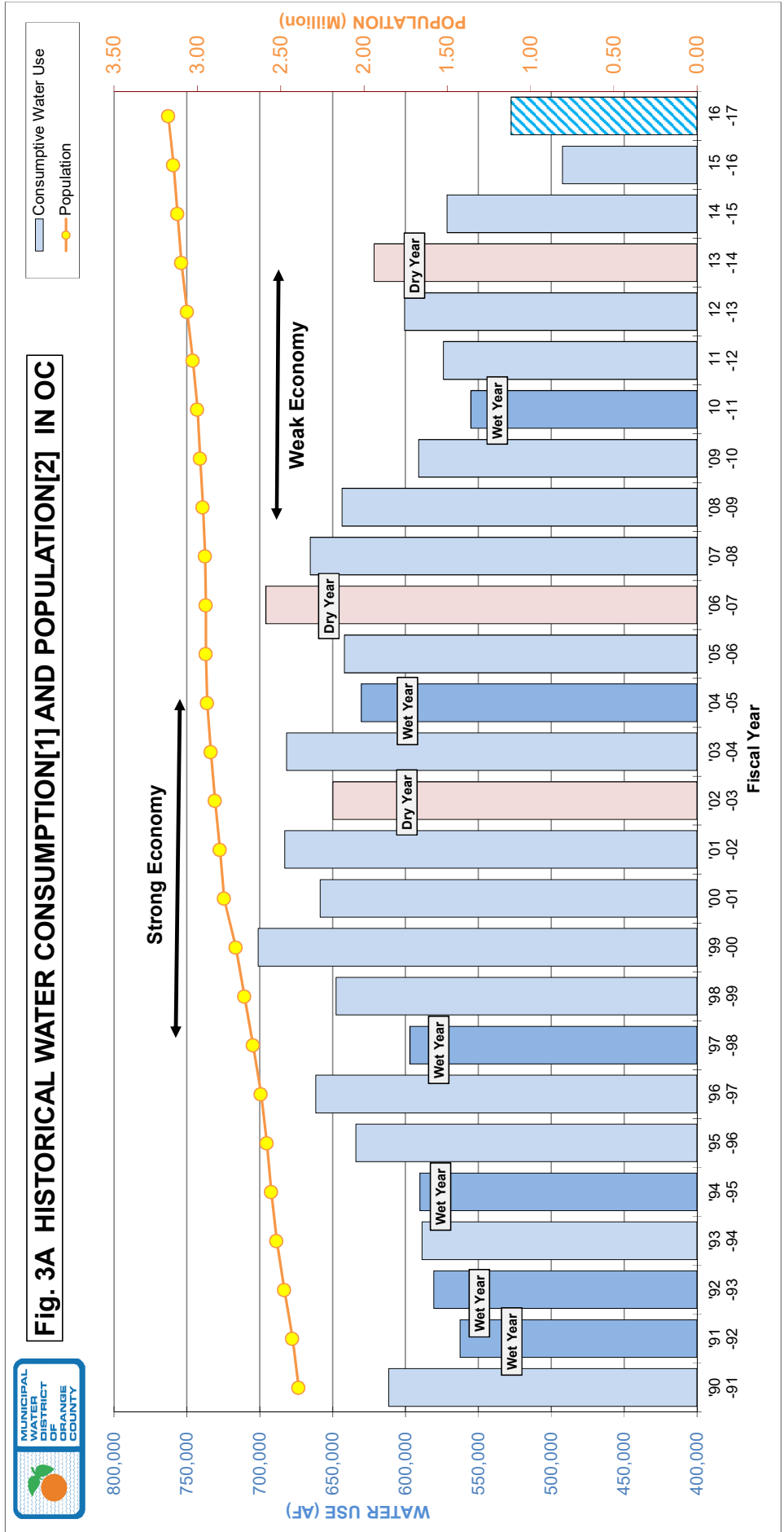
[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water; excludes GWRS production, groundwater pumped to waste, and waste brine from water treatment projects.) Recent months numbers include some estimation.



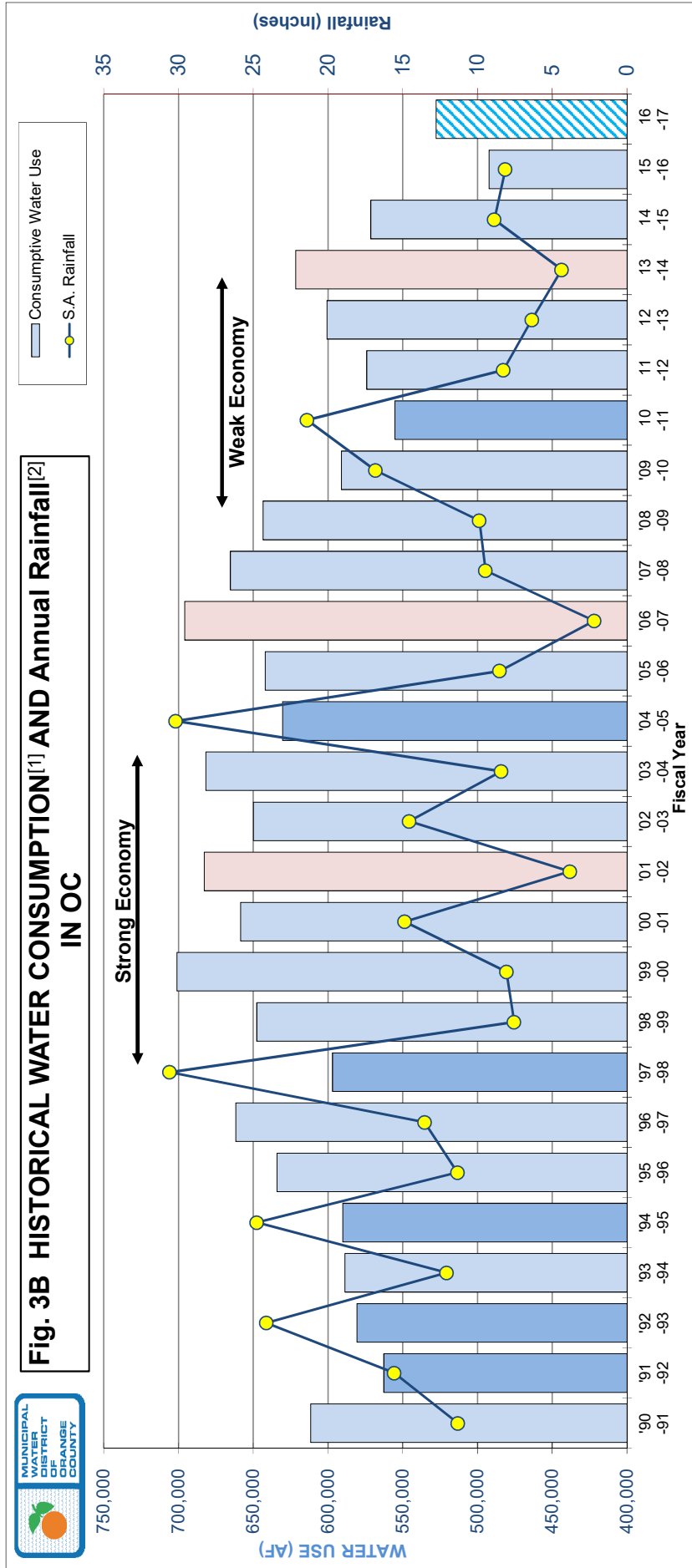
Fig. 2B Orange County Cumulative Monthly Consumptive Water Usage [1]:
present year compared to last 4 calendar years



[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water; excludes GWRS production and waste brine from water quality pumping projects).

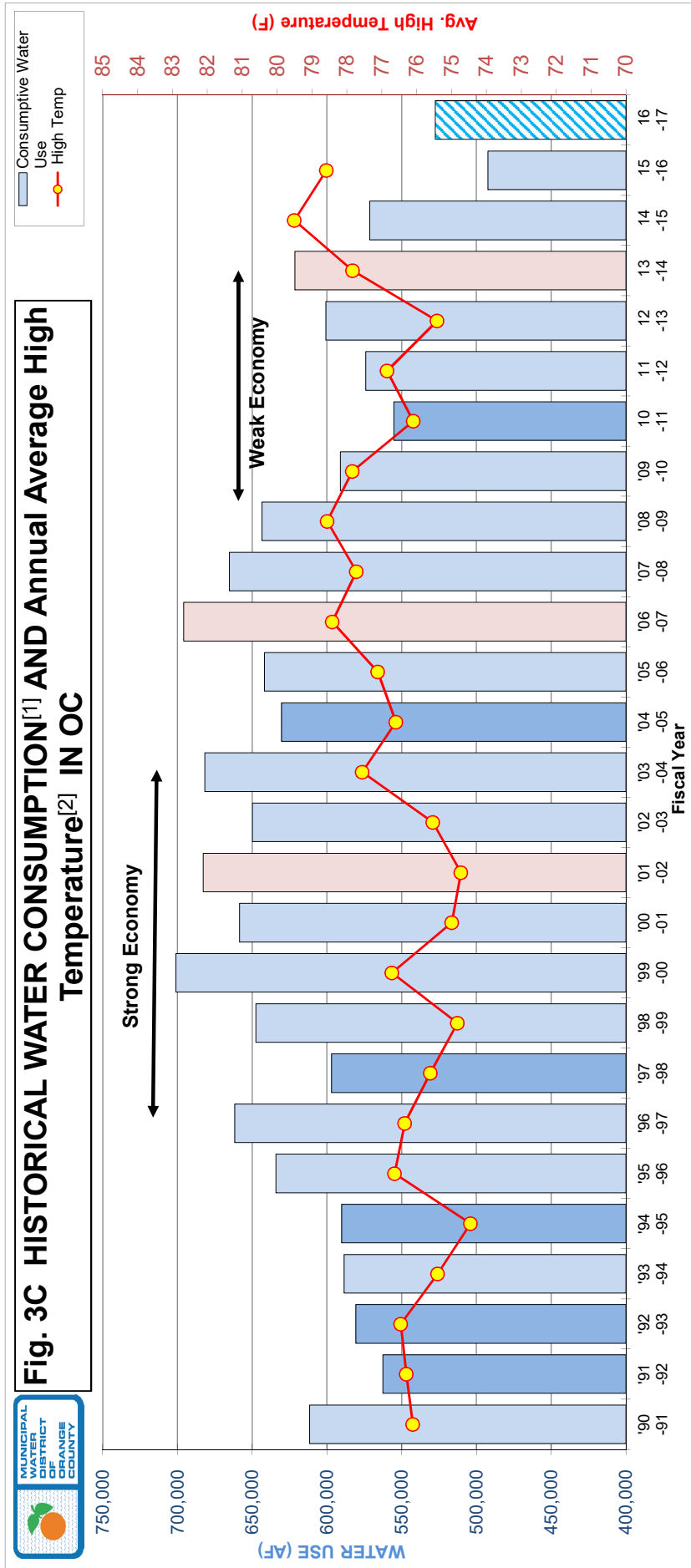


[1] Consumption includes potable, recycled and non-potable usage; excludes Barrier and Spreading water. The most recent data involve some estimation.
 [2] Population estimates in the 2000s decade were revised by the State Dept. of Finance to reflect the 2010 Census counts.
 [3] Projection of FY 15-16 water use estimated by MWDOC based on partial-year data.



[1] Consumption includes potable, recycled and non-potable usage; excludes Barrier and Spreading water. The most recent data involve some estimation.

[2] Rainfall data from Santa Ana Station #121

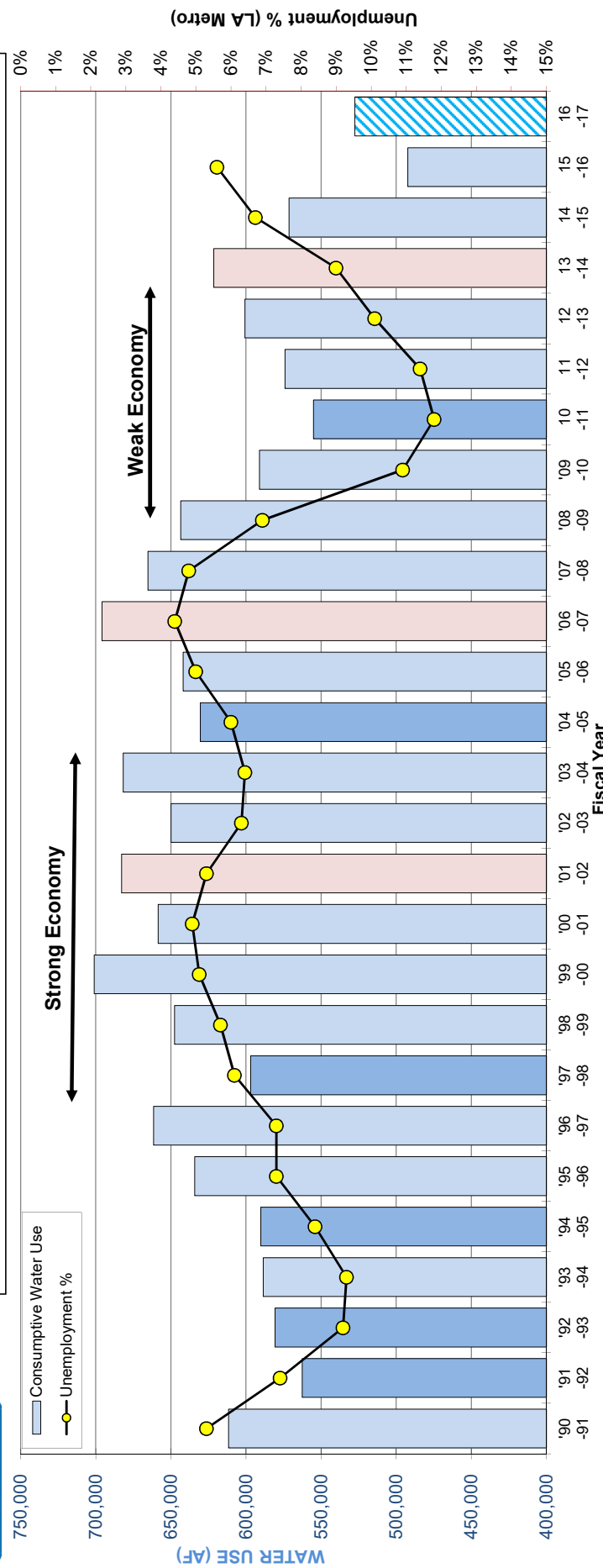


[1] Consumption includes potable, recycled and non-potable usage; excludes Barrier and Spreading water. The most recent data involve some estimation.

[2] Temperature data is from Santa Ana Fire Station, elevation 135'



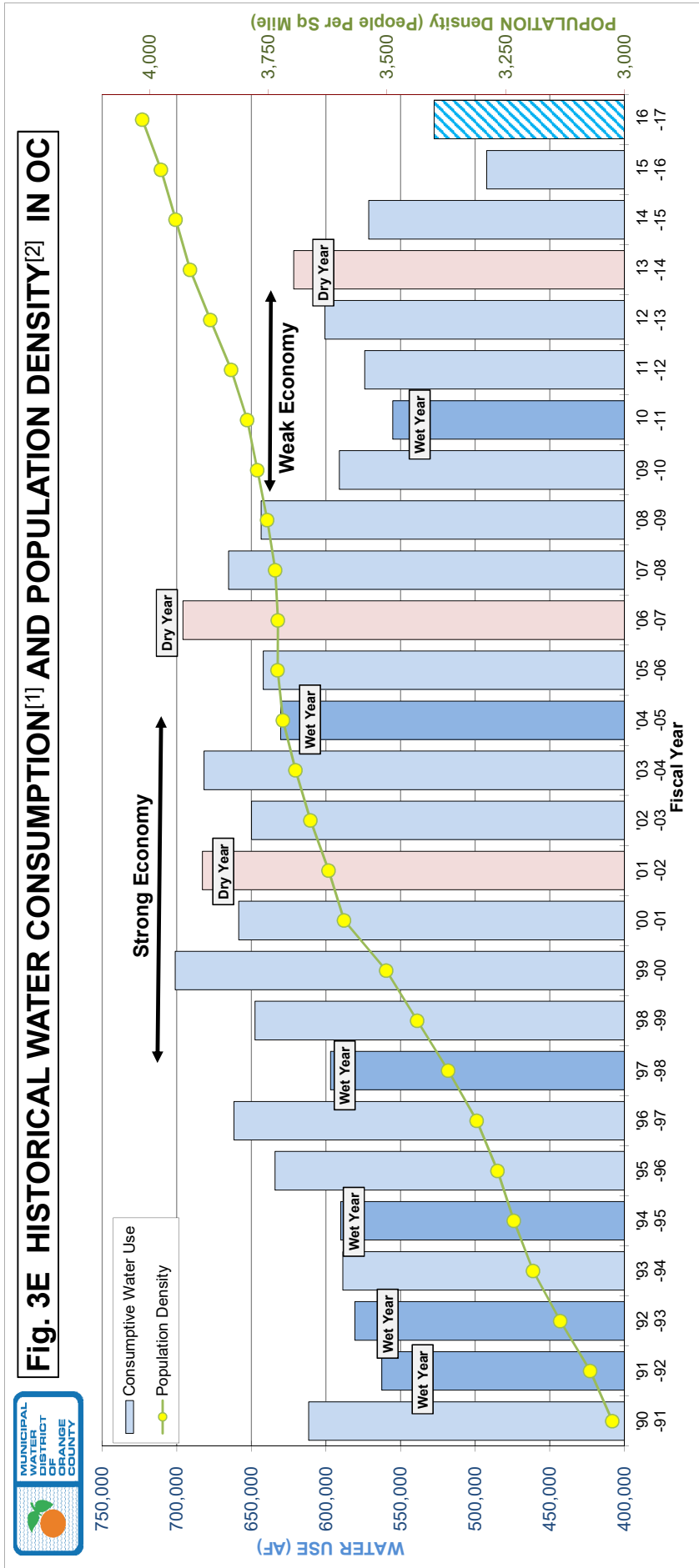
Fig. 3D HISTORICAL WATER CONSUMPTION[1] AND Average Unemployment[2] IN OC



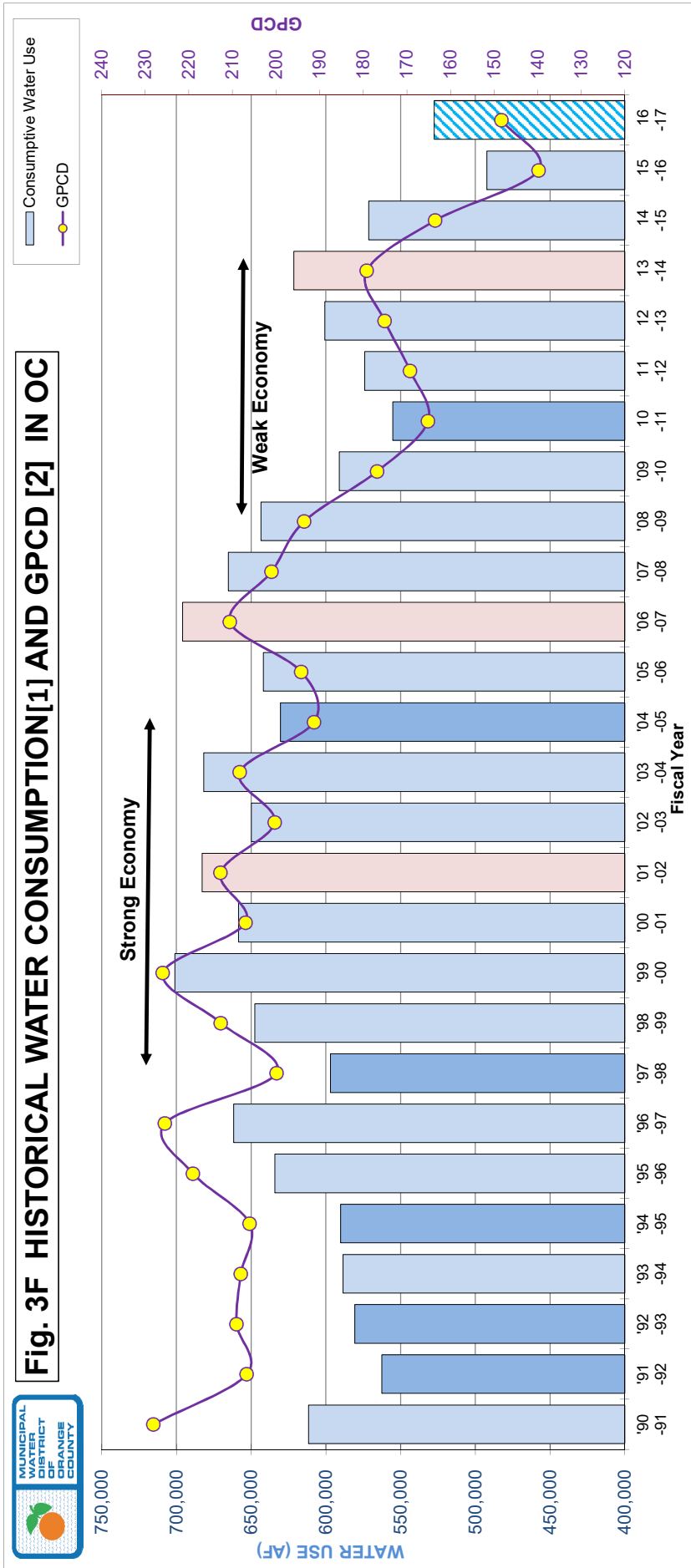
[1] Consumption includes potable, recycled and non-potable usage; excludes Barrier and Spreading water. The most recent data involve some estimation.

[2] Employment Data source Bureau of Labor Statistic for Long Beach-L.A.-Santa Ana Metro Area

<http://www.bls.gov/lau/>



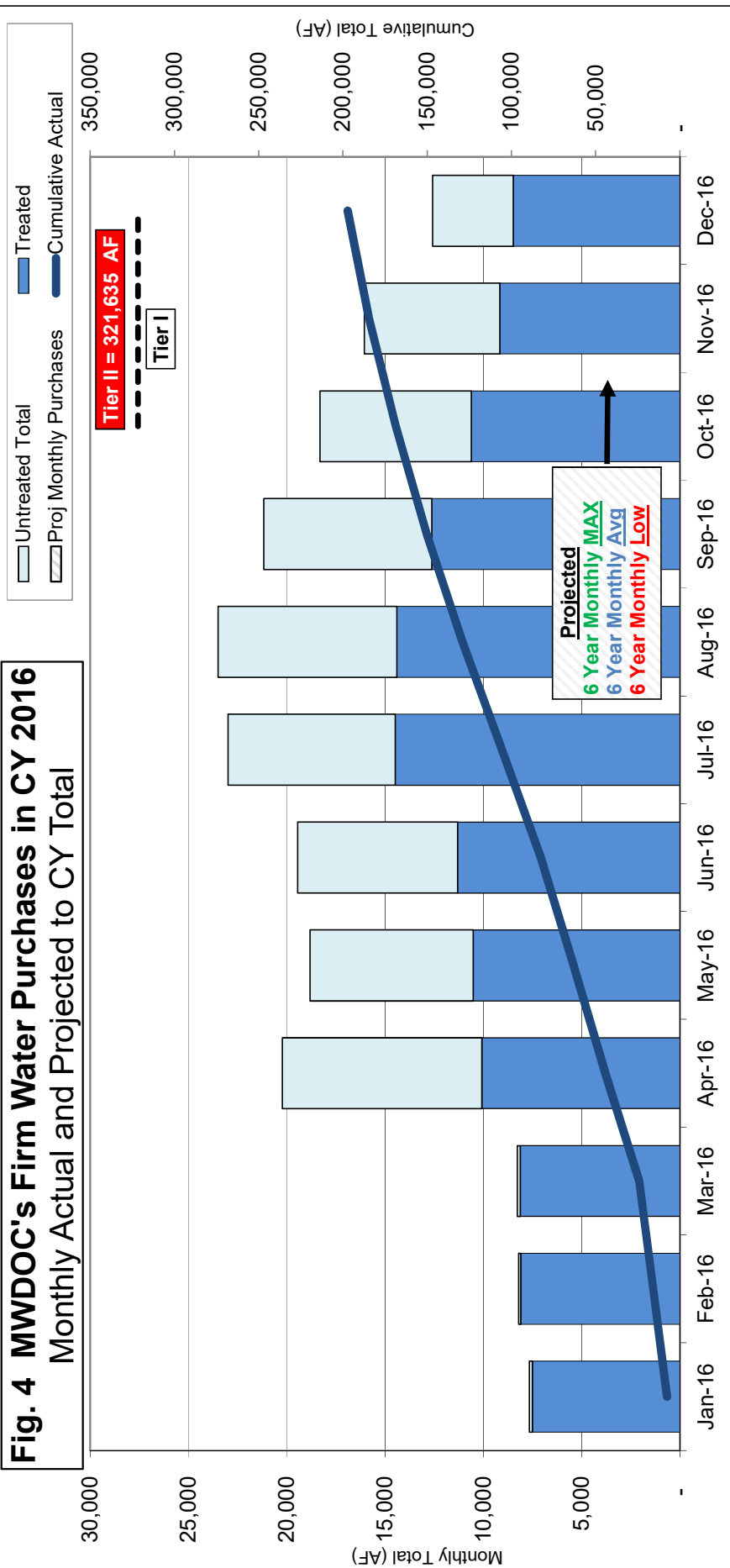
[1] Consumption includes potable, recycled and non-potable usage; excludes Barrier and Spreading water. The most recent data involve some estimation.
 [2] Population estimates in the 2000s decade were revised by the State Dept. of Finance to reflect the 2010 Census counts.



[1] Consumption includes potable, recycled and non-potable usage; excludes Barrier and Spreading water. The most recent data involve some estimation.

[2] Gallon per Capita Daily (includes all types of water usage and all type of water users).

Fig. 4 MWDOC's Firm Water Purchases in CY 2016
Monthly Actual and Projected to CY Total



Notes

1. "Firm" includes Full Service (both Treated and Untreated) and Barrier water.
2. Basin Pumping Percentage (BPP) is the percentage of a retail water agency's total water demand that they are limited to pump from the OCWD-managed groundwater basin. BPP pertains to Basin agencies only. For example, if a Basin agency's total demand is 10,000 AF/yr and OCWD sets the BPP at 72%, then the agency is limited to 7,200 AF of groundwater that year. There may be certain exceptions and/or adjustments to that sample calculation. OCWD sets the BPP for the Basin agencies, usually as of July 1st.

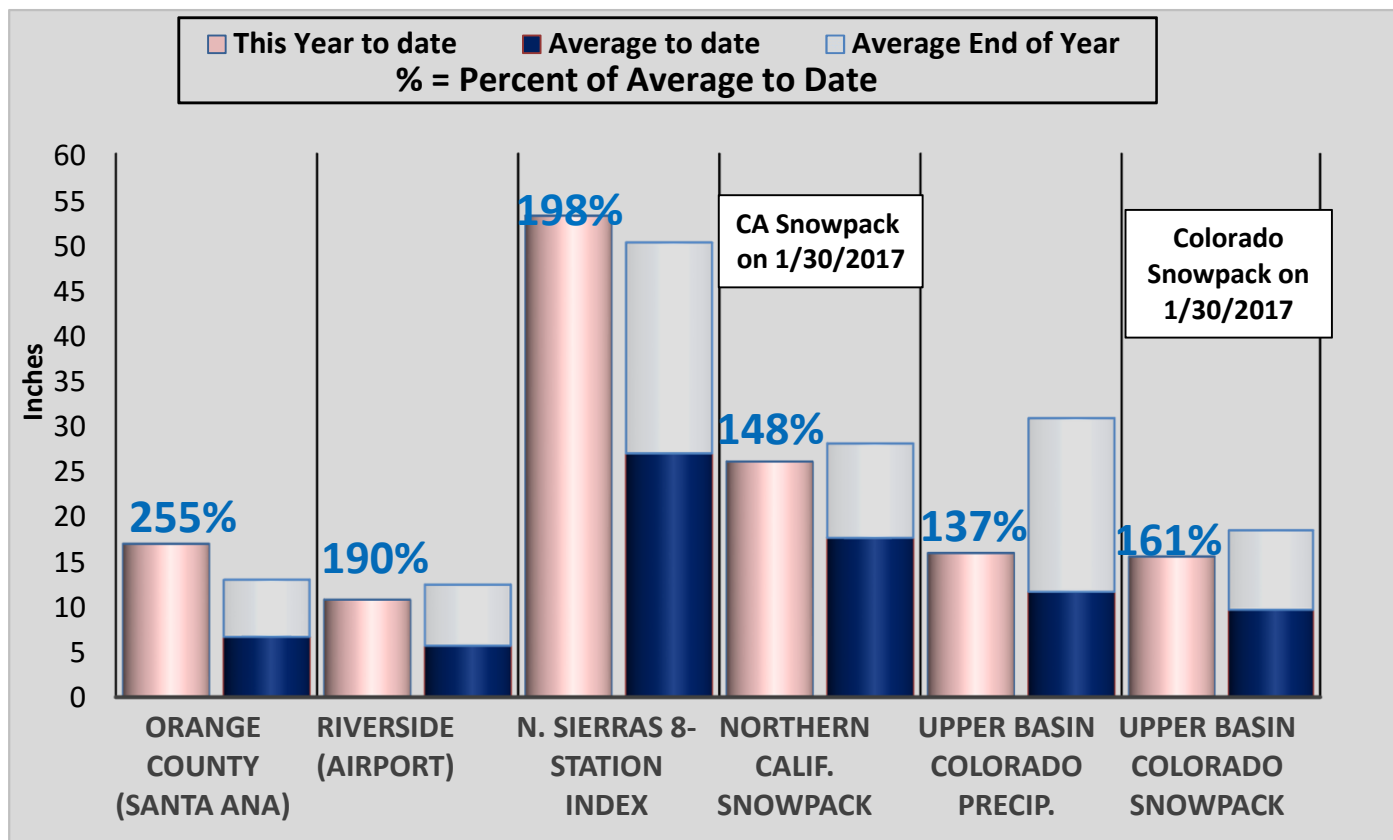


prepared by the Municipal Water District of Orange County

**numbers are subject to change*

printdate 1/31/2017

Accumulated Precipitation for the Oct.-Sep. water year, through January 2017



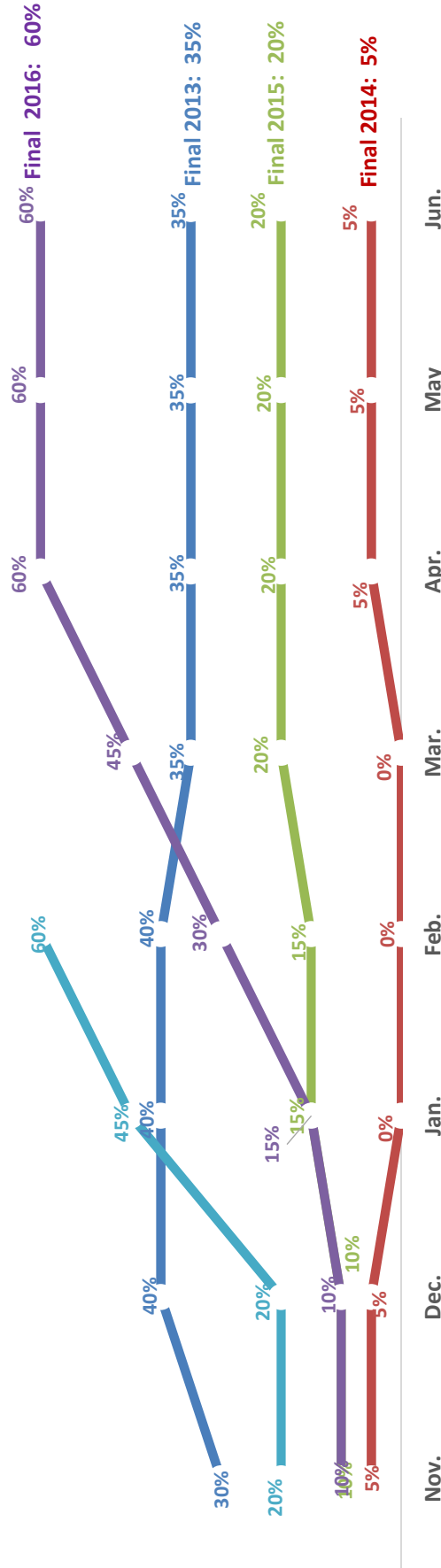
* The date of maximum snowpack accumulation (April 1st in Northern Calif. , April 15th in the Upper Colorado Basin) is used for year to year comparison.



SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS

Final 2017: ???

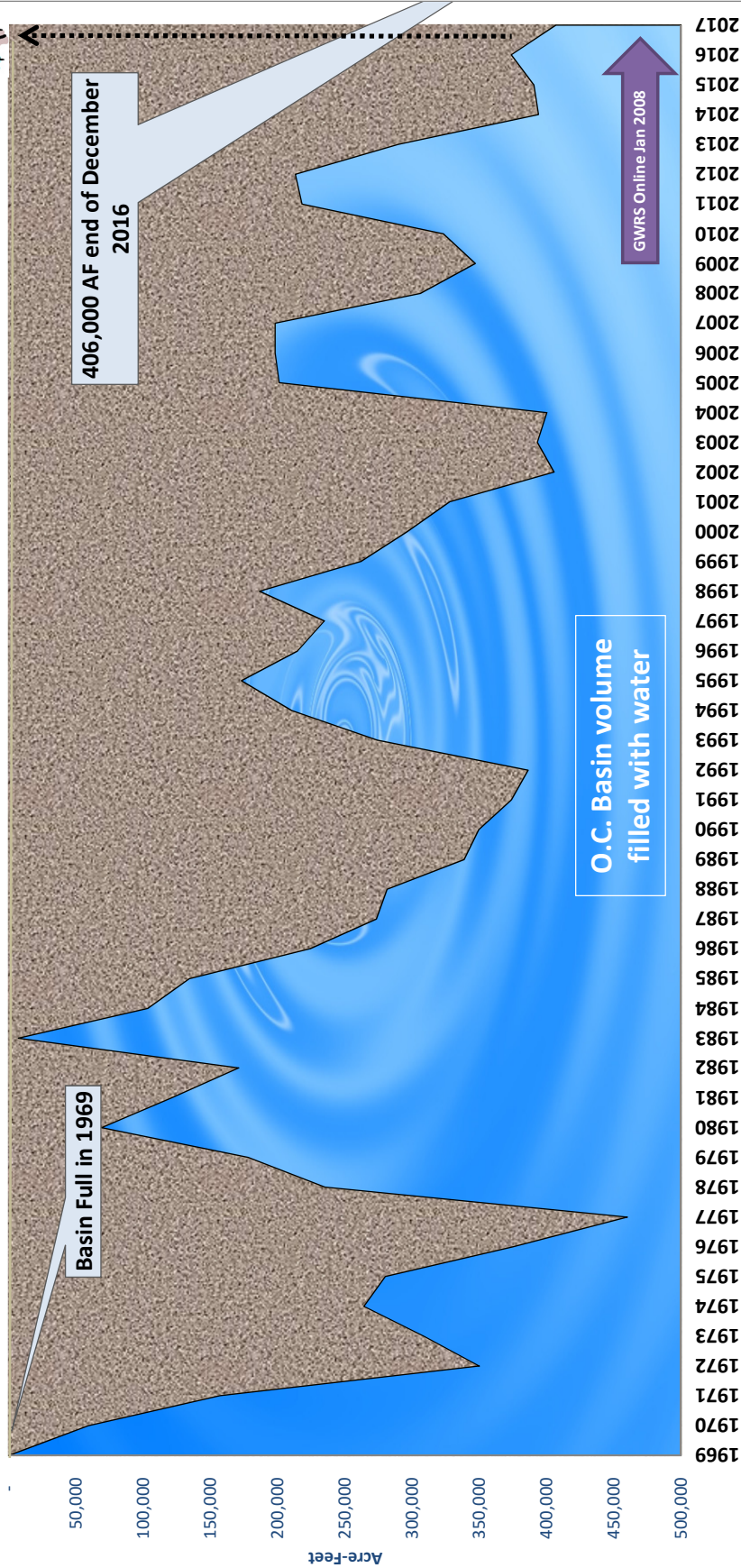


■ Water Year 2013
 ■ Water Year 2014
 ■ Water Year 2015
 ■ Water Year 2016
 ■ Water Year 2017



O.C. Basin Accumulated Overdraft

Annual, 1969 to Present

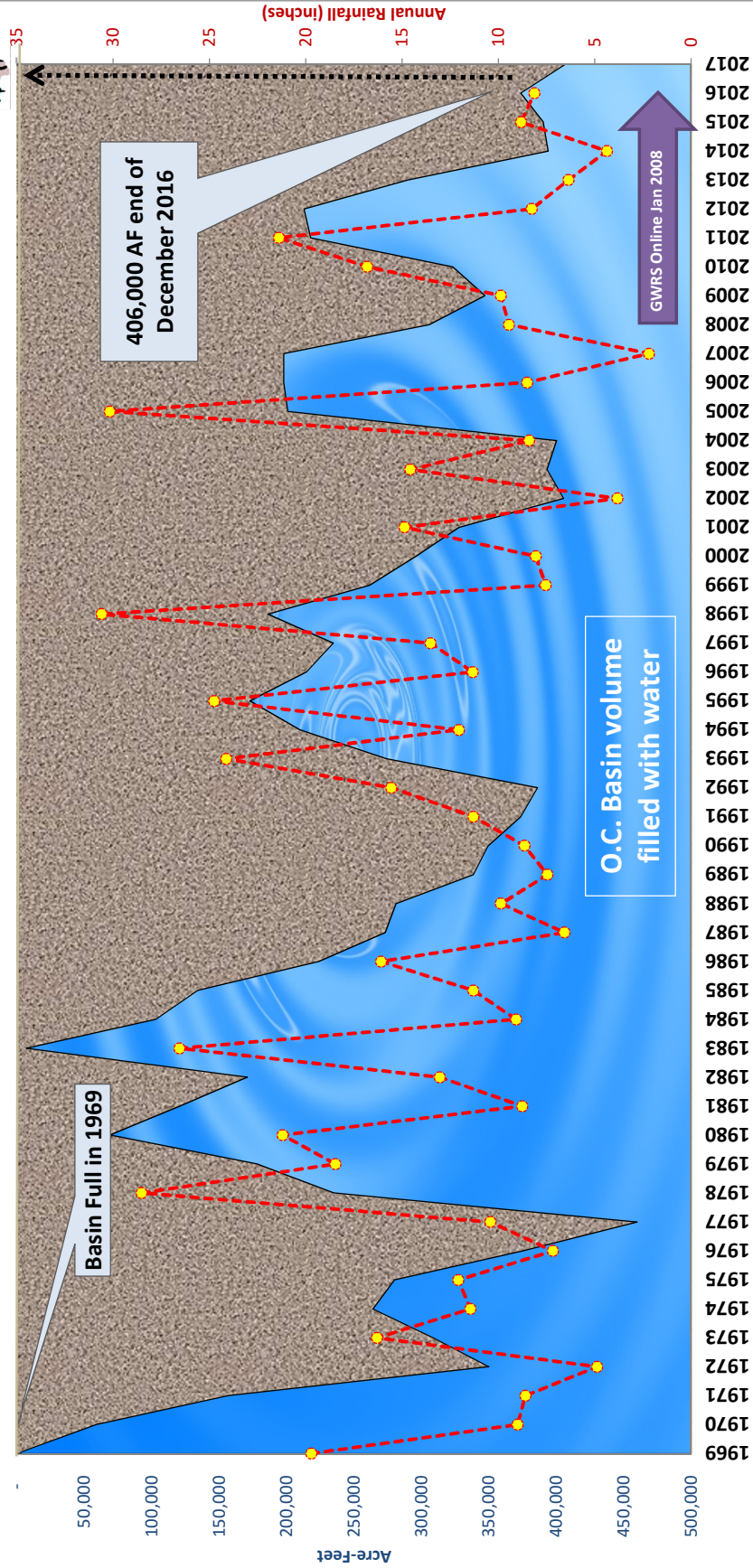
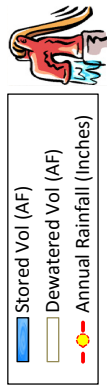


~ Accumulated Overdraft (dewatered volume) shown as white area, excluding the volume stored by Metropolitan. source: OCWD



O.C. Basin Accumulated Overdraft Vs. Annual Rainfall

Annual, 1969 to Present

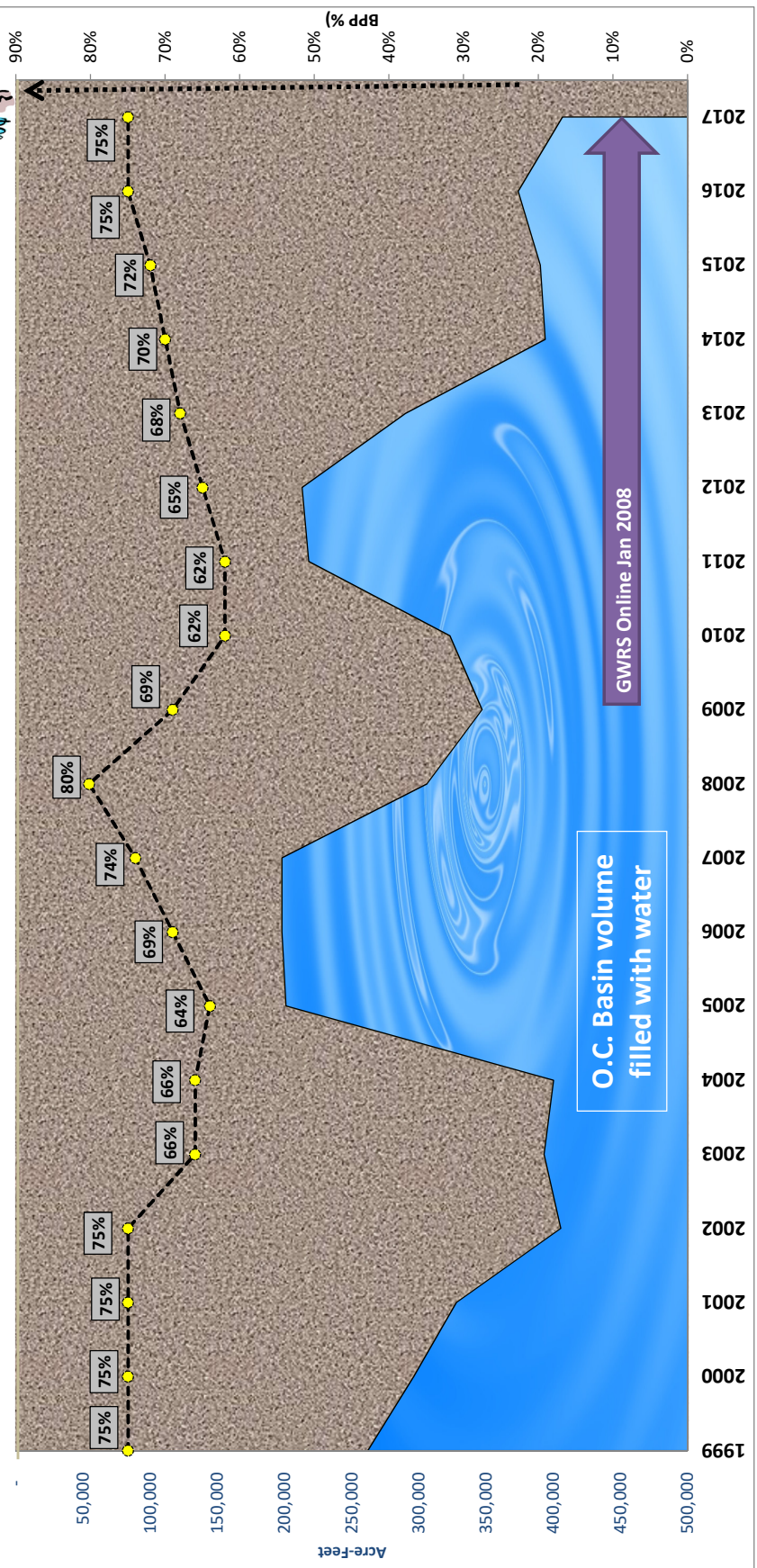
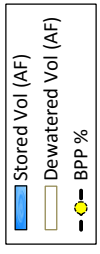


~ Accumulated Overdraft (dewatered volume) shown as white area, excluding the volume stored by Metropolitan. source: OCWD

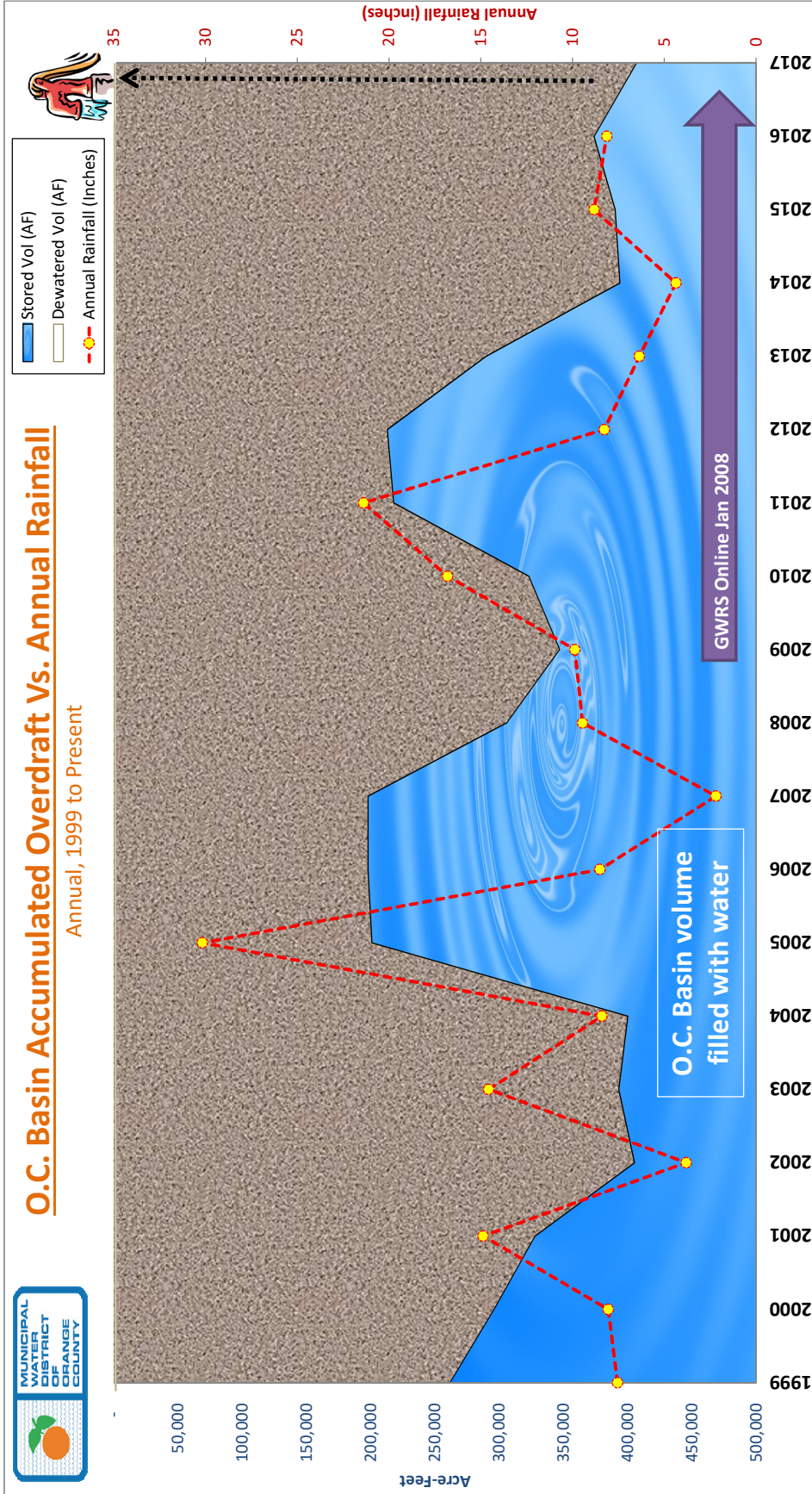


O.C. Basin Accumulated Overdraft Vs. BPP %

Annual, 1999 to Present



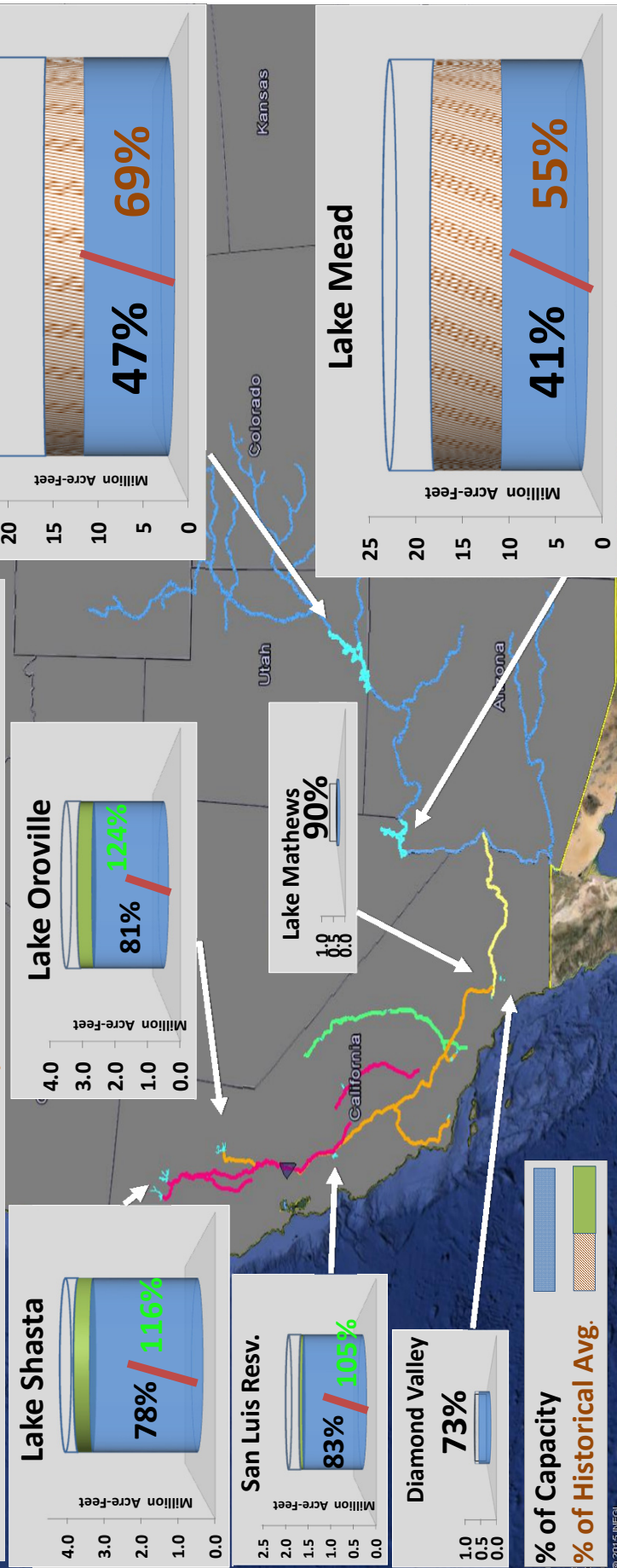
~ Accumulated Overdraft (dewatered volume) shown as white area, excluding the volume stored by Metropolitan. source: OCWD



~ Accumulated Overdraft (dewatered volume) shown as white area, excluding the volume stored by Metropolitan. source: OCWD

State Water Project, Colorado River, and MWD Reservoir Storage

as of January, 30th 2017



Prepared by the Municipal Water District of Orange County
 *Number are Subject to Change





Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

