

REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Board Room, Fountain Valley, California  
November 19, 2014, 8:30 a.m.

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**AGENDA**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**PUBLIC COMMENTS/PARTICIPATION**

At this time, members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken. If the item is on the Consent Calendar, please inform the Board Secretary before action is taken on the Consent Calendar and the item will be removed for separate consideration.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

Determine need and take action to agendize items(s) which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present, or, if less than two-thirds of the Board members are present, a unanimous vote of those members present.)

**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>.

**EMPLOYEE AWARDS**

**NEXT RESOLUTION NO. 1999**

**CONSENT CALENDAR (Items 1 to 5)**

(All matters under the Consent Calendar will be approved by one motion unless a Board member requests separate action on a specific item)

**1. MINUTES**

- a. October 1 , 2014 Workshop Board Meeting
- b. October 15, 2014 Regular Board Meeting

*Recommendation: Approve as presented.*

**2. COMMITTEE MEETING REPORTS**

- a. Planning & Operations Committee: October 6, 2014
- b. Administration & Finance Committee: October 8, 2014
- c. Public Affairs & Legislation Committee: October 20, 2014
- d. Executive Committee Meeting: October 16, 2014
- e. MWDOC/OCWD Joint Planning Committee Meeting: October 22, 2014

*Recommendation: Receive and file as presented.*

**3. TREASURER'S REPORTS**

- a. MWDOC Revenue/Cash Receipt Register as of October 31, 2014
- b. MWDOC Disbursement Registers (October/November)

*Recommendation: Ratify and approve as presented.*

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of September 30, 2014
- d. PARS Monthly Statement (OPEB Trust)
- e. Water Use Efficiency Projects Cash Flow

*Recommendation: Receive and file as presented.*

**4. FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the period ending September 30, 2014
- b. Quarterly Budget Review

*Recommendation: Receive and file as presented.*

**5. 2014 CONFLICT OF INTEREST BIENNIAL REVIEW**

*Recommendation: Approve revisions to the District's Conflict Interest Code and authorize staff to submit the revisions to the Orange County Clerk of the Board of Supervisors.*

– End Consent Calendar –

**ACTION CALENDAR****6-1 CONTRACT EXTENSION FOR CHOICE PORTION OF THE VALUE OF WATER COMMUNICATIONS PLAN WITH FRASER COMMUNICATIONS FOR PROFESSIONAL COMMUNICATIONS SERVICES**

*Recommendation: Approve the agreement with Fraser Communications for Professional Services for implementing the Value of Water Communications Plan.*

**6-2 AUTHORIZATION TO SIGN FUNDING AGREEMENTS FOR IMPLEMENTATION OF A COMPREHENSIVE LANDSCAPE WATER USE EFFICIENCY PROGRAM**

*Recommendation:* (1) Authorize the General Manager to sign the Implementation Agreement between the County of Orange and MWDOC to access the Proposition 84 funding for implementation of the Comprehensive Landscape Water Use Efficiency Program, and (2) authorize Staff to apply the Proposition 84 funding to MWDOC and Metropolitan regional landscape rebate programs.

**6-3 TRI-COUNTY FUNDING AREA COORDINATING COMMITTEE (TCFACC) AMENDMENT TO MEMORANDUM OF UNDERSTANDING FOR SHARING OF PROPOSITION FUNDING WITHIN THE SAN DIEGO FUNDING AREA**

*Recommendation:* Authorize the Board President to sign the amendment to the Tri-County Funding Area Coordinating Committee Memorandum of Understanding for sharing Proposition 84 Funding in the San Diego Funding Area.

**6-4 MWDOC LIABILITY INSURANCE RISK ASSESSMENT REPORT**

*Recommendation:* Direct the General Manager to notify JPIA of MWDOC's intent to rescind its notice to withdraw from the Liability, Crime and Property Programs and continue participation in the JPIA Programs.

**6-5 RECOGNITION PLAQUES**

*Recommendation:* Authorize staff to develop recognition plaques for select water district directors and city council members to thank them for their service to the water industry.

**INFORMATION CALENDAR** (All matters under the Information Calendar will be Received/Filed as presented following any discussion that may occur)

**7. GENERAL MANAGER'S REPORT, NOVEMBER 2014 (ORAL AND WRITTEN)**

*Recommendation:* Receive and file report(s) as presented.

**8. MWDOC GENERAL INFORMATION ITEMS**

- a. Board of Directors - Reports re: Conferences and Meetings and Requests for Future Agenda Topics

*Recommendation:* Receive and file as presented.

**CLOSED SESSION ITEMS****9. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California*; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 13, 2010, et al., former Los Angeles Superior Court, Case No. BS 126888, transferred on October 21, 2010, to San Francisco Superior Court, Case No. CPF-10-510830.

**10. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California*; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2012 to be Effective January 1, 2013 and January 1, 2014; and Does 1-10, et al. (Los Angeles Superior Court Case No. BS137830), transferred on August 23, 2012 to San Francisco Superior Court, Case No. CPF-12-512466.

**11. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California*; all persons interested in the validity of the rates adopted by the Metropolitan Water of Southern California on April 8, 2014, et al., Los Angeles Superior Court, Case No. BC547139

**12. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: General Manager  
Government Code Section 54957

**OPEN SESSION****13. CONSIDERATION OF GENERAL MANAGER'S COMPENSATION**

*Recommendation: Review, discuss, and take action as appropriate.*

**ADJOURNMENT**

Note: 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 contacting 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.



**MINUTES OF THE WORKSHOP BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)  
WITH THE MWDOC MET DIRECTORS**

October 1, 2014

At 8:30 a.m. President Dick called to order the Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. SCWD Director Dick Dietmeier led the Pledge of Allegiance and Recording Secretary Meszaros called the roll.

**MWDOC DIRECTORS**

Brett R. Barbre\*  
Wayne A. Clark  
Larry Dick\*  
Susan Hinman  
Wayne Osborne  
Jeffery M. Thomas (absent)  
Joan Finnegan

**MWDOC STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Russ Behrens, Legal Counsel  
Pat Meszaros, Recording Secretary  
Harvey De La Torre, Principal Water Res. Planner  
Joe Berg, Water Use Efficiency Program Manager.  
Darcy Burke, Director of Public Affairs  
Heather Baez, Governmental Affairs Manager  
Richard Bell, Principal Engineer  
Kevin Hostert, Assoc. Water Resources Analyst

\*Also MWDOC MET Directors

**OTHER MWDOC MET DIRECTORS**

Linda Ackerman

**OTHERS PRESENT**

William Kahn  
Mike Grandy  
Peer Swan  
Paul Cook  
Doug Reinhart  
Paul Shoenberger  
Larry McKenney  
Joone Lopez  
John Kennedy  
Charles Gibson  
Bob Moore  
Rick Erkeneff  
Dick Dietmeier  
Andy Brunhart  
Gary Melton  
Ed Means  
Liz Mendelson  
Laer Pearce  
Betsy Eglash

El Toro Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Mesa Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Orange County Water District  
Santa Margarita Water District  
South Coast Water District  
South Coast Water District  
South Coast Water District  
South Coast Water District  
South Coast Water District  
Yorba Linda Water District  
Means Consulting  
San Diego County Water Authority  
Laer Pearce & Associates  
Brady & Associates

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were presented.

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

President Dick inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were distributed.

**PUBLIC PARTICIPATION/PUBLIC COMMENTS**

President Dick inquired whether any members of the public wished to comment on agenda items.

**PRESENTATION/DISCUSSION/INFORMATION ITEMS****UPDATE ON MET'S LOCAL RESOURCE PROGRAM REFINEMENTS**

Mr. Harvey De La Torre presented information regarding potential changes to MET's Local Resource Program (LRP). Since his presentation at September's meeting, MET has presented a detailed description of their proposed refinements, particularly the new maximum LRP incentive rate and alternative incentive payment structures. Mr. De La Torre advised that although MET periodically reviews and develops LRP program modifications and changes (with member agency assistance), the last significant change was in 2007. So, after looking at two key methodologies, 1) Consumer Price Index inflation since 2007 and 2) percent change in LRP project unit costs from 2007, MET staff is recommending an increase in the maximum LRP incentive amount to \$340/AF.

Mr. De La Torre highlighted the alternative payment structures to member agencies on a per project basis: Alternative 1 – sliding scale incentive up to \$340/AF over 25 years; Alternative 2 – sliding scale incentive up to \$475/AF over 15 years; and Alternative 3 – fixed incentive up to \$305/AF over 25 years. He advised that there is a caveat in that you're signing a 25 year agreement and that you must keep up production for 25 years.

Mr. De La Torre then discussed the other LRP refinements: recycled water on-site retrofits; other water resources (desalination and study of storm water looking to see if they provide regional benefits); and reimbursable services. Under the reimbursable services component, MET would offer a variety of technical and financial services to accelerate development of local projects. Currently, LADWP is taking advantage of the reimbursable services for a groundwater recovery project. The MET Board will consider these refinements at its October Board meeting.

President Dick inquired about the price of MET water in 2007 and the price of MET water today and what the percentage increase is between 2007 and today. Mr. Seckel responded that it is virtually a 100% increase between 2007 and today. Director Osborne asked for an example of a recycled retrofit project to which Mr. De La Torre responded that upon completion of a recycled water plant, there are costs associated with hooking up customers that were not previously considered under an LRP incentive calculation from MET and, under the changes being proposed, these now would be eligible costs. Mr. Berg stated that today, there is a pilot program to cover those costs of onsite retrofit and they calculate the incentive by quantifying the last five years of actual water use and that number of acre feet is multiplied by the MET incentive.

Discussion ensued on the goal of the Local Resources Program with Mr. De La Torre stating that the intent of this program is to encourage NEW projects. MET is looking to become more aggressive in developing local water resources throughout Southern California. The LRP aims to reduce the region's reliance on MET's imported deliveries from Northern California and the Colorado River and help improve the reliability of Southern California's future supplies.

ETWD's Director Kahn inquired about their LRP project which is already in progress and whether they'd get the increased rate to which Mr. Seckel responded that there are currently two LRP projects in progress, ETWD and San Clemente, and that MET states that they do not qualify for the \$340 rate. Director Kahn stated further that they pushed to get that project completed as soon as possible and it's unfortunate if they can't get the higher incentive.

President Dick asked for clarification on where we stand today—that it is his understanding that MET has a 63,000 acre foot target. Mr. De La Torre stated that in 2007, the LRP Program started with 174,000 af of local resources and has developed 111,000, leaving the gap at 63,000 af. This incentive will be offered until the 63,000 af gap is met and at that point, MET will reconsider whether it should continue. Also, changes may be made to the LRP following the IRP update in 2015.

#### **UPDATE ON MET'S WATER SUPPLY ALLOCATION PLAN**

Mr. De La Torre presented information on MET's Water Supply Allocation Plan (WSAP) and the potential water supply scenarios that could initiate the implementation of allocations in mid-2015. He began by stating that the objectives of updating MET's WSAP are minimizing the impacts of water shortages on the region's retail consumers and economy during periods of shortage; providing flexibility and equity among the member agencies; and ensuring that local investments always result in improved reliability. He discussed the general support to update the base period in the 2015 WSAP which resulted in a baseline of about 2 MAF. He then discussed the triggers for needed allocations in 2015. 40% SWP allocation is needed to meet estimated baseline demands without additional actions. Lower than 40% SWP allocation may require additional storage takes, transfers, or Water Supply Allocation, or a combination.

Discussion ensued on basin agencies with Director Osborne inquiring about agencies over the groundwater basin and whether they could work with OCWD and draw more water to which Mr. De La Torre responded that that could be an option. MWDOC's allocation plan is similar to MET's in that our goal is the same as MET's, to minimize the effects and because some of our agencies are over the groundwater basin, we try to provide equity among our agencies.

Enforcements were then discussed. Mr. Hunter reported that currently, if you exceed your allocation limit, your penalty would be 2 times the Tier 2 rate. There are 10 stages in WSAP with each stage corresponding to a 7 ½% reduction in your amount. It is a severe financial incentive. The State is asking for a 20% reduction, however, we've been reducing our usage by 20% for quite a while. Mr. De La Torre reported that in 2007, our demand was 15% higher than today so we've already reduced our usage.

Director Hinman inquired about the status of the Foundational Action Programs to which Mr. Seckel responded that the Foundational Action Programs, San Juan Basin and Doheny Desal, are both moving forward and have a 2 year horizon. They were initiated in January 2014 so they are due by 2016. Director Hinman also inquired about extra funds SCWD has added for the study. Mr. Seckel deferred that question to Mr. Andy Brunhart who reported that SCWD Board has budgeted \$1.5 M for the next three steps, preliminary engineering for the EIR, brine discharge modeling, and baseline monitoring for CEQA and their goal is to have those three done by 2016.

The Board received and filed the report as presented.

#### **MWD ITEMS CRITICAL TO ORANGE COUNTY**

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project
- f. Orange County Reliability Projects

Discussion ensued regarding the drought, as well as MET's Water Supply Allocation Plan so that all receive an equitable share of water during shortage situations.

The Board received and filed the reports as presented.

#### **OTHER INPUT OR QUESTIONS ON MET ISSUES FROM MEMBER AGENCIES**

No new information was presented.

#### **METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS**

- a. Summary regarding September MET Board Meeting
- b. Review Items of significance for the Upcoming MET Board and Committee Agendas

Mr. Hunter introduced MWDOC's newest employee, Kevin Hostert, Associate Water Resources Analyst, who comes to us from Suburban Water Systems where he was a water production supervisor; not only adept in the analysis and operation of multiple water sources and utilities but also a masters grad from CSU Fullerton in Environmental Planning and Policy where his thesis was on Reliability and a Sustainable Orange County Water Supply portfolio.

The Board received and filed the report as presented.

**CLOSED SESSION**

At 9:54 a.m., Legal Counsel Behrens announced that the Board would adjourn for a closed session item pursuant to paragraph (2) of subdivision (d) of Section 54956.9 regarding the MWDOC Settlement Agreement with its Member Agencies on Budget, Activities, Charges, and Other Issues, effective June 1, 2011. .

**RECONVENE INTO OPEN SESSION  
APPOINTMENT OF METROPOLITAN DIRECTOR**

The Board reconvened at 10:20 and President Dick announced that Director Barbre, Chair of MWDOC's Ad Hoc Committee (MET Director Linda Ackerman, Director Jeff Thomas and Director Brett Barbre) who were charged with determining the qualifications of Mr. Larry McKenney, would report to the Board. Director Barbre reported that they had a very robust committee process and did a thorough, exhaustive investigation; sent vetting letters to SAWPA and its 3 agencies; and interviewed the candidate. They found that Mr. McKenney was eminently qualified to be appointed MWDOC's Metropolitan Director.

Upon MOTION by President Dick, seconded by Director Barbre, and carried (6-0), the Board ratified Resolution No. 1995, the appointment of Mr. Larry McKenney as MWDOC/Metropolitan Director. This item was approved as follows:

AYES: Directors Osborne, Barbre, Clark, Finnegan, Hinman & Osborne  
NOES: None  
ABSENT: Director Thomas  
ABSTAIN: None

President Dick congratulated Mr. McKenney and requested that Ms. Joone Lopez extend the Board's thanks to the MNWD Board.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 10:30 a.m.

**Respectfully Submitted,**

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Maribeth Goldsby  
Board Secretary

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
October 15, 2014**

At 8:30 a.m. President Dick called to order the Special Meeting of the Municipal Water District of Orange County in the Board Room at the District facilities located in Fountain Valley. MWDOC MET Director Larry McKenney led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Brett R. Barbre  
Wayne A. Clark  
Larry Dick  
Joan C. Finnegan (absent)  
Susan Hinman  
Wayne Osborne  
Jeffery M. Thomas

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Russ Behrens, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Darcy Burke, Director of Public Affairs  
Cathy Harris, Administrative Services Manager  
Joe Berg, Water Use Efficiency Prog. Manager  
Heather Baez, Governmental Affairs Manager  
Harvey De La Torre, Prin. Water Res. Planner

**ALSO PRESENT**

Larry McKenney  
William Kahn  
Ken Vecchiarelli  
Paul Weghorst  
Phil Lauri  
Charles Gibson  
Rick Erkeneff  
Andrew Brunhart  
Gary Melton  
Betsy Eglash

MWDOC MET Director  
El Toro Water District  
Golden State Water Company  
Irvine Ranch Water District  
Mesa Water  
Santa Margarita Water District  
South Coast Water District  
South Coast Water District  
Yorba Linda Water District  
Brady & Associates

**PUBLIC PARTICIPATION/PUBLIC COMMENT**

President Dick announced members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Mr. Dick asked whether there were any comments on other items which would be heard at this time.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

Determine need and take action to agendize items(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were presented.

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

President Dick inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were presented.

**EMPLOYEE SERVICE AWARDS**

No service awards were presented.

**CONSENT CALENDAR**

President Dick stated all matters under the Consent Calendar would be approved by one MOTION unless a Director wished to consider an item separately.

Upon MOTION by Director Osborne, seconded by Director Thomas, and carried (6-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Clark, Dick, Hinman, Osborne, and Thomas voted in favor.

**MINUTES**

The following minutes were approved.

September 3, 2014 Workshop Board Meeting  
September 17, 2014 Board Meeting  
September 17, 2014 Water Facilities Corporation Board Meeting

**COMMITTEE MEETING REPORTS**

The following Committee Meeting reports were received and filed as presented.

Planning & Operations Committee Meeting: September 2, 2014  
Administration & Finance Committee Meeting: September 10, 2014  
Public Affairs & Legislation Committee Meeting: September 15, 2014  
Executive Committee Meeting: September 18, 2014

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of September 30, 2014  
MWDOC Disbursement Registers (September/October)

The following items were received and filed as presented.

MWDOC Summary of Cash and Investment and Portfolio Master Summary Report  
(Cash and Investment report) as of August 31, 2014

PARS Monthly Statement (OPEB Trust)

Water Use Efficiency Projects Cash Flow

## **FINANCIAL REPORT**

The following items were received and filed as presented.

Combined Financial Statements and Budget Comparative for the period ending August 31, 2014

## **DISTRICT CONFERENCES**

The Board authorized attendance by Directors, and such members of District staff as approved by the General Manager at the following conferences. Note: authorization for AMWA is for the General Manager only.

- a. California Special District Leadership Academy, November 16-19, 2014, Anaheim
- b. Association of Metropolitan Water Agencies (AMWA) 2014 Annual Executive Management Conference, October 19-22, 2014, Newport Beach

## **END CONSENT CALENDAR**

## **ACTION CALENDAR**

### **AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONSULTING AGREEMENT WITH CDM-SMITH TO PROVIDE TECHNICAL ASSISTANCE FOR THE OC WATER RELIABILITY STUDY AT A COST NOT TO EXCEED \$197,240**

Upon MOTION by Director Osborne, seconded by Director Hinman, and carried (6-0), the Board authorized the General Manager to enter into a Consulting Agreement with CDM-Smith to provide technical assistance for the OC Water Reliability Study at a cost not to exceed \$197,240. Directors Barbre, Clark, Dick, Hinman, Osborne and Thomas voted in favor. Director Finnegan was absent.

### **ADOPTION OF THE ONE WATER ONE WATERSHED 2.0 PLAN**

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (6-0), the Board adopted RESOLUTION NO. 1997 adopting the Santa Ana River Watershed Project Authority One Water One Watershed 2.0 Plan, the Integrated Regional Water Management Plan for the Santa Ana River Watershed. The Board advised that this action did not mean that the Board supports every aspect or philosophy of the Plan, but rather adoption is necessary to access grant funds for MWDOC's Comprehensive CII Water Use Efficiency Programs. RESOLUTION NO. 1997 was adopted by the following roll call vote:



AYES: Directors Barbre, Clark, Dick, Hinman, Osborne & Thomas  
NOES:None  
ABSENT: Director Finnegan  
ABSTAIN: None

#### **EXTENSION OF CONSULTING CONTRACT WITH ACKERMAN CONSULTING**

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board approved the extension of the contract with Ackerman Consulting for specialized services through June 30, 2015. Directors Barbre, Clark, Dick, Hinman, Osborne and Thomas voted in favor. Director Finnegan was absent

#### **EXTENSION OF CONSULTING CONTRACT WITH LEWIS CONSULTING GROUP**

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board approved the extension of the contract with Lewis Consulting Group through December 31, 2014.

#### **BOARD SUPPORT FOR LARRY MCKENNEY TO SERVE ON THE ACWA REGION 10 BOARD OF DIRECTORS**

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (6-0), the Board adopted RESOLUTION NO. 1998 supporting Director Larry McKenney's efforts to serve on the ACWA Region 10 Board of Directors, by the following roll call vote:

AYES: Directors Barbre, Clark, Dick, Hinman, Osborne & Thomas  
NOES:None  
ABSENT: Director Finnegan  
ABSTAIN: None

#### **INFORMATION CALENDAR**

##### **GENERAL MANAGER'S REPORT, OCTOBER 2014**

General Manager Hunter advised that the General Manager's report was included in the Board packet.

Mr. Hunter highlighted the drought, noting that MET is currently working with its member agency managers regarding possible changes to its Allocation Plan; more information will be presented as discussions move forward.

Director Barbre questioned why H.R. 5425 (to prohibit use of Federal funds for the Bay Delta Conservation Plan) was highlighted in the General Manager's report. As a result, discussion was held among the Board as to the length and content of the report and whether the reporting format should be changed. The Board generally concurred that the report was thorough and determined that the information was useful and should remain the same.

Director Hinman highlighted a meeting with Capistrano Unified School District, noting that representatives from South Coast Water District were also present.

The Board received and filed the report as presented.

## **MWDOC GENERAL INFORMATION ITEMS**

### **BOARD OF DIRECTORS**

The Board members each reported on their attendance at the regular (and special) MWDOC Board and Committee meetings. In addition to these meetings, the following reports were made on conferences and meetings attended on behalf of the District.

Director Barbre reported on attending the MWDOC and MET regular meetings, as well as the ad hoc meeting with representatives from OCWD and Yorba Linda Water District, a meeting with Deena Gaily (MET's Ethics Department), participation on MWDOC's Ad Hoc Committee regarding the MET Director appointment, the Yorba Linda Water District Board meeting, a meeting with Poseidon, the Buena Park City Council meeting, and a televised debate with Debi Cook on desalination. Mr. Barbre also commented on the Turf Removal Program, noting that he received a complaint from a program participant and that the problem was rectified by Joe Berg. A brief discussion was held regarding the program rules, and the approach taken by both staff and the participant.

Director Osborne reported that he attended the MWDOC Board and Committee meetings, as well as the WACO meeting and the Water Policy Dinner.

Director Thomas reported that he attended the Santiago Aqueduct Commission (SAC) meeting, the Ad Hoc Committee meetings regarding the appointment of the MET Director, and the Water Policy Dinner. He thanked Director Clark for his many years of service to MWDOC and the water community.

Director Hinman reported on attending the regular MWDOC Board and Committee meetings, as well as the Smart Scape Expo, the South Coast Water District Board meetings, an inspection trip hosted by Director Dick, the South County Watershed Management Executive Committee meeting, the Water Policy Dinner, the Moulton Niguel Water District landscape workshop, the WACO meeting, San Clemente Recycled Water System Expansion Project ribbon-cutting event and the Laguna Beach County Water District Board meeting.

Director Clark advised that he attended the MWDOC regular Board and Committee meetings as well as the Water Policy Dinner.

Director Dick reported on attending the MWDOC and MET regular meetings, as well as the San Clemente Recycled Water System Expansion Project ribbon-cutting event, an agricultural inspection trip, along with ad hoc committee meetings (MET) regarding future agricultural inspection trips (with Ms. Zinke and her staff), the Water Policy Dinner, a planning meeting for the Urban Water Institute, a business-outreach inspection trip, and a meeting with one of the local advocates for the Vietnamese Community.

**CLOSED SESSION**

At 9:00 a.m., Legal Counsel Behrens announced that the Board would adjourn to closed session, pursuant to Government Code Section 54957, regarding the performance evaluation of the General Manager.

**RECONVENE**

The Board reconvened at 9:45 a.m. and President Dick announced that the Board reviewed and evaluated the performance of the General Manager and directed President Dick to meet with the General Manager to discuss the Board's evaluation. It was noted that any discussion regarding a salary adjustment for the General Manager, as well as establishing goals for the General Manager would be held within sixty days (by December 15<sup>th</sup>), and that any salary adjustment would be based on the General Manager's overall evaluation rating and relevant sections from the District's "General Manager's Performance Guidelines" document.

**ADJOURNMENT**

There being no further business to come before the Board, President Dick adjourned the meeting at 9:46 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**PLANNING & OPERATIONS (P&O) COMMITTEE**  
October 6, 2014 8:30 a.m. to 9:25 a.m.  
MWDOC Conference Room 101

**P&O Committee:**

Director Wayne Osborne, Chair  
Director Brett Barbre  
Director Susan Hinman

**Staff:**

Joe Berg, Richard Bell,  
Melissa Baum-Haley, Pat Meszaros,

**Also Present:**

President Larry Dick  
Director Joan Finnegan  
Director Wayne Clark  
MWDOC MET Director Linda Ackerman  
Steve LaMar, Irvine Ranch Water District  
Paul Weghorst, Irvine Ranch Water District  
Tom Roberts, Irvine Ranch Water District  
John Kennedy, Orange County Water District

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Director Osborne called the meeting to order at 8:30 a.m.

**PUBLIC PARTICIPATION**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

Mr. Hunter stated that our comment letter to the State Board on the Draft Phase 1 Technical Feasibility Report of Subsurface Intake Designs for the Proposed Poseidon Water Desalination Facility at Huntington Beach was distributed to the Board this morning (Item No. 7).

**ACTION ITEM**

**AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONSULTING AGREEMENT WITH CDM-SMITH TO PROVIDE TECHNICAL ASSISTANCE FOR THE OC WATER RELIABILITY STUDY AT A COST NOT TO EXCEED \$197,240**

MWDOC has been meeting with the Workgroup of our member agencies and Anaheim (representing the Three Cities) to revise the scope of work and circulate it one last time.

Included in the packet is the revised scope, including the study schedule and milestone dates.

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (3-0), the Committee approved the CDM-Smith Agreement. This item was approved as follows:

AYES: Directors Osborne, Barbre, and Hinman  
NOES: None  
ABSENT: Director Thomas  
ABSTAIN: None

### **ADOPTION OF THE ONE WATER ONE WATERSHED 2.0 PLAN**

Director Osborne introduced the resolution approving the Santa Ana River Watershed Project Authority One Water One Watershed 2.0 Plan, the Integrated Regional Water Management Plan (IRWM) for the Santa Ana River watershed. Director Barbre stated that he has numerous issues with this plan and would like to remove the word “adopt” from the resolution; he’d rather just acknowledge the Plan. Mr. Berg stated that he is not in full agreement with the plan, either, but that we are restricted because DWR does require us to adopt the plan if we want to receive Prop 84 funds. Currently, MWDOC’s Commercial, Industrial, and Institutional Performance-Based Water Use Efficiency Program is one of the 22 projects selected to receive \$500,000 from this round of funding. Mr. Hunter stated that the Board has previously approved the projects included in the Plan. Director Barbre added that he’d like a future PAL agenda to include a discussion of excluding any “strings attached” to funds coming from the State and regional agencies as well because it’s overreach and overstep. Director Ackerman noted that she sits on the Board and she and Mr. Berg have discussed in the past that although the projects are good ones, they don’t agree with all aspects of the plan.

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (3-0), the Committee ratified the Resolution. This item was approved as follows:

AYES: Directors Osborne, Barbre, and Hinman  
NOES: None  
ABSENT: Director Thomas  
ABSTAIN: None

### **DISCUSSION ITEM**

#### **UPDATE ON SANTIAGO FIRE**

Mr. Tom Roberts, IRWD’s Assistant Director of Water Operations, reported on the Santiago Fire. He received a call internally from staff on the morning of October 12 and staff responded immediately to Silverado Canyon. The local fire authorities had started an EOC in Silverado Canyon; the fire then grew quickly. Everything went as planned—there was no damage to structures nor were there any injuries. They lost power that evening and ran generator power throughout the rest of the day; power was restored on October 14 mid-day. IRWD staged water trailers on Jamboree and Santiago Canyon Road at the shopping

center for residents who voluntarily left the canyon. Director Osborne asked about any lessons learned with regard to emergency response to which Mr. Roberts responded that in 2007 they learned that permanent generators with automatic switchgear were needed. Also, communication is challenging in the canyons so IRWD installed a backup redundant system.

Ms. Hubbard added that as a result of the original Santiago fire in 2007, WEROC learned that working with the Fire Dept. command post is vital. WEROC is planning to schedule a meeting with fire and water personnel in November and to continue to meet on an annual basis.

## **INFORMATION ITEMS**

### **OVERVIEW OF OCWD CLEAN ENERGY CAPITAL REPORT ON THE POSEIDON PROJECT**

Director Hinman noted that in Mr. Maloni's 10/3 email, the price he quoted for Huntington Beach desal water per acre foot was considerably lower than the cost in the Clean Energy Capital report. Mr. Hunter responded that Mr. Maloni is using a Poseidon estimate which is slightly lower than Clean Energy's estimate. Further, Director Hinman asked for clarification on the graph showing Huntington Beach desal water vs. MWD water. Mr. Hunter responded that if you assume that the cost of MET water increases by 6% per year, the lines cross around 2036; if you assume 3%, the lines never cross. He gave further clarification on OCWD's use of bonds and what's needed for their AAA bond rating. And lastly, he stated that the pipeline situation has not yet been determined.

Discussion ensued on the need to proceed with desalinated ocean water. Director Barbre mentioned the article in the *LA Times* this morning by Bettina Boxall which was a good article on CA surviving a 72-year drought. She reported that one of the components that needs to be part of the water portfolio is desalination. Director Barbre stated the importance of desal and that the cost be spread countywide because it is truly a regional benefit. Further, that the LRP application to Metropolitan was signed by MWDOC's and the Three Cities' MET Directors. The entire County will benefit from the desalination projects, both Doheny and Poseidon Huntington Beach. President Dick noted that the thing that has value with regard to Local Resources Programs is the key work "local." Agencies that have generated their own supplies locally are in a much better position.

### **STATUS REPORT ON SAN JUAN GROUNDWATER BASIN**

Report was received and filed.

### **METROPOLITAN'S ASSESSED VALUATION FOR MWDOC AND ORANGE COUNTY FOR FISCAL YEAR 2014-15**

Report was received and filed.

### **STATE OF CALIFORNIA OCEAN DESALINATION ACTIVITIES**

Report was received and filed.

## **STATUS REPORTS**

- a. Ongoing MWDOC Reliability and Engineering/Planning project
- b. WEROC
- c. Water Use Efficiency Projects
- d. Water Use Efficiency Programs Savings and Implementation Report

Reports were received and filed.

## **REVIEW OF ISSUES RELATED TO CONSTRUCTION PROGRAMS, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, DISTRICT FACILITIES, and MEMBER-AGENCY RELATIONS**

No items were presented.

## **ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:25 a.m.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE MUNICIPAL  
WATER DISTRICT OF ORANGE COUNTY**

Jointly with the  
**ADMINISTRATION & FINANCE (A&F) COMMITTEE**

October 8, 2014 – 8:30 a.m. to 9:25 a.m.

MWDOC Conference Room 101

**Committee Members:**

Director Jeff Thomas, Chair (absent)  
Director Joan Finnegan  
Director Wayne Osborne

**Staff:**

Robert Hunter, Cathy Harris, Darcy Burke,  
Harvey De La Torre, Katie Davanaugh,  
Heather Baez

**Also Present:**

Director Brett Barbre  
Director Larry Dick  
Director Susan Hinman  
Director Wayne Clark  
Dick Ackerman  
Larry McKenney  
Linda Ackerman, MET Director  
Andrew Hamilton, Mesa Water

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Director Osborne called the meeting to order at 8:35 a.m., noting that Director Thomas was absent. Director Dick acted as Committee member.

**PUBLIC COMMENTS**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

Item 1g, the OPEB Trust Fund monthly statement was distributed.

**PROPOSED BOARD CONSENT CALENDAR ITEMS-ACTION**

**TREASURER'S REPORT**

- a. Revenue/Cash Receipt Report – September 2014
- b. Disbursement Approval Report for the month of October 2014
- c. Disbursement Ratification Report for the month of September 2014
- d. GM Approved Disbursement Report for the month of September 2014
- e. Water Use Efficiency Projects Cash Flow – September 30, 2014
- f. Consolidated Summary of Cash and Investment – August 2014
- g. OPEB Trust Fund monthly statement



Director Barbre inquired why some of the investments were being made until 2019 (5 years) with Mrs. Chumpitazi responding that no penalties would be assessed for early withdrawal.

**FINANCIAL REPORT - Combined Financial Statements and Budget Comparative for the period ending August 31, 2014**

Upon MOTION by Director Finnegan, seconded by Director Dick, and carried (3-0), the Committee recommended the Treasurer's Report and the Financial Report for approval at the October 15, 2014 Board meeting. Directors Dick, Finnegan, and Osborne all voted in favor.

**DISTRICT CONFERENCES – CSDA Special District Leadership Academy Conference November 17, 18, and 19 a.m., 2014 - Anaheim**

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (3-0), the Committee recommended the November CSDA Conference for approval at the October 15, 2014 Board meeting. Directors Dick, Finnegan, and Osborne all voted in favor.

**ACTION ITEMS**

**EXTENSION OF CONSULTING CONTRACT WITH DICK ACKERMAN**

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (3-0), the Committee recommended the consulting agreement with Dick Ackerman for approval at the October 15, 2014 Board meeting. Directors Dick, Finnegan, and Osborne all voted in favor.

It was noted that the contract will be renewed on a fiscal year basis (July 1 through June 30) and services are billed on a time and materials basis.

**EXTENSION OF CONSULTING CONTRACT WITH LEWIS CONSULTING GROUP**

Upon MOTION by Director Osborne, seconded by Director Finnegan, and carried (3-0), the Committee recommended the Extension of the Lewis Consulting contract for approval at the October 15, 2014 Board meeting. Directors Dick, Finnegan, and Osborne all voted in favor.

It was noted that the contract will be renewed on a calendar year basis. For budgeting purposes, the agreement shall be renewed on a 6-month basis at this time. It was also noted that invoices had been held because a contract was not in place during July. Staff was directed to pay outstanding invoices.

**BOARD SUPPORT FOR LARRY MCKENNEY TO SERVE ON THE ACWA REGION 10 BOARD OF DIRECTORS**

Upon MOTION by Director Finnegan, seconded by Director Osborne, and carried (3-0), the Committee recommended the Board support Larry McKenney to serve on the ACWA Region 10 Board of Directors at the October 15, 2014 Board meeting. Directors Dick, Finnegan, and Osborne all voted in favor.

Director Osborne inquired whether ACWA Region 10 offers per diem pay for meeting attendance. Mr. McKenney responded that as a Moulton Niguel Director, Moulton Niguel Water District had paid for meeting attendance, and that ACWA does not pay. He also noted that he would be resigning from the Moulton Niguel Board and anticipated that Metropolitan Water District would pay any per diem expenses that may be incurred and submitted. Mr. McKenney indicated that he would be representing MWDOC on the Region 10 Board, and that ACWA bylaws allow a representative on the ACWA Region Board representing an agency can be an employee, director or other designee.

Mr. Hunter reported that he and staff researched the ACWA voting and representation protocol and that Mr. McKenney would represent MWDOC.

Director Osborne requested that any future requests pertaining to ACWA nominations be submitted in a more timely fashion.

### **DISCUSSION ITEM**

#### **LIABILITY RISK ASSESSMENT STUDY**

Cathy Harris reported that the risk assessment has been completed by Bickmore which included exposure analysis, coverage, policy limits, deductibles, claims, etc. Bickmore's study indicated that the District has a modest liability exposure and that limits of \$10-\$25 million may be prudent, but noted that the current JPIA policy covers inverse condemnation and that the proposal by Alliant does not. Bickmore suggested that this should be a consideration. Legal counsel was consulted on this matter and recommended that the inverse condemnation coverage should not be excluded.

Staff was requested to research whether excess coverage could be obtained and/or a rider purchased to cover the inverse condemnation in the amount of \$25 million. Mr. Hunter stressed the importance of having sufficient and broad levels of coverage, and recommended maintaining the current coverage with ACWA/JPIA.

The item will be returned following additional inquiries with Alliant Insurance and/or Bickmore to determine whether the inverse coverage can be obtained and at what cost.

Director Osborne expressed support for continuing coverage with ACWA/JPIA.

Mr. Hunter noted that the contract with Bickmore had been approved under the General Manager's authority, and that a competitive bid had been obtained for the risk study.

### **INFORMATION ITEMS**

The following information reports were received and filed without comment.

#### **RENEWAL OF DISTRICT HEALTH PLANS**

#### **SEMI-ANNUAL TRANSPARENCY DISCLOSURE**

#### **STATUS REPORT RE IMPLEMENTATION OF THE SETTLEMENT AGREEMENT**

**BETWEEN MWDOC AND ITS MEMBER AGENCIES (oral report)**

**MONTHLY WATER USAGE DATA, TIER 2 PROJECTION & WATER SUPPLY INFORMATION**

**DEPARTMENT ACTIVITIES REPORTS**

- a. Administration
- b. Finance and Information Technology

**OTHER ITEMS**

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

No items were presented.

**ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:25 a.m.

**MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
Jointly with the  
**PUBLIC AFFAIRS AND LEGISLATION COMMITTEE**  
October 20, 2014 8:30 a.m. to 9:20 a.m.  
MWDOC Conference Room 101

**Committee:**

Director Brett Barbre, Chair  
Director Wayne Clark  
Director Susan Hinman

**Staff:**

Robert Hunter, Karl, Seckel,  
Katie Davanaugh, Heather Baez,  
Jessica Ouwerkerk

**Ex Officio:**

Director Joan Finnegan

**Also Present:**

Director Wayne Osborne  
Director Larry Dick  
Director Joan Finnegan  
Linda Ackerman, MET Director  
Dick Ackerman  
Matt Holder, Lewis Consulting  
John Lewis, Lewis Consulting  
Ian Delzer, Townsend Public Affairs (TPA)  
Steve LaMar, Irvine Ranch Water District  
Chris Townsend, TPA  
Larry McKenney  
Jim Leach

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Director Barbre called the meeting to order at 8:30 a.m.

Jessica Ouwerkerk introduced Public Affairs interns Carmen Frias and Bryce Roberto.

**PUBLIC PARTICIPATION**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

No items were presented.

**DISCUSSION ITEMS**

**LEGISLATIVE ACTIVITIES**

**a. Federal Legislative Report (Barker)**

The report was received and filed.

**b. State Legislative Report (Townsend)**

Chris Townsend reviewed the written TPA report, noting that Directors Barbre and Dick met with Congressman Bill Shuster, Chairman of the House Transportation and Infrastructure Committee. He also noted that Proposition 1 (Water Bond) is likely to pass in the upcoming election.

Director Dick noted that Jim Leach was recently appointed as the San Onofre Nuclear Generating Station Decommissioning Community Engagement panel member, and noted MWDOC's interest due to the Doheny Desalination efforts.

**c. County Legislative Report (Lewis)**

Mr. Lewis noted that the election continues to be the topic of discussion and that the water bond is indicated to pass as well as re-election of Governor Brown. He also reviewed his predictions of winners in the various elections and items on the ballot.

Director Hinman inquired whether the District has sent recommendation letters with Heather Baez reporting that policy principles were completed in March and will be returned in December for review with the Board.

**d. Legal and Regulatory Report (Ackerman)**

Mr. Ackerman noted that he believes that the Water Bond will pass.

Mr. Hunter inquired on the status of WIFIA funding with Director Barbre reporting that this will be a topic of discussion with legislators with the upcoming trip to Washington, DC in November.

**e. MWDOC Legislative Matrix**

**f. MET Legislative Matrix**

The matrices were received and filed without discussion.

The Committee and participants held general discussion on the various items on the November ballot as well as predictions on who will win the local and state slate of candidates.

**ACTION ITEMS**

**CONTRACT EXTENSION FOR CHOICE PORTION OF THE VALUE OF WATER COMMUNICATIONS PLAN WITH FRASER COMMUNICATIONS FOR PROFESSIONAL COMMUNICATION SERVICES**

Upon MOTION by Director Hinman, seconded by Director Clark, and carried (3-0), the contract extension with Fraser Communications was referred to the November 19, 2014 Board meeting for approval. Directors Barbre, Hinman and Clark voted in favor.

It was noted that legal counsel has reviewed the contract.

## **INFORMATION ITEMS**

### **DROUGHT OUTREACH**

Director Hinman inquired who was included in the So. Co. Property Management Workshop with Mr. Seckel responding that it includes apartment association groups, commercial sites, and homeowners associations.

### **RECAP REGARDING OCTOBER 2<sup>nd</sup> WATER POLICY FORUM & DINNER**

The item was received and filed without discussion or comment.

### **8<sup>TH</sup> ANNUAL ORANGE COUNTY WATER SUMMIT**

The item was received and filed without discussion or comment.

### **NOVEMBER ELECTED OFFICIALS MEETING**

The item was received and filed without discussion or comment.

### **SCHOOL PROGRAM PARTICIPATION REPORT**

Director Hinman inquired why the school participation numbers appear to be so low. Mrs. Ouwerkerk reported that the booking numbers are actually higher than the previous year but classes have not yet been presented. Staff is working with Discovery Science Center to make sure the participation numbers stay on target. It was noted that participation in September, due to the start of the school year, it not a particularly high attendance month and that students receive a grade-specific grade book for students kindergarten through grade 5.

Mr. Hunter noted that staff will conduct due diligence in determining whether there are other avenues and/or opportunities for teaching the school program and will report findings at a future meeting. This will include a formal request for proposal process. Mrs. Ouwerkerk reported that Discovery Science Center will present a full update, program numbers, and state curriculum guidelines at the November Public Affairs and Legislation Committee.

### **PUBLIC AFFAIRS ACTIVITIES REPORT**

## **ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:20 a.m.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
jointly with the  
**EXECUTIVE COMMITTEE**  
October 16, 2014, 8:30 a.m. to 9:50 a.m.  
Conference Room 102

**Committee:**

Director Dick, President  
Director Osborne, Vice President  
Director Finnegan

**Staff:**

R. Hunter, M. Goldsby

**Also Present:**

Director Clark  
Director Hinman

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At 8:30 a.m., President Dick called the meeting to order

**PUBLIC PARTICIPATION**

No public comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

At the beginning of the meeting, Staff distributed the draft agendas for the October Committee meetings.

**DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE**

No discussion was held.

**MEMBER AGENCY RELATIONS**

It was noted that checks had been delivered to Directors Barbre and Hinman regarding the OC-88 meter billing corrections; these checks will be presented to the agencies within their Divisions.

**EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS**

The Committee reviewed and discussed the draft agendas for each of the Committee meetings and made revisions/additions as noted below.

- a. Planning & Operations Committee

Although no new information was added to the agenda, the Committee discussed developing a “follow-up program” to determine the success of each water use efficiency program. Mr. Hunter advised that during pipeline shutdowns due to maintenance, MET will use a rolling schedule.

b. Workshop Board Meeting

The Committee discussed the agenda, as well as MET’s Local Resources Program (including the increase in funding from MET and whether projects that had been awarded LRP funding, but not yet started, would be eligible for the increased funding). It was noted that most likely the approved contract amounts for the prior incentive levels would remain and not be increased to the new levels.

c. Administration & Finance Committee

No new items were added to the agenda.

d. Public Affairs & Legislation (PAL) Committee

No new items were added to the agenda. Discussion ensued regarding (1) the need to keep the web site updated on all programs/efforts the District is involved in, and (2) attendance by consultants at the PAL meetings (and whether the District is charged for their time in attending).

e. MWDOC/OCWD Joint Planning Committee

Staff noted that OCWD’s purchases of deliveries for replenishment water would be decreased; Committee directed Mr. Hunter to confer with Ms. Ackerman and MET Chairman Randy Record regarding this issue.

## **GENERAL MANAGER’S REPORTS**

No new information was presented.

## **REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

Director Dick commented on a recent complaint from a customer (to WUE staff) regarding the Turf Removal Program. He advised that WUE staff should offer helpful assistance to the customer, however follow the legal rules of the Program.

## **ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:50 a.m.



**MEETING REPORT**  
JOINT PLANNING COMMITTEE  
WITH BOARD OF DIRECTORS\*  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY AND  
ORANGE COUNTY WATER DISTRICT  
October 22, 2014, 8:30 a.m.  
MWDOC Conference Room 101

**MWDOC DIRECTORS**

Brett R. Barbre`  
Wayne A. Clark  
Larry Dick  
Joan C. Finnegan  
Susan Hinman  
Wayne Osborne  
Jeffery M. Thomas

**OCWD DIRECTORS**

Shawn Dewane  
Phil Anthony (absent)  
Roger Yoh (absent)  
Kathryn Barr (absent)  
Denis Bilodeau  
Vince Sarmiento (absent)  
Jan Flory (absent)  
Harry Sidhu  
Steve Sheldon  
Cathy Green

**MWDOC STAFF**

Rob Hunter  
Karl Seckel  
Maribeth Goldsby  
Keith Lyon

**OCWD STAFF**

Mike Markus  
John Kennedy

**ALSO PRESENT**

Linda Ackerman  
Larry McKenney  
Brian Ragland  
Steve LaMar  
Peer Swan  
Paul Weghorst  
Paul Shoenberger  
Rick Erkeneff  
Bob Moore  
Adam Probolsky  
Justin Wallin  
Scott Maloni  
Elizabeth Mendelson  
Kelly Rowe  
Richard Gardner

MWDOC MET Director  
MWDOC MET Director  
City of Huntington Beach  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Mesa Water District  
South Coast Water District  
South Coast Water District  
Probolsky Research  
Probolsky Research  
Poseidon Resources  
San Diego County Water Authority

OCWD President Dewane Chaired the meeting and OCWD Director Sheldon led the Pledge of Allegiance.

## **PUBLIC COMMENTS**

No public comments were received.

### **1. Review of Metropolitan Water District Issues**

- a. Imported Water Supply Update
- b. Operational Issues
- c. Future Water Supply Allocation Implications

### **2. Status of OCWD Groundwater Basin**

- a. MWD Untreated full service water purchases
  - i. Current
  - ii. Future
- b. Basin Production Percentage Implications

MWDOC General Manager Rob Hunter provided an overview of the drought conditions and MET imported water supply issues. His presentation included an overview of the State Water Project (SWP) Table "A" allocations (to most likely be set at between 0-5% initially for the coming year), MET's dry-year storage, the dangerously low storage levels at Lake Mathews, and possible 2015 SWP supply scenarios.

Mr. Hunter also reviewed the status of the Colorado River Aqueduct (CRA), noting that supplies will be interrupted with a 2.5 week shutdown (in January) to clean the tunnel and that currently 100% of Orange County's imported water comes from the CRA.

Considerable discussion ensued regarding OCWD's "replenishment" purchases, the potential for implementing supply allocations (in the event of a 0-30% SWP Table A allocation in 2015) and how this will affect the groundwater basin, including the BPP. Discussion was also held regarding the dangerously low levels at Lake Mathews and what measures MET will take to ensure the level does not dip below 40,000 acre-feet, which could affect Diemer deliveries.

The Committee discussed MET's other storage facilities and suggested that staff provide the levels of all of MET's storage facilities (Diamond Valley Lake, etc.).

The OCWD directors requested that the two General Managers work on an update for the OCWD Board at their upcoming meeting.

### **3. Proposed Poseidon Huntington Beach Ocean Desalination Plant Update**

- a. Public Opinion Survey
- b. OCWD Financial Study

Mr. Scott Maloni (Poseidon) introduced Justin Wallin with Probolsky Research who reported on the public opinion survey on water and the drought that they conducted with 400 participants. Mr. Wallin highlighted many of the desalination questions included in the survey, noting an interesting statistic that 43% had heard of the Huntington Beach Ocean Desal Project. He advised that a majority of those questioned were supportive of desalination, with a smaller percentage opposed or unsure. Dr. Osborne inquired whether

the price of desalted water was ever mentioned in the survey to which Scott Maloni responded that no, just that it's more expensive.

#### **4. Next Meeting – January 28, 2014**

Chairman Dewane announced that the next meeting is on Jan. 28, 2015.

There being no further business to come before the Committee, the meeting adjourned at 9:45 a.m.

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**October 2014**

**WATER REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
10/03/14	Trabuco Canyon Water District	August 2014 Water deliveries	16,660.76
10/03/14	South Coast Water District	August 2014 Water deliveries	520,484.07
10/03/14	City of San Clemente	August 2014 Water deliveries	960,005.51
10/03/14	City of Brea	August 2014 Water deliveries	439,503.86
10/06/14	City of Seal Beach	August 2014 Water deliveries	292,465.06
10/06/14	City of San Juan Capistrano	August 2014 Water deliveries	637,409.25
10/06/14	City of La Palma	August 2014 Water deliveries	5,732.00
10/07/14	City of Newport Beach	August 2014 Water deliveries	333,338.27
10/09/14	Serrano Water District	August 2014 Water deliveries	686.14
10/09/14	City of La Habra	August 2014 Water deliveries	13,597.88
10/09/14	Laguna Beach County Water District	August 2014 Water deliveries	371,583.26
10/10/14	City of Fountain Valley	August 2014 Water deliveries	23,374.22
10/14/14	East Orange County Water District	August 2014 Water deliveries	631,121.14
10/14/14	City of Orange	August 2014 Water deliveries	725,308.74
10/14/14	Mesa Water	August 2014 Water deliveries	258,925.37
10/15/14	Orange County Water District	August 2014 Water deliveries	2,887,197.51
10/15/14	El Toro Water District	August 2014 Water deliveries	960,804.58
10/15/14	City of Westminster	August 2014 Water deliveries	242,790.42
10/15/14	Moulton Niguel Water District	August 2014 Water deliveries	2,773,811.64
10/15/14	Yorba Linda Water District	August 2014 Water deliveries	903,429.00
10/15/14	Golden State Water Company	August 2014 Water deliveries	593,169.11
10/15/14	Irvine Ranch Water District	August 2014 Water deliveries	1,166,182.03
10/15/14	Santiago Aqueduct Commission	August 2014 Water deliveries	197,754.20
10/15/14	Santa Margarita Water District	August 2014 Water deliveries	2,826,214.51
10/24/14	City of Garden Grove	September 2014 Water deliveries	798,786.89
10/31/14	Santa Margarita Water District	September 2014 Water deliveries	2,675,682.94
10/31/14	City of Huntington Beach	September 2014 Water deliveries	777,819.81
10/31/14	City of San Clemente	September 2014 Water deliveries	906,217.52

TOTAL REVENUES \$ 22,940,055.69

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**October 2014**

**MISCELLANEOUS REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
10/03/14	6 Checks	10/2/14 Water policy dinner	450.00
10/06/14	City of Costa Mesa	10/2/14 Water policy dinner	75.00
10/09/14	Redwine & Sherill	10/2/14 Water policy dinner	75.00
10/23/14	The Water Brewery	10/2/14 Water policy dinner	150.00
10/30/14	Paypal	10/2/14 Water policy dinner	948.23
10/23/14	URS	5/16/14 OC Water Summit	120.00
10/30/14	Paypal	ISDOC Registrations	578.21
10/22/14	Susan Hunt	Nov & Partial Dec 2014 COBRA medical premium	956.35
10/31/14	Stan Sprague	November 2014 Retiree medical premium	519.94
10/17/14	Lee Jacobi	December 2014 Retiree medical premium	13.20
10/16/14	Susan Hinman	Jul-Sep 2014 Director's Pension & Health reimbursement	616.54
10/16/14	Joan Finnegan	Jul-Sep 2014 Director's Pension & Health reimbursement	846.27
10/10/14	Laura Loewen	Movie tickets	32.00
10/14/14	Mary Snow	Movie tickets	32.00
10/16/14	Katie Davanaugh	Movie tickets	16.00
10/17/14	2 Checks	Movie tickets	112.00
10/31/14	Laura Loewen	Movie tickets	16.00
10/14/14	City of Santa Ana	Additional Sep 2013 & Jan-Jun 2014 School billing	36,320.68
10/23/14	City of Fountain Valley	June 2014 Smart Timers rebate program	75.00
10/24/14	City of Huntington Beach	Jun-Aug 2014 Smart Timer rebate program	433.85
10/14/14	Mesa Water	August 2014 Smart Timers rebate program	225.00
10/17/14	City of Fullerton	August 2014 Smart Timers rebate program	955.93
10/22/14	Irvine Ranch Water District	August 2014 Smart Timers rebate program	341.20
10/22/14	South Coast Water District	August 2014 Smart Timers rebate program	150.00
10/22/14	City of Westminster	August 2014 Smart Timers rebate program	34.44
10/23/14	Yorba Linda Water District	August 2014 Smart Timers rebate program	351.00
10/28/14	Moulton Niguel Water District	August 2014 Smart Timers rebate program	144.00
10/31/14	City of Tustin	August 2014 Smart Timers rebate program	225.00
10/06/14	City of San Juan Capistrano	July 2014 Turf Removal rebate program	630.00
10/14/14	City of Orange	August 2014 Turf Removal rebate program	1,655.49
10/22/14	Irvine Ranch Water District	August 2014 Turf Removal rebate program	11,448.00
10/31/14	City of La Habra	August 2014 Turf Removal rebate program	105.00
10/22/14	City of San Juan Capistrano	August 2014 Turf Removal rebate program	840.00
10/14/14	Golden State Water Company	August 2014 Smart Timers and Turf Removal rebate program	1,434.58
10/17/14	2 Checks	August 2014 Smart Timers and Turf Removal rebate program	2,334.98
10/22/14	City of Garden Grove	August 2014 Smart Timers and Turf Removal rebate program	292.68
10/31/14	City of Brea	August 2014 Smart Timers and Turf Removal rebate program	2,812.00
10/31/14	El Toro Water District	August 2014 Rotating Nozzle rebate program	3,225.00
10/14/14	El Toro Water District	August 2014 So Cal Watersmart Residential rebate program	3,577.99
10/14/14	Golden State Water Company	August 2014 So Cal Watersmart Residential rebate program	1,155.00
10/28/14	Irvine Ranch Water District	August 2014 So Cal Watersmart Residential rebate program	35,463.00
10/03/14	Trabuco Canyon Water District	FY 14-15 Choice Programs	9,374.77
10/06/14	City of Orange	FY 14-15 Choice Programs	30,224.00
10/06/14	City of San Juan Capistrano	FY 14-15 Choice Programs	23,105.08
10/06/14	City of Seal Beach	FY 14-15 Choice Programs	11,638.61
10/09/14	Serrano Water District	FY 14-15 Choice Programs	3,222.86
10/10/14	City of Brea	FY 14-15 Choice Programs	27,174.58
10/10/14	City of La Habra	FY 14-15 Choice Programs	10,417.02
10/10/14	City of San Clemente	FY 14-15 Choice Programs	35,387.87
10/14/14	East Orange County Water District	FY 14-15 Choice Programs	6,475.14
10/14/14	Moulton Niguel Water District	FY 14-15 Choice Programs	106,974.49
10/14/14	Yorba Linda Water District	FY 14-15 Choice Programs	19,260.84
10/17/14	Laguna Beach County Water District	FY 14-15 Choice Programs	26,869.86
10/17/14	Mesa Water	FY 14-15 Choice Programs	20,729.20
10/21/14	City of Newport Beach	FY 14-15 Choice Programs	66,957.08
10/22/14	City of Westminster	FY 14-15 Choice Programs	15,817.72
10/23/14	City of Anaheim	FY 14-15 Choice Programs	2,387.04
10/23/14	City of La Palma	FY 14-15 Choice Programs	4,105.89
10/24/14	City of Tustin	FY 14-15 Choice Programs	19,324.76

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**October 2014**

**MISCELLANEOUS REVENUES**

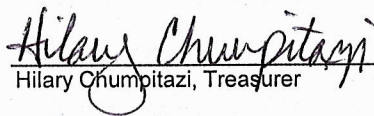
<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
10/31/14	City of Huntington Beach	FY 14-15 Choice Programs	70,332.71
10/31/14	Santa Margarita Water District	FY 14-15 Choice Programs	92,061.29
10/16/14	Irvine Ranch Water District	BWTP OC-33 Additional deposit for MET plan checking & 3 plug valves	66,200.00
10/17/14	Donna Mayer/CESA	Development of finance binders for pre-conference training	2,065.86
10/31/14	LA Department of Water and Power	Jul 2014-Jun 2015 Strategic Consulting Services on MET & Water Resource Issues - Ron Gastellum	8,125.00
10/31/14	Metropolitan Water District	Refund for unused portion of deposit for Emergency Generator Tie-In on Service Connection OC-70	5,205.70

TOTAL MISCELLANEOUS REVENUES \$ 793,223.93

TOTAL REVENUES \$ 23,733,279.62



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b>Core Expenditures:</b>		
	<b>Richard Ackerman</b>	
1047	September 2014 Legal consulting on water policy issues	625.00
1051	October 2014 Legal consulting on water policy issues	987.50
	*** Total ***	1,612.50
	<b>ALTA FoodCraft</b>	
514101374	10/15/14 Coffee & tea supplies	257.44
	*** Total ***	257.44
	<b>American Water Works Association</b>	
7000878268	2015 Annual membership renewal	1,513.00
	*** Total ***	1,513.00
	<b>Awards &amp; Trophies Co., Inc.</b>	
11516	Picture plate for Director McKenney	15.18
	*** Total ***	15.18
	<b>Best Best and Krieger LLP</b>	
55401-SEP14	September 2014 Legal services	18,458.79
	*** Total ***	18,458.79
	<b>C3 Office Solutions LLC</b>	
INV31218	Staples for Canon copier	169.84
	*** Total ***	169.84
	<b>CDW Government</b>	
PT07178	1 HP Computer	786.51
PX85616	2 Toner cartridges for Ricoh color printer	112.32
	*** Total ***	898.83
	<b>Dissinger Associates</b>	
AP-MWD-OCT14	October 2014 Pension plan consulting	450.00
	*** Total ***	450.00
	<b>East Orange County Water District</b>	
102914	Refund balance of MET deposit for Service Connection OC-70 modifications	5,205.70
	*** Total ***	5,205.70
	<b>Epiphany Media Group</b>	
102114	10/21/14 Business Communication seminar for PAW workshop	2,995.00
	*** Total ***	2,995.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Fraser Communications</b>	
15264	September 2014 Consulting for Water Communication Plan focus groups	2,099.04
	*** Total ***	2,099.04
	<b>Fry's Electronics</b>	
20501376	11/4/14 Computer supplies	26.95
	*** Total ***	26.95
	<b>Ronald R. Gastelum</b>	
OCT14	October 2014 Strategic assistance on MET issues	7,500.00
	*** Total ***	7,500.00
	<b>GovConnection, Inc.</b>	
51958930	Windows server license for ACT software	581.40
	*** Total ***	581.40
	<b>Immersiv Media, Inc.</b>	
010(MWDOC 2014)	July-September 2014 Website hosting and maintenance service	525.00
	*** Total ***	525.00
	<b>Independent Special Districts of Orange County</b>	
103014-OCT14	October 2014 PayPal luncheon receipts for 10/30/14 ISDOC meeting	578.21
103014	10/30/14 ISDOC meeting-Registrations for Directors Dick, Finnegan, Hinman & Osborne	68.00
	*** Total ***	646.21
	<b>James C. Barker, P.C.</b>	
105-0914	September 2014 Federal legislative advocacy services	8,967.44
105-1014	October 2014 Federal legislative advocacy services	8,000.00
	*** Total ***	16,967.44
	<b>Jeff Cole</b>	
JCP100614	Video production services for 10/2/14 Water Policy dinner	500.00
	*** Total ***	500.00
	<b>Lewis Consulting Group, LLC</b>	
1374	September 2014 Professional services	4,000.00
	*** Total ***	4,000.00
	<b>Edward G. Means III</b>	
MWDOC-1024	October 2014 Support on MET issues & strategic guidance to Engineering department	2,398.52
	*** Total ***	2,398.52
	<b>Metropolitan Water District</b>	
41501	FY 13-14 Operation & maintenance cost for East Orange County Feeder #2	254,902.44
	*** Total ***	254,902.44



**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b>Norco Delivery Services</b>		
649393	10/3/14 Delivery charges for Board packets	83.46
654613	10/31/14 Delivery charges for Board packets	163.58
	*** Total ***	247.04
<b>Orange County Water District</b>		
14337	September 2014 50% share of WACO expense	211.73
14378	September 2014 Postage, shared office & maintenance expense	9,045.94
	*** Total ***	9,257.67
<b>Office Solutions</b>		
I-00682725	10/9/14 Office supplies	32.38
I-00682726	MWDOC name tags for 2 new hires	32.38
I-00683810	10/10/14 Office supplies	438.69
I-00684034	MWDOC name tags for 2 new hires	32.38
I-00686513	Sit/stand adjustable monitor arm	351.00
I-00691865	1 Alera EQ series ergonomic chair	657.72
I-00692975	10/31/14 Office supplies	471.16
I-00693628	11/4/14 Office supplies	158.20
	*** Total ***	2,173.91
<b>Patricia Kennedy Inc.</b>		
5748	October 2014 Plant maintenance	214.00
20027	November 2014 Plant maintenance	214.00
	*** Total ***	428.00
<b>Petty Cash</b>		
103114	October 2014 Petty Cash reimbursement	221.42
	*** Total ***	221.42
<b>Quick Signs</b>		
40872	310 Lawn signs for Turf Removal program for 3 member agencies	2,257.71
	*** Total ***	2,257.71
<b>SmartDraw Group, LLC</b>		
983227	5 License upgrades for CI Enterprise edition software	756.00
	*** Total ***	756.00
<b>Staples Advantage</b>		
8031707527	10/11/14 Office supplies	326.04
	*** Total ***	326.04
<b>Talent Assessment and Development, LLC</b>		
1391	June 2014 Interview assessment for new hire applicant	1,100.00
1462	August 2014 Interview assessment for new hire applicant	450.00
	*** Total ***	1,550.00

**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Top Hat Productions</b>	
89363	9/19/14 Lunch for management staff meeting	185.76
89500	10/16/14 Lunch for Managers' meeting	403.38
	*** Total ***	589.14
	<b>Townsend Public Affairs, Inc.</b>	
10385	October 2014 State legislative advocacy services	7,500.00
	*** Total ***	7,500.00
	<b>Tustin Irvine Medical Group</b>	
00771151	9/25/14 New hire pre-employment exam	160.00
	*** Total ***	160.00
	<b>USA Fact</b>	
2329408-IN	9/30/14 New hire background check	18.16
2329404-IN	10/3/14 New hire background check	18.16
	*** Total ***	36.32
	<b>Vavrinek, Trine, Day &amp; Co., LLP</b>	
0108634-IN	September 2014 Services for F/Y 13-14 Single audit	2,000.00
	*** Total ***	2,000.00
	<b>The Westin South Coast Plaza</b>	
18553-10/2/14	10/2/14 Water Policy Dinner banquet facilities	12,077.81
	*** Total ***	12,077.81
	<b>Total Core Expenditures</b>	<b>361,304.34</b>

**Choice Expenditures:**

	<b>Discovery Science Center</b>	
093014(A)MWDOC	FY14-15 Marketing, promotion & bookings for School program	5,000.00
093014(B)MWDOC	September 2014 School program	5,051.50
	*** Total ***	10,051.50
	<b>Immersiv Media, Inc.</b>	
011 (MWDOC 2014)	Development services for WUE Microsite	2,500.00
	*** Total ***	2,500.00
	<b>James Klein &amp; Associates</b>	
3190	August 2014 Graphic design services for WUE bill inserts	875.00
	*** Total ***	875.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Top Hat Productions</b>	
89424	10/2/14 Lunch for WUE Workgroup meeting	406.08
	*** Total ***	406.08
	<b>Ultimate Image Printing</b>	
100252	10,000 Rebate flyers for WUE program	981.42
	*** Total ***	981.42
	<b>Total Choice Expenditures</b>	<hr/> 14,814.00

**Other Funds Expenditures:**

	<b>AquaFicient Consulting</b>	
02-065	September 2014 Landscape Performance Certification program funded by IRWD & MET	1,500.00
	*** Total ***	1,500.00
	<b>ConserVision Consulting, LLC</b>	
LPCP-223	September 2014 Consulting services for Landscape Performance Certification program	7,089.75
	*** Total ***	7,089.75
	<b>Integrated Media Systems</b>	
44654	October 2014 Service call to repair audio wiring at S. EOC	330.00
	*** Total ***	330.00
	<b>Mission RCD</b>	
1704	September 2014 Field verifications for Water Use Efficiency rebate programs	37,228.41
	*** Total ***	37,228.41
	<b>Noah Gwartney</b>	
100714	October 2014 Bi-monthly cleaning for WEROC EOCs	115.00
	*** Total ***	115.00
	<b>Office Solutions</b>	
I-00683420	Two way radio for WEROC	47.51
	*** Total ***	47.51
	<b>Quick Signs</b>	
40872	555 Lawn signs for Turf Removal program for 24 member agencies	2,259.17
	*** Total ***	2,259.17

**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b><i>Spray to Drip Program</i></b>		
S2D1002	L. Foto	175.00
S2D1012	D. Van Klaveren	175.00
S2D1015	K. Ells	350.00
S2D1065	J. Raub	175.00
S2D1093	R. Davis	337.57
S2D1122	I. Ali	175.00
S2D25728	A. Ott	197.54
S2D33925	P. Karl	525.00
S2DC1024	Coto de Caza Guest Lodges, LLC (Coto de Caza)	1,200.00
S2DC32412	C. Gray	161.85
	*** Total ***	3,471.96
<b><i>Turf Removal Program</i></b>		
TR4-EOC-002	J. Lesser	5,313.44
TR4-HB-027	D. Crawford	535.00
TR4-HB-028	S. Sawyer	860.00
TR4-HB-033	C. Phelan	1,058.00
TR4-O-024	B. Van Gilder	418.00
TR4-O-029	V. Chan	918.00
TR4-O-030	D. Rector	708.00
TR4-SM-047	N. Malik	745.20
TR4-SM-051	W. Hampton	328.80
TR4-TC-005	W. Ambrosius	6,867.50
TR5-BREA-013	T. Flenniken	2,907.00
TR5-BREA-016	A. Nakasone	3,555.00
TR5-BREA-017	A. Tamula	7,155.00
TR5-BREA-018	E. Mondeau	438.00
TR5-BREA-019	C. McFarland	981.00
TR5W-BREA-1243	D. Lordi	2,650.00
TR5W-BREA-1262	G. Froman	1,500.00
TR5-ET-009	C. Taylor	1,374.00
TR5-ET-012	J. Schickley	4,208.00
TR5-FV-004	J. Metcalf	3,434.00
TR5-FV-006	W. Schultheis	1,846.00
TR5-FV-007	L. Pagliughi	4,152.00
TR5-FV-010	S. Tran	2,950.00
TR5-GG-007	N. Margo	2,704.00
TR5-GG-008	D. Van Gorder	2,148.00
TR5-GG-013	J. Armitage	2,252.00
TR5-GSWC-040	W. Gray	964.00
TR5-GSWC-042	J. Hetrick	1,248.00
TR5-GSWC-047	D. Miller	5,026.00
TR5-GSWC-048	M. Popejoy	12,698.00
TR5-GSWC-049	M. McShane	1,322.00
TR5-GSWC-051	A. Adams	832.00
TR5-GSWC-053	C. Christenson	1,562.00

**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
TR5-GSWC-056	R. / A. Delander	2,378.00
TR5-GSWC-057	T. Schofield	568.00
TR5-GSWC-062	L. Lagda	1,974.00
TR5-HB-037	R. Bone	510.00
TR5-HB-038	B. Gillissen	598.00
TR5-HB-039	B. Bolt	1,478.00
TR5-HB-041	J. Paradiso	664.00
TR5-HB-043	G. Krmpotich	654.49
TR5-HB-044	J. Flores	1,634.00
TR5-HB-047	L. Hill	1,520.00
TR5-HB-048	A. Loyd	3,512.00
TR5-HB-049	J. Kingston	1,048.00
TR5-HB-052	J. Phibbs	756.00
TR5-HB-053	D. Chappell	1,146.00
TR5-HB-056	J. Tabata	4,146.00
TR5-HB-057	E. Montgomery	1,246.00
TR5W-HB-1015	S. Eagle	836.00
TR5W-HB-1234	S. McConnell	310.00
TR5W-HB-1347	G. Smith	1,950.00
TR5-IRWD-106	Mandeville HOA (Irvine)	11,736.00
TR5-IRWD-127	Y. Dao	660.00
TR5-IRWD-129	H. Rafi	500.00
TR5-IRWD-131	J. Matta	1,270.00
TR5-IRWD-145	T. Moran	1,894.00
TR5-IRWD-148	T. Tibbits	1,292.00
TR5-IRWD-153	G. Parkinson	866.00
TR5-IRWD-156	E. Chin	1,076.00
TR5-IRWD-160	P. Yager	1,236.00
TR5-IRWD-169	M. Riff	396.00
TR5-IRWD-172	C. Kawashima	1,998.00
TR5-IRWD-178	J. Mains	1,972.00
TR5-IRWD-201	Irvine Ranch Executive Suites (Tustin)	16,402.00
TR5-IRWD-202	D. Godley	696.00
TR5-IRWD-205	L. Zhou	1,100.00
TR5-IRWD-206	E. Tsai	1,906.00
TR5-IRWD-212	A. Andrews	2,572.00
TR5-IRWD-215	R. Navarro	720.00
TR5-IRWD-218	A. Kakar	1,500.00
TR5-IRWD-226	Ridgecrest Apartments (Lake Forest)	2,424.00
TR5-IRWD-229	C. Gaal	1,480.00
TR5-IRWD-235	A. Nelson Sr.	1,972.00
TR5-IRWD-236	R. Clow	540.00
TR5-IRWD-238	K. McCune	2,208.00
TR5-IRWD-240	S. Lee	1,030.00
TR5-IRWD-241	J. Lai	464.00
TR5-IRWD-245	C. Maniscalco	566.00
TR5-IRWD-247	J. Hill	600.00

**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
TR5-IRWD-256	J. Green	628.00
TR5-IRWD-260	R. Sullivan	924.00
TR5-IRWD-281	B. Hawkins	744.11
TR5-LB-015	J. Friesel	286.00
TR5-LH-009	S. Gandhi	4,084.00
TR5-MESA-030	M. Mazzanella	3,516.00
TR5-MESA-031	B. Doyle	2,284.00
TR5-MESA-037	J. Vaughan	532.00
TR5-MESA-039	C. Hofmann	568.00
TR5-MESA-040	C. Hofmann	906.00
TR5-MESA-042	S. Rush	1,985.38
TR5-MESA-047	K. Cloud	1,744.00
TR5W-MESA-1018	D. Banfill	2,268.00
TR5-MN-050	G. Calley	1,493.18
TR5-MN-065	I. Hansen	656.00
TR5-MN-066	S. Truong	1,789.79
TR5-MN-068	J. Miner	1,840.00
TR5-MN-072	El Niguel Country Club (Laguna Niguel)	871,198.00
TR5-MN-075	S. Whitaker	3,488.00
TR5-MN-079	P. / K. Kaemerle	2,644.00
TR5-MN-080	B. Goto	324.00
TR5-MN-083	J. Na	608.00
TR5-MN-084	E. Chan	4,194.00
TR5-MN-089	D. Joyce	1,270.00
TR5-MN-092	E. Rubright	752.00
TR5-MN-095	S. Boeck	3,006.00
TR5-MN-096	N. Allebest	1,106.00
TR5-MN-101	D. DiAngelo	2,282.00
TR5-MN-102	L. Tarkoff	784.00
TR5-MNT-106	J. Pianta	4,350.00
TR5-MNT-110	J. Shubin	4,200.00
TR5-MNT-115	L. Taylor	4,200.00
TR5-MNT-116	T. Mauro	1,708.71
TR5-MNT-120	L. Domshy	1,580.00
TR5-MNT-130	W. Lacambra	2,530.00
TR5-MNT-133	H. Sadaghian	2,063.00
TR5-MNT-137	I. Tondu	3,275.00
TR5-MNT-140	R. Fields	4,250.00
TR5-MNT-144	T. Wetzal	1,350.00
TR5-MNT-146	B. Farahmand	705.86
TR5-MNT-152	B. Singley	4,248.00
TR5W-NWPT-1274	S. Alpert	1,018.00
TR5-O-032	B. Johnson	958.00
TR5-O-034	J. Bailey	3,434.00
TR5-O-036	J. Brill	1,826.00
TR5-O-045	J. Bears	756.00
TR5-SC-033	B. Resch	1,468.66

**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
TR5-SC-034	C. Hilton	5,088.00
TR5-SC-036	R. Gales	826.00
TR5-SC-037	S. Hardie	2,024.00
TR5-SC-040	J. Kidwiler	2,444.00
TR5-SC-042	B. de Marquette	774.00
TR5-SC-048	K. Daum	3,554.00
TR5-SC-060	J. Hockins	474.00
TR5-SC-062	E. Zerrer	1,046.00
TR5-SC-063	A. Donchak	2,758.00
TR5-SJC-014	J. Dobson	838.15
TR5-SJC-017	M. Man	655.57
TR5-SJC-020	D. D'Auria	944.00
TR5-SJC-022	C. Jooyan	2,170.00
TR5-SJC-024	C. Nielsen	3,156.90
TR5-SM-090	B. Yau	3,548.00
TR5-SM-104	J. Chao	792.00
TR5-SM-107	H. DeBeer	734.00
TR5-SM-111	H. McCurdy	1,466.00
TR5-SM-116	R. Richards	1,856.00
TR5-SM-119	G. Talbott	1,154.00
TR5-SM-120	I. Ahmed	578.00
TR5-SM-130	R. Bora	540.00
TR5-SM-131	R. Anderson	792.00
TR5-SM-133	P. Andrada	360.00
TR5W-SM-1131	L. Farinella	840.00
TR5W-SM-1195	E. Lyon	1,588.00
TR5W-SM-1329	R. Chamberlin	1,866.00
TR5W-SM-1375	C. Davis	614.00
TR5W-SM-1384	J. Corris	506.00
TR5-SOCO-033	T. Stansbury	626.00
TR5-SOCO-039	B. Burgess	1,750.00
TR5-SOCO-042	K. Mueller	1,702.00
TR5-SOCO-043	M. Peters	840.00
TR5-SOCO-044	Antigua at Monarch HAO (Dana Point)	15,420.00
TR5-SOCO-045	A. Grimes	1,310.00
TR5-SOCO-047	D. Beightol	700.00
TR5-SOCO-049	P. Crain	2,050.00
TR5-SOCO-051	B. Graham	340.00
TR5-SOCO-054	R. Bender	2,470.00
TR5-SOCO-055	E. / J. Housley	390.00
TR5-SOCO-056	A. Stoeckmann	1,300.00
TR5-TUST-006	K. Lascon	4,428.00
TR5-YLWD-003	P. Gwosdof	1,268.00
TR5-YLWD-005	W. / B. Fray	1,602.00
TR5-YLWD-007	R. Patel	1,366.00
TR5W-YLWD-1239	G. Urban	746.00
*** Total ***		1,217,782.74

**Municipal Water District of Orange County**  
**Disbursement Approval Report**  
**For the month of November 2014**

Invoice#	Vendor / Description	Amount to Pay
6041565	<b>URS Corporation Americas</b>	
	September 2014 Professional services for Industrial Process Water Use Reduction program	1,415.00
	*** Total ***	1,415.00
	<b>Total Other Funds Expenditures</b>	<b>1,271,239.54</b>
	<b>Total Expenditures</b>	<b>1,647,357.88</b>



**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of October 2014**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>126354</b>	<b>10/8/14</b>	<b>TIMEWA</b>	<b>Time Warner Cable</b>	
		5210-OCT14	October 2014 Telephone and internet expense	930.98
			***Total ***	930.98
<b>126355</b>	<b>10/8/14</b>	<b>VERIZO</b>	<b>Verizon Wireless</b>	
		9732614698	September 2014 4G Mobile broadband unlimited service	38.01
			***Total ***	38.01
	<b>10/15/14</b>	<b>ACKEEX/ACKECO</b>	<b>Linda Ackerman</b>	
<b>126377</b>		083114	August 2014 Business expense	47.04
		093014	September 2014 Business expense	58.80
<b>126378</b>		AUG2014	August 2014 MET Director's compensation	1,221.65
		SEP2014	September 2014 MET Director's compensation	1,465.98
			***Total ***	2,793.47
<b>126382</b>	<b>10/15/14</b>	<b>C3OFFI</b>	<b>C3 Office Solutions LLC</b>	
		INV30827	October 2014 Canon copier maintenance	386.57
			***Total ***	386.57
<b>126387</b>	<b>10/15/14</b>	<b>DELAGE</b>	<b>De Lage Landen Public Finance</b>	
		42797065	October 2014 Copier lease	509.00
			***Total ***	509.00
<b>126395</b>	<b>10/15/14</b>	<b>IRONMO</b>	<b>Iron Mountain</b>	
		KUP5556	October 2014 Storage/retrieval of archived documents	665.57
			***Total ***	665.57
<b>126400</b>	<b>10/15/14</b>	<b>FRANKS</b>	<b>Sarah Franks</b>	
		093014	September 2014 Business expense	58.08
			***Total ***	58.08
<b>126411</b>	<b>10/15/14</b>	<b>TIMEWA</b>	<b>Time Warner Cable</b>	
		3564-OCT14	October 2014 Telephone expense for 4 analog fax lines	138.60
			***Total ***	138.60
<b>126444</b>	<b>10/15/14</b>	<b>USBANK</b>	<b>U.S. Bank</b>	
		5783/6533-SEP14	8/22/14-9/22/14 Cal Card charges	10,562.26
			***Total ***	10,562.26
			(See attached sheet for details)	
<b>ACH001138</b>	<b>10/15/14</b>	<b>BARBCO</b>	<b>Brett Barbre</b>	
		SEP2014	September 2014 MET Director's compensation	2,443.30
			***Total ***	2,443.30

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of October 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
	<b>10/15/14</b>	<b>DICKCO</b>	<b>Larry Dick</b>	
<b>ACH001144</b>		SEP14	September 2014 MET Director's compensation	2,443.30
<b>ACH001145</b>		093014	September 2014 Business expense	113.12
			***Total ***	2,556.42
	<b>10/15/14</b>	<b>FINNEG</b>	<b>Joan Finnegan</b>	
<b>ACH001147</b>		093014	September 2014 Business expense	118.84
			***Total ***	118.84
	<b>10/15/14</b>	<b>HARRIS</b>	<b>Cathleen M. Harris</b>	
<b>ACH001149</b>		091914	September 2014 Business expense	104.76
			***Total ***	104.76
	<b>10/15/14</b>	<b>HINMAN</b>	<b>Susan Hinman</b>	
<b>ACH001150</b>		093014	September 2014 Business expense	417.03
			***Total ***	417.03
	<b>10/15/14</b>	<b>THOMAS</b>	<b>Jeffery Thomas</b>	
<b>ACH001168</b>		093014	September 2014 Business expense	105.71
			***Total ***	105.71
	<b>10/31/14</b>	<b>BACATI</b>	<b>Tiffany Baca</b>	
<b>126493</b>		101814	September-October 2014 Business expense	170.31
			***Total ***	170.31
	<b>10/31/14</b>	<b>BURKED</b>	<b>Darcy M. Burke</b>	
<b>126494</b>		100114	September-October 2014 Business expense	195.91
		102414	October 2014 Business expense	830.69
			***Total ***	1,026.60
	<b>10/31/14</b>	<b>CLARKW</b>	<b>Wayne Clark</b>	
<b>126496</b>		083114	August 2014 Business expense	100.80
		093014	September 2014 Business expense	100.80
		103114	October 2014 Business expense	117.60
			***Total ***	319.20
	<b>10/31/14</b>	<b>BAEZHE</b>	<b>Heather Baez</b>	
<b>126498</b>		102414	October 2014 Business expense	88.90
			***Total ***	88.90
	<b>10/31/14</b>	<b>HEDGES</b>	<b>Steve Hedges</b>	
<b>126499</b>		101014	September-October 2014 Business expense	86.91
			***Total ***	86.91

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of October 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
126501	10/31/14	LYONKE 103114	Keith Lyon September-October 2014 Business expense ***Total ***	118.55 118.55
ACH001173	10/31/14	BERGJO 092914	Joseph Berg September 2014 Business expense ***Total ***	114.75 114.75
ACH001176	10/31/14	OUWERK 093014	Jessica H. Ouwerkerk September 2014 Business expense ***Total ***	103.14 103.14
<b>Total Core Disbursements</b>				<b>23,856.96</b>

**Choice Disbursements:**

126444	10/15/14	USBANK 5783-SEP14	U.S. Bank 8/22/14-9/22/14 Cal Card charges ***Total *** (See attached sheet for details)	20.70 20.70
126344	9/30/14	SDG&E 7768-OCT14	SDG&E 9/18/14-10/19/14 Electrical service for Doheny Ocean Desal project ***Total ***	248.04 248.04
ACH001173	10/31/14	BERGJO 092914	Joseph Berg September 2014 Business expense ***Total ***	16.00 16.00
<b>Total Choice Disbursements</b>				<b>284.74</b>

**Other Funds Disbursements:**

126353	10/8/14	ATTEOC 4492-SEP14 8200-SEP14 0532-SEP14	AT&T September 2014 S. EOC telephone expense September 2014 N. EOC telephone expense September 2014 N. EOC dedicated phone line ***Total ***	224.46 160.71 55.60 440.77
126356	10/9/14	BREA 092314	City of Brea Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	8,670.00 8,670.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of October 2014**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>126357</b>	<b>10/9/14</b>	<b>BUENAP 092314</b>	<b>City of Buena Park</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 6,445.00  6,445.00
<b>126358</b>	<b>10/9/14</b>	<b>WESTMI 092314</b>	<b>City of Westminster</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 5,127.00  5,127.00
<b>126359</b>	<b>10/9/14</b>	<b>EASTOR 092314</b>	<b>East Orange Co Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 6,583.00  6,583.00
<b>126360</b>	<b>10/9/14</b>	<b>ELTORO 092314</b>	<b>El Toro Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 15,767.00  15,767.00
<b>126361</b>	<b>10/9/14</b>	<b>GOLDEN 092314</b>	<b>Golden State Water Company</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 14,830.00  14,830.00
<b>126362</b>	<b>10/9/14</b>	<b>IRWD 092314</b>	<b>Irvine Ranch Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 44,381.00  44,381.00
<b>126363</b>	<b>10/9/14</b>	<b>LAHABR 092314</b>	<b>City of La Habra</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 5,036.00  5,036.00
<b>126364</b>	<b>10/9/14</b>	<b>LAPALM 092314</b>	<b>City of La Palma</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 950.00  950.00
<b>126365</b>	<b>10/9/14</b>	<b>LAGUNA 092314</b>	<b>Laguna Beach County Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 6,075.00  6,075.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of October 2014**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>126366</b>	<b>10/9/14</b>	<b>MESAWA 092314</b>	<b>Mesa Water</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 3,696.00  3,696.00
<b>126367</b>	<b>10/9/14</b>	<b>MOULTO 092314</b>	<b>Moulton Niguel Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 3,498,562.80  3,498,562.80
<b>126368</b>	<b>10/9/14</b>	<b>OCWD 092314</b>	<b>Orange County Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 17,683.00  17,683.00
<b>126370</b>	<b>10/9/14</b>	<b>SANCLE 092314</b>	<b>City of San Clemente</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 921,671.05  921,671.05
<b>126371</b>	<b>10/9/14</b>	<b>SANJUA 092314</b>	<b>City of San Juan Capistrano</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 315,888.12  315,888.12
<b>126372</b>	<b>10/9/14</b>	<b>SERRAN 092314</b>	<b>Serrano Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 1,521.00  1,521.00
<b>126373</b>	<b>10/9/14</b>	<b>SANTAM 092314</b>	<b>Santa Margarita Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 3,083,163.36  3,083,163.36
<b>126374</b>	<b>10/9/14</b>	<b>SOUTHCO 092314</b>	<b>South Coast Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 249,277.79  249,277.79
<b>126375</b>	<b>10/9/14</b>	<b>TRABUC 092314</b>	<b>Trabuco Canyon Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 4,108.00  4,108.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of October 2014**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>126376</b>	<b>10/9/14</b>	<b>YORBAL 092314</b>	<b>Yorba Linda Water District</b> Refund for Tier 2 overcharges from 2007 & 2008 due to OC-88 metering error ***Total ***	 16,173.00  16,173.00
<b>126394</b>	<b>10/15/14</b>	<b>HUBBAR 083114 093014 091114</b>	<b>Kelly Hubbard</b> August 2014 Business expense September 2014 Business expense September 2014 Business expense - CESA ***Total ***	 120.15 69.24 871.10 1,060.49
<b>126396</b>	<b>10/15/14</b>	<b>PARSON 091114 091114A</b>	<b>Lisa Parson</b> September 2014 Business expense-CESA September 2014 Business expense ***Total ***	 125.44 59.08 184.52
<b>126444</b>	<b>10/15/14</b>	<b>USBANK 5783-SEP14</b>	<b>U.S. Bank</b> 8/22/14-9/22/14 Cal Card charges ***Total *** (See attached sheet for details)	 1,101.85 1,101.85
<b>126491</b>	<b>10/31/14</b>	<b>ATTEOC 4492-OCT14 8200-OCT14 0532-OCT14</b>	<b>AT&amp;T</b> October 2014 S. EOC telephone expense October 2014 N. EOC telephone expense October 2014 N. EOC dedicated phone line ***Total ***	 224.83 161.12 55.80 441.75
<b>126492</b>	<b>10/31/14</b>	<b>ATTUVEOC 8599-OCT14</b>	<b>AT&amp;T</b> October 2014 N. EOC U-verse internet service ***Total ***	 22.50 22.50
<b>126495</b>	<b>10/31/14</b>	<b>CATALI 10630</b>	<b>Catalina Island Conservancy</b> October 2014 WEROC radio repeater site lease ***Total ***	 1,484.32 1,484.32
<b>126500</b>	<b>10/31/14</b>	<b>PARSON 101514 101114</b>	<b>Lisa Parson</b> October 2014 Business expense October 2014 Business expense ***Total ***	 77.52 42.56 120.08
<b>ACH001178</b>	<b>10/31/14</b>	<b>SANTAM AUG2014</b>	<b>Santa Margarita Water District</b> August 2014 SCP Operation surcharge ***Total ***	 34,270.21 34,270.21

**Municipal Water District of Orange County**  
**Disbursement Ratification Report**  
**For the month of October 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>ACH001179</b>	<b>10/31/14</b>	<b>SPRINT</b>	<b>Sprint</b>	
		320982721-122	October 2014 WEROC cell phone expense	41.91
			***Total ***	41.91
<b>WIRE-103114</b>	<b>10/31/14</b>	<b>METWAT</b>	<b>Metropolitan Water District</b>	
		8120	August 2014 Water deliveries	11,735,541.78
			***Total ***	11,735,541.78
<b>Total Other Funds Disbursements</b>				<u>20,000,318.30</u>
<b>Total Disbursements</b>				<u><u>20,024,460.00</u></u>

  
 Robert J. Hunter, General Manager

  
 Hilary Chumpitazi, Treasurer



**Cal Card Statement Detail**  
**Statement Date: September 22, 2014**  
**Payment Date: October 15, 2014**

Date	Description	Amount
<b><u>Karl's Card</u></b>		
08/26/14	UPS delivery charges for Board & Committee packets on Aug. 13, 2014	\$ 42.70
08/26/14	Lunch for WEROC training	127.00
08/27/14	Staff development lunch	242.34
08/27/14	1 HP LaserJet printer	558.99
08/27/17	5 Toner cartridges	288.14
08/27/14	ACWA Fall conference in San Diego, CA from Dec. 2-5, 2014 - Registration for Director Hinman	695.00
08/28/14	Reflective tape for WEROC	28.45
08/28/14	8 Traffic cones for WEROC	191.92
08/29/14	American Red Cross Disaster Preparedness Academy in Anaheim, CA on Oct. 22, 2014 - Registration for L. Parson	110.00
08/31/14	8/29/14-8/30/14 Facebook marketing for WUE programs	20.70
09/01/14	FedEx delivery charges to Metropolitan Water District on Aug. 27, 2014	17.73
09/03/14	CalDesal Annual conference in Monterey, CA from Oct. 6-7, 2014 - Registration for R. Bell	225.00
09/03/14	ACWA Fall conference in San Diego, CA from Dec. 2-5, 2014 - Registration for K. Seckel	695.00
09/03/14	ACWA Fall conference in San Diego, CA from Dec. 2-5, 2014 - Registration for R. Hunter	695.00
09/04/14	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 10-12, 2014 - Registration and membership for Director Barbre	445.00
09/05/14	Orange County Water Association meeting in Irvine, CA on Sep. 26, 2014 Registration for K. Hubbard & L. Parson	50.00
09/04/14	California Urban Water Conservation Council meeting in Sacramento, CA on Sep. 17, 2014 - Airfare for J. Berg	386.20
09/09/14	UPS delivery charges for Board & Committee packets on Sep. 4, 2014	6.05
09/09/14	Society for Human Resource Management annual membership renewal	185.00
09/10/14	California Special Districts Association Governance Foundations workshop in Palm Springs, CA on Sep. 29, 2014 - Registration for Director Barbre	225.00 1
09/10/14	California Special Districts Association Governance Foundations workshop in Palm Springs, CA on Sep. 29, 2014 - Registration for Director Dick	225.00 1
09/10/14	California Special Districts Association Governance Foundations workshop in Palm Springs, CA on Sep. 29, 2014 - Registration for R. Hunter	225.00 1
09/10/14	California Special Districts Association Governance Foundations workshop in Palm Springs, CA on Sep. 29, 2014 - Registration for K. Seckel	225.00 1
09/10/14	CalDesal Annual conference in Monterey, CA from Oct. 6-7, 2014 - Airfare for R. Bell	239.20
09/12/14	California Emergency Services Association - Annual Training conference in Indian Wells, CA from Sep. 8-11, 2014 - Accommodations for L. Parson	594.48
09/13/14	Legislative activities in Washington, DC from Sep. 10-13, 2014 - Accommodations for Director Barbre	1,275.47 2



**Cal Card Statement Detail**  
**Statement Date: September 22, 2014**  
**Payment Date: October 15, 2014**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
09/15/14	State Water Resource Control Board meeting in Sacramento, CA from Oct. 14-15, 2014 - Airfare for D. Burke	180.20
09/17/14	ACWA Fall conference in San Diego, CA from Dec. 2-5, 2014 - Registration for H. Baez	695.00
09/17/14	ACWA Fall conference in San Diego, CA from Dec. 2-5, 2014 - Registration for H. De La Torre	695.00
09/17/14	UPS delivery charges for Board & Committee packets on Aug. 26 & Sep. 4, 2014	45.80
09/18/14	Colorado River Water Users Association 2014 Annual conference in Las Vegas, NV from Dec. 10-12, 2014 - Registrations and memberships for R. Hunter, D. Burke & H. De La Torre	1,360.00
09/19/14	Governmentjobs.com job posting for Associate Water Resources Analyst position	175.00
09/19/14	Governmentjobs.com job posting for Senior Administrative Assistant position	175.00
<b>Total</b>		<b><u>\$ 11,345.37</u></b>


- 1 Canceled workshop registrations and refund was received on 9/25/14
- 2 Director Barbre to reimburse MWDOC \$502.58

**Cal Card Statement Detail**  
**Statement Date: September 22, 2014**  
**Payment Date: October 15, 2014**

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<b><u>Rob's Card</u></b>		
8/22/14-9/22/14	Meals for R. Hunter's meetings on various dates	267.49
09/20/14	Food for Management staff meeting	71.95
	<b>Total</b>	<b><u>\$ 339.44</u></b>

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the month of October 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Expenditures:</b>				
126385	10/15/14	COOKHU 100314	Hunter T. Cook August-October 2014 Coastal retiree health benefit	1,364.76
			***Total ***	1,364.76
126446	10/20/14	METOTH 100314	Metropolitan Water District Additional deposit for Service Connection OC-33 modifications	66,200.00
			***Total ***	66,200.00
			<b>Total Core Disbursements</b>	<b>67,564.76</b>
<b>Choice Expenditures:</b>				
			<b>Total Choice Disbursements</b>	<b>0.00</b>
<b>Other Funds Expenditures:</b>				
126369	10/9/14	QUICKS EST. 5274	Quick Signs 50% Deposit for 605 Lawn signs for Turf Removal program	1,973.27
			***Total ***	1,973.27
			<b>Total Other Funds Disbursements</b>	<b>1,973.27</b>
			<b>Total Disbursements</b>	<b>69,538.03</b>

  
 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**  
**Consolidated Summary of Cash and Investment**  
September 30, 2014

*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.com](http://www.mwdoc.com)

Larry D. Dick  
*President*

Wayne S. Osborne  
*Vice President*

Brett R. Barbre  
*Director*

Wayne A. Clark  
*Director*

Joan C. Finnegan  
*Director*

Susan Hinman  
*Director*

Jeffery M. Thomas  
*Director*

Robert J. Hunter  
*General Manager*

**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

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	\$1,687,565	10.93%
Grant & Project Cash Flow	1,000,000	6.47%
Building Repair	<u>239,491</u>	<u>1.55%</u>
Total Designated Reserves	2,927,056	18.95%
General Fund	6,446,453	41.73%
Water Fund	4,326,681	28.01%
Conservation Fund	(72,153)	(0.47)%
Desalination Feasibility Study Fund	222,385	1.44%
WEROC Fund	171,428	1.11%
Trustee Activities	(5,824)	(0.04)%
<b>Total</b>	<b>\$14,016,026</b>	<b>100.00%</b>

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	1.10%	\$154,297	\$154,297
Short-term investment			
• LAIF	38.47%	\$5,392,565	\$5,392,565
• OCIP	38.29%	5,366,272	5,366,272
Long-term investment			
• Misc. Securities	14.29%	2,002,892	2,046,503
• Certificates of Deposit	7.85%	1,100,000	1,094,153
<b>Total</b>	<b>100.00%</b>	<b>\$14,016,026</b>	<b>\$14,053,790</b>

The average number of days to maturity/call as of September 30, 2014 equaled 147 and the average yield to maturity is 0.83%. During the month, the District's average daily balance was \$26,016,323.87. 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 September 2014.

The \$37,763 difference between the book value and the market value on September 30, 2014 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.

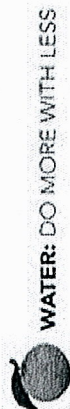
Robert J. Hunter  
*General Manager*

Hilary Chumpitazi  
*Treasurer*



# MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

## Portfolio Management - Portfolio Summary September 30, 2014



9/30/2014	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Certificates of Deposit - Bank	1,100,000.00	1,094,152.50	1,100,000.00	7.94	1262	1.459
Local Agency Investment Funds	5,392,565.22	5,392,565.22	5,392,565.22	38.91	1	0.246
Miscellaneous Securities - Coupon	2,000,000.00	2,046,502.50	2,002,891.75	14.43	319	3.346
Orange County Investment Pool	5,366,272.51	5,366,272.51	5,366,272.51	38.72	1	0.350
<b>Total Investments</b>	<b>13,858,837.73</b>	<b>13,899,492.73</b>	<b>13,861,729.48</b>	<b>100.00%</b>	<b>147</b>	<b>0.830</b>

<b>Cash</b>						
Passbook Checking	154,296.95	154,296.95	154,296.95		1	0.00
<b>Total Cash and Investments</b>	<b>14,013,134.68</b>	<b>14,053,789.68</b>	<b>14,016,026.43</b>		<b>147</b>	<b>0.830</b>

<b>Total Earnings</b>	<b>Month Ending September</b>	<b>Fiscal Year to Date</b>
<b>Current Year</b>	<b>11,564.06</b>	<b>32,415.05</b>
<b>Average Daily Balance</b>	<b>26,016,323.87</b>	
<b>Effective Rate of Return</b>	<b>0.830%</b>	

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

11-6-14

  
Hilary Chumpitazi, Treasurer

Date

11/6/2014

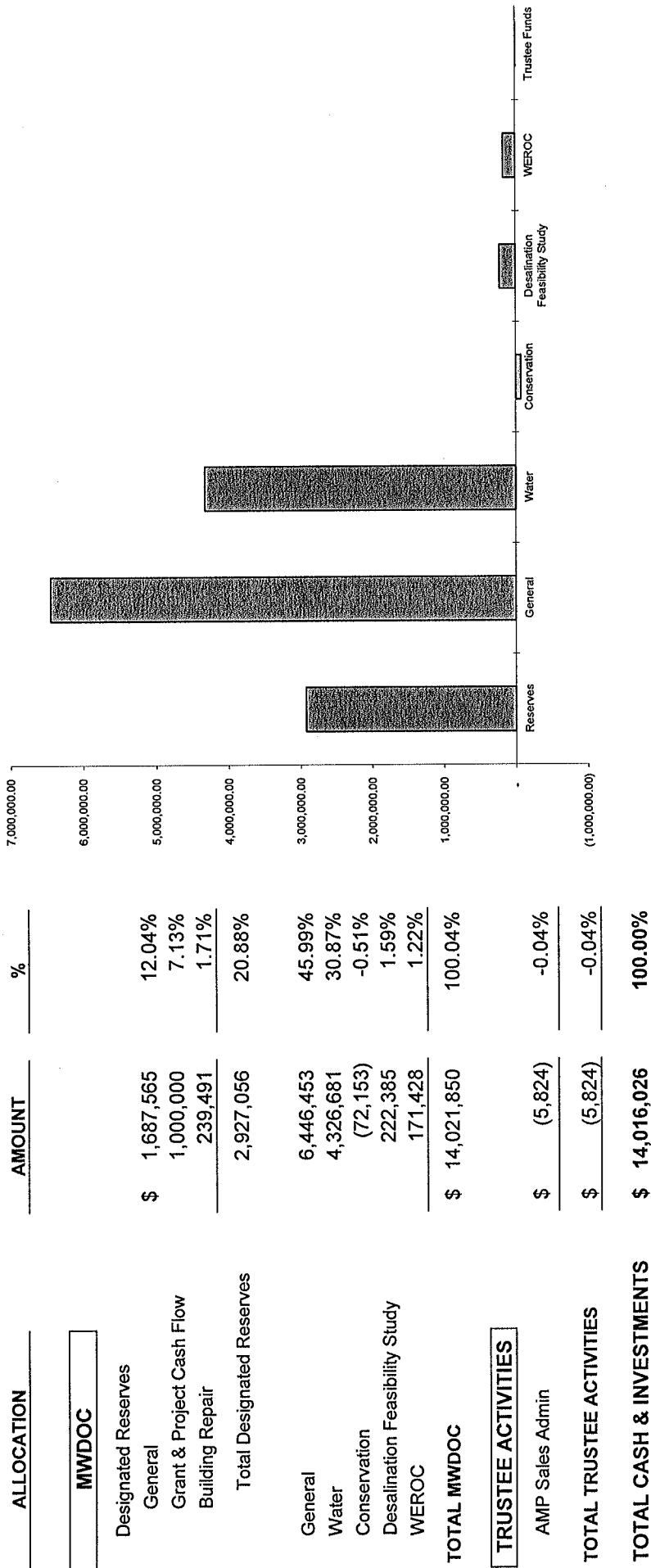
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**September 30, 2014**

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Certificate of Deposit - Bank</b>									
Ally Bank	02006LFV0	7/23/2014	250,000.00	248,517.50	250,000.00	1.150	1.150	1028	7/24/2017
Discover Bank	2546712Y5	7/23/2014	250,000.00	248,490.00	250,000.00	1.600	1.600	1392	7/23/2018
GE Capital Bank	36163FJC8	7/25/2014	250,000.00	248,510.00	250,000.00	1.200	1.200	1029	7/25/2017
Goldman Sachs Bank	38143A4T9	1/23/2013	100,000.00	99,970.00	100,000.00	1.050	1.050	846	1/23/2017
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	248,665.00	250,000.00	2.050	2.050	1764	7/30/2019
<b>Sub Total</b>			<b>1,100,000.00</b>	<b>1,094,152.50</b>	<b>1,100,000.00</b>	<b>1.459</b>	<b>1.459</b>	<b>1262</b>	
<b>Miscellaneous Securities - Coupon</b>									
Bank of America	06051GED7	10/14/2010	250,000.00	256,702.50	251,484.96	3.700	3.000	336	9/1/2015
JPMorgan Chase	46625HHR4	11/23/2010	250,000.00	255,245.00	251,196.24	3.400	2.700	267	6/24/2015
MetLife Global	59217GAD1	2/25/2011	500,000.00	515,180.00	500,696.35	3.125	3.007	468	1/1/2016
Morgan Stanley	61747YCT0	3/9/2011	500,000.00	514,155.00	499,707.18	3.450	3.508	398	11/2/2015
UBS Financial Services	90261XFY3	6/10/2010	500,000.00	505,220.00	499,807.02	3.875	4.020	107	1/15/2015
<b>Sub Total</b>			<b>2,000,000.00</b>	<b>2,046,502.50</b>	<b>2,002,891.75</b>	<b>3.500</b>	<b>3.346</b>	<b>319</b>	
<b>Total Investments</b>			<b>3,100,000.00</b>	<b>3,140,655.00</b>	<b>3,102,891.75</b>	<b>2.776</b>	<b>2.677</b>	<b>653</b>	
<b>Total Earnings</b>									
Current Year		Month Ending September	6,722.62	Fiscal Year To Date	19,833.69				

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**September 30, 2014**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	5,392,565.22	5,392,565.22	5,392,565.22	0.246	0.246	1	N/A
<b>Sub Total</b>			<b>5,392,565.22</b>	<b>5,392,565.22</b>	<b>5,392,565.22</b>	<b>0.246</b>	<b>0.246</b>	<b>1</b>	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	5,366,272.51	5,366,272.51	5,366,272.51	0.350	0.350	1	N/A
<b>Sub Total</b>			<b>5,366,272.51</b>	<b>5,366,272.51</b>	<b>5,366,272.51</b>	<b>0.350</b>	<b>0.350</b>	<b>1</b>	
<b>Total Investments</b>			<b>10,758,837.73</b>	<b>10,758,837.73</b>	<b>10,758,837.73</b>	<b>0.298</b>	<b>0.298</b>		
<b>Passbook Checking</b>									
Bank of America Cash	CASH0547	7/1/2011	153,796.95	153,796.95	153,796.95	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
<b>Total Cash</b>			<b>154,296.95</b>	<b>154,296.95</b>	<b>154,296.95</b>	<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Total Cash and Investments</b>			<b>10,913,134.68</b>	<b>10,913,134.68</b>	<b>10,913,134.68</b>	<b>0.298</b>	<b>0.298</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year			4,841.44						
					Fiscal Year To Date				
					12,581.36				

# Cash and Investments at September 30, 2014





**MUNICIPAL WATER DIST OF ORANGE COUNTY**  
**PARS GASB 45 Program****Monthly Account Report for the Period**  
**9/1/2014 to 9/30/2014**Rob Hunter  
General Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 9/1/2014	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 9/30/2014
Employer Contribution	\$1,124,425.88	\$0.00	-\$19,501.94	\$528.64	\$0.00	\$0.00	\$1,104,395.30
<b>Totals</b>	<b>\$1,124,425.88</b>	<b>\$0.00</b>	<b>-\$19,501.94</b>	<b>\$528.64</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,104,395.30</b>

**Investment Selection**

Moderate HighMark PLUS

**Investment Objective**

The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

**Investment Return**

1-Month	3-Months	1-Year	Annualized Return			Inception Date
			3-Years	5-Years	10-Years	
-1.73%	-0.93%	7.64%	9.75%	N/A	N/A	10/26/2011

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Inception Date: Plan's inception date

Municipal Water District of Orange County  
WATER USE EFFICIENCY PROJECTS  
Cash Flow as of 9/30/14

Cash - Beginning Balance	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015	TOTALS
<b>REVENUES:</b>													
City of Brea	3,448.00	328.00	69.00	2,812.00									\$ 6,657.00
City of Fountain Valley				75.00									\$ 75.00
City of Fullerton	75.00	75.00	346.30	955.93									\$ 1,452.23
City of Garden Grove		255.00	810.00	292.68									\$ 1,357.68
City of Huntington Beach				433.85									\$ 433.85
City of La Habra		105.00		105.00									\$ 210.00
City of San Clemente	600.00	1,965.00	2,145.00	1,449.98									\$ 6,159.98
City of San Juan Capistrano	105.00	735.00		1,470.00									\$ 2,310.00
City of Santa Ana		157.68											\$ 157.68
City of Tustin				225.00									\$ 225.00
City of Orange	630.00	1,050.00	1,020.00	1,655.49									\$ 4,355.49
City of Westminster		19.97		34.44									\$ 54.41
El Toro Water District	2,703.99	2,717.00	1,576.00	6,802.99									\$ 13,799.98
Golden State Water Company	2,671.00	3,493.93	3,350.00	2,589.58									\$ 12,104.51
Irvine Ranch Water District	65,383.05	28,904.47	41,340.19	47,252.20									\$ 182,879.91
Laguna Beach County Water District	328.00	1,130.00		885.00									\$ 2,343.00
Mesa Water District		225.00	75.00	225.00									\$ 525.00
Metropolitan Water District		142,191.56	1,183.00	11,158.91									\$ 154,533.47
Moulton Niguel Water District			789.98	144.00									\$ 933.98
Santa Margarita Water District	1,092.20	4,782.20											\$ 5,874.40
South Coast Water District	75.00	225.00											\$ 450.00
Yorba Linda Water District			213.00	351.00									\$ 564.00
<b>Miscellaneous Revenues</b>													
Miscellaneous	5,950.50												5,950.50
Interest Revenue	171.77												171.77
<b>Total Revenues</b>	<b>83,233.51</b>	<b>188,359.81</b>	<b>52,917.47</b>	<b>79,068.05</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 403,578.84</b>
<b>EXPENDITURES:</b>													
Aquaticent	1,500.00	1,500.00		3,000.00									6,000.00
Conservation Consulting, LLC	7,544.25	7,411.50		13,663.25									28,619.00
City of Newport Beach	2,968.00												2,968.00
Executive Information Systems		584.00											584.00
Hotel Program			5,151.92	27,674.40									32,826.32
Irvine Ranch Water District	16,250.00												16,250.00
Metropolitan Water District	7,988.20												7,988.20
MESA	2,119.50												2,119.50
Mission RCD	6,485.80	12,988.02	14,006.16	30,794.12									64,274.10
Quick Signs				1,973.27									1,973.27
Spew to Drip program		975.00	10,100.26	2,852.56									13,927.82
Staley Gizmo				675.00									675.00
Turf Removal	108,189.95	183,408.30	197,345.22	442,202.55									931,146.02
URS		12,580.00		1,415.00									13,995.00
URS		1,250.00	1,250.00										2,500.00
Waterwise Consulting													-
<b>Miscellaneous Expenses</b>													
Invest Expense													
Safety & Benefit			14,983.31										14,983.31
<b>Total Expenditures</b>	<b>153,045.70</b>	<b>220,696.82</b>	<b>242,836.87</b>	<b>524,250.15</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 1,140,829.54</b>
<b>Cash - Ending Balance</b>	<b>\$ 150,103.91</b>	<b>\$ 117,766.90</b>	<b>\$ (72,152.50)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	<b>\$ (517,334.60)</b>	

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**COMBINED FINANCIAL STATEMENTS**  
**AND**  
**BUDGET COMPARATIVE**  
**JULY 1, 2014 THRU SEPTEMBER 30, 2014**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of September 30, 2014**

<b><u>ASSETS</u></b>	<b>Amount</b>
Cash in Bank	154,296.95
Investments	13,861,729.48
Accounts Receivable	38,265,328.20
Accounts Receivable - Other	526,630.69
Accrued Interest Receivable	31,389.66
Prepays/Deposits	795,794.98
Leasehold Improvements	3,015,137.08
Furniture, Fixtures & Equipment	535,372.82
Less: Accum Depreciation	(2,498,215.72)
Net OPEB Asset	37,041.00
	<hr/>
<b>TOTAL ASSETS</b>	<b><u><u>\$54,724,505.14</u></u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>Liabilities</b>	
Accounts Payable	38,913,290.43
Accrued Salaries and Benefits Payable	404,739.93
Other Liabilities	2,041,039.01
Unearned Revenue	1,095,020.32
Total Liabilities	<hr/> <b>42,454,089.99</b>
 <b>Fund Balances</b>	
Restricted Fund Balances	
Water Fund - T2C	954,814.06
Total Restricted Fund Balances	<hr/> <b>954,814.06</b>
Unrestricted Fund Balances	
Designated Reserves	
General Operations	1,724,605.61
Grant & Project Cash Flow	1,000,000.00
Building Repair	239,491.00
Total Designated Reserves	<hr/> <b>2,964,096.61</b>
GENERAL FUND	1,997,292.48
WEROC	55,774.88
Total Unrestricted Fund Balances	<hr/> <b>5,017,163.97</b>
Excess Revenue over Expenditures	
Operating Fund	6,241,992.12
Other Funds	56,445.00
Total Fund Balance	<hr/> <b>12,270,415.15</b>
	<hr/>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u><u>\$54,724,505.14</u></u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July thru September 2014**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>REVENUES</u></b>						
Retail Connection Charge	0.00	6,440,532.00	6,440,532.00	100.00%	0.00	0.00
Water Increment	8,590.80	49,290.73	103,564.00	47.59%	0.00	54,273.27
Water rate revenues	8,590.80	6,489,822.73	6,544,096.00	99.17%	0.00	54,273.27
Interest Revenue	11,334.32	31,633.15	138,000.00	22.92%	0.00	106,366.85
Subtotal	19,925.12	6,521,455.88	6,682,096.00	97.60%	0.00	160,640.12
Choice Programs	1,109,408.78	1,109,408.78	1,261,086.00	87.97%	0.00	151,677.22
Choice Prior Year Carry Over	0.00	94,000.00	0.00		0.00	(94,000.00)
Miscellaneous Income	40.11	186.13	3,000.00	6.20%	0.00	2,813.87
School Contracts	3,872.00	3,872.00	70,000.00	5.53%	0.00	66,128.00
Transfer-Out To Reserve	0.00	0.00	(84,374.00)	0.00%	0.00	(84,374.00)
Subtotal	1,113,320.89	1,207,466.91	1,249,712.00	96.62%	0.00	42,245.09
<b>TOTAL REVENUES</b>	<b>1,133,246.01</b>	<b>7,728,922.79</b>	<b>7,931,808.00</b>	<b>97.44%</b>	<b>0.00</b>	<b>202,885.21</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July thru September 2014**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>EXPENSES</u></b>						
Salaries & Wages	247,056.59	744,568.89	2,995,855.00	24.85%	0.00	2,251,286.11
Salaries & Wages - Grant Recovery	(11,267.88)	(11,267.88)	(16,437.00)	68.55%	0.00	(5,169.12)
Directors' Compensation	13,926.81	40,070.12	210,342.00	19.05%	0.00	170,271.88
MWD Representation	7,574.23	18,324.75	120,197.00	15.25%	0.00	101,872.25
Employee Benefits	67,516.40	202,766.67	961,916.00	21.08%	0.00	759,149.33
OPEB Annual Contribution	0.00	0.00	133,331.00	0.00%	0.00	133,331.00
Employee Benefits - Grant Recovery	(2,885.99)	(2,885.99)	0.00	0.00%	0.00	2,885.99
Director's Benefits	6,119.33	20,052.35	119,356.00	16.80%	0.00	99,303.65
Health Ins \$'s for Retirees	2,858.34	10,137.72	50,244.00	20.18%	0.00	40,106.28
Training Expense	2,097.00	2,097.00	18,000.00	11.65%	0.00	15,903.00
Tuition Reimbursement	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Personnel Expenses	332,994.83	1,023,863.63	4,598,804.00	22.26%	0.00	3,570,759.28
Engineering Expense	7,027.77	21,866.03	355,000.00	6.16%	45,786.74	287,347.23
Legal Expense	9,145.19	38,738.03	329,000.00	11.77%	290,261.97	0.00
Audit Expense	2,000.00	8,900.00	23,000.00	38.70%	12,225.00	1,875.00
Professional Services	53,136.95	171,422.05	1,065,200.00	16.09%	261,777.65	632,000.30
Professional Fees	71,309.91	240,926.11	1,772,200.00	13.59%	610,051.36	921,222.53
Conference-Staff	4,755.00	5,090.00	13,925.00	36.55%	0.00	8,835.00
Conference-Directors	1,570.00	2,690.00	8,650.00	31.10%	0.00	5,960.00
Travel & Accom.-Staff	895.85	4,178.01	38,300.00	10.91%	0.00	34,121.99
Travel & Accom.-Directors	787.83	1,634.53	29,600.00	5.52%	0.00	27,965.47
Travel & Conference	8,008.68	13,592.54	90,475.00	15.02%	0.00	76,882.46
Membership/Sponsorship	265.00	42,221.26	90,437.00	46.69%	0.00	48,215.74
CDR Support	0.00	9,990.25	39,961.00	25.00%	29,970.75	0.00
Dues & Memberships	265.00	52,211.51	130,398.00	40.04%	29,970.75	48,215.74
Business Expense	425.53	1,803.73	7,000.00	25.77%	0.00	5,196.27
Maintenance Office	16,966.17	27,030.11	118,768.00	22.76%	86,645.60	5,092.29
Building Repair & Maintenance	1,269.62	1,743.54	10,800.00	0.00%	9,056.46	0.00
Storage Rental & Equipment Lease	962.66	2,887.98	16,708.00	17.29%	12,820.02	1,000.00
Office Supplies	2,112.86	6,245.42	24,288.00	25.71%	2,653.87	15,388.71
Postage/Mail Delivery	789.91	2,402.29	11,100.00	21.64%	3,424.41	5,273.30
Subscriptions & Books	0.00	146.02	1,600.00	9.13%	0.00	1,453.98
Reproduction Expense	28.75	90.00	90,625.00	0.10%	3,500.00	87,035.00
Maintenance-Computers	1,068.05	1,570.16	6,000.00	26.17%	1,458.57	2,971.27
Software Purchase	0.00	6,883.40	25,515.00	26.98%	0.00	18,631.60
Software Support	7,666.21	11,988.35	28,869.00	41.53%	0.00	16,880.65
Computers and Equipment	0.00	5,140.11	9,300.00	55.27%	0.00	4,159.89
Automotive Expense	1,144.97	2,556.96	13,300.00	19.23%	0.00	10,743.04
Toll Road Charges	112.50	216.42	1,250.00	17.31%	0.00	1,033.58
Insurance Expense	7,108.93	25,981.72	97,000.00	26.79%	11,455.07	59,563.21
Utilities - Telephone	1,254.27	3,700.71	16,900.00	21.90%	0.00	13,199.29
Bank Fees	966.25	2,770.47	10,700.00	25.89%	0.00	7,929.53
Miscellaneous Expense	5,065.34	10,222.17	109,700.00	9.32%	18.16	99,459.67
MWDOC's Contrb. To WEROC	10,709.00	32,127.00	128,508.00	25.00%	0.00	96,381.00
Depreciation Expense	3,124.18	10,830.32	0.00	0.00%	0.00	(10,830.32)
Other Expenses	60,775.20	156,336.88	727,931.00	21.48%	131,032.16	440,561.96
Election Expense	0.00	0.00	444,000.00	0.00	0.00	444,000.00
Building Repair & Maintenance	0.00	0.00	168,000.00	0.00%	0.00	168,000.00
<b>TOTAL EXPENSES</b>	<b>473,353.62</b>	<b>1,486,930.67</b>	<b>7,931,808.00</b>	<b>18.75%</b>	<b>771,054.27</b>	<b>5,673,823.06</b>
<b>NET INCOME (LOSS)</b>	<b>659,892.39</b>	<b>6,241,992.12</b>	<b>0.00</b>			

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**From July thru September 2014**

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<b><u>WATER REVENUES</u></b>					
Water Sales	17,476,682.50	55,902,893.80	163,874,103.00	34.11%	107,971,209.20
Readiness to Serve Charge	1,161,520.50	3,484,561.50	13,946,682.00	24.98%	10,462,120.50
Capacity Charge CCF	304,941.67	914,825.01	3,659,300.00	25.00%	2,744,474.99
SCP Surcharge	32,251.49	101,836.29	361,200.00	28.19%	259,363.71
Interest	221.95	703.55	4,275.00	16.46%	3,571.45
<b>TOTAL WATER REVENUES</b>	<b>18,975,618.11</b>	<b>60,404,820.15</b>	<b>181,845,560.00</b>	<b>33.22%</b>	<b>121,440,739.85</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	17,476,682.50	55,902,893.80	163,874,103.00	34.11%	107,971,209.20
Readiness to Serve Charge	1,161,520.50	3,484,561.50	13,946,682.00	24.98%	10,462,120.50
Capacity Charge CCF	304,941.67	914,825.01	3,659,300.00	25.00%	2,744,474.99
SCP Surcharge	32,251.49	101,836.29	361,200.00	28.19%	259,363.71
<b>TOTAL WATER PURCHASES</b>	<b>18,975,396.16</b>	<b>60,404,116.60</b>	<b>181,841,285.00</b>	<b>33.22%</b>	<b>121,437,168.40</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>221.95</b>	<b>703.55</b>	<b>4,275.00</b>		

**Municipal Water District of Orange County**  
**WUE Revenues and Expenditures (Actuals vs Budget)**  
**From July thru September 2014**

	Year to Date Actual	Annual Budget	% Used
<b>Landscape Performance Certification</b>			
Revenues	16,517.37	116,000.00	14.24%
Expenses	<u>27,652.00</u>	<u>116,000.00</u>	23.84%
Excess of Revenues over Expenditures	(11,134.63)	0.00	
<b>SmarTimer Program</b>			
Revenues	82,131.89	50,467.00	162.74%
Expenses	<u>58,336.18</u>	<u>50,467.00</u>	115.59%
Excess of Revenues over Expenditures	23,795.71	0.00	
<b>Industrial Water Use Reduction</b>			
Revenues	1,415.00	113,980.00	1.24%
Expenses	<u>1,430.90</u>	<u>113,980.00</u>	1.26%
Excess of Revenues over Expenditures	(15.90)	0.00	
<b>Spray To Drip Conversion</b>			
Revenues	4,917.14	65,342.47	7.53%
Expenses	<u>13,155.73</u>	<u>65,342.47</u>	20.13%
Excess of Revenues over Expenditures	(8,238.59)	0.00	
<b>Water Smart Landscape for Public Property</b>			
Revenues	3,166.41	1,248,000.00	0.25%
Expenses	<u>2,890.77</u>	<u>1,248,000.00</u>	0.23%
Excess of Revenues over Expenditures	275.64	0.00	
<b>Member Agency Administered Passthru</b>			
Revenues	0.00	27,143.00	0.00%
Expenses	<u>0.00</u>	<u>27,143.00</u>	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	33,008.12	132,250.00	24.96%
Expenses	<u>20,259.42</u>	<u>132,250.00</u>	15.32%
Excess of Revenues over Expenditures	12,748.70	0.00	
<b>HECW Rebate Program</b>			
Revenues	96,450.00	403,000.00	23.93%
Expenses	<u>73,973.95</u>	<u>403,000.00</u>	18.36%
Excess of Revenues over Expenditures	22,476.05	0.00	
<b>CII Rebate Program</b>			
Revenues	900.00	159,250.00	0.57%
Expenses	<u>0.00</u>	<u>159,250.00</u>	0.00%
Excess of Revenues over Expenditures	900.00	0.00	
<b>Large Landscape Survey</b>			
Revenues	40,331.15	32,000.00	126.03%
Expenses	<u>26,171.71</u>	<u>32,000.00</u>	81.79%
Excess of Revenues over Expenditures	14,159.44	0.00	
<b>Indoor-Outdoor Survey</b>			
Revenues	1,565.78	5,200.00	30.11%
Expenses	<u>0.00</u>	<u>5,200.00</u>	0.00%
Excess of Revenues over Expenditures	1,565.78	0.00	
<b>Turf Removal Program</b>			
Revenues	512,280.54	725,000.00	70.66%
Expenses	<u>646,756.07</u>	<u>725,000.00</u>	89.21%
Excess of Revenues over Expenditures	(134,475.53)	0.00	



**Municipal Water District of Orange County**  
**WUE & Other Funds Revenues and Expenditures (Actuals vs Budget)**  
**From July thru September 2014**

	Year to Date Actual	Annual Budget	% Used
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	0.00	258,690.00	0.00%
Expenses	0.00	258,690.00	0.00%
Excess of Revenues over Expenditures	<u>0.00</u>	<u>0.00</u>	
<b>Home Certification and Rebate</b>			
Revenues	3,194.50	248,050.00	1.29%
Expenses	2,097.47	248,050.00	0.85%
Excess of Revenues over Expenditures	<u>1,097.03</u>	<u>0.00</u>	
<b>CII, Large Landscape, Performance (OWOW)</b>			
Revenues	0.00	145,960.00	0.00%
Expenses	0.00	145,960.00	0.00%
Excess of Revenues over Expenditures	<u>0.00</u>	<u>0.00</u>	
<b>WEROC</b>			
Revenues	161,073.57	248,622.00	64.79%
Expenses	47,183.01	248,622.00	18.98%
Excess of Revenues over Expenditures	<u>113,890.56</u>	<u>0.00</u>	
<b>WUE Projects</b>			
Revenues	795,877.90	3,730,332.47	21.34%
Expenses	872,724.20	3,730,332.47	23.40%
Excess of Revenues over Expenditures	<u>(76,846.30)</u>	<u>0.00</u>	
<b>RPOI Distributions</b>			
Revenues	-	4,921.00	0.00%
Expenses	-	4,921.00	0.00%
Excess of Revenues over Expenditures	<u>0.00</u>	<u>0.00</u>	
<b>Ocean Desalination</b>			
Revenues	-	94,000.00	0.00%
Expenses	(2,045.46)	94,000.00	-2.18%
Excess of Revenues over Expenditures	<u>2,045.46</u>	<u>0.00</u>	



## Memorandum

**DATE:** November 12, 2014

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

**FROM:** Robert Hunter

**SUBJECT:** Quarter ending September 2014 Financials Actual versus Budget

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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 September 2014 (Unaudited)  
( \$000 Omitted )  
General Fund and Reserve Fund

GENERAL FUND

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Projected Year End Cost</u>
<u>REVENUES</u>				
Water Rate revenues:				
Retail connection fees	6,441	6,440	100.0%	6,440
Water rate increment <sup>(1)</sup>	<u>49</u>	<u>104</u>	<u>47.6%</u>	<u>104</u>
Subtotal	6,490	6,544	99.2%	6,544
Other Revenues:				
Interest income	32	138	22.9%	138
Choice Programs	1,203	1,261	95.4%	1,261
School Contracts	4	70	5.5%	70
Other income	0	3	6.2%	3
Transfer to Reserve	<u>-</u>	<u>(84)</u>	<u>0.0%</u>	<u>(84)</u>
Subtotal	1,239	1,388	89.3%	1,388
<b>TOTAL REVENUES</b>	<b>7,729</b>	<b>7,931</b>	<b>97.4%</b>	<b>7,931</b>
<u>EXPENSES</u>				
Personal Expenses (incl. Dir.)	1,024	4,599	22.3%	4,599
Professional services	180	1,088	16.6%	1,088
Outside engineering	22	355	6.2%	355
Legal expense	39	329	11.8%	329
Travel & Conference	14	90	15.0%	90
Dues and memberships <sup>(2)</sup>	52	130	40.0%	130
General & Admin expense	156	1,171	13.3%	1,171
Building Repair & Maintenance	<u>-</u>	<u>168</u>	<u>0.0%</u>	<u>168</u>
<b>TOTAL EXPENSES</b>	<b>1,487</b>	<b>7,931</b>	<b>18.7%</b>	<b>7,931</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>6,242</b>	<b>-</b>		<b>-</b>

RESERVE FUND <sup>(3)</sup>

Beginning Balance	2,566
Dec 2013 - excess from FY 12-13 General Fund	310
Jan 2014 - excess from FY 12-13 General Fund	32
Feb 2014 - closed out Projects 2325, 2335 and net with Summit loss 2013	<u>19</u>
<b>TOTAL RESERVE FUND</b>	<b>2,927</b>

<sup>1</sup> Water rate increment had 57% of revenue in July, 25% in August and 18% in September.

<sup>2</sup> Most dues and memberships are paid in the first half of the year. We do not anticipate going over budget.

<sup>3</sup> FY 2013/14 Reserve transfer will be posted in November 2014.

Municipal Water District of Orange County  
Revenues and Expenditures Actual vs Budget Line Item Report  
Fiscal Year to Date ending September 2014 (Unaudited)  
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	6,440,532	6,440,532	100.00%
Water Increment	49,291	103,564	47.59%
Water rate revenues	6,489,823	6,544,096	99.17%
Choice Programs	1,109,409	1,261,086	87.97%
Choice Prior Year Carry Over	94,000	0	0.00%
Interest Revenue	31,633	138,000	22.92%
Miscellaneous Income	186	3,000	6.20%
School Contracts	3,872	70,000	5.53%
Transfer to Reserve	-	(84,374)	0.00%
Other revenues	1,239,100	1,387,712	89.29%
TOTAL REVENUES	7,728,923	7,931,808	97.44%

OPERATING EXPENSES			
Salaries & Wages	744,569	2,995,855	24.85%
less Recovery from Grants	(11,268)	(16,437)	68.55%
Directors' Compensation	40,070	210,342	19.05%
MWD Representation	18,325	120,197	15.25%
Employee Benefits	202,767	961,916	21.08%
less Recovery from Grants	(2,886)	-	0.00%
OPEB Annual Contribution	0	133,331	0.00%
Directors Benefits	20,052	119,356	16.80%
Health Insurances for Retirees	10,138	50,244	20.18%
Training Expense	2,097	18,000	11.65%
Tuition Reimbursement	-	6,000	0.00%
Personnel Expenses	1,023,864	4,598,804	22.26%
Engineering Expense	21,866	355,000	6.16%
Legal Expense	38,738	329,000	11.77%
Audit Expense	8,900	23,000	38.70%
Professional Services	171,422	1,065,200	16.09%
Professional Fees	240,926	1,772,200	13.59%
Conference-Staff	5,090	13,925	36.55%
Conference-Directors	2,690	8,650	31.10%
Travel & Accom.-Staff	4,178	38,300	10.91%
Travel & Accom.-Directors	1,635	29,600	5.52%
Travel & Conference	13,593	90,475	15.02%
Membership/Sponsorship	42,221	90,437	46.69%
CDR Support	9,990	39,961	25.00%
Dues & Memberships	52,212	130,398	40.04%

Municipal Water District of Orange County  
Revenues and Expenditures Actual vs Budget Line Item Report  
Fiscal Year to Date ending September 2014 (Unaudited)  
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	1,804	7,000	25.77%
Maintenance Office	27,030	118,768	22.76%
Building Repair & Maintenance	1,744	10,800	0.00%
Storage Rental & Equipment Lease	2,888	16,708	17.29%
Office Supplies	6,245	24,288	25.71%
Postage/Mail Delivery	2,402	11,100	21.64%
Subscriptions & Books	146	1,600	9.13%
Reproduction Expense	90	90,625	0.10%
Maintenance-Computers	1,570	6,000	26.17%
Software Purchase	6,883	25,515	26.98%
Software Support	11,988	28,869	41.53%
Computers and Equipment	5,140	9,300	55.27%
Automotive Expense	2,557	13,300	19.23%
Toll Road Charges	216	1,250	17.31%
Insurance Expense	25,982	97,000	26.79%
Utilities - Telephone	3,701	16,900	21.90%
Bank Fees	2,770	10,700	25.89%
Miscellaneous Expense	10,222	109,700	9.32%
MWDOC's Contribution To WEROC	32,127	128,508	25.00%
Depreciation Expense	10,830	0	0.00%
Election Expense	0	444,000	0.00%
Building Repair and Maintenance	-	168,000	0.00%
Other Expenses	156,337	1,339,931	11.67%
TOTAL EXPENSES	1,486,931	7,931,808	18.75%
-			
EXCESS OF REVENUES OVER EXPENSES	6,241,992	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Statement of Revenues and Expenditures  
Fiscal Year to Date ending September 2014 (Unaudited)  
Water Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<b><u>Water Revenues</u></b>			
Water Sales	55,902,894	163,874,103	(107,971,209)
Ready to Serve Charge	3,484,562	13,946,682	(10,462,121)
Capacity Charge Flat Rate	914,825	3,659,300	(2,744,475)
SCP Surcharge	101,836	361,200	(259,364)
Interest	<u>704</u>	<u>4,275</u>	<u>(3,571)</u>
Total Water Revenues	<u>60,404,820</u>	<u>181,845,560</u>	<u>(121,440,740)</u>
 <b><u>Water Purchases</u></b>			
Water Sales	55,902,894	163,874,103	(107,971,209)
Ready to Serve Charge	3,484,562	13,946,682	(10,462,121)
Capacity Charge	914,825	3,659,300	(2,744,475)
SCP Surcharge	<u>101,836</u>	<u>361,200</u>	<u>(259,364)</u>
Total Water Purchases	<u>60,404,117</u>	<u>181,841,285</u>	<u>(121,437,168)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>704</u>	<u>4,275</u>	<u>(3,571)</u>

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending September 2014 (Unaudited)  
Other Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<b><u>WEROC</u></b>			
Revenues	161,074	248,622	(87,548)
Expenditures	<u>47,183</u>	<u>248,622</u>	<u>(201,439)</u>
Excess of Revenues over Expenditures	113,891	-	113,891
<b><u>WUE Projects (details on next page)</u></b>			
Revenues	795,878	3,730,332	(2,934,455)
Expenditures	<u>909,953</u>	<u>3,730,332</u>	<u>(2,820,380)</u>
Excess of Revenues over Expenditures	(114,075)	-	(114,075)
<b><u>RPOI Distribution</u></b>			
Revenues	-	4,921	(4,921)
Expenditures	<u>-</u>	<u>4,921</u>	<u>(4,921)</u>
Excess of Revenues over Expenditures	-	-	-
<b><u>Ocean Desalination</u></b>			
Revenues	-	94,000	(94,000)
Expenditures	<u>(2,045)</u>	<u>94,000</u>	<u>(96,045)</u>
Excess of Revenues over Expenditures	2,045	-	2,045

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 September 2014 (Unaudited)  
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %<sup>[1]</sup></u>	<u>Fiscal Year Budget</u>	<u>% of Budget<sup>[2]</sup></u>	<u>Projected Final FY Budget<sup>[3]</sup></u>
<b><u>Landscape Performance Certification</u></b>					
Revenues	16,517		116,000	14.24%	116,000
Expenditures	<u>27,652</u>		<u>116,000</u>	23.84%	<u>116,000</u>
Excess of Revenues over Expenditures	(11,135)	-67%	-		

Actual Variance: Expenses paid prior to receiving revenues.

Budget Variance: No comment needed.

**SmarTimer Program**

Revenues	82,132		50,467	162.74%	100,000
Expenditures	<u>61,006</u>		<u>50,467</u>	120.88%	<u>100,000</u>
Excess of Revenues over Expenditures	21,126	26%	0		

Actual Variance: Expenses are incurred monthly while reimbursements are processed semi-annually.

Budget Variance: Through the Governor's Drought Declaration and our marketing program, participation continues to grow rapidly.

**Industrial Water Use Reduction**

Revenues	1,415		113,980	1.24%	113,980
Expenditures	<u>1,431</u>		<u>113,980</u>	1.26%	<u>113,980</u>
Excess of Revenues over Expenditures	(16)	-1%	0		

Actual Variance: No comment needed.

Budget Variance: Program just beginning.

**Spray to Drip Conversion**

Revenues	4,917		65,342	7.53%	65,342
Expenditures	<u>13,156</u>		<u>65,342</u>	20.13%	<u>65,342</u>
Excess of Revenues over Expenditures	(8,239)	-168%	-		

Actual Variance: Expenses are incurred monthly while reimbursements are processed semi-annually.

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 September 2014 (Unaudited)  
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %<sup>[1]</sup></u>	<u>Fiscal Year Budget</u>	<u>% of Budget<sup>[2]</sup></u>	<u>Projected Final FY Budget<sup>[3]</sup></u>
<b><u>Water Smart Landscape for Public Property</u></b>					
Revenues	3,166		1,248,000	0.25%	1,248,000
Expenditures	<u>2,891</u>		<u>1,248,000</u>	0.23%	<u>1,248,000</u>
Excess of Revenues over Expenditures	276	9%	0		

Actual Variance: No comment needed.

Budget Variance: Program just beginning.

**Member Agency Administered Passthru**

Revenues	-		27,143	0.00%	27,143
Expenditures	<u>-</u>		<u>27,143</u>	0.00%	<u>27,143</u>
Excess of Revenues over Expenditures	-	0%	0		

Actual Variance: Program has not started yet.

Budget Variance: Program has not started yet.

**ULFT Rebate Program**

Revenues	33,008		132,250	24.96%	132,250
Expenditures	<u>20,259</u>		<u>132,250</u>	15.32%	<u>132,250</u>
Excess of Revenues over Expenditures	12,749	39%	0		

Actual Variance: Several agencies provide upfront funding that we draw down as the year progresses.

Budget Variance: No comment needed.

**HECW Rebate Program**

Revenues	96,450		403,000	23.93%	403,000
Expenditures	<u>73,974</u>		<u>403,000</u>	18.36%	<u>403,000</u>
Excess of Revenues over Expenditures	22,476	23%	0		

Actual Variance: Several agencies provide upfront funding that we draw down as the year progresses.

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 September 2014 (Unaudited)  
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %</u> <sup>[1]</sup>	<u>Fiscal Year Budget</u>	<u>% of Budget</u> <sup>[2]</sup>	<u>Projected Final FY Budget</u> <sup>[3]</sup>
<b><u>CII Rebate Program</u></b>					
Revenues	900		159,250	0.57%	159,250
Expenditures	<u>-</u>		<u>159,250</u>	0.00%	<u>159,250</u>
Excess of Revenues over Expenditures	900	100%	0		

Actual Variance: Received pre-funding.

Budget Variance: Program just beginning.

**Large Landscape Survey**

Revenues	40,331		32,000	126.03%	80,000
Expenditures	<u>44,140</u>		<u>32,000</u>	137.94%	<u>80,000</u>
Excess of Revenues over Expenditures	(3,808)	-9%	0		

Actual Variance: Billing MET for expenses.

Budget Variance: These funds are tied to commercial smart timer installation verifications. MET provides funding for installation inspections and in turn MWDOC uses these funds to pay for a third party installation verifications. Program participation for commercial smart timers was higher than anticipated.

**Indoor-Outdoor Survey**

Revenues	1,566		5,200	30.11%	5,200
Expenditures	<u>-</u>		<u>5,200</u>	0.00%	<u>5,200</u>
Excess of Revenues over Expenditures	1,566	100%	0		

Actual Variance: These funds are collected from MET and will be used at a later date for installation verification services.

Budget Variance: No comment needed.

**Turf Removal Program**

Revenues	512,281		725,000	70.66%	10,000,000
Expenditures	<u>660,721</u>		<u>725,000</u>	91.13%	<u>10,000,000</u>
Excess of Revenues over Expenditures	(148,441)	-29%	0		

Actual Variance: Expenditures (rebate payments) are slightly out ahead of requested revenues.

Budget Variance: Through the Governor's Drought Declaration and our marketing program, participation continues to grow rapidly.

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 September 2014 (Unaudited)  
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %<sup>[1]</sup></u>	<u>Fiscal Year Budget</u>	<u>% of Budget<sup>[2]</sup></u>	<u>Projected Final FY Budget<sup>[3]</sup></u>
<b><u>Comprehensive Landscape (CLWUE)</u></b>					
Revenues	-		258,690	0.00%	258,690
Expenditures	<u>-</u>		<u>258,690</u>	0.00%	<u>258,690</u>
Excess of Revenues over Expenditures	-	0%	0		

Actual Variance: Program has not started yet.

Budget Variance: Program has not started yet.

**Home Certification and Rebate**

Revenues	3,195		248,050	1.29%	248,050
Expenditures	<u>4,723</u>		<u>248,050</u>	1.90%	<u>248,050</u>
Excess of Revenues over Expenditures	(1,528)	-48%	0		

Actual Variance: Expenses ahead of revenues.

Budget Variance: No comment needed.

**CII, Large Landscape, Performance (OWOW)**

Revenues	-		145,960	0.00%	145,960
Expenditures	<u>-</u>		<u>145,960</u>	0.00%	<u>145,960</u>
Excess of Revenues over Expenditures	-	0%	0		

Actual Variance: Program has not started yet.

Budget Variance: Program has not started yet.

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.



## CONSENT CALENDAR ITEM

November 19, 2014

**TO:** Board of Directors

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

Robert Hunter  
General Manager

Staff Contact: Maribeth Goldsby

**SUBJECT: 2014 CONFLICT OF INTEREST BIENNIAL REVIEW**

### STAFF RECOMMENDATION

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Staff recommends the Board of Directors: Approve revisions to the District's Conflict of Interest Code and authorize staff to submit the revisions to the Orange County Clerk of the Board of Supervisors.

### COMMITTEE RECOMMENDATION

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Committee concurred with staff recommendation.

### SUMMARY

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The Board of Supervisors for the County of Orange (MWDOC's Code Reviewing Body) assists the District in reviewing its Conflict of Interest Code every two years.

In response to the County's 2014 Biennial Review notice to MWDOC, staff has identified one employee title change that needs to be added to MWDOC's Conflict of Interest Code disclosure categories. Once the MWDOC Board has approved the addition, the amended Conflict of Interest Code will be submitted to the County for approval. Attached please find the revised Exhibit A to the Conflict of Interest Code for both MWDOC, adding the WEROC Programs Manager to Exhibit A.

Legal Counsel has conducted a review of the amended Code and found that it complies with the requirements set forth by the Orange County Board of Supervisors.

<b>Budgeted (Y/N):</b>	Budgeted amount:
<b>Action item amount:</b>	Line item:
<b>Fiscal Impact (explain if unbudgeted):</b>	

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

<b>CONFLICT OF INTEREST AND DISCLOSURE OF PERSONAL FINANCES</b>	<b>§7000-§7006</b>
---------------------------------------------------------------------	--------------------

**§7000 GENERAL REQUIREMENTS**

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730) which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference.

**§7001 MWDOC CONFLICT OF INTEREST CODE**

MWDOC has adopted the Fair Political Practices Commission Model Code (2 Cal. Code of Regs., Section 18730) as its Conflict of Interest Code (Code) and has promulgated a list of Designated Positions and Disclosure Categories as required therein (see Appendix A to Section 7005). This Code incorporates, by reference, the definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission and any amendments to the Act or regulations. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Municipal Water District of Orange County and the Municipal Water District of Orange County Water Facilities Corporation.

In accordance with Government Code 82011(b), the Board of Supervisors for the County of Orange (Board of Supervisors) has been designated as the Code Reviewing Body for MWDOC. Amendments to the MWDOC or MWDOC Water Facilities Corporation Conflict of Interest Code, including Appendix "A", will be submitted to the Board of Supervisors for approval within 90 days after the circumstances necessitating the amendments have become apparent. (Government Code Section 87306(a).)

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Res. No. 1874 – 2/17/10

**§7002 FILING OFFICER/OFFICIAL**

The District Secretary is designated as the filing official responsible for receiving and forwarding original statements of economic interest (statements) for MWDOC and MWDOC Water Facilities Directors to the Clerk of the Board of Supervisors. The District Secretary shall retain one copy of each such statement for MWDOC records. The District Secretary is designated as filing officer for all other designated filers of MWDOC and MWDOC Water Facilities Corporation and as such shall be responsible for receiving and retaining the original statements of such filers in the official records of MWDOC. The District Secretary

shall follow the duties of filing officer denoted in Title 2, Section 18115(a) and of filing official denoted in Title 2, Section 18115(b).

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Motion - 4/20/94; Motion - 9/21/94; M – 9/20/06

### **§7003 FILING OF STATEMENTS OF ECONOMIC INTERESTS**

Persons in designated positions are required to file statements with the District Secretary as follows:

1) Initial Statements - Within 30 days after adoption of the Code or amendments to the Code. Includes all reportable interests during 12 months prior to the effective date of the Code or amendments thereto.

2) Assuming Office Statements - Within 30 days after assuming the designated position. Includes all reportable interests during the 12 months prior to the date of assuming office or date of appointment or nomination

3) Annual Statements - No later than April 1 each year. Includes all reportable interests during the previous calendar year.

4) Leaving Office Statements - Within 30 days after leaving office. Includes all reportable interests during period between the closing of the last statement filed and the date of leaving office.

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Motion - 4/20/94;

### **§7004 OPINIONS OF LEGAL COUNSEL**

A. Opinion Requests - Any designated employee who is unsure of any right or obligation arising under this Code may request an opinion from MWDOC's Legal Counsel or the Fair Political Practices Commission.

B. Evidence of Good Faith - If an opinion is rendered by the Fair Political Practices Commission, stating in full the facts and the law upon which the opinion is based, compliance by a designated employee with such opinion may be evidence of good faith in any civil or criminal proceeding brought pursuant to the Political Reform Act of 1974 or this Code. The designated employee's good faith compliance with the opinion of the Fair Political Practices Commission shall also act as a complete defense to any disciplinary action that MWDOC may bring under Section 91003.5 of said Act or this Code (Government Code Section 83114).

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Motion 4/20/94

### **§7005 DESIGNATED POSITIONS AND CATEGORIES**

Designated employees shall file statements of economic interests with the Municipal Water District of Orange County's Political Reform Act Filing Officer, District Secretary, who will make the statements available for public inspection and reproduction (Government Code Section 82008).

Upon receipt of the statements of the Members of the Board of Directors, General Manager, Treasurer, Deputy Treasurer, Finance Manager, and Legal Counsel the Filing

Officer shall make and retain a copy and forward the original of these statements to the Clerk of the Orange County Board of Supervisors, who is the Filing Officer for these positions

Statements for all other designated employees will be retained by the Filing Officer.

Motion – 9/20/06; Res. No. 1861 – 11/18/09; Res. No. 1874 – 2/17/10; M-11/17/10

**APPENDIX A**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY WATER FACILITIES CORPORATION**  
**CONFLICT OF INTEREST CODE**

<b>Designated Positions</b>	<b>Disclosure Categories</b>
Board Member	OC-01
General Manager	OC-01
Treasurer	OC-01
Deputy Treasurer	OC-01
Director of Finance <del>AS-</del>	OC-01
Legal Counsel	OC-01
Administrative Services Manager	OC-02
Associate General Manager	OC-01
Assistant General Manager	OC-01
Consultant	OC-30
Governmental Affairs Manager	OC-01
District Secretary	OC-02
Director of Public Affairs	OC-01
Principal Water Resources Planner	OC-02
Principal Engineer	OC-02
Principal Water Resources Analyst	OC-02
Water Use Efficiency Program Manager	OC-02
<u>WEROC Programs Manager</u>	OC-02

**DISCLOSURE CATEGORIES**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

<b>Disclosure Category</b>	<b>Disclosure Description</b>
OC-01	All interests in real property in Orange County or the District, as well as investments, business positions and sources of income (including gifts, loans and travel payments).
OC-02	All investments, business positions and sources of income (including gifts, loans and travel payments).
OC-30	Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation: The Department Head/Director/General Manager/Superintendent/etc. may determine that a particular consultant, although a “designated position,” is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant’s duties and, based upon that description, a statement of the extent of disclosure required. The determination of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection.

## EXHIBIT B: CATEGORIES

Category I: Designated Employees in Must Disclose for the Following Types of Business Entity, Investment, Source of Income or Real Property:

1. Real Property
2. Pipes, valves, fittings, pumps, tanks, meters, etc.
3. Construction and building materials
4. Soil tests, compaction and other soil-related services
5. Engineering and architectural services
6. Agriculture
7. Construction firms
8. Well drilling service and equipment
9. Cathodic protection equipment services and supplies
10. Real estate leasing, sales and investments
11. Real estate appraisal firms
12. Environmental services
13. Petroleum products
14. Safety equipment and facilities
15. Water quality testing services and supplies
16. Chemicals
17. Electrical generating equipment, supplies and operations

Category II: Designated Employees Must Disclose for the Following Types of Business Entity, Investment, Source of Income or Real Property:

1. All disclosure categories listed for other positions
2. Banks
3. Savings and loan associations
4. Securities dealers
5. Insurance agencies and companies
6. Financial audit and accounting firms
7. Computer and office equipment and furnishings, sales and services
8. Office and computer sales and service
9. Office services
10. Employment agencies
11. Temporary help agencies
12. Travel agencies
13. Printing, copying, reproduction, commercial art and microfilm services and equipment sales
14. Food services and supplies
15. General and special equipment leasing, sales and maintenance services
16. Periodicals, books and newspaper publishing and sales
17. Legal reporting services



18. Newspaper clipping services
19. Mail delivery service
20. Communications and telephone services and equipment sales and maintenance
21. Lodging and transportation services
22. Staff development training sales and services
23. Motor vehicles, parts, sales, service, leasing, maintenance
24. Surveying equipment services and supplies
25. Public utilities
26. Medical services, supplies and informational material
27. Right-of-way agent services
28. Securities
29. Consulting services (i.e., real estate, public relations, legal, energy and power, engineering, soils testing, water treatment, data processing, computers, employee training, advertising, travel, communications, design, art work, audio-visual, movie productions, planning, water pricing and demand, economists, desalting, environmental, appraisers, real estate sales and investment services, financial services, management services, legislative and lobbying services)
30. Electric energy
31. Security services
32. Title insurance and escrow services
33. Private water companies
34. Real estate development firms
35. Audio or visual aids
36. Educational equipment and supplies

- The General Manager may determine in writing that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to comply fully with the disclosure requirements described in this section. Such determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

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Minute action - 6/24/81; R1132 - 6/23/82; R1306 - 6/4/86; R1386 - 7/5/89; Minute action - 4/3/91; R1468 - 9/2/92; Motion - 7/21/93; Motion - 3/16/94; Motion - 4/20/94; R1519 - 9/21/94; R1564 - 9/18/96; Motion - 11/15/00; Motion - 11/20/02; Motion - 9/20/06; Motion 9/19/12

## **§7006 ARTICLE 2, POLITICAL REFORM ACT**

Pursuant to Article 2 of the Political Reform Act (Government Code Section 87200 et seq.) those positions which involve the management of public investments are required to report their economic interests under the provisions of Article 2 rather than under MWDOC's

Conflict of Interest Code, on Form 700. Those positions with MWDOC who are required to report their economic interests are as follows:

- General Manager
- Members of the Board of Directors
- Treasurer
- Deputy Treasurer
- Director of Finance ~~Manager~~

Filing requirements will be followed as listed under Administrative Code §7003.

R1519 - 9/21/94; R1538 - 4/19/95; R1564 - 9/18/96; Motion – 11/15/00



**ACTION ITEM**  
November 19, 2014

**TO:** Board of Directors

**FROM:** **Public Affairs and Legislation Committee**  
(Directors Barbre, Clark, Hinman)

Robert Hunter  
General Manager

Staff Contact: Darcy M. Burke

**SUBJECT:** **Contract Extension for CHOICE Portion of the Value of Water Communications Plan with Fraser Communications for Professional Communications Services**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors review and approve the attached agreement with Fraser Communications for Professional Communications Services for implementing the Value of Water Communications Plan.

**COMMITTEE RECOMMENDATION**

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Committee recommends the Board of Directors approve the attached agreement with Fraser Communications for Professional Communications Services for implementing the Value of Water Communications Plan.

**DETAILED REPORT**

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The Value of Water Communication Plan has moved into the CHOICE Budget for implementation. All agencies with the exception of Irvine Ranch Water District, City of Brea, City of Westminster, Laguna Beach County Water District, Orange County Water District, Golden State Water District, City of La Palma and the City of San Juan Capistrano have elected to participate. The three cities are currently not participating, although the City of Anaheim has expressed an interest to participate next year. The total budget for the program for FY 2014-2015 is \$178,000 which includes a part time temporary position within public affairs.

Budgeted (Y/N): Y	Budgeted amount: \$178,000	Core __	Choice X
Action item amount: \$159,777.00	Line item: 32-7040		
Fiscal Impact (explain if unbudgeted):			

Fraser Communications as part of the Core Budget portion of the plan has developed a number of creative elements including the messaging and the tagline, "Let's get smart about water."

The action for the Board's consideration is to extend the current agreement with Fraser Communications for the implementation, the Choice portion of the plan. The draft contract follows:

## **STANDARD AGREEMENT FOR CONSULTANT SERVICES**

This **AGREEMENT** for consulting services dated April 16, 2014, which includes all exhibits and attachments hereto, "**AGREEMENT**" is made on the last day executed below by and between **MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**, hereinafter referred to as "**DISTRICT**," and, Fraser Communications hereinafter referred to as "**CONSULTANT**" for Professional Communications Services hereinafter referred to as "**SERVICES**."<sup>1</sup> **DISTRICT** and **CONSULTANT** are also referred to collectively herein as the "**PARTIES**" and individually as "**PARTY**". The **PARTIES** agree as follows:

### **I PURPOSE AND SCOPE OF WORK**

#### **A. Consulting Work.**

**DISTRICT** hereby contracts with **CONSULTANT** to provide general or special **SERVICES** as more specifically set forth in **Exhibit "B"** attached hereto and incorporated herein. Tasks other than those specifically described therein shall not be performed without prior written approval of **DISTRICT's** General Manager.

#### **B. Independent Contractor.**

**CONSULTANT** is retained as an independent contractor for the sole purpose of rendering professional and/or special **SERVICES** described herein and is not an agent or employee of **DISTRICT**. **CONSULTANT** shall be solely responsible for the payment of all federal, state and local income tax, social security tax, Workers' Compensation insurance, state disability insurance, and any other taxes or insurance **CONSULTANT**, as an independent contractor, is responsible for paying under federal, state or local law. **CONSULTANT** is thus not eligible to receive workers' compensation, medical, indemnity or retirement benefits, including but not limited to enrollment in CalPERS. Unless, expressly provided herein, **CONSULTANT** is not eligible to receive overtime, vacation or sick pay. **CONSULTANT** shall not represent or otherwise hold out itself or any of its directors, officers, partners, employees, or agents to be an agent or employee of **DISTRICT**. **CONSULTANT** shall have the sole and absolute discretion in determining the methods, details and means of performing the **SERVICES** required by **DISTRICT**. **CONSULTANT** shall furnish, at his/her own expense, all labor, materials,

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<sup>1</sup> Pursuant to Section 8002 of the District's Administrative Code, the District's "Ethics Policy" set forth at sections 7100-7111 of the Administrative Code is attached hereto as Exhibit "A" and incorporated herein by this reference.

equipment and transportation necessary for the successful completion of the **SERVICES** to be performed under this **AGREEMENT**. **DISTRICT** shall not have any right to direct the methods, details and means of the **SERVICES**; however, **CONSULTANT** must receive prior written approval from **DISTRICT** before using any sub-consultants for **SERVICES** under this **AGREEMENT**.

### C. **Changes in Scope of Work**

If **DISTRICT** requires changes in the tasks or scope of work shown in **Exhibit "B"** or additional work not specified therein, **DISTRICT** shall prepare a written change order. If **CONSULTANT** believes work or materials are required outside the tasks or scope of work described in **Exhibit "B,"** it shall submit a written request for a change order to the **DISTRICT**. A change order must be approved and signed by the **PARTIES** before **CONSULTANT** performs any work outside the scope of work shown in **Exhibit "B."** **DISTRICT** shall have no responsibility to compensate **CONSULTANT** for such work without an approved and signed change order. Change orders shall specify the change in the budgeted amount for **SERVICES**.

## II **TERM**

This **AGREEMENT** shall commence upon the date of its execution and shall extend thereafter for the period specified in **Exhibit "B"** or, if no time is specified, until terminated on thirty (30) days notice as provided herein.

## III **BUDGET, FEES, COSTS, BILLING, PAYMENT AND RECORDS**

### A. **Budgeted Amount for SERVICES**

**CONSULTANT** is expected to complete all **SERVICES** within the Budgeted Amount set forth on **Exhibit "B."** The total compensation for the **SERVICES** to be performed under this **AGREEMENT** shall not exceed the Budgeted Amount unless modified as provided herein. Upon expending the **DISTRICT** 80% of the Budgeted Amount, **CONSULTANT** shall prepare and provide to **DISTRICT** a "cost to complete" estimate for the remaining **SERVICES**. The **PARTIES** shall work together to complete the project within the agreed-upon Budgeted Amount, but the obligation to complete the **SERVICES** within the Budgeted Amount lies with the **CONSULTANT**.

### B. **Fees**

Fees shall be billed per the terms and conditions and at the rates set forth on **Exhibit "B"** for the term of the **AGREEMENT**. Should the term of the **AGREEMENT** extend beyond the period for which the rates are effective, the rates specified in **Exhibit "B"** shall continue to apply unless and until modified by consent of the **PARTIES**.

### C. **Notification Clause**

Formal notices, demands and communications to be given hereunder by either **PARTY** shall be made in writing and may be effected by personal delivery or by

registered or certified mail, postage prepaid, return receipt requested and shall be deemed communicated as of the date of mailing. If the name or address of the person to whom notices, demands or communication shall be given changes, written notice of such change shall be given, in accordance with this section, within five(5) working days.

**Notices shall be made as follows:**

Municipal Water District of Orange County  
Name: Darcy M. Burke  
Title: Director of Public Affairs  
18700 Ward Street, P.O.Box 20895  
Fountain Valley, CA 92708

Company: Fraser Communications  
Contact Name: Renee Fraser  
Title: President & CEO  
Address:  
City, State, Zip: Santa Monica, CA

**D. Billing and Payment**

**CONSULTANT's** fees shall be billed by the 25<sup>th</sup> day of the month and paid by **DISTRICT** on or before the 15th of the following month. Invoices shall reference the Purchase Order number from the **DISTRICT**.

**DISTRICT** shall review and approve all invoices prior to payment. **CONSULTANT** agrees to submit additional supporting documentation to support the invoice if requested by **DISTRICT**. If **DISTRICT** does not approve an invoice, **DISTRICT** shall send a notice to **CONSULTANT** setting forth the reason(s) the invoice was not approved. **CONSULTANT** may re-invoice **DISTRICT** to cure the defects identified in the **DISTRICT** notice. The revised invoice will be treated as a new submittal. If **DISTRICT** contests all or any portion of an invoice, **DISTRICT** and **CONSULTANT** shall use their best efforts to resolve the contested portion of the invoice.

**E. Billing Records**

**CONSULTANT** shall keep records of all **SERVICES** and costs billed pursuant to this **AGREEMENT** for at least a period of seven (7) years and shall make them available for review and audit if requested by **DISTRICT**.

**IV DOCUMENTS**

All **MATERIALS** as defined in Paragraph XI below, related to **SERVICES** performed under this **AGREEMENT** shall be furnished to **DISTRICT** upon completion or termination of this **AGREEMENT**, or upon request by **DISTRICT**, and are the property of **DISTRICT**.

**V TERMINATION**

Each **PARTY** may terminate this **AGREEMENT** at any time upon thirty (30) days written notice to the other **PARTY**, except as provided otherwise in **Exhibit "B."** In the event of termination: (1) all work product prepared by or in custody of **CONSULTANT** shall be promptly delivered to **DISTRICT**; (2) **DISTRICT** shall pay **CONSULTANT** all

payments due under this **AGREEMENT** at the effective date of termination; (3) **CONSULTANT** shall promptly submit a final invoice to the **DISTRICT**, which shall include any and all non-cancelable obligations owed by **CONSULTANT** at the time of termination, (4) neither **PARTY** waives any claim of any nature whatsoever against the other for any breach of this **AGREEMENT**; (5) **DISTRICT** may withhold 125 percent of the estimated value of any disputed amount pending resolution of the dispute, consistent with the provisions of section III D above, and; (6) **DISTRICT** and **CONSULTANT** agree to exert their best efforts to expeditiously resolve any dispute between the **PARTIES**.

## **VI INSURANCE REQUIREMENTS**

**CONSULTANT** shall obtain prior to commencing work and maintain in force and effect throughout the term of this **AGREEMENT**, all insurance set forth below.

### **A. Workers' Compensation Insurance**

By his/her signature hereunder, **CONSULTANT** certifies that he/she is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and that **CONSULTANT** will comply with such provisions before commencing the performance of the **SERVICES** under this **AGREEMENT**.

**CONSULTANT** and sub-consultant will keep workers' compensation insurance for their employees in effect during all work covered by this **AGREEMENT**. An ACORD certificate of insurance or other certificate of insurance satisfactory to **DISTRICT**, evidencing such coverage must be provided (1) by **CONSULTANT** and (2) by sub-consultant's upon request by **DISTRICT**.

## B. Professional Liability Insurance

**CONSULTANT** shall file with **DISTRICT**, before beginning professional **SERVICES**, an ACORD certificate of insurance, or any other certificate of insurance satisfactory to **DISTRICT**, evidencing professional liability coverage of not less than \$1,000,000 per claim and \$1,000,000 aggregate, requiring 30 days notice of cancellation (10 days for non-payment of premium) to **DISTRICT**.

Such coverage shall be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalent. The retroactive date (if any) of such insurance coverage shall be no later than the effective date of this **AGREEMENT**. In the event that the **CONSULTANT** employs sub-consultants as part of the **SERVICES** covered by this **AGREEMENT**, **CONSULTANT** shall be responsible for requiring and confirming that each sub-consultant meets the minimum insurance requirements specified herein.

## C. Other Insurance

**CONSULTANT** will file with **DISTRICT**, before beginning professional **SERVICES**, ACORD certificates of insurance, or other certificates of insurance satisfactory to **DISTRICT**, evidencing general liability coverage of not less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage; automobile liability (owned, scheduled, non-owned or hired) of at least \$1,000,000 for bodily injury and property damage each accident limit; workers' compensation (statutory limits) and employer's liability (\$1,000,000) (if applicable); requiring 30 days (10 days for non-payment of premium) notice of cancellation to **DISTRICT**. For the coverage required under this paragraph, the insurer(s) shall waive all rights of subrogation against **DISTRICT**, and its directors, officers, agents, employees, attorneys, consultants or volunteers. **CONSULTANT's** insurance coverage shall be primary insurance as respects **DISTRICT**, its directors, officers, agents, employees, attorneys, consultants and volunteers for all liability arising out of the activities performed by or on behalf of the **CONSULTANT**. Any insurance pool coverage, or self-insurance maintained by **DISTRICT**, and its directors, officers, agents, employees, attorneys, consultants or volunteers shall be excess of the **CONSULTANT's** insurance and shall not contribute to it.

The general liability coverage shall give **DISTRICT**, its directors, officers, agents, employees, attorneys, consultants and authorized volunteers additional insured status using ISO endorsement CG2010, CG2033, or equivalent. Coverage shall be placed with a carrier with an A.M. Best rating of no less than A: VII, or equivalents. In the event that the **CONSULTANT** employs sub-consultant as part of the work covered by the **AGREEMENT**, it shall be the **CONSULTANT's** responsibility to require and confirm that each sub-consultant meets the minimum insurance requirements specified herein.

## D. Expiration of Coverage

If any of the required coverages expire during the term of the **AGREEMENT**, **CONSULTANT** shall deliver the renewal certificate(s) including the general liability



additional insured endorsement to **DISTRICT** at least ten (10) days prior to the expiration date.

## **INDEMNIFICATION**

To the fullest extent permitted by applicable law, **CONSULTANT** shall indemnify, defend and hold harmless **DISTRICT**, its officers, Directors and employees and authorized volunteers, and each of them from and against:

- a. When the law establishes a professional standard of care for the **CONSULTANT's** services, all claims and demands of all persons that arise out of, pertain to, or relate to the **CONSULTANT's** negligence, recklessness or willful misconduct in the performance (or actual or alleged non-performance) of the work under this agreement. **CONSULTANT** shall defend itself against any and all liabilities, claims, losses, damages, and costs arising out of or alleged to arise out of **CONSULTANT's** performance or non-performance of the work hereunder, and shall not tender such claims to **DISTRICT** nor its directors, officers, employees, or authorized volunteers, for defense or indemnity.
- b. Any and all actions, proceedings, damages, costs, expenses, penalties or liabilities, in law or equity, of every kind or nature whatsoever, arising out of, resulting from, or on account of the violation of any governmental law or regulation, compliance with which is the responsibility of **CONSULTANT**.
- c. Any and all losses, expenses, damages (including damages to the work itself), attorney's fees and other costs, including all costs of defense, which any of them may incur with respect to the failure, neglect, or refusal of **CONSULTANT** to faithfully perform the work and all of the **CONSULTANT'S** obligations under the agreement. Such costs, expenses, and damages shall include all costs, including attorneys' fees, incurred by the indemnified parties in any lawsuit to which they are a party.
- d. **DISTRICT** agrees to be responsible for the accuracy, completeness, and propriety of information concerning **DISTRICT 'S** organization, industry and products which **DISTRICT** furnishes to **CONSULTANT** in connection with the performance of this Agreement. **DISTRICT** agrees that with regard to any and all claims or representations regarding **DISTRICT 'S** business, product(s), service(s) or message(s) as contained in any and all material which **CONSULTANT** creates or produces for **DISTRICT** or in which **CONSULTANT** is involved on **DISTRICT'S** behalf, and which has been approved by **DISTRICT**, **DISTRICT** shall indemnify, defend (through counsel reasonably acceptable to **CONSULTANT**) and hold **CONSULTANT** free and harmless from and against all claims, actions, causes of action, disputes, debts, obligations, liabilities, losses, costs and expenses, including attorneys' fees arising from or pertaining in any manner whatsoever to said material provided, however, in no event shall **DISTRICT** be liable for any consequential, incidental, punitive, special or exemplary damages to **CONSULTANT** hereunder.

**CONSULTANT** shall defend, at **CONSULTANT's** own cost, expense and risk, any and all such aforesaid suits, actions, or other legal proceedings of every kind that may be brought or instituted against **DISTRICT** or its directors, officers, employees, or authorized volunteers with legal counsel reasonably acceptable to **DISTRICT**.

**CONSULTANT** shall pay and satisfy any judgment, award or decree that may be rendered against **DISTRICT** or its directors, officers, employees, or authorized volunteers, in any and all such suits, actions, or other legal proceedings.

**CONSULTANT** shall reimburse **DISTRICT** or its directors, officers, employees, or authorized volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing indemnity herein provided.

**CONSULTANT's** obligation to indemnify shall not be restricted to insurance proceeds, if any, received by **DISTRICT**, or its directors, officers, employees, or authorized volunteers.

## **VII FINANCIAL DISCLOSURE AND CONFLICTS OF INTEREST**

Although **CONSULTANT** is retained as an independent contractor, **CONSULTANT** may still be required, under the California Political Reform Act and **DISTRICT's** Administrative Code, to file annual disclosure reports. **CONSULTANT** agrees to file such financial disclosure reports upon request by **DISTRICT**. Further, **CONSULTANT** shall file the annual summary of gifts required by Section 7105 of the **DISTRICT's** Ethics Policy, attached hereto as **Exhibit "A."**

Failure to file financial disclosure reports upon request and failure to file the required gift summary are grounds for termination of this **AGREEMENT**. Any action by **CONSULTANT** that is inconsistent with **DISTRICT's** Ethic's Policy current at the time of the action is grounds for termination of this **AGREEMENT**. The Ethics Policy as of the date of this **AGREEMENT** is attached hereto as **Exhibit "A."**

## **VIII PERMITS AND LICENSES**

**CONSULTANT** shall procure and maintain all permits, licenses and other government-required certification necessary for the performance of its **SERVICES**, all at the sole cost of **CONSULTANT**. None of the items referenced in this section shall be reimbursable to **CONSULTANT** under the **AGREEMENT**. **CONSULTANT** shall comply with any and all applicable local, state, and federal regulations and statutes including Cal/OSHA requirements.

## **IX LABOR AND MATERIALS**

**CONSULTANT** shall furnish, at its own expense, all labor, materials, equipment, tools, transportation and other items or services necessary for the successful completion of the **SERVICES** to be performed under this **AGREEMENT**. **CONSULTANT** shall give its full attention and supervision to the fulfillment of the provisions of this **AGREEMENT** by its employees and sub-consultant and shall be responsible for the timely performance of the **SERVICES** required by this **AGREEMENT**. All compensation for **CONSULTANT's** **SERVICES** under this **AGREEMENT** shall be pursuant to **Exhibit "B"** to the **AGREEMENT**.

Only those **SERVICES**, materials, administrative, overhead and travel expenses specifically listed in **Exhibit "B"** will be charged and paid. No other costs will be paid. **CONSULTANT** agrees not to invoice **DISTRICT** for any administrative expenses, overhead or travel time in connection with the **SERVICES**, unless agreed upon and listed in **Exhibit "B"**.

## **X CONFIDENTIALITY AND RESTRICTIONS ON DISCLOSURE**

### **A. Confidential Nature of Materials**

**CONSULTANT** understands that all documents, records, reports, data, or other materials (collectively "**MATERIALS**") provided by **DISTRICT** to **CONSULTANT** pursuant to the **AGREEMENT**, including but not limited to draft reports, final report(s) and all data, information, documents, graphic displays and other items that are not proprietary to **CONSULTANT** and that

are utilized or produced by **CONSULTANT** pursuant to the **AGREEMENT** are to be considered confidential for all purposes.

## **B. No Disclosure of Confidential Materials**

**CONSULTANT** shall be responsible for protecting the confidentiality and maintaining the security of **DISTRICT MATERIALS** and records in its possession. All **MATERIALS** shall be deemed confidential and shall remain the property of **DISTRICT**. **CONSULTANT** understands the sensitive nature of the above and agrees that neither its officers, partners, employees, agents or sub-consultants will release, disseminate, or otherwise publish said reports or other such data, information, documents, graphic displays, or other materials except as provided herein or as authorized, in writing, by **DISTRICT's** representative. **CONSULTANT** agrees not to make use of such **MATERIALS** for any purpose not related to the performance of the **SERVICES** under the **AGREEMENT**. **CONSULTANT** shall not make written or oral disclosures thereof, other than as necessary for its performance of the **SERVICES** hereunder, without the prior written approval of **DISTRICT**. Disclosure of confidential **MATERIALS** shall not be made to any individual, agency, or organization except as provided for in the **AGREEMENT** or as provided for by law.

## **C. Protections to Ensure Control Over Materials**

All confidential **MATERIALS** saved or stored by **CONSULTANT** in an electronic form shall be protected by adequate security measures to ensure that such confidential **MATERIALS** are safe from theft, loss, destruction, erasure, alteration, and any unauthorized viewing, duplication, or use. Such security measures shall include, but not be limited to, the use of current virus protection software, firewalls, data backup, passwords, and internet controls.

The provisions of this section survive the termination or completion of the **AGREEMENT**.

## **XI OWNERSHIP OF DOCUMENTS AND DISPLAYS**

All original written or recorded data, documents, graphic displays, reports or other **MATERIALS** which contain information relating to **CONSULTANT's** performance hereunder and which are originated and prepared for **DISTRICT** pursuant to the **AGREEMENT** are instruments of service and shall become the property of **DISTRICT** upon completion or termination of the Project. **CONSULTANT** hereby assigns all of its right, title and interest therein to **DISTRICT**, including but not limited to any copyright interest. In addition, **DISTRICT** reserves the right to use, duplicate and disclose in whole, or in part, in any manner and for any purpose whatsoever all such data, documents, graphic displays, reports or other **MATERIALS** delivered to **DISTRICT** pursuant to this **AGREEMENT** and to authorize others to do so.

To the extent that **CONSULTANT** utilizes any of its property (including, without limitation, any hardware or software of **CONSULTANT** or any proprietary or confidential information of **CONSULTANT** or any trade secrets of **CONSULTANT**) in performing **SERVICES** hereunder, such property shall remain the property of **CONSULTANT**, and **DISTRICT** shall acquire no right or interest in such property.

## **XII EQUAL OPPORTUNITY**

**DISTRICT** is committed to a policy of equal opportunity for all and to providing a work environment that is free of unlawful discrimination and harassment. In keeping

with this commitment, **DISTRICT** maintains a policy prohibiting unlawful discrimination and harassment in any form based on race, religious creed, color, national origin, ancestry, physical or mental disability, medical condition, pregnancy or childbirth, marital status, gender, sex, sexual orientation, veteran status or age by officials, employees and non-employees (vendors, contractors, etc.).

This policy applies to all employees, consultants and contractors of the **DISTRICT** whom the **DISTRICT** knows or has reason to know are violating this policy. Appropriate corrective action will be taken against all offenders, up to and including immediate discharge or termination of this **AGREEMENT**. During, and in conjunction with, the performance of this **AGREEMENT**, **CONSULTANT** shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, marital status or national origin.

### **XIII INTEGRATION OF ALL OTHER AGREEMENTS**

This **AGREEMENT**, including any Exhibits and Addenda, contains the entire understanding of the **PARTIES**, and there are no further or other agreements or understandings, written or oral, in effect between the **PARTIES** hereto relating to the subject matter hereof. Any prior understanding or agreement of the **PARTIES** shall not be binding unless expressly set forth herein and, except to the extent expressly provided for herein, no changes of this **AGREEMENT** may be made without the written consent of both **PARTIES**.

### **XIV ATTORNEYS' FEES**

In any action at law or in equity to enforce any of the provisions or rights under this **AGREEMENT**, the prevailing **PARTY** shall be entitled to recover from the unsuccessful **PARTY** all costs, expenses and reasonable attorney's fees incurred therein by the prevailing **PARTY** (including, without limitations, such costs, expense and fees on any appeals), and if such prevailing **PARTY** shall recover judgment in any such action or proceeding, such costs, expenses, including those of expert witnesses and attorneys' fees, shall be included as part of this judgment.

## **XV     JURISDICTION AND VENUE SELECTION**

In all matters concerning the validity, interpretation, performance, or effect of this **AGREEMENT**, the laws of the State of California shall govern and be applicable. The **PARTIES** hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that venue of any action brought hereunder shall be in Orange County, California.

This Agreement may be subject to suspension of payments or termination, or both, and the CONSULTANT may be subject to debarment if the DISTRICT determines that: CONSULTANT has made a false certification, or;

- ii. CONSULTANT violates the certification by failing to carry out the requirements noted above.

**IN WITNESS WHEREOF**, the **PARTIES** have hereunto affixed their names as of the day and year thereafter, which shall be and is the effective date of this **AGREEMENT**.

Internal Use Only:
Program No. _____
Line Item: _____
Funding Year: _____
Contract Amt.: _____
Purchase Order # _____

**APPROVED BY:**

\_\_\_\_\_

Date \_\_\_\_\_

**CONSULTANT ACCEPTANCE:**

\_\_\_\_\_

Date \_\_\_\_\_

Robert J. Hunter,  
General Manager  
Municipal Water District of Orange County  
18700 Ward Street, P.O. Box 20895  
Fountain Valley, CA 92708  
(714) 963-3058

Name: Renee Fraser  
Fraser Communications  
Address: 1631 Pontius Avenue  
Los Angeles, CA 90025  
Phone: 310-319-9101  
Tax I.D. # 95-4683679

**EXHIBIT “A”**

<b>ETHICS POLICY</b>	<b>§7100-§7111</b>
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**§7100 PURPOSE**

The policy of MWDOC is to maintain the highest standards of ethics from its Board members, officers and employees (all shall be referred to as employees for the purposes of this section). The proper operation of MWDOC requires decisions and policy to be made in the proper manner, that public office not be used for personal gain, and that all individuals associated with MWDOC remain impartial and responsible toward the public. Accordingly, all employees are expected to abide by the highest ethical standards and integrity when dealing on behalf of MWDOC with fellow Board members or employees, vendors, contractors, customers, and other members of the public.

**§7101 RESPONSIBILITIES OF BOARD MEMBERS**

Board members are obliged to uphold the Constitution of the United States and the Constitution of the State of California and shall comply with all applicable laws regulating Board member conduct, including conflicts of interest and financial disclosure laws. No Board member or officer shall grant any special consideration, treatment, or advantage to any person or group beyond that which is available to every other person or group in the same circumstances.

**§7102 PROPER USE OF MWDOC PROPERTY AND RESOURCES**

Except as specifically authorized, no employee shall use or remove or permit the use or removal of MWDOC property, including MWDOC vehicles, equipment, telephones, office supplies, and materials for personal convenience or profit. No employee shall require another MWDOC employee to perform services for the personal convenience or profit of another employee. Each employee must protect and properly use any MWDOC asset within his/her control, including information recorded on paper or in electronic form. Employees shall safeguard MWDOC property, equipment, monies, and assets against unauthorized use or removal, as well as from loss due to criminal act or breach of trust.

Employees are responsible for maintaining written records, including expense reports, in sufficient detail to reflect accurately and completely all transactions and expenditures made on MWDOC's behalf. Creating a document with misleading or false information is prohibited.

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Motion - 1/17/96;

**§7103 CONFLICT OF INTEREST**



All MWDOC Directors, officers, and employees at every level shall comply with the requirements of Section 1090 of the California Government Code which prohibits such persons from being financially interested in any contract made by them in their official capacity, or by any body or board of which they are members, or from being a purchaser at any sale or a vendor at any purchase made by them in their official capacity.

All Directors and employees designated under MWDOC's Conflict of Interest Code ("designated employees") and employees required to report under Chapter 7, Article 2 of the Political Reform Act (Government Code Section 7300 et seq.) shall promptly and fully comply with all requirements thereof.

MWDOC employees who are not designated employees under MWDOC's Conflict of Interest Code shall refrain from participating in, making a recommendation, or otherwise attempting to influence MWDOC's selection of a contractor, consultant, product, or source of supply if the non-designated employee, or an immediate family member, has a direct or indirect financial interest in the outcome of the selection process. No employee shall use his/her position with MWDOC in any manner for the purpose of obtaining personal favors, advantages or benefits for him/herself or an immediate family member from a person or entity doing business or seeking to do business with MWDOC. Such favors, advantages, or benefits would include, but are not limited to: 1) offers of employment; 2) free or discounted goods or services; or 3) gifts.

## **§7104 GIFTS**

No employee shall accept, directly or indirectly, any compensation, reward or gift from any source except from MWDOC, for any action related to the conduct of MWDOC business, except as set forth below:

1. Acceptance of food and refreshments of nominal value on infrequent occasions in the ordinary course of a breakfast, luncheon or dinner meeting or other meeting or on an inspection tour where the arrangements are consistent with the transaction of official business.\*
2. Acceptance of transportation, lodging, meals or refreshments, in connection with attendance at widely attended gatherings sponsored by industrial, technical or professional organizations; or in connection with attendance at public ceremonies or similar activities financed by nongovernmental sources where the employee's participation on behalf of MWDOC is the result of an invitation addressed to him or her in his/her official capacity, and the transportation, lodging, meals or refreshment accepted is related to, and is in keeping with, his/her official participation.\*
3. Acceptance of unsolicited advertising or promotional materials such as pens, pencils, note pads, calendars, or other items of nominal value.\*
4. Acceptance of plaques and commemorative mementoes, of nominal value, or of value only to the recipient, such as service pins, recognition awards, retirement mementoes.

5. Acceptance of incidental transportation from a private organization provided it is furnished in connection with an employee's official duties and is of the type customarily provided by the private organization.

\* Nothing herein shall be deemed to relieve any Director or designated employee from reporting the value of such meals, transportation, lodging or gifts and abstaining from participation in any decision of MWDOC which could foreseeably have a material financial effect on the donor when the value of such gifts reaches the limits set forth in MWDOC's Conflict of Interest Code and the Political Reform Act.

In no event shall any employee accept gifts from any single source, the cumulative value of which exceeds the applicable gift limit under California law.

A gift or gratuity, the receipt of which is prohibited under this section, shall be returned to the donor. If return is not possible, the gift or gratuity shall be turned over to a public or charitable institution without being claimed as a charitable deduction and a report of such action and the reasons why return was not feasible shall be made on MWDOC records. When possible, the donor also shall be informed of this action.

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Motion - 1/17/96;

## **§7105 PERSONS OR COMPANIES REPORTING GIFTS**

All persons and companies doing business with MWDOC, with the exception of public agencies, shall submit a summary, by January 31 of each calendar year, of all gifts claimed for internal vendor audits (including meals) made to, or on behalf of, employees or Directors of MWDOC, or their immediate family members, that have occurred in the normal course of business during the previous calendar year. Failure to provide this information to MWDOC may result in the termination of MWDOC business with that person or company.

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Motion - 7/21/93; Motion - 8/18/93;

## **§7106 USE OF CONFIDENTIAL INFORMATION**

Confidential information (i.e., information which is exempt from disclosure under the California Public Records Act) shall not be released to unauthorized persons unless the disclosure is approved by the Board, President of the Board, or General Manager. Employees are prohibited from using any confidential information for personal advantage or profit.

## **§7107 POLITICAL ACTIVITIES**

Employees are free to endorse, advocate, contribute to, or otherwise support any political party, candidate, or cause they may choose; however, employees are prohibited from soliciting political funds or contributions at MWDOC facilities. In any

personal political activity an employee may be involved in, it shall be made clear that the employee is acting personally and not for MWDOC.

### **§7108 IMPROPER ACTIVITIES**

Employees shall not interfere with the proper performance of the official duties of others, but are strongly encouraged to fulfill their own moral obligations to the public, MWDOC, and its member agencies by disclosing, to the extent not expressly prohibited by law, improper activities within their knowledge. No employee shall directly or indirectly use or attempt to use the authority or influence of his/her position for the purpose of intimidating, threatening, coercing, commanding, or influencing any person with the intent of interfering with that person's duty to disclose improper activity.

### **§7109 VIOLATION OF POLICY – STAFF AND STAFF OFFICERS**

If an employee is reported to have violated MWDOC's Ethics Policy, the matter shall be referred to the General Manager for investigation and consideration of any appropriate action warranted which may include employment action such as demotion, reduction in salary, or termination. If a Board appointed officer (Secretary, Treasurer or General Manager) is reported to have violated MWDOC's Ethics Policy, the matter shall be referred to the Executive Committee for investigation and consideration of any appropriate action.

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Motion - 1/17/96;

**§7110 VIOLATION OF POLICY -- DIRECTORS**

A perceived violation of this policy by a Director should be referred to the President of the Board or the full Board of Directors for investigation, and consideration of any appropriate action warranted. A violation of this policy may be addressed by the use of such remedies as are available by law to MWDOC, including, but not limited to: (a) adoption of a resolution expressing disapproval of the conduct of the Director who has violated this policy, (b) injunctive relief, or (c) referral of the violation to MWDOC Legal Counsel and/or the Grand Jury.

**§7111 PERIODIC REVIEW OF CONFLICT OF INTEREST AND ADMINISTRATIVE GUIDELINES**

During the first quarter of the year immediately following an election (every two years), the Board shall meet to review and/or receive a presentation that addresses principles relating to reporting guidelines on compensation, conflict of interest issues, and standards for rules of conduct.

**Please note** If using Consultant's proposal as Exhibit "B" please attach the proposal or or complete the standard Exhibit "B" Form below, BOTH Parties must verify that all sections of this form are FULLY ADDRESSED and the appropriate Exhibit is attached and labeled accordingly

### EXHIBIT "B"

#### SCOPE OF WORK, TERMS OF AGREEMENT AND TERMS AND CONDITIONS FOR BILLING

<b>Company: Fraser Communications</b> <b>Name: Renee Fraser</b> <b>Address: 1631 Pontius Avenue</b> <b>Los Angeles, CA 90025</b> <b>Phone: 310-3199101</b> <b>Tax I.D. #95-4683679</b>
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1. Term – Commencement November 20, 2014 Termination June 30, 2015
2. Fees and charges;

#### Municipal Water District of Orange County Phase 2 Budget

##### Task 1. Project Administration and Management

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
Renee Fraser - Account Management Partner	28	\$240	\$6,720
Ilene Prince - Account Management Senior	26	\$180	\$4,680
Jane Galluzi - Assistant	6	\$75	\$450
Neelam Tolani - Controller	3	\$125	\$375
Amitesh Krishna - Sr. Billing Specialist	2	\$95	\$190
<b>Total</b>			<b>\$12,415</b>

##### Task 2. Creative Development

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
Bruce Dundore - Creative Director	38	\$200	\$7,600
Sergio Belletini - Creative Director	14	\$200	\$2,800
Lisa Ansis - Senior Copywriter	6	\$175	\$1,050
Amber Gusa - Art Director	18	\$175	\$3,150
<b>Total</b>			<b>\$14,600</b>

**Task 3. Media Planning, Buying and Reconciliation**

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
Lisa Schellenbach - Media Director Planning / Buying	36	\$175	\$6,300
Clarissa Jones - Media Planning / Buying	18	\$150	\$2,700
Lindsay Maher - Media Coordinator	4	\$75	\$300
<b>Total</b>			<b>\$9,300</b>

<b>Media (TBD / A mix of the following)</b>		<b>\$84,785</b>
Pump Toppers		
Movie Theaters		
Bus Shelters		
Social Media		

**Task 4. Production Fees**

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
Paul Davis - Studio Artist	15	\$125	\$1,875
Laura Bearer - Production Manager	12	\$150	\$1,800
<b>Total</b>			<b>\$3,675</b>

<b>Out of Pocket / Hard Costs (TBD)</b>		<b>\$35,000</b>
Documentary/Video Shooting/Editing and Deliverables		
Celebrity (Gwen Stefani) Talent Payment		
Stock photography		
Retouching		
Trafficking		
Shipping/Mileage		

**Total Cost****\$159,775**

3. Budgeted Amount – Compensation is to be on a “time and material” basis, not to exceed \$159,777. **CONSULTANT's** fees shall be billed by the 25<sup>th</sup> day of the month and paid by **DISTRICT** on or before the 15th of the following month. Invoices shall reference the Purchase Order number from the **DISTRICT**

Upon invoicing **DISTRICT** 80% of the contract amount, **CONSULTANT** shall prepare and provide to **DISTRICT** a “cost to complete” estimate for the remaining work.

4. Scope of Work/Services are as follows:

**Background and goals**

With help from Fraser Communications, the Municipal Water District of Orange County has developed a messaging and communications strategy for the District.

The goal of this project is to develop and produce a range of creative elements and to secure media as a means of deploying the messaging to the general public.

**Approach and timing**

Fraser will work with the Municipal Water District of Orange County in the development of an array of creative elements to include the development of a long form documentary and a :30 video. Other creative may include: bus shelter posters, bill stuffers, give away-promotional items, flyers, posters, etc.

Fraser will also work with the Municipal Water District of Orange County to determine the strongest creative and media elements that will support the cities/agencies that have contributed to this effort.

Creative development and media planning will occur simultaneously. Individual schedules for creative development and delivery will be provided once the final creative elements are determined and the media outlets are agreed upon.

5. Consultant Representative: Renee Fraser



**ACTION ITEM**  
November 19, 2014

**TO:** Board of Directors

**FROM:** **Planning & Operations Committee**  
(Directors Osborne, Barbre, Hinman)

Robert Hunter  
General Manager

Staff Contact: J. Berg  
WUE Programs Manager

**SUBJECT: Authorization to sign funding agreements for implementation of a Comprehensive Landscape Water Use Efficiency Program**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize:

1. The General Manager to sign the Implementation Agreement between the County of Orange and MWDOC to access the Proposition 84 funding for implementation of the Comprehensive Landscape Water Use Efficiency Program, and
2. Staff to apply the Proposition 84 funding to MWDOC and Metropolitan regional landscape rebate programs.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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Through the South Orange County Integrated Regional Water Management Planning process, MWDOC was awarded a Proposition 84 grant in the amount of \$708,554 for implementation of a Comprehensive Landscape Water Use Efficiency Program. This program will offer rebate incentives to residential and commercial property owners to replace non-functional turf grass with California Friendly plantings and install smart irrigation timers, low-volume sprinkler nozzles, and drip irrigation.

**DETAILED REPORT**

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The Comprehensive Landscape Water Use Efficiency Program is one of four projects selected for Proposition 84 Round Two funding in the South Orange County Integrated Regional Water Management Area. The other three projects include the Audubon Starr

Budgeted (Y/N): N/A	Budgeted amount: N/A	Core __	Choice <u>X</u>
Action item amount: N/A	Line item: 9109-3427		
Fiscal Impact (explain if unbudgeted): N/A			



Ranch Sanctuary's Riparian Invasive Control, Restoration, Monitoring and Education Project; IRWD-Baker Water Treatment Plant; and SCWD-Targeted Water Conservation Programs.

The Comprehensive Landscape Water Use Efficiency Program will offer rebate incentives to residential and commercial property owners throughout south Orange County to replace non-functional turf grass with California Friendly plantings and install smart irrigation timers, low-volume sprinkler nozzles, and drip irrigation. This program will be implemented in partnership with south county water districts and cities through the regional rebate programs administered by MWDOC and Metropolitan.

The total project cost is \$1,660,817 and will be funded through contributions from the Proposition 84 grant and Metropolitan Conservation Credits, as summarized in Table 1. Water savings are projected to be 8,882 acre feet over the life of the landscape improvements. The cost per acre foot saved is therefore \$187 (Total project cost of \$1,660,817 / 8,882 acre feet saved = \$187).

<b>Table 1</b> <b>Comprehensive Landscape Water Use Efficiency Program</b> <b>Funding Partnership</b>		
<b>Funding Source</b>	<b>Contribution</b>	<b>Percent</b>
Proposition 84 Grant	\$708,554	43%
Metropolitan Conservation Credits	\$952,263	57%
<b>Total</b>	<b>\$1,660,817</b>	<b>100%</b>

The Comprehensive Landscape Water Use Efficiency Program will be implemented through MWDOC and Metropolitan's regional rebate programs. Proposition 84 funding will be used to enhance base incentives provided by Metropolitan. Administrative costs to process rebates will be provided by Metropolitan and through in-kind staff time from MWDOC. MWDOC will be reimbursed \$33,028 for its staff time to administer the rebate program.

As lead agency for the South Orange County Integrated Regional Water Management Planning area, the County of Orange is serving as grantee with the California Department of Water Resources. Each project proponent, including MWDOC, is a sub-grantee to the County of Orange. The Implementation Agreement to formalize this arrangement and access the Proposition 84 funding is provided as Exhibit 1.

Staff recommends the Board of Directors authorize:

1. The General Manager to sign the Implementation Agreement between the County of Orange and MWDOC to access the Proposition 84 funding for implementation of the Comprehensive Landscape Water Use Efficiency Program, and
2. Staff to apply the Proposition 84 funding to MWDOC and Metropolitan regional landscape rebate programs.

**IMPLEMENTATION AGREEMENT  
FOR THE SOUTH ORANGE COUNTY INTEGRATED REGIONAL WATER  
MANAGEMENT IMPLEMENTATION GRANT**

THIS Implementation Agreement ("IA"), for purposes of identification hereby numbered D14-038, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2014, by and between the COUNTY OF ORANGE, a political subdivision of the State of California ("**County**"), and the LISTED project proponents SIGNATORIES BELOW, ALL BEING EITHER CITIES, SPECIAL DISTRICTS, OR OTHER ORGANIZATIONS OPERATING IN South Orange County, and receiving grant funding from the California Department of Water Resources (DWR) Proposition 84 program. This IA is effective when signed by the County and participating PROJECT PROPONENTS. The COUNTY will serve as grantee with the DWR, and each PROJECT PROPONENT will serve as sub-grantee to the COUNTY.

**RECITALS**

WHEREAS, the County will accept and receive grant funds from the State of California under the State's Proposition 84 Integrated Regional Water Management Grant Program through that certain agreement entitled "Grant Agreement between the State of California Department of Water Resources (DWR) and the County of Orange, Agreement No. 4600010626" ("**Grant Agreement**"), which agreement is attached as Attachment 1;

WHEREAS, Project Proponent are all agencies operating in South Orange County, the area named in the San Diego Regional Water Quality Control Board's Basin Plan as the San Juan Hydrologic Unit ("**Region**");

WHEREAS, Project Proponents have collaborated with County and others to complete a successful Integrated Regional Water Management Plan ("**IRWMP**"), a plan integrating water resource related activities throughout the Region into a common scheme of prioritization and to facilitate collaborative implementation of agreed upon strategies;

WHEREAS, the Grant Agreement adopts the IRWMP as the work plan for all reimbursable projects eligible under the State program, and the Project Proponent, along with the County, as well as the Additional Project Proponents, intend to carry out the IRWMP in anticipation of funding under that plan; and

WHEREAS, this Agreement intends to describe the obligations of the Parties and the procedures by which the County will disburse Proposition 84 grant funds to the Project Proponents.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency are hereby acknowledged, the Parties hereby agree as follows

## **1. General Obligations of the Parties**

Project Proponents agree that the cooperative and integrated implementation of the IRWMP is in the best interest of the Region. Project Proponent agrees to collaborate in good faith to implement its project(s) under the IRWMP.

- a. Project Proponents authorize the County to apply for funds in order to implement the IRWMP.
- b. County shall receive and administer any funds received under the Grant Agreement on behalf of the County or Project Proponents for the purposes of administration, implementation, and/or revision of the IRWMP.
- c. County may retain qualified consultants for use on IRWMP matters, subject to the County's normal rules and procedures for procuring such services.
- d. County may undertake efforts directly on behalf of the Project Proponents, if necessary.
- e. County will provide funds received for implementation of the IRWMP to Project Proponents for implementation thereof and activities in furtherance of the IRWMP.

## **2. Funding and Implementation of IRWMP Projects**

Funding received under the Grant Agreement will be administered in accordance with the following provisions:

- a. Upon receipt of funds from the State, County will allocate funds received under the Grant Agreement to Project Proponents in accordance with the funding allocations specified in the IRWMP for that project component ("**component**"). Any required priorities for funding the projects in the IRWMP will be developed by County in consultation with Project Proponents.
- b. County will be responsible for entering into necessary contracts and agreements for funds on behalf of the Project Proponents and for accounting for such funds and submitting all required reports associated with such funds. County is hereby designated "Contract Administrator" for this purpose.
- c. Project Proponents upon receiving funding under this Agreement are hereby designated as "Sub-Grantees" for purposes of the Grant Agreement, and agree to abide by all terms and conditions applicable to Sub-Grantees in the Grant Agreement.

- d. County shall draft and approve a process for administering grant funds by County. County shall be entitled up to 2% of all grant funds disbursed to Project Proponents under this Agreement in order to pay for County's administration costs. County may in its discretion withhold more than 2% if a Project Proponent does not meet invoicing deadlines or if incomplete paperwork is submitted, and the additional cost of County's contract administration services exceeds 2% of the disbursed grant funds to Project Proponent. In that case, County shall be entitled to its full costs of administration.
- e. Project Proponent is responsible for the development and implementation of its component under this Agreement, including, but not limited to, project and environmental planning, design, permitting, construction, project administration, documentation, and completion of any required mitigation, monitoring, or reporting. Project Proponent agrees to be the lead agency for this project for purposes of the California Environmental Quality Act.
- f. Project Proponent shall be responsible for completing all elements of the component scope of work and for delivering to County any and all requirements, deliverables, documents and documentation as described in the Grant Agreement at Attachment 1. All documents provided to County for transmission to DWR shall be in electronic format acceptable to County.
- g. Project Proponent shall be reimbursed up to the maximum grant amount identified in Exhibit C (Project Budget, Table 4) of the Grant Agreement for the component. If the actual cost of the Project Proponent's component identified in Exhibit C of the Grant Agreement exceeds the maximum grant amount, County shall have no obligation to disburse grant funds for such excess costs.
- h. County may withhold from Project Proponent all or any portion of the grant funds if Project Proponent has materially violated, or threatens to materially violate, any term, provision, condition, or commitment of this Agreement; Project Proponent's expenditure is ineligible under the Prop 84 program as determined by County or DWR; Project Proponent fails to maintain reasonable progress toward completion of the Project; or DWR directs County to withhold any such grant reimbursement. County shall give immediate notice of such direction from DWR to Project Proponent.
- i. Project Proponent agrees, if applicable, to collect, manage and report performance and analytical data related to component in a manner that facilitates the reporting and management in accordance with DWR standards and consistent with the procedures to be developed by County, Project Proponent and the Additional Project Proponents.

- j. Project Proponent agrees to ensure that County, DWR, or any authorized representative thereof, shall have suitable and reasonable access to a project site at all reasonable times during construction, and thereafter for the useful life of the project, as applicable.
- k. Project Proponent shall provide the deliverable to County in advance of the date shown in Exhibit B (Project Schedule) of the Grant Agreement for the component.
- l. Project Proponent shall provide County evidence of insurance and other financial information as needed to comply with the terms of Grant Agreement.

### 3. Miscellaneous Terms and Provisions

- a. All information about components undertaken under this Agreement is the responsibility of the Project Proponents. Project Proponents agree that County will administer this Agreement and the overall program of implementation, that County review of components is discretionary, and Project Proponents shall not assume that County will discover errors and/or omissions. While County will submit grant applications, factual reports, monitoring data, and the like to granting agencies on behalf of the Project Proponents, Project Proponents acknowledge their responsibility for the accuracy, completeness, and timeliness of project information submitted to County for this purpose.
- b. Indemnity. For components undertaken under this Agreement, Project Proponents shall defend, indemnify and hold harmless County and the Additional Project Proponents not involved in the component against any and all liability, loss, expense, attorney's fees, or claims for injury or damages arising out of:
  - i. Project Proponent's failure to comply with its obligations under this Agreement.
  - ii. Any act or omission of Project Proponent that prevents County from complying with County's obligations under the Grant Agreement.
  - iii. Project Proponent's operation of any project funded by this Agreement.

Project Proponent's indemnity obligation shall be in proportion to and extend only to such liability, loss, expense, attorney's fees or claims for injury or damages as are caused by or result from the negligent or intentional acts or omissions of the Project Proponents. County agrees that it shall require the same indemnity terms set forth herein in all implementation agreements or any other arrangements entered into with any Additional Project Proponents in connection with the Grant Agreement,

so as to provide Project Proponents with reciprocal indemnity from each such Additional Project Proponent. County shall indemnify Project Proponents against any and all liability, loss, expense, attorney's fees, or claims for injury or damages arising out of (1) County's failure to include such indemnity terms, or the absence of such terms, as described, or (2) County's failure to include the third party beneficiary rights of Project Proponents related to indemnity from Additional Project Proponents described under Section 3.g., or the absence of such terms, as described below.

- c. Assignment. Neither this Agreement, nor any duties or obligations under this Agreement, nor any of the project facilities referenced in Attachment 1 (if any) shall be assigned by Project Proponents without the prior written consent of the County. Should an assignment or transfer occur with consent of the County, whenever County or the Project Proponent are named or referred to, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in County and the Project Proponents, and all agreements and covenants required hereby to be performed by or on behalf of County and Project Proponents shall bind and inure to the benefit of the respective successors thereof, whether so expressed in such assignment or not.
- d. Modification. This Agreement may be amended or modified only by a written document and approval of the Project Proponents unless required by an amendment or change to Attachment 1 required by DWR. Any such written modification shall be attached and incorporated hereto.
- e. Term. This Agreement will continue in effect until the completion of the Proposition 84 implementation grant funded projects unless terminated or extended by the County and Project Proponent(s). If County terminates this agreement before completion of efforts, Project Proponent(s) agrees to work with the Additional Project Proponents to designate a different entity to assume the lead role under this Agreement, who shall assume all responsibilities of County.
- f. Completion by Project Proponent. In the event Project Proponent has completed component and all applicable documents, deliverables, and requirement of Attachment 1, is not currently receiving grant funds, and has received acceptance of completion of component, may terminate its participation in this Agreement upon ninety (90) days prior written notice to the County. Such termination shall be effective ninety (90) days after the notice is received or deemed received. Notwithstanding the foregoing, the Project Proponent(s) shall continue to be responsible for any and all outstanding obligations, including, but not limited to, any debts, liabilities, useful life operation covenants or other financial commitments incurred or pledged by the Project Proponent(s), subject to constitutional debt limitation provisions of the law.
- g. No Third Party Beneficiaries. Except as further set forth in this subsection (g), nothing in this Agreement shall be construed to give any person, other than the

County and Project Proponent(s), any legal or equitable right, remedy or claim under or in respect of this Agreement or any provisions herein. This Agreement is intended to be for the sole and exclusive benefit of the County and Project Proponent(s), except for the purpose described as follows: the Additional Project Proponents are considered third party beneficiaries for the limited purpose of enforcement of the indemnity terms set forth under Section 3.b. County agrees to incorporate a third party beneficiary right of Project Proponent in all other implementation agreements or any other arrangements entered into with any Additional Project Proponents in connection with the Grant Agreement, for the same limited purpose, with substantially the terms set forth herein.

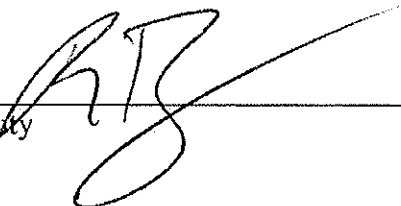
- h. Severability. If any provision of this Agreement is held, determined or adjudicated to be illegal, void, or unenforceable by a court of competent jurisdiction, the remainder of this Agreement shall be given effect to the fullest extent reasonably possible.
- i. Project Proponents represent and warrant that this Agreement has been duly authorized and executed and constitutes the legally binding obligation of its' organization or entity, enforceable in accordance with its terms.
- j. Counterparts. This Agreement may be executed in counterparts and the signed counterparts shall constitute a single instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates opposite their respective signatures:

ORANGE COUNTY PUBLIC WORKS DEPARTMENT

By \_\_\_\_\_ Date \_\_\_\_\_  
Name: Shane L. Silsby, PE  
Title: Director – OC Public Works

APPROVED AS TO FORM:  
COUNTY COUNSEL

By  \_\_\_\_\_ Date 8/1/14  
Deputy



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)

By \_\_\_\_\_ Date \_\_\_\_\_

Name: Robert Hunter

Title: General Manager

APPROVED AS TO FORM:  
MWDOC General Counsel

By \_\_\_\_\_ Date \_\_\_\_\_

Name:

AUDUBON STARR RANCH SANCTUARY

By \_\_\_\_\_ Date \_\_\_\_\_  
Name:  
Title:

APPROVED AS TO FORM:  
General Counsel

By \_\_\_\_\_ Date \_\_\_\_\_  
Name:

IRVINE RANCH WATER DISTRICT (IRWD)

By \_\_\_\_\_ Date \_\_\_\_\_  
Name: Paul Cook  
Title: General Manager

APPROVED AS TO FORM:  
IRWD General Counsel

By \_\_\_\_\_ Date \_\_\_\_\_  
Name:

SOUTH COAST WATER DISTRICT (SCWD)

By \_\_\_\_\_ Date \_\_\_\_\_

Name: Andy Brunhart

Title: General Manager

APPROVED AS TO FORM:

General Counsel

By \_\_\_\_\_ Date \_\_\_\_\_

Name:

**GRANT AGREEMENT BETWEEN THE STATE OF CALIFORNIA (DEPARTMENT OF WATER RESOURCES) AND  
COUNTY OF ORANGE  
4600010626  
PROPOSITION 84 ROUND 2 INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) IMPLEMENTATION GRANTS  
CALIFORNIA PUBLIC RESOURCES CODE §75026 ET SEQ.**

THIS GRANT AGREEMENT is entered into by and between the Department of Water Resources of the State of California, herein referred to as the "State" or "DWR" and the **County of Orange**, a public agency, in the State of California, duly organized, existing, and acting pursuant to the laws thereof, herein referred to as the "Grantee", which parties do hereby agree as follows:

1. **PURPOSE.** State shall provide funding from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 to Grantee to assist in financing projects associated with the **South Orange County IRWM Plan**, pursuant to Chapter 8 (commencing with Section 79560) of Division 26.5 of the California Water Code (CWC), hereinafter collectively referred to as "IRWM Program."
2. **TERM OF GRANT AGREEMENT.** The term of this Grant Agreement begins on the date this Grant Agreement is executed by State, and terminates on **October 1, 2017**, or when all of the Parties' obligations under this Grant Agreement are fully satisfied, whichever occurs earlier. Execution date is the date the State signs this Grant Agreement indicated on **page 9**.
3. **TOTAL PROJECT COST.** The reasonable Total Cost of the Projects is estimated to be **\$106,206,903**.
4. **GRANT AMOUNT.** The maximum amount payable by the State under this Agreement shall not exceed **\$1,708,647**.
5. **GRANTEE COST SHARE.** Grantee agrees to fund the difference between the Total Project Cost, and the Grant Amount (amount specified in Paragraph 4). Cost Share consists of Funding Match and Additional Cost Share, as documented in Exhibit B (Budget). Additional Cost Share is the amount necessary to fund the project above the Grant Amount and the Funding Match. Additional Cost Share will not be reviewed by the State for invoicing purposes; however, the Grantee is required to maintain all financial records associated with the project in accordance with Exhibit I (State Audit Document Requirements).
6. **FUNDING MATCH.** Funding Match is defined as the minimum amount of Grantee Cost Share required, and cannot include other State funds. Grantee is required to provide a Funding Match of at least **25%** of the Total Project Cost. The Grantee's Funding Match is estimated to be **\$26,725,000**. Grantee's Funding Match may include in-kind services that are part of Exhibit A (Work Plan) and performed after **September 30, 2008**.
7. **GRANTEE'S RESPONSIBILITY.** Grantee and its representatives shall:
  - a) Faithfully and expeditiously perform or cause to be performed all project work as described in Exhibit A (Work Plan) and in accordance with Exhibit B (Budget) and Exhibit C (Schedule).
  - b) Accept and agree to comply with all terms, provisions, conditions, and written commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by Grantee in the application, documents, amendments, and communications filed in support of its request for Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 financing.
  - c) Comply with all applicable California laws and regulations.
  - d) Implement the Projects in accordance with applicable provisions of the law.
  - e) Fulfill its obligations under the Grant Agreement, and be responsible for the performance of the projects.
8. **LOCAL PROJECT SPONSOR'S RESPONSIBILITY.** Grantee shall assign Local Project Sponsors to act on behalf of Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. Local Project Sponsors shall be assigned in accordance with the participating agencies identified in the South Orange County WMA IRWM Prop 84 Round 2 Implementation Proposal grant application. Exhibit F identifies Local Project Sponsors. Local Project Sponsors shall also act on behalf of Grantee in the fulfillment of Grantee responsibilities where specifically specified in this Grant Agreement.
9. **BASIC CONDITIONS.** State shall have no obligation to disburse money for projects under this Agreement until Grantee has satisfied the following conditions (if applicable):

9. BASIC CONDITIONS. State shall have no obligation to disburse money for projects under this Agreement until Grantee has satisfied the following conditions (if applicable):
- a) Grantee and Local Project Sponsors demonstrate the availability of sufficient funds to complete each project by submitting the most recent 3 years of audited financial statements.
  - b) Grantee must demonstrate compliance with the groundwater compliance options set forth on page 15 of the IRWM Program Guidelines, dated November 2012.
  - c) For the term of this Grant Agreement, Grantee submits timely Quarterly Progress Reports as required by Paragraph 19, "Submission of Reports."
  - d) Grantee submits deliverables as specified in Paragraph 19 of this Grant Agreement and in Exhibit A.
  - e) Prior to the commencement of construction or implementation activities, Grantee shall submit the following to the State for each project:
    - 1) Final plans and specifications certified by a California Registered Professional (Civil Engineer or Geologist, as appropriate) for each approved projects as listed in Exhibit A of this Grant Agreement.
    - 2) Environmental Documentation:
      - i) Grantee submits to the State all applicable environmental permits,
      - ii) Documents that satisfy the CEQA process are received by the State,
      - iii) State has completed its CEQA compliance review as a Responsible Agency, and
      - iv) Grantee receives written concurrence from the State of Lead Agency's CEQA documents and State notice of verification of environmental permit submittal.State's concurrence of Lead Agency's CEQA documents is fully discretionary and shall constitute a condition precedent to any work (i.e., construction or implementation activities) for which it is required. Once CEQA documentation has been completed, State will consider the environmental documents and decide whether to continue to fund the projects or to require changes, alterations or other mitigation. Grantee must also demonstrate that it has complied with all applicable requirements of the National Environmental Policy Act by submitting copies of any environmental documents, including environmental impact statements, Finding of No Significant Impact, and mitigation monitoring programs as may be required prior to beginning construction/implementation.
    - 3) A monitoring plan as required by Paragraph 21, "Project Monitoring Plan Requirements."
10. DISBURSEMENT OF FUNDS. State will disburse to Grantee the amount approved, subject to the availability of funds through normal State processes. Notwithstanding any other provision of this Grant Agreement, no disbursement shall be required at any time or in any manner which is in violation of, or in conflict with, federal or state laws, rules, or regulations, or which may require any rebates to the federal government, or any loss of tax-free status on state bonds, pursuant to any federal statute or regulation. Any and all money disbursed to Grantee under this Grant Agreement and any and all interest earned by Grantee on such money shall be used solely to pay Eligible Project Costs, as defined in Paragraph 11.
11. ELIGIBLE PROJECT COST. Grantee shall apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law and Exhibit B. Eligible project costs include the reasonable costs of studies, engineering, design, land and easement acquisition, legal fees, preparation of environmental documentation, environmental mitigations, monitoring, and project construction. Reasonable administrative expenses may be included as Total Project Costs and will depend on the complexity of the project preparation, planning, coordination, construction, acquisitions, and implementation. Reimbursable administrative expenses are the necessary costs incidentally but directly related to the projects including the portion of overhead and administrative expenses that are directly related to the projects included in this Agreement in accordance with the standard accounting practices of the Grantee. Work performed on the projects after **February 4, 2014** shall be eligible for reimbursement.
- Costs that are not eligible for reimbursement with State funds cannot be counted as Funding Match. Costs that are not eligible for reimbursement include, but are not limited to the following items:
- a) Costs, other than those noted above, incurred prior to the award date of the Grant.
  - b) Operation and maintenance costs, including post construction performance and monitoring costs.
  - c) Purchase of equipment not an integral part of a project.
  - d) Establishing a reserve fund.

- e) Purchase of water supply.
- f) Monitoring and assessment costs for efforts required after project construction is complete.
- g) Replacement of existing funding sources for ongoing programs.
- h) Travel and per diem costs (per diem includes subsistence and other related costs).
- i) Support of existing agency requirements and mandates (e.g., punitive regulatory agency requirement).
- j) Purchase of land in excess of the minimum required acreage necessary to operate as an integral part of a project, as set forth and detailed by engineering and feasibility studies.
- k) Payment of principal or interest of existing indebtedness or any interest payments unless the debt is incurred after execution of this Grant Agreement, the State agrees in writing to the eligibility of the costs for reimbursement before the debt is incurred, and the purposes for which the debt is incurred are otherwise eligible costs. However, this will only be allowed as Grantee cost share (i.e., Funding Match).
- l) Overhead not directly related to project costs.

12. **METHOD OF PAYMENT.** Submit a copy of invoice for costs incurred and supporting documentation to the DWR Project Manager via Grant Review and Tracking Systems (GRanTS). Additionally, the original invoice form with signature and date (in ink) of Grantee's Project Representative, as indicated on **page 7** of this Agreement, must be sent to the DWR Project Manager for approval. Invoices submitted via GRanTS shall include the following information:

- a) Costs incurred for work performed in implementing the projects during the period identified in the particular invoice.
- b) Costs incurred for any interests in real property (land or easements) that have been necessarily acquired for the projects during the period identified in the particular invoice for the implementation of a project.
- c) Invoices shall be submitted on forms provided by State and shall meet the following format requirements:
  - 1) Invoices must contain the date of the invoice, the time period covered by the invoice, and the total amount due.
  - 2) Invoices must be itemized based on the categories (i.e., tasks) specified in Exhibit B. The amount claimed for salaries/wages/consultant fees must include a calculation formula (i.e., hours or days worked times the hourly or daily rate = the total amount claimed).
  - 3) Sufficient evidence (e.g., receipts, copies of checks, time sheets) as determined by the State must be provided for all costs included in the invoice. Additional Cost Share shall be accounted for separately in the progress reports.
  - 4) Each invoice shall clearly delineate those costs claimed for reimbursement from the State's Grant Amount, as depicted in Paragraph 4, and those costs that represent Grantee's Funding Match, as applicable, in Paragraph 6.
  - 5) DWR Project Manager will notify Grantee, in a timely manner, when, upon review of an invoice, the State determines that any portion or portions of the costs claimed are not eligible costs or are not supported by documentation or receipts acceptable to State. Grantee may, within thirty (30) calendar days of the date of receipt of such notice, submit additional documentation to State to cure such deficiency(ies). If Grantee fails to submit adequate documentation curing the deficiency(ies), State will adjust the pending invoice by the amount of ineligible or unapproved costs. After the disbursement requirements in Paragraph 9 "Basic Conditions" are met, State will disburse the whole or portions of State funding to Grantee, following receipt from Grantee via US mail or Express mail delivery of a "wet signature" invoice for costs incurred, including Cost Share, and timely Quarterly Progress Reports as required by Paragraph 19, Submission of Reports. Payment will be made no more frequently than monthly, in arrears, upon receipt of an invoice bearing the Grant Agreement number.

13. **WITHHOLDING OF DISBURSEMENTS BY STATE.** If State determines that a project is not being implemented in accordance with the provisions of this Grant Agreement, or that Grantee has failed in any other respect to comply with the provisions of this Grant Agreement, and if Grantee does not remedy any such failure to

State's satisfaction, State may withhold from Grantee all or any portion of the State funding and take any other action that it deems necessary to protect its interests. Where a portion of the State funding has been disbursed to the Grantee and State notifies Grantee of its decision not to release funds that have been withheld pursuant to Paragraph 14, the portion that has been disbursed shall thereafter be repaid immediately with interest at the California general obligation bond interest rate at the time the State notifies the Grantee, as directed by State. State may consider Grantee's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Paragraph 14, "Default Provisions." If State notifies Grantee of its decision to withhold the entire funding amount from Grantee pursuant to this paragraph, this Grant Agreement shall terminate upon receipt of such notice by Grantee and the State shall no longer be required to provide funds under this Grant Agreement and the Grant Agreement shall no longer be binding on either party.

14. DEFAULT PROVISIONS. Grantee will be in default under this Grant Agreement if any of the following occur:
- a) Substantial breaches of this Grant Agreement, or any supplement or amendment to it, or any other agreement between Grantee and State evidencing or securing Grantee's obligations.
  - b) Making any false warranty, representation, or statement with respect to this Grant Agreement or the application filed to obtain this Grant Agreement.
  - c) Failure of Grantee or a Local Project Sponsor receiving grant funding through this Grant Agreement to adopt, no later than 2 years after the State executes the Grant Agreement, and IRWM Plan that meets the requirements contained in Part 2.2 of Division 6 of the CWC, commencing with Section 10530.
  - d) Failure to operate or maintain projects in accordance with this Grant Agreement.
  - e) Failure to make any remittance required by this Grant Agreement.
  - f) Failure to comply with Labor Compliance Program requirements (Paragraph 18).
  - g) Failure to submit timely progress reports.
  - h) Failure to routinely invoice State.
  - i) Failure to meet any of the requirements set forth in Paragraph 15, "Continuing Eligibility."

Should an event of default occur, State shall provide a notice of default to the Grantee and shall give Grantee at least ten (10) calendar days to cure the default from the date the notice is sent via first-class mail to the Grantee. If the Grantee fails to cure the default within the time prescribed by the State, State may do any of the following:

- i. Declare the funding be immediately repaid, with interest, which shall be equal to State of California general obligation bond interest rate in effect at the time of the default.
- ii. Terminate any obligation to make future payments to Grantee.
- iii. Terminate the Grant Agreement.
- iv. Take any other action that it deems necessary to protect its interests.

In the event State finds it necessary to enforce this provision of this Grant Agreement in the manner provided by law, Grantee agrees to pay all costs incurred by State including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

15. CONTINUING ELIGIBILITY. Grantee must meet the following ongoing requirement(s) to remain eligible to receive State funds:
- a) Timely adoption of an IRWM Plan that meets the requirements contained in Part 2.2 of Division 6 of the CWC, commencing with Section 10530.
  - b) An urban water supplier that receives grant funds governed by this Grant Agreement shall maintain compliance with the Urban Water Management Planning Act (CWC§10610 et. seq.);
  - c) An agricultural water supplier must maintain compliance with SBx7-7 as outlined in Part 2.55 of Division 6 of the CWC.
  - d) Grantee's diverting surface water must maintain compliance with diversion reporting requirements as outlined in Part 5.1 of Division 2 of the CWC.
  - e) Projects with potential groundwater impacts must demonstrate compliance with the groundwater compliance options set forth on page 15 of the IRWM Program Guidelines, dated August 2012.



16. PERMITS, LICENSES, APPROVALS, AND LEGAL OBLIGATIONS. Grantee shall be responsible for obtaining any and all permits, licenses, and approvals required for performing any work under this Grant Agreement, including those necessary to perform design, construction, or operation and maintenance of the Projects. Grantee shall be responsible for observing and complying with any applicable federal, state, and local laws, rules or regulations affecting any such work, specifically those including, but not limited to, environmental, procurement, and safety laws, rules, regulations, and ordinances. Grantee shall provide copies of permits and approvals to State.
17. RELATIONSHIP OF PARTIES. Grantee is solely responsible for design, construction, and operation and maintenance of projects within the work plan. Review or approval of plans, specifications, bid documents, or other construction documents by State is solely for the purpose of proper administration of funds by State and shall not be deemed to relieve or restrict responsibilities of Grantee under this Grant Agreement.
18. LABOR COMPLIANCE. Grantee agrees to comply with all applicable California Labor Code requirements, and Standard Condition D.28, Exhibit D. Grantee must, independently or through a third party, adopt and enforce a Department of Industrial Relations-certified Labor Compliance Program (LCP) meeting the requirements of Labor Code section 1771.5 for projects funded by:
- a) Proposition 84 (Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006; PRC sections 75075 et seq.) or
  - b) Any other funding source requiring an LCP.

At the State's request, Grantee must promptly submit written evidence of Grantee's compliance with the LCP requirements.

19. SUBMISSION OF REPORTS. The submittal and approval of all reports is a requirement for the successful completion of this Grant Agreement. Reports shall meet generally accepted professional standards for technical reporting and shall be proofread for content, numerical accuracy, spelling, and grammar prior to submittal to State. All reports shall be submitted to the State's Project Manager, and shall be submitted via DWR's "Grant Review and Tracking System" (GRANTS). If requested, Grantee shall promptly provide any additional information deemed necessary by State for the approval of reports. Reports shall be presented in the formats described in the applicable portion of Exhibit G. The timely submittal of reports is a requirement for initial and continued disbursement of State funds. Submittal and subsequent approval by the State, of a Project Completion Report is a requirement for the release of any funds retained for such projects.
- Progress Reports: Grantee shall submit progress reports on a regular and consistent basis to meet the State's requirement for disbursement of funds. The reporting period shall not exceed one quarter in length. The progress reports shall be sent via e-mail to the State's Project Manager and shall be uploaded into GRANTS at the frequency specified in Exhibit C, Project Schedule. The progress reports shall provide a brief description of the work performed during the reporting period including: Grantee's activities, milestones achieved, any accomplishments, and any problems encountered in the performance of the work under this Agreement.
  - Project Completion Report: Grantee shall prepare and submit to State a separate Project Completion Report for each project included in Exhibit A. Grantee shall submit a Project Completion Report within ninety (90) calendar days of projects completion. Project Completion Report(s) shall include, in part, a description of actual work done, any changes or amendments to each project, and a final schedule showing actual progress versus planned progress, copies of any final documents or reports generated or utilized during a project. The Project Completion Report shall also include, if applicable, certification of final project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), consistent with Standard Condition D.19 in Exhibit D. A DWR "Certification of Project Completion" form will be provided by the State.
  - Grant Completion Report: Upon completion of all projects included in Exhibit A, Grantee shall submit to State a Grant Completion Report. The Grant Completion Report shall be submitted within ninety (90) calendar days of submitting the Project Completion Report for the final project to be completed under

the Grant Agreement. The Grant Completion Report shall include reimbursement status, a brief description of each project completed, and how those projects will further the goals of the IRWM Plan and identify any changes to the IRWM Plan, as a result of project implementation. Retention for the last project to be completed as part of this Grant Agreement will not be disbursed until the Grant Completion Report is submitted to and approved by the State.

- Post-Performance Reports: Grantee shall submit Post-Performance Reports. Post-Performance Reports shall be submitted to State within ninety (90) calendar days after the first operational year of a project has elapsed. This record keeping and reporting process shall be repeated annually for a total of 10 years after the completed projects begins operation.

20. OPERATION AND MAINTENANCE OF PROJECT. For the useful life of construction and implementation projects and in consideration of the funding made by State, Grantee agrees to ensure or cause to be performed the commencement and continued operation of each project, and shall ensure or cause each project to be operated in an efficient and economical manner; shall ensure all repairs, renewals, and replacements necessary to the efficient operation of the same are provided; and shall ensure or cause the same to be maintained in as good and efficient condition as upon its construction, ordinary and reasonable wear and depreciation excepted. The State shall not be liable for any cost of such maintenance, management, or operation. Grantee or their successors may, with the written approval of State, transfer this responsibility to use, manage, and maintain the property. For purposes of this Grant Agreement, "useful life" means period during which an asset, property, or activity is expected to be usable for the purpose it was acquired or implemented; "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses, and "maintenance costs" include ordinary repairs and replacements of a recurring nature necessary for capital assets and basic structures and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures. Refusal of Grantee to ensure operation and maintenance of the projects in accordance with this provision may, at the option of State, be considered a breach of this Grant Agreement and may be treated as default under Paragraph 14, "Default Provisions."

21. PROJECT MONITORING PLAN REQUIREMENTS. Exhibit A of this Grant Agreement shall contain activities to develop and submit to State a Project Monitoring Plan. Along with the Project Performance Measures Table requirements outlined in the Proposition 84 Round 2 Implementation Grants Proposal Solicitation Package (In Attachment 6) and guidance provided in Exhibit J, "Project Monitoring Plan Components," the Project Monitoring Plan should also include:

- a) Baseline conditions.
- b) Brief discussion of monitoring systems to be used.
- c) Methodology of monitoring.
- d) Frequency of monitoring.
- e) Location of monitoring points.

A Project Monitoring Plan shall be submitted to the State prior to disbursement of State funds for construction or monitoring activities. See Exhibit H, "Requirements for Statewide Monitoring and Data Submittal", for web links and information regarding other State monitoring and data reporting requirements.

22. STATEWIDE MONITORING REQUIREMENTS. Grantee shall ensure that all groundwater projects and projects that include groundwater monitoring requirements are consistent with the Groundwater Quality Monitoring Act of 2001 (Part 2.76 (commencing with Section 10780) of Division 6 of California Water Code) and, where applicable, that projects that affect water quality shall include a monitoring component that allows the integration of data into statewide monitoring efforts, including where applicable, the Surface Water Ambient Monitoring Program carried out by the State Water Resources Control Board.

23. NOTIFICATION OF STATE. Grantee shall promptly notify State, in writing, of the following items:

- a) Events or proposed changes that could affect the scope, budget, or work performed under this Grant Agreement. Grantee agrees that no substantial change in the scope of projects will be undertaken until written notice of the proposed change has been provided to State and State has given written

approval for such change. Substantial changes generally include changes to the work plan, schedule or term, and budget.

- b) Any public or media event publicizing the accomplishments and/or results of this Grant Agreement and provide the opportunity for attendance and participation by State's representatives. Grantee shall make such notification at least 14 calendar days prior to the event.
- c) Final inspection of the completed work on a project by a California Registered Professional (Civil Engineer or Geologist, as appropriate), in accordance with Standard Condition D.19 in Exhibit D. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.

24. NOTICES. Any notice, demand, request, consent, or approval that either party desires or is required to give to the other party under this Grant Agreement shall be in writing. Notices may be transmitted by any of the following means:

- a) By delivery in person.
- b) By certified U.S. mail, return receipt requested, postage prepaid.
- c) By "overnight" delivery service; provided that next-business-day delivery is requested by the sender.
- d) By electronic means.

Notices delivered in person will be deemed effective immediately on receipt (or refusal of delivery or receipt). Notices sent by certified mail will be deemed effective given ten (10) calendar days after the date deposited with the U. S. Postal Service. Notices sent by overnight delivery service will be deemed effective one business day after the date deposited with the delivery service. Notices sent electronically will be effective on the date of transmission, which is documented in writing. Notices shall be sent to the addresses set forth in Paragraph 26. Either party may, by written notice to the other, designate a different address that shall be substituted for the one below.

25. PERFORMANCE EVALUATION. Upon completion of this Grant Agreement, Grantee's performance will be evaluated by the State and a copy of the evaluation will be placed in the State file and a copy sent to the Grantee.

26. PROJECT REPRESENTATIVES. The Project Representatives during the term of this Grant Agreement are as follows:

Department of Water Resources  
Paula Landis  
Chief, Division of IRWM  
P.O. Box 942836  
Sacramento, CA 94236-0001  
Phone: (916) 651-9220  
e-mail: [Paula.Landis@water.ca.gov](mailto:Paula.Landis@water.ca.gov)

County of Orange  
Mary Anne Skorpanich  
Deputy Director, OC Public Works  
2301 N. Glassell St.  
Orange, CA 92865  
Phone: (714) 955-0601  
e-mail: [MaryAnne.Skorpanich@ocpw.ocgov.com](mailto:MaryAnne.Skorpanich@ocpw.ocgov.com)

Direct all inquiries to the Project Manager:

Department of Water Resources  
Tanya Meeth  
Division of Integrated Regional Water Management  
P.O. Box 942836  
Sacramento, CA 94236-0001  
Phone: (916) 651-9227  
e-mail: [Tanya.Meeth@water.ca.gov](mailto:Tanya.Meeth@water.ca.gov)

Orange County Department of Public Works  
Marilyn Thoms  
Manager, Watershed Management  
2301 N. Glassell St.  
Orange, CA 92865  
Phone: (714) 955-0610  
e-mail: [Marilyn.Thoms@ocpw.ocgov.com](mailto:Marilyn.Thoms@ocpw.ocgov.com)

Either party may change its Project Representative or Project Manager upon written notice to the other party.

27. STANDARD PROVISIONS. The following Exhibits are attached and made a part of this Grant Agreement by this reference:

Exhibit A – Work Plan  
Exhibit B – Budget  
Exhibit C – Schedule  
Exhibit D – Standard Conditions  
Exhibit E – Authorizing Resolution  
Exhibit F – Local Project Sponsors  
Exhibit G – Report Formats and Requirements  
Exhibit H – Requirements for Statewide Monitoring and Data Submittal  
Exhibit I – State Audit Document Requirements and Funding Match Guidelines for Grantees  
Exhibit J – Project Monitoring Plan

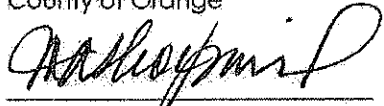
IN WITNESS WHEREOF, the parties hereto have executed this Grant Agreement.

STATE OF CALIFORNIA  
DEPARTMENT OF WATER RESOURCES

  
Paula J. Landis, P.E., Chief  
Division of Integrated Regional Water Management

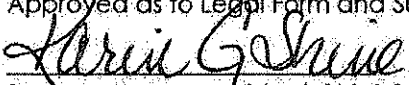
Date 7-16-14

County of Orange

  
Mary Anne Skorpanich, Deputy Director  
OC Public Works

Date 6-23-14

Approved as to Legal Form and Sufficiency

  
for Spencer Kenner, Assistant Chief Counsel  
Office of Chief Counsel

Date 10 July 2014

## EXHIBIT A WORK PLAN

The Proposition 84 Round 2 Implementation agreement awards funding for 5 projects located within the South Orange County IRWM region.

### **PROJECT 1: Grant Agreement Administration**

#### **IMPLEMENTING AGENCY: County of Orange**

**PROJECT DESCRIPTION:** The South Orange County Regional Water Management Group authorized the County of Orange (County) to act as the applicant and the grant manager for the Proposition 84, Round 2 Implementation Grant.

The County will administer these funds and respond to DWR's reporting and compliance requirements associated with the grant administration. This office will act in a coordination role – disseminating grant compliance information to the representatives of each projects contained in this agreement, obtaining and retaining evidence of compliance (e.g., CEQA/NEPA documents, reports, monitoring compliance documents, labor requirements, etc.), obtaining data for quarterly progress reports from individual project managers, providing quarterly progress reports to the State, and coordinating all invoicing and payment of invoices.

#### **Budget Category (a) Project Administration**

##### **Task 1: Grant Administration**

This project is to administer and manage project activities and the overall project schedule and budget to ensure that the projects within this grant proposal are completed efficiently and successfully. Project management activities will include budget and schedule control and quality assurance and quality control (QA/QC) for the duration of the project. This task also includes: grant agreement execution, and the development and submittal of quarterly reports and invoices to DWR. Quarterly reports will include project progress reports, upcoming work, schedule, budget, and other pertinent information, as required by Exhibit G of this agreement.

##### **Deliverables:**

- ☐ Quarterly progress reports as specified in the Grant Agreement
- ☐ Invoices and associated backup documentation
- ☐ Individual project deliverables (as specified in each project's work plan)
- ☐ Project completion report
- ☐ Grant completion report

### **PROJECT 2: Comprehensive Landscape Water Use Efficiency (CLWUE) Program**

#### **IMPLEMENTING AGENCY: Municipal Water District of Orange County (MWDOC)**

**PROJECT DESCRIPTION:** The project will implement a comprehensive landscape improvement program targeting residential and commercial properties throughout the South Orange County IRWMP area. The program will encourage the replacement of approximately 10 acres of non-functional turf; the upgrade of approximately 1,500 antiquated irrigation timers to smart water application irrigation controllers (smart timers); and the conversion of approximately 50,000 high-volume conventional irrigation spray heads to low-precipitation-rate devices.

#### **Budget Category (a): Direct Project Administration Costs**

##### **Task 1: Administration**

MWDOC will manage the day-to-day implementation of this project, which will include the following: coordination with the County on all Grant agreement issues; coordination with the retail water agencies and cities within the South

Orange County IRWMP area, establishing the participation requirements; establishing the CLWUE Program eligibility criteria; verify work performed by the rebate participant throughout the term of the project; coordinate promotional material with water agencies and cities; prepare and submit reporting to the County; and monitor and analyze the expected water conservation benefits.

**Deliverables:**

- ☐ Preparation of invoices
- ☐ Other deliverables as required

**Labor Compliance Program – Not applicable.**

The project is not a public works project and does not require a Labor Compliance Program.

**Task 2: Reporting**

Prepare and submit quarterly progress reports and a final project completion report. Prepare and submit a Project Monitoring Plan (PMP) to the State prior to disbursement of grant funds for implementation or monitoring activities for this Project.

**Deliverables:**

- ☐ Submission of quarterly progress reports
- ☐ Draft and final project completion report
- ☐ PMP

**Task 3: Planning**

**Task 3a – Categorical Exemption Filing:** Prepare and submit a categorical exemption. Activities for this project do not involve any new construction and there will be no disturbance to the environment, therefore, this project meets the standards for Categorical Exemption.

**Task 3b– Eligibility Criteria:** The first item MWDOC will develop at this stage in the project will be the eligibility criteria that will guide each participant in implementing their individual landscape improvement projects.

**Task 3c – Project Application:** MWDOC will develop a standardized Program Rebate Application form for execution by each of the Program participants in order to formalize their participation in the Program. The Application will detail the criteria by which each landscape improvement site qualifies for participation, and will be used to specify the square footage and/or number of water conservation devices, which will result in the amount rebated to each individual Program site.

**Deliverables:**

- ☐ Approved and adopted Categorical Exemption filing;
- ☐ DWR Environmental Information Form (EIF)
- ☐ Eligibility Criteria
- ☐ Application Template

**Budget Category (b): Land Purchase/Easement**

Not applicable

**Budget Category (c) Planning/Design Engineering/Environmental Documentation**

See Task 3. Work for this budget category has been included under Budget Category (a)

**Budget Category (d): Construction/Implementation****Task 4: Construction**

MWDOC will evaluate each Application relative to the eligibility criteria of the CLWUE Program. Those projects that qualify will be given a project 'Notice to Proceed' document.

**Landscape Improvement and Rebates:**

Landscape improvement work that will be performed at qualified sites will include at a minimum the following:

- Replacement of all project-specific turf grass with California Friendly landscapes. It is anticipated that approximately 10 acres of inefficient landscapes will be improved into water efficient landscapes.
- Installation of weather-based or soil-moisture-based self-adjusting irrigation 'smart' timers; and/or
- Conversion of high-volume overhead spray irrigation to low-volume irrigation rotating nozzles or drip irrigation.
- The project includes a post-improvement inspection by MWDOC staff to verify and document the landscape improvement work completed at each site.

Once all landscape improvement work has been completed, the post-improvement verification has been performed, and the site passes all final participation criteria, MWDOC will provide incentives in the form of rebates. The Program will offer rebates that are estimated as follows:

- Turf Removal
  - \$0.80 per square foot
- Smart Timers
  - \$380 per timer per site (residential)
  - \$25 per station up to timer capacity (commercial)
- Rotating Nozzles
  - \$4.00 per nozzle
- Drip Irrigation
  - \$0.40 per square foot

**Database Compilation:**

MWDOC will compile a database of all relevant data. This data at a minimum will include: site address, and contact information; site improvement landscape data that will capture the WUE work performed at each site; the make, model, and quantity of the water efficient devices installed; the Grant and Matching funds expended at each site; and all relevant dates and check numbers.

**Marketing:**

Program marketing materials will be developed by MWDOC for distribution and promotion. All Program marketing materials will include the DWR, County, and MWDOC logos.

**Improvement Verifications:**

Landscape improvement installation verifications will be performed at all sites to verify all project guidelines have been met. Inspection criteria shall include a combination of the following: receipt/invoice verification, visual inspection, area measurement, and/or project photographs. The information will first be collected via on site verification forms and then entered into the project database.

**Deliverables:**

- ☐ Marketing Materials



- ☐ Project Photographs
- ☐ Verification Forms
- ☐ Final Participant Database

### **PROJECT 3: Audubon Starr Ranch Sanctuary's Riparian Invasive Control, Restoration, Monitoring, and Education Project**

#### **IMPLEMENTING AGENCY: Audubon Starr Ranch Sanctuary (Starr Ranch)**

**PROJECT DESCRIPTION:** The project implements an ecosystem scale approach to restoration and assessment of the Bell Canyon riparian corridor by removing invasive plant species, planting native species, and monitoring riparian wildlife and water quality. Starr Ranch interns and volunteers will map and remove invasive plant species and restore native plant species. Starr Ranch staff will work in partnership with the Dove Canyon HOA and golf course staff to encourage native species in landscaping and reduction of turf, pesticides, and irrigation. Additionally, Starr Ranch staff will work with the Trabuco Canyon Water District (TCWD) and the Dove Canyon golf course staff to improve a runoff pumping system.

#### **Budget Category (a): Direct Project Administration Costs**

##### **Task 1: Administration**

Starr Ranch will manage the day-to-day implementation of this project. This will include the following:

- Coordination with the County of Orange on all Grant agreement issues.
- Coordination with Dove Canyon, TCWD, USGS, SWAMP, Institute for Bird Populations, USA National Phenology Network, prepare and submit reporting to the County.
- Prepare invoices and other deliverables as required by the grant agreement.

##### **Deliverables:**

- ☐ Invoices and backup documents
- ☐ Other deliverables as required

##### **Labor Compliance Program – Not applicable.**

The Starr Ranch project is not a public works project and does not require a Labor Compliance Program.

##### **Task 2: Reporting**

Prepare and submit quarterly progress reports and a final project completion report. Prepare and submit a Project Monitoring Plan (PMP) to the State prior to disbursement of grant funds for implementation or monitoring activities for this Project.

##### **Deliverables:**

- ☐ Submission of quarterly progress reports
- ☐ Final project completion report
- ☐ PMP

##### **Budget Category (b): Land Purchase/Easement**

Not applicable.

##### **Budget Category (c) Planning/Design Engineering/Environmental Documentation**

##### **Task 3: Environmental Documentation**

Prepare and submit a categorical exemption. Activities for this project do not involve any new construction and there will be no disturbance to the environment, therefore, this project meets the standards for Categorical Exemption.

**Deliverable:**

- ☐ Categorical Exemption filing;
- ☐ DWR Environmental Information Form (EIF).

**Task 4: Permitting**

The following clearances and permits are needed for ongoing efforts:

- Annual MOU with the California Department of Fish and Wildlife (CDFW) to conduct stream bioassessment will occur in May (exact date depends on stream water levels); collection permits are also required. This involves renewals and reporting to be done by our Assistant Director of Research and Education.
- Starr Ranch has a bird banding permit from the USGS Bird Banding Laboratory (#20430). We are required to submit schedules of all banded birds. CDFW also requires a bird banding permit renewal and reporting. Banding will be completed by Seasonal Ornithologist.

**Deliverables:**

- ☐ Copy of Annual MOU with CDFW
- ☐ Song Bird Banding Permit

**Budget Category (d): Construction/Implementation**

**Task 5: Implementation**

Over approximately two years, Starr Ranch will implement seven subtasks. Tasks 5a through 5c will occur throughout the grant period; whereas Tasks 5d through 5g will occur periodically each year.

Task 5a: Nonchemical invasive species control and restoration - Remove three priority invasive species within an approximate 11 acre work area in Bell Creek. Plant natives or monitor native colonization in approximately 6.5 – 7.5 acres. Invasive species removal will be done using a variety of physical methods depending on the specific species and site conditions. Methods are anticipated to include at least the following: weeding hand tools; tillers, loppers, pick mattocks, and hand and chain-saws.

Task 5b: Bell Canyon Mapping and Invasive Removal - Field survey approximately 125 acres along the, 4.7 mile Bell Creek riparian corridor within Starr Ranch to map olives and palms; remove pampas grass, tamarisk, bull thistle, Himalayan blackberry, tree tobacco, arundo, and fig.

Task 5c: Dove Canyon Water Conservation - Plant native, drought tolerant, species in at least 5% of the Dove Canyon common areas and complete adoption of turf rebates in at least 5% of common areas.

Task 5d: Stream bioassessment - Sample stream macroinvertebrates to assess Bell Creek water quality.

Task 5e: Aquatic vertebrate and perennial pool surveys - Survey for aquatic vertebrates and perennial pools in a minimum of six 250 meter reaches per year (two years total) to produce GIS maps of vertebrate and perennial pool distributions in Bell Creek.

Task 5f: Riparian songbird monitoring - Use continuous mist netting to band songbirds to produce data on species richness and age class distributions for banding data over two years. Use a nationwide protocol to take

weekly behavioral observations in riparian woodlands to track behavioral trends that might be associated with aspects of climate change (e.g. early flowering of riparian trees).

**Task 5g: Runoff Diversion Optimization** - Work with the TCWD and the Dove Canyon golf course staff to improve and maximize the effectiveness of the TCWD runoff pumping system, to ensure that the ephemeral creek drainages to Starr Ranch are maintained dry during the dry season (April 15 through October 15). The runoff pumping system includes two pumps which divert urban runoff from Bell Creek for storage in TCWD's Dove Lake.

**Deliverables:**

- ☐ Monitoring data including summary statistics
- ☐ Photo-monitoring
- ☐ GIS maps
- ☐ List of common areas converted including location and acreage

**PROJECT 4: Irvine Ranch Water District's Baker Water Treatment Plant**

**IMPLEMENTING AGENCY: Irvine Ranch Water District**

**PROJECT DESCRIPTION:** The Baker Water Treatment Plant (WTP) project includes the design and construction of a new 28 million gallons per day (mgd) water treatment plant onsite at the existing Baker Filtration Plant, located in the City of Lake Forest. The project will utilize membrane filtration, ultraviolet light, and chlorination for treatment. The Baker WTP will be owned and operated by IRWD and will provide treated water to IRWD customers as well as four partner retail water agencies: El Toro Water District, Moulton Niguel Water District, Santa Margarita Water District, and Trabuco Canyon Water District (TCWD). The project will provide increased water supply reliability in southern Orange County by creating redundancy of treatment system capacity and distribution infrastructure for potable water.

**Budget Category (a): Direct Project Administration Costs**

**Task 1: Administration**

IRWD staff will administer the project with consultants and coordinate with partner agencies. IRWD administrative staff will prepare invoices and other deliverables as required by the grant agreement.

**Deliverables:**

- ☐ Invoices and backup documents
- ☐ Other deliverables as required

**Task 2: Labor Compliance Program**

Perform labor compliance in accordance with the requirements of California Labor Code §1771.5(b).

**Deliverable:**

- ☐ Documentation furnished to DWR as requested.

**Task 3: Reporting**

Prepare and submit quarterly progress reports and a final project completion report as specified in the Grant Agreement. Prepare and submit a Project Monitoring Plan (PMP) to the State prior to disbursement of grant funds for implementation or monitoring activities for this Project as specified in the Grant Agreement.

**Deliverables:**

- ☐ Submission of quarterly progress reports
- ☐ a final project completion report
- ☐ PMP

**Budget Category (b): Land Purchase/Easement**

**Task 4: Land Easement**

An easement was obtained to install the product water pipeline within a homeowner's association property.

**Deliverable:**

- ☐ Copy of easement

**Budget Category (c) Planning/Design Engineering/Environmental Documentation**

**Task 5: Assessment and Evaluation**

The Final Preliminary Design Report (PDR) was prepared; it evaluated available treatment sites, viable treatment technologies, and additional supply conveyances. The PDR summarized the facilities necessary to treat the raw water for potable use and provide supply reliability.

**Deliverable:**

- ☐ Final Preliminary Design Report (April 2010)

**Task 6: Final Design**

Final design was completed in August, 2013. The final design includes:

- Review design drawings, technical specifications and construction cost estimate at the 60%, 90%, 95% and 99% completion stages
- Review 100% final construction contract documents and engineer's estimate;

**Deliverable:**

- ☐ 100% Plans and Specifications for the Project

**Task 7: Environmental Documentation**

The project is subject to the environmental review process established in the California Environmental Quality Act (CEQA). IRWD complied with CEQA by preparing an Environmental Impact Report. CEQA environmental certification was completed on April 25, 2011 and Addendum No. 1 was approved on February 27, 2012. Addendum No. 2 was approved on March 11, 2013.

**Deliverable:**

- ☐ Approved and adopted CEQA documentation
- ☐ DWR Environmental Information Form (EIF)

**Task 8: Permitting**

The following permits may be needed:

- Regional Water Quality Control Board 401
- Department of Fish and Wildlife 1602 Streambed Alteration permit
- Encroachment permits from City of Lake Forest, and Orange County Parks,

- Entry permits from applicable agencies,
- Underground (UG) Classification permits from CalOSHA,
- Master Fire Plan and Chemicals permits from Orange County Fire Authority

**Deliverable:**

- ☐ Copies of all relevant permits

**Budget Category (d): Construction/Implementation**

**Task 9: Construction Contracting**

IRWD awarded two construction contracts: one for the treatment plant, and pipelines and one for the raw water pump station. These contracts were advertised in August and September 2013, respectively, and construction contracts for both projects awarded in January 2014. During the bid phase engineering services included:

- Attend pre-bid conferences
- Interpret construction contract documents as needed
- Prepare addenda as required
- Attend bid openings and receive and review bids
- Prepare construction contracts for award

**Deliverables:**

- ☐ Bid Summary
- ☐ Notice of Award issued to Contractor.

**Task 10: Construction**

The Construction portion of this project involves the following subtasks:

Task 10.a Mobilization and Site Preparation - Construction crews will mobilize and prepare site for construction activities. Site preparation will include demolition of existing buildings from the former filtration plant.

Task 10.b Project Construction - Construction of the new Baker Water Treatment Plant will be in accordance with the final plans and specifications. Construction is anticipated to include:

- Raw Water Conveyance Facilities will include: flow control facility for TCWD pump station, forebay, feed water strainers, feed water pump station, and approximately 1,000 feet of 42 inch feed water pipeline.
- Treatment Facilities will include: treatment building to house membrane filters and UV facilities, disinfection facility, backwash water treatment facilities, chemical storage building, standby generator, and electrical equipment.
- Treated Water Facilities will include: project water pump station, surge tanks, standby generator, electrical equipment, approximately 36 and 42 inch product pipelines, and meter vault.
- Emergency Overflow Facilities will include: Approximately 42 inch pipeline and discharge structure to convey overflow water from the forebay and disinfection facility to Serrano Creek.
- Site Access Facilities will include: minor modifications to existing access roads including gate relocation on Wisteria and new security fencing.
- Construction of a new meter exchange and pipeline replacement at OC-33.
- Construct new pipelines to convey treated water from the Baker WTP to the South County Pipeline.
- Construct piping improvements to two 16 million gallon underground treated water storage vaults.

Additionally, a computerized supervisory control and data acquisition system (SCADA system) will be installed and integrated into IRWD's existing system-wide SCADA system.

**Deliverables:**

- ☐ As-Built (Record) Drawings
- ☐ Construction Photos

Task 10c Performance Testing and demobilization: Start-up testing will include the following facilities:

- Transmission pipeline testing
- Treatment facilities testing
- Pump station testing

After operation of the project begins, the project yield, water quality, and volume will be measured to determine effectiveness. Flow rates will be monitored and the water production of the treatment plant will be recorded for the potable system. In addition, the waste flows will be measured to determine the rate of recovery of the treatment processes. The water quality will be used to assess the baseline quality and the performance of the potable treatment system. The water will be monitored for Title 22 compliance of the finished product water from the potable stream. The treatment systems will be monitored for fouling, scaling, and effectiveness.

Flow will be monitored using IRWD's Supervisory Control and Data Acquisition system. Flow data will be collected and recorded in the system from each designated flow monitor. One flow monitor will be placed at each of the monitoring locations.

**Deliverables:**

- ☐ Results of all performance testing
- ☐ Engineer's Certification of Completion

**Task 11: Environmental Compliance/Mitigation/Enhancement**

IRWD adopted mitigation measures that were made a condition of approval of the project. A mitigation monitoring plan was also adopted for the project (See Final Environmental Impact Report dated April 2011).

**Deliverable:**

- ☐ Mitigation activities will be documented in grant quarterly reports and the final project completion report.

**Task 12: Construction Administration**

Construction administration tasks will include the following:

- Contractor contract administration
- Review contractor shop drawing submittals
- Respond to requests for information
- Attend progress meetings and review pay requests
- Inspect construction
- Perform materials testing
- Prepare record (as-built) drawings
- Contract administration and close out

**Deliverables:**

- ☐ Task updates in the grant quarterly progress reports
- ☐ Notice of Completion

## **PROJECT 5: South Coast Water District – Targeted Water Conservation Programs**

### **IMPLEMENTING AGENCY: South Coast Water District (SCWD)**

**PROJECT DESCRIPTION:** The Project includes water conservation, customer and public outreach, and water use efficiency features, and includes the following Program elements: 1) Leak Detection Program; 2) Landscape Assessment Program; 3) Irrigation Improvements, Repairs, Rebates and Retrofit Program; 4) Turf removal rebates; 5) Residential WaterSmart Program; and 6) Customer and Public Outreach.

### **Budget Category (a): Direct Project Administration Costs**

#### **Task 1: Administration**

SCWD staff will manage the day-to-day implementation of this project. This will include the following:

- Schedule, coordinate, monitor, supervise and support the development and implementation of the program tasks.
- Perform customer service administration, customer and public information activities and contracts administration for all programs.
- Prepare invoices and other deliverables as required by the grant agreement.

#### **Deliverables:**

- ☐ Preparation of invoices and backup documents
- ☐ Other deliverables as required

#### **Task 2: Reporting**

Prepare and submit quarterly progress reports and a final project completion report as specified in the Grant Agreement. Prepare and submit a Project Monitoring Plan (PMP) to the State prior to disbursement of grant funds for implementation or monitoring activities for this Project as specified in the Grant Agreement.

#### **Deliverables:**

- ☐ Quarterly progress reports
- ☐ Draft and final project completion report
- ☐ PMP

### **Budget Category (b): Land Purchase/Easement**

Not applicable.

### **Budget Category (c) Planning/Design Engineering/Environmental Documentation**

#### **Task 3: Analysis & Design**

This task includes staff time to:

- Assess individual customer usage patterns (SFR, HOA's, and Commercial) in all programs, and develop suggested tailored conservation plans for individual users.
- Develop a detailed written promotional campaign with samples that include press releases, fact sheets, and ads for use by other agencies.

#### **Deliverable:**

- ☐ Final promotional campaign materials

**Budget Category (d): Construction/Implementation****Task 4: Implementation**

This task includes:

- Assist customers with implementation of recommended conservation plans (Task 3), monitor implemented plans, and follow-up on results obtained from implemented plans.
- Prepare Program Report(s) on: Program promotion, implementation, results obtained, lessons learned, and sustainability issues. Report may be a compilation or individual reports. Report(s) will be shared with other agencies.

**Deliverable:**

- ☐ Program Report(s)

**Task 5: Materials**

This task consists of purchasing project materials, which include equipment, and products such as:

- Smart-timers, high efficiency nozzles, appliances, toilet retrofits, leak detection and specialty items such as direct installs and samples
- Handouts, program and contract materials in support of promotional campaign activities, including at special events where it's appropriate to publicly promote water conservation

**Deliverables:**

- ☐ Completed project list
- ☐ Program promotional materials

**Task 6: Customer Rebates and Program Assessment**

Provide customer rebates as follows:

- Water Efficiency Devices (for toilets)
- Smart-timers (for irrigation)
- High Efficiency Nozzles (for irrigation)
- Low Precipitation Nozzles (for irrigation)
- Synthetic Turf Rebate - grass turf removal & replacement with synthetic turf.
- California Friendly Plant Rebate - grass turf removal & replacement with California

During program implementation, SCWD staff will assess the roles of rebates in conservation and determine which rebates produce the greatest interest and results. This assessment will include:

- A survey will be used to measure attitudes, product rebate needs and wants.
- The assessment may result in new rebates and direct installation being offered to customers.
- Each participating site will be inspected before and after to insure appropriateness, accountability and accuracy in the application of available program materials and customer satisfaction.

**Deliverables:**

- ☐ Survey Report
- ☐ Customer rebates/installation summaries



**Task 7: Promotional/Public Information, Outreach Campaign**

SCWD staff will develop promotional and marketing pieces in support of this program. Efforts will include:

- Creation, design, writing, and layouts for the promotional and marketing pieces for target customers and the public (as needed) such as fact sheets/basic press releases, and bill inserts.
- Additional outside services including the costs associated with printing and stuffing bill inserts, press releases, newspaper insertion, website work, advertisements of the promotional information and other services as needed.
- The promotional campaign will be packaged so that other IRWM participants may easily use templates, replacing the basic information with their own photos, incentives, etc. Multi-agency events, seminars, and related programs will be encouraged to rollout within the same timeframe. Success stories and before and after photos will be used to support the various messages that go with each targeted program.

**Deliverables:**

- ☐ Promotional materials
- ☐ Event/seminar attendance lists

**EXHIBIT B**  
**BUDGET**

Summary Budget Table: South Orange County IRWM Prop 84 Round 2 Implementation Grant							
		(a)	(b)	(c)	(d)	(e)	(f)
Individual Project Title		DWR Grant Funding	Non-State Share (Funding Match)	Required Funding Match	Other State Funds	Total Project Cost	% Funding Match (col. b/col.d)
				(Non-State Share)			
Project 1	County of Orange-Grant Administration	\$34,638	\$0	\$0	\$0	\$34,638	0%
Project 2	MWDOC-Comprehensive Landscape Water Use Efficiency Program	\$708,554	\$952,263	\$500,000	\$0	\$1,660,817	30%
Project 3	Audubon Starr Ranch Sanctuary's Riparian Invasive Control, Restoration, Monitoring, and Education Project	\$229,455	\$46,001	\$25,000	\$0	\$275,456	9%
Project 4	IRWD-Baker Water Treatment Plant	\$500,000	\$94,541,792	\$28,000,000	\$8,604,200	\$103,645,992	27%
Project 5	SCWD-Targeted Water Conservation Programs	\$236,000	\$354,000	\$200,000	\$0	\$590,000	34%
<b>Grand Total</b>		<b>\$1,708,647</b>	<b>\$95,894,056</b>	<b>\$28,725,000</b>	<b>\$8,604,200</b>	<b>\$108,206,903</b>	<b>27%</b>

Project No. 1 - Detailed Budget Table						
Project Title: County of Orange Grant Administration						
		(a)	(b)	(c)	(d)	(e)
Budget Category		DWR Grant Funding	Non-State Share (Funding Match)	Required Funding Match	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$34,638	\$0	\$0	\$0	\$34,638
(b)	Land/Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$0	\$0	\$0	\$0
(d)	Construction/Implementation	\$0	\$0	\$0	\$0	\$0
	Total	\$34,638	\$0	\$0	\$0	\$34,638

Project No. 2 - Detailed Budget Table						
Project Title: MWDOC Comprehensive Landscape Water Use Efficiency Program						
		(a)	(b)	(c)	(d)	(e)
Category		DWR Grant Funding	Non-State Share (Funding Match)	Required Funding Match	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$33,028	\$254,169	\$150,000	\$0	\$287,197
(b)	Land/Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$0	\$0	\$0	\$0
(d)	Construction/Implementation	\$675,526	\$698,094	\$350,000	\$0	\$1,373,620
	Total	\$708,554	\$952,263	\$500,000	\$0	\$1,650,817

Project No. 3 - Detailed Budget Table						
Project Title: Audubon Starr Ranch Sanctuary's Riparian Invasion Control, Restoration, Monitoring and Education Project						
		(a)	(b)	(c)	(d)	(e)
Category		DWR Grant Funding	Non-State Share (Funding Match)	Required Funding Match	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$40,677	\$8,155	\$5,000	\$0	\$48,832
(b)	Land/Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$0	\$0	\$0	\$0
(d)	Construction/Implementation	\$188,778	\$37,846	\$20,000	\$0	\$226,624
	Total	\$229,455	\$46,001	\$25,000	\$0	\$275,456

Project No. 4 - Detailed Budget Table						
Project Title: Baker Water Treatment Plant						
		(a)	(b)	(c)	(d)	(e)
Category		DWR Grant Funding	Non-State Share (Funding Match)	Required Funding Match	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$0	\$900,000	\$0	\$0	\$900,000
(b)	Land/Purchase/Easement	\$0	\$448,000	\$0	\$0	\$448,000
(c)	Planning/Design/Engineering/Environmental Documentation	\$0	\$6,612,000	\$5,000,000	\$0	\$6,612,000
(d)	Construction/Implementation	\$500,000	\$86,581,792	\$23,000,000	\$8,604,200	\$95,685,992
	Total	\$500,000	\$94,541,792	\$28,000,000	\$8,604,200	\$103,645,992

Project No. 5 - Detailed Budget Table						
Project Title: Targeted Water Conservation Program						
		(a)	(b)	(c)	(d)	(e)
Category		DWR Grant Funding	Non-State Share (Funding Match)	Required Funding Match	Other State Funds	Total Project Cost
(a)	Direct Project Administration Costs	\$20,000	\$30,000	\$0	\$0	\$50,000
(b)	Land/Purchase/Easement	\$0	\$0	\$0	\$0	\$0
(c)	Planning/Design/Engineering/Environmental Documentation	\$10,000	\$15,000	\$0	\$0	\$25,000
(d)	Construction/Implementation	\$206,000	\$309,000	\$200,000	\$0	\$515,000
	Total	\$236,000	\$354,000	\$200,000	\$0	\$590,000

**EXHIBIT C**  
**SCHEDULE**

Task Name	Start	Finish
<b>Project 1: Grant Administration</b>	<b>3/29/2013</b>	<b>6/30/2017</b>
<b>Project Funding Procurement</b>	<b>3/29/2013</b>	<b>2/4/2014</b>
Grant Submittal	3/29/2013	3/29/2013
Grant Fund Award	2/4/2014	2/4/2014
<b>Category A: Project Administration</b>	<b>2/4/2014</b>	<b>6/30/2017</b>
Task 1: Grant Administration	2/4/2014	6/30/2017

Task Name	Start	Finish
<b>Project 2: Comprehensive Landscape Water Use Efficiency Program (MWD0C)</b>	<b>8/1/2008</b>	<b>9/29/2017</b>
<b>Project Funding Procurement</b>	<b>3/29/2013</b>	<b>2/4/2014</b>
Grant Submittal	3/29/2013	3/29/2013
Grant Fund Award	2/4/2014	2/4/2014
<b>Category A: Project Administration</b>	<b>2/4/2014</b>	<b>9/29/2017</b>
Task 1: Administration	2/4/2014	6/30/2017
Task 2: Project Reporting	2/4/2014	9/29/2017
Task 3: Planning	2/4/2014	3/31/2014
<b>Category D: Construction/Implementation</b>	<b>8/1/2008</b>	<b>3/27/2017</b>
Task 4: Construction	3/4/2014	3/27/2017
Task 5: Construction Administration	8/1/2008	1/2/2017

Task Name	Start	Finish
<b>Project 3: Audubon Starr Ranch Sanctuary's Riparian Invasion Control, Restoration, Monitoring, and Education Project</b>	<b>3/29/2013</b>	<b>6/30/2017</b>
<b>Project Funding Procurement</b>	<b>3/29/2013</b>	<b>2/4/2014</b>
Grant Submittal	3/29/2013	3/29/2013
Grant Fund Award	2/4/2014	2/4/2014
<b>Category A: Project Administration</b>	<b>2/4/2014</b>	<b>6/30/2017</b>
Task 1: Administration	2/4/2014	6/30/2017
Task 2: Reporting	2/4/2014	3/16/2016
<b>Category C: Planning/Design/Engineering/Environmental Documentation</b>	<b>3/29/2013</b>	<b>3/6/2014</b>
Task 3: Environmental Documentation	3/29/2013	8/1/2013
Task 4: Permitting	2/4/2014	3/6/2014
<b>Category D: Construction/Implementation</b>	<b>3/7/2014</b>	<b>6/29/2016</b>
Task 5: Implementation	3/7/2014	6/29/2016
Nonchemical invasive species control and restoration	7/1/2014	2/16/2016
Bell Canyon Mapping and Invasive Removal	7/1/2014	2/16/2016
Dove Canyon Water Conservation	7/1/2014	6/29/2016
Stream bioassessment	3/7/2014	3/7/2016
Aquatic vertebrate and perennial pool surveys	7/1/2014	2/26/2016
Riparian songbird monitoring	9/2/2014	5/31/2016
Runoff Diversion Optimization	7/1/2014	6/29/2016

Task Name	Start	Finish
<b>Project 4: Baker Water Treatment Plant (IRWD)</b>	<b>8/1/2008</b>	<b>7/4/2016</b>
<b>Project Funding Procurement</b>	<b>3/29/2013</b>	<b>2/4/2014</b>
Grant Submittal	3/29/2013	3/29/2013
Grant Fund Award	2/4/2014	2/4/2014
<b>Category A: Project Administration</b>	<b>2/4/2014</b>	<b>7/4/2016</b>
Task 1: Project Administration	2/4/2014	6/2/2016
Task 2: Labor Compliance Program	2/4/2014	6/2/2016
Task 3: Reporting	4/3/2014	7/4/2016
<b>Category B: Land Purchase/Easement</b>	<b>4/2/2012</b>	<b>10/10/2012</b>
Task 4: Easement	4/2/2012	10/10/2012
<b>Category C:</b>		
<b>Planning/Design/Engineering/Environmental Documentation</b>	<b>8/1/2008</b>	<b>8/2/2013</b>
Task 5: Assessment and Evaluation	8/1/2008	6/1/2010
Task 6: Final Design	6/2/2010	3/1/2013
Task 7: Environmental Documentation	6/2/2010	4/1/2013
Task 8: Permitting	1/3/2011	8/2/2013
<b>Category D: Construction/Implementation</b>	<b>10/1/2012</b>	<b>11/30/2015</b>
Task 9: Construction Contracting	10/1/2012	8/1/2013
Task 10: Construction	8/1/2013	11/30/2015
Task 11: Environmental Compliance/Mitigation/Enhancement	8/1/2013	11/30/2015
Task 12: Construction Administration	8/1/2013	11/30/2015

Task Name	Start	Finish
<b>Project 5: Targeted Water Conservation Program (SCWD)</b>	<b>3/29/2013</b>	<b>12/31/2015</b>
<b>Project Funding Procurement</b>	<b>3/29/2013</b>	<b>2/4/2014</b>
Grant Submittal	3/29/2013	3/29/2013
Grant Fund Award	2/4/2014	2/4/2014
<b>Category A: Project Administration</b>	<b>2/4/2014</b>	<b>12/31/2015</b>
Task 1: Project Administration	2/4/2014	12/31/2015
Task 2: Reporting (Quarterly & Final)	2/4/2014	11/20/2015
<b>Category C:</b>		
<b>Planning/Design/Engineering/Environmental Documentation</b>	<b>2/4/2014</b>	<b>10/1/2015</b>
Task 3: Analysis and Design	2/4/2014	10/1/2015
<b>Category D: Construction/Implementation</b>	<b>11/1/2013</b>	<b>10/1/2015</b>
Task 4: Implementation	1/2/2014	10/1/2015
Task 5: Materials	11/1/2013	10/1/2015
Task 6: Customer Rebates	1/2/2014	10/1/2015
Task 7: Promotional/Public Information Outreach Campaign	11/1/2013	10/1/2015

**EXHIBIT D**  
**STANDARD CONDITIONS**

**D.1) ACCOUNTING AND DEPOSIT OF FUNDING DISBURSEMENT:**

- a) **Separate Accounting of Funding Disbursements and Interest Records:** Grantee shall account for the money disbursed pursuant to this Grant Agreement separately from all other Grantee funds. Grantee shall maintain audit and accounting procedures that are in accordance with generally accepted accounting principles and practices, consistently applied. Grantee shall keep complete and accurate records of all receipts, disbursements, and interest earned on expenditures of such funds. Grantee shall require its contractors or subcontractors to maintain books, records, and other documents pertinent to their work in accordance with generally accepted accounting principles and practices. Records are subject to inspection by State at any and all reasonable times.
- b) **Fiscal Management Systems and Accounting Standards:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Grant Agreement.
- c) **Disposition of Money Disbursed:** All money disbursed pursuant to this Grant Agreement shall be deposited, administered, and accounted for pursuant to the provisions of applicable law.
- d) **Remittance of Unexpended Funds:** Grantee shall remit to State any unexpended funds that were disbursed to Grantee under this Grant Agreement and were not used to pay Eligible Project Costs within a period of sixty (60) calendar days from the final disbursement from State to Grantee of funds or, within thirty (30) calendar days of the expiration of the Grant Agreement, whichever comes first.

**D.2) ACKNOWLEDGEMENT OF CREDIT:** Grantee shall include appropriate acknowledgement of credit to the State and to all cost-sharing partners for their support when promoting the Projects or using any data and/or information developed under this Grant Agreement. During construction of each project, Grantee shall install a sign at a prominent location, which shall include a statement that the project is financed under the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, administered by State of California, Department of Water Resources. Grantee shall notify State that the sign has been erected by providing them with a site map with the sign location noted and a photograph of the sign.

**D.3) AIR OR WATER POLLUTION VIOLATION:** Under State laws, the Grantee shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

**D.4) AMENDMENT:** This Grant Agreement may be amended at any time by mutual agreement of the Parties, except insofar as any proposed amendments are in any way contrary to applicable law. Requests by the Grantee for amendments must be in writing stating the amendment request and the reason for the request. State shall have no obligation to agree to an amendment.

**D.5) AMERICANS WITH DISABILITIES ACT:** By signing this Grant Agreement, Grantee assures State that it complies with the Americans with Disabilities Act (ADA) of 1990, (42 U.S.C., 12101 et seq.), which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**D.6) APPROVAL:** This Agreement is of no force or effect until signed by all parties to the agreement. Grantee may not submit invoices or receive payment until all required signatures have been obtained.

**D.7) AUDITS:** State reserves the right to conduct an audit at any time between the execution of this Grant Agreement and the completion of Projects, with the costs of such audit borne by State. After completion of the Projects, State may require Grantee to conduct a final audit to State's specifications.



at Grantee's expense, such audit to be conducted by and a report prepared by an independent Certified Public Accountant. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may elect to pursue any remedies provided in Paragraph 14 or take any other action it deems necessary to protect its interests.

Pursuant to Government Code Section 8546.7, the Grantee shall be subject to the examination and audit by the State for a period of three years after final payment under this Grant Agreement with respect to all matters connected with this Grant Agreement, including but not limited to, the cost of administering this Grant Agreement. All records of Grantee or its contractor or subcontractors shall be preserved for this purpose for at least three (3) years after project completion or final billing, whichever comes later.

- D.8) BUDGET CONTINGENCY:** If the Budget Act of the current year covered under this Grant Agreement does not appropriate sufficient funds for the Proposition 84 Implementation Grant Program, this Grant Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of State to make any payments under this Grant Agreement. In this event, State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Grant Agreement and Grantee shall not be obligated to perform any provisions of this Grant Agreement. Nothing in this Grant Agreement shall be construed to provide Grantee with a right of priority for payment over any other Grantee. If funding for any fiscal year after the current year covered by this Grant Agreement is reduced or deleted by the Budget Act for purposes of this program, State shall have the option to either cancel this Grant Agreement with no liability occurring to State, or offer a Grant Agreement amendment to Grantee to reflect the reduced amount.
- D.9) CALIFORNIA CONSERVATION CORPS:** As required in Water Code section 79038(b), Grantee shall examine the feasibility of using the California Conservation Corps or community conservation corps to accomplish the habitat restoration, enhancement and protection activities listed in the Exhibit A, Work Plan, and shall use the services of one of these organizations whenever feasible.
- D.10) CEQA:** Activities funded under this Grant Agreement, regardless of funding source, must be in compliance with the California Environmental Quality Act (CEQA) (Public Resources Code §21000 et seq.). Information on CEQA may be found at the following links:  
Environmental Information: <http://ceres.ca.gov/ceqa/>  
California State Clearinghouse Handbook: <http://ceres.ca.gov/planning/sch/>
- D.11) CHILD SUPPORT COMPLIANCE ACT:** For any Grant Agreement in excess of \$100,000, the Grantee acknowledges in accordance with Public Contract Code 7110, that:
- The Grantee recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and
  - The Grantee, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.
- D.12) CLAIMS DISPUTE:** Any claim that the Grantee may have regarding performance of this agreement including, but not limited to, claims for additional compensation or extension of time, shall be submitted to the State's Project Manager, within thirty (30) days of the Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to this Agreement to implement the terms of any such resolution.
- D.13) COMPETITIVE BIDDING AND PROCUREMENTS:** Grantee shall comply with all applicable laws and regulations regarding securing competitive bids and undertaking competitive negotiations in Grantee's contracts with other entities for acquisition of goods and services and construction of public works with funds provided by State under this Grant Agreement.

- D.14) COMPUTER SOFTWARE:** Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
- D.15) CONFLICT OF INTEREST:** All participants are subject to State and Federal conflict of interest laws. Failure to comply with these laws, including business and financial disclosure provisions, will result in the application being rejected and any subsequent contract being declared void. Other legal action may also be taken. Applicable statutes include, but are not limited to, Government Code, Section 1090 and Public Contract Code, Sections 10410 and 10411, for State conflict of interest requirements.
- a) **Current State Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
  - b) **Former State Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.
  - c) **Employees of the Grantee:** Employees of the Grantee shall comply with all applicable provisions of law pertaining to conflicts of interest, including but not limited to any applicable conflict of interest provisions of the California Political Reform Act, Cal. Gov't Code § 87100 et seq.
  - d) **Employees and Consultants to the Grantee:** Individuals working on behalf of a Grantee may be required by the Department to file a Statement of Economic Interests (Fair Political Practices Commission Form 700) if it is determined that an individual is a consultant for Political Reform Act purposes.
- D.16) DELIVERY OF INFORMATION, REPORTS, AND DATA:** Grantee agrees to expeditiously provide throughout the term of this Grant Agreement, such reports, data, information, and certifications as may be reasonably required by State.
- D.17) DISPOSITION OF EQUIPMENT:** Grantee shall provide to State, not less than 30 calendar days prior to submission of the final invoice, an itemized inventory of equipment purchased with funds provided by State. The inventory shall include all items with a current estimated fair market value of more than \$5,000.00 per item. Within 60 calendar days of receipt of such inventory State shall provide Grantee with a list of the items on the inventory that State will take title to. All other items shall become the property of Grantee. State shall arrange for delivery from Grantee of items that it takes title to. Cost of transportation, if any, shall be borne by State.
- D.18) DRUG-FREE WORKPLACE CERTIFICATION:** Certification of Compliance: By signing this Grant Agreement, Grantee, its contractors or subcontractors hereby certify, under penalty of perjury under the laws of State of California, compliance with the requirements of the Drug-Free Workplace Act of 1990 (Government Code 8350 et seq.) and have or will provide a drug-free workplace by taking the following actions:
- a) Publish a statement notifying employees, contractors, and subcontractors that unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited and specifying actions to be taken against employees, contractors, or subcontractors for violations, as required by Government Code Section 8355(a)(1).

- b) Establish a Drug-Free Awareness Program, as required by Government Code Section 8355(a)(2) to inform employees, contractors, or subcontractors about all of the following:
  - i) The dangers of drug abuse in the workplace,
  - ii) Grantee's policy of maintaining a drug-free workplace,
  - iii) Any available counseling, rehabilitation, and employee assistance programs, and
  - iv) Penalties that may be imposed upon employees, contractors, and subcontractors for drug abuse violations.
- c) Provide, as required by Government Code Sections 8355(a)(3), that every employee, contractor, and/or subcontractor who works under this Grant Agreement:
  - i) Will receive a copy of Grantee's drug-free policy statement, and
  - ii) Will agree to abide by terms of Grantee's condition of employment, contract or subcontract.
- D.19) **FINAL INSPECTIONS AND CERTIFICATION OF REGISTERED PROFESSIONAL:** Upon completion of the Project, Grantee shall provide for a final inspection and certification by the appropriate registered professional (California Registered Civil Engineer or Geologist) that the Project has been completed in accordance with submitted final plans and specifications and any modifications thereto and in accordance with this Grant Agreement. Grantee shall notify the State's Project Manager of the inspection date at least 14 calendar days prior to the inspection in order to provide State the opportunity to participate in the inspection.
- D.20) **GRANTEE COMMITMENTS:** Grantee accepts and agrees to comply with all terms, provisions, conditions and commitments of this Grant Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Grantee in the application, documents, amendments, and communications filed in support of its request for funding.
- D.21) **GRANTEE NAME CHANGE:** Approval of the State's Program Manager is required to change the Grantee's name as listed on this Grant Agreement. Upon receipt of legal documentation of the name change the State will process an amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.
- D.22) **GOVERNING LAW:** This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California.
- D.23) **INDEMNIFICATION:** Grantee shall indemnify and hold and save the State, its officers, agents, and employees, free and harmless from any and all liabilities for any claims and damages (including inverse condemnation) that may arise out of the Projects and this Agreement, including, but not limited to any claims or damages arising from planning, design, construction, maintenance and/or operation of levee rehabilitation measures for this Project and any breach of this Agreement. Grantee shall require its contractors or subcontractors to name the State, its officers, agents and employees as additional insured on their liability insurance for activities undertaken pursuant to this Agreement.
- D.24) **INDEPENDENT CAPACITY:** Grantee, and the agents and employees of Grantees, in the performance of the Grant Agreement, shall act in an independent capacity and not as officers, employees, or agents of the State.
- D.25) **INSPECTION OF BOOKS, RECORDS, AND REPORTS:** During regular office hours, each of the parties hereto and their duly authorized representatives shall have the right to inspect and to make copies of any books, records, or reports of either party pertaining to this Grant Agreement or matters related hereto. Each of the parties hereto shall maintain and shall make available at all times for such inspection accurate records of all its costs, disbursements, and receipts with respect to its activities under this Grant Agreement. Failure or refusal by Grantee to comply with this provision shall be considered a breach of this Grant Agreement, and State may withhold disbursements to Grantee or take any other action it deems necessary to protect its interests.
- D.26) **INSPECTIONS OF PROJECT BY STATE:** State shall have the right to inspect the work being performed at any and all reasonable times during the term of the Grant Agreement. This right shall extend to any subcontracts, and Grantee shall include provisions ensuring such access in all its contracts or subcontracts entered into pursuant to its Grant Agreement with State.

- D.27) INVOICE DISPUTES:** In the event of an invoice dispute, payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. Any claim that Grantee may have regarding the performance of this Grant Agreement including, but not limited to claims for additional compensation or extension of time, shall be submitted to the DWR Project Manager within thirty (30) calendar days of Grantee's knowledge of the claim. State and Grantee shall then attempt to negotiate a resolution of such claim and process an amendment to the Grant Agreement to implement the terms of any such resolution.
- D.28) LABOR CODE COMPLIANCE:** The Grantee will be required to keep informed of and take all measures necessary to ensure compliance with applicable California Labor Code requirements, including, but not limited to, Section 1720 et seq. of the California Labor Code regarding public works, limitations on use of volunteer labor (California Labor Code Section 1720.4), labor compliance programs (California Labor Code Section 1771.5) and payment of prevailing wages for work done and funded pursuant to these Guidelines, including any payments to the Department of Industrial Relations under Labor Code Section 1771.3.
- D.29) MODIFICATION OF OVERALL WORK PLAN:** At the request of the Grantee, the State may at its sole discretion approve non-material changes to the portions of Exhibit A which concern the budget and schedule without formally amending this Grant Agreement. Non-material changes with respect to the budget are changes that only result in reallocation of the budget and will not result in an increase in the amount of the State Grant Agreement. Non-material changes with respect to each Project schedule are changes that will not extend the term of this Grant Agreement. Requests for non-material changes to the budget and schedule must be submitted by the Grantee to the State in writing and are not effective unless and until specifically approved by the State's Project Manager in writing.
- D.30) NONDISCRIMINATION:** During the performance of this Grant Agreement, Grantee and its contractors or subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex (gender), sexual orientation, race, color, ancestry, religion, creed, national origin (including language use restriction), pregnancy, physical disability (including HIV and AIDS), mental disability, medical condition (cancer/genetic characteristics), age (over 40), marital status, and denial of medical and family care leave or pregnancy disability leave. Grantee and its contractors or subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Grantee and its contractors or subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code § 12990 (a-f) et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Grantee and its contractors or subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Grant Agreement.
- D.31) NO DISCRIMINATION AGAINST DOMESTIC PARTNERS:** For contracts over \$100,000 executed or amended after January 1, 2007, the Grantee certifies by signing this Grant Agreement, under penalty of perjury under the laws of State of California that Grantee is in compliance with Public Contract Code section 10295.3.
- D.32) OPINIONS AND DETERMINATIONS:** Where the terms of this Grant Agreement provide for action to be based upon, judgment, approval, review, or determination of either party hereto, such terms are not intended to be and shall never be construed as permitting such opinion, judgment, approval, review, or determination to be arbitrary, capricious, or unreasonable.

- D.33) PERFORMANCE AND ASSURANCES:** Grantee agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in Exhibit A, "Work Plan" and to apply State funds received only to Eligible Project Costs in accordance with applicable provisions of the law.
- D.34) PRIORITY HIRING CONSIDERATIONS:** If this Grant Agreement includes services in excess of \$200,000, the Grantee shall give priority consideration in filling vacancies in positions funded by the Grant Agreement to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code § 10353.
- D.35) PROHIBITION AGAINST DISPOSAL OF PROJECT WITHOUT STATE PERMISSION:** The Grantee shall not sell, abandon, lease, transfer, exchange, mortgage, hypothecate, or encumber in any manner whatsoever all or any portion of any real or other property necessarily connected or used in conjunction with the Projects, or with Grantee's service of water, without prior permission of State. Grantee shall not take any action, including but not limited to actions relating to user fees, charges, and assessments that could adversely affect the ability of Grantee to meet its obligations under this Grant Agreement, without prior written permission of State. State may require that the proceeds from the disposition of any real or personal property be remitted to State.
- D.36) REMEDIES NOT EXCLUSIVE:** The use by either party of any remedy specified herein for the enforcement of this Grant Agreement is not exclusive and shall not deprive the party using such remedy of, or limit the application of, any other remedy provided by law.
- D.37) RETENTION:** Notwithstanding any other provision of this Grant Agreement, State shall, for each project, withhold five percent (5.0%) until January 1, 2016 and ten percent (10.0%), thereafter, of the funds requested by Grantee for reimbursement of Eligible Costs. Each project in this Grant Agreement will be eligible to release its respective retention when that project is completed and Grantee has met requirements of Paragraph 19, "Submissions of Reports" as follows: At such time as the "Project Completion Report" required under Paragraph 19 is submitted to and approved by State, State shall disburse the retained funds as to that project to Grantee, except in the case of the last project to be completed under this Grant Agreement, in which case retention for such project will not be disbursed until the "Grant Completion Report" is submitted to and approved by State.
- D.38) RIGHTS IN DATA:** Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes and other written or graphic work produced in the performance of this Grant Agreement shall be made available to the State and shall be in the public domain to the extent to which release of such materials is required under the California Public Records Act, Cal. Gov't Code § 6250 *et seq.* Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected and developed under this Grant Agreement, subject to appropriate acknowledgement of credit to State for financial support. Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so. The State shall have the right to use any data described in this paragraph for any public purpose.
- D.39) SEVERABILITY:** Should any portion of this Grant Agreement be determined to be void or unenforceable, such shall be severed from the whole and the Grant Agreement shall continue as modified.
- D.40) STATE REVIEWS:** The parties agree that review or approval of project applications, documents, permits, plans, and specifications or other project information by the State is for administrative purposes only and does not relieve the Grantee of their responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the projects.
- D.41) SUSPENSION OF PAYMENTS:** This Grant Agreement may be subject to suspension of payments or termination, or both, and Grantee may be subject to debarment if the State determines that:  
a) Grantee, its contractors, or subcontractors have made a false certification, or  
b) Grantee, its contractors, or subcontractors violates the certification by failing to carry out the requirements noted in this Grant Agreement.
- D.42) SUCCESSORS AND ASSIGNS:** This Grant Agreement and all of its provisions shall apply to and bind the successors and assigns of the parties. No assignment or transfer of this Grant Agreement or any part

thereof, rights hereunder, or interest herein by the Grantee shall be valid unless and until it is approved by State and made subject to such reasonable terms and conditions as State may impose.

- D.43) TERMINATION BY GRANTEE:** Subject to State approval which may be reasonably withheld, Grantee may terminate this Agreement and be relieved of contractual obligations. In doing so, Grantee must provide a reason(s) for termination. Grantee must submit all progress reports summarizing accomplishments up until termination date.
- D.44) TERMINATION FOR CAUSE:** Subject to the right to cure under Paragraph 14, the State may terminate this Grant Agreement and be relieved of any payments should Grantee fail to perform the requirements of this Grant Agreement at the time and in the manner herein, provided including but not limited to reasons of default under Paragraph 14.
- D.45) TERMINATION WITHOUT CAUSE:** The State may terminate this Agreement without cause on 30 days advance written notice. The Grantee shall be reimbursed for all reasonable expenses incurred up to the date of termination.
- D.46) THIRD PARTY BENEFICIARIES:** The parties to this Agreement do not intend to create rights in, or grant remedies to, any third party as a beneficiary of this Agreement, or any duty, covenant, obligation or understanding established herein.
- D.47) TIMELINESS:** Time is of the essence in this Grant Agreement.
- D.48) TRAVEL:** Grantee agrees that travel and per diem costs shall NOT be eligible for reimbursement with State funds, and shall NOT be eligible for computing Grantee cost match. Travel includes the costs of transportation, subsistence, and other associated costs incurred by personnel during the term of this Grant Agreement.
- D.49) WAIVER OF RIGHTS:** None of the provisions of this Grant Agreement shall be deemed waived unless expressly waived in writing. It is the intention of the parties here to that from time to time either party may waive any of its rights under this Grant Agreement unless contrary to law. Any waiver by either party of rights arising in connection with the Grant Agreement shall not be deemed to be a waiver with respect to any other rights or matters, and such provisions shall continue in full force and effect.
- D.50) WORKERS' COMPENSATION:** Grantee affirms that it is aware of the provisions of Section 3700 of the California Labor Code, which requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and Grantee affirms that it will comply with such provisions before commencing the performance of the work under this Grant Agreement and will make its contractors and subcontractors aware of this provision.



EXHIBIT E  
AUTHORIZING RESOLUTION

RESOLUTION OF THE BOARD OF SUPERVISORS OF  
ORANGE COUNTY, CALIFORNIA

March 19, 2013

WHEREAS, the mission of the OC Public Works Department includes regional resources and environmental quality throughout Orange County; and

WHEREAS, OC Public Works has led development of the South Orange County Integrated Regional Water Management (IRWM) Plan pursuant to Senate Bill 1672 (SB 1672) of the State of California, known as the Integrated Regional Water Management Planning Act of 2002, approved by the Governor on September 20, 2002 to encourage local agencies to work cooperatively to manage local and imported water supplies to improve the quality, quantity, and reliability; and

WHEREAS, in November 2002 California voters passed Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002 (CWC §79560-79565) to fund competitive grants for projects consistent with an adopted IRWM Plan; and

WHEREAS, the South Orange County IRWM Group was formed with cities and water/special districts located within the San Diego Regional Water Quality Control Board boundary in Orange County with OC Public Works serving as the Group's lead; and

WHEREAS, SB 1672 provides for the acceptance of said Plan by participants in the IRWM Group that have authority to implement the Plan; and

WHEREAS, the Board of Supervisors has reviewed and accepted said Plan with its staff and general public at its regular Board meeting on June 7, 2005 and provided for minor modifications to the Plan at its regular Board meeting on May 23, 2006; and

WHEREAS, in November 2006 California voters passed Proposition 84, the Safe Drinking Water, Water Quality, and Supply, Flood Control, River and Coastal Protection Bond Act (PRC §75001-75130) which requires that IRWM Plans be updated to new guidelines in order to be eligible for Proposition 84 grant funding; and

WHEREAS, OC Public Works is authorized by the South Orange County IRWM Group to serve as the Proposition 84 grant administrator.

Resolution No. 13-018, Item No. 26  
Proposition 84 Integrated Regional Water Management Program Grant

Page 1 of 1

3/28/13

NOW, THEREFORE, BE IT RESOLVED that this Board does hereby:

1. Authorize the Director of the OC Public Works Department, or his designee, to submit, on behalf of the County and the South Orange County Integrated Regional Water Management Group, an application for a Proposition 84 Round 2 implementation grant from the California Department of Water Resources in an amount not to exceed \$1,708,646 for the 4 highest ranked water resource implementation projects.
2. Authorize the Director of the OC Public Works Department, or his designee, to negotiate and execute a Grant Agreement with the California Department of Water Resources, on behalf of the South Orange County Integrated Regional Water Management Group and to approve amendments and minor modifications to the Grant Agreement subject to Board policy.
3. Authorize the Director of the OC Public Works Department, or his designee, to negotiate and execute Implementation Agreements on behalf of the South Orange County Integrated Regional Water Management Group with representatives of the 4 highest ranked city/water district projects and to approve amendments and minor modifications to the Implementation Agreements subject to Board policy.
4. Authorize the Director of the OC Public Works Department, or his designee, to certify that the County of Orange has and will comply with all applicable state statutory and regulatory requirements related to any state grants received.



The foregoing was passed and adopted by the following vote of the Orange County Board of Supervisors, on March 19, 2013, to wit:

AYES:	Supervisors:	JANET NGUYEN, PATRICIA BATES, JOHN M.W. MOORLACH
NOES:	Supervisor(s):	TODD SPITZER, SHAWN NELSON
EXCUSED:	Supervisor(s):	
ABSTAINED:	Supervisor(s):	

  
\_\_\_\_\_  
CHAIRMAN

STATE OF CALIFORNIA )  
COUNTY OF ORANGE )

I, SUSAN NOVAK, Clerk of the Board of Orange County, California, hereby certify that a copy of this document has been delivered to the Chairman of the Board and that the above and foregoing Resolution was duly and regularly adopted by the Orange County Board of Supervisors

IN WITNESS WHEREOF, I have hereto set my hand and seal.

  
\_\_\_\_\_  
SUSAN NOVAK  
Clerk of the Board  
County of Orange, State of California

Resolution No: 13-018  
Agenda Date: 03/19/2013  
Item No: 26



I certify that the foregoing is a true and correct copy of the Resolution adopted by the Board of Supervisors, Orange County, State of California

Susan Novak, Clerk of the Board of Supervisors

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

**EXHIBIT F**  
**LOCAL PROJECT SPONSORS**

Grantee has assigned, for each project, a Local Project Sponsor according to the roles of the participating agencies identified in the IRWM Plan. Local Project Sponsors may act on behalf of Grantee for the purposes of individual project management, oversight, compliance, and operations and maintenance. Local Project Sponsors are identified for each Sponsored Project below:

<b>Local Sponsor Agency Designations</b>		
<b>Sponsored Project</b>	<b>Sponsor Agency</b>	<b>Agency Address</b>
Project 1 - Grant Agreement Administration	County of Orange	300 N. Flower St., Santa Ana, CA 92703
Project 2 - Comprehensive Landscape Water Use Efficiency Program	Municipal Water District of Orange County	P.O. Box 20895, Fountain Valley, CA 92708
Project 3 - Audubon Starr Ranch Sanctuary's Riparian Invasive Control, Restoration, Monitoring, and Education Project	Starr Ranch Sanctuary - Audubon California	100 Bell Canyon Road Trabuco Canyon, CA 92679
Project 4 - Baker Water Treatment Plant	Irvine Ranch Water District	P.O. Box 57000 Irvine, CA 92619-7000
Project 5 - Targeted Water Conservation Programs	South Coast Water District	31592 West Street Laguna Beach, CA 92651-690

## EXHIBIT G REPORT FORMATS AND REQUIREMENTS

The following reporting formats should be utilized. Please obtain State approval prior to submitting a report in an alternative format.

### **PROGRESS REPORTS**

Progress reports shall generally use the following format. This format may be modified as necessary to effectively communicate information. For each project, describe the work performed including:

#### **Project Status**

Describe the work performed during the time period covered by the report, organized by Exhibit A, "Work Plan" tasks/subtasks/categories, including but not limited to:

- Updates on all ongoing tasks.
- Estimates of the percent (%) complete.
- Discussion of any project related work completed this reporting period.
- Milestones or deliverables completed/submitted.
- Impediments to completion of any task.
- Photos documenting progress.

#### **Cost Information**

For each project provide the following:

- A comparison of project task(s) percent complete with percent invoiced.
- A list of any changes approved to the budget in accordance with Grant Agreement and a revised budget, by task, if changed from latest budget in the Overall Work Plan.

#### **Schedule Information**

A list of any changes approved to the Schedule in accordance with Grant Agreement and a revised schedule, by task, if changed from latest reported schedule.

#### **Anticipated Activities Next Quarter**

Provide a description of anticipated activities for the next quarterly reporting period.

### **PROJECT COMPLETION REPORT**

Project Completion Reports shall generally use the following format.

#### **Executive Summary**

Should include a brief summary of project information and include the following items:

- Brief description of work proposed to be done in the original Grant application.
- Description of actual work completed and any deviations from Exhibit A. List any official amendments to this Grant Agreement, with a short description of the amendment.

#### **Reports and/or Products**

The following items should be provided:

- Final Evaluation report
- Electronic copies of any data collected, not previously submitted
- As-built drawings
- Final geodetic survey information
- Self-Certification that the Project meets the stated goal of the Grant Agreement (e.g. 100-year level of flood protection, HMP standard, PI-84-99, etc.)

- Project photos
- Discussion of problems that occurred during the work and how those problems were resolved
- A final project schedule showing actual progress versus planned progress

#### **Costs and Dispositions of Funds**

A list of showing:

- The date each invoice was submitted to State
- The amount of the invoice
- The date the check was received
- The amount of the check (If a check has not been received for the final invoice, then state this in this section.)
- A summary of the payments made by the Grantee for meeting its cost sharing obligations under this Grant Agreement.
- A summary of final funds disbursement including:
  - Labor cost of personnel of agency/ major consultant /sub-consultants. Indicate personnel, hours, rates, type of profession and reason for consultant, i.e., design, CEQA work, etc.
  - Project cost information, shown by material, equipment, labor costs, and any change orders
  - Any other incurred cost detail
  - A statement verifying separate accounting of funding disbursements
- Summary of project cost including the following items:
  - Accounting of the cost of project expenditure;
  - Include all internal and external costs not previously disclosed; and
  - A discussion of factors that positively or negatively affected the project cost and any deviation from the original project cost estimate.

#### **Additional Information**

- Benefits derived from the project, with quantification of such benefits provided, if applicable.
- A final project schedule showing actual progress versus planned progress as shown in Exhibit B.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the project was conducted in accordance with the approved work plan and any approved modifications thereto.
- Submittal schedule for the Post Performance Report and an outline of the proposed reporting format.

#### **GRANT COMPLETION REPORT**

The Grant Completion Report shall generally use the following format. This format may be modified as necessary to effectively communicate information on the various projects in the IRWM Program funded by this Grant Agreement, and includes the following:

##### **Executive Summary**

The Executive Summary consists of a maximum of twenty (20) pages summarizing information for the grant as well as the individual projects.

##### **Reports and/or products**

- Summary of the regional priorities, objectives, and water management strategies of the IRWM Plan.
- Brief comparison of work proposed in the original Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 IRWM Implementation Grant application and actual work done.
- Brief description of the projects completed and how they will further the goals identified in the Agency's final approved IRWM Plan.
- Describe how the implemented projects will meet the regional priorities identified in the final approved IRWM Plan and how the projects contribute to regional integration.
- Identify remaining work and mechanism for their implementation.

- Identify any changes to the IRWM Plan as result of project implementation.
- Short description of the two-year IRWM Plan update and the date when the updated Plan was submitted to DWR.
- If applicable, a short discussion on how the IRWM Plan will assist in reducing dependence on Delta water supplies.
- If applicable, a discussion of the critical water supply or water quality benefits to DAC as part of this Grant Agreement

#### **Cost & Disposition of Funds Information**

- A summary of final funds disbursement for each project.

#### **Additional Information**

- A final schedule showing individual project's actual progress duration verse planned progress.
- Certification from a California Registered Professional (Civil Engineer or Geologist, as appropriate) that the Program was conducted in accordance with the approved work plan and any approved modifications thereto. Discussion of the synergies of the completed projects, including the integration of project benefits and a comparison of actual benefits versus those discussed in the original proposal.
- Submittal schedule for the Post Performance Reports for each of the projects in this Grant Agreement.

#### **POST-PERFORMANCE REPORT**

Report should be concise, and focus on how (each/the) project is actually performing compared to its expected performance; whether the project is being operated and maintained, and providing intended benefits as proposed.

##### **Reports and/or products**

- Time period of the annual report (i.e., Oct 2014 through September 2015)
- Short project description
- Discussion of the project benefits
- An assessment of any explanations for any differences between the expected versus actual project benefits in meeting IRWM priorities as stated in the original IRWM Implementation Grant application. Where applicable, the reporting should include quantitative metrics, i.e., new acre-feet of water produced that year, acres of wildlife habitat added, etc.
- Summary of any additional costs and/or benefits deriving from the project since its completion, if applicable
- Continued reporting on meeting the Output Indicators and Targets discussed in the Project Monitoring Plan discussed in Paragraph 21 of this Grant Agreement
- Any additional information relevant to or generated by the continued operation of the project

**EXHIBIT H**  
**REQUIREMENTS FOR STATEWIDE MONITORING AND DATA SUBMITTAL**

**Surface and Groundwater Quality Data**

Groundwater quality and ambient surface water quality monitoring data that include chemical, physical, or biological data shall be submitted to the State as described below, with a narrative description of data submittal activities included in project reports, as described in Exhibit G.

Surface water quality monitoring data shall be prepared for submission to the California Environmental Data Exchange Network (CEDEN). The CEDEN data templates are available on the CEDEN website. Inclusion of additional data elements described on the data templates is desirable. Data ready for submission should be uploaded to your CEDEN Regional Data Center via the CEDEN website. CEDEN website:  
<http://www.ceden.org>.

If a project's Work Plan contains a groundwater ambient monitoring element, groundwater quality monitoring data shall be submitted to the State for inclusion in the State Water Resources Control Board's Groundwater Ambient Monitoring and Assessment (GAMA) Program. Information on the GAMA Program can be obtained at: [http://www.waterboards.ca.gov/water\\_issues/programs/gama/](http://www.waterboards.ca.gov/water_issues/programs/gama/). If further information is required, the Grantee can contact the State Water Resources Control Board (SWRCB) GAMA Program. A listing of SWRCB staff involved in the GAMA program can be found at:  
[http://www.swrcb.ca.gov/water\\_issues/programs/gama/contact.shtml](http://www.swrcb.ca.gov/water_issues/programs/gama/contact.shtml)

**Groundwater Level Data**

Grantee shall submit to DWR groundwater level data collected as part of this grant. Water level data must be submitted using the California Statewide Groundwater Elevation Monitoring (CASGEM) online data submission system. Grantee should use their official CASGEM Monitoring Entity or Cooperating Agency status to gain access to the online submittal tool and submit data. If the data is from wells that are not part of the monitoring network, the water level measurements should be classified as voluntary measurements in the CASGEM system. If the grantee is not a Monitoring Entity or Cooperating Agency, please contact your DWR grant project manager for further assistance with data submittal. The activity of data submittal should be documented in appropriate progress or final project reports, as described in Exhibit G. Information regarding the CASGEM program can be found at <http://www.water.ca.gov/groundwater/casgem/>.

**EXHIBIT I**  
**STATE AUDIT DOCUMENT REQUIREMENTS AND FUNDING MATCH GUIDELINES**  
**FOR GRANTEES**

**State Audit Document Requirements**

The list below details the documents/records that State Auditors typically reviewed in the event of a Grant Agreement being audited. Grantees should ensure that such records are maintained for each State funded Program/Project. Where applicable, this list of documents also includes documents relating to the Grantee's funding match which will be required for audit purposes.

Internal Controls:

1. Organization chart (e.g., Agency's overall organization chart and organization chart for this Grant Agreement's funded project.
2. Written internal procedures and flowcharts for the following:
  - a) Receipts and deposits
  - b) Disbursements
  - c) State reimbursement requests
  - d) State funding expenditure tracking
  - e) Guidelines, policy(ies), and procedures on State funded Program/Project
3. Audit reports of the Grantee's internal control structure and/or financial statements within the last two years.
4. Prior audit reports on State funded Program/Project.

State Funding:

1. Original Grant Agreement, any amendment(s) and budget modification documents.
2. A list of all bond-funded grants, loans or subventions received from the State.
3. A list of all other funding sources for each Program/Project.

Contracts:

1. All subcontractor and consultant contracts and related, if applicable.
2. Contracts between the Grantee, member agencies, and project partners as related to the State funded Program/Project.

Invoices:

1. Invoices from vendors and subcontractors for expenditures submitted to the State for payments under the Grant Agreement.
2. Documentation linking subcontractor invoices to State reimbursement requests and related Grant Agreement budget line items.
3. Reimbursement requests submitted to the State for the Grant Agreement.

Cash Documents:

1. Receipts (copies of warrants) showing payments received from the State.
2. Deposit slips or bank statements showing deposit of the payments received from the State.
3. Cancelled checks or disbursement documents showing payments made to vendors, subcontractors, consultants, and/or agents under the Grant Agreement.

Accounting Records:

1. Ledgers showing receipts and cash disbursement entries for State funding.
2. Ledgers showing receipts and cash disbursement entries of other funding sources.
3. Bridging documents that tie the general ledger to reimbursement requests submitted to the State for the Grant Agreement

Administration Costs:

1. Supporting documents showing the calculation of administration costs.

Personnel:

1. List of all contractors and Grantee staff that worked on the State funded Program/Project.
2. Payroll records including timesheets for contractor staff and the Grantee's

Project Files:

1. All supporting documentation maintained in the Program/Project files.
2. All Grant Agreement related correspondence.

**Funding Match Guidelines**

Funding Match consists of non-State funds including in-kind services. In-kind services are defined as work performed or items contributed (i.e., dollar value of non-cash contributions) by the Grantee (and potentially other parties involved) directly related to the execution of Exhibit A "Work Plan" (examples: volunteer services, equipment use, and facilities). The cost of in-kind service can be counted as funding match in-lieu of actual funds (or revenue) provided by the Grantee. Other funding match and in-kind service eligibility conditions may apply. Provided below is guidance for documenting funding match with and without in-kind services.

1. Although tracked separately, in-kind services shall be documented and, to the extent feasible, supported by the same methods used by the Grantee for its own employees. Such documentation should include the following:
  - a. Detailed description of the contributed item(s) or service(s)
  - b. Purpose for which the contribution was made (tied to Grant Agreement Exhibit A "Work Plan")
  - c. Name of contributing organization and date of contribution
  - d. Real or approximate value of contribution. Who valued the contribution and how the value was determined? (e.g., actual, appraisal, fair market value, etc.). Justification of rate. (See item #2, below)
  - e. For contributed labor, the person's name, the work performed, the number of hours contributed, and the pay rate applied
  - f. If multiple sources exist, these should be summarized on a table with summed charges
  - g. Source of contribution and whether it was provided by, obtained with, or supported by government funds
2. Rates for volunteer or in-kind services shall be consistent with those paid for similar work in the Grantee's organization. For example, volunteer service of clearing vegetation performed by an attorney shall be valued at a fair market value for this service, not the rate for professional legal services. In those instances in which the required skills are not found in the recipient organization, rates shall be consistent with those paid for similar work in the labor market. Paid fringe benefits that are reasonable, allowable and allocable may be included in the valuation.
3. Funding match contribution (including in kind services) shall be for costs and services directly attributed to activities included in the Grant Agreement Work Plan. These services, furnished by professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as in-kind if the activities are an integral and necessary part of the State funded Program/Project under the Grant Agreement.
4. Cash contributions made to a Program/Project shall be documented as revenue and in-kind services as expenditure. These costs should be tracked separately in the Grantee's accounting systems.



**EXHIBIT J**  
**PROJECT MONITORING PLAN COMPONENTS**

**Introduction**

- Goals and objectives of projects
- Site location and history
- Improvements implemented

**Project Monitoring Plan**

- Monitoring Metrics (ex: Plant establishment, bank erosion, hydraulic characteristics, habitat expansion)
- Maintenance Metrics (ex: Irrigation, pest management, weed abatement, continuous invasive species removal until natives established)
- Special Environmental Considerations (e.g., resource agency requirements, permit requirements, CEQA/NEPA mitigation measures)
- Performance Measures, or success/failure criteria monitoring results measured against (ex: percent canopy cover after 1, 5, 10 years, water temperature decrease, site specific sediment scour or retention)
- Method of Reporting (ex: paper reports, online databases, public meetings)
- Frequency of Duration Monitoring and Reporting (daily, weekly, monthly, yearly)
- Frequency and Duration of Maintenance Activities
- Responsible Party (who is conducting monitoring and/or maintenance) Implementing responsibility (i.e., who is responsible for monitoring and maintenance)
- Adaptive Management Strategies (i.e., what happens when routine monitoring or maintenance encounters a problem)



**ACTION ITEM**  
November 19, 2014

**TO:** Board of Directors

**FROM:** **Planning & Operations Committee**  
(Directors Osborne, Barbre, Hinman)

Robert Hunter  
General Manager

Staff Contact: J. Berg  
WUE Programs Manager

**SUBJECT:** **Tri-County Funding Area Coordinating Committee (TCFACC)**  
**Amendment to Memorandum of Understanding for Sharing of**  
**Proposition Funding Within the San Diego Funding Area**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize the Board President to sign the amendment to the Tri-County Funding Area Coordinating Committee Memorandum of Understanding for sharing Proposition 84 Funding in the San Diego Funding Area.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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On April 15, 2009, the MWDOC Board of Directors authorized the Board President and General Manager to sign the Tri-County Funding Area Coordinating Committee Memorandum of Understanding (MOU) which allocates Proposition 84 funding to three Regional Water Management Groups within the San Diego Sub-Region Funding Area. A copy of this agreement is provided as Attachment A.

At this time, it is proposed to amend this MOU to extend the term for an additional six years to expend all remaining Proposition 84 funding and shift \$181,875 from the Riverside County Upper Santa Margarita Regional Water Management Group to the San Diego County Regional Water Management Group for a jointly funded project, *Implementing Nutrition Management in the Santa Margarita River Watershed*. All other terms, covenants, and conditions in the original MOU shall remain in full force and effect.

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

## DETAILED REPORT

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The San Diego Funding Area, as defined for Proposition 84 IRWM funding, includes the San Diego, Southern Orange County, and Upper Santa Margarita (or southern Riverside County) planning regions. Representatives of the three planning regions have met periodically since February 2008 to coordinate IRWM planning and the disbursement of the \$91 million allocated to the San Diego sub-region.

The Tri-County Funding Area Coordinating Committee (FACC), which comprises representatives of the three planning regions, has consensually developed an MOU to improve planning across regional boundaries and facilitate the allocation of Proposition 84 funding for IRWM projects. The MOU declares that the Tri-County FACC members will work closely together to improve the reliability and quality of water supplies in the funding area; enhance planning within the funding area, especially across regional boundaries; and identify opportunities to support common goals and projects. The Tri-County FACC will continue to meet at least twice annually to discuss issues of mutual interest and make recommendations to the partners' respective planning groups.

The MOU declares that the Tri-County members have agreed to divide the total Proposition 84 funding available to San Diego Funding Area using a mutually acceptable formula based on a combination of land area and population as of 2007. Under this formula, the San Diego region will receive 78 percent of the funding, the South Orange County region will receive 12.9 percent, and the Upper Santa Margarita region will receive 9.1 percent.

This Tri-County FACC has benefited its members by agreeing up front on a Proposition 84 funding allocation. Each Funding Area knew in advance of the amount of funding it would receive, and competition for the funding was limited to smaller geographic Regional Watershed Management Groups. At this time, it is proposed to amend this Memorandum of Understanding to extend the term for an additional six years to expend all remaining Proposition 84 funding and shift \$181,875 from the Riverside County Upper Santa Margarita Regional Water Management Group to the San Diego County Regional Water Management Group for a jointly funded project, *Implementing Nutrition Management in the Santa Margarita River Watershed*. All other terms, covenants, and conditions in the original MOU shall remain in full force and effect.

**MEMORANDUM OF UNDERSTANDING  
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING AND  
FUNDING IN THE SAN DIEGO SUB-REGION FUNDING AREA**

**PARTIES:**

This Memorandum of Understanding (MOU) is entered into this 28<sup>th</sup> day of April 2009 (Effective Date) among the Parties listed below:

**1. San Diego County Regional Water Management Group (RWMG)**, hereinafter SDRWMG Planning Region Agencies, includes the following members:

CITY OF SAN DIEGO, hereinafter SD CITY; COUNTY OF SAN DIEGO, hereinafter SD COUNTY; and SAN DIEGO COUNTY WATER AUTHORITY, hereinafter SDCWA.

**2. Orange County RWMG**, hereinafter OCRWMG Planning Region Agencies, includes the following members: COUNTY OF ORANGE, hereinafter ORANGE COUNTY; MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, hereinafter MWDOC; and SOUTH ORANGE COUNTY WASTERWATER AUTHORITY, hereinafter SOCWA.

**3. Riverside County Upper Santa Margarita RWMG**, hereinafter RCRWMG Planning Region Agencies, includes the following members: RIVERSIDE COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT, hereinafter RCFCWCD; COUNTY OF RIVERSIDE, hereinafter RIVERSIDE COUNTY; and RANCHO CALIFORNIA WATER DISTRICT, hereinafter RCWD.

Agencies acting collectively under this agreement are the TRI-COUNTY FUNDING AREA COORDINATING COMMITTEE, hereinafter called the TRI-COUNTY FACC. The agencies also are sometimes referred to in this MOU collectively as "Parties" and individually as "Party."

**RECITALS:**

- A. Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Act (Public Resources Code, sections 75020-75029), authorizes the Legislature to appropriate funding for competitive grants for Integrated Regional Water Management (IRWM) projects. Funding is administered by the Department of Water Resources (DWR).
- B. The intent of the Act is to encourage integrated regional strategies for management of water resources and to provide funding through competitive grants, for projects that protect communities from drought, protect and improve water quality, promote environmental stewardship, and improve local water security by reducing dependence on imported water.
- C. The San Diego Sub-Region, also known as the San Diego Funding Area, comprises the three Parties – the SDRWMG, OCRWMG and RCRWMG. The boundaries of the SDRWMG, OCRWMG and RCRWMG are shown in Attachment A, and coordinated through this MOU.
- D. 1. The San Diego Sub-Region has been allocated \$91 million through Proposition 84.  
2. For the purposes of this agreement, the formula for allocating funds among the Parties will be based on a combination of land area and population as of 2007. The division of funding shall be consistent with Attachment B.
- E. DWR may establish standards to guide the selection of IRWM projects within the funding areas identified in the measure and shall defer to approved local project selection,

## Attachment B

reviewing projects only to ensure they are consistent with Public Resources Code section 75028 (a).

- F. Each Party has prepared an accepted IRWM plan and desires close coordination to enhance the quality of planning, identify opportunities for supporting common goals and projects, and improve the quality and reliability of water in the Funding Area. The Parties will coordinate and work together with their advisory groups to identify projects of value across planning regions, identify funding for highly ranked projects, and support implementation.
- G. The San Diego Funding Area will balance the necessary autonomy of each planning region to plan for itself at the appropriate scale with the need to coordinate among themselves to improve inter-regional cooperation and efficiency. By consensus, the Parties have developed an agreement to improve the IRWM planning process in the Funding Area to coordinate planning across planning region lines and facilitate the appropriation of funding for IRWM projects by DWR.
- H. The Parties will coordinate on grant funding requests to ensure that the sum of the total grant requests does not exceed the amount identified for the funding region.

The RECITALS are incorporated herein and the PARTIES hereby mutually agree as follows:

### 1. Definitions

The following terms and abbreviations, unless otherwise expressly defined in their context, shall mean:

- A. **Funding Area** – The 11 regions and sub-regions referenced in Public Resources Code section 75027(a) and allocated a specific amount of funding to support IRWM activities. The San Diego Funding Area incorporates lands in the San Diego Regional Water Quality Control Board jurisdiction as of 2004, including portions of San Diego, Orange and Riverside counties.
- B. **RWMG** – An RWMG is comprised of at least three agencies, two of which must have statutory authority over water management. An RWMG is the documented leader of IRWM planning and implementation efforts in a planning region.
- C. **Planning Region** – Planning regions integrate stakeholders, agencies and projects in their regions and coordinate with other planning regions and DWR. The boundaries of the three planning regions in the San Diego Funding Area shown in attachment A.
- D. **Tri-County Funding Area Coordinating Committee (Tri-County FACC)** – Will comprise at least one representative from each recognized RWMG in the Funding Area. The Tri-County FACC will meet periodically to discuss issues pertaining to the Funding Area and make recommendations to the RWMGs.
- E. **Watershed Overlay Areas** – Identified areas within a watershed that cross planning region boundaries. Watershed Overlay Areas will be subject to special coordination and collaboration between the appropriate planning regions to ensure maximum watershed benefits in the IRWM plans of the Funding Area. The Santa Margarita and the San Mateo Watershed Overlays are shown in Attachment A.
- F. **Watershed Overlay Subcommittee** – The overlay subcommittee will be formed to identify projects that pertain to the watershed overlay areas and recommend them to the Tri-County FACC. The Subcommittee will comprise a representative of each Party in the watershed overlay area as well as other stakeholders agreed upon by the parties. The overlay subcommittee will meet at least twice during the update planning process to coordinate planning and project review; further meetings will occur as necessary. Meetings of the subcommittee will be open to all Tri-County FACC members.
- G. **Watershed Overlay Projects** – Projects identified in an Watershed Overlay Area identified as valuable and benefiting from cross boundary coordination.

## Attachment B

- H. **Common Programs** – Programs eligible for IRWM funding that are identified by the Tri-County FACC as benefiting the entire Funding Area and have participation from at least two Planning Regions.
- I. **Advisory Committee**– The recognized committee of stakeholders advising a planning region's RWMG and/or governing agencies on key issues related to IRWM planning and grant applications.

### 2. General Planning Cooperation via Tri-County FACC

All planning regions will meet at least twice per year through the Tri-County FACC. The actual number of meetings will depend on the amount and intensity of planning and coordination efforts of the Planning Regions. The efforts of the Tri-County FACC will be to enhance the quality of planning, identify opportunities for supporting common goals and projects, and to improve the quality and reliability of water in the Funding Area. The planning efforts will support the watershed-based approach through integration and coordination across planning regions in the watershed overlay areas.

### 3. Mutual Plan Reference and Consistency

Each plan prepared in the funding area will contain references to the entire Funding Area, to the coordination that is occurring among planning regions, and to this MOU. Each planning region will share its description of these matters with other planning regions to promote consistency with the goal of using common language as the IRWM plans are modified. The three RWMGs also will seek to place these common sections in the same location in their plans. Further consistency or cooperative efforts may be added with the agreement of the Parties.

### 4. Coordination of Submittals and Applications

To facilitate DWR's review process, all planning regions will coordinate their Region Acceptance Process submittals and IRWM grant applications. To the greatest extent practicable, the planning regions will develop common sections, tables and maps and place them in the same locations in their submittals and applications. The planning regions will preface their submittals and applications with information noting the common material and its location in the documents.

### 5. Watershed Overlay Areas

Through the Tri-County FACC or the overlay subcommittee, the planning regions will cooperate in identifying Overlay Projects that cross Planning Region boundaries. Overlay Projects that benefit multiple planning regions will be identified and may be jointly funded, administered, or implemented. A watershed overlay subcommittee of the Tri-County FACC will be formed for the Santa Margarita Watershed and the San Mateo Creek Watershed overlay areas as shown in Attachment A. Overlay Projects of importance to the Watershed Overlay Area planning regions would be recommended for coordination and due consideration in those Planning Regions' project selection processes.

### 6. Common Programs

The common programs found by the Tri-County FACC to be of high value for all planning regions will be identified and recommended for high priority placement in the planning regions' ranking of projects for funding. While each planning region will select projects in accordance with its own process, the regions will cooperate on the implementation of common projects programs if these efforts are selected for funding.

## Attachment B

### **7. Advisory Committee Cross Membership**

Each planning region with an advisory committee will invite the other advisory committees in the Funding Area to participate as a non-voting member in its committee to promote understanding, communication and coordination.

### **8. Scope of the Agreement**

Nothing contained within this MOU binds the parties beyond the scope or term of this MOU unless specifically documented in subsequent agreements, amendments or contracts. Moreover, this MOU does not require any commitment of funding beyond that which is voluntarily committed by separate board actions, but recognizes in-kind contributions of RWMG agencies and stakeholders. Non-substantive or minor changes to this MOU that have the support of all RWMG agencies may be documented to become part of this MOU.

### **9. Term of Agreement**

The term of this MOU is from its Effective Date shown above to December 31, 2014 unless extended by mutual agreement of the Parties.

### **10. Modification or Termination**

This MOU may be modified or terminated with the concurrence of the RWMG agencies and effective upon execution of the modification or termination by all the RWMG agencies.

### **11. Withdrawal**

Any PARTY may withdraw from the Tri-County FACC after giving a written 60-day notice to the other Parties.

### **12. Notice**

Any notices sent or required to be sent to any party shall be mailed to the following addresses:

#### SDRWMG Agencies

Ken Weinberg, Director of Water Resources  
San Diego County Water Authority  
4677 Overland Ave., San Diego CA 92129

Marsi Steirer, Deputy Director of Water Resources and Planning  
City of San Diego  
600 B Street, Suite 400, San Diego CA 92101

Kathleen Flannery, CAO Project Manager  
County of San Diego  
1600 Pacific Highway, Room 212, San Diego CA 92101

#### OCRWMG Agencies

Mary Anne Skorpanich, Director, OC Watersheds  
Orange County Public Works  
333 W. Santa Ana Blvd., 5<sup>th</sup> Floor, Santa Ana, CA 92701

Karl Seckel, Assistant General Manager  
Municipal Water District of Orange County  
18700 Ward Street, Fountain Valley, CA 92708

## Attachment B

Tom Rosales, General Manager  
South Orange County Wastewater Authority  
34156 Del Obispo Street, Dana Point, CA 92629

### RCRWMG Agencies

Perry Louck, Director of Planning  
Rancho California Water District  
42135 Winchester Road, Temecula, CA 92590

Mike Shetler, Senior Management Analyst  
County of Riverside  
4080 Lemon Street 4th floor, Riverside, CA 92501

Warren D. Williams  
Riverside County Flood Control and Water Conservation District  
1995 Market St. Riverside, CA 92501

### **13. Funding Uncertainties**

The RWMG agencies cannot be assured of the results of these coordination efforts and applications for funding. Nothing within this MOU should be construed as creating a promise or guarantee of future funding. No liability or obligation shall accrue to the Parties if DWR does not provide the funding. The Parties are committed to planning and coordinating notwithstanding IRWM funding. The form of such coordination may change based on the sources of funding.

### **14. Indemnification**

To the fullest extent permitted by law, each Party shall defend, indemnify and hold harmless the other Parties, their consultants, and each of their directors, officers, agents, and employees from and against all liability, claims, damages, losses, expenses, and other costs including costs of defense and attorneys' fees, arising out of or resulting from or in connection with work performed pursuant to this MOU. Such obligation shall not apply to any loss, damage, or injury, as may be caused by the sole negligence or willful misconduct of a Party, its directors, officers, employees, agents, and consultants.

### **15. Other Provisions**

The following provisions and terms shall apply to this agreement.

- A. This MOU is to be construed in accordance with the laws of the State of California. Any action at law or in equity brought by any of the Parties shall be brought in a court of competent jurisdiction in Riverside, Orange or San Diego Counties, and the parties hereto waive all provisions of law providing for change of venue in such proceedings to any other county.
- B. If any provision of this MOU is held by a court to be invalid, void or unenforceable, the remaining provisions shall be declared severable and shall be given full force and effect to the extent possible.
- C. This MOU is the result of negotiations between the parties hereto and with the advice and assistance of their respective counsels. No provision contained herein shall be construed against any Party because of its participation in preparing this MOU.
- D. Any waiver by a Party of any breach by the other of any one or more of the terms of this MOU shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term hereof. Failure on the part of any of the respective Parties to require



## Attachment B

from the others exact, full and complete compliance with any terms of the MOU shall not be construed to change the terms hereof or to prohibit the Party from enforcement hereof.

- E. This MOU may be executed and delivered in any number of counterparts or copies, hereinafter called "Counterpart", by the parties hereto. When each Party has signed and delivered at least one Counterpart to the other parties hereto, each Counterpart shall be deemed an original and, taken together, shall constitute one and the same MOU, which shall be binding and effective as to the Parties hereto.
- F. This MOU is intended by the parties hereto as their final expression with respect to the matters herein, and is a complete and exclusive statement of the terms and conditions thereof. This MOU shall not be changed or modified except by the written consent of all Parties hereto.

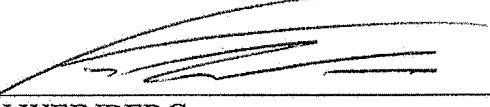
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates shown on the attached counterpart signature pages:

Attachment B

**San Diego County Water Authority**


In WITNESS WHEREOF, each party hereto has executed this AGREEMENT as of the date set forth above.

Date: April 20, 2009

By:   
KEN WEINBERG  
Director of Water Resources

APPROVED AS TO FORM  
San Diego County Water Authority

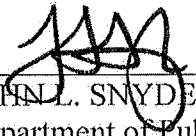
Date: April 8, 2009

By:   
General Counsel  
San Diego County Water Authority

Attachment B

San Diego County

In WITNESS WHEREOF, each party hereto has executed this AGREEMENT as of the date set forth above.

Date: 5/4/09 By:   
JOHN L. SNYDER, Director  
Department of Public Works

APPROVED AS TO FORM  
County Counsel  
San Diego County, California

Date: 4/28/09 By:   
Deputy County Counsel

John L. Snyder, Director  
Department of Public Works  
County of San Diego  
5555 Overland Ave, Bldg.2, Mailstop O332  
San Diego, CA 92123

Attachment B

City of San Diego

In WITNESS WHEREOF, each party hereto has executed this AGREEMENT as of the date set forth above.

CITY OF SAN DIEGO

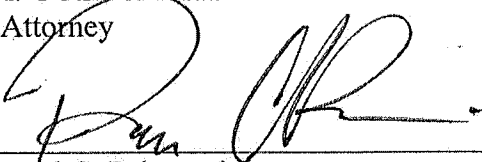
Date: 4/13/09

By:   
W. DOWNS PRIOR  
Principal Contract Specialist

I HEREBY APPROVE the form and legality of the foregoing Memorandum of Understanding.

JAN I. GOLDSMITH  
City Attorney

Date: 4/14/09

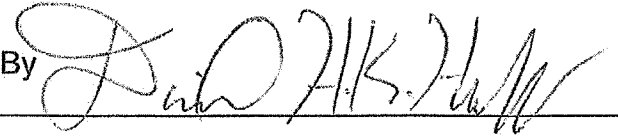
By:   
Raymond C. Palmucci  
Deputy City Attorney

Mr. W. Downs Prior  
City of San Diego  
Purchasing and Contracting Department  
1200 3<sup>rd</sup> Avenue, Suite 200  
San Diego, CA 92101

Attachment B

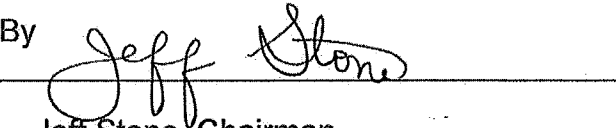
APPROVED AS TO FORM:

Pamela Walls  
County Counsel

By 

David H.K. Huff  
Assistant County Counsel

County of Riverside  
Board of Supervisors

By 

Jeff Stone, Chairman  
Supervisor, Third District  
Riverside County Board of Supervisors

ATTEST:

KECIA HARPER-IHEM  
Clerk of the Board

Date: MAR 31 2009

By   
Deputy

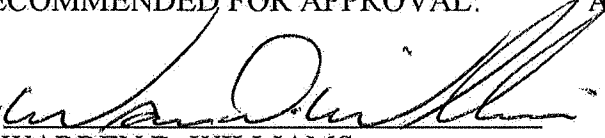
MAR 31 2009 3.7

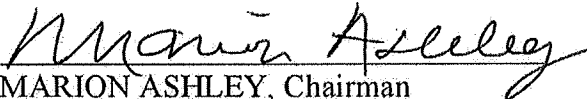
Attachment B

IN WITNESS WHEREOF, the parties hereto have executed this

Agreement on MAR 31 2009  
(to be filled in by Clerk of the Board)

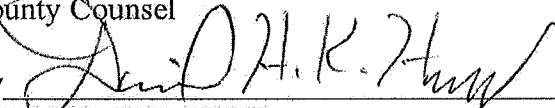
RECOMMENDED FOR APPROVAL: **RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT**

By   
WARREN D. WILLIAMS  
General Manager-Chief Engineer

By   
MARION ASHLEY, Chairman  
Riverside County Flood Control and  
Water Conservation District Board of  
Supervisors

APPROVED AS TO FORM:

PAMELA J. WALLS  
County Counsel

By   
DAVID H.K. HUFF  
Deputy County Counsel

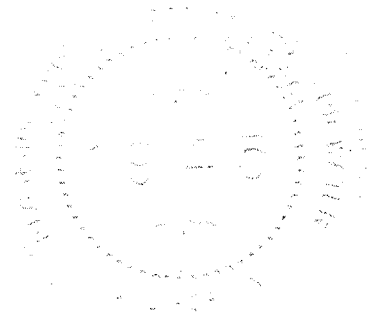
Dated 3/18/09

ATTEST:

KECIA HARPER-IHEM  
Clerk of the Board


By   
Deputy

(SEAL)



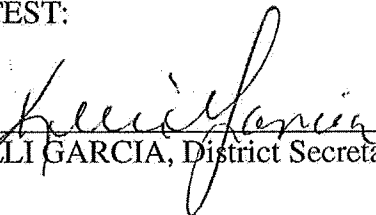
**MEMORANDUM OF UNDERSTANDING  
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING AND  
FUNDING IN THE SAN DIEGO SUB-REGION FUNDING AREA**

**RANCHO CALIFORNIA WATER DISTRICT**  
A California Water District

By:   
MATT STONE, General Manager


Date: 4-20-2009

ATTEST:

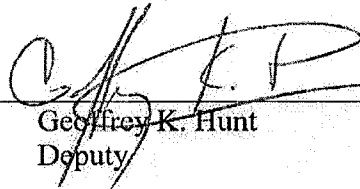
  
KELLI GARCIA, District Secretary

IN WITNESS WHEREOF, each party hereto has executed this Agreement by a duly authorized representative as of the date set forth above.

ORANGE COUNTY PUBLIC WORK

By  Date May 19, 2009  
Name: Bryan Speegle  
Title: Director

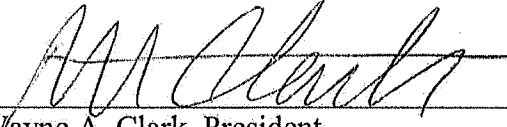
APPROVED AS TO FORM: COUNTY COUNSEL

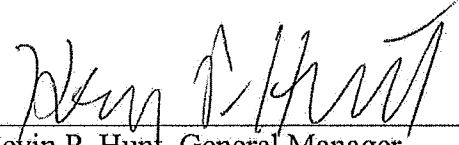
By  Date 5/21/2009  
Name: Geoffrey K. Hunt  
Title: Deputy



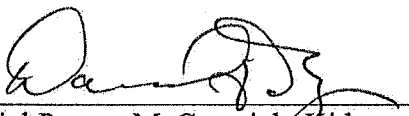
Attachment B

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

By:   
Wayne A. Clark, President

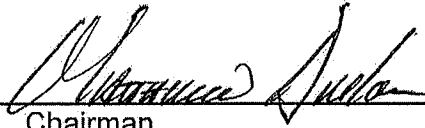
By:   
Kevin P. Hunt, General Manager


APPROVED AS TO FORM:

  
Daniel Payne, McCormick, Kidman & Behrens  
Legal Counsel for Municipal Water District  
of Orange County

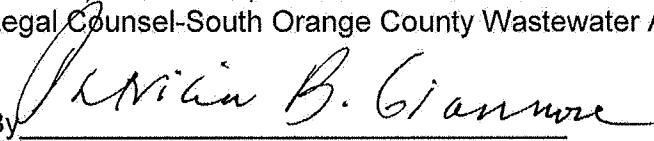
Attachment B

SOUTH ORANGE COUNTY WASTEWATER AUTHORITY

By   
Chairman

By   
Secretary

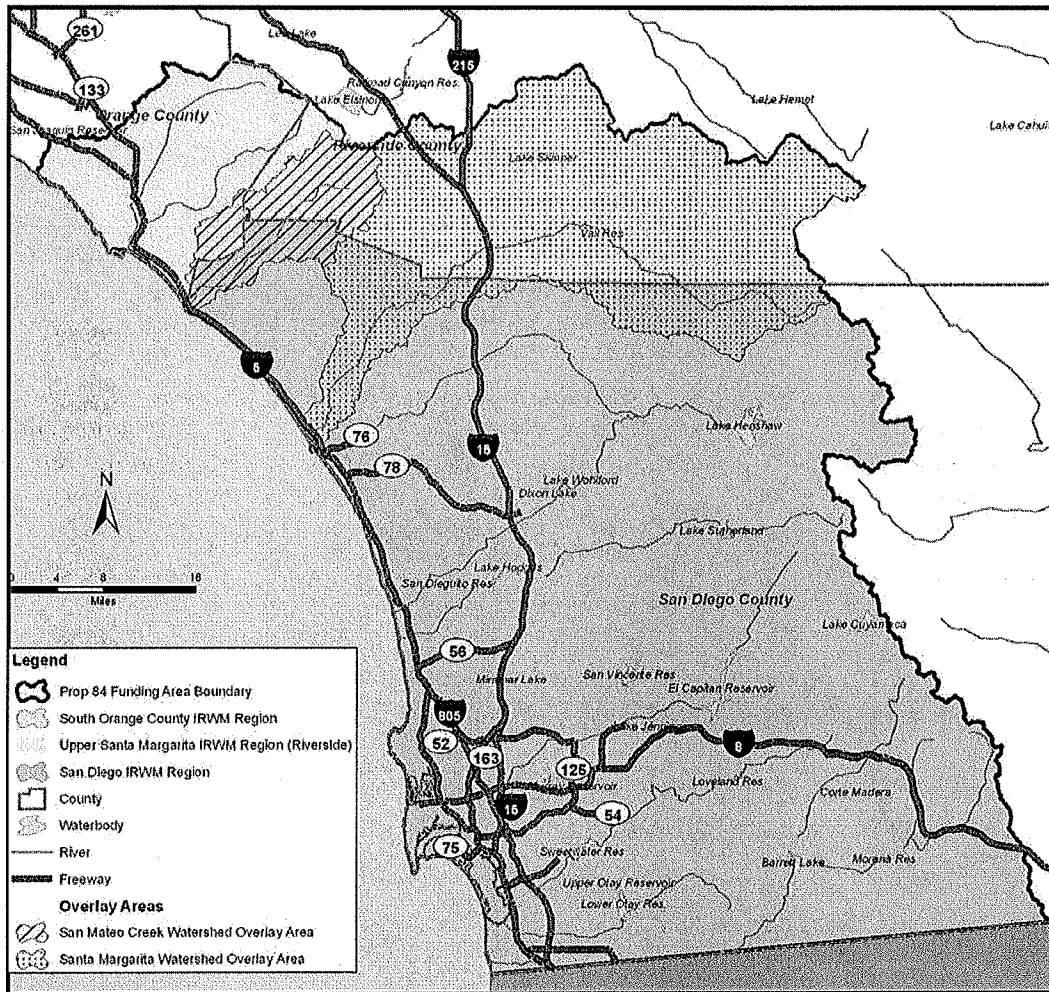
APPROVED AS TO FORM:  
BOWIE, ARNESON, WILES & GIANNONE  
Legal Counsel-South Orange County Wastewater Authority

By   
Patricia B. Giannone

## Attachment A

### Funding Area and Planning Region Boundaries with Watershed Overlay Areas

The San Diego, Orange County and Riverside County Upper Santa Margarita planning regions are of an appropriate scale to allow integrated planning and provide for proper local interaction. The creation of planning regions larger than those outlined in the map below would limit local involvement and reduce the value of the planning to the region, the funding area, and the state.



## Attachment B

### Attachment B Allocation of Proposition 84 Funds

Each of the three planning regions has IRWM project and program needs that far exceed the funding allocated to the funding area. Significant local match funding for selected projects is available in each planning region. Funding for planning and timing of implementation may vary among the planning regions. Because of these factors and because not all of the Proposition 84 funding will be made available at the same time, the Tri-County FACC members will cooperate and coordinate on individual funding cycle applications to ensure that the sum of the total grant requests does not exceed the amount identified for the funding region in any given cycle. Total allocations to the parties will be divided according to the schedule below. The allocations are based on a formula that is similar to that used to allocate funding in the Proposition 84 bond language. (Note: Proposition 84 allocates \$91 million to the San Diego Funding Area. DWR has indicated it will spend approximately 5 percent of the funds for program delivery costs. Therefore, the allocations to the three planning regions are indicated in percentages of the total funds that will be available over the life of the program.)

Planning Region	Population	Acres Area	Allocations (in % of \$ totals)		
			\$25 M on Land	\$66 M on Population	Total
Riverside Upper Santa Margarita	253,329	405,233	16.4%	6.4%	9.1%
South Orange County	597,348	168,192	6.8%	15.2%	12.9%
San Diego County	3,092,351	1,901,203	76.9%	78.4%	78%
<b>Total</b>	<b>3,943,028</b>	<b>2,474,628</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

FIRST AMENDMENT TO  
MEMORANDUM OF UNDERSTANDING  
FOR INTEGRATED REGIONAL WATER MANAGEMENT PLANNING  
AND FUNDING IN THE SAN DIEGO SUB-REGION FUNDING AREA

The Memorandum of Understanding (MOU) for Integrated Regional Water Management Planning and Funding in the San Diego Sub-Region Funding Area between the San Diego County Regional Water Management Group (SDRWMG Planning Region Agencies), Orange County Regional Management Group (OCRWMG Planning Region Agencies), and Riverside County Upper Santa Margarita Regional Water Management Group (RCRWMG Planning Region Agencies), which was executed by the parties on April 28, 2009, is hereby amended as follows:

1. Pursuant to Section 9. Term of Agreement in the original MOU which allows for contract extensions by mutual agreement of the Parties, the term of the contract is extended for six years and the termination date is changed from December 31, 2014, to December 31, 2020. Section 9 of the MOU is amended to reflect this change.
2. To better facilitate grant funding for identified mutual goals and projects, the allocation of Proposition 84 Funds shown in Attachment B of the MOU for Riverside Upper Santa Margarita (RCRWMG Planning Region Agencies) is decreased by \$181,875, and this amount shall be reallocated to San Diego County (SDRWMG Planning Region Agencies) as RCRWMG Planning Region Agencies share of the two regions' jointly funded project, Implementing Nutrition Management in the Santa Margarita River Watershed, Phase 2, under the Department of Water Resources' Proposition 84, Round 2 grant program.
3. All other terms, covenants, and conditions in the original MOU as amended shall remain in full force and effect and shall be applicable to this first amendment.

The individuals executing this first amendment to the MOU represent and warrant they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties have executed this First Amendment to the Memorandum of Understanding for Integrated Regional Water Management Planning and Funding in the San Diego Sub-Region Funding Area on the dates shown on the attached counterpart signature page:

**SDRWMG Planning Region Agencies**

/S/     Approved: \_\_\_\_\_  
Ken Weinberg, Director of Water Resources  
San Diego County Water Authority  
4677 Overland Avenue, San Diego, CA 92123

/S/     Approved: \_\_\_\_\_  
John L. Snyder, Director  
Department of Public Works  
County of San Diego  
5555 Overland Avenue, Bldg. 2, Mailstop O332, San Diego, CA 92123

/S/     Approved: \_\_\_\_\_  
Halla Razak, Director of Public Utilities  
City of San Diego  
600 B Street, Suite 400, San Diego, CA 92101

**OCRWMG Planning Region Agencies**

/S/     Approved: \_\_\_\_\_  
Shane L. Silsby, P.E.  
Director, OC Public Works  
County of Orange  
300 N. Flower St.  
Santa Ana, CA 92701

/S/     Approved as to Form : \_\_\_\_\_  
County Counsel

/S/     Approved: \_\_\_\_\_  
Larry Dick, President (Maribeth Goldsby, Secretary)  
Municipal Water District of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708

/S/     Approved: \_\_\_\_\_  
Mike Dunbar, Chairman  
South Orange County Wastewater Authority  
34156 Del Obispo Street  
Dana Point, CA 92629

**RCRWMG Planning Region Agencies**

/S/     Approved: \_\_\_\_\_  
Matthew G. Stone, General Manager  
Rancho California Water District  
42135 Winchester Road, Temecula, CA 92590

IN WITNESS HEREOF, the parties hereto have executed this Agreement on

\_\_\_\_\_  
(to be filled in by Clerk of the Board)

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
WARREN D. WILLIAMS  
General Manager-Chief Engineer

RIVERSIDE COUNTY FLOOD CONTROL  
AND WATER CONSERVATION DISTRICT

By \_\_\_\_\_  
MARION ASHLEY, Chairman  
Riverside County Flood Control and Water  
Conservation District Board of Supervisors

APPROVED AS TO FORM:

GREGORY P. PRIAMOS  
County Counsel

ATTEST:

KECIA HARPER-IHEM  
Clerk of the Board

By \_\_\_\_\_  
NEAL KIPNIS  
Deputy County Counsel

By \_\_\_\_\_  
Deputy

(SEAL)



RECOMMENDED FOR APPROVAL:

COUNTY OF RIVERSIDE

By \_\_\_\_\_  
JUAN C. PEREZ  
Director of Transportation and  
Land Management

By \_\_\_\_\_  
JEFF STONE, Chairman  
County of Riverside Board of Supervisors  
for Transportation Department

APPROVED AS TO FORM:

ATTEST:

GREGORY P. PRIAMOS  
County Counsel

KECIA HARPER-IHEM  
Clerk of the Board

By \_\_\_\_\_  
MARSHA L. VICTOR  
Principal Deputy County Counsel

By \_\_\_\_\_  
Deputy  
(SEAL)



**ACTION ITEM**  
November 19, 2014

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

**FROM: Robert Hunter, General Manager**

Staff Contact: Cathy Harris, Administrative Services Manager  
Katie Davanaugh, Exec. Asst. /HR Specialist

**SUBJECT: MWDOC LIABILITY INSURANCE RISK ASSESSMENT REPORT**

**STAFF RECOMMENDATION**

---

Staff recommends the Board of Directors review the information presented and direct the General Manager to notify JPIA of MWDOC's intent to rescind its notice to withdraw from the Liability, Crime and Property Programs and continue participation in the JPIA Programs.

**COMMITTEE RECOMMENDATION**

---

Committee concurred with staff recommendation.

**DETAILED REPORT**

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The attached information was presented to the Committee for review at its A&F Committee Meeting on October 8. Based on its review the Committee directed staff to contact Alliant (Broker) and request information on the cost to add a \$25 million Inverse Condemnation Rider to the proposed liability Insurance coverage through Special Liability Insurance Program (SLIP).

The representative from Alliant indicated that SLIP has agreed to amend the exclusion of Inverse Condemnation Coverage and the cost for the primary \$10 million is \$5,000. The deductible is \$1,000. Alliant has indicated they are pretty confident that they can obtain the full limit of \$25 million for Inverse Condemnation coverage for \$5,000.

The proposed cost for Liability Insurance coverage through SLIP is \$58,893 (as shown in Exhibit A) plus an additional \$5,000 for an Inverse Condemnation Coverage rider would be an approximate total cost of \$63,893. MWDOC is currently paying an estimated \$68,729 for Liability Insurance Coverage through JPIA (this amount is based on an estimated dividend adjustment over the most recent 10-year period).

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

Please note that if the Board chooses to further evaluate liability coverage through SLIP, a new quote will need to be obtained to confirm pricing.

Staff recommends the Board of Directors review the information presented and direct the General Manager to notify JPIA of MWDOC's intent to rescind its notice to withdraw from the Liability, Crime and Property Programs and continue participation in the JPIA Liability, Property and Crime Programs.

### **Background Information Presented at October 8, 2014 – A&F Committee Information**

An independent risk assessment of the District's liability insurance coverage to evaluate the appropriate insurance coverage limits based on the District's current operations and business practices was completed.

The District hired Bickmore Insurance Services to perform the Liability Insurance Risk Assessment. Bickmore met with staff, talked to JPIA (the District's current program), evaluated District documents and quotes previously obtained through Alliant Insurance Services. Bickmore's detailed report is attached for review (Attachment 1). The Liability Insurance Risk Assessment evaluated the following:

- Exposure Analysis
- Alternative Insurance Carriers
- Coverage Offered
- Limits
- Deductibles
- Financial Strength
- Minimum Participation
- Withdrawal Notification
- Claims Handling
- Dividends/Assessments
- Price Indication
- Other Factors for Consideration

Bickmore's Risk Assessment noted the following:

- The District has modest exposure to liability loss. While there is no guarantee the District will not have a liability claim in the future, such claims are extremely unlikely, but the exposure to claims is continually present.
- Bickmore evaluated three programs (including JPIA), Special Liability Insurance Program (SLIP) and Special District Risk Management Authority (SDRMA). (Details outlined in Exhibit 1).
- Based on its evaluation of MWDOC's operations, Bickmore recommends that MWDOC should carry no less than \$15 million in liability protection with an upper limit of \$25 million. The District's current Liability insurance carrier is JPIA and the current limit is \$60 million.
- All three programs evaluated offer a reasonable scope of coverage for the District's current operations. SLIP and SDRMA offer a base limit of \$10 million. Higher limits can be built to meet a higher limit. JPIA does not offer options for a lower limit.

- SLIP is a commercial insurance program designed for small and medium sized public agencies and the program is exclusive to Alliant. SLIP's proposed annual cost is \$9,800 less than JPIA.
- SDRMA's proposed annual cost is \$4,800 more than JPIA.
- JPIA's proposed annual cost is \$68,729. This includes an estimated dividend adjustment. Based on dividends over the most recent 10-year period.
- In comparing the coverages, JPIA provides the broadest coverage, extending to failure to supply water claims and inverse condemnation actions, with minor limitations.

Staff held a conference call with Legal Counsel (Russ Behrens) and Bickmore (Michael Kaddatz) to discuss the lack of inverse condemnation coverage by providers other than JPIA. It was stated that even with MWDOC's limited visibility and culpability, the possibility of being named in a suit exists. In moving away from JPIA, the District would have a lower liability limit and no coverage extending to inverse condemnation or failure to supply water, at an estimated annual cost savings of \$9,800. Legal Counsel advised against changing carriers and losing the inverse condemnation coverage.

Staff contacted JPIA to inquire about considering lower limits for small agencies with limited exposure. JPIA responded that it would not be likely since a pool has to be big enough to take advantage of its size (using economies of scale) to be successful. There are not enough agencies to make a large enough pool.

JPIA will be performing calculations at the end of December for the 2010-11 policy years and older. The District will be notified of premium dividends sometime in February.

September 29, 2014

Ms. Katie Davanaugh  
Municipal Water District of Orange County  
P.O. Box 20895 Fountain  
Valley, CA 92728  
[kdavanaugh@mwdoc.com](mailto:kdavanaugh@mwdoc.com)

RE: Liability Risk Assessment

The purpose of this study is to evaluate the Municipal Water District of Orange County's (the District's) exposures to liability loss and to determine which of three liability coverage programs best suits the District's liability risk profile. The programs are the current program provided by Association of California Water Agencies Joint Powers Insurance Authority (ACWA-JPIA), and two programs proposed by the insurance brokerage firm, Alliant:

- Special District Risk Management Authority (SDRMA), and
- Special Liability Insurance Program (SLIP).

To conduct this analysis we interviewed District personnel and stakeholders, spoke with brokers and JPA managers, conducted research as needed on coverage issues and liability losses, and reviewed the following documents:

- Annual reports, budget documents
- Audited financial statements
- Policy forms, memorandums of coverage and JPA agreements
- Program descriptions & marketing material
- Loss runs
- JPA agendas, meeting minutes

#### A. Exposure Analysis

The District is a wholesale water supplier and resource planning agency serving cities and water agencies of Orange County. The District purchases imported water from the Metropolitan Water District of Southern California (Metropolitan) and provides the water to its 28 member agencies who then provide retail water services to over 2 million residents.

As a wholesale water supplier, the District does not physically transport, store, treat or condition water. Since 1995 when the District ceased operating and maintaining a water line, it has not owned or operated facilities associated with water operations. The District does not own or lease vehicles or heavy equipment. The District does not own transmission or distribution lines, reservoirs, tanks or treatment plants. Water purchased on behalf of the District's members is transmitted, stored and treated in infrastructure owned by Metropolitan or a member agency.

The District owns its office building. Constructed in 1992, the District's building is on land leased from a sister agency, the Orange County Water District (OCWD). As we understand the lease terms, each party is responsible for its own liability insurance. The lease contains mutual hold harmless provisions as well.

The District does have 33 full-time equivalent employees. The employees perform executive, analytical, and administrative activities. Employees travel mostly in California to meetings, conferences and other events associated with the water community. The balance of their time is largely in the office.

Two staff administer the Water Emergency Response Organization of Orange County (WEROC), a program that promotes planning and preparedness in the event of a major disaster. The program is supported by virtually every public water agency in the County.

Staff is involved in various outreach efforts, such as community events. Employees participate in Metropolitan-organized tours of water facilities, helping to host people from the community to provide knowledge about water issues and promote goodwill. The School Education Program is carried out through a contract with Discovery Science Center.

An affiliated entity, Water Facilities Corp. (WFC), exists to issue bonds for capital projects. At the present time there are no bonds outstanding.

Assessing the liability potential from operations is a necessary step in determining what limit of liability insurance to carry. In reviewing the District's operations, we judge it has a modest exposure to liability loss. In the past, it has had very few liability claims. We understand there have been no liability losses incurred in the last ten years. While member districts have been pulled into expensive litigation, MWDOC has not been named in those suits to date.

The District's role in the water community does not put it in a position of easy visibility or culpability when things go wrong. Thus, it is insulated from liability loss potential. As new issues arise, the District could be involved in new initiatives, such as evaluating desalinization projects, purchasing storage in the Central Valley and other strategies to better serve the water consuming public. But the expectation in these new areas is that MWDOC's role will continue to be supportive, not operational.

Given this background, we judge the most likely event to cause a large tort liability claim against the District is an automobile accident. While the District neither owns nor leases vehicles, its employees do drive their own or rental vehicles on District business. If a District employee-driver is in an accident and found negligent, damages could be assessed against the employee and the District. Because most employees do not carry significant limits of coverage, plaintiffs and their counsel could be motivated in these cases to involve the District as a “deep pocket” defendant.

No comprehensive liability loss data base exists to give one a clear cost range for judgments and settlements on serious injury cases. But from a variety of sources, we have developed a partial list of California large cases against public agencies. Reported judgment and settlement amounts for the cases on our list center around \$10 million. One Orange County case went as high as \$50 million, for serious injuries to two women. This case is, we hope, a rare exception. While it involved a vehicle accident, the negligence issues revolved around road design versus negligent vehicle operation. Yet it illustrates the level of damages a vehicle accident could generate.

The District’s not having had serious liability claims is no guarantee it will not have them in the future. Such claims are extremely unlikely. But in the wrong fact scenario in just a single case, damages can escalate rapidly. In affluent Orange County, where high income-earners are numerous and are potential claimants, the exposure to claims of \$10 million or more is continually present.

We looked for benchmarks for the liability insurance carried by other public agencies. Except for the very largest California cities, we note that cities throughout California carry between \$20 million and \$50 million in liability coverage limits. Cities clearly have much higher likelihood of liability claims than the District, given their range of functions and facilities. Police, fire, public works and recreation functions generate liability claims of high incidence and high value. Ordinary water and irrigation districts tend to carry \$60 million liability limits, which may be because of their utilizing heavy equipment, exposure to reservoir failure and responsibility for the safety of individuals using their lakes, streams and canals.

Other special districts, such as those in SDRMA’s program, typically carry \$10 million in liability coverage limits. Only 5 of SDRMA’s 450 members, for example, carry more than the base \$10 million offered by SDRMA.

Considering all of the above information and giving weight to its Orange County location, we judge that MWDOC should carry no less than \$15 million in liability protection. The range of prudent limits might extend to \$25 million on the upper end. We hasten to add, however, that one can always construct an accident scenario, where even \$60 million (the current limit) is not sufficient.

## B. Alternatives

Since 1990, the District has procured liability protection directly from a joint powers authority, ACWA-JPIA. A stable program since it began in 1979, ACWA-JPIA serves water and irrigation districts throughout California. We evaluated two other programs proposed by Alliant, an insurance broker:

- Special Liability Insurance Program (SLIP) – a commercial insurance program designed for small and medium public agencies. The program is exclusive to Alliant.
- Special District Risk Management Authority (SDRMA) – affiliated with the California Special Districts Association, this program is a joint powers authority that serves special districts of all types. Out of about 450 members currently, about 50 are water agencies.

Key features of the three programs are compared in the Exhibit 1 attached to this letter and explained below.

### 1. Coverage Offered

All three programs offer broad public entity liability coverage, of the type common to California. Overall, we judge ACWA-JPIA's form to be the broadest, extending to failure to supply water claims and inverse condemnation actions, with minor limitations. The nature of the District's operations does not obviously expose it to these type of claims, so the coverage advantage of ACWA-JPIA is of nominal value.

SLIP and SDRMA have coverage extensions to protect against liability and costs associated with data breaches, where someone's electronic data (such as social security numbers, credit card numbers or health information) is released by the District. This coverage advantage of SLIP and SDRMA is also of nominal value, given the District does not maintain a significant amount of such data.

On balance, all three programs offer a reasonable scope of coverage for the District's current operations.

### 2. Limits

SLIP and SDRMA offer a base limit of \$10 million. From this base, higher limits can be built to meet a higher objective at the approximate cost of \$10,000 per \$5 million in limits. ACWA-JPIA offers \$60 million. While a participant can buy higher limits, ACWA-JPIA does not offer options below its \$60 million limit base. Since the District questions its need for \$60 million in protection, as do we, the lack of flexibility presents an unnecessary cost to the District.



### *3. Deductibles*

SLIP and SDRMA have relatively nominal deductibles and ACWA-JPIA has none. This is only a slight advantage for ACWA-JPIA, since in a typical year, the District has no losses.

### *4. Financial Strength*

SLIP has an independent financial strength rating from A.M. Best of A (Excellent), XI (\$750 to \$1,000 million in policy holder surplus). A.M. Best labels this a secure rating. SDRMA has accreditation with excellence from the California Association of Joint Powers Authorities (CAJPA). The rating indicates SDRMA passes all of the financial ratios that signify financial solvency and that SDRMA follows the best practices of the JPA industry. ACWA-JPIA has no independent rating. However, in reviewing their audited financial statements, we ran the typical ratios that measure solvency and ACWA-JPIA passed on the conservative side. In short, all three programs are solid, reliable sources of coverage.

### *5. Minimum Participation*

ACWA-JPIA and SDRMA each require new members to participate for three years, minimum. The District has satisfied this requirement with ACWA-JPIA, but would have to remain in SDRMA for at least three years. Thus, flexibility would be lost for the District in that time frame. SLIP has no minimum period of participation.

### *6. Withdrawal Notification*

ACWA-JPIA requires a 1 year advance notice of intent to withdraw from its members. The District has satisfied this requirement for the possibility of withdrawal on October 1, 2015. If the District decides not to withdraw, it must formally rescind its withdrawal notice by July 1, 2015. SDRMA only requires a 90 day notice of withdrawal. SLIP has no advance notice requirement on its insureds.

### *7. Claims Handling*

ACWA-JPIA and SDRMA have in-house staff that handle liability claims and are well versed on claims of the type their members have. SLIP uses a contract claims administrator, Carl Warren & Company. There is no significant advantage to the JPAs here, since Carl Warren has an excellent reputation for professional services on the claims of public entities of all types.

### *8. Dividends/Assessments*

Both JPAs return surplus revenues from one year to the participants of that year. For the last 10 years, ACWA-JPIA's dividends to the District have averaged 20% of the District's contributions to the JPIA. While the dividend is not guaranteed, ACWA-JPIA's steady delivery of dividends is

impressive and symbolic of a well-run JPA. Exhibit 2 attached summarizes the history of the District's dividends and premiums while participating in ACWA-JPIA.

While SDRMA grants surplus refunds to its members as well, it was less willing to share details of calculations and its track record. Rather than return the money in check form, SDRMA grants continuity credits to their members' renewal contributions, based on how long they've been a member. We were unable to garner enough information to calculate potential dividends (or credits) by SDRMA.

Both of the JPAs also can assess their members. That is, in a year where claims and expenses exceed premiums, the JPA has the right to assess addition funds from that year's participants. In the last 20 years, ACWA-JPIA has assessed the District only in one year. The amount was small in relation to the dividends the District has received. SDRMA reports it has not assessed its members in the last 10 years. The assessable feature of the JPAs can be looked at as a positive in that it is a mechanism that keeps JPAs solvent. On the other hand, it can present a surprise bill to the District. In the long run, the District (and other JPA members) is jointly and severally liable for the solvency of either of these JPAs. Given the stability of both JPAs, we do not see this potential as a major risk.

The SLIP program offers neither a dividend nor the possibility of assessment. We give the advantage to SLIP because of its guaranteed cost feature and its record of long term stability. SLIP does not have the reputation some insurance programs do of being an inconsistent source of insurance.

### *9. Price Indication*

We compared the current cost of ACWA-JPIA to price indications from SDRMA and SLIP obtained by Alliant. The cost for the base limits of each program, before adjustments, favors SLIP. We next adjusted the base costs for:

- ACWA-JPIA's likely dividend, based on the JPA's most recent 10 year history of dividends & assessments.
- The estimated cost of property insurance that is automatically included in SDRMA's price indication.
- The estimated cost to increase the base limits of SDRMA and SLIP to the upper limit of the prudent range we recommend be considered.

On a cost-adjusted basis, SLIP is approximately \$10,000 less expensive for coverage of \$25 million compared to \$60 million for ACWA-JPIA. This cost delta should be considered approximate and subject to change from year to year.

### C. Other Considerations

The objective factors, in total, seem to favor moving to SLIP from ACWA-JPIA. While we think none impose a serious threat, the District should weigh four other considerations.

#### *1. Perceptions in the Water Community*

ACWA-JPIA grew out of an initiative in the water community to overcome an unstable and high-cost insurance market. The program is heavily subscribed to, and probably includes most of the District's members. Will the image of the District incur any significant injury if it leaves the program? Or will the decision be viewed as a business choice by the District supported by objective analysis?

#### *2. Unified Defense of Claims*

As indicated above, the District has not been named in lawsuits against its members, even where it may have facilitated the delivery of water that is alleged to have caused some damage to a third party. If the District is unexpectedly named as a defendant in such claims in the future, would its defense be stronger if unified with the defense of its co-defendant member agency? If the District is in a commercial insurance program, the insurer will make defense decisions based on what's best for its bottom line. If the District is in the ACWA-JPIA, the JPIA is more likely to make defense decisions based on what's best for the water community.

#### *3. Unexpected Return of the Hard Insurance Market*

ACWA-JPIA and other JPAs were formed in a hard insurance market where insurance was less available, more restrictive and unreasonably expensive. The JPAs permitted participants to say, "NO!!!" to unreasonable insurance terms and replace it with a stable source of protection. At present, no one is predicting a return of the hard market, even though it has been relatively soft for a long period of time. But some risk remains that a severely hard market will return. If so, it could affect the cost and terms of the SLIP program adversely and the District may have to turn to a JPA for coverage. Will the JPA penalize the return?

#### *4. Lack of Inverse Condemnation Coverage by Providers other than ACWA-JPIA*

In California, following an event that results in significant property damage possibly caused or exacerbated by a public agency's facilities, plaintiffs' attorneys often bring an action under a special

provision in the law called inverse condemnation. In such cases the plaintiffs contend that it was the public agency's facility that caused or contributed to the damages they incurred. Different from traditional tort liability claims, the plaintiffs who plead inverse condemnation do not have to prove the public agency was negligent. Instead courts have ruled that the damage resulting from the failed public facility was a "taking" of the property under the law and that the public agency has strict liability for the damages.

Of the three coverage providers in this analysis, only ACWA-JPIA covers such claims. It does so, by clarifying in its coverage form that claims brought under inverse condemnation and similar laws are covered, unless they arise from the deliberate acts of (in this case) the MWDOC Board. Hypothetically, if the Board took an action to build a water treatment plant in a certain neighborhood, and the neighbors sued (under inverse condemnation) for the loss of value of their homes due to the nearby existence of the plant, such suit would not be covered by ACWA-JPIA. On the other hand, if water from the plant flooded the neighborhood causing damage to the neighbors' property, resulting inverse condemnation claims would be covered.

Because MWDOC does not own or operate such facilities and has no plans to in the foreseeable future, we earlier stated this coverage advantage for ACWA-JPIA (i.e. SLIP and SDRMA completely exclude all inverse condemnation claims) is of nominal value. However, MWDOC's member districts are exposed to such claims and have been involved in events where the alleged damages and defense costs have reached eight figures. Though MWDOC has not been named in such suits in the past, a risk remains that it could be in the future solely because of its affiliation with the member districts. Even with MWDOC's limited visibility and culpability, the possibility of being named in a suit exists. If MWDOC were to become a defendant in such a case, the costs of defense alone might reach six figures.

We have placed this issue in the "other considerations" category, because it is not easily assigned a dollar value. The strong likelihood is that MWDOC will not be involved in a material way in claims of this nature. On the other hand, the financial consequences of just a single claim could be significant in relation to the \$10,000 cost savings of SLIP versus ACWA-JPIA. While having a claim and not having the coverage could be expensive, MWDOC's insulation from the operations of its members influences us to judge the resulting costs of no-coverage would not likely be catastrophic. Further \$10,000 in annual premium savings would accrue in the near term. In conjunction with legal counsel, MWDOC management should consider this indirect exposure to inverse condemnation claims and make its best judgment considering all factors.

#### D. Next Steps

If the District decides to move toward withdrawal from ACWA-JPIA in 2015, it should reconfirm the prices, coverage and financial soundness from all three sources discussed above in June of 2015, as July 1 is the deadline to rescind or confirm its withdrawal notice. Alliant should be queried about new sources in 2015 that should be contacted as well.

\* \* \* \* \*

We appreciate the opportunity to perform this assignment. Questions concerning the analysis should be directed to Paul Cross or me.

Respectfully submitted,



Michael M. Kaddatz, CPCU, ARM  
Director, Risk Management Consulting

Attachments:

EXHIBIT 1 – *Liability Coverage Comparison*

EXHIBIT 2 – *Premium & Dividend History with ACWA-JPIA*

EXHIBIT 1  
**Liability Coverage Comparison**  
*Municipal Water District of Orange County*

COMPARISON ELEMENT	ACWA-JPIA	ALLIANT (SLIP)	SDRMA
1 Coverages Offered			
a General Liability	Yes	Yes	Yes
b Automobile Liability	Yes	Yes	Yes
c Public Officials/Errors & Omissions	Yes	Yes	Yes
d Employment Practices	Yes	Yes	Yes
e Network Privacy & Security	Partial	Yes	Yes
f Failure to Provide Water	Yes (except Board decisions)	No	Yes (except Board decisions)
g Inverse Condemnation	Yes (except deliberate takings)	No	No
2 Limits			
a Per Occurrence	60,000,000	10,000,000	10,000,000
b Aggregate Limit	None	None	EPL only
3 Deductibles			
a General Liability	None	1,000	500
b Automobile Liability	None	1,000	1,000
c Public Officials/Errors & Omissions	None	1,000	None
d Employment Practices	None	10,000	None
4 Financial Strength	Not Accredited, but financially sound	A, XI Secure, by A.M. Best	Accredited with Excellence by CAJPA
5 Minimum Participation	3 years (MWDOC has satisfied)	Not applicable	3 full program years
6 Withdrawal Notification	1-yr advanced notice; 90 day confirmation/rescission	Not applicable	90 days before end of program year
7 Claims Handling	by JPA	by Third Party Administrator	by JPA
8 Dividends / Assessments	Yes (both).	Not applicable	Longevity discounts. Have not assessed in 10 years.
9 Price Indication			
a Liability Indication (from Alliant)	86,388	28,893	45,077
b Adjustment for Dividends *	(17,659)	0	0
c Adjustment for Property Inclusion	0	0	(1,500)
d Additional 15M xs 10M in Limits	0	30,000	30,000
<i>Total (sum a through d)</i>	<i>68,729</i>	<i>58,893</i>	<i>73,577</i>

\* Based on average dividends over most recent 10-year period.

EXHIBIT 2  
**Premium & Dividend History with ACWA-JPIA**  
*Municipal Water District of Orange County*

POLICY YEAR	PREMIUM	DIVIDEND (ASSESSMENT)	NET COST
2014-15	-	-	-
2013-14	83,371	-	-
2012-13	86,388	-	-
2011-12	78,957	-	-
2010-11	78,946	-	-
2009-10	80,463	16,328	64,135
2008-09	81,850	(8,508)	90,358
2007-08	82,338	35,128	47,210
2006-07	73,957	15,662	58,295
2005-06	69,436	8,988	60,448
2004-05	68,552	749	67,803
2003-04	64,256	19,430	44,826
2002-03	57,340	17,179	40,161
2001-02	58,127	18,893	39,234
2000-01	53,558	17,173	36,385
1999-00	52,898	10,930	41,968
1998-99	48,251	19,289	28,962
1997-98	53,079	10,543	42,536
1996-97	58,178	14,086	44,092
1995-96	52,792	2,145	50,647
1994-95	51,552	3,539	48,013
1993-94	53,208	9,675	43,533
1992-93	52,208	10,755	41,453
1991-92	45,891	11,292	34,599
1990-91	42,009	5,103	36,906



**ACTION ITEM**  
November 19, 2014

**TO:** Board of Directors

**FROM:** Robert Hunter, General Manager

Staff Contact: Jessica Ouwerkerk, Public Affairs Manager

**SUBJECT: RECOGNITION PLAQUES**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors: authorize staff to develop recognition plaques for select water district directors and city council members to thank them for their service to the water industry.

**SUMMARY**

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MWDOC wishes to recognize four elected officials for their service to the Orange County water community. These individuals will no longer be serving in their respective seats on a city council or water district board of directors. In the interest of time, the recognition items will be informal plaques rather than resolutions of the Board. Staff can develop small recognition plaques that will be presented by a member of the MWDOC Board at their last meeting while in office. Plaques are proposed for the following individuals:

- Bob Moore (South Coast Water District)
- Dick Runge (South Coast Water District)
- Larry Kramer (City of San Juan Capistrano)
- John Taylor (City of San Juan Capistrano)

Budgeted (Y/N): Y	Budgeted amount: \$5,000	Core _x_	Choice __
Action item amount: \$200		Line item: 32-7040	
Fiscal Impact (explain if unbudgeted):			



# GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES NOVEMBER 2014

<b>Managers' Meeting</b>	<p>MWDOC held its Member Agency Managers' meeting in Fountain Valley on Thursday, October 16. In attendance were Howard Johnson (Brady &amp; Associates); Dave Rebensdorf (San Clemente); Chris Davy (Huntington Beach); Andy Brunhart (SCWD); Steffen Catron (Newport Beach); Paul Weghorst (IRWD); Phil Lauri (Mesa); Matt Collings (MNWD); Marc Marcantonio (YLWD); Lisa Ohlund (EOCWD); Scott Miller (Westminster); Bob Hill (ETWD); Renae Hinchey (LBCWD); Dan Ferons (SMWD); Hector Ruiz (TCWD); Paul Shoenberger (Mesa); Paul Cook (IRWD); Jerry Vilander (SWD); Ken Vecchiarelli (GSWC); John Kennedy (OCWD); Karl Seckel; Harvey De La Torre; Joe Berg; Heather Baez; Kevin Hostert; Keith Lyon and myself of staff. The agenda included the following:</p> <ol style="list-style-type: none"> <li>1. EPA WIFIA (Water Infrastructure Finance &amp; Innovation Act) Listening Session on October 17 in LA</li> <li>2. The annual Shake Out: Drop-Cover-Hold on</li> <li>3. MET's Storage and Operational Issues</li> <li>4. Drought Allocation Update</li> <li>5. Progress Report on SB-7X (20 x 2020) as of FY 2013-14</li> <li>6. Orange County Reliability Study Update</li> </ol> <p>The next meeting is scheduled for November 20.</p>
<b>Metropolitan Water Supply Allocation Plan (WSAP)</b>	<p>Keith, Harvey and I attended a number of MET member agency managers' workshops that seek to revise and update MET's Water Supply Allocation Plan (WSAP). In an effort to meet the schedule of having the MET Board adopt a revised WSAP by December, so the WSAP can be ready for possible implementation in early 2015, there has been an increase in frequency of meetings. We have discussed updating the Baseline with more recent retail demand years; identifying how we account for the "need" of groundwater recharge imported water; using a Gallon Per Capita per Day (GPCD) saving calculation instead of a conservation device-saving calculation to determine an agency's conservation hardening credit; and replacing the current WSAP penalty rate structure with a charge that will be based upon "marginal cost of service." The exact details on each of these issues are still being discussed. We hope over the next couple of meetings to have general agreement among the managers on these revisions to present to the MET Board in December.</p>

## MET ITEMS CRITICAL TO ORANGE COUNTY

### MET's Water Supply Conditions

#### **Updating MET's Water Supply Allocation Plan (WSAP)**

The workgroup of MET and member agency staff is focusing on 3 key areas in updating the WSAP: 1) resetting the baselines 2) reviewing the formulas; and 3) evaluating the enforcement provisions (i.e. penalties) in the plan.

Progress among MET and the member agencies has been slow in revising the 3 key areas of the WSAP. Although there has been general support for updating the Baseline to represent more recent retail demands (average demands of FY 2012/13 and 2013/14), there have been some agencies still resisting this revision because they tend to be more favorable under the old baseline (average demands of 2004-06). There also have been on-going discussions as how best to determine the amount of recharge water a member agency should receive under the baseline. The discontinuation of the replenishment program now categorizes recharge water as a firm water supply that needs to be accounted for in the WSAP.

We have made some progress in creating a better calculation for water conservation hardening by using a Gallon Per Capita per Day (GPCD) formula, but we still lack consensus on determining a local resource credit (this credit would provide additional imported water to local resource projects, i.e. Groundwater Recovery and Ocean Desalination). The criteria for determining what types of local resource projects and the amount of credit they could be eligible to receive under different allocations stages has been difficult to define and secure agreement among the agencies. Lastly, we still have not discussed the final area, which is whether we need to change or revise the penalty structure in the WSAP.

Time is running out for the workgroup to revise the WSAP. Recent reports on the water supply conditions for 2015, in particular the expected low initial "Table A" State Water Project Allocation, and the possibility of further water conservation measures by the State, have accelerated the likelihood of implementing the WSAP in 2015 and could even move up the implementation date to early 2015 (February or March).

<b>MET's Finance and Rate Issues</b>	<p><b><u>MET's Financial Report</u></b></p> <p>At last month's Finance and Insurance Committee, MET staff reported that water deliveries through September were roughly 7,000 AF lower than budgeted. This results in water sales through September generating \$10.7 million lower than estimated. It was noted this represents only three months of the fiscal year.</p> <p><b><u>Proposal on renewing the MET Purchase Order</u></b></p> <p>Last month, MET provided a draft proposal to the Finance and Insurance Committee that seeks to renew the Purchase Order (PO) with the member agencies for an additional ten years, effective January 1, 2015. The proposal terms are as follows:</p> <ul style="list-style-type: none"> <li>• <b><u>Base Period:</u></b> Member agencies can choose between retaining their current base year firm demand and existing commitment level (highest imported purchase amount years of FY1990 through FY 2002); or select their highest imported purchase amount years of FY 2003 through FY 2014. Both calculations include past Interim Agricultural Water Program and Replenishment Program sales <ul style="list-style-type: none"> <li>○ Member agencies that execute a PO will have their Tier 1 maximum amount be set at 90% of their respective Base Period.</li> <li>○ If a member agency chooses not to execute a PO their Tier 1 maximum amount will be set at 60% of their current base period.</li> </ul> </li> <li>• <b><u>Tier 2 Applicability:</u></b> Tier 2 would apply to a member agency if their cumulative sales for the term of the PO exceeded its cumulative Tier 1 maximum; which is consistent with the methodology currently utilized to meet the 60% purchase order commitment. Member agencies with Tier 2 obligations may choose: <ul style="list-style-type: none"> <li>○ To have their obligation calculated at the end of the 10-year term and pay any Tier 2 obligations at that time, which will be based on the average of the difference between the Tier 1 and Tier 2 Supply Rate over the 10 year term.</li> <li>○ To pay any Tier 2 obligations as they occur, with a "true-up" at the end of the 10-year term.</li> <li>○ If after year 5, a member agency has accrued a Tier 2 obligation, the member agency will begin paying any future Tier 2 obligations annually.</li> </ul> </li> <li>• <b><u>Additional Aspects:</u></b> <ul style="list-style-type: none"> <li>○ POs are voluntary</li> <li>○ The PO commitments will be over the ten-year period; agencies that do not use their minimum amount at the end of the term will pay the supply rate times the amount they are below the minimum level</li> </ul> </li> </ul>
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<b>MET's Finance and Rate Issues (Continued)</b>	<ul style="list-style-type: none"> <li>• The PO will allow for an appeals process at the end of the 10-year term for agencies with unmet commitments who can demonstrate a reduction in demands as a result of the development of local resources.</li> <li>• Commitment will be adjusted to exclude Water Supply Allocation Years</li> <li>• MET will not accommodate the exchange or sale of Tier 1 amounts between member agencies. There are no contractual rights tied to the PO. It is a pricing tool.</li> </ul> <p>MET plans to present these proposed terms for Board action in November in order for the member agencies' governing bodies to review and sign new Purchase Orders before the effective date of January 1, 2015.</p>
<b>Colorado River Issues</b>	<p><b><u>Update on Colorado River's outlook for Shortage &amp; Surplus Conditions</u></b></p> <p>On September 30, the 2014 water year came to an end. It started with the lowest releases from Lake Powell since it began filling more than 50 years ago. The Lake Powell releases were reduced to just under 7.5 million acre-feet due to drought conditions in the Upper Colorado River Basin in water year 2013. With the reduced releases, storage in Lake Powell went up by 1.4 million acre-feet during the water year and was 50 percent full on September 30. Levels in Lake Mead dropped significantly due to the reduced releases from Powell, with storage dropping by 2.2 million acre-feet during the water year, measuring 39 percent full on September 30.</p> <p>Starting with the new water year on October 1, releases from Lake Powell will increase and are expected to total 9.0 million acre-feet during water year 2015, which will significantly slow or even stop the declines in Lake Mead next year. Currently, Lake Mead stands at 6 feet above the shortage trigger level at which the Bureau of Reclamation would issue a first-ever shortage declaration for the Colorado River.</p> <p><b><u>Lower Basin States Continue Drought Management Discussions</u></b></p> <p>Last month, the Bureau of Reclamation sent letters to the larger water contract holders on the Lower Colorado River seeking their interest in participation in a program in which municipal entities and Reclamation would fund conservation activities, with the conserved water remaining in Lake Mead as system water for everyone's benefit. The letter was part of the agreement whereby Metropolitan, Southern Nevada Water Agencies, Central Arizona Project, Denver Water, and Reclamation will contribute up to \$11 million for water conservation activities in the Colorado River Basin. The Reclamation letter asks for interested parties to submit proposals that include the type of conservation that could be implemented, the amount of water conserved, and the estimated cost of the project. After the proposals have been received, the funding agencies and Reclamation will evaluate the proposals and determine which projects to pursue.</p>

<b>Bay Delta/State Water Project Issues</b>	<p><b><u>Bay Delta Conservation Plan</u></b></p> <p>The California Department of Water Resources (DWR) and the other state and federal lead agencies developing the Bay Delta Conservation Plan (BDCP) announced in August that a Recirculated Draft BDCP, Environmental Impact Report (EIR)/Environmental Impact Statement (EIS), and Implementing Agreement will be published in early 2015. The agencies are currently reviewing the comments received through the public comment period that ended on July 29, 2014. The recirculated documents will include those portions of each document that warrant another public review prior to publication of final documents. The public will also have the opportunity to review the final documents prior to their adoption and any decisions about the proposed actions.</p> <p><b><u>State Water Resources Control Board (SWRCB)</u></b></p> <p>In May, the State Water Resources Control Board (SWRCB) held a workshop to consider potential options for curtailing water use. Following the workshop, the SWRCB issued notices of curtailment in May 2014 to all post-1914 water right holders in the Delta and Sacramento and San Joaquin River watersheds instructing them to cease diversions. Due to limited response to the curtailment notice, emergency regulations were instituted in July 2014 to curtail post-1914 water right holders. The emergency regulations also allow for curtailment of senior water right holders on a case-by-case basis. On July 23, 2014, DWR and the U.S. Bureau of Reclamation (USBR) submitted a letter to the SWRCB requesting that it use its statutory authority to obtain information from certain Delta water users to support their assumed right to water or require curtailment as unauthorized diversions. Delta interests have countered by filing letters alleging that DWR and USBR are illegally diverting water from Delta watersheds. In response to these letters, the SWRCB held an informal workshop to discuss the processes that may be used to determine the sources and quantity of water supplies available for diversion and use within the southern and central Delta. Since that workshop, SWRCB and a number of entities are determining next steps.</p>
<b>ENGINEERING &amp; PLANNING</b>	
<b>Baker Treatment Plant</b>	<p>MWDOC has been asked to help secure MET's concurrence on the quality of water being introduced into the South County Pipeline. MWDOC and MET have exchanged agreements and continue working on this issue. It is important to get it wrapped up by the end of the year to allow the actual construction tie-in of the new pipeline to the South County Pipeline to be made during a February 2015 shutdown.</p>

<b>Doheny Desalination Project</b>	Work is continuing on the Foundational Action Program Studies for both the Doheny Desal and the SJBA. It is expected that the NEW information developed will provide an impetus for the project to move forward.
<b>Poseidon Resources Ocean Desalination Project</b>	OCWD has posted the report by Clean Energy Capital on the cost and financing options for the Poseidon Huntington Beach Ocean Desalination Project. A presentation was made at the November 12 OCWD Producers' meeting and a full workshop is planned by OCWD for December 10.
<b>Orange County Water Reliability Study</b>	Kick off meetings were held with CDM and MWDOC staff; CDM and MWDOC and OCWD staff; and the meeting with MET will be held on November 26. The kick-off meeting with MWDOC's member agencies will occur on November 20 following the managers' meeting.
<b>OC-33 Shutdown Coordination</b>	Karl participated with IRWD and MET in the shutdown for the Santiago Lateral and the Baker Pipeline to allow IRWD's contractor to expand the OC-33 service connection, increase the size of Air Vacuum Valves on the system and to provide tie-ins for connection of the Baker Treatment Plant to the Baker Pipeline. Just prior to and during the shutdown, a number of discussions were held on the MET specifications for the OC-33 mag meter and what would be required for certification testing. The shutdown was delayed by a day or two to allow for the new mag meter to be certified by Utah State University testing lab, and although the meter was fully certified, other issues resulted in a decision to not install the larger meter at this time, but to wait until the first quarter of 2016 when time is closer to when the treatment plant will start up (the new meter can only meter down to 10 cfs in accordance with the MET Administrative Code and IRWD needs lower flows metered prior to the Treatment Plant beginning of operations).
<b>San Juan Basin Authority</b>	At the October SJBA meeting, discussions were held regarding additional monitoring of water level and water quality to determine if taking three wells out of production is sufficient to slow or stop seawater intrusion. The Board asked to meet more frequently to stay on top of the monitoring.
<b>Untreated Water Delivery Coordination</b>	MWDOC worked with MET, OCWD, IRWD and Serrano to coordinate deliveries of untreated water into Orange County while MET is experiencing storage level declines in Lake Mathews that could inhibit delivery of water to both the Weymouth and the Diemer Treatment Plants.
<b>Budget Based Tiered Rate (BBTR) Grant Study</b>	Karl completed the Final Draft Report to submit to DWR on the Budget Based Tiered Rate (BBTR) Grant Study that was awarded to MWDOC in 2009. The grant expires on October 31, which then begins a five year monitoring program for the agencies who adopted BBTRs with assistance from the Grant. The report is a good reference document for any agencies interested in considering or pursuing BBTRs.
<b>EPA WIFIA</b>	In LA on October 17, Karl participated in EPA's Water Infrastructure Finance & Innovation Act (WIFIA) Listening Session. EPA will be promulgating guidelines regarding how projects will qualify for low

<b>EPA WIFIA (Continued)</b>	interest loans under WIFIA and asked stakeholders to provide input. It is likely that funding will not actually be available under this program for two years. It is a pilot plant that will last five years and then a decision on the merits of the program will determine whether or not it will be continued. It is likely that the first year, no more than \$600 M will be funded nationwide.
<b>Introduction and Conveyance of non-MET sources of Water in the EOCF#2</b>	Introduction and conveyance of non-MET sources of water in the EOCF#2 was discussed when Karl met with Jim Green, MET's Chief of Operations, and Bob Harding, Head of the Resources Group. The issue of introducing and conveying other sources of water in MET facilities has been discussed and considered but only approved by MET for emergency operations. MWDOC is interested in gaining approval from MET to convey either groundwater or water from the Poseidon Plant in the EOCF#2. MET indicated that legal issues would have to be worked out and so the issue has been presented to legal counsel. MWDOC is a majority owner in the facility at 56% while MET has a 27% ownership. This issue will take a number of months to work out, especially given the drought impacts on the availability of MET staff and legal time taken up on these issues.
<b>Second Lower Feeder Shutdown</b>	Karl, Keith Lyon and Kevin Hostert are continuing to work with the City of La Palma and Golden State Water Company who are MWDOC's agencies that will be impacted when MET shuts down portions of the Second Lower Feeder for six months at a time to line the pipeline to improve its structural integrity. The Second Lower Feeder is a pre-stressed concrete cylinder pipe that has had problems. The overall project is expected to take 10 years to line the entire pipeline. Overall, MET is lining 100 miles out of the 160 miles of this type of pipeline in its system.
<b>OC-33 Shutdown Coordination</b>	Keith and Kevin attended a shutdown planning meeting in anticipation of work that needed to be completed related to providing MET untreated water to the new Baker Treatment Plant. Others attending included staff from MET, IRWD and TCWD, and contractors involved in the work. The southern portion of MET's Santiago Lateral, which impacted connections OC-13 and OC-33, was shut down October 20 – 24, and the pipeline was back in service on October 28.
<b>OCWD Producers' Meeting</b>	When Keith attended the November 12 OCWD Producers meeting, agenda items included: Discussion about the Proposed Huntington Beach Ocean Desalination Project; Brady's report about financial impacts of lowering the BPP; Accumulated Overdraft update and BPP implications; and OCSD flows to support the GWRS final expansion. The south County agencies were invited to participate in the discussion about the Ocean Desal Project. The presentations and discussion about the Ocean Desalination project took the majority of time, therefore, there was no real discussion about the other agenda items.

## EMERGENCY PREPAREDNESS

<b>General Activities</b>	<p>Kelly Hubbard attended the California Emergency Services Association, Southern Chapter (SCESA) Board Meeting on October 1, 2014 as the Association's First Vice President.</p> <p>At the Orange County Mining Company on October 15, Kelly and Lisa Parson coordinated the 7<sup>th</sup> Annual OCWA SafetyFest which provides water operators with 6 hours of continuing education units for their operator's licenses. This is always a popular event and provides a good opportunity for WEROC to provide emergency response training as part of the program.</p> <p>On October 16 at 10:16 am, Lisa led MWDOC staff in a Great Shakeout drill. Staff was asked to Drop, Cover and Hold on, and then evacuate the building. This is an annual reminder on earthquake safety and evacuation protocol.</p> <p>Kelly, along with a volunteer from the Orange County Chapter of the American Red Cross, provided MWDOC and OCWD staff with a "Disaster Lunch and Learn" session. Both presentations provided staff with information about earthquake safety, personal preparedness and their role as a government employee in emergency response. Attendees were asked to write one "Promise to Prepare" on a 3x5 note card, as studies show that people are more likely to follow through on promises that are written down.</p> <p>Kelly has also arranged for SOS Survival Products to offer MWDOC, OCWD and WEROC EOC staff a 15% discount off any preparedness supplies from their website, catalog or store for Earthquake Preparedness Month (October). SOS also sent several samples of their products which have been displayed in the MWDOC entry way this month.</p> <p>Kelly and Lisa attended the Annual American Red Cross Disaster Preparedness Academy at the Anaheim Convention Center. This annual training provides plenary and breakout sessions in a one day format for community volunteers, responders, private companies and government agencies. Kelly was asked to present for one breakout session on "Hazard Vulnerability Analysis; It's a Tool, Not a Chart."</p>
<b>Member Agency Coordination</b>	<p><i>Ongoing – Joint Met/WEROC Exercise</i> – WEROC hosted an Exercise Design Meeting on October 14 for its member agencies that are planning to participate in the November 5 Test Exercise. Attendees discussed what</p>



<b>Member Agency Coordination (Continued)</b>	<p>disaster impacts they will be using in their exercises and whether those impacts create secondary impacts to other agencies. This discussion stimulated real world planning and coordination that otherwise might not have been facilitated between the agencies. Additionally, both Kelly &amp; Lisa participated in the MET Exercise Design Group conference call on October 27 to further develop the exercise scenario and work out logistical needs.</p> <p>Jeff Kohrs, a City of Orange Water Division Employee and longtime WEROC Volunteer, participated in the MET Simulation Cell Training at the Weymouth Plant. Jeff will be assisting WEROC's exercise by simulating non-participating agencies on a WEROC radio and through telephone calls. Representatives of the Cities of Anaheim, Fullerton and Santa Ana and the Operational Area Emergency Management Bureau will also be at the Simulation Cell to facilitate communications and "simulated disaster impacts." Lastly, kudos to the MET Communications staff who temporarily installed/programmed a WEROC radio at the Weymouth plant for this exercise.</p> <p>MET hosted a Communications Exercise on October 20 to test all the communication tools that will be used for the November 5 exercise including the WEROC radio, MARS radio, email systems and telephone systems. Lisa Parson participated in this exercise from the South EOC and all WEROC communications were operational.</p> <p>Kelly is providing the redesigned NIMS/ SEMS/ ICS training that is hosted several times a year at Mesa Water District on October 28. One session was provided last month and two more sessions will be provided in the coming months.</p>
<b>Coordination with the County of Orange</b>	<p>At the City of Laguna Niguel, Kelly &amp; Lisa attended the Orange County Emergency Management Organization (OCEMO) monthly meeting. The primary speaker provided a presentation on the California Safety Assessment Program (SAP) and considerations for emergency managers to coordinate this process. SAP is a program to train individuals in the process of conducting housing and building safety assessments following earthquakes and other major disasters. SAP individuals are registered in a state-wide database to be volunteers to assist with this process since it can take 100s of volunteers multiple weeks to assess all the infrastructure that has been impacted. A month after the Napa Earthquake, the state was still requesting SAP volunteers to continue this process in Napa. WEROC hosted this training quite a few years ago and is looking into hosting it again, as SAP volunteers need to refresh their training every 5 years.</p>

<b>Coordination with the County of Orange (Continued)</b>	<p>Kelly attended the Operational Area WebEOC meeting at the County EOC. This is the first WebEOC meeting in quite a while and significant changes were announced to be coming for WebEOC. Just as a reminder, WebEOC is an online emergency response information tool that allows all the government agencies in OC (and the MET EOC) to share disaster response information and create a common understanding of the disaster. The proposed changes to WebEOC are supposed to provide greater flexibility for the agencies using the system to create an interface that is specific to their agency. For example, this means that water utilities could remove the “shelter forms” from their interface since traditionally water utilities do not open public shelters. Additionally, the system will be utilizing a new resource deployment module. This module has been field tested in other states and has a lot of potential to enhance how WEROC coordinates mutual aid resources. The transition to the upgraded system will take time and will require WEROC staff to attend county-wide meetings to provide input into the process and protocols.</p>
<b>Coordination with Outside Agencies</b>	<p><i>Ongoing: Kelly was asked to join the California Office of Emergency Services Southern Region Drought Conference Calls as the Region 1 Mutual Aid Coordinator for the California Water and Wastewater Agency Response Network (CalWARN). This is now a bi- weekly conference call to provide an update to the Southern Region and the State Operations Center (SOC) on drought impacts, activities and needs. The conference calls are serving as a way to share methods for assisting this group within the southern region.</i></p> <p>At the Santa Ana Police Department, Lisa attended the FirstNet Town Hall meeting to determine the relevance of the program to water utilities. The FirstNet program was described as a proprietary public safety high speed broadband network built by the federal government for first responders. The program is in its infancy and many of its concepts have yet to be developed. It is possible that this network would be available to water utilities as a subscription (costs are not yet determined) and that there may be tiers of priority users within the system. The State is hosting a series of town halls and workshops to get first responder input. Estimated completion is 2023.</p> <p>At the Temecula Community Center, Kelly attended the quarterly Mutual Aid Regional Advisory Committee (MARAC) meeting on October 23. Topics this quarter included:</p> <ul style="list-style-type: none"> <li>- Time Warner Cable's new Office of Emergency Management Representation Program</li> </ul>

<b>Coordination with Outside Agencies (Continued)</b>	<ul style="list-style-type: none"> <li>- An update on the California Office of Emergency Services (Cal OES) After Action Report process (After Action Reports are required by law following a declared disaster response.)</li> <li>- An update on Great Shakeout (October 16), Tsunami Preparedness Week (March 23-27, 2015) and the state Early Warning system</li> <li>- Cal OES review of Drought Activities and the new Drought/Dry Well Reporting form</li> <li>- California Disaster Assistance Act (CDAA)/Executive Order B-26-14 guidelines for submitting costs related to providing drinking water due to drought</li> <li>- Ebola Virus update</li> </ul> <p>Kelly would be happy to provide further information on any of the above topics. It was a very full agenda with a lot of good information to be incorporated into local planning and response efforts.</p>
<b>WEROC Emergency Operations Center (EOC) Readiness</b>	<p><i>UPDATE:</i> Eight staff trainings to prepare for the November 5 Test Exercise have been provided to date: WEROC As a Liaison, WebEOC Training, WEROC EOC Situational Status &amp; Reporting and WEROC EOC Facility Training. Each training has been offered twice to accommodate staff schedules. These trainings are to better prepare the WEROC EOC staff, as well as member agency staff, to respond to the WEROC EOC regardless if the WEROC Program Manager is available.</p> <p>Lisa oversaw the maintenance of the WEROC South EOC in advance of the Nov. 5 exercise including cleaning, materials updating, tech repairs and upgrades. This is part of the WEROC staffs ongoing efforts to keep the EOCs in working order, but also to make sure that all updates that have been developed in the planning and training process have been incorporated into the physical facility.</p> <p>Lisa updated the WEROC Anthrax Point of Distribution Plan documents and updated them at each facility.</p> <p>Kelly attempted to participate in the Operational Area Radio Test. There appeared to be problems on the County side of the system, as many agencies were not heard. The County Communications Group is working on why this occurred. The system seems to be operational now. The WEROC Radio test occurred during the EOC exercise on November 5.</p> <p>Lisa launched the “In Case of Crisis” phone app to MWDOC staff, WEROC EOC staff, and the WEROC Member Agencies. Each group can see different plans within the phone app as follows:</p>

<b>EOC Readiness (Continued)</b>	<ul style="list-style-type: none"> <li>- MWDOC Staff <ul style="list-style-type: none"> <li>o MWDOC Continuity Plan</li> </ul> </li> <li>- WEROC EOC Staff <ul style="list-style-type: none"> <li>o MWDOC Continuity Plan</li> <li>o WEROC EOC Activation</li> <li>o WEROC Incident Specific Plan</li> </ul> </li> <li>- WEROC Member Agencies <ul style="list-style-type: none"> <li>o Member Agency Plan</li> <li>o WEROC Incident Specific Plan</li> </ul> </li> </ul> <p>The plans noted above are based on the WEROC EOC Plan, the MWDOC Continuity of Operations Plan, the MWDOC Illness and Injury Prevention Plan, and new materials that were developed for this app specifically. Lisa and Kelly are looking for feedback and corrections before they continue to develop each plan. The "In Case of Crisis" app will also be used during the WEROC exercise and developed further based on feedback from the exercise.</p>
<b>WATER USE EFFICIENCY</b>	
<b>Water Smart Innovations Conference</b>	In Las Vegas on October 8-10, Joe Berg attended the Water Smart Innovations Conference hosted by the Southern Nevada Water Authority. Approximately 1,500 participants from around the world were in attendance. Joe gave a presentation on the MWDOC Water Use Efficiency Master Plan to approximately 75 attendees. A broad range of topics was presented at the conference, but the emphasis was on landscape irrigation.
<b>Homeowner Associations Workshop</b>	On October 14, Joe provided a Water Supply Update and Water Use Efficiency Programs presentation to several large homeowner associations within Trabuco Canyon and Santa Margarita Water Districts' service areas. Hector Ruiz and Jim Leach hosted this meeting at Trabuco Canyon Water District where twelve board and property management representatives participated.
<b>Village Nurseries Open House</b>	On October 17, Joe and Sarah Franks attended the Village Nurseries Open House. Joe provided a Water Supply Update and Water Use Efficiency Programs presentation to the 75 landscape professional and garden enthusiast attendees. Sarah staffed a booth providing rebate program information to event participants. Following this event, Village Nurseries, through its newsletter and social media activities, has been promoting the MWDOC incentive programs.

<b>Metropolitan Water District of Southern California (MET) Water Use Efficiency Meeting</b>	<p>On October 23, Joe participated in MET's monthly Water Use Efficiency meeting. Approximately 40 member and sub-agency representatives attended. Agenda items included:</p> <ul style="list-style-type: none"> <li>• Conservation Program Board Update</li> <li>• Media Plan Implementation Overview</li> <li>• Member Agency Roundtable</li> <li>• MET Program Updates <ul style="list-style-type: none"> <li>○ G3 Classes</li> <li>○ SoCal Water\$mart Website</li> <li>○ Member Agency Run Programs</li> </ul> </li> <li>• Board Approved Local Resources Program Refinements</li> </ul> <p>The next meeting is scheduled for November 20, 2014 at MET.</p>
<b>American Society of Civil Engineers, Orange County Chapter</b>	<p>On October 31, Joe and Darcy provided presentations to the OC Chapter of the American Society of Civil Engineers. This monthly meeting was hosted by Irvine Ranch Water District, and approximately 20 chapter members attended. Joe gave a presentation on Water Use Efficiency, and Darcy presented on Communications and the Value of Water.</p>
<b>Orange County Water Use Efficiency Coordinators Workgroup</b>	<p>On November 6, Joe, Steve Hedges, Beth Fahl, and Jessica Ouwerkerk attended the meeting which was hosted by the City of Garden Grove, and about 16 agencies participated. Highlights on the agenda included:</p> <ul style="list-style-type: none"> <li>• MWDOC Updates</li> <li>• Agency Roundtable <ul style="list-style-type: none"> <li>○ Agency Drought Response Update</li> </ul> </li> <li>• Problem Solving Roundtable</li> <li>• Public Affairs/Marketing Update <ul style="list-style-type: none"> <li>○ School Program</li> <li>○ Value of Water Choice Program</li> <li>○ OC Water Hero App</li> <li>○ MWDOC WUE Microsite</li> <li>○ Turf Removal Program Lawn Signs</li> </ul> </li> <li>• Metropolitan Update <ul style="list-style-type: none"> <li>○ Conservation Program Board Update</li> <li>○ G3 Classes</li> <li>○ SoCal Water\$mart Website</li> <li>○ Member Agency Run Programs</li> <li>○ Board Approved Local Resources Program Refinements</li> </ul> </li> <li>• Water Use Efficiency Programs Update <ul style="list-style-type: none"> <li>○ Home Certification Program</li> <li>○ Turf Removal Program</li> <li>○ Smart Timer Program</li> <li>○ California Sprinkler Adjustment Notification System</li> </ul> </li> </ul> <p>The next meeting is scheduled for December 4 and will be hosted by the City of Anaheim.</p>

## PUBLIC/GOVERNMENT AFFAIRS

<b>Member Agency Relations</b>	<p>Darcy and Tiffany continue to work with MET on this year's inspection trip season. Tiffany, Heather and I accompanied Director Ackerman and Chairman Record on a State Water Project Trip October 17 and 18. Tiffany, Joe, Kevin Hostert and Bryce Roberto accompanied Director McKenney on a State Water Project Trip November 7 and 8.</p> <p>Director Barbre and Tiffany met with Al Mendez (MET) on October 23 to finalize details for Director Barbre's Colorado River Aqueduct trip, December 5-7. Tiffany is currently accepting reservations and handling MET staff, guest and Director needs.</p> <p>Tiffany and Sarah created a "Save the Date" flyer with interactive hyperlinks for Director Ackerman's CRA trip February 7-8, 2015. Director Ackerman is working with the So Cal Gas Company on the guest list for this trip and needed a handout for recruitment.</p> <p>Darcy is working with Fred O'Callaghan from Jet Propulsion Laboratories regarding a potential tour of their facilities for WACO. The trip is being re-scheduled from December to sometime early next year and will be part of Director Dick's Weymouth Tour.</p> <p>At MET, Darcy and Jessica participated in their Public Information Officers' meeting on October 16. Darcy presented on the Value of Water program.</p> <p>Darcy and Jessica have provided drought information and outreach materials for South Coast Water District a number of times over the last several weeks.</p> <p>At the County's Emergency Operations Center, Darcy and Jessica participated in a Virtual Joint Information Center Training with MET's External Affairs staff.</p> <p>Darcy, Jessica and Heather participated in the Rolling Thunder Emergency Exercise on Wednesday, November 5.</p> <p>Tiffany, Darcy, Jessica, Bryce and OCWD staff met to review app development progress, and discuss enhancements for the current design, character development, game logistics and app layout. Tiffany will continue to work with Immersiv Media on the OC Water Hero Program phone app progress.</p>
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<b>Member Agency Relations</b> <b>(Continued)</b>	<p>Tiffany created an e-invitation for the November 6 Newly Elected Officials meeting and distributed the invitation to 2014 candidates.</p> <p>Jessica coordinated a workshop on Effective Business Presentations for the Public Affairs Workgroup. Ten member agency and MWDOC staff members participated in the hands-on workshop, which included filmed presentations and personalized feedback. The next Public Affairs Workgroup meeting is scheduled for November 18.</p> <p>Heather participated in the Member Agency Legislative Coordinators 2015 Planning Session at MET. MET staff reviewed 2014 key legislation on both the state and federal level, shared 2015 legislative expectations, and all MET member agencies were encouraged to share any legislative proposals they might have for 2015.</p> <p>Jessica worked with MET to confirm two local high schools' participation in the 2015 Solar Cup Program. City of Huntington Beach will be sponsoring Coast High School, and Oxford Academy will be doing their own fundraising.</p> <p>Jessica provided water use efficiency marketing materials to Buena Park, Westminster, and San Juan Capistrano.</p>
<b>Community Relations</b>	<p>Director Dick, Darcy and Public Affairs Intern, Bryce Roberto, participated at Senator Huff's Water Forum on October 17.</p> <p>In Reno at the California Nevada Section AWWA's Annual Fall Conference, Darcy presented on the Value of Water.</p> <p>Jessica developed and distributed the October issue of eCurrents newsletter, which included articles on drought, BDCP update, the Napa earthquake, a member agency spotlight on MNWD, and more.</p> <p>Jessica worked with the website developer to create an online speaker request form. The form allows the public to formally request a speaker for upcoming community events.</p> <p>Tiffany, Sarah, Bryce and Carmen implemented MWDOC's social media activities through Facebook, Twitter, and Pinterest.</p>

<b>Community Relations (Continued)</b>	<p>Sarah and Joe staffed a table at Village Nursery's Fall Open House event on October 17. Joe gave a presentation on the drought and rebate programs.</p> <p>Heather participated in the WACO Planning meeting on October 21.</p> <p>On October 23, Heather attended Southern California Water Committee's 30<sup>th</sup> Annual Dinner with guest speaker, Senate President Pro Tem, Kevin de Leon.</p> <p>Director Dick and Heather attended the Orange County Business Council Election Day Lunch on November 4.</p> <p>Jessica updated several pages on the MWDOC website.</p> <p>Jessica coordinated the event logistics, speakers, and event marketing for the October 30 ISDOC luncheon featuring guest speaker, Carolyn Emery of OC LAFCO. Jessica also coordinated two new Associate Memberships in ISDOC: OC Sanitation District and a LA-based law firm. Directors Dick, Finnegan, Osborne, and Hinman attended the luncheon; Jessica and Heather provided staff support.</p> <p>Jessica participated in a GWRS tour and project update with the SAWPA group coordinated by Director Larry McKenney.</p> <p>Jessica is working with accounting staff to get updated Board Compensation figures for posting to MWDOC's Open Government website.</p> <p>Jessica is facilitating a request by CSDA to host a workshop on January 22. As the host agency, MWDOC will receive one complimentary registration for the workshop, "An Introduction to Good Governance Principles."</p>
<b>Education</b>	<p>Jessica and I met with Sean Fitzgerald, Tony Solorzano, and Adam Jacobson of Discovery Science Center to discuss the Water Education School Program bookings. As a follow-up to these discussions, a short presentation was provided at the November 10 PAL Committee meeting.</p> <p>Jessica participated in a workshop hosted by the State Water Resources Control Board on the Drops (Drought Outreach Program for Schools) grant program. Unfortunately, funding is only available for water quality-related construction projects at schools. Jessica shared the information with the OC Stormwater Program as they may be interested from a water quality perspective.</p>
<b>Media Relations</b>	<p><i>Surf City Voice</i> ran an online article on November 3 regarding the upcoming elections and the recent Poseidon poll on desal. MWDOC was mentioned.</p>



<b>Media Relations (Continued)</b>	<p><i>Green Technology News</i> ran an online article regarding recent appointments to the MET Board. Director McKenney was mentioned.</p> <p>Director Barbre participated in a <i>KOCE</i> interview on October 15.</p> <p>Several political blogs referenced the upcoming elections and candidates running for the MWDOC seats.</p> <p>Jessica developed and distributed a press release announcing the launch of MWDOC's new Water Use Efficiency microsite.</p> <p>El Toro Water District developed a press release to announce the 25 million gallons of water saved through their toilet rebate program. ETWD kindly sent the release to MWDOC for review and included a quote by Joe Berg. Jessica reviewed the release and provided input.</p>
<b>Special Projects</b>	<p>Darcy, Jessica, Tiffany and the Public Affairs interns are working on the retirement luncheon for Director Clark. Invitations have been distributed via Constant Contact. The luncheon will be held on November 19 from 11:30 a.m. to 1:00 p.m. in MWDOC's Board Room.</p> <p>Darcy and Jessica are finalizing participation from the Member Agencies and the Three Cities for the Choice portion of the Value of Water Communications effort. A contract extension for Fraser Communications for the Choice portion of the program will be considered at the November Board meeting.</p> <p>Tiffany met one-on-one with all MWDOC interns to discuss goals and objectives for their internship. Tiffany met with Darcy and Jessica to discuss specific goals, objectives, projects and training for Public Affairs interns Sarah Franks, Bryce Roberto and Carmen Frias. Sarah helped develop a goals, objectives, and projects template which each intern filled out prior to the meeting.</p> <p>Tiffany participated with Cathy, Katie and Hilary in the interview process for the vacant Senior Administrative Assistant position. Four candidates were interviewed by this panel.</p> <p>Tiffany and Sarah created two new standard MWDOC PowerPoint templates.</p> <p>Tiffany, Jessica and Sarah assisted Rob in preparing a presentation on Prop 1 – OC Construction Projects for the American Construction Management Association.</p>

<b>Special Projects (Continued)</b>	<p>Tiffany and Bryce gathered final election data and prepared groups in the database for future correspondence.</p> <p>Darcy received the California Nevada Section American Water Works Association's Leadership Award for her work in Operator Certification and as Certification Director. The award was presented at their annual fall conference in Reno.</p> <p>Darcy has been working with Heather Collins from MET in coordinating tours for the upcoming American Water Works Association's Annual Conference in June 2015.</p> <p>Darcy is working with a variety of stakeholders on the validation process for Recycled Water Operator Certification for AWWA.</p> <p>Darcy, Karl and Joe participated on a conference call on media effects on water sales with MET and some of their member agencies.</p> <p>Darcy has begun work on this year's annual report.</p> <p>Director Thomas and Darcy are working on the Orange County Water Summit, 2015. An information item was provided to the Public Affairs and Legislation Committee.</p> <p>Tiffany, Jessica and Darcy participated in several WEROC Staff Trainings.</p> <p>Heather, Jessica, Tiffany and Sarah Franks participated in the Business Communications and Presentations Training lead by Epiphany Media where they learned how to give a professional and effective oral presentation. All four prepared a PowerPoint and presented it to the group while being filmed for critique. Staff from other member agencies – Mesa Water District, East Orange Water District, Irvine Ranch Water District, City of San Juan Capistrano, and Santa Margarita Water District also participated.</p>
<b>Water-Use Efficiency Marketing</b>	<p>Jessica worked with the website developer to complete the water use efficiency microsite, which went live on October 15. The site was debuted at the November 10 PAL Committee meeting.</p> <p>Jessica designed a layout for the 2014 water use efficiency master plan annual report. WUE staff is currently developing the text.</p> <p>Jessica assisted San Juan Capistrano with a custom rebates flyer that will be distributed via mail to local residents.</p>

<b>Legislative Affairs</b>	<p>Heather is in the process of reviewing and updating MWDOC's Legislative Policy Principles for 2015. She is meeting with other MWDOC department managers to review their particular sections for any possible additions and/or deletions. The update will be provided to the Public Affairs and Legislation Committee in December.</p> <p>Heather participated in ACWA's 2015 State Legislative Planning Meeting. Three proposals were shared:</p> <ol style="list-style-type: none"><li>1. Recycled Water, proposed by IRWD</li><li>2. Hexavalent Chromium Drinking Water Standards, proposed by ACWA</li><li>3. CEQA Notices, proposed by Yuba County Water Agency</li></ol> <p>A working group was formed to further discuss the proposal by IRWD. Heather is a member of that working group.</p> <p>While in Sacramento for the ACWA meeting, Heather met with Ron Davis about CalDesal; Dennis O'Connor, Committee Consultant for Senate Natural Resources and Water; and Jonathan Clay, a MET lobbyist.</p> <p>Jessica developed speaking points for Director Dick for Governor Brown's press conference on October 28. She also distributed email invitations to the event to MWDOC contacts. Heather, Jessica &amp; Tiffany attended the press conference.</p> <p>Heather prepared an Election Results hand-out for the November WACO meeting.</p> <p>Heather participated in CalDesal's 2015 proposed legislation conference call.</p>
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**INFORMATION CALENDAR**

**MWDOC GENERAL INFORMATION  
ITEMS**

**MWDOC BOARD OF DIRECTORS**

- Brett R. Barbre
- Larry D. Dick
- Wayne Osborne
- Joan Finnegan
- Wayne A. Clark
- Jeffery M. Thomas
- Susan Hinman