

**MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
Jointly with the  
**ADMINISTRATION & FINANCE COMMITTEE**  
March 13, 2019, 8:30 a.m.  
MWDOC Conference Room 101

**Committee**

Director Thomas, Chair  
Director Finnegan  
Director Osborne

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

Ex Officio Member: Director Barbre

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

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

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

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

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

**PROPOSED BOARD CONSENT CALENDAR ITEMS**

1. TREASURER'S REPORT
  - a. Revenue/Cash Receipt Report – February 2019
  - b. Disbursement Approval Report for the month of March 2019
  - c. Disbursement Ratification Report for the month of February 2019
  - d. GM Approved Disbursement Report for the month of February 2019
  - e. Water Use Efficiency Projects Cash Flow – February 28, 2019
  - f. Consolidated Summary of Cash and Investment – January 2019
  - g. OPEB and Pension Trust Fund monthly statement

2. FINANCIAL REPORT - Combined Financial Statements and Budget Comparative for the Period ending January 31, 2019

### **ACTION ITEMS**

3. METROPOLITAN FUTURE SUPPLY ACTIONS PROGRAM FUNDING AGREEMENTS
4. AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONTRACT TO PROVIDE ASSISTANCE TO WEROC PROGRAM
5. AMENDMENTS TO ADMINISTRATIVE CODE
6. AUTHORIZE ATTENDANCE AT CALIFORNIA WATER ENVIRONMENT ASSOCIATION ANNUAL CONFERENCE, PALM SPRINGS, APRIL 9-12, 2019

### **DISCUSSION ITEMS**

7. FY 2019-20 SECOND DRAFT BUDGET

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

8. PUBLIC HEARING DATE SCHEDULED FOR APRIL 17, 2019 RE ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 47 REGARDING COMPENSATION FOR DIRECTORS
9. DEPARTMENT ACTIVITIES REPORTS
  - a. Administration
  - b. Finance and Information Technology
10. MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

### **OTHER ITEMS**

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

### **ADJOURNMENT**

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

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

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**February 2019**

**WATER REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
02/01/19	Serrano Water District	December 2018 Water deliveries	13,373.07
02/07/19	City of La Habra	December 2018 Water deliveries	1,762.40
02/07/19	Laguna Beach County Water District	December 2018 Water deliveries	204,788.20
02/07/19	Mesa Water	December 2018 Water deliveries	163,737.96
02/08/19	El Toro Water District	December 2018 Water deliveries	319,306.78
02/08/19	South Coast Water District	December 2018 Water deliveries	365,543.23
02/08/19	City of Buena Park	December 2018 Water deliveries	190,543.36
02/08/19	City of Brea	December 2018 Water deliveries	17,684.57
02/08/19	Trabuco Canyon Water District	December 2018 Water deliveries	109,715.88
02/11/19	City of Seal Beach	December 2018 Water deliveries	207,700.43
02/11/19	Santa Margarita Water District	December 2018 Water deliveries	1,176,807.02
02/14/19	City of La Palma	December 2018 Water deliveries	4,280.03
02/14/19	City of Westminster	December 2018 Water deliveries	245,199.02
02/14/19	City of San Juan Capistrano	December 2018 Water deliveries	193,431.45
02/14/19	City of Orange	December 2018 Water deliveries	67,790.44
02/15/19	East Orange County Water District	December 2018 Water deliveries	249,390.95
02/15/19	Golden State Water Company	December 2018 Water deliveries	151,924.86
02/15/19	Yorba Linda Water District	December 2018 Water deliveries	40,641.24
02/15/19	Moulton Niguel Water District	December 2018 Water deliveries	1,544,832.01
02/15/19	Irvine Ranch Water District	December 2018 Water deliveries	467,915.23
02/25/19	City of Fountain Valley	January 2019 Water deliveries	11,913.85
02/26/19	Trabuco Canyon Water District	January 2019 Water deliveries	100,274.02
<b>TOTAL REVENUES</b>			<b>\$ 5,848,556.00</b>

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**February 2019**

**MISCELLANEOUS REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
02/28/19	Yorba Linda Water District	10/11/18 Water Policy dinner	95.00
02/08/19	Kidman Law LLP	2/21/19 Water Policy dinner	360.00
02/20/19	Costa Mesa Sanitary District	2/21/19 Water Policy dinner	90.00
02/21/19	3 Checks	2/21/19 Water Policy dinner	360.00
02/25/19	Eastern Municipal Water District	2/21/19 Water Policy dinner	850.00
02/25/19	Santa Margarita Water District	2/21/19 Water Policy dinner	850.00
02/28/19	Paypal	2/21/19 Water Policy dinner	7,447.38
02/25/19	Square	ISDOC Registrations	183.05
02/28/19	Paypal	ISDOC Registrations	48.63
02/26/19	Keith Lyon	March 2019 Retiree Health insurance	288.99
02/15/19	2 Checks	Movie tickets	51.00
02/21/19	Janice Kovacevic	Movie tickets	34.00
02/08/19	US Bank	Refund of Custodial fee charged to incorrect account	1,625.00
02/25/19	US Bank	CAL Card rebate check	656.35
02/28/19	US Bank	February 2019 interest income	19.06
02/08/19	Orange County Water District	50% of 12/7/18 WACO meeting speakers expense	141.35
02/11/19	City of Santa Ana	Practical Plumbing Handbook	2,630.00
02/08/19	South Coast Water District	Feb 2019-Jan 2020 State Park Lease extension	29,172.15
02/15/19	El Toro Water District	October 2018 Smartimer rebate program	275.80
02/26/19	Irvine Ranch Water District	December 2018 Smartimer rebate program	903.30
02/01/19	City of La Habra	June 2018 Turf Removal rebate program	222.00
02/25/19	City of Newport Beach	October 2018 Turf Removal rebate program	94.75
02/28/19	City of Westminster	December 2018 Turf Removal rebate program	111.00
02/15/19	El Toro Water District	December 2018 Rain Barrels and Turf Removal rebate program	848.00
02/15/19	El Toro Water District	December 2018 So Cal Watersmart rebate program	575.00
02/20/19	Irvine Ranch Water District	December 2018 So Cal Watersmart rebate program	16,327.80
02/21/19	Laguna Beach County Water District	December 2018 So Cal Watersmart rebate program	45.00
02/15/19	El Toro Water District	January 2019 So Cal Watersmart rebate program	230.00
02/26/19	Irvine Ranch Water District	January 2019 So Cal Watersmart rebate program	14,575.00
02/08/19	City of Anaheim	Jul-Dec 2018 School billing	25,788.21
02/11/19	City of Santa Ana	Jul-Dec 2018 School billing	17,070.90
02/15/19	City of Fullerton	Jul-Dec 2018 School billing	411.00
02/07/19	City of Anaheim	FY 18-19 Choice Programs Billing Invoice	1,468.94
02/01/19	City of Fullerton	Water Loss Control technical assistance - WSO, Inc	11,872.00
02/11/19	City of Santa Ana	Water Loss Control technical assistance - WSO, Inc	7,672.00
02/21/19	City of La Habra	Water Loss Control technical assistance - WSO, Inc	11,872.00

TOTAL MISCELLANEOUS REVENUES **\$ 155,264.66**

**TOTAL REVENUES \$ 6,003,820.66**



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of March 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b>Core Expenditures:</b>		
	<b>ACWA Joint Powers</b>	
01-606-08-20-2019	4/1/19-7/1/19 Annual Excess Crime insurance renewal	475.00
	*** Total ***	475.00
	<b>Aleshire &amp; Wynder LLP</b>	
50378	February 2019 Legal services	2,460.00
	*** Total ***	2,460.00
	<b>Association of California Cities</b>	
2346	Washington DC Advocacy trip from Jan. 27-29, 2018 registration for Director Barbre	750.00
	*** Total ***	750.00
	<b>Awards &amp; Trophies Co., Inc.</b>	
646	4 Brass plates engraved for 2/21/19 Water Policy Dinner speaker gifts	38.10
	*** Total ***	38.10
	<b>Best Best and Krieger LLP</b>	
55401-JAN19	January 2019 Legal services	18,277.44
842493	January 2019 State legislative advocacy services	8,707.56
	*** Total ***	26,985.00
	<b>Board of Equalization</b>	
2018	2018 Use tax on purchases	380.70
	*** Total ***	380.70
	<b>California Water Efficiency Partnership</b>	
MD-2019-168	2019 Annual membership renewal	12,166.44
WUETOOL-168	Support for efficiency standards research	15,000.00
	*** Total ***	27,166.44
	<b>Kathy Cole</b>	
022119WPD	Reimbursement for 2/21/19 Water Policy Dinner speaker's airfare	529.96
	*** Total ***	529.96
	<b>Constant Contact Inc.</b>	
XR8WAECAB5119	Renewal for online event registration software	1,050.00
	*** Total ***	1,050.00
	<b>Hunter T. Cook</b>	
JAN-MAR2019	January-March 2019 Retiree medical premium	1,536.00
	*** Total ***	1,536.00
	<b>Eastern Municipal Water District</b>	
29431	MWDOC share of USB flash drives for 2/27/19 Washington, DC briefing luncheon	286.17
	*** Total ***	286.17

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of March 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>G/M Business Interiors</i></b>	
0248949-IN	Humanscale Freedom task chair	715.33
	*** Total ***	715.33
	<b><i>Harbor All Glass &amp; Mirror, Inc.</i></b>	
1451	Window glass replacement for shattered atrium window	829.63
	*** Total ***	829.63
	<b><i>Hashtag Pinpoint Corporation</i></b>	
1185	February 2019 Social Media consultation & services	7,917.00
	*** Total ***	7,917.00
	<b><i>IDS Group Inc.</i></b>	
18X093.00-2	December 2018-January 2019 Seismic retrofit design and project support for MWDOC office and WEROC S. EOC	37,625.67
18X093.01-1	1/9/19-2/15/19 Additional analysis work for seismic retrofit project	1,500.00
	*** Total ***	39,125.67
	<b><i>Independent Special Dist of OC</i></b>	
1/31/19 PAYPAL	1/30/19-2/28/19 PayPal receipts for 1/31/19 meeting	48.63
	*** Total ***	48.63
	<b><i>Information Management Services, LLC</i></b>	
229715	2/19/19-2/18/20 Annual maintenance renewal for binding machine	695.00
	*** Total ***	695.00
	<b><i>Irvine Window Cleaning</i></b>	
3302	1/25/19 Interior and exterior window cleaning	220.00
	*** Total ***	220.00
	<b><i>James C. Barker, P.C.</i></b>	
105-0219	February 2019 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<b><i>Karen's Detail Custom Frames, LLC</i></b>	
3066	Custom framing for 3 resolutions for P. Beard, M. Martinez & M. Camacho	404.06
3067	Custom framing of resolution for K. Cole	134.69
3069	Custom framing for certificate of recognition for the City of San Clemente	102.36
	*** Total ***	641.11
	<b><i>Lawnscape Systems, Inc.</i></b>	
400121	2/20/19 Landscape maintenance for atrium	295.00
	*** Total ***	295.00
	<b><i>Phil Letrong</i></b>	
OCT-DEC2018	October-December 2018 Retiree medical premium	402.00
	*** Total ***	402.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of March 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Lewis Consulting Group</b>	
2019-113	February 2019 Consulting services	2,937.50
	*** Total ***	2,937.50
	<b>Edward G. Means III</b>	
MWDOC-1068	February 2019 Consulting on MET issues and guidance to Engineering staff	2,637.76
	*** Total ***	2,637.76
	<b>NDS</b>	
717086	2/1/19 & 2/15/19 Delivery charges Board packets	344.02
	*** Total ***	344.02
	<b>Office Solutions</b>	
I-01523410	2/8/19 Office supplies	497.93
I-01529765	2/21/19 Office supplies	21.75
I-01531819	2/25/19 Office supplies	7.76
I-01533796	2/25/19 Office supplies	21.75
I-01535250	3/1/19 Office supplies	281.23
	*** Total ***	830.42
	<b>County of Orange</b>	
R927	11/6/18 General Election fees for Division 1	196,135.57
	*** Total ***	196,135.57
	<b>Orange County Dept. of Education</b>	
94MI2992	September-December 2018 Core High School programs	1,474.00
	*** Total ***	1,474.00
	<b>Orange County Water District</b>	
20013	January 2019 50% share of WACO expense	246.93
20015	January 2019 Postage, shared office & maintenance expense	6,839.73
	*** Total ***	7,086.66
	<b>Patricia Kennedy Inc.</b>	
10751	March 2019 Plant maintenance	214.00
	*** Total ***	214.00
	<b>Joey C. Soto</b>	
MWDOC#009	January 2019 Grant research and acquisition assistance	2,998.40
	*** Total ***	2,998.40
	<b>Spectrum Business Centers</b>	
201177	3/19/19-3/19/20 Annual maintenance renewal for Ricoh color copier	350.00
	*** Total ***	350.00



**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of March 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>Staples Advantage</i></b>	
8053216047	2/9/19 Office supplies	20.54
	*** Total ***	20.54
	<b><i>Top Hat Productions</i></b>	
94843	2/5/19 Breakfast and lunch for Leak Detection training	579.70
94852	2/6/19 Breakfast and lunch for Leak Detection training	563.53
91919	2/27/19 Breakfast and lunch for Leak Detection Training	962.85
94922	2/28/19 Breakfast and lunch for Leak Detection Training	962.85
	*** Total ***	3,068.93
	<b><i>WageWorks, Inc.</i></b>	
INV1243901	February 2019 Cafeteria plan administration	196.07
	*** Total ***	196.07
	<b><i>Water Systems Optimization, Inc.</i></b>	
1520	February 2019 Water Loss Control program	1,680.00
	*** Total ***	1,680.00
	<b><i>Total Core Expenditures</i></b>	<b>340,520.61</b>

***Choice Expenditures:***

	<b><i>Discovery Science Center</i></b>	
DSOC/IV/000857	February 2019 Elementary school program	28,504.56
	*** Total ***	28,504.56
	<b><i>Tim Hogan</i></b>	
5819	136,000 Bill inserts and flyers printed for member agencies for Water Use Efficiency rebate programs	2,910.04
	*** Total ***	2,910.04
	<b><i>Mission RCD</i></b>	
2642	January 2019 Field verifications for Water Use Efficiency rebate programs	4,500.00
	*** Total ***	4,500.00
	<b><i>Office Solutions</i></b>	
I-01533185	Binder and dividers for QWEL training classes	352.22
	*** Total ***	352.22
	<b><i>Orange County Dept. of Education</i></b>	
94MI2992	September-December 2018 Choice High School programs	13,113.00
	*** Total ***	13,113.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of March 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Orange County Water District</b>	
20015	January 2019 Postage for Water Use Efficiency rebate programs	217.23
	*** Total ***	217.23
	<b>Top Hat Productions</b>	
94866	2/7/19 Lunch for Water Use Efficiency workgroup meeting	655.12
	*** Total ***	655.12
	<b>Total Choice Expenditures</b>	<hr/> 50,252.17
<b>Other Funds Expenditures:</b>		
	<b>Michael Baker International</b>	
1040356	1/1/19-2/3/19 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan update	437.00
	*** Total ***	437.00
	<b>Mission RCD</b>	
2642	January 2019 Field verifications for Water Use Efficiency rebate programs	4,775.85
2654	February 2019 Field verifications for Water Use Efficiency rebate programs	6,465.93
	*** Total ***	11,241.78
	<b>Office Solutions</b>	
I-01523410	2/8/19 Office supplies for WEROC	9.33
	*** Total ***	9.33
	<b>Staples Advantage</b>	
8053216047	2/9/19 Office supplies	86.30
	*** Total ***	86.30
	<b>Water Systems Optimization, Inc.</b>	
1520	February 2019 Water Loss Control program	4,290.00
	*** Total ***	4,290.00
	<b>Total Other Funds Expenditures</b>	<hr/> 16,064.41
	<b>Total Expenditures</b>	<hr/> <hr/> 406,837.19

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of February 2019**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>Core Disbursements:</b>				
<b>138691</b>	<b>2/5/19</b>	<b>SPECTB</b>	<b>Spectrum Business</b>	
		0375210012019	February 2019 Telephone and internet expense	1,099.14
			***Total ***	1,099.14
<b>138692</b>	<b>2/5/19</b>	<b>VERIZO</b>	<b>Verizon Wireless</b>	
		9822872989	January 2019 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
<b>138695</b>	<b>2/15/19</b>	<b>BUENOC</b>	<b>Alexis Bueno Correa</b>	
		013019	January 2019 Business expense	25.81
			***Total ***	25.81
<b>138703</b>	<b>2/15/19</b>	<b>HEDGES</b>	<b>Steve Hedges</b>	
		013119	January 2019 Business expense	23.20
			***Total ***	23.20
<b>138704</b>	<b>2/15/19</b>	<b>IRONMO</b>	<b>Iron Mountain</b>	
		ALRB263	February 2019 Archived document storage fees	209.70
			***Total ***	209.70
<b>138715</b>	<b>2/15/19</b>	<b>SPECTB</b>	<b>Spectrum Business</b>	
		0343564020119	February 2019 Telephone expense for 3 analog fax lines	108.31
			***Total ***	108.31
<b>138718</b>	<b>2/15/19</b>	<b>USBANK</b>	<b>U.S. Bank</b>	
		0403/4140/5443-JAN19	12/24/18-1/22/19 Cal Card charges	14,642.96
			***Total ***	14,642.96
			(See attached sheet for details)	
<b>ACH003773</b>	<b>2/15/19</b>	<b>ACKEEX</b>	<b>Linda Ackerman</b>	
		013119	January 2019 Business expense	64.96
			***Total ***	64.96
		<b>BAUMHA</b>	<b>Melissa Baum-Haley</b>	
<b>ACH003776</b>	<b>2/15/19</b>	123018A	December 2018 Business expense	16.75
<b>ACH003777</b>	<b>2/15/19</b>	013119	January 2019 Business expense	274.80
			***Total ***	291.55
<b>ACH003778</b>	<b>2/15/19</b>	<b>BERGJO</b>	<b>Joseph Berg</b>	
		013119	January 2019 Business expense	8.29
			***Total ***	8.29
<b>ACH003782</b>	<b>2/15/19</b>	<b>LINGAD</b>	<b>Christopher S. Lingad</b>	
		010219	January 2019 Business expense	33.06
			***Total ***	33.06

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of February 2019**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>ACH003783</b>	<b>2/15/19</b>	<b>CHUMPI 013119</b>	<b>Hilary Chumpitazi</b> January 2019 Business expense ***Total ***	 34.91 34.91
<b>ACH003786</b>	<b>2/15/19</b>	<b>DAVISR 013119</b>	<b>Rachel Davis</b> January 2019 Business expense ***Total ***	 94.25 94.25
<b>ACH003787</b>	<b>2/15/19</b>	<b>DICKEX 013119</b>	<b>Larry Dick</b> January 2019 Business expense ***Total ***	 161.24 161.24
<b>ACH003788</b>	<b>2/15/19</b>	<b>DINHPA 013119</b>	<b>Patrick Dinh</b> January 2019 Business expense ***Total ***	 81.20 81.20
<b>ACH003790</b>	<b>2/15/19</b>	<b>FAHLBE 013119</b>	<b>Beth Fahl</b> January 2019 Business expense ***Total ***	 42.45 42.45
<b>ACH003796</b>	<b>2/15/19</b>	<b>HUNTER 012219</b>	<b>Robert J. Hunter</b> January 2019 Business expense ***Total ***	 78.97 78.97
<b>ACH003805</b>	<b>2/15/19</b>	<b>MULDOO 013119</b>	<b>Traci L. Muldoon</b> January 2019 Business expense ***Total ***	 94.84 94.84
<b>ACH003818</b>	<b>2/15/19</b>	<b>ROBERT 013119</b>	<b>Bryce Roberto</b> January 2019 Business expense ***Total ***	 24.99 24.99
<b>ACH003820</b>	<b>2/15/19</b>	<b>TAMARI 013119</b>	<b>Satoru Tamaribuchi</b> January 2019 Business expense ***Total ***	 226.08 226.08
<b>ACH003821</b>	<b>2/15/19</b>	<b>THOMAS 013119</b>	<b>Jeffery Thomas</b> January 2019 Business expense ***Total ***	 147.90 147.90
<b>ACH003823</b>	<b>2/15/19</b>	<b>WAITER 013119</b>	<b>Rachel Waite</b> January 2019 Business expense ***Total ***	 73.26 73.26
<b>ACH003825</b>	<b>2/15/19</b>	<b>WILSON 013119</b>	<b>Sarah C. Wilson</b> January 2019 Business expense ***Total ***	 154.28 154.28

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of February 2019**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>ACH003827</b>	<b>2/28/19</b>	<b>BACATI</b>	<b>Tiffany Baca</b>	
		013119	January 2019 Business expense	94.60
			***Total ***	94.60
		<b>BAEZHE</b>	<b>Heather Baez</b>	
<b>ACH003828</b>	<b>2/28/19</b>	113018	November 2018 Business expense	107.37
<b>ACH003829</b>	<b>2/28/19</b>	013119	January 2019 Business expense	95.19
			***Total ***	202.56
<b>ACH003830</b>	<b>2/28/19</b>	<b>BUSSLI</b>	<b>Charles Busslinger</b>	
		013119	January 2019 Business expense	147.67
			***Total ***	147.67
<b>ACH003832</b>	<b>2/28/19</b>	<b>FINNEG</b>	<b>Joan Finnegan</b>	
		013119	January 2019 Business expense	117.55
			***Total ***	117.55
<b>ACH003833</b>	<b>2/28/19</b>	<b>HOSTER</b>	<b>Kevin Hostert</b>	
		013119	January 2019 Business expense	51.04
			***Total ***	51.04
<b>ACH003838</b>	<b>2/28/19</b>	<b>SCHNEI</b>	<b>Megan Yoo Schneider</b>	
		013119	January 2019 Business expense	458.31
			***Total ***	458.31
		<b>SECKEL</b>	<b>Karl Seckel</b>	
<b>ACH003840</b>	<b>2/28/19</b>	013119	January 2019 Business expense	93.89
<b>ACH003841</b>	<b>2/28/19</b>	020719	February 2019 Business expense	26.33
<b>ACH003842</b>	<b>2/28/19</b>	123118	December 2018 Business expense	95.76
			***Total ***	215.98
<b>Total Core Disbursements</b>				<b>19,123.09</b>

**Choice Disbursements:**

<b>138718</b>	<b>2/15/19</b>	<b>USBANK</b>	<b>U.S. Bank</b>	
		4140-JAN19	12/24/18-1/22/19 Cal Card charges	14.95
			***Total ***	14.95
			(See attached sheet for details)	
<b>Total Choice Disbursements</b>				<b>14.95</b>

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of February 2019**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Other Funds Disbursements:</b>				
<b>138692</b>	<b>2/5/19</b>	<b>VERIZO</b>	<b>Verizon Wireless</b>	
		9822872989	January 2019 4G Mobile broadband unlimited service	76.02
			***Total ***	76.02
<b>138693</b>	<b>2/15/19</b>	<b>OCWD</b>	<b>Orange County Water District</b>	
		19878	December 2018 Credit for Local Resources program	347,785.68
			***Total ***	347,785.68
<b>138697</b>	<b>2/15/19</b>	<b>ATTCALN</b>	<b>AT&amp;T</b>	
		000012531115	January 2019 WEROC N. & S. EOC telephone expense	205.98
		000012531116	January 2019 WEROC N. EOC telephone expense	106.46
			***Total ***	312.44
<b>138708</b>	<b>2/15/19</b>	<b>MFHETD</b>	<b>Multi Family HET Direct</b>	
		020819PARK NEWPORT	Park Newport LP (Newport Beach)	119,700.00
			***Total ***	119,700.00
<b>138712</b>	<b>2/15/19</b>	<b>SCHUNK</b>	<b>Janine Schunk</b>	
		013119	January 2019 Business expense	151.92
			***Total ***	151.92
<b>ACH003778</b>	<b>2/15/19</b>	<b>BERGJO</b>	<b>Joseph Berg</b>	
		013119	January 2019 Business expense	4.50
			***Total ***	4.50
<b>ACH003819</b>	<b>2/15/19</b>	<b>SOTOFR</b>	<b>Francisco Soto</b>	
		013119	January 2019 Business expense	159.78
			***Total ***	159.78
		<b>DRIPPR</b>	<b>Spray to Drip Program</b>	
<b>138719</b>	<b>2/27/19</b>	S2D2-R-YLWD-27024-13261	J. Yu	270.00
<b>138720</b>	<b>2/27/19</b>	S2D2-R-ETWD-26972-14282	B. Phan	90.00
<b>138721</b>	<b>2/27/19</b>	S2D2-R-IRWD-29202-15293	E. Baklova	430.00
<b>138722</b>	<b>2/27/19</b>	S2D2-R-FV-27015-15297	S. Mansuri	270.00
			***Total ***	1,060.00
		<b>TURFRP</b>	<b>Turf Removal Program</b>	
<b>138723</b>	<b>2/27/19</b>	TR10-C-FV-13340-13290	Allen Tire Company (Fountain Valley)	1,343.88
<b>138724</b>	<b>2/27/19</b>	TR11-C-YLWD-26538-26453	City of Placentia	27,646.00
<b>138725</b>	<b>2/27/19</b>	TR12-R-FV-27015-26937	S. Mansuri	3,710.00
<b>138726</b>	<b>2/27/19</b>	TR12-R-SM-28081-28005	S. Moncrief	2,577.00
<b>138727</b>	<b>2/27/19</b>	TR12-R-SM-28093-28017	L. Buscemi-Beebe	1,503.00
<b>138728</b>	<b>2/27/19</b>	TR12-R-IRWD-28103-28025	U. Jha	308.00
<b>138729</b>	<b>2/27/19</b>	TR12-R-YLWD-27024-28028	J. Yu	1,468.00
<b>138730</b>	<b>2/27/19</b>	TR12-R-MESA-28125-28051	C. Newtran	1,067.35
<b>138731</b>	<b>2/27/19</b>	TR12-R-MNT-29159-29082	D. Walker	882.83
<b>138732</b>	<b>2/27/19</b>	TR12-R-SM-29213-29134	K. Vu	915.22
<b>138733</b>	<b>2/27/19</b>	TR12-R-MNT-29221-29142	M. Scott	1,772.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of February 2019**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
138734	2/27/19	TR12-C-IRWD-35267-35193	Brittanywoods Community Assn (Costa Mesa)	1,771.20
138735	2/27/19	TR12-R-IRWD-26945-35195	S. Wen	1,598.00
138736	2/27/19	TR12-R-IRWD-35274-35204	D. Lam	667.14
138737	2/27/19	TR12-R-MNT-35282-35211	J. Hill	764.00
138738	2/27/19	TR12-R-IRWD-35289-35218	P. Broccardo	710.00
138739	2/27/19	TR12-R-IRWD-35293-35221	K. Barcelona	252.00
138740	2/27/19	TR12-R-IRWD-35294-35222	S. Kotapati	508.00
138741	2/27/19	TR12-R-MNT-35310-35235	D. Primer	2,124.00
138742	2/27/19	TR12-R-MNT-35315-35240	Q. Nguyen	1,218.00
138743	2/27/19	TR12-R-MNT-35316-35241	J. Fimreite	3,274.00
138744	2/27/19	TR12-R-IRWD-35317-35242	P. Chemmanoor	569.00
138745	2/27/19	TR12-R-IRWD-35319-35244	V. Arya	1,500.00
138746	2/27/19	TR12-R-IRWD-26815-35251	I. Widarto	295.00
138747	2/27/19	TR12-R-IRWD-35266-	V. Meitzler	371.00
			***Total ***	58,814.62
138752	2/28/19	MFHETD 022119ACI	<b>Multi Family HET Direct</b> AvalonBay Communities, Inc. (Mission Viejo)	7,720.00
			***Total ***	7,720.00
138753	2/28/19	SANTI1 DEC2018	<b>Santiago Aqueduct Commission</b> December 2018 SAC Pipeline operation surcharge	3,048.76
			***Total ***	3,048.76
ACH003843	2/28/19	SANTAM DEC2018	<b>Santa Margarita Water District</b> December 2018 SCP Pipeline operation surcharge	19,961.73
			***Total ***	19,961.73
WIRE-190228	2/28/19	METWAT 9590	<b>Metropolitan Water District</b> December 2018 Water deliveries	6,656,303.20
			***Total ***	6,656,303.20
			<b>Total Other Funds Disbursements</b>	7,215,098.65
			<b>Total Disbursements</b>	7,234,236.69



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

**Cal Card Charges**  
**Statement Date: January 22, 2019**  
**Payment Date: February 15, 2019**

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<b><u>Public Affairs</u></b>		
01/05/19	2 Easel display stands for signs and posters	\$ 76.10
01/08/19	Printing and folders for Introduction to Water booklets	394.41
01/09/19	International Association of Business Communicators Gold Quill Awards entry fee for MWDOC website	350.00
01/15/19	California Association of Public Information Officials membership renewal for T. Baca	225.00
	<b>Total</b>	<b><u>\$ 1,045.51</u></b>



**Cal Card Charges**  
**Statement Date: January 22, 2019**  
**Payment Date: February 15, 2019**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b><u>K. Seckel Card</u></b>		
12/24/18	UPS delivery charges for Board packets on Dec.14, 2018	\$ 22.20
12/24/18	11/24/18-12/23/18 Web hosting service for MWD OC website	15.65
12/31/18	UPS delivery charges for Board packets on Dec.26, 2018	80.21
01/01/19	1/01/19-1/31/19 E-mail service for California Sprinkler Adjustment Notification System	14.95
01/02/19	CalDesal Annual conference in Cathedral City, CA from Feb. 7-8, 2019 - Registration for C. Busslinger	250.00
01/04/19	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Airfare for H. Baez	759.61
01/04/19	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Airfare for M. Baum Haley	772.55
01/04/19	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Registration for H. Baez	690.00
01/04/19	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Registration for M. Baum Haley	690.00
01/07/19	Office supplies from Costco	348.86
01/07/19	UPS delivery charges for Board packets on Jan. 4, 2019	7.40
01/07/19	Legislative Activities in Sacramento, CA from Jan. 16-17, 2019 - Airfare for H. Baez	529.96
01/09/19	California Irrigation Institute Annual conference in Sacramento, CA from Feb. 3-5, 2019 - Airfare for R. Waite	258.97
01/11/19	Lunch for Administration staff meeting	115.28
01/11/19	Food for staff development meeting	32.50
01/12/19	Federal Express delivery charges for Board packets on Feb. 10, 2019	57.28
01/14/19	Software to print and file IRS 1099 forms for Water Use Efficiency rebates	184.00
01/14/19	UPS delivery charges for Board packets on Jan. 4 & 11, 2019	66.46
01/15/19	California Irrigation Institute Annual conference in Sacramento, CA from Feb. 3-5, 2019 - Registration for R. Waite	225.00
01/16/19	Federal Express delivery charges for Lewis Consulting, Best, Best & Krieger, James Barker and CDM Smith on Jan. 14, 2019	95.35
01/17/19	Legislative Activities in Sacramento, CA from Jan. 16-17, 2019 - Accommodations for H. Baez	575.64
01/21/19	Federal Express delivery charges for Best, Best & Krieger and James Barker on Jan. 16 & 17, 2019	53.80
01/21/19	UPS delivery charges for Board packets on Jan. 11 & 17, 2019	88.22
<b>Total</b>		<b><u>\$ 5,933.89</u></b>

**Cal Card Charges**  
**Statement Date: January 22, 2019**  
**Payment Date: February 15, 2019**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b><u>R. Hunter Card</u></b>		
12/24/18-1/22/19	Meals for R. Hunter's meetings	\$ 86.14
01/02/19	Association of California Cities Orange County Washington DC Advocacy trip in Washington, DC from Jan. 27-29, 2019 - Airfare for Director Tamaribuchi	503.60
01/04/19	ACWA DC conference in Washington, DC from Feb. 26-28, 2019 - Registration for R. Hunter	690.00
01/04/19	Westin Hotel room rental, food and parking for off-site Special Board meeting on Jan. 5, 2019	1,262.22
01/08/19	Urban Water Institute conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Registration for Director Tamaribuchi	375.00
01/08/19	Legislative Activities in Washington, DC from Feb. 26-28, 2019 - Airfare for Director Barbre	1,498.60 <sup>1</sup>
01/08/19	Legislative Activities in Washington, DC from Jan. 9-11, 2019 - Airfare for R. Hunter	896.00
01/09/19	Legislative Activities in Washington, DC from Jan. 9-11, 2019 - Transportation for R. Hunter	20.68
01/09/19	Binding machine supplies	57.08
01/10/19	Legislative Activities in Washington, DC from Jan. 9-11, 2019 - Accommodations for Director Barbre	873.67 <sup>2</sup>
01/11/19	Legislative Activities in Washington, DC from Jan. 9-11, 2019 - Accommodations for R. Hunter	411.52
01/11/19	Legislative Activities in Washington, DC from Jan. 9-11, 2019 - Parking for R. Hunter	54.00
01/12/19	Orange County Business Council Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Registration for Director Yoo Schneider	950.00
<b>Total</b>		<b><u>\$ 7,678.51</u></b>

- <sup>1</sup> Flight canceled, funds available for future travel
- <sup>2</sup> Director Barbre reimbursed MWDOC \$298.67

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the month of February 2019**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Disbursements:</b>				
ACH003839	2/28/19	SCWC 005	So. Cal. Water Committee K. Cole Award of Excellence sponsorship	500.00
			***Total ***	500.00
			<b>Total Core Disbursements</b>	<u>500.00</u>
<b>Choice Disbursements:</b>				
			<b>Total Choice Disbursements</b>	<u>-</u>
<b>Other Funds Disbursements:</b>				
			<b>Total Other Funds Disbursements</b>	<u>-</u>
			<b>Total Disbursements</b>	<u><u>500.00</u></u>



Robert J. Hunter, General Manager



Hilary Chumoitazi, Treasurer

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

**Municipal Water District of Orange County  
WATER USE EFFICIENCY PROJECTS**  
Cash Flow as of 02/28/19

	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	TOTALS
<b>Cash - Beginning Balance</b>	\$ 280,051.97	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (196,856.62)	\$ (196,856.62)	\$ (196,856.62)	\$ (196,856.62)	
<b>REVENUES:</b>													
BUREC	4,605.00	111.00		102,395.93			162,953.35						\$ 270,065.28
City of Brea													-
City of Buena Park	222.00	222.00											222.00
City of Fountain Valley			1,376.29	663.05	111.00		222.00						2,594.34
City of Fullerton													-
City of Garden Grove													-
City of Huntington Beach	598.99			40.00									638.99
City of La Habra	222.00												444.00
City of San Clemente	3,244.99	9,442.99					3,694.36	222.00					22,623.33
City of San Juan Capistrano				1,683.99	3,312.00	1,245.00							-
City of Santa Ana													-
City of Tustin													-
City of Newport Beach		3,343.80		1,980.57		2,314.05	91.45	94.75					7,824.62
City of Orange	444.00		913.75	1,134.10	173.85	428.00	111.00						3,204.70
City of Westminster	333.00	539.00	555.00		666.00			111.00					2,204.00
County of Orange													-
Department of Water Resources	32,990.80												32,990.80
East Orange County Water District													-
El Toro Water District		774.00		2,544.00	4,063.10	290.00	104.00	1,928.80					9,703.90
Irvine Ranch Water District	8,271.11	47,878.73		11,080.04	98,495.70	108,960.16	11,960.75	31,806.10					318,472.59
Laguna Beach County Water District		15.00				30.00		45.00					90.00
Mesa Water District	66.82	197.98	170.00	140.00		356.00							930.80
Metropolitan Water District		191,093.43				27,066.04	14,020.41	204,594.98					436,764.86
Moulton Niguel Water District	38,341.68	7,726.23	10,281.98	10,872.48	21,400.00	32,011.70	53,277.39						173,911.46
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District		605.76		18.98	100.00								724.74
Yorba Linda Water District		284.07											284.07
<b>Miscellaneous Revenues</b>													
Miscellaneous													-
Interest Revenue	2,228.14			1,587.30									3,815.44
<b>Total Revenues</b>	91,568.53	262,233.99	13,297.02	134,144.40	128,321.65	172,720.95	246,434.71	238,792.63	-	-	-	-	\$ 1,287,509.92
<b>EXPENDITURES:</b>													
Budget Based Tiered Rates, Ratfells	2,220.00	1,050.00	1,800.00	11,960.00	730.00	5,150.00	2,080.00						24,990.00
Droplet													-
IRWD													-
Golden State Water Company													-
City of Huntington Beach													-
Laguna Beach CWD													-
Metropolitan Water District	28,091.13		25,193.39	87,250.95	24,411.51		2,324.45	2,121.45					164,946.98
Mission RCD		20,060.11	18,627.78	13,404.64	2,770.71								59,309.14
Multi Family HET Direct			4,800.00		75,975.00	100,275.00	81,300.00	127,420.00					389,770.00
Pollard Water		44,516.38			3,045.00			3,045.00					50,606.38
Recycled Water On Site Retrofit program			11,099.50	1,384.50									12,484.00
South Coast Water District					18,800.00								18,800.00
Spray to Drip program	690.45	4,310.08	5,308.76	1,129.60	1,320.58	413.25	567.80	1,060.00					14,800.52
SMWD	34,905.00												34,905.00
Turf Removal	32,139.00	58,464.60	177,399.11	117,228.82	337,478.95	30,263.28	154,566.83	58,814.62					966,355.21
Water Savings Incentive Program							15,000.00						15,000.00
<b>Miscellaneous Expenses</b>													
Interest Expense							67.77						67.77
Salary & Benefit			5,563.51	1,700.00	1,785.00	1,275.00	2,040.00						12,363.51
<b>Total Expenditures</b>	98,045.58	128,401.17	249,792.05	234,068.51	466,316.75	137,376.53	257,946.85	192,461.07	-	-	-	-	\$ 1,764,398.51
<b>Cash - Ending Balance</b>	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (196,856.62)	\$ (196,856.62)	\$ (196,856.62)	\$ (196,856.62)	\$ (196,856.62)	



**Municipal Water District of Orange County**  
**Consolidated Summary of Cash and Investment**  
January 31, 2019

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)

Brett R. Barbre  
President

Joan C. Finnegan  
Vice President

Larry D. Dick  
Director

Wayne S. Osborne  
Director

Megan Yoo Schneider  
Director

Sat Tamaribuchi  
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
<b>Designated Reserves</b>		
General Operations	\$3,341,910	20.34%
Grant & Project Cash Flow	1,500,000	9.13%
Election Expense	608,000	3.70%
Building Repair	385,408	2.35%
OPEB	297,147	1.81%
<b>Total Designated Reserves</b>	<b>6,132,465</b>	<b>37.33%</b>
<b>General Fund</b>	<b>7,800,691</b>	<b>47.45%</b>
<b>Water Fund</b>	<b>2,489,437</b>	<b>15.15%</b>
<b>Conservation Fund</b>	<b>(243,188)</b>	<b>(1.48%)</b>
<b>Desalination Feasibility Study Fund</b>	<b>(145,268)</b>	<b>(0.88%)</b>
<b>WEROC Fund</b>	<b>369,943</b>	<b>2.25%</b>
<b>Trustee Activities</b>	<b>29,074</b>	<b>0.18%</b>
<b>Total</b>	<b>\$16,433,154</b>	<b>100.00%</b>

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.57%	\$93,162	\$93,162
Short-term investment			
• LAIF	56.37%	\$9,263,895	\$9,263,895
• OCIP	24.18%	3,973,609	3,973,609
Long-term investment			
• Corporate Bond	7.01%	1,152,488	1,130,481
• Certificates of Deposit	11.87%	1,950,000	1,941,163
<b>Total</b>	<b>100.00%</b>	<b>\$16,433,154</b>	<b>\$16,402,310</b>

The average number of days to maturity/call as of January 31, 2019 equaled 153 and the average yield to maturity is 2.288%. During the month, the District's average daily balance was \$25,369,592.05. 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 January 2019.

The (\$30,844) difference between the book value and the market value on January 31, 2019 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

January 31, 2019

1/31/2019	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,941,163.00	1,950,000.00	11.94	851	2.504
Corporate Bond	1,150,000.00	1,130,481.00	1,152,488.09	7.04	724	2.290
Local Agency Investment Funds	9,263,895.52	9,263,895.52	9,263,895.52	56.70	1	2.346
Orange County Investment Pool	3,973,608.73	3,973,608.73	3,973,608.73	24.32	1	2.045
<b>Total Investments</b>	<b>16,337,504.25</b>	<b>16,309,148.25</b>	<b>16,339,992.34</b>	<b>100.00</b>	<b>153</b>	<b>2.288</b>
<b>Cash</b>						
Cash	93,161.90	93,161.90	93,161.90		1	0.00
<b>Total Cash and Investments</b>	<b>16,430,666.15</b>	<b>16,402,310.15</b>	<b>16,433,154.24</b>		<b>153</b>	<b>2.288</b>

Total Earnings	Month Ending January	Fiscal Year to Date
Current Year	48,167.63	346,017.01
Average Daily Balance	25,369,592.05	
Effective Rate of Return	2.288%	

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. Per Resolution 2059 there are no compliance exceptions to report.

  
Robert J. Hunter, General Manager

Date

3-6-19

  
Hilary Chumtazi, Treasurer

Date

03/06/2019

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**January 31, 2019**

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Negotiable Certificate Of Deposit</b>									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	243,035.00	250,000.00	2.250	2.250	1,335	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,492.50	250,000.00	1.950	1.950	215	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	195,988.00	200,000.00	2.000	2.000	897	7/16/2021
Discover Bank	254673RVO	7/25/2018	250,000.00	251,370.00	250,000.00	3.300	3.300	1,636	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	251,862.50	250,000.00	3.350	3.350	1,650	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	251,075.00	250,000.00	3.250	2.534	171	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	248,755.00	250,000.00	2.500	2.500	732	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,565.00	250,000.00	2.050	2.050	180	7/30/2019
<b>Sub Total</b>			<b>1,950,000.00</b>	<b>1,941,163.00</b>	<b>1,950,000.00</b>	<b>2.596</b>	<b>2.504</b>	<b>851</b>	
<b>Corporate Bond</b>									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	496,845.00	500,454.64	2.250	2.152	326	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	189,820.00	200,000.00	2.500	2.500	1,261	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	248,140.00	250,608.97	2.550	2.409	676	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	195,676.00	201,424.48	2.500	2.278	1,244	6/28/2022
<b>Sub Total</b>			<b>1,150,000.00</b>	<b>1,130,481.00</b>	<b>1,152,488.09</b>	<b>2.402</b>	<b>2.290</b>	<b>724</b>	
<b>Total Investments</b>			<b>3,100,000.00</b>	<b>3,071,644.00</b>	<b>3,102,488.09</b>	<b>2.524</b>	<b>2.425</b>	<b>804</b>	
<b>Total Earnings</b>									
Current Year		<b>Month Ending January</b>	<b>6,355.01</b>	<b>Fiscal Year To Date</b>	<b>43,116.73</b>				

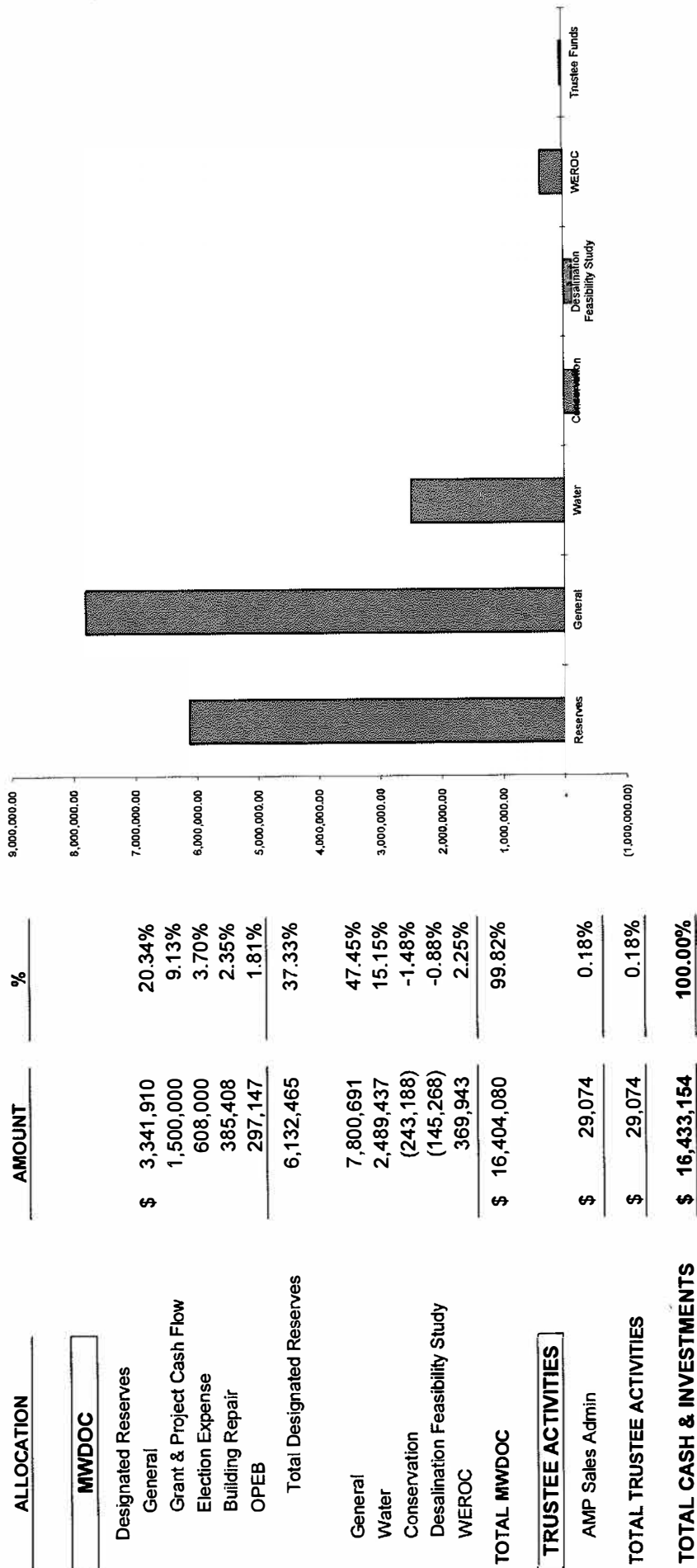


**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**January 31, 2019**

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	9,263,895.52	9,263,895.52	9,263,895.52	2.346	2.346	1	N/A
<b>Sub Total</b>			<b>9,263,895.52</b>	<b>9,263,895.52</b>	<b>9,263,895.52</b>	<b>2.346</b>	<b>2.346</b>	<b>1</b>	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	3,973,608.73	3,973,608.73	3,973,608.73	2.045	2.045	1	N/A
<b>Sub Total</b>			<b>3,973,608.73</b>	<b>3,973,608.73</b>	<b>3,973,608.73</b>	<b>2.045</b>	<b>2.045</b>	<b>1</b>	
<b>Total Investments</b>			<b>13,237,504.25</b>	<b>13,237,504.25</b>	<b>13,237,504.25</b>	<b>2.256</b>	<b>2.256</b>		
<b>Cash</b>									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASH/USBANK	7/25/2018	92,661.90	92,661.90	92,661.90	0.000	0.000	1	N/A
<b>Total Cash</b>			<b>93,161.90</b>	<b>93,161.90</b>	<b>93,161.90</b>	<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Total Cash and Investments</b>			<b>13,330,666.15</b>	<b>13,330,666.15</b>	<b>13,330,666.15</b>	<b>2.256</b>	<b>2.256</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year		Month Ending January	41,812.62	Fiscal Year To Date	302,900.28				



**Municipal Water District of Orange County  
Cash and Investments at January 31, 2019**



**MUNICIPAL WATER DIST OF ORANGE COUNTY**  
**PARS Post-Employment Benefits Trust****Account Report for the Period**  
**1/1/2019 to 1/31/2019**Rob Hunter  
General Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 1/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 1/31/2019
OPEB	\$1,983,617.42	\$0.00	\$105,010.39	\$413.26	\$0.00	\$0.00	\$2,088,214.55
PENSION	\$194,946.06	\$0.00	\$10,320.24	\$40.61	\$0.00	\$0.00	\$205,225.69
<b>Totals</b>	<b>\$2,178,563.48</b>	<b>\$0.00</b>	<b>\$115,330.63</b>	<b>\$453.87</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,293,440.24</b>

**Investment Selection****Source**

OPEB	<b>Moderate HighMark PLUS</b>
PENSION	<b>Moderate HighMark PLUS</b>

**Investment Objective****Source**

OPEB	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.
PENSION	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**

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	5.29%	2.34%	-1.29%	7.87%	5.22%	-	10/26/2011
PENSION	5.29%	2.34%	-	-	-	-	7/31/2018

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.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**COMBINED FINANCIAL STATEMENTS**  
**AND**  
**BUDGET COMPARATIVE**  
**JULY 1, 2018 THRU JANUARY 31, 2019**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of January 31, 2019**

<b><u>ASSETS</u></b>	<b>Amount</b>
Cash in Bank	93,161.90
Investments	16,339,992.34
Accounts Receivable	13,564,876.79
Accounts Receivable - Other	236,027.15
Accrued Interest Receivable	68,352.74
Prepays/Deposits	301,539.87
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	(2,967,039.90)
<b>TOTAL ASSETS</b>	<b><u>\$31,936,047.91</u></b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>Liabilities</b>	
Accounts Payable	14,676,852.02
Accounts Payable - Other	390.85
Accrued Salaries and Benefits Payable	349,053.55
Other Liabilities	313,799.84
Unearned Revenue	954,311.68
Total Liabilities	<u>16,294,407.94</u>
 <b>Fund Balances</b>	
Restricted Fund Balances	
Water Fund - T2C	995,998.02
Total Restricted Fund Balances	<u>995,998.02</u>
Designated Reserves	
General Operations	3,341,910.36
Grant & Project Cash Flow	1,500,000.00
Election Expense	608,000.00
Building Repair	385,407.45
OPEB	297,147.00
Total Designated Reserves	<u>6,132,464.81</u>
General Fund	3,071,799.80
General Fund Capital	525,009.00
WEROC Capital	115,298.58
WEROC	183,846.12
Total Unrestricted Fund Balances	<u>10,028,418.31</u>
Excess Revenue over Expenditures	
Operating Fund	4,890,115.64
Other Funds	(272,892.00)
Total Fund Balance	<u>15,641,639.97</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$ 31,936,047.91</u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July 2018 thru January 2019**

	<b>Month to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>% Used</b>	<b>Encumbrance</b>	<b>Budget Remaining</b>
<b><u>REVENUES</u></b>						
Retail Connection Charge	0.00	7,697,005.75	7,697,006.00	100.00%	0.00	0.25
Ground Water Customer Charge	0.00	499,012.00	499,012.00	100.00%	0.00	0.00
Water rate revenues	0.00	8,196,017.75	8,196,018.00	100.00%	0.00	0.25
Interest Revenue	46,580.37	332,348.11	390,000.00	85.22%	0.00	57,651.89
Subtotal	46,580.37	8,528,365.86	8,586,018.00	99.33%	0.00	57,652.14
Choice Programs	0.00	1,084,394.86	1,174,750.00	92.31%	0.00	90,355.14
Miscellaneous Income	(44.76)	3,210.07	3,000.00	107.00%	0.00	(210.07)
School Contracts	7,878.87	42,406.98	102,031.00	41.56%	0.00	59,624.02
Gain on Sale of Investments	0.00	3.61	0.00		0.00	(3.61)
Transfer-In From Reserve	0.00	0.00	5,276.00	0.00%	0.00	5,276.00
Subtotal	7,834.11	1,130,015.52	1,285,057.00	87.94%	0.00	155,041.48
<b>TOTAL REVENUES</b>	<b>54,414.48</b>	<b>9,658,381.38</b>	<b>9,871,075.00</b>	<b>97.85%</b>	<b>0.00</b>	<b>212,693.62</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July 2018 thru January 2019**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>EXPENSES</u></b>						
Salaries & Wages	309,774.52	2,055,034.06	3,522,982.00	58.33%	0.00	1,467,947.94
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(1,713.60)	(6,426.00)	0.00	0.00%	0.00	6,426.00
Director's Compensation	19,334.08	112,885.93	255,360.00	44.21%	0.00	142,474.07
MWD Representation	12,473.60	72,465.58	145,920.00	49.66%	0.00	73,454.42
Employee Benefits	111,114.30	627,345.53	1,108,564.00	56.59%	0.00	481,218.47
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Employee Benefits - Grant Recovery	0.00	(875.57)	0.00	0.00%	0.00	875.57
Employee Benefits - Recovery	(326.40)	(1,224.00)	0.00	0.00%	0.00	1,224.00
Director's Benefits	8,127.68	52,189.73	94,767.00	55.07%	0.00	42,577.27
Health Insurance for Retirees	6,026.24	37,503.79	70,519.00	53.18%	0.00	33,015.21
Training Expense	3,462.50	6,423.28	25,000.00	25.69%	0.00	18,576.72
Tuition Reimbursement	0.00	2,856.28	5,000.00	57.13%	0.00	2,143.72
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	468,272.92	3,161,340.67	5,433,812.00	58.18%	0.00	2,272,471.33
Engineering Expense	8,428.75	210,746.73	330,000.00	63.86%	113,679.67	5,573.60
Legal Expense	18,884.94	103,350.19	255,000.00	40.53%	151,649.81	0.00
Audit Expense	0.00	19,380.00	29,000.00	66.83%	0.00	9,620.00
Professional Services	110,984.76	504,703.03	1,430,758.00	35.28%	634,256.67	291,798.30
Professional Fees	138,298.45	838,179.95	2,044,758.00	40.99%	899,586.15	306,991.90
Conference-Staff	2,320.00	12,436.81	42,880.00	29.00%	0.00	30,443.19
Conference-Directors	2,651.00	8,281.81	24,930.00	33.22%	0.00	16,648.19
Travel & Accom.-Staff	4,564.01	26,247.64	99,600.00	26.35%	0.00	73,352.36
Travel & Accom.-Directors	1,770.32	16,315.49	51,750.00	31.53%	0.00	35,434.51
Travel & Conference	11,305.33	63,281.75	219,160.00	28.87%	0.00	155,878.25
Membership/Sponsorship	2,380.00	118,482.36	141,662.00	83.64%	0.00	23,179.64
CDR Support	11,761.07	35,283.21	47,044.00	75.00%	11,761.05	(0.26)
Dues & Memberships	14,141.07	153,765.57	188,706.00	81.48%	11,761.05	23,179.38
Business Expense	336.43	1,843.02	5,600.00	32.91%	0.00	3,756.98
Maintenance Office	6,599.51	56,874.98	132,796.00	42.83%	72,532.18	3,388.84
Building Repair & Maintenance	1,363.03	6,762.07	20,000.00	33.81%	14,562.56	(1,324.63)
Storage Rental & Equipment Lease	209.70	1,465.80	3,460.00	42.36%	994.20	1,000.00
Office Supplies	2,149.11	15,855.41	36,000.00	44.04%	1,878.42	18,266.17
Postage/Mail Delivery	961.78	5,748.22	9,000.00	63.87%	2,279.39	972.39
Subscriptions & Books	0.00	375.65	1,500.00	25.04%	0.00	1,124.35
Reproduction Expense	702.41	5,968.46	33,073.00	18.05%	1,102.21	26,002.33
Maintenance-Computers	360.35	2,802.54	8,000.00	35.03%	1,250.94	3,946.52
Software Purchase	869.20	30,946.90	45,861.00	67.48%	0.00	14,914.10
Software Support	1,483.26	27,240.85	51,934.00	52.45%	1,200.00	23,493.15
Computers and Equipment	0.00	9,041.24	11,850.00	76.30%	0.00	2,808.76
Automotive Expense	2,252.64	11,496.24	17,262.00	66.60%	0.00	5,765.76
Toll Road Charges	119.46	583.82	1,000.00	58.38%	0.00	416.18
Insurance Expense	8,787.18	63,590.73	138,500.00	45.91%	0.00	74,909.27
Utilities - Telephone	1,960.85	13,102.90	20,178.00	64.94%	673.32	6,401.78
Bank Fees	0.00	4,079.87	21,225.00	19.22%	0.00	17,145.13
Miscellaneous Expense	6,445.61	47,093.89	119,205.00	39.51%	0.00	72,111.11
MWDOC's Contrb. to WEROC	15,948.33	137,126.35	216,868.00	63.23%	0.00	79,741.65
Depreciation Expense	2,822.34	19,756.35	0.00	0.00%	0.00	(19,756.35)
Other Expenses	53,371.19	461,755.29	893,312.00	51.69%	96,473.22	335,083.49
Election Expense	0.00	0.00	304,000.00	0.00%	0.00	304,000.00
Building Expense	49,640.67	76,428.08	531,827.00	14.37%	138,657.33	316,741.59
Capital Acquisition	0.00	13,514.43	255,500.00	5.29%	0.00	241,985.57
<b>TOTAL EXPENSES</b>	<b>735,029.63</b>	<b>4,768,265.74</b>	<b>9,871,075.00</b>	<b>48.31%</b>	<b>1,146,477.75</b>	<b>3,956,331.51</b>
<b>NET INCOME (LOSS)</b>	<b>(680,615.15)</b>	<b>4,890,115.64</b>	<b>0.00</b>			

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**From July 2018 thru January 2019**

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<b><u>WATER REVENUES</u></b>					
Water Sales	5,303,769.20	98,276,819.30	188,976,940.00	52.00%	90,700,120.70
Readiness to Serve Charge	839,273.57	6,258,836.45	10,902,178.00	57.41%	4,643,341.55
Capacity Charge CCF	299,996.67	2,227,481.67	3,854,976.00	57.78%	1,627,494.33
SCP/SAC Pipeline Surcharge	21,964.04	207,160.77	365,000.00	56.76%	157,839.23
Interest	1,877.00	12,095.49	13,000.00	93.04%	904.51
<b>TOTAL WATER REVENUES</b>	<b>6,466,880.48</b>	<b>106,982,393.68</b>	<b>204,112,094.00</b>	<b>52.41%</b>	<b>97,129,700.32</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	5,303,769.20	98,276,819.30	188,976,940.00	52.00%	90,700,120.70
Readiness to Serve Charge	839,273.57	6,258,836.45	10,902,178.00	57.41%	4,643,341.55
Capacity Charge CCF	299,996.67	2,227,481.67	3,854,976.00	57.78%	1,627,494.33
SCP/SAC Pipeline Surcharge	21,964.04	207,160.77	365,000.00	56.76%	157,839.23
<b>TOTAL WATER PURCHASES</b>	<b>6,465,003.48</b>	<b>106,970,298.19</b>	<b>204,099,094.00</b>	<b>52.41%</b>	<b>97,128,795.81</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>1,877.00</b>	<b>12,095.49</b>	<b>13,000.00</b>		

**Municipal Water District of Orange County**  
**WUE Revenues and Expenditures (Actuals vs Budget)**  
**From July 2018 thru January 2019**

	Year to Date Actual	Annual Budget	% Used
<b>Spray To Drip Conversion</b>			
Revenues	15,562.06	128,540.00	12.11%
Expenses	<u>16,761.10</u>	<u>128,540.00</u>	13.04%
Excess of Revenues over Expenditures	(1,199.04)	0.00	
<b>Member Agency Administered Passthru</b>			
Revenues	408,570.00	100,000.00	408.57%
Expenses	<u>281,150.00</u>	<u>100,000.00</u>	281.15%
Excess of Revenues over Expenditures	127,420.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	10,748.34	43,500.00	24.71%
Expenses	<u>10,748.34</u>	<u>43,500.00</u>	24.71%
Excess of Revenues over Expenditures	0.00	0.00	
<b>HECW Rebate Program</b>			
Revenues	144,532.54	425,000.00	34.01%
Expenses	<u>144,571.89</u>	<u>425,000.00</u>	34.02%
Excess of Revenues over Expenditures	(39.35)	0.00	
<b>CII Rebate Program</b>			
Revenues	109,347.21	462,500.00	23.64%
Expenses	<u>109,230.00</u>	<u>462,500.00</u>	23.62%
Excess of Revenues over Expenditures	117.21	0.00	
<b>Turf Removal Program</b>			
Revenues	438,115.85	1,345,000.00	32.57%
Expenses	<u>928,088.56</u>	<u>1,345,000.00</u>	69.00%
Excess of Revenues over Expenditures	(489,972.71)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	65,600.84	366,840.00	17.88%
Expenses	<u>92,298.04</u>	<u>366,840.00</u>	25.16%
Excess of Revenues over Expenditures	(26,697.20)	0.00	
<b>Large Landscape Survey Program</b>			
Revenues	1,313.81	64,000.00	2.05%
Expenses	<u>8,824.69</u>	<u>64,000.00</u>	13.79%
Excess of Revenues over Expenditures	(7,510.88)	0.00	
<b>WSIP - Industrial Program</b>			
Revenues	0.00	36,755.00	0.00%
Expenses	<u>15,000.00</u>	<u>36,755.00</u>	40.81%
Excess of Revenues over Expenditures	(15,000.00)	0.00	
<b>WUE Projects</b>			
Revenues	1,193,790.65	2,972,135.00	40.17%
Expenses	<u>1,606,672.62</u>	<u>2,972,135.00</u>	54.06%
Excess of Revenues over Expenditures	(412,881.97)	0.00	
<b>WEROC</b>			
Revenues	328,506.35	489,160.00	67.16%
Expenses	<u>209,778.27</u>	<u>489,160.00</u>	42.89%
Excess of Revenues over Expenditures	118,728.08	0.00	





**ACTION ITEM**

March 20, 2019

**TO:** Board of Directors

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

Robert J. Hunter, General Manager  
Staff Contact: Melissa Baum-Haley, Sr. Water Resources Analyst

**SUBJECT: METROPOLITAN FUTURE SUPPLY ACTIONS PROGRAM FUNDING AGREEMENTS**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors: Authorize the General Manager to enter into (1) a not-to-exceed \$205,754 funding agreement with Metropolitan Water District of Southern California under the Future Supply Actions Funding Program for the “Smart Watershed Network” and (2) a complementary not-to-exceed \$205,754 funding agreement between MWD OC and Moulton Niguel Water District.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**REPORT**

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In July 2018, the Metropolitan Water District of Southern California (Metropolitan) issued a Request for Proposals (RFP) under the Future Supply Actions Funding Program (FSA Program). The FSA Program funds technical studies and pilot tests targeting barriers to future production of recycled water, stormwater, seawater desalination, and groundwater resources.

<b>Budgeted (Y/N): N/A</b>	Budgeted amount: N/A	Core __	Choice __
<b>Action item amount: \$205,754</b>	Line item: N/A		
<b>Fiscal Impact (explain if unbudgeted): Pass-thru funding agreement from Metropolitan to Moulton Niguel Water District</b>			

Metropolitan received 17 proposals from 12 lead member agencies with a total funding request of \$4.36 million. A technical review panel evaluated and rated the proposals on the criteria established by the Metropolitan Board for the FSA Program. Based on the panel findings, the Metropolitan Board authorized funding agreements for 15 of the proposals that met the program criteria and fell within the \$3.5 million funding limit.

MWDOC was awarded \$205,754 within the stormwater category for the “Smart Watershed Network” in cooperation with Moulton Niguel Water District (MNWD). MWDOC will serve as the lead agency, handling the grant administration on behalf of MNWD with Metropolitan, while the project will be implemented by MNWD.

The Smart Watershed Network will provide information and tools to evaluate the sustainable use of urban runoff and stormwater as a potential water supply within the Aliso Creek Watershed. This project will help improve resiliency of the region’s water supply by providing a new way to look at the urban water balance to identify potential resource recovery projects. The project advances the field of knowledge in urban runoff recovery and provides a methodology and tools that can be applied to both other Metropolitan Member Agencies as well as retail agencies throughout the region.

The total cost of the project is \$411,508, with \$205,754 (50%) awarded from Metropolitan’s FSA Program and \$205,754 (50%) matched by MNWD. It is anticipated the project will begin immediately upon agreement execution, with the Final Project Report and presentation deliverables completed by January 2021.

If authorized by the Board, the General Manager will enter into (1) a not-to-exceed \$205,754 funding agreement with Metropolitan Water District of Southern California under the Future Supply Actions Funding Program for the “Smart Watershed Network” and (2) a complementary not-to-exceed \$205,754 funding agreement with Moulton Niguel Water District.

Attached is the Draft Agreement between Metropolitan and MWDOC for the FSA Program. In turn, MWDOC will also be developing a complementary agreement to be entered into by MWDOC and MNWD. The two agreements will be fundamentally the same aside from the following:

- Additional lead time for reporting requirements from MNWD to MWDOC
- Additional processing time for invoice payments to be passed through from Metropolitan to MWDOC to MNWD.

**Attachment: Draft Agreement between Metropolitan and MWDOC for the Future Supply Actions Program**



**DRAFT FSA AGREEMENT TEMPLATE – 2-25-19**

**AGREEMENT**

**BETWEEN**

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

**AND**

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

**FUTURE SUPPLY ACTIONS FUNDING PROGRAM**

**AGREEMENT NUMBER**

**00000**

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THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

AGREEMENT NO. 00000

FOR FUTURE SUPPLY ACTIONS FUNDING PROGRAM

This Agreement is between THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA, a public agency of the State of California, organized and existing under The Metropolitan Water District Act of the State of California, hereinafter referred to as Metropolitan, and the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, hereinafter referred to as Agency.

Explanatory Recitals

1. Metropolitan is a public agency of the State of California engaged in transporting, storing, and distributing water in the counties of Los Angeles, Orange, Riverside, San Diego, San Bernardino, and Ventura, within the State of California.

2. This Agreement is entered into with Agency in response to a 2018 Request for Proposals (RFP) for Future Supply Actions Funding Program, dated July 6, 2018, as an approach to fund Metropolitan member agency studies and research under this program as approved in Board Letter 8-6 dated April 10, 2018. Metropolitan, through its Future Supply Funding Program (FSA Funding Program), provides funding to member agencies for technical studies or pilot projects that reduce barriers to future production of recycled water, stormwater, seawater desalination, and groundwater resources. Metropolitan convened a technical review panel that reviewed and scored each proposal submitted by Metropolitan member agencies in accordance with the criteria and weight identified in the RFP. Board Letter 9-2 dated December 11, 2018, describes the final RFP selection process. Agency was selected through this RFP process. Metropolitan and Agency agree to enter into an agreement for **SMART WATERSHED NETWORK**, hereinafter referred to as Study.

3. Metropolitan desires to enter into this agreement with the Agency, and Agency desires to perform the work according to the terms set forth hereinafter.

## **Terms of Agreement**

### **1. Scope of Work**

a. Metropolitan hereby engages Agency to perform the work described in detail in the Scope of Work, Costs, and Schedule attached hereto as Exhibit A.

b. Agency shall provide study deliverables according to the schedule as set forth in Exhibit A. Each task identified in Exhibit A shall have a clearly defined deliverable, date for completion of task, and associated cost for each task.

c. Agency may adjust task descriptions, task budget amounts, and task schedules in Exhibit A, from time to time, upon written notice to and approval by Metropolitan; however, Agency must certify that any such adjustments do not materially change the basic scope of work, the scheduled final Study completion date, and/or the Maximum Cost to Metropolitan as identified in this Agreement.

d. Agency shall be responsible for verifying completion of a consultant's or sub-consultants work in accordance with Exhibit A.

### **2. Time and Term**

Time is of the essence in the performance of services under this Agreement. This Agreement is in effect from March XX, 2019 through February 28, 2021, subject to earlier termination pursuant to Section 27 Termination below.

### **3. Agreement Administrators**

a. In performing the work under this Agreement, Agency shall coordinate all contact with Metropolitan through its Agreement Administrator. For purposes of this Agreement, Metropolitan designates Ms. Nadia Hardjadinata as the Agreement Administrator. Metropolitan reserves the right to change this designation upon written notice to Agency.

b. For purposes of this Agreement, Agency designates [MR./MS. NAME] as the Agreement Administrator for the Agency. Agency reserves the right to change this designation upon written notice to Metropolitan.

4. Independent Contractor

Agency agrees to complete the Scope of Work detailed in Exhibit A under this Agreement in the capacity of an independent contractor and neither Agency and its participating entities, consultants, and sub-consultants nor any of their employees shall be considered to be an employee or agent of Metropolitan. Participating entities are other public and private entities, separate from Agency, which Agency has indicated are participating in the study, as identified in Exhibit A.

5. Consultants and Sub-consultants

a. Agency shall be responsible to Metropolitan for all work to be performed under this Agreement. All consultants and sub-consultants and their billing rates shall be approved by the Agency and shall be reflected in consultant and sub-consultant invoices submitted by Agency to Metropolitan. Agency shall be liable and accountable for any and all payments or other compensation to all consultants and sub-consultants performing services under any Agency agreement that is necessary and applicable to the performance and completion of this Agreement. Metropolitan shall not be liable for any payment or other compensation for any consultants or sub-consultants.

b. Agency's contracts with consultants and sub-consultants shall require consultants and sub-consultant to maintain Workers' Compensation and Automobile Liability insurance as required by the State of California and include the following articles: Intellectual Property, Nonuse of Intellectual Property of Third Parties, Audit, Indemnity and Equal Employment Opportunity and Affirmative Actions as set forth in this Agreement.

c. As applicable, Agency's use of consultants and sub-consultants shall adhere to the requirements of Metropolitan's Business Outreach Program as provided herein.

6. Metropolitan's Maximum Amount Payable and Reimbursement Procedure

a. Metropolitan's payment for the study is not to exceed **\$205,754** or fifty (50) percent of the total cost expended per task as established in exhibit A, whichever is less. Agency shall be responsible for all costs in excess of Metropolitan's match payment.



b. Agency must include documentation in the invoice that it did reimburse responsible parties for the costs in the invoice period. The invoice should include a cover letter with a brief summary of the work completed under the costs invoiced and a discussion of any milestones reached or problems encountered during the period invoiced.

c. For each invoice, Metropolitan will pay up to seventy-five (75) percent of eligible reimbursable costs and will withhold twenty-five (25) percent of eligible reimbursable costs in retention until a final report is submitted and accepted by Metropolitan. Agency shall promptly notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached **\$154,300** (75% of maximum amount allowable).

d. In-kind services are not eligible for reimbursement and shall not be included in Agency invoices to Metropolitan. In-kind services include, but are not limited to, work performed by staff of Agency or staff of Agency's participating entities contributing funding to Study, and related expenses (e.g., travel, overhead, etc.).

e. Eligible costs include work starting no earlier than March XX, which is in compliance with the requirements of this Agreement and as set forth in Exhibit A.

f. All invoices related to the Study must be submitted by Agency to Metropolitan by March 31, 2021 to be considered for payment under the provisions of this agreement. Invoices received after April 30, 2021 will not be paid unless Metropolitan, in its sole discretion, grants Agency, in writing, an extension of time to complete the work and submit its invoices.

## 7. Billings and Payments

a. Agency shall submit monthly invoices to Metropolitan's Accounts Payable Section, whose email address is [AccountsPayableBusiness@mw dh2o.com](mailto:AccountsPayableBusiness@mw dh2o.com), and provide a copy to the Agreement Administrator at [nhardjadinata@mw dh2o.com](mailto:nhardjadinata@mw dh2o.com). Agency address change must be submitted in writing to Metropolitan's Professional Services Contracting Team, at [AgreementAddressChange@mw dh2o.com](mailto:AgreementAddressChange@mw dh2o.com). Without proper notification of an address change, Agency's invoice payment may be delayed.

b. The individual listed in the agreement as Agency's Agreement Administrator or other identified designee shall sign and certify the invoice to be true and

correct to the best of his/her knowledge. Agency's invoices shall include the following information:

i. Agency's name and mailing address, the study name and agreement number, the beginning and ending billing dates, the maximum amount payable, a summary of costs for the current invoice, the amount due for this invoice, and cumulative total amount previously invoiced. A sample invoice is included in this Agreement as Exhibit B.

ii. Agency's consultant and sub-consultant labor charges shall be itemized by date of service, employee name, title/classification, corresponding labor rate, number of hours worked, description of work performed, total amount due for labor charges, and shall include the following affirmation:

*"By signing this invoice, consultant certifies that the billing hours and work described herein is an accurate and correct record of services performed for Metropolitan under this Agreement and these hours have not been billed on any other client invoices."*

iii. Invoices shall itemize allowable expenses and include receipts for which reimbursement is sought for any items over Ten Dollars (\$10.00). Attached receipts should itemize each cost and provide descriptive information so that expenses are separately identified.

iv. Agency shall attach a copy of each consultant and sub-consultant invoice for which reimbursement is sought. Consultant's and sub-consultants invoices shall set forth the actual rates and expenses charged to Agency.

c. Subject to the approval of the Agreement Administrator, Metropolitan shall make payment to Consultant 45 days after date of the invoice. Metropolitan will reject incomplete and inaccurate Agency invoices and will return such invoices to Agency within 45 days after the date of the invoice. In such cases of rejected invoices, Agency will submit a new, corrected invoice with a new invoice number and new date. Metropolitan will not approve payment to Agency until a full, complete, and accurate invoice has been submitted. Agency's invoices submitted 90 days after completion of work, may be delayed or not paid.

d. The final invoice shall be clearly marked "FINAL INVOICE." It shall be submitted after the final report is accepted by Metropolitan and should include a request for the release of the 25 percent retention.

8. Reporting Requirements

a. Agency shall submit to Metropolitan semi-annual progress reports within 45 days of the end of the preceding six month periods, in accordance with the reporting schedule in Exhibit A and Agency shall include, at a minimum, the items listed in Exhibit C, Semi-annual Progress Report Format. Agency shall document all activities and expenditures to date in the semi-annual reports. The submittal of these reports is a requirement for ongoing disbursement of funds.

c. Agency shall prepare and submit to Metropolitan, upon completion of the Study, a Final Report, which shall include, at a minimum, the items listed in Exhibit D, Final Report Format. The Final Report shall be provided in hard copy 10 copies and digital format prior to final payment of funds retained by Metropolitan.

d. Agency shall prepare and deliver a presentation on the findings of the study during a concluding symposium scheduled and organized by Metropolitan.

e. Failure of an Agency to submit progress reports, key deliverables, or the final report within the timeframe established in Exhibit A or any extension of time authorized in accordance with Section 2 Time and Term above will be a breach of this Agreement.

9. Business Outreach Program

It is the policy of Metropolitan Water District to solicit participation in the performance of all construction, professional services, procurement contracts, supplies, and equipment procured by Metropolitan by all individuals and businesses, including but not limited to small businesses, locally owned businesses, women, minorities, disabled veterans, and economically disadvantaged enterprises. In performing services under this Agreement, Agency shall endeavor to further this policy whenever practicable.

10. Successors and Assignment

This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Agency, including its participating entities, consultants, and sub-consultants, shall not assign or transfer its interest in this Agreement.

11. Use of Materials

Metropolitan will make available to Agency such materials from its files as may be required by Agency to perform services under this Agreement. Such materials shall remain the property of Metropolitan while in Agency's possession. Upon termination of this Agreement and payment of outstanding invoices of Agency, or completion of work under this Agreement, Agency shall turn over to Metropolitan any property of Metropolitan in its possession and any calculations, notes, reports, electronic files, or other materials prepared by Agency in the course of performing the services under this Agreement.

12. Intellectual Property

a. All intellectual property pursuant to this Agreement shall be owned by Agency and Agency hereby grants Metropolitan and its member public agencies a perpetual, nonexclusive license, at no cost, to use the intellectual property developed in the course of the work performed under this Agreement by Agency or any contractor and consultant working on Study as described in Exhibit A. As used herein, the term "intellectual property" includes, but is not limited to, all inventions, patents, copyrightable subject matter, copyrights, test data, trade secrets, other confidential information and software.

b. Agency agrees that all results produced in the performance of this Agreement may be released to the public.

c. Metropolitan may utilize any material prepared or utilize work performed by Agency pursuant to this Agreement, including computer software, in any manner which Metropolitan deems proper without additional compensation to Agency. Agency shall have no responsibility or liability for any revisions, changes, or corrections made by Metropolitan, or any use or reuse pursuant to the paragraph unless Agency accepts such responsibility in writing.

d. Agency shall include the following language in its agreement with any consultant or contractor retained by Agency to work on the Study: “All intellectual property developed pursuant to this Agreement is owned by Agency. As used herein, the term “intellectual property” includes, but is not limited to, all inventions, patents, copyrightable subject matter, copyrights, test data, trade secrets, other confidential information and software.

e. Agency shall promptly notify Metropolitan, in writing, of all intellectual property conceived or developed in the course of Agency’s work for Metropolitan under this Agreement.

13. Nonuse of Intellectual Property of Third Parties

Agency shall not use, disclose or copy any intellectual property of any third parties in connection with work carried out under this Agreement, except for intellectual property for which Agency has a license. Agency shall indemnify and hold Metropolitan harmless against all claims raised against Metropolitan based upon allegations that Agency has wrongfully used intellectual property of others in performing work for Metropolitan.

14. Representations

Each Party represents that it is represented by legal counsel, that it has reviewed this Agreement and agrees that:

- a. This Agreement is legally enforceable;
- b. Payments made by Metropolitan to Agency pursuant to this Agreement are a legal use of Metropolitan’s funds; and,
- c. Metropolitan may legally recover the costs incurred by Metropolitan pursuant to this Agreement in the water rates charged to its Member Agencies, including Agency.

15. Legal Requirements

Agency shall secure and maintain all licenses or permits required by law and shall comply with all ordinances, laws, orders, rules, and regulations pertaining to the work.

16. Guarantee and Warranty

a. Agency guarantees and warrants that the work shall be performed and completed in accordance with generally accepted industry standards, practices, and principles applicable to the work.

b. Metropolitan's representatives shall at all times have access to the work for purposes of inspecting same and determining that the work is being performed in accordance with the terms of this Agreement.

17. Access to Metropolitan Premises

a. At least two business days in advance of any work to be performed on Metropolitan premises, Agency shall provide to the Agreement Administrator the names of its personnel or sub-consultant personnel requiring access to Metropolitan premises, intended work locations, and durations of work. The Agreement Administrator shall provide to the Security team manager or his designee written notification listing the names of the individuals requiring access, explaining the business need for these individuals to receive the requested access, and reflecting his/her approval. Except in extraordinary circumstances, all work on Metropolitan's premises shall be scheduled during Metropolitan's normal working days and hours. Metropolitan shall make a good faith effort to accommodate Agency's request, however, Metropolitan's operations and other conflicts may require rescheduling all or part of Consultant's work.

18. Indemnity

a. Agency assumes all risk of injury to its employees, agents, consultants, sub-consultants, and contractors, including loss or damage to property, in the performance of this Agreement, except for those losses due to Metropolitan's negligence, recklessness or willful misconduct.

b. Agency shall defend, indemnify, and hold harmless Metropolitan, its Board of Directors, officers, employees, and agents from and against all claims, suits, or causes of action for injury to any person or damage to any property to the proportionate extent arising out of, pertaining to, or related to Agency's and its participating entities', consultants', and sub-consultants negligence, recklessness or willful misconduct in the performance of this Agreement, including any claims, suits, or causes of action by any employee of the Agency and its participating entities, consultants, and sub-consultants relating to his or her employment status with Metropolitan and/or rights to employment benefits from Metropolitan.

19. Insurance

a. Agency shall procure and maintain for the duration of this Agreement insurance, or a program of self insurance, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Agency and its participating entities, consultants, and sub-consultants, and their agents, representatives, or employees.

b. Agency shall sustain proof of insurance coverage in an updated ACORD form (attached hereto as Exhibit F), or equivalent, and incorporated by reference, during the term of this Agreement. Failure to provide the updated insurance ACORD form, or equivalent, annually may result in the withholding of Agency's invoice payment. Agency shall list the agreement number on the ACORD form, or equivalent, and email to Metropolitan's Agreement Administrator at **[nhardjadinata@mw dh2o.com](mailto:nhardjadinata@mw dh2o.com)** and a copy to **[AgreementInsurance@mw dh2o.com](mailto:AgreementInsurance@mw dh2o.com)** or fax to 213-576-6158.

c. Minimum Scope of Insurance

Coverage shall be at least as broad as:

i. Insurance Services Office Commercial Liability coverage (occurrence Form CG0001).

ii. Insurance Services Office Form Number CA 0001 covering Automobile Liability, Code 1, (any auto).

iii. Workers' Compensation insurance as required by the State of California and Employer's Liability Insurance.

iv. Professional Liability or Errors and Omissions Liability insurance appropriate to the Agency's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

d. Minimum Limits of Insurance

Agency shall maintain limits no less than:

i. General Liability: Including operations, products and completed operations as applicable, \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the study or location, or the general aggregate limit shall be twice the required occurrence limit.

ii. Automobile Liability: \$1,000,000 per accident for bodily injury and property damage.

iii. Workers' Compensation: Shall be furnished in accordance with statutory requirements of the State of California and shall include Employer's Liability coverage of \$1,000,000 per accident for bodily injury or disease.

iv. Professional Liability or Errors and Omissions Liability: \$1,000,000 per claim, with a \$2 million aggregate.

e. Deductibles and Self-Insurance Retentions: Any deductibles or self-insured retentions must be declared to and approved by Metropolitan. At the option of Metropolitan, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respect to Metropolitan, its officers, officials, employees, agents and volunteers; or the Agency shall provide a financial guarantee satisfactory to Metropolitan guaranteeing payment of losses and related investigations, claim administration and defense expenses.

f. Verification of Coverage: Agency shall furnish Metropolitan with original certificates and amendatory endorsements affecting coverage required by this clause. The



endorsements and certificates are to be received and approved by Metropolitan prior to the commencement of work. Metropolitan reserves the right to require complete, certified copies of all required insurance policies, including endorsements affecting coverage, and coverage binders required by these specifications at any time.

g.       Acceptability of Insurers: Insurance is to be placed with California admitted insurers with a current A.M. Best's rating of no less than A:VIII. A non-admitted carrier may be used with prior approval from Metropolitan, with an A.M. Best rating of no less than A: X. an exception to these standards will be made for the State Compensation Insurance Fund when not specifically rated.

h.       General Liability and Automobile Liability Endorsements: The commercial general liability policy and automobile policies are to contain, or be endorsed to contain, the following provisions:

i.       Metropolitan, its officers, officials, employees and agents are to be covered as additional insureds as respect to liability arising out of work or operations performed by or on behalf of the Agency; or automobiles owned, leased, hired or borrowed by the Agency.

ii.       For any claims related to this study, the Agency's insurance coverage shall be primary insurance as respect to Metropolitan, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by Metropolitan, its officers, officials, employees or agents shall be excess of the Agency's insurance and shall not contribute with it.

iii.       Each insurance policy required by this clause shall not be canceled by either party, except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to Metropolitan.

iv.       Coverage shall not extend to any indemnity coverage for the active negligence of the additional insured in any case where an agreement to indemnify the additional insured would be invalid under Subdivision (b) of Section 2782 of the Civil Code.

i. Other Endorsements and Insurance Provisions

i. All rights of subrogation under the property insurance policy (if the policy is required) have been waived against Metropolitan.

ii. The workers' compensation insurer, agrees to waive all rights of subrogation against Metropolitan for injuries to employees of the insured (Agency) resulting from work for Metropolitan or use of Metropolitan's premises or facilities.

iii. If General Liability, Pollution and/or any Asbestos Pollution Liability and/or professional liability or Errors & Omissions coverage are written on a claims-made form:

1) The "Retro Date" must be shown, and must be before the date of the contract or the beginning of contract work.

2) Insurance must be maintained for at least five (5) years after completion of the contract work. On Metropolitan's request, Agency shall provide evidence of insurance verifying that coverage is/was in effect during said five-year period.

3) If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a "Retro Date" prior to the contract effective date, the Agency must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work.

4) A copy of the claims reporting requirements must be submitted to Metropolitan for review if requested.

20. Audit

a. Agency shall be responsible for ensuring the accuracy and propriety of all billings and shall maintain all supporting documentation for the period specified below.

b. Metropolitan will have the right to audit Agency's invoices and all supporting documentation for purposes of compliance with this Agreement during the term of this Agreement and for a period of three years following completion of services under this Agreement.

i. Agency shall be responsible for maintaining the supporting documentation for a period of three years following completion of services under this agreement

c. Upon reasonable notice from Metropolitan, Agency shall cooperate fully with any audit of its billings conducted by Metropolitan and shall permit access to its books, records and accounts as may be necessary to conduct such audits.

21. Equal Employment Opportunity, Affirmative Action, and Notification of Employee Rights Under the NLRA

Metropolitan is an equal opportunity employer and a federal contractor. **Consequently, the parties agree that, as applicable, they will abide by the requirements of 41 CFR 60-1.4(a), 41 CFR 60-300.5(a), and 41 CFR 60-741.5(a) and that these regulations are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status, or disability.** The parties additionally agree that, as applicable, they will abide by the written affirmative action program requirements of 41 CFR 60-1.40, 41 CFR 60-300.40, and 41 CFR 60-741.40. The parties also agree that, as applicable, they will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws. The parties further agree that, as applicable, they will abide by the requirements of Federal Acquisition Regulation Clauses 52.222-26 (Equal Opportunity), 52.222-35 (Equal Opportunity for Veterans), 52.222-36 (Affirmative Action for Workers with Disabilities), and 52.222-40 (Notification of Employee Rights Under the National Labor Relations Act) and that these regulations are incorporated herein by reference. Agency agrees to submit to Metropolitan evidence of compliance with this section, as applicable, within 30 days of a request.

22. Prohibited Relationships with Sanctioned Countries and Persons

Agency represents and warrants that both 1) Agency, and 2) to Agency's knowledge, its directors, officers, employees, subsidiaries, participating entities, consultants, and sub-consultants, are not engaged in any business transactions or other activities prohibited by any laws, regulations or executive orders relating to terrorism, trade embargoes or money laundering ("Anti-Terrorism Laws"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "Executive Order"), the Patriot Act, and the regulations administered by the Office of Foreign Assets Control ("OFAC") of the U.S. Department of Treasury, including those parties named on OFAC's Specially Designated Nationals and Blocked Persons List. Agency is in compliance with the regulations administered by OFAC and any other Anti-Terrorism Laws, including the Executive Order and the Patriot Act. In the event of any violation of this section, Metropolitan shall be entitled to immediately terminate this Agreement and take such other actions as are permitted or required to be taken under law or in equity.

23. Conflict of Interest and Gift Restrictions

a. Agency represents that it has advised Metropolitan in writing prior to the date of signing of this Agreement of any known relationships with a third party, Metropolitan's Board of Directors, or employees which would (1) present a conflict of interest with the work performed under this Agreement, (2) prevent Agency from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

b. Agency agrees not to accept any employment during the term of this Agreement from any other person, firm or corporation where such employment is a conflict of interest or where such employment is likely to lead to a conflict of interest between Metropolitan's interest and the interests of such person, firm or corporation or any other third party. Agency shall immediately inform Metropolitan, throughout the term of this Agreement, if any employment contemplated may develop into a conflict of interest or potential conflict of interest.

c. Agency is hereby notified that Sections 7130 and 7131 Metropolitan's Administrative Code, the California Political Reform Act ("PRA") and regulations of the Fair Political Practices Commission ("FPPC") prohibit Metropolitan Board members, officers and employees from receiving or agreeing to receive, directly or indirectly, any compensation, reward or gift from any source except from his or her appointing authority or employer, for any action related to the conduct of Metropolitan's business, except as specifically provided in the Administrative Code Sections 7130 and 7131, the PRA and FPPC regulations. Agency agrees not to provide any prohibited compensation, reward or gift to any Metropolitan Board member, officer or employee.

24. Use of Metropolitan's Name

Agency and its participating entities, consultants, and sub-consultants shall not publish or use any advertising, sales promotion, or publicity in matters relating to services, equipment, products, reports, and material furnished by Agency and its participating entities, consultants, and sub-consultants in which Metropolitan's name is used, or its identity implied without the Agreement Administrator's prior written approval. **This provision survives the termination of this Agreement.**

25. Termination

a. Metropolitan may terminate this Agreement with or without cause by providing written notice to Agency not less than thirty days prior to an effective termination date. Metropolitan's only obligation in the event of termination will be payment of fees and expenses incurred in conformity with this Agreement up to and including the effective date of termination.

b. Agency may terminate this Agreement with or without cause by providing written notice to Metropolitan not less than thirty days prior to an effective termination date. Metropolitan's only obligation in the event of termination will be payment of fees and expenses incurred in conformity with this Agreement up to and including the effective date of termination.

c. This Agreement may be terminated by Metropolitan upon written notice to the Agency if work on the Study has not started by August 31, 2019.

26. Force Majeure Events

a. Excuse to Performance: In addition to specific provisions of the Agreement, lack of performance by any Party shall not be deemed to be a breach of this Agreement, where delays or defaults are due to acts of God, or the elements, casualty, strikes, lockouts, or other labor disturbances, acts of the public enemy, orders or inaction of any kind from the government of the United States, the State of California, or any other governmental, military or civil authority (other than Metropolitan, or another party to this Agreement), war, insurrections, riots, epidemics, landslides, lightning, droughts, floods, fires, earthquakes, civil disturbances, freight embargoes, or any other inability of any Party, whether similar or dissimilar to those enumerated or otherwise, which are not within the control of the Party claiming such inability or disability, which such Party could not have avoided by exercising due diligence and care and with respect to which such Party shall use all reasonable efforts that are practically available to it in order to correct such condition (such conditions being herein referred to as "Force Majeure Events").

b. Responding to Force Majeure Events: The Parties agree that in the event of a Force Majeure Event which substantially interferes with the implementation of this Agreement, the Parties will use their good faith efforts to negotiate an interim or permanent modification to this Agreement which responds to the Force Majeure Event and maintains the principles pursuant to which this Agreement was executed.

27. Notices

Any notice or communication given under this Agreement shall be effective when deposited, postage prepaid, with the United States Postal Service and addressed to the contracting parties as follows:

Metropolitan Water District  
of Southern California  
Post Office Box 54153  
Los Angeles, CA 90054-0153

Agency's name  
Address  
Address  
Attention: Mr./Ms. Name

Attention: **Ms. Nadia Hardjadinata**

Either party may change the address to which notice or communication is to be sent by providing advance written notice to the other party.

28. Severability

If any provision of this Agreement shall be held illegal, invalid, or unenforceable, in whole or in part, such provision shall be modified to the minimum extent necessary to make it legal, valid, and enforceable, and the legality, validity, and enforceability of the remaining provisions shall not be affected thereby.

29. Jurisdiction and Venue

This Agreement shall be deemed a contract under the laws of the State of California and for all purposes shall be interpreted in accordance with such laws. Both parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that the proper venue of any action brought thereunder is and shall be Los Angeles County, California.

30. Waiver

No delay or failure by either party to exercise or enforce at any time any right or provision of this Agreement shall be considered a waiver thereof or of such party's right thereafter to exercise or enforce each and every right and provision of this Agreement. A waiver to be valid shall be in writing but need not be supported by consideration. No single waiver shall constitute a continuing or subsequent waiver.

31. Entire Agreement

a. This writing contains the entire agreement of the parties relating to the subject matter hereof; and the parties have made no agreements, representations, or warranties either written or oral relating to the subject matter hereof which are not set forth herein. Except as provided herein, this Agreement may not be modified or altered without formal amendment thereto.

b. Notwithstanding the foregoing, and to realize the purpose of this Agreement, the Agreement Administrator may issue a written modification to the Scope of Work, if this modification will not require a change to any other term of this Agreement.

32. Joint Drafting

Both parties have participated in the drafting of this Agreement.

/////

Signature Page

IN WITNESS WHEREOF, the parties have executed and entered into this Agreement as of the date last written below.

THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA

NAME OF AGENCY (ALL CAPS)

Jeffrey Kightlinger  
General Manager

By \_\_\_\_\_

By \_\_\_\_\_

Print name \_\_\_\_\_

Name of Group Manager \_\_\_\_\_

Title \_\_\_\_\_

Title of Group Manager \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

(This Agreement must be signed in the above space  
by one of the following: Agency Chairman of the  
Board or General Manager.)

APPROVED AS TO FORM:

Marcia L. Scully  
General Counsel

By \_\_\_\_\_

By \_\_\_\_\_

Print name \_\_\_\_\_

Deputy General Counsel

Title \_\_\_\_\_



---

Date

(This Agreement must be signed in the above space  
by Agency General Counsel.)

---

Date

Analyst Initials: agr# - date  
Attachments

## **Exhibit A- Scope of Work**

**[Insert Study Name]**

### **1.0 Study Objective**

*[To be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan.]*

### **2.0 Background Information**

*[To be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan.]*

### **3.0 Study Description**

*[To be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan, including Participating Entities as described below.]*

#### **Participating Entities and Supporting Entities**

*[Include other member agencies, sub-agencies, and public agencies at participating entities, along with applicable consultants, sub-consultants, and other non-public agencies as supporting entities.]*

### **4.0 Description of Tasks**

*[To be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan. Include detailed descriptions of tasks and associated deliverable with each task completion.]*

### **5.0 Deliverables**

*[The following table is to be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan. Expand to as many rows as required.]*

<b>Task/Subtask</b>	<b>Deliverables</b>	<b>Submittal Due Date</b>

Task/Subtask	Deliverables	Submittal Due Date

## 6.0 Cost Estimate

*[The following table is to be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan. Expand to as many rows as required.]*

Task No.	Task Description	Total Study Cost	Requested Metropolitan Funding Match
<b>Totals</b>			

## 7.0 Schedule

*[The following table is to be completed by member agency based on content of submitted proposal and subject to review and approval by Metropolitan. Fill in cell(s) reflective of expected quarterly progress using example color. Expand to as many rows as required.]*

The following illustrates the expected quarterly progress schedule per task.

		Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Jun
		2019				2020				2021
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
Task	Task Name									

*Post-study reporting to Metropolitan is not shown on the graphical schedule, but should be submitted upon request by Metropolitan one year following Metropolitan's acceptance of the Final Report.*

**Reporting Schedule**

- Semi-Annual Progress Report 2019 No. 1 (January 2019 – June 2019) .....July 31, 2019
- Semi-Annual Progress Report 2019 No. 2 (July 2019 – December 2019) ..... January 31, 2020
- Semi-Annual Progress Report 2020 No. 1 (January 2020 – June 2020) .....July 31, 2020
- Draft Final Report.....November 30, 2020
- Semi-Annual Progress Report 2020 No. 2 (July 2020 – December 2020) ..... January 31, 2021
- **Final Report** ..... **February 28, 2021**
- Post-Study Update Report..... February 28, 2022

**Exhibit B- Sample Invoice**

<b>BILL TO</b>		<b>INVOICE</b>	
<b>Metropolitan Water District of Southern California</b> <b>Accounts Payable Section</b> <b>P.O. Box 54153</b> <b>Los Angeles, CA 90054-0153</b> <a href="mailto:AccountsPayableBusiness@mwdh2o.com">AccountsPayableBusiness@mwdh2o.com</a>			
<b>AGENCY NAME</b>	<b>INVOICE DATE</b>	<b>INVOICE NUMBER</b>	<b>INVOICE PERIOD</b>
<b>ADDRESS</b>		<b>STUDY NAME</b>	
<b>CONTACT</b>		<b>CONTACT PHONE</b>	<b>AGREEMENT NUMBER</b>
<b>MAXIMUM AWARD AMOUNT</b>	<b>AMOUNT PREVIOUSLY INVOICED</b>	<b>AWARD AMOUNT REMAINING</b>	
<b>ITEMIZED EXPENSES</b>			
<b>TASK</b>	<b>DETAILED DESCRIPTION</b> (e.g., consultant costs and hours, materials and supplies, lab costs, etc.)	<b>COST</b>	
<b>TOTAL COSTS</b>			
<b>TOTAL ELIGIBLE COSTS (UP TO 50% OF TOTAL COSTS)</b>			
<b>RETENTION (25% of total eligible reimbursable costs)</b>			
<b>TOTAL ELIGIBLE REQUEST - RETENTION</b>			
<b>BY SIGNING THIS INVOICE, AGENCY CERTIFIES THAT WORK DESCRIBED HEREIN IS AN ACCURATE AND CORRECT RECORD OF SERVICES PERFORMED FOR METROPOLITAN UNDER THIS AGREEMENT AND THIS WORK HAS NOT BEEN BILLED ON ANY OTHER CLIENT OR STUDY PARTNER INVOICES.</b>			
<b>STUDY MANAGER</b>			

Exhibit B – Sample Invoice

BILL TO:

Metropolitan Water District of Southern  
California  
Accounts Payable Section  
P.O. Box 54153  
Los Angeles, CA 90054-0153

BUDGET  
Tracking

STUDY NAME	INVOICE PERIOD
	AGREEMENT NUMBER

A	B	C	D	E	F	G
TASK NUMBER AND NAME	TOTAL COSTS PAID BY MEMBER AGENCY FOR CURRENT INVOICE	ELIGIBLE REIMBURSABLE COSTS FOR CURRENT INVOICE (UP TO 50% OF B)	CUMULATIVE ELIGIBLE REIMBURSABLE COSTS (INCLUDING CURRENT INVOICE)	TOTAL AWARD AMOUNT PER EXHIBIT A SCOPE OF WORK	REMAINING AWARD BALANCE ( E – D )	PERCENT COMPLETE (D/E x100%)
TOTAL						

CUMULATIVE WITHHOLDING (INCLUDING CURRENT INVOICE)	
CUMULATIVE REIMBURSABLE REQUEST (INCLUDING CURRENT INVOICE)	

## **Exhibit C – Semi-annual Progress Reports**

Agency shall include, at minimum, the following items in the Semi-Annual Progress Reports.

### **1. Cover Letter**

Provide a brief description of the submittal, including the amount invoiced in the respective invoice period, a list of items being submitted, and contact information. The letter must be signed and include the following language:

***“I am informed and believe that the information contained in this report is true and that the supporting data is accurate and complete.”***

### **2. Semi-Annual Progress Report**

#### **2.1 Study Status**

- a) Describe work performed during the semi-annual period, by task.
- b) Describe major accomplishments, such as:
  - i. Tasks achieved
  - ii. Milestones met and deliverables completed
  - iii. Meetings held or attended
  - iv. Press release, etc.
- c) Where applicable, describe how the activities carried out differed from the plans outlined in the Study Scope of Work. Identify any problems encountered in the performance of the work under this Agreement, and how these matters were addressed.
- d) If the semi-annual period’s objectives were not met, explain why and how these goals will be approached for the next reporting period.

#### **2.2 Cost Information**

- a) Identify costs incurred during the quarter by Agency and each partnering/supporting entity working on the Study.
- b) Discuss how the actual budget is progressing in comparison to the latest Study budget. Describe any differences that occurred, identifying budget impacts and/or problems encountered, and describe how these matters will be addressed for the next reporting period.
- c) Provide a revised budget, by task, if changed from the latest Study budget.

#### **2.3 Schedule Information**

- a) Provide a Study schedule showing actual progress versus planned progress from the latest schedule.
- b) Discuss how the actual schedule is progressing in comparison to the latest Study schedule. Justify any differences that occurred, identifying schedule impacts and/or problems encountered, and describe how these matters will be addressed for the next reporting period.
- c) Provide a revised schedule, by task, if changed from the latest Study schedule.

### **Exhibit D – Final Report Format**

Agency shall include, at minimum, the following items in the Final Report.

#### **1. Cover Letter**

Provide a brief description of the submittal, including the total amount of funds disbursed, a list of items being submitted, and contact information. The letter must be signed and include the following language:

***“I am informed and believe that the information contained in this report is true and that the supporting data is accurate and complete.”***

#### **2. Final Report**

##### **2.1 Executive Summary**

- a) Briefly summarize the content of the main report.

##### **2.2 Introduction**

- a) Provide an overview of the work performed and accomplishments achieved throughout the duration of the Study.
- b) Briefly describe the findings of the study.
- c) Describe the role/involvement of each partnering/supporting entity and their relationship to the Study.

##### **2.3 Cost Summary**

- a) Include a summary of the costs incurred and of funds disbursed throughout the duration of the Study.
- b) Provide a comparison between the planned budget in the Agreement and the actual budget. Justify any differences that occurred, identifying budget impacts and/or problems encountered, and how these matters were addressed.

##### **2.4 Schedule Summary**

- a) Include a summary of all tasks accomplished throughout the duration of the Study.
- b) Provide a comparison between the planned schedule in the Agreement and the actual schedule. Justify any differences that occurred, identifying schedule impacts and/or problems encountered, and how these matters were addressed.

##### **2.5 Study Results and Analysis**

- a) Describe and provide an analysis of the Study results and findings in detail.
- b) Were the Study goals and objectives as proposed achieved? Explain.
- c) Discuss any major problems that occurred in meeting the Study goals and objectives, including how, and if, they were resolved.
- d) Explain how the findings of the Study can be applied to other areas of the region. What types of obstacles, if any, would be anticipated before implementation/application can occur, and how could these matters be addressed?

##### **2.6 Conclusion**

- a) Describe lessons learned.
- b) Describe the next steps of the Study (e.g., applicability of the results, topics that may require additional research, new programs that should be developed, policy amendments, etc.).

### **Exhibit E – Post Study Update Format**



Agency shall include, at minimum, the following items in the Post-Study Update Report.

**1. Accomplishments and Applicability**

- a) What has been accomplished since the submittal of the Final Report? How have the Study findings/results of the Final Report been applied/implemented (e.g., regional application of results, pilot study results used for full-scale implementation, additional research performed, impacts on regulations/legislation, technical advances, etc.)?
- b) Discuss new information obtained during this reporting period, and how this knowledge will further future efforts.
- c) If applicable, provide additional data obtained since the submittal of the Final Report (e.g., pilot project water quality data, etc.).

**2. Next Steps**

- a) Describe specific plans, if any, for continuing work on this Study or related studies (e.g., what questions will be investigated, what programs will be developed, etc.).

## Exhibit F – ACORD Form or Equivalent

<b>ACORD™</b>		<b>CERTIFICATE OF INSURANCE</b>		ISSUE DATE (MM/DD/YY)	
Producer _____				THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
				<b>COMPANIES AFFORDING COVERAGE</b>	
CODE _____		SUB-CODE _____		Company Letter <b>A</b>	
INSURED _____				Company Letter <b>B</b>	
				Company Letter <b>C</b>	
				Company Letter <b>D</b>	
<b>COVERAGES</b>					
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
CO LTR	TYPE OF INSURANCE	POLICY NUMBE R	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR. <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT.				GENERAL AGGREGATE \$ _____ PRODUCTS-COMP/OPS AGGREGATE \$ _____ PERSONAL & ADVERTISING INJURY \$ _____ EACH OCCURRENCE \$ _____ FIRE DAMAGE (ANY ONE FIRE) \$ _____ MEDICAL EXPENSE (ANY ONE PERSON) \$ _____
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY				COMBINED SINGLE LIMIT \$ _____ BODILY INJURY (PER PERSON) \$ _____ BODILY INJURY (PER ACCIDENT) \$ _____ PROPERTY DAMAGE \$ _____
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ _____ AGGREGATE \$ _____
	WORKERS COMPENSATION/ EMPLOYERS LIABILITY <input type="checkbox"/> AND EMPLOYERS' LIABILITY				STATUTORY \$ _____ \$ (EACH ACCIDENT) \$ (DISEASE-POLICY LIMIT) \$ (DISEASE-EACH EMPLOYEE)
	<b>OTHER</b> <input type="checkbox"/> ERRORS AND OMISSIONS <input type="checkbox"/> CRIME OR DISHONEST BOND				\$ _____ \$ _____
DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/RESTRICTIONS/SPECIAL ITEMS					
METROPOLITAN, ITS OFFICERS, OFFICIALS, EMPLOYEES AND AGENTS ARE TO BE COVERED AS INSUREDS. INSURANCE VERIFIED ON THIS CERTIFICATE IS APPLICABLE TO AGREEMENT NO. _____					
CERTIFICATE HOLDER				CANCELLATION	
Metropolitan Water District of Southern California P.O. Box 54153, Terminal Annex Los Angeles California 90054				SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL _____ DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.	
				AUTHORIZED REPRESENTATIVE	
ACORD				ACORD CORPORATION 1998	



**ACTION ITEM**  
March 13, 2019

**TO:** Board of Directors

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

Robert J. Hunter, General Manager  
Kelly Hubbard, WEROC Program Manager

**SUBJECT: AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A  
CONTRACT TO PROVIDE ASSISTANCE TO WEROC PROGRAM**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors authorize the General Manager to enter into a contract with Athena EHS Consulting, LLC in an amount not to exceed \$25,000 for WEROC Program assistance.

**COMMITTEE RECOMMENDATION**

---

Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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Francisco Soto will be leaving his position as WEROC Specialist on March 14, 2019. In an effort to meet project deadlines and continue to keep programing on schedule, staff is requesting technical assistance to the WEROC Program Manager. This would be a short term not to exceed contract while a replacement is hired for the position. Athena EHS Consulting will assist the WEROC program with various projects, including the completion of current planning efforts and follow-up on previous disaster response and exercise lessons learned with a focus on mutual aid and emergency water quality response.

Trisha Woolslayer, of Athena EHS, LLC has over 20 years experience in Environmental, Health, Safety, and Emergency Preparedness knowledge and has provided assistance to various public and private sector agencies. Ms. Woolslayer has previously worked for South Coast Water District and Moulton Niguel Water District and has been a key planning partner with the WEROC program. She has extensive knowledge of not just emergency management, but also Orange County and WEROC protocols.

Budgeted (Y/N): N	Budgeted amount: \$0	Core _X_	Choice __
Action item amount: \$25,000	Line item: 7040		
Fiscal Impact (explain if unbudgeted): Offset by unspent salaries & benefits.			



**ACTION ITEM**  
March 20, 2019

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

**SUBJECT: AMENDMENTS TO ADMINISTRATIVE CODE**

**STAFF RECOMMENDATION**

---

It is recommended that the Board of Directors: Approve revision to Section 2201 (Level of Expenses and Expense Reimbursement Rates), and approve adding Section 1406 (Incompatible Offices) to the Administrative Code, and authorize staff to make such changes.

**COMMITTEE RECOMMENDATION**

---

Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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Staff periodically reviews the Administrative Code for potential updates and Sections are submitted to the Board for suggested revisions. As a result, the following revisions/additions are recommended.

Section 2201 is located in Chapter 2, Business Expense and Credit Card Policy. Staff recommends the word "lodging" be added to Subsection c, as follows:

**§2201 LEVEL OF EXPENSES AND EXPENSE REIMBURSEMENT RATES**

Expenditures for lodging, meals, and transportation should provide for reasonable comfort and convenience. It should be borne in mind, however, that public funds are being spent and that only a reasonable level of expense is warranted. MWDOC shall not incur any costs for a spouse, or other accompanying person. The most economical mode and class of transportation reasonably consistent with scheduling requirements will be used. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Reimbursement for travel expenses are subject to the

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

following limits:

- (a) Lodging shall be obtained at government group rates, when available. For conferences and organized educational activities, lodging costs shall not exceed the maximum group rate published by the sponsor of the conference or activity. If there is no government or group rate available, then lodging expenditures will be subject to the limitations of Section 2201 (c).
  - (b) Transportation costs and costs associated with transportation shall be reimbursed according to the requirements of Section 2203.
  - (c) Reimbursement to directors for meals, lodging, and other reasonable and necessary incidental expenses (excluding costs described in Section 2201 (a) or 2201 (b) above, shall not exceed \$700 per day.
  - (d) The maximum reimbursement amount in Section 2201(c) shall increase by 5% COLA each year on January 1, commencing January 1, 2016.
- 

Following discussion with the Executive Committee, it was recommended that a Section be added to the Administrative Code relative Incompatible Offices. Upon conferring with legal counsel, it is recommended the following Section be added to the Code.

#### **§1406 INCOMPATIBLE OFFICES**

A candidate for a position on the MWDOC Board of Directors must correct potential incompatible office conditions prior to being sworn in as a MWDOC Director. Such conditions would include, without limitation, the public offices of Director, City Council Member, Mayor, General Manager, City Manager, or any other office in which that person serves as the principal executive of a MWDOC Member Agency. In order to be sworn in as a MWDOC Director, a candidate must resign the incompatible office, with such resignation having an effective date prior to being sworn in as a MWDOC Director.

Additionally, it is the position of the MWDOC Board of Directors that the offices of MWDOC Director or MWDOC-MET Director and a public office of a MWDOC Member Agency, including Director, City Council Member, Mayor, General Manager, City Manager, or any other office in which that person serves as the principal executive, shall constitute impermissible incompatible offices. A MWDOC Director or a MWDOC-MET Director will not need to resign from his or her position as a MWDOC Director or a MWDOC-MET Director to be nominated or tentatively selected for such incompatible office. However, the MWDOC Director or MWDOC-MET Director must resign his or her position as a MWDOC Director or MWDOC-MET Director prior to being sworn into the incompatible office. Failure to do so shall result in automatic removal from his or her position as a MWDOC Director or MWDOC-MET Director upon being sworn into the incompatible office.

It should be noted that several sections from the Finance Department, including the Investment Policy & Guidelines will be reviewed and any recommended changes will be presented to the Committee and Board in April and/or May.



**ACTION ITEM**

March 20, 2019

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

**SUBJECT:** **AUTHORIZE ATTENDANCE AT CALIFORNIA WATER  
ENVIRONMENT ASSOCIATION ANNUAL CONFERENCE, PALM  
SPRINGS, APRIL 9-12, 2019**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors: Authorize attendance at the California Water Environment Association Annual Conference, April 9-12, 2019 in Palm Springs, California.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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The California Water Environment Association is a not-for-profit public benefit association of 10,000-plus water quality professionals who work for public agencies and collection systems, engineering firms, and equipment and service suppliers. CWEA members are responsible for cleaning California's water and returning it safely to the environment. CWEA educates and certifies water quality professionals, disseminates technical information, and promotes sound policies to benefit society through protection and enhancement of our water environment.

Director Yoo Schneider has been asked to be the Opening Session Chair on the conference committee and the moderator for the Women Impacting Water Panel at the CWEA Annual Conference.

Registration fees for speakers have been discounted to \$315 and hotel costs should be approximately \$600-\$1000.

Budgeted (Y/N): N	Budgeted amount:	Core __	Choice __
Action item amount: \$1500	Line item:		
Fiscal Impact (explain if unbudgeted):			

# REGISTRATION FORM

EARLYBIRD DEADLINE  
IS FEBRUARY 22!

REGISTRATION INFORMATION (PLEASE PRINT OR TYPE)

Register online: [MyCWEA.org](http://MyCWEA.org)

Name For Badge: \_\_\_\_\_

First Name: \_\_\_\_\_ Last Name: \_\_\_\_\_

Agency/Company: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-Mail: \_\_\_\_\_

Emergency Contact: \_\_\_\_\_ Emergency Phone: \_\_\_\_\_

☐ CWEA MEMBER ☐ WEF MEMBER ☐ CA-NV AWWA MEMBER # \_\_\_\_\_

Non-member rates includes 1 year membership in CWEA. Please check here if you do **not** wish to take advantage of CWEA membership: ☐

**Special Services:** ☐ Please check here if you require special accommodations to fully participate. Attach a written description of your needs.

**Dietary Restrictions:** ☐ Please check here to include any dietary restrictions: \_\_\_\_\_

Tell us a bit about you. Please select one response for each question.

1. WHAT IS YOUR CAREER STAGE?		2. WHAT IS YOUR PRIMARY PRACTICE AREA?	
<input type="checkbox"/> Student	<input type="checkbox"/> Job Seeker	<input type="checkbox"/> Collection Systems	<input type="checkbox"/> Electrical/Instrumentation
<input type="checkbox"/> Entry-level	<input type="checkbox"/> Journey-level	<input type="checkbox"/> Engineering	<input type="checkbox"/> Laboratory
<input type="checkbox"/> Supervisor	<input type="checkbox"/> Management	<input type="checkbox"/> Plant Operations	<input type="checkbox"/> Pretreatment
<input type="checkbox"/> Executive	<input type="checkbox"/> Retiree	<input type="checkbox"/> Stormwater	<input type="checkbox"/> Utility Executive
	<input type="checkbox"/> Other		<input type="checkbox"/> Other

3. WHAT TYPE OF ORGANIZATION DO YOU WORK FOR?	
<input type="checkbox"/> Municipal - Large (400K+ customers)	<input type="checkbox"/> Municipal - Medium (50K-400K customers)
<input type="checkbox"/> Municipal - Small (< 50K customers)	<input type="checkbox"/> Non-municipal - Consulting firm
<input type="checkbox"/> Non-municipal - Manufacturer or sales representative	<input type="checkbox"/> Non-municipal - Regulator, State or Federal
	<input type="checkbox"/> Other

FULL CONFERENCE ATTENDANCE: TUESDAY, APRIL 9 – FRIDAY, APRIL 12

	Early Bird (Before 2-22-19)	Saver (After 2-23-19)	Full Rate (After 3-22-19)
Member-Discounted Rate.....	<input type="checkbox"/> \$525.00	<input type="checkbox"/> \$625.00	<input type="checkbox"/> \$695.00
Non-Member Rate .....	<input type="checkbox"/> \$713.00	<input type="checkbox"/> \$813.00	<input type="checkbox"/> \$883.00
Retired Member .....		<input type="checkbox"/> \$320.00	
Regulators & Academics.....		<input type="checkbox"/> \$100.00	
Speaker: Please include session title, date and time*.....		<input type="checkbox"/> \$315.00	

\*

FEE SUBTOTAL \$ \_\_\_\_\_

ONE-DAY CONFERENCE ATTENDANCE (Please check the day you would like to attend below)

☐ Wednesday (4/10) ☐ Thursday (4/11)

	Early Bird (Before 2-22-19)	Saver (After 2-23-19)	Full Rate (After 3-22-19)
Member-Discounted Rate.....	<input type="checkbox"/> \$325.00	<input type="checkbox"/> \$350.00	<input type="checkbox"/> \$375.00
Non-Member Rate .....	<input type="checkbox"/> \$513.00	<input type="checkbox"/> \$538.00	<input type="checkbox"/> \$563.00
Full Time Student (must provide proof of attendance at a college or university with a minimum of 9 units)...	<input type="checkbox"/> FREE		
Speaker: Please include session title, date and time* .....		<input type="checkbox"/> \$195.00	

\*



## EXHIBITION ATTENDANCE ONLY

**California Water Technology Exhibition Only Attendee** - Please select the day you'll attend – no exhibits on Friday:

☐ **Wednesday** (4/10) \$45.00 Early Bird/Saver, \$54.00 after 3-22-19 ☐ **Thursday** (4/11) \$90.00 Early Bird/Saver, \$108.00 after 3-22-19

*Wednesday includes exhibit hall reception. Thursday includes lunch in exhibit hall and reception.*

**FEE SUBTOTAL \$** \_\_\_\_\_

## FRIDAY (4/12) ONE-DAY CONFERENCE ATTENDANCE

	Early Bird (Before 2-22-19)	Saver (After 2-23-19)	Full Rate (After 3-22-19)
<b>Member-Discounted Rate</b> .....	<input type="checkbox"/> \$120.00 .....	<input type="checkbox"/> \$145.00 .....	<input type="checkbox"/> \$170.00
<b>Non-Member Rate</b> .....	<input type="checkbox"/> \$308.00 .....	<input type="checkbox"/> \$333.00 .....	<input type="checkbox"/> \$358.00
<b>Full Time Student</b> (must provide proof of attendance at a college or university with a minimum of 9 units) ...	<input type="checkbox"/> FREE		
<b>Speaker:</b> Please include session title, date and time *.....	<input type="checkbox"/> \$72.00		

\*

**FEE SUBTOTAL \$** \_\_\_\_\_

## CONFERENCE FOOD & BEVERAGE EVENTS

*Unless otherwise noted, meals are not included with registration. Meals noted as free are not automatically included.*

**ICEBREAKER RECEPTION** (Tue, 4/9, 6:00 p.m. - 7:30 p.m.) \_\_\_\_\_ ☐ FREE with Registration

**EXHIBIT HALL LUNCHEON** (Thu, 4/11, 12:00 p.m. - 1:30 p.m.) \_\_\_\_\_ ☐ FREE with Registration

## BREAKFAST & LUNCH OPPORTUNITIES

*Register for only one breakfast and lunch per day. See page 42 for details.*

*The Women Impacting Water Breakfast and Closing Ceremony Awards Luncheon descriptions are on page 45 and 46.*

### WEDNESDAY BREAKFAST, 4/10 (7:00 a.m. - 8:15 a.m.):

Women Impacting Water Networking Breakfast \_\_\_\_\_ ☐ \$45.00 (Early Bird and Saver) / \$54.00 (Full Rate after 3-22-19)

### WEDNESDAY LUNCH, 4/10 (12:15 p.m. - 1:45 p.m.):

Biosolids and Engineering & Research Lunch with Doug Walters \_\_\_\_\_ ☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

Collection Systems Committee Awards Lunch \_\_\_\_\_ ☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

O&M Networking Lunch: Moving on Up \_\_\_\_\_ ☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

Students and Young Professionals Lunch with Felicia Marcus \_\_\_\_\_ ☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

Lab Lunch: Creating a Winning Succession Plan with Nicki Branch \_\_\_\_\_ ☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

### THURSDAY BREAKFAST, 4/11 (7:00 a.m. - 8:30 a.m.):

Laboratory Committee Breakfast \_\_\_\_\_ ☐ \$35.00 (Early Bird and Saver) / \$42.00 (Full Rate after 3-22-19)

Operations & Maintenance Committee Breakfast \_\_\_\_\_ ☐ \$35.00 (Early Bird and Saver) / \$42.00 (Full Rate after 3-22-19)

P3S Committee Breakfast \_\_\_\_\_ ☐ \$35.00 (Early Bird and Saver) / \$42.00 (Full Rate after 3-22-19)

### FRIDAY BREAKFAST, 4/12 (7:00 a.m. - 8:30 a.m.):

Leadership Committee Breakfast \_\_\_\_\_ ☐ \$35.00 (Early Bird and Saver) / \$42.00 (Full Rate after 3-22-19)

Safety Committee Breakfast \_\_\_\_\_ ☐ \$35.00 (Early Bird and Saver) / \$42.00 (Full Rate after 3-22-19)

### FRIDAY LUNCH, 4/12 (11:30 a.m. - 1:30 p.m.):

Closing Ceremony Awards Luncheon \_\_\_\_\_ ☐ \$55.00 (Early Bird and Saver) / \$66.00 (Full Rate after 3-22-19)

**FEE SUBTOTAL \$** \_\_\_\_\_



## PRE-CONFERENCE WORKSHOPS (TUE, 4/9, 8:30 a.m. – 3:30 p.m.)

See descriptions on pages 16 and 17. Workshops include a buffet lunch!

### TW1: BUILD YOUR LEADERSHIP SKILLS: EMERGENETICS AND LEVERAGING THE SOCIO-BIOLOGY OF TEAMS

☐ \$145.00 (Early Bird and Saver) / \$174.00 (Full Rate after 3-22-19)

### TW2: GETTING STARTED WITH ASSET MANAGEMENT

☐ \$175.00 (Early Bird and Saver) / \$210.00 (Full Rate after 3-22-19)

### TW3: MICROSCOPIC EVALUATION OF ACTIVATED SLUDGE

☐ \$250.00 (Early Bird and Saver) / \$300.00 (Full Rate after 3-22-19)

### TW4: PERMIT WRITERS WORKSHOP: WRITING AN INDUSTRIAL DISCHARGE PERMIT FROM START TO FINISH

☐ \$160.00 (Early Bird and Saver) / \$192.00 (Full Rate after 3-22-19)

### TW5: PRACTICAL IMPLEMENTATION OF THE 2016 TNI STANDARD

☐ \$200.00 (Early Bird and Saver) / \$240.00 (Full Rate after 3-22-19)

### TW6: PUMP BASICS AND MORE

☐ \$145.00 (Early Bird and Saver) / \$174.00 (Full Rate after 3-22-19)

### TW7: TREATMENT PLANT SIMULATOR: FUNDAMENTALS OF NUTRIENT REMOVAL FOR OPERATORS & ENGINEERS

☐ \$250.00 (Early Bird and Saver) / \$300.00 (Full Rate after 3-22-19)

FEE SUBTOTAL \$ \_\_\_\_\_

## WEDNESDAY WORKSHOPS (WED, 4/10, 8:30 a.m. – 3:30 p.m.)

See descriptions on pages 17. Workshops include a buffet lunch!

### WW1: MICROSCOPIC EVALUATION OF ACTIVATED SLUDGE

☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

### WW2: TREATMENT PLANT SIMULATOR: FUNDAMENTALS OF NUTRIENT REMOVAL FOR OPERATORS & ENGINEERS

☐ \$50.00 (Early Bird and Saver) / \$60.00 (Full Rate after 3-22-19)

FEE SUBTOTAL \$ \_\_\_\_\_

## TECHNICAL TOURS See tour info on page 26.

Tour registration may only be purchased in conjunction with a one-day or full conference registration.

### T1: CVWD: WATER RECLAMATION PLANTS 7 AND 10 TOUR (Wed, 4/10, 2:00 p.m. - 5:30 p.m.)

☐ \$40.00 (Early Bird and Saver) / \$48.00 (Full Rate after 3-22-19)

### T2: CANNABIS CULTIVATION IN THE COACHELLA VALLEY TOUR (Wed, 4/10, 2:00 p.m. - 5:00 p.m.)

☐ \$45.00 (Early Bird and Saver) / \$54.00 (Full Rate after 3-22-19)

### T3: DESERT WATER AGENCY: SNOW CREEK AND WHITEWATER TOUR (Thur, 4/11, 9:00 a.m. – 12:00 p.m.)

☐ \$40.00 (Early Bird and Saver) / \$48.00 (Full Rate after 3-22-19)

### T4: CANNABIS CULTIVATION IN THE COACHELLA VALLEY TOUR - REPEAT (Fri, 4/12, 8:00 a.m. – 11:00 a.m.)

☐ \$45.00 (Early Bird and Saver) / \$54.00 (Full Rate after 3-22-19)

FEE SUBTOTAL \$ \_\_\_\_\_

### EXHIBIT HALL TOURS *See tour info on page 36.*

Tour registration may only be purchased in conjunction with a one-day registration, full conference registration or Exhibition Only registration.

**EHT1: ADVANCED BIOSOLIDS HANDLING EXHIBIT HALL TOUR** (Thur, 4/11, 2:00 p.m. - 3:30 p.m.)

☐ \$30.00 (Early Bird and Saver) / \$36.00 (Full Rate after 3-22-19)

**EHT2: MEMBRANES EXHIBIT HALL TOUR** (Thur, 4/11, 4:15 p.m. - 5:45 p.m.)

☐ \$30.00 (Early Bird and Saver) / \$36.00 (Full Rate after 3-22-19)

**FEE SUBTOTAL \$** \_\_\_\_\_

### ACTIVITIES AND NETWORKING *See special events pages 44 to 47 for full descriptions*

**GT. GOLF TOURNAMENT** (Tue, 4/9 Check in 7:00 a.m., 8:00 a.m. start) – includes breakfast and lunch; upon registration and payment, you will be emailed a waiver and info and foursome form to be completed and returned

**INDIVIDUAL:** ☐ \$110.00 (Individual - Early Bird and Saver) ☐ \$135.00 (Full Rate after 3-22-19)

**FOURSOME:** ☐ \$440.00 (group of 4 people / foursome - Early Bird and Saver) ☐ \$540.00 (Full Rate after 3-22-19)

**SG. SPOUSE/GUEST REGISTRATION** (for more info on what is included in spouse/guest registration see page 50)

☐ \$50.00      Name: \_\_\_\_\_

**SYPM. NETWORKING MIXER BY STUDENTS & YOUNG PROFESSIONALS** (Wed, 4/10 from 7:00 p.m. - 9:00 p.m.)

☐ \$10.00 (Early Bird and Saver) / \$12.00 (Full Rate after 3-22-19)

**FEE SUBTOTAL \$** \_\_\_\_\_

### PAYMENT INFORMATION

Please add together all Fee Subtotals for the **GRAND TOTAL \$** \_\_\_\_\_

For payments by check or money order, make payable to: **CWEA 2019 AC**. For payments by credit card, please print clearly.

Credit card: ☐ VISA ☐ MASTERCARD ☐ DISCOVER ☐ AMEX      Signature: \_\_\_\_\_

Credit card number: \_\_\_\_\_      Expiration date: \_\_\_\_\_

Name of account holder: \_\_\_\_\_      Billing zip code: \_\_\_\_\_

*Disclaimer: CWEA is not responsible for theft of or damage to personal or agency/company property whether intended to be used for CWEA purposes or not.*

Mail registration payment & form to:

**CWEA**  
7677 Oakport St, Suite 600  
Oakland, CA 94621-1935

Fax credit card payments & form to:

**510-382-7810**  
Or, register on-line:  
**MyCWEA.org**

Need assistance?



**Contact Member Services**  
**510-382-7800 x0**  
**memberservices@cwea.org**



## 2019 Annual Conference PALM SPRINGS

Breakfast (FEE)

### Women Impacting Water Networking Breakfast (FEE)

 Wednesday, April 10  7:00 AM - 8:15 AM

**CWEA:** .5 Contact Hours

\$45 before Friday, March 22, 2019, and \$54 after

Join us for the Second Annual Women Impacting Water Breakfast! This event will be a morning of networking and discussion with California water leaders, engineers, operators and scientists at various career stages.

Attendees will have the chance to meet other water sector professionals and participate in facilitated discussions on challenges, career development and ways to encourage more women to join the water industry. Come build your network and make connections with people you will see throughout the conference while enjoying a buffet breakfast and latte cart.

Come hear from others and share your stories about the unique challenges facing women in the water sector. Discover what is needed to improve industry relationships and discuss what has been the most important aspect that has aided in your growth and development as a professional.

Here's a list of topics being proposed:

- How did you choose your career?
- Achieving work life balance
- Attracting millennials to the water industry - Studies show that when organizations promote top female talent into leadership roles, it creates an environment that allows

for women to more easily develop and maintain a strong peer network.

- Career Paths for new and seasoned professionals - Find out from others as well as share what has been the most important aspect that has aided in growth and development as a professional.
- Connecting candidates with opportunities in water operations - Can women be more successful in companies that foster career advancement and provide support without bias.
- How to find a mentor - Is collaboration your mindset, culture and method of working? Are you collaborating with a posture of learning and determination?
- Women empowering women panel - Is it a natural tendency to underestimate yourself while working in a male dominated field? Does this impact upward movement?

Primary Speaker(s)



**Megan Schneider**  
Director  
Municipal Water District of Orange County  
San Juan Capistrano, CA

Panelist(s)



**Connie Leonard**  
Senior Project Manager  
CDM Smith  
Irvine, CA



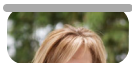
**Dorien McElroy**  
Collection Systems O&M Manager  
Irvine Ranch Water District  
Irvine, CA



**Rosalyn Prickett**



**Paula Rasmussen**





**Tama Snow**

Senior Associate/Operations Manager  
Hazen and Sawyer  
San Diego, CA

**Track Facilitator(s)**



**Berlinda Blackburn**

Environmental Programs Manager  
City of Coachella  
Coachella, CA



**DISCUSSION ITEM**  
March 13, 2019

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

**FROM: Robert Hunter, General Manager**

**Staff Contact: Hilary Chumpitazi**

**SUBJECT: FY 2019-20 Second Draft Budget**

**STAFF RECOMMENDATION**

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Staff recommends the Administration & Finance Committee, Board of Directors, Member Agencies, and the public review, discuss and provide input and comments on the second draft of MWD OC's budget for FY 2019-20. Pertinent aspects of the second draft budget include:

1. The second draft budget includes a proposed increase of \$0.15 to the retail service charge bringing the retail rate to \$12.40 per retail meter. The groundwater customer charge to OCWD increases by \$131,235 to \$630,247.
2. The second draft has a budget total of \$260,066,950 (revenue) and a consolidated general fund budget of \$10,884,610 (revenue).
3. The total revenue amount for the Core budget is \$9,102,176, an increase of \$513,159 or 6.0% over the current year's budget. \$190,000 (37%) of this increase is derived from increased interest revenue.
4. The proposed second draft budget includes a planned reserves draw of \$216,057. Reserves will be essentially fully funded.
5. The unfunded CALPERS liability annual payment of \$207,000 is proposed. This will be the second year of the ten-year funding program.
6. MWD OC completed the migration of the pension benefit costs from MWD OC to the employees in the current fiscal year's budget (7% over 7 years). Therefore, there is no pension-associated 1% salary increase in the proposed budget.
7. The proposed salary contribution pool is at 7% of salaries and wages and reflects the increased rate of inflation (CPI = 3.8%) and merit considerations. No COLA (Cost of Living Adjustment) is being proposed.

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

8. Increase in staff of four new hires: 1.5 FTE for the new Water Loss Control Shared Services Choice program, 0.5 FTE for the WUE Core program for policy work, 1.0 FTE in Reliability Planning & Engineering and 1.0 FTE in MET Issues and Water Policy for Bay-Delta related technical services and communication.
9. Building improvement expenses increase substantially by \$304,004 (57.2%) to a net of \$835,831 plus projected carryover for the office remodel. The majority of the office remodel is expected to occur in FY2019-20.
10. Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$2,370,147; a decrease of \$537,988 over this year's budget.
11. Annual Local Resource Project (LRP) funding will decrease significantly next year as the OCWD Groundwater Replenishment System (GWRs) LRP total incentive payments will be completed. This LRP agreement started in June 2004, with a term end date of June 2030, and a total incentive limit of \$86,273,000. In August 2008, the agreement was amended to increase the annual yield from 31,000 to 70,000 acre-feet, thereby accelerated the timeframe upon reaching the incentive limit. As a result, it is anticipated the GWRs production will reach the total incentive limit by the end of FY 2018-19. The annual LRP funding in the proposed FY2019-20 budget is \$5,465,263, a reduction of \$7,206,805 from this year's projected actuals.
12. Total outside funding (WUE & Local Resource Project (LRP) sources) is budgeted to be approximately \$7,835,410.
13. As last year, the schedule for the budget process impacts the timing of Choice budget elections by Member Agencies. Therefore, the Choice budget estimates in the second draft budget should be considered preliminary.

New items that are incorporated in the budget include:

- A. The creation of a Water Loss Control Shared Services Program in the Water Use Efficiency Department Budget, which will include the addition of 1.5 new FTEs (Choice) as well as Equipment and Training Costs of approximately \$85,400 for initiation of the program.
- B. The addition of 0.5 FTE (Core) for WUE policy work related to water loss regulation.
- C. The hiring of two new FTEs; one in the Reliability Planning & Engineering Department to assist in the transition of institutional knowledge and expertise in preparation for the upcoming retirement of the Assistant General Manager, and one FTE in the MET Issues & Water Policy Department to assist in Bay-Delta and CA WaterFix issues;
- D. There are six new organization memberships proposed (Exhibit D):
  - a. CMUA (California Municipal Utilities Association)
  - b. Water Environment Federation (WEF)(Individual membership)
  - c. International Association of Business Communicators (IABC)
  - d. Urban Water Institute (UWI)
  - e. California Utilities Emergency Association
  - f. National Endangered Species Act Reform Coalition (NESCRC)

A reminder that memberships outlined in the Budget (Exhibit D) are approved by the Board with approval of the budget and therefore, each membership will not be brought to the Board for approval on an individual basis. Any new memberships not included in the budget will be brought to the Board for consideration.

Similar to memberships, budget approval for conferences includes Board and Staff approval for attendance at “standard conferences”. Standard conferences are those listed on Exhibits E and F and approval includes staff travel/attendance at any out of state conferences listed on Exhibits E and F. Subsequent to the budget adoption, any new, out of state conferences will be brought to the Board for consideration.

## **COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

## **CHANGES FROM THE PRIOR DRAFT TO CURRENT DOCUMENT**

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There have been few changes from the first to the second draft budget and no additional written comments were received prior to publishing. The proposed Choice expenses and revenues have not changed. Proposed Core expenses have increased by \$16,658 and Core revenues have decreased by \$1,458.

Changes include:

- One new membership was added (Exhibit D) for the National Endangered Species Act Reform Coalition (NESARC).
- The omission of staff travel (Exhibit E) to Sacramento for the Technical Bay-Delta position was corrected, the WEFTEC conference was added and the Association of Women in Water, Energy and Environment (AWWEE) Conference was removed.
- Under Board registration and travel (Exhibit F) the AWWA-WEF Joint Management Conference was added as well as the WEFTEC conference. The AWWEE Conference was removed.
- Exhibit G was added, which is a summary table of membership, registration and travel expenses for memberships that involve travel.
- A small adjustment was made in the Core expenses by reclassifying \$28,000 from MWDOC’s Building Expense category to Capital Acquisition (No net change).
- The net effect of these changes is that the budgeted draw on reserves increased from \$197,941 to \$216,057 in comparison to our targeted draw of \$186,731 (i.e., the reserves are projected to be \$29,326 less than the fully funded target). Increasing the proposed retail meter charge by an additional \$0.05 per meter would fully fund the reserve.
- The Groundwater Customer Charge was reduced by \$1,458 reflecting technical adjustments to the 10-year average water purchase calculation.



## MAJOR YEAR-TO-YEAR CHANGES IN THE CURRENT BUDGET

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The year-to-year (Y-T-Y) changes in the total Core expenses between FY2018-19 and FY2019-20 are \$ 725,623 (8.4%).

- The largest Y-T-Y Core expense increase (\$725,623) is in the cost categories of Salaries and Wages and Employee Benefits. This is driven primarily by the addition of 2.5 Core employees and the proposed Compensation Pool for salary increases.
- The other large increase (\$304,004) is in the Building Expense category. It is anticipated that the vast majority of the seismic and office space construction will occur during FY2019-20.

The year-to-year changes in the total Choice expenses between FY2018-19 and FY2019-20 are \$505,652 (39.6%).

- The largest Y-T-Y expense increase (\$278,757) is from the new choice Water Loss Control Shared Services Program.
- The other large increase (\$191,533) is from the School Program.

## DETAILED REPORT

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The FY2019-20 MWDOC Budget is developed through a transparent and iterative process. Key topics discussed below include:

1. MWDOC Budget Process & Schedule
2. Budget Principles
3. Reserves
4. Compensation Pool Guidelines
5. Budget Input from Member Agencies
6. Key Priorities & Initiatives for FY 2019-20
7. Core/Choice Programs
8. Water Rates and Charges

A short discussion on each item follows:

### 1. **MWDOC Budget Process & Schedule**

Last year, MWDOC implemented a new schedule where the budget process was accelerated by one month. This schedule change, to adopt the final MWDOC budget one month earlier (April), was made to facilitate the budget and rate schedules of our Member Agencies. Under this schedule, the Year-End Projections and Conceptual Budget were discussed at the January 9 Administration & Finance (A&F) Committee and the first draft budget was presented at the February 13, 2019 A&F Committee meeting. This current document is the second draft budget. The final budget is scheduled for approval by the MWDOC Board of Directors at the April 10, 2019 Board meeting.

Similar to last year, the Choice budget elections and commitments will lag behind this proposed schedule; and staff will bring back to the Board a revised Final Choice Budget in September 2019 to reflect the reconciliations and final program commitments of our Member Agencies. Changes in Choice programs do not impact the rates and charges

passed in April for Core activities. Unlike last year, additional employees are required to implement the Water Loss Shared Service program under the Choice Budget. If that program and budget is approved by the MWDOC Board of Directors, the new employees will not be hired until there are commitments from the Member Agencies for the services.

## 2. **MWDOC Budget Principles for FY2019-20**

Staff continues to utilize the following Budget Principles to develop the draft budget:

- **Principle #1: Budget Investments Align with MWDOC's Priorities & Values**  
The Budget should reflect the mission and goals of MWDOC and align proposed activities with the valued benefits of the Board and our stakeholders. The budget process should be transparent and readily facilitate public review and input.
- **Principle #2: Activities Based on a County-wide Perspective**  
MWDOC's service area extends to Orange County's borders and the budgeted activities must comprehensively address issues, needs, and benefits for the entire service area and our regional involvement in the service area and operations of the Metropolitan Water District of Southern California (MET).
- **Principle #3: Efficient Program Design & Performance**  
The budgeted programs must consider complementary and cooperative designs to maximize benefits from other regional and local water resource programs to maximize value.
- **Principle #4: Full Cost Recovery**  
The budget will be developed so as to support full cost recovery of all expenses via the rates and charges without the unplanned use of reserves.
- **Principle #5: Compliance with Administrative Code**  
The proposed budget and budget process should fully comply with applicable sections of the MWDOC Administrative Code.

## 3. **Projected Reserve Fund Balances**

One goal of the budget process is the early identification of Reserve Fund impacts. The stated goal of the Board of Directors is to have reserves fully funded and that the budget should be balanced relative to meeting those reserve targets. In other words, if the combination of previous fiscal year's audited reserve balances and the current fiscal year year-end projections indicate that the reserve target will be exceeded then the proposed budget should include a draw from the reserve balance to reduce it to the target. Conversely if the projected total will drop the reserve balance below the target then the proposed budget should increase the budgeted contribution to reserves back up to the target. The current FY2018-19 year-end projects indicate that \$329,336 will be available to contribute to reserves.

The MWDOC designated reserve targets for FY2019-20 and the financial audit balances at the beginning of FY2018-19 are summarized in the table below. The reserve targets are calculated according to MWDOC Board of Directors approved policy. The total unfunded reserve balance is \$234,469 (i.e., Total Target of \$6,366,934 (minus) Total Current Balance of \$6,132,465). As indicated above, a total of \$329,336 is projected to be available for contribution to reserves from the FY2018-19 operations. Part of these funds (\$234,469) are allocated to the General Operations, Building, and Election Reserves as indicated in the table column "FY2018-19 Projected Year End Reclass to Reserves". All reserves will be fully funded by these actions.

An additional \$186,731 is available in excess of the fully funded reserve targets. Therefore, the goal for rate setting in the FY2019-20 budget will be to have a budget deficit of \$186,731 to draw down the reserve.

<b>Designated Reserves</b>	<b># Days Cash</b>	<b>FY 2019-20 Target Reserve</b>	<b>FY 2018-19 Current Balance</b>	<b>FY 2018-19 Projected Year End Reclass to Reserves</b>	<b>FY 2019-20 Projected Reserve Balance</b>
General Operations	90-180	\$ 3,460,419	\$ 3,341,910	\$ 118,508	\$ 3,460,419
Grant & Project Cash Flow		1,500,000	1,500,000	-	1,500,000
Building Reserve	10-15	413,368	385,407	27,961	413,368
Election Reserve	N/A	696,000	608,000	88,000	696,000
OPEB Reserve est.9/2016	N/A	297,147	297,147	-	297,147
<b>TOTALS</b>		<b>\$ 6,366,934</b>	<b>\$ 6,132,465</b>	<b>\$ 234,469</b>	<b>\$ 6,336,934</b>

The second draft budget has a draw on reserves of \$216,057; slightly in excess of the \$186,731 draw down target. The additional reserves draw of \$29,326 is within the error level of the budget projections and actual performance but would be alleviated by increasing the retail meter charge by an additional \$0.05.

#### **4. Compensation Pool Guidelines**

MWDOC's compensation system includes both job classification specific salary ranges and person-specific salaries. Annual modifications to both are implemented under different but inter-related practices. A common goal of both practices is to maintain competitive and appropriate salaries and benefits within the Southern California market.

##### Job Classification Salary Ranges.

MWDOC annually adjusts our salary ranges by the local Consumer Price Index (CPI) for the previous calendar year. The 2018 CPI for the LA/Long Beach/Anaheim area was 3.80%. This is a full percentage point above the 2017 number and more than double the ten year

average of 1.67%. Every three years MWDOC contracts for a Comprehensive Baseline Survey that reviews our job classifications with similar agencies and job functions. In general, MWDOC has found limited range corrections to be necessary. Therefore we will continue the CPI adjustment for FY2019-20. The next Comprehensive Baseline Survey is scheduled to begin in the Fall of 2020 and therefore is not included in this proposed budget.

#### Person-Specific Salaries

MWDOC does not have Cost Of Living Adjustments (COLA) and a COLA is not included or proposed in this budget. As part of the budget process, MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. Most of the water agencies in our annual direct labor market survey have both defined merit and COLA components to their annual salary increases. The functional difference is that while both approaches cover both merit and inflation, other agencies will guarantee a COLA pay increase to all employees, while MWDOC employees are at risk of no salary increase depending upon their performance.

There is an objective comparison as to how well MWDOC's salary system has been performing relative to the market. As noted above, MWDOC's salary ranges have been generally tracking the labor market conditions. In addition, MWDOC salaries have largely maintained a mid-range position with predominately only long-tenured employees bumping up against the range ceiling for their position. There are two complicating factors to this comparison. There has been significant movement between job classifications (i.e., promotions) that help maintain the mid-range salary positions. The mid-range position has also been subsidized by the seven years of 1% salary increases implemented to offset the annual 1% transfer of benefit costs to employees.

A three-year direct comparison of MWDOC's merit pool to salary increases for twenty water utilities from our annual survey indicates that MWDOC's salary increases have averaged 2.34% below the market annually; or 1.34% below if the benefit transfer of 1% is included. One disadvantage of developing the budget early is that comparative data is incomplete for FY2019-20. However, it appears that the comparative average salary increase will be in the range of 7.0% to 7.3%.

Given that MWDOC's compensation pool covers both inflation and merit and that it has kept salaries competitive and within ranges over several years, a review of 5-year and 10-year compensation increases and CPI data was conducted to quantify the past practice. While the annual CPI increases over the 10-year period averaged 1.67%, the range was a positive 3.80% (2018) to negative 0.78% (2009). Overall the compensation pool can be described as consisting of an inflation component of the CPI plus a merit component of 85% of the CPI. The total 1.85xCPI function appears to be a reasonable calculation for the mid-inflation range (CPI 2.4% to 4.7%) but breaks down at the more extreme ranges of CPI. For example, 0% CPI would calculate as a 0% compensation pool increase and would obviously not reward merit as intended. At the other end of the range, other problems arise. For example in 1980 the CPI was 13.5% and this would calculate at the unlikely compensation pool of 25%.

The 2018 CPI is 3.80% for the region which is slightly above the middle of the 2.4% to 4.7% effective range. Applying the 1.85xCPI formula to the 3.8% CPI yields a compensation pool of 7.03%, which was rounded to 7.0% for the second draft budget. This is in-line with the comparative information we have at this early date.

## 5. **Budget Input from Member Agencies**

In November 2018, MWDOC sent a letter to all of its member agencies informing them of the start of the MWDOC FY2019-20 Budget Process, and invited their formal participation in the process which can including suggestion of activities and general comments. The FY2018-19 budget year-end projections and the conceptual FY2019-20 budget were discussed at the January 9, 2019 Administration & Finance Committee meeting as well as the January 17, 2019 MWDOC Agencies Managers Meeting. The Water Loss Control Shared Business Plan was also discussed at the latter as well as the December 19, 2018 Planning & Operations Committee.

The first draft budget was presented at the February 13, 2019 A&F Committee meeting and discussed at the MWDOC Member Agency Managers Meeting on February 21, 2019. A budget presentation was made to the Santa Margarita Water District Board of Directors on March 6, 2019.

- OCWD submitted a January 9, 2019 letter identifying four Metropolitan Water District of Southern California (MET) issues of importance. These are the same issues submitted last year.

Additional Member Agency input is expected during the budget process.

## 6. **Key Priorities & Initiatives for FY 2019-20**

### **MWDOC's MISSION**

To provide reliable, high quality supplies from MWD and other sources  
to meet present and future needs,  
at an equitable and economical cost and  
to promote water use efficiency for all of Orange County

MWDOC was formed in 1951 to serve the majority of Orange County as its MET member agency representative and make imported water available within Orange County. In 2019, this remains the MWDOC's primary purpose. Although this purpose has taken various forms and has evolved over the decades, the emphasis continues to be MET representation and advocacy on behalf of the retail water districts, to provide water reliability, and to provide value to the residents and ratepayers in Orange County.

MWDOC's key priorities and initiatives are discussed for the following major departments and cost centers:

- Reliability Planning & Engineering (Cost Center 21)
- Metropolitan (MET) Issues & Water Policy (Cost Center 23)
- Water Use Efficiency (WUE) (Cost Centers 35, 62 & 70)
- Water Emergency Response (WEROC)(Cost Center 25)
- Communication/Public Affairs (Cost Center 32 & 63)
- Public Affairs Department (Cost Center 31)
- Administration Department (Cost Centers 11, 12, 13, & 19)
- Finance & Information Technology (Cost Centers 41 & 45)

While MWDOC is organized into several functional departments or cost centers, operationally there is significant internal support and cooperation on the different tasks of our mission. For example, a critical issue like the WaterFix will involve Reliability Planning & Engineering, MET Issues, Government Affairs, Public Affairs, the Board of Directors and Administrative Support.

However, it is clear from the following discussion that many of the issues are not addressed in departmental silos but are shared responsibilities under our overarching mission.

### **Reliability Planning & Engineering (Cost Center 21)**

The Reliability Planning & Engineering (Engineering) Department efforts are varied and aimed at helping our member agencies to navigate and understand the implications of long term water emergency and supply planning and the numerous intricacies involved from MET in providing imported water (e.g., service connections, metering of water, pipeline operations, etc). Other activities include:

- shutdown planning,
- re-lining of pipelines by MET (especially the AMP),
- pump-in to the EOCF#2,
- work on the IRWD Regional SOC Interconnection, and integration aspects of local projects including integration from
  - Poseidon,
  - Doheny,
  - San Juan Watershed Projects

The department also provides internal support to other departments, most notably Administration and WEROC especially on our office building improvements. In addition, Engineering works closely with the MET Issues & Water Policy Department, as many MET issues overlap between the two departments in covering what happens at MET and the implications to the local member agencies. MWDOC also coordinates the operations with OCWD in examination of opportunities to refill the groundwater basin. Areas of overlap with the MET Issues group include evaluating the reliability improvements from the Carson Regional Recycling Project, the Strand Ranch Project, MET's IRP, MET's need for emergency storage, MET's Water Supply Allocation Plan, MET rates, MET's LRP and water quality issues.

### **Regional Water Reliability and Follow-up from the 2018 OC Water Reliability Study**

Since completion of the 2016 OC Water Reliability Study, which established much of the analysis methodology for supply and system reliability planning, several important and impactful changes occurred;

- MET's Board approved a financial commitment for more than 60 percent of the total funding for the California WaterFix,
- New global climate change models became available, indicating significantly greater future temperatures for the Colorado River Basin and California and greater variability in future precipitation,

- U.S. Bureau of Reclamation (BOR) revised forecasts indicating a significantly increased likelihood of a water shortage declaration for the Colorado River within the next three to five years given Lake Mead water surface elevations since 2014.

This prompted MWDOC to complete the 2018 Reliability Study to analyze the implications of these issues and to determine the water supply and demand reliability impacts in Orange County due to these changed conditions. In addition, the 2018 Study included evaluations and rankings of various projects that could improve the supply and system reliability in Orange County. Findings of the 2018 Study included:

- South OC area is short of emergency supplies today by 20.0 to 27.5 MGD. This need can be met through a combination of local projects and emergency projects such as the IRWD SOC Emergency Interconnection and the pump-in to the EOCF#2.
- The need for additional water supplies for the OC Basin area is small, meaning the OC Basin performs well under both the minimal and significant climate impact scenarios evaluated. Without new investments, the OC Basin may utilize demand curtailment at the level of 10 percent about once every 20 years to meet supply gaps. Alternatively, several potential projects, currently under consideration by OCWD, could meet supply shortfalls.

With respect to South Orange County (SOC), the 2018 Study recommended:

- The San Juan Watershed Project and the Doheny Project both provide cost-effective annual supplies and emergency supplies. These two projects should make up the core reliability improvement strategy for SOC, and should be augmented by other projects evaluated in this study, such as the emergency use of groundwater for system outages, Cadiz water banking and extraordinary supplies.
- Additional study is recommended to determine the appropriate timing and sizing of phases of the Doheny and San Juan Watershed Projects, to better understand system integration issues with water quality and stranding of assets, operational issues during winter months and operational issues to enable water to be moved through various pipelines in SOC to deal with emergency situations.
  - MWDOC is currently working to develop strategies to integrate future water sources into the OC water distribution system. Pursuit of this key priority will continue through FY 2019-20 and into FY 2020-21. The groundwork for these efforts were laid by a workshop held in 2018 and two whitepapers that are in the process of being completed to ascertain if research by others on these topics is sufficient or if additional research work is required.
  - The workshop indicated a hydraulic model to determine the residence time and mixing of supplies would be beneficial, along with water quality modules that might be added into the model. Staff researched the model MET is using and is attempting to leverage the information for MET pipelines in OC. Additional work is anticipated in both this year and next year.

With respect to the OC Basin, the 2018 Study recommended:

- MWDOC and OCWD should work together to fully evaluate the opportunities this project provides to the OC Basin because the Carson IPR project by MET may be the next least-cost supply available to the OC Basin, pending the final terms and conditions.
- MWDOC and OCWD should work together if the Santa Ana River Conservation and Conjunctive Use Project (SARCCUP) extraordinary supply yield to OCWD is not fully needed by the OC Basin. The utilization of the supplies could provide significant benefits in the form of extraordinary supplies (drought protection) for the OC Basin and/or others in Orange County.

The Reliability Study developed a set of strong analytical tools and methodologies that will be used to further evaluate projects and potential actions. The 2018 Study suggested a number of follow-up actions and projects that will be pursued in the remainder of FY2018-19 and into FY2019-20.

A number of findings in the 2018 Reliability Study were made with respect to MWDOC. These include:

- Advocate for policies at MET that are beneficial to Orange County and Southern California as we move forward at MET on reviewing the Local Resources Program (LRP), the Water Supply Allocation Plan (WSAP), MET's proposed Emergency Storage requirements and the 2020 IRP.
- The Strand Ranch drought protection program was evaluated as a seven-year pilot program in the study. Further work should proceed to develop terms and conditions for a potentially expanded program with Strand Ranch or other extraordinary supply programs (e.g., SARCCUP) to develop additional drought protection until the completion of the California WaterFix.
- Additional study is recommended to determine the appropriate timing and sizing of phases of the Doheny and San Juan Watershed Projects. MWDOC should work on this with the SOC agencies along with system integration and operational issues from new projects.
- While the 2016 and 2018 study results indicated minimal emergency supply needs for the OC Basin and Brea/La Habra areas, MWDOC recommends that all retail agencies review their needs for backup generators for emergency response throughout Orange County and include refueling plans coordinated through WEROC.

The 2018 Study, along with other recent discussions, has identified issues that should be discussed and addressed within MET's next IRP Update, which is scheduled to be completed in 2020. These include:

- Use of scenario planning to incorporate a more adverse climate change future for MET as a planning technique



- Evaluation of the Carson IPR Project. Is it a beneficial project? Who pays and who receives the benefits? Is it good for Orange County? Is it good for MET at \$1,700/AF? What does SOC pay and what benefits do they receive? Should there be any specific performance terms for agencies receiving the water during allocation situations?
- Use of MET Storage. Consider the need for additional surface storage in Southern California to deal with both emergency supplies and the capture of additional wet year water. What does it look like in our modeling? Does MET need more put and take capacity? What is the split between the SWP and CRA side of MET and how do these work independently when either the SWP or the CRA are constrained in any particular year and have low flows?
- Operational issues associated with new projects. These include a large gamut of concerns ranging from operational issues associated with adding new projects within MET and OC to issues associated with water moving in different directions in the same pipeline, getting approval from MET for introducing local sources in the MET system, long residence times in pipelines during low demands or during periods of certain operations, chloramine residual decay, and water quality issues from blending various sources of water. Also included is the stranding of assets (MET and local) and the base-loaded integration during low demand winter months. MWDOC is looking at hydraulic and water quality modeling to help on some of these issues.
- Stranding of MET assets and evaluating the issue of MET agencies rolling off the system or decreasing their dependence on MET. How can we develop an overall "low cost" plan for Southern California by working together? This was part of the origin for MET's first IRP, but it has not been addressed with subsequent updates. How much "roll-off" of MET supply is anticipated? How should we incorporate this into our planning? What are the operational and financial implications?
- Changes to MET's WSAP. The Reliability Study identified areas of conflict between local supply development and improvements or benefits under a MET allocation. Can the WSAP be improved to allow agencies to significantly improve their drought protection? Extraordinary supplies seem to be the holy grail of drought protection. How can these opportunities be opened up for agencies that want to make such investments? Should MET offer drought protection for a price? Should local projects get more of a credit under the WSAP? Do we want to remain under a "share the pain" allocation system, or is it time to go down another path?
- Future MET rate structure and LRP. What changes are needed or what changes can be anticipated?
- MET Total Dissolved Solids (TDS). How will changing water quality in terms of TDS impact water supply planning at local levels?
  - How TDS control issues are working on the CRA? Can additional measures be implemented?

- Feasibility of lowering the TDS via RO of a portion of the CRA flows? Is this the most cost effective way of managing TDS for the groundwater basins and recycling? What are the hidden costs of TDS to plumbing and other?
- TDS for groundwater basins with respect to replenishment water?
- Improved Groundwater Basin Management & MET Storage Programs. How can these provide better drought and emergency protection through conjunctive use, Cyclic Storage and other MET programs? Historically, there have been problems with developing effective MET groundwater programs. Having the groundwater basins at low storage levels prior to and during allocations are situations that should be discouraged. How can we help reverse these types of situations?

In addition to the work from the OC Water Reliability Study, other items expected to surface this coming year include work associated with the small non-compliant water systems in California to help avoid State requested “water funding” from retailers to correct the non-compliant problems, evaluation of the Strand Ranch “drought protection” program, continuation of efforts related to pump-in of the EOCF#2 and the IRWD Regional South County Interconnection work and initial work on the shutdown of the AMP to accommodate MET’s PCCP relining work scheduled for future years (this only relates to the planning for the work, not the actual shutdowns). Staff plans on developing a hydraulic model of the regional water distribution system in OC to allow various scenarios to be run assuming blending of water qualities from various sources.

Staffing to the department will increase by about 1 FTE as succession planning continues for the retirement of the Assistant General Manager in early FY 2020-21.

### **Metropolitan (MET) Issues and Water Policy (Cost Center 23)**

The MET Issues and Water Policy Department leads the District on MET issues & policy as well as water supply and demand program coordination and analysis. Over the years, this department has also become the primary clearinghouse on local, regional, state, and federal water policy issues. It ensures all key policy issues are analyzed and thoroughly evaluated for our member agencies, the MWDOC Board of Directors, and the MWDOC-MET Delegation.

As it relates to MET issues, the Department represents and advocate for Orange County on local resource projects and programs, water costs and rates, regional storage, water supply reliability management, demand management programs, water use efficiency program and water policy implementation.

The Department also provides analysis and advocacy for Orange County on water policy issues that extend beyond the scope of MET. Broader water policy issues such as the State-wide water conservation regulations (such as the “stress-test”), improved Bay-Delta conveyance, additional regional storage, and effective Colorado River demand management measures are just some of the policy issues we cover.

With a Department comprised of four FTE, our routine functions include:

- Support for the MWDOC-MET Delegation in promoting Orange County objectives
- To act as the District's liaison for MET information and water policy issues
- Collaborate with MET staff on the development and management of programs and policies
- Collaborate with other fellow MET member agencies on MET water policy issues
- Support and advocate on behalf of our member agencies for issues such as Local Resources Program (LRP) applications and certifications, shutdown coordination, and MET water use programs (e.g., Coastal Pumping and Transfer Program)
- Coordinate and monitor water supply management projects and programs such as replenishment deliveries (e.g., Conjunctive Use Program (CUP) and In-lieu programs) and MET & MWDOC's Water Supply Allocation Plan for times of drought
- Develop countywide water supply and demand projections
- Develop Water Reliability Studies and Reports (e.g., Urban Water Management Plan and water shortage contingency "Stress-Tests")
- Assess and calculate MWDOC's annual water rates and charges (e.g., Readiness to Serve, Capacity Charge, and Groundwater Service Charge)

In addition, the Department also provides internal support to other departments, such as water policy and water management review on legislative matters, water use efficiency rules and regulations, and public outreach efforts. For example, Bay-Delta issues continue to grow in its complexity and importance as the WaterFix is being debated from a twin tunnel to a single tunnel project, and this requires coordination and interaction with all of the departments at MWDOC to understand and promote the benefits of an improved Bay-Delta conveyance system.

Due to the importance of the WaterFix to Orange County's reliability and the recent announcement of the Governor's preference for a single tunnel, MWDOC will be adding 1 new FTE to this department to provide the District with technical assistance to increase our advocacy efforts on Bay-Delta issues, monitor the progress of the WaterFix at key hearings and meetings e.g. Design & Construction and Finance JPAs, assist in legislative activities associated with Bay-Delta conveyance and regulations, and provide key information and presentations to local stakeholders, when needed.

The Department also provides critical involvement with WEROC in relation to MET and MWDOC member agency's emergency planning and operations. All staff members in the Department plays an essential role in the emergency operation center (EOC) to aid the County during a disaster.

Beyond the regular functions and support listed above, there are particular issues and/or key initiatives that call for attention this coming year. They include the following:

- Continue to work closely with MET on supporting and advocating the design and construction of the California WaterFix and EcoRestore
- Continue to monitor the activities of the Colorado River and the implementation of Drought Management initiatives among the Lower Basin States (i.e., Lower Basin Drought Contingency Plan)
- Be actively involved in developing the upcoming MET Biennial Budget and proposed Rates and Charges for FY 2020/21 and FY2021/22
- Be an active participant in the progression of the Carson Regional Recycled Water Program and its policy as well as cost impacts to Orange County and Southern California.
- Through the utilization of the Orange County Reliability Study, be engaged in the development of MET's 2020 Integrated Water Resources Plan (IRP); and any policy implementation and water management directions that may come out of this process.
- Protect MWDOC and local agency interests in MET via continued participation in the series of San Diego County Water Authority (SDCWA) lawsuits against MET. While MET primarily prevailed at the Appeals Court level on the 2010/2012 case, there remains a series of additional cases that SDCWA has filed each time a new rate was set by the MET Board (i.e., 2014, 2016, and 2017).
- Continue to explore the cost-benefits for dry-year storage opportunities for Orange County
- Promote Orange County positions in policy formation and actions including MET investments in LRP funding policy and decisions, Water Use Efficiency, modifications to allocation policies and procedures, communication activities and legislation and MET's groundwater policies.
- Address the following issues OCWD has asked MWDOC to work on at MET: (1) establish a permanent regional MET In-Lieu program during surplus conditions; (2) modification of the Water Supply Allocation Plan rules to appropriately include groundwater basin agencies; (3) determination of the terms necessary to phase-out the MET CUP storage agreement; and (4) obtain MET's approval to pump potable water into MET pipeline facilities.

### **Water Use Efficiency (WUE) Department (Cost Centers 35, 62 & 70)**

The Water Use Efficiency Department consists of both Core and Choice budgets and focuses primarily on two programs: Water Use Efficiency Program & Water Loss Control Shared Services Program.

#### Water Use Efficiency Program

Water use efficiency mandates continue to evolve from the 20% by 2020 framework adopted in 2009 to the new efficiency standards based approach scheduled to begin in 2020. Providing the technical and policy expertise and program support along with securing funds for water use efficiency efforts is a priority for MWDOC. MWDOC has been providing this function since 1991.

In partnership with our member agencies, MWDOC and MET will continue to implement a comprehensive portfolio of water use efficiency programs that include all customer sectors. Emphasis will be on landscape water saving opportunities as irrigation accounts for approximately 50% of urban water use in Orange County. MWDOC will maximize access to Conservation Credits Program funding from MET and grant funding from the California Department of Water Resources (DWR) and US Bureau of Reclamation (BOR).

Areas of focus include:

- Aerial Imagery, Landscape Area Measurements and Data Warehousing Project: In preparation for member agency compliance with new Water Use Efficiency Standards contained in Senate Bill 606 and Assembly Bill 1668, staff is planning to implement an Aerial Imagery, Landscape Area Measurements and Data Warehousing Project in partnership with the Santa Ana River Watershed Project Authority and will include all of Orange County. The project will provide irrigated area measurements for all parcels in the county. This data will be warehoused by way of a centralized aerial image and data management tool for access by individual retail agencies. Agencies can pull this information into their in-house GIS systems or access it as needed from the SAWPA administered data warehouse. This information can be used in a variety of ways including:
  - Water Use Efficiency Standards Compliance
  - Tracking urban landscaping trends
  - Water demand tracking and forecasting
  - Implementation of Budget Based Tiered Rates
 Orange County's cost share of this broader effort is \$283,000. After Proposition 1 funding is applied, MWDOC's share is budgeted for \$200,000 which will be funded over two years.
- The States' new Long Term Water Use efficiency framework will require significant research to better understand and inform stakeholders and policy makers as the final standard setting occurs. This research may be focused locally or through partnerships beyond Orange County such as the California Water Efficiency Partnership.
- Metropolitan WUE policy development will be a main focus for the department especially in helping to prepare agencies for compliance with new state mandates. Staff will advocate for Program refinements at MET that ensure Orange County program needs are met and continue to evolve.
- Participate in the update or establishment of device, appliance or fixture water use standards contained in the Cal Green Plumbing Code, Public Utilities Commission, and EPA WaterSense Program.
- MWDOC will continue to promote the Water Savings Incentive and Recycled Water Retrofit Programs including the addition of supplemental grant funding whenever available.
- MWDOC will continue to use the Droplet rebate administration platform for both Turf Removal and Spray-to-Drip rebate processing including electronic signatures.
- Landscape Design Assistance for rebate program participants.

- Staff will provide leadership for the California Water Efficiency Partnership Board and committees.
- Secure program funding; MWDOC is currently projecting approximately \$4 million for WUE program funding from Metropolitan and grants.

#### Water Loss Control Shared Services –

In addition to running the WUE rebate and landscape technical assistance program, MWDOC has been coordinating a water loss control program for many of our Member Agencies. This program has moved beyond water loss audits into field activities including meter testing and water leak detection. Orange County is now a state leader in terms of experience and data. This has allowed MWDOC to provide hard data to state regulatory agencies to influence developing regulations. MWDOC's expertise has also been beneficial in workgroups addressing the numerous water use efficiency legislative and regulatory proposals.

Implementation of Water Loss Control Shared Services per the Business Plan adopted by the Board in December 2018 will be initiated in FY2019-20. These services will be provided through a combination of Core services funded by MWDOC and Choice services funded by participating agencies. Core services that are currently funded by MWDOC include Water Balance Validation, Leak Detection Equipment lending, and state-wide water loss policy monitoring and development. This work will be supplemented by an addition 0.5 FTE.

The Choice Shared Services will include Meter Accuracy Testing, Distribution System Leak Detection, Distribution System Pressure Surveys and Distribution System Flushing. These Choice services will be provided by 1.5 new FTE MWDOC staff members. Functionally, the Water Loss Control Programs Supervisor position will be split 50/50 between Core and Choice services and the Leak Detection Technician will be 100 percent choice funded. As a new service to member agencies and a means to provide stability for the program, MWDOC will capitalize the startup costs for equipment.

Areas of focus include:

- Initiate implementation of the Water Loss Control Shared Services Business Plan
- Continue to convene the Water Loss Control Work Group
- Phase IV of the Water Loss Control Technical Assistance will continue in partnership with member agencies and Water Systems Optimization
- Engagement in the State Water Resources Control Board rule making process to establish a volumetric water loss standard called for in SB 555.

#### **Water Emergency Response (WEROC) (Cost Center 25)**

MWDOC provides the administrative umbrella for the Water Emergency Response Organization of Orange County (WEROC). The services and support provided by WEROC are intended to be an extension of Member Agency staffing in their preparedness efforts, and a resource during emergencies to ensure representation and recovery. WEROC staff continue to develop and provide the resources, tools, trainings and grant funding targeted at

enhancing Member Agency and WEROC EOC Staff preparedness and resilience. Staff take pride in developing unique products for member agencies, such as translations of the required Division of Drinking Water notices into the 8 most common languages in Orange County. Significant work continues on advocacy for the water and wastewater sector, especially for our member agencies. Advocacy representation this year has included: the Operational Area (OA) Agreement revision process; a significant number of County and Operational Area emergency response plan reviews; CalOES Southern California Catastrophic Earthquake Plan and the Fuel Distribution Concept of Operations; AWWA and FEMA revision to NIMS required resource typing for water and wastewater utilities; and outreach to Edison, SDG&E and the California Public Utilities Commission on Public Safety Power Shutoff programs. So far this year, staff have provided critical response coordination during the Holy Fire, multiple Edison Public Safety Power Shutoff (PSPS) events, the Woolsey Fire, and as mutual aid to Butte County and Paradise Irrigation District following the Camp Fire.

Key initiatives for WEROC in FY2019-2020 include:

- WEROC staff are working with a consultant to develop a Critical Infrastructure and Emergency Preparedness Matrix of federal, state and local requirements and best practices, for water and wastewater agencies. This will include a review of the America's Water Infrastructure Act of 2018 and a plan to assist member agencies with meeting any requirements.
- Continue to build upon the lessons learned from various trainings, exercises and real events. There were some significant lessons this fiscal year that should be given staff time and effort to consider and implement. Primary areas of focus will include the Emergency Water Quality Sample Kits (EWQSK), Joint Information Systems, Wildfire Benzene Contamination Response Planning and meeting the new Dam Inundation Mapping and Planning requirements.
- In 2016, WEROC staff started a county-wide effort to develop individual City Commodity Point of Distribution (POD) Plans, Water Utility Water POD Plans, and an Orange County Operational Area Commodity & Water Procurement and Distribution Plan for the distribution of water, food and other needed supplies following a major disaster. This significant effort will proceed with the development of the County-wide POD coordination and planning needed as a next step.
- WEROC Staff have secured a homeland security grant funded generator for the MWDOC Administration Building to provide continuity of MWDOC operations, as well as the potential for WEROC to utilize the site as an alternate EOC site following a disaster. WEROC staff will be working with MWDOC staff to incorporate the new asset into the electrical system improvements already needed.
- WEROC Staff continue to work with MWDOC staff to implement non-structural seismic and fire code safety improvements at the South Emergency Operations Center (EOC). Staff will also move forward with updates to furniture, HVAC systems, and electrical improvements for at the facility as well. Capital improvements are budgeted and paid for by MWDOC and are not included in the WEROC Operations Budget. The WEROC South EOC projects are being completed in conjunction with the MWDOC administration building to achieve the greatest economies of scale possible. Therefore, causing some delays in the WEROC projects as well. The

capital budget reflects previously approved budgeted costs, carryover of unspent capital funds and new realized costs for the previously identified projects due to unforeseen costs, inflation and building code compliance.

### **Communication - Public Affairs Department (Cost Centers 32 & 63)**

MWDOC is committed to keeping Orange County engaged, involved and up-to-date on current water issues, water-saving opportunities, pending policy matters and special events. Communication with our Member Agencies and the public we serve is a critical component of MWDOC's core function. Communication related to critical water policy issues, water supply and system reliability, as well as water resource projects and investments, are all essential elements of the MWDOC Communications Program & Plan. To maximize both effectiveness and efficiency MWDOC is working with our Member Agencies on coordinated communication efforts. Central to that effort this year has been a continued focus on the successful completion of the California WaterFix, and enhanced engagement with the public through digital communications, community events, and promotions.

MWDOC has provided water-related school education programs since 1973. Through partnerships with the Discovery Cube and Inside the Outdoors, MWDOC provides Orange County students with grade-specific lessons that focus on topics like the water cycle, forms of water, and water as an environmental resource. Additionally, MWDOC has developed, sponsors, and coordinates a Boy Scouts Merit Badge program and a Girl Scouts Patch program to further reach Orange County youth with water resources, conservation, and careers messaging.

The MWDOC's Public Affairs team interacts with the public and our Member Agencies through several activities and avenues. MWDOC hosts regular meetings of the Public Affairs Workgroup to facilitate unified regional messaging and communications support. The MWDOC Public Affairs team also produces special events such as the annual OC Water Summit and MWDOC Water Policy Dinners, and is responsible for the MWDOC/Metropolitan inspection trip program and tours.

#### **Key Initiatives FY2019-20**

The Public Affairs Department looks to build on the successes from previous years, elevating community awareness and involvement with issues and challenges related to the reliable delivery of potable water. Additionally, with newly elected Governor Gavin Newsom declaring in his inaugural State of the State Address with every intention of driving a tax on drinking water, the MWDOC Board has united with partners such as ACWA and EMWD to advocate for alternative solutions to fund and provide safe drinking water to areas in the state that suffer from noncompliant water systems. The new Governor also stated that he was going to pursue a scaled down version of the California WaterFix, favoring one tunnel, which presents a new layer of uncertainty about the fate of the project and the project specifications should it move forward. With an established voice and growing audiences, MWDOC's Strategic Communications Program & Plan offers the following initiatives for FY2019-20:



- Develop messaging in conjunction with the Government Affairs Department that amplifies MWDOC's opposition to any potential legislation that imposes a "public goods charge," "water user fee," or "water tax" on public water agencies or their ratepayers. Additionally, MWDOC will create outreach materials supporting SB 669 (Caballero) - Safe Drinking Water Trust and SB 414 (Caballero), The Small System Water Authority Act of 2019. These materials will be presented through a MWDOC Media/Tool Kit, allowing Member Agencies to insert their names and logos and use in their various forms of outreach.
- Working closely with Engineering and the Metropolitan Program Departments, Public Affairs will develop messaging that will continue to focus on the WaterFix and EcoRestore and provide consistent messaging about the need to finish the State Water Project with the full twin-tunnel WaterFix. In the event that the administration is reluctant to consider two tunnels, messaging and outreach will be adjusted to articulate the need for a single tunnel to be a minimum of 6,000 CFS.
- Underscore the agency's role as the primary resource and water reliability planning entity for the County by highlighting the findings of the OC Reliability Study.
- Deliver targeted messages to decision-makers and those with influence upon the decision-makers, although local government and grass root elements are included in the plan, as well.
- Utilize digital communications featuring MWDOC's award winning website and social media channels with an emphasis on video, to target specific audiences, as well as to "listen" to public sentiment about these issues and identify any growing concerns or opposition.
- An important component of the MWDOC Communications Program & Plan is public outreach through the MWDOC Water Policy Dinners and the OC Water Summit, both of which are included in the budget. Building off of the existing program's success, MWDOC will continue to lead the way in water reliability and water policy issue discussions by implementing the MWDOC Water Policy Forum & Dinner speakers series. The new format will provide additional value for past, present, and future attendees. Through a collaboration with the Association of California Cities – Orange County (ACC-OC), it was recognized that many newly elected officials and other members would benefit from examining water issues related to supply on a geographical basis. The 2019 series will focus on each of the three distinct California water regions: Northern, Central, and Southern California.
- Critical to the success of our communication is the active coordination with our Member Agencies. This is facilitated with formal meetings and the informal cooperation between agencies. Additionally, MWDOC's outreach support efforts integrates media kits produced in-house to provide Member Agencies with regional outreach materials related to national campaigns like: Imagine a Day Without Water and the Wyland National Mayors Challenge for Water Conservation, regional efforts like MWDOC's annual Poster Contest and Water Use Efficiency programs, and emergency communications tool kit templates for disaster response. These valuable resources are extremely well received by Member Agencies and assist them in providing messaging to their customers while ensuring continuity in messaging for the region.

- As part of its multi-faceted public education effort, MWDOC sponsors the Boy Scout's Soil & Water Conservation Merit Badge and offers the MWDOC Water Resources and Conservation Patch produced jointly with the Girl Scouts of Orange County. MWDOC partners with several of its member agencies to host clinics that teach the Boy Scouts and Girl Scouts about where their water comes from, the challenges of getting water to Orange County, how to be water efficient, and the prospect of pursuing a career in water.
- The MWDOC Public Affairs Department spends a significant amount of time each year developing materials, preparing itineraries and guest lists, coordinating with guests and MWDOC/Metropolitan Directors and staff, and participating on tours to critical water facilities throughout the state as part of the District's involvement in the Metropolitan Inspection Trip Program. MWDOC/Metropolitan Directors host an average of ten to twelve inspection trips each "season". While a season typically runs from September to June, several months are needed in advance to plan and prepare each trip. Additionally, each May, staff begins working with Metropolitan and the MWDOC/Metropolitan Directors to develop and negotiate their trip schedules for the upcoming season. Therefore, while this program may be presented as a seasonal effort, staff works diligently year-round to connect influential Orange County citizens to the District's programs, activities, plans, and water itself as a valuable resource that needs to be protected.
- As an integral part of the Public Affairs Department's efforts to elevate public awareness, garner support, and establish confidence in the District, staff provides extensive support to the District's member agencies as well as to all other departments within the organization. Examples of this include communications and marketing research, strategies, design support and materials – both electronic and print. This is accomplished through a variety of tools such as: social media, MWDOC's website, bill inserts, flyers, program promotions and how-to videos, media kits and toolkits, briefing papers, news releases, and informational campaign support to name a few.
- Also included in the budget, is the continued funding of the Southern California Water Coalition WaterFix communication program.

#### Public Affairs Choice Programs for FY2019-20

The Choice Programs for FY2019-20 include:

- School Program- A request for proposals (RFP) for all MWDOC school programs will open next month. Presently, the grade school program is run in conjunction with The Discovery Cube with assembly programs in grades 1-5. Since 2015, MWDOC's High School Program has been conducted in conjunction with the County of Orange's Inside the Outdoors (ITO). As we look to refine and possibly expand the school program into grades 6-9, it is anticipated that both entities will submit proposals.

### **Governmental Affairs Department (Cost Center 31)**

The MWDOC Governmental Affairs Department works within the local, state and national levels in cooperation with our Member Agencies, local and regional partners (e.g., the cities of Anaheim, Fullerton, and Santa Ana; MET; and MET Member Agencies), organizations, legislative delegations, key stakeholders, regulatory agencies and bureaus to advance Orange County's agenda in FY2019-20. Central to this effort are policy, legislative and regulatory developments and opportunities.

The Governmental Affairs Department engages local, state, and federal advocates to track, monitor and assist in education outreach of MWDOC's legislative priorities. The Department will focus efforts on the following issues in concurrence with the 2019 Legislative Priorities recently adopted by the MWDOC Board. Key legislation and actions include:

- Legislation or a Budget Trailer Bill to fund the "Safe and Affordable Drinking Water Act" (tax on water)
- Legislation to implement a Low Income Rate Assistance program for water
- Monitoring how the Administration and Legislature intends to implement the draft CA Water Plan update
- Ensuring the California WaterFix and EcoRestore projects continue to move forward
- Supporting the Colorado River Drought Contingency Plan
- Working to ensure that funding for water infrastructure and repairs along with funding for new projects that will enhance long-term reliability for the region
- Advocate for cost effective reliability and local resources projects that benefit Orange County

Federal activities will include the annual legislative trips, luncheon and dinner as well targeted work on supporting legislative and regulatory actions in support of Southern California water; in addition to seeking outside funding opportunities in support of Orange County projects.

Locally, during FY2019-20 there will be a particular focus on informing and engaging elected officials and staff, key agency personnel and government associations or groups on water resource issues critical to Orange County including the California WaterFix.

In addition, the MWDOC Grant Assistance Program continues to be an asset for MWDOC and the MWDOC member agencies, providing helpful information and tools to obtain funding for various programs and infrastructure.

#### **Key Initiatives to Help Achieve Legislative Priorities in Fiscal Year 2019-20**

- Outreach and education to newly elected legislators, returning legislators, staff and new/returning members of key policy committees.
  - In Washington D.C., this will include outreach and education on MWDOC issues to the four newly elected members and staff of Orange County's congressional delegation.

- In Sacramento, MWDOC has new representation in the 74th Assembly District and 34th Senate District. MWDOC staff along with our federal and state advocates, will engage with both the Sacramento and the local district offices.
- Working with the new administration may take many forms, including: utilizing the existing relationships of our lobbyists and developing new ones, participating in administration briefings in Sacramento, and scheduling meet and greet meetings with new administrative appointees.
- At the county level, the same efforts listed above will be coordinated with members of the MWDOC Board and the newly elected Supervisors.
- In addition to new members in Orange County, there will also be changes in committee membership at both the federal and state level that will require attention, with water policy committees being the most significant.
- Actively engage on all issues, legislative and regulatory, that will affect the California WaterFix and EcoRestore project.
  - Over the past three years, significant outreach and education has been done by the MWDOC Board, staff and MWDOC's federal advocate, Jim Barker, to Orange County's congressional delegation on the importance of the WaterFix project to our region. These efforts will continue with the newly elected members of the Orange County delegation, key committee staff, and others.
  - On the state side, BB&K and MWDOC staff have worked successfully to elevate MWDOC's overall reputation as an opinion leader on water policy. Governor Newsom, during his State of the State speech in February, made it clear that he does not support two tunnels, which makes advocacy on Bay/Delta issues even more critical. MWDOC has been heavily involved with helping to advance the WaterFix project and the need will be even greater moving forward.
  - Action items include expanding MWDOC's WaterFix focus to include more engagement with state agencies including, but not limited to, the State Water Resources Control Board (SWRCB) and the Delta Stewardship Council. Efforts at the State Capitol will continue with the Newsom Administration, members of the Orange County delegation, and member of key policy committees. Additionally, we plan to be included in a broader range of issues such as State Water Project governance and the San Joaquin River regulatory process.
- Actively engage in the safe and affordable drinking water program(s) working proposals (i.e., the "water tax", non-compliant water systems, and the Low Income Rate Assistance program).
  - MWDOC has been a key figure in the lobbying efforts in relating to "water-tax" opposition. Action items include district and Sacramento office meetings with members of Orange County's delegation, key members of policy committees, and continuing to work with other stakeholders, and comprehensive education and outreach.

- Further action items center on non-compliant water systems and the Board's direction to develop new information on the scope of the issue. Staff will continue to pursue an alliance with the California Urban Water Agencies and the California Municipal Utilities Association, to assist in the generation of supportive materials for a viable and long-term solution to improve drinking water quality in areas of the state with chronically non-compliant water systems that lack safe water supplies.
- The Low Income Rate Assistance Program (LIRA) for low-income residents statewide was largely shelved in 2018 by the administration in an attempt to keep attention on the tax on water, in all of its various incarnations. Having now missed statutory deadlines for the SWRCB to issue a written report to the Legislature on what LIRA program for water should entail, efforts could be renewed. Fortunately, the MWDOC staff is already an ongoing participant in the regulatory process. Action items for FY2019-20 may include briefing and rallying legislators should SWRCB pursue ineffective policies for advancing a LIRA program and building coalitions to oppose or support specific proposal by agency staff.
- Advocate for Cost Effective Local Resource Projects.
  - For the past few months in Washington D.C., there has been serious discussions about the return of congressional "earmarks" – a line-item appropriation for specific projects. While it has become clear in recent weeks that earmarks are unlikely to return this year, we will continue to monitor closely as it could be beneficial to the development of local projects, such as storage and desalination projects in Orange County.
  - In FY2018-19 we saw the first funds allocated from the 2014 water bond (Prop 1) by the Water Commission for the Temperance Flat and Sites reservoirs, and for desalination; but since then little actual progress has been made on either front. However, with funds finally starting to move, FY2019-20 may be seen as a year of opportunity where we can advocate for funding for key Orange County projects.

### **Administration Department (Cost Centers 11, 12, 13, &19)**

The Administrative Department is comprised of Board Administration, General Administration, Personnel and Overhead. The Administration Department provides support to the entire District to ensure operations run smoothly and efficiently. Fundamental activities include:

- Staff attendance, preparation and compilation of Board and Committee Agendas and minutes;
- The insurance of compliance with the District Administrative Code, Contracts Manual and publication of required legal notices and coordinate all Public Records requests.;

- The oversight and maintenance of the Electronic Records Management System for the District, as well as train staff on policies related to accessing, storing and transmitting electronic records;
- The oversight and maintenance of the District's Database Management System in an effort to provide a centralized database for staff in improving efficiencies;
- Personnel activities include recruitment, screening, selection, employee orientation, benefits and compensation administration, employee documentation, performance management, research and surveys;
- Oversight of the Safety and Risk Management and the District's Workers Compensation, Liability and Property Insurance Programs;
- Oversight of all items related to building facilities management.

Key initiatives in the coming year include:

- District wide staff development training
- Encourage participation in the Public Agency Leadership Training through Cal State University Fullerton
- Succession Planning for upcoming retirements
- Preparation for WUE staffing recruitments and additional staff recruitments
- Implementation and training of Performance Evaluation System
- Oversee building remodel improvements

#### MWDOC Building Improvements

Administration, Engineering, and WEROC staff are working together to coordinate multiple improvement projects at the MWDOC Administration Building. Staff has previously budgeted for renovation efforts for the conference rooms, copy room and the library area, as well as redesigning other office areas to create additional work spaces. During this time, there have been various issues that have come up resulting in three project areas that support the renovation efforts: seismic safety improvements (board approved), upgrading the existing electrical system to meet current and future demands, and replacing the IT server room air conditioning unit. In evaluating all of the various components, it was determined that it would be more cost effective and efficient to coordinate all of these projects more closely to allow the improvements to move forward in a more seamless manner. This is especially important considering the building permitting process, which will require the District to comply with Title 24 (Building Energy Efficiency Standards), Life Safety Compliance, as well as American with Disabilities Act (ADA) code compliance. Identifying and planning the electrical system for the District is a critical step that must be completed before moving forward with the office remodel. Therefore, staff is coordinating closely with electrical and architectural/space planning consultants. The WEROC South EOC projects (see more under WEROC) are being completed in conjunction with the MWDOC administration building to achieve economies of scale. The capital budget reflects previously approved budgeted costs, carryover of unspent capital funds and new realized costs for the previously identified projects due to unforeseen costs, inflation and building

code compliance. We anticipate work will begin with the electrical improvements in August 2019 and the office remodel work immediately following.

### **Finance & Information Technology (Cost Centers 41 & 45)**

The Finance department includes Accounting and Information Technology (IT). The Department provides support to MWDOC through payroll, accounts payable/receivable, fixed assets, investments, grant funding, reconciliations and technology. Staff provides support to WEROC for disaster recovery at both the District office and the Emergency Operation Center. Finance and IT's priorities are Financial Stewardship, Auditing and Controls, which is demonstrated by receiving an unmodified opinion from our annual audit process

Finance also provides monthly accounting to our Member Agencies through monthly billing of water deliveries, in-lieu credits, LRP payments, conservation rebate and choice programs.

IT provides uninterrupted service for our phones and computers with the highest level of firewall protection to prevent threats, viruses and hackers from penetrating our system.

Key Initiatives in the coming year include:

- Maintain functional operations and support throughout the upcoming building renovations at MWDOC
- Supporting the succession planning for upcoming retirements
- Continue with IT's PC/Printer refresh program and security updates which, exchanges out equipment after it's useful like to prevent the loss of any data
- Purchase Performance Management Software for Human Resources
- Continue to assist at Public Affairs events
- Assist with vehicle purchases for the Shared Services Program
- Support the District with any future financing needs

### **7. Core/Choice Programs for FY2019-20**

The Choice Programs for FY2019-20 include:

- School Program - As discussed above the School Program will go out for bid during this fiscal year. Vendors and programs will be available for the next fiscal year and the beginning of the school year.
- Water Use Efficiency - Will continue to access MET WUE funding and grants from other sources for implementation programs for OC.
- Water Loss Control Shared Services – This new program was developed in conjunction with our Member Agencies and the business plan has been presented to and approved by the MWDOC Board of Directors. This program will only be implemented after Member Agencies have subscribed for the services.

**8. Water Rates and Charges**

MWDOC's revenue funding for its Core Budget derives from the Retail Meter Service Charge and the Groundwater Customer Charge. The rate structure was developed as part of the May 2016 rate study and was implemented by the MWDOC Board of Directors for FY2016-17. It is anticipated that a new rate study will be conducted in FY2020-21 and any changes would be initiated for FY2021-22. Based on the Proposed Budget:

For FY 2019-20 the proposed Retail Meter Service Charge is \$12.40 per meter.

For FY 2019-20 the proposed Groundwater Customer Charge is \$630,247.

All other charges cover the cost of water supply including MET water purchases and MET associated charges (i.e. Readiness-to-Serve (RTS) and Capacity Charge). The proposed Total Water Purchases for FY 2019-20 are budgeted at \$237,841,537.

**Attachments:**

Attached hereto are MWDOC budget schedule and the detailed budget for this coming fiscal year.





## **Annual Budget for Fiscal Year 2019-20**

**Second Draft**

**MWDOC's mission is:**

***To provide reliable, high-quality supplies from MWD and other sources to meet present and future needs, at an equitable and economical cost, and to promote water use efficiency for all of Orange County***

**Exhibit A2**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CORE FUND**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET	
<b>OPERATING EXPENSES:</b>							
Salaries & Wages	\$ 3,104,292	\$ 3,084,643	\$ (19,649)	\$ 3,669,658	\$ 585,015	\$ 565,366	(1)
Employee Benefits	979,729	970,716	(9,012)	1,139,985	169,269	160,257	(2)
Director Compensation	255,360	221,341	(34,019)	268,133	46,792	12,773	
Director Benefits	94,767	92,575	(2,192)	93,947	1,373	(819)	
MWD Representation	145,920	140,343	(5,577)	153,218	12,875	7,298	
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-	
Overhead Reimbursement	(161,317)	(173,642)	(12,324)	(225,831)	(52,189)	(64,513)	
Health Insurance Coverage for Retirees	70,519	50,492	(20,027)	70,287	19,795	(232)	
Audit Expense	29,000	19,380	(9,620)	29,240	9,860	240	
Automotive & Toll Road Expenses	18,262	19,878	1,616	20,200	322	1,938	
Conference Expense - Staff	42,880	38,505	(4,375)	43,546	5,041	666	
Conference Expense - Directors	24,930	23,530	(1,400)	26,177	2,647	1,247	
Engineering Expense	330,000	531,508	201,508	435,000	(96,508)	105,000	
Insurance Expense	138,500	138,000	(500)	140,000	2,000	1,500	
Legal Expense - General	255,000	167,000	(88,000)	200,000	33,000	(55,000)	
Maintenance Expense	132,796	112,300	(20,496)	138,527	26,227	5,731	
Membership / Sponsorship	141,662	144,044	2,382	160,019	15,975	18,357	
CDR Participation	47,044	47,044	-	50,156	3,112	3,112	
Miscellaneous Expense	134,430	101,618	(32,812)	97,300	(4,318)	(37,130)	
Postage / Mail Delivery	8,600	8,300	(300)	9,000	700	400	
Professional Fees	862,921	796,837	(66,084)	920,445	123,608	57,524	
Rents & Leases	3,460	3,200	(260)	3,616	416	156	
Outside Printing, Subscription & Books	34,573	34,000	(573)	62,500	28,500	27,927	
Office Supplies	36,000	32,000	(4,000)	36,000	4,000	-	
Building Repair & Maintenance	20,000	10,000	(10,000)	20,000	10,000	-	
Computer Maintenance	8,000	8,000	-	8,000	-	-	
Business Expense	5,600	4,200	(1,400)	5,200	1,000	(400)	
Software Support & Expense	97,795	96,000	(1,795)	93,634	(2,366)	(4,161)	
Computers and Equipment	11,850	11,850	-	45,750	33,900	33,900	
Telecommunications Expense	20,178	22,200	2,022	24,333	2,133	4,155	
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-	
Training Expense	25,000	22,000	(3,000)	30,000	8,000	5,000	
Tuition Reimbursement	5,000	2,500	(2,500)	5,000	2,500	-	

**Exhibit A2**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CORE FUND**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff	99,600	92,850	(6,750)	122,345	29,495	22,745
Travel & Accommodations - Directors	51,750	50,275	(1,475)	65,373	15,098	13,623
MWDOC's Contribution to WEROC: Operations	191,380	191,380	-	228,978	37,598	37,598
and to WEROC Capital Improvements	25,488	25,488	-	44,389	18,901	18,901
Capital Acquisition (excluding building)	255,500	167,500	(88,000)	366,900	199,400	111,400
Capital Acquisition Carryover		88,000	88,000	(330,624)	(418,624)	(330,624)
<b>NORMAL OPERATING EXPENSES</b>	<b>\$ 7,758,468</b>	<b>\$ 7,602,855</b>	<b>\$ (155,613)</b>	<b>\$ 8,482,402</b>	<b>\$ 879,547</b>	<b>\$ 723,934</b>
MWDOC's Building Expense	\$ 531,827	\$ 390,986	\$ (140,841)	\$ 1,259,057	\$ 868,071	\$ 727,230
Building Expense Carryover		\$ 140,841	\$ 140,841	\$ (423,226)	\$ (564,067)	\$ (423,226)
Contribution to Election Reserve	304,000	288,000	(16,000)	-	(288,000)	(304,000)
<b>TOTAL EXPENSES</b>	<b>\$ 8,594,295</b>	<b>\$ 8,422,682</b>	<b>\$ (171,613)</b>	<b>\$ 9,318,233</b>	<b>\$ 895,551</b>	<b>\$ 723,938</b>

<b>REVENUES:</b>						
Retail Meter Charge	\$ 7,697,006	\$ 7,697,006	\$ 0	\$ 7,888,930	\$ 191,924	\$ 191,924
Ground Water Customer Charge	499,012	499,012	-	630,247	131,235	131,235
Interest Revenue	390,000	553,000	163,000	580,000	27,000	190,000
Miscellaneous Income	3,000	3,000	-	3,000	-	-
<b>TOTAL REVENUES</b>	<b>\$ 8,589,018</b>	<b>\$ 8,752,018</b>	<b>\$ 163,000</b>	<b>\$ 9,102,176</b>	<b>\$ 350,159</b>	<b>\$ 513,159</b>

<b>EFFECT ON RESERVES:</b>						
<b>TOTAL CONTRIBUTION (DRAW) FROM RESERVES</b>	<b>\$ (5,277)</b>	<b>\$ 329,336</b>	<b>\$ 334,613</b>	<b>\$ (216,057)</b>	<b>\$ (545,393)</b>	<b>\$ (210,780)</b>

- (1) Total FY2019-2020 Salaries & Wages includes \$15,367 for intern support
- (2) Total FY2019-2020 Benefits includes \$1,620 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.221% for Classic employees and 6.985% for PEPRA employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2020.
- (3) FY2018-2019 Projected carryover is the amount budgeted less the amount of work projected to be completed in FY2018-2019.  
FY2019-2020 Budgeted carryover is the cumulative dollars from prior years that will be applied toward work projected to be completed in FY2019-2020.
- (4) MWDOC FY2019-2020 designated reserve target is unfunded in the amount of \$234,469 with \$329,336 projected to be available for contribution to reserves from FY2018-2019 operations. Of this amount (\$329,336-\$234,469+\$91,864 (Net Contribution to election reserves, after a \$196,136 election expense, already included)) \$186,731 is available in excess of the fully funded reserve target. This is offset by the proposed budget deficit from the FY2019-2020 operations.

**Exhibit A3**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CHOICE FUNDS**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>OPERATING EXPENSES:</b>						
Salaries & Wages	\$ 418,691	\$ 405,091	\$ (13,601)	\$ 539,187	\$ 134,097	\$ 120,496
less for Recovery from Grants	(6,300)	(5,714)	586	(5,500)	214	800
Employee Benefits	128,836	107,086	(21,750)	164,541	57,455	35,705
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	161,317	173,642	12,324	225,831	52,189	64,513
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	-	-	-	1,500	1,500	1,500
Vehicle Expense	-	-	-	13,160	13,160	13,160
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Engineering Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	6,000	6,562	562	12,000	5,438	6,000
Postage / Mail Delivery	400	336	(64)	400	64	-
Professional Fees	567,837	533,837	(34,000)	751,962	218,125	184,125
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	-	-	-	2,033	2,033	2,033
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	-	-	-	-	-	-
Telecommunications Expense	-	-	-	1,440	1,440	1,440
Computers and Equipment	-	-	-	3,700	3,700	3,700
Temporary Help Expense	-	-	-	-	-	-
Training Expense	-	-	-	2,000	2,000	2,000
Tuition Reimbursement	-	-	-	-	-	-

(1)

(2)

**Exhibit A3**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CHOICE FUNDS**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
Capital Acquisition	-	-		70,180	70,180	70,180
Subtotal Expenses	\$ 1,276,781	\$ 1,220,839	\$ (55,942)	\$ 1,782,434	\$ 561,594	46.00%
<b>TOTAL EXPENSES</b>	<b>\$ 1,276,781</b>	<b>\$ 1,220,839</b>	<b>\$ (55,942)</b>	<b>\$ 1,782,434</b>	<b>\$ 561,594</b>	<b>\$ 505,652</b>

<b>REVENUES:</b>						
Choice Revenue	\$ 1,276,781	\$ 1,220,839	\$ (55,942)	\$ 1,782,434	\$ 561,594	\$ 505,652
<b>TOTAL REVENUES</b>	<b>\$ 1,276,781</b>	<b>\$ 1,220,839</b>	<b>\$ (55,942)</b>	<b>\$ 1,782,434</b>	<b>\$ 561,594</b>	<b>\$ 505,652</b>

- (1) Total FY2019-2020 Salaries & Wages includes \$44,509 for intern support
- (2) Total FY2019-2020 Benefits includes \$4,633 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.221% for Classic employees and 6.985% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2020.

**Exhibit A4**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CONSOLIDATED**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>OPERATING EXPENSES:</b>						
Salaries & Wages	\$ 3,522,983	\$ 3,489,733	\$ (33,250)	\$ 4,208,845	\$ 719,112	\$ 685,862
less for Recovery from Grants	(6,300)	(5,714)	586	(5,500)	214	800
Employee Benefits	1,108,564	1,077,802	(30,762)	1,304,526	226,724	195,962
Director Compensation	255,360	221,341	(34,019)	268,133	46,792	12,773
Director Benefits	94,767	92,575	(2,192)	93,947	1,373	(819)
MWD Representation	145,920	140,343	(5,577)	153,218	12,875	7,298
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees	70,519	50,492	(20,027)	70,287	19,795	(232)
Audit Expense	29,000	19,380	(9,620)	29,240	9,860	240
Automotive & Toll Road Expenses	18,262	19,878	1,616	21,700	1,822	3,438
Vehicle Expense - Water Loss Control	-	-	-	13,160	13,160	13,160
Conference Expense - Staff	42,880	38,505	(4,375)	43,546	5,041	666
Conference Expense - Directors	24,930	23,530	(1,400)	26,177	2,647	1,247
Engineering Expense	330,000	531,508	201,508	435,000	(96,508)	105,000
Insurance Expense	138,500	138,000	(500)	140,000	2,000	1,500
Legal Expense - General	255,000	167,000	(88,000)	200,000	33,000	(55,000)
Maintenance Expense	132,796	112,300	(20,496)	138,527	26,227	5,731
Membership / Sponsorship	141,662	144,044	2,382	160,019	15,975	18,357
CDR Participation	47,044	47,044	-	50,156	3,112	3,112
Miscellaneous Expense	140,430	108,180	(32,250)	109,300	1,120	(31,130)
Postage / Mail Delivery	9,000	8,636	(364)	9,400	764	400
Professional Fees	1,430,758	1,330,674	(100,084)	1,672,407	341,733	241,649
Rents & Leases	3,460	3,200	(260)	3,616	416	156
Outside Printing, Subscription & Books	34,573	34,000	(573)	62,500	28,500	27,927
Office Supplies	36,000	32,000	(4,000)	36,000	4,000	-
Supplies - Water Loss Control	-	-	-	2,033	2,033	2,033
Building Repair & Maintenance	20,000	10,000	(10,000)	20,000	10,000	-
Computer Maintenance	8,000	8,000	-	8,000	-	-
Business Expense	5,600	4,200	(1,400)	5,200	1,000	(400)
Software Support & Expense	97,795	96,000	(1,795)	93,634	(2,366)	(4,161)
Computers and Equipment	11,850	11,850	-	49,450	37,600	37,600
Telecommunications Expense	20,178	22,200	2,022	25,773	3,573	5,595
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	25,000	22,000	(3,000)	32,000	10,000	7,000
Tuition Reimbursement	5,000	2,500	(2,500)	5,000	2,500	-

(1)

(2)

**Exhibit A4**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**CONSOLIDATED**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>OPERATING EXPENSES: continued</b>						
Travel & Accommodations - Staff	99,600	92,850	(6,750)	122,345	29,495	22,745
Travel & Accommodations - Directors	51,750	50,275	(1,475)	65,373	15,098	13,623
MWDOC's Contribution to WEROC: Operations	191,380	191,380	-	228,978	37,598	37,598
and to WEROC Capital Improvements	25,488	25,488	-	44,389	18,901	18,901
Capital Acquisition (excluding building)	255,500	167,500	(88,000)	437,080	269,580	181,580
Capital Acquisition Carryover		88,000	88,000	(330,624)	(418,624)	(330,624)
<b>NORMAL OPERATING EXPENSES</b>	<b>\$ 9,035,249</b>	<b>\$ 8,823,694</b>	<b>\$ (211,555)</b>	<b>\$ 10,264,836</b>	<b>\$ 1,441,142</b>	<b>\$ 1,229,587</b>
MWDOC's Building Expense	\$ 531,827	\$ 390,986	\$ (140,841)	\$ 1,259,057	\$ 868,071	\$ 727,230
Building Expense Carryover		\$ 140,841	\$ 140,841	\$ (423,226)	\$ (564,067)	\$ (423,226)
Contribution to Election Reserve	304,000	288,000	(16,000)	-	(288,000)	(304,000)
<b>TOTAL EXPENSES</b>	<b>\$ 9,871,076</b>	<b>\$ 9,643,521</b>	<b>\$ (227,555)</b>	<b>\$ 11,100,667</b>	<b>\$ 1,457,146</b>	<b>\$ 1,229,591</b>

(3)

(3)

<b>REVENUES:</b>						
Retail Meter Charge	\$ 7,697,006	\$ 7,697,006	\$ 0	\$ 7,888,930	\$ 191,924	\$ 191,924
Ground Water Customer Charge	499,012	499,012	-	630,247	131,235	131,235
Interest Revenue	390,000	553,000	163,000	580,000	27,000	190,000
Miscellaneous Income	3,000	3,000	-	3,000	-	-
Choice Revenue	1,276,781	1,220,839	(55,942)	1,782,434	561,594	505,652
<b>TOTAL REVENUES</b>	<b>\$ 9,865,799</b>	<b>\$ 9,972,857</b>	<b>\$ 107,058</b>	<b>\$ 10,884,610</b>	<b>\$ 911,753</b>	<b>\$ 1,018,811</b>

<b>EFFECT ON RESERVES:</b>						
<b>TOTAL CONTRIBUTION (DRAW) FROM RESERVES</b>	<b>\$ (5,277)</b>	<b>\$ 329,336</b>	<b>\$ 334,613</b>	<b>\$ (216,057)</b>	<b>\$ (545,393)</b>	<b>\$ (210,780)</b>

(4)

- (1) Total FY2019-2020 Salaries & Wages includes \$59,876 for intern support
- (2) Total Benefits includes \$6,222 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.221% for Classic employees and 6.985% for PEPRAs employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2020.
- (3) FY2018-2019 Projected carryover is the amount budgeted less the amount of work projected to be completed in FY2018-2019.  
FY2019-2020 Budgeted carryover is the cumulative dollars from prior years that will be applied toward work projected to be completed in FY2019-2020.
- (4) MWDOC FY2019-2020 designated reserve target is unfunded in the amount of \$234,469 with \$329,336 projected to be available for contribution to reserves from FY2018-2019 operations. Of this amount (\$329,336-\$234,469+\$91,864 (Net Contribution to election reserves, after a \$196,136 election expense, already included)) \$186,731 is available in excess of the fully funded reserve target. This is offset by the proposed budget deficit from the FY2019-2020 operations.

**Exhibit A5**  
**SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS**  
**WATER FUND**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>Water Revenues</b>						
Water Sales	\$ 205,393,716	\$ 237,701,659	\$ 32,307,944	\$ 237,841,537	\$ 139,878	\$ 32,447,821
Local Resource Program Incentives	(16,416,776)	(12,672,068)	3,744,708	(5,465,263)	7,206,805	10,951,513
Readiness-To-Serve Charge	10,902,178	10,135,278	(766,900)	10,071,282	(63,996)	(830,896)
Capacity Charge	3,854,976	3,735,205	(119,771)	3,615,440	(119,765)	(239,536)
Interest Revenue - Tier 2 Cont.	13,000	17,500	4,500	20,000	2,500	7,000
SCP/SAC Pipeline Surcharge	365,000	342,651	(22,349)	350,000	7,349	(15,000)
<b>TOTAL WATER REVENUES</b>	<b>\$ 204,112,094</b>	<b>\$ 239,260,226</b>	<b>\$ 35,148,132</b>	<b>\$ 246,432,996</b>	<b>\$ 7,172,771</b>	<b>\$ 42,320,902</b>
<b>Water Expenses</b>						
Water Purchases	\$ 205,393,716	\$ 237,701,659	\$ 32,307,944	\$ 237,841,537	\$ 139,878	\$ 32,447,821
Local Resource Program Incentives	(16,416,776)	(12,672,068)	3,744,708	(5,465,263)	7,206,805	10,951,513
Readiness-To-Serve Charge	10,902,178	10,135,278	(766,900)	10,071,282	(63,996)	(830,896)
Capacity Charge	3,854,976	3,735,205	(119,771)	3,615,440	(119,765)	(239,536)
SCP/SAC Pipeline Surcharge	365,000	342,651	(22,349)	350,000	7,349	(15,000)
<b>TOTAL WATER EXPENSES</b>	<b>\$ 204,099,094</b>	<b>\$ 239,242,726</b>	<b>\$ 35,143,632</b>	<b>\$ 246,412,996</b>	<b>\$ 7,170,271</b>	<b>\$ 42,313,902</b>
<b>Changes to Fund Balance:</b>						
Tier 2 Contingency	\$ 13,000	\$ 17,500	\$ 4,500	\$ 20,000	\$ 2,500	\$ 7,000

(1)

(1) Decrease in LRP incentives is due to the OCWD Ground Water Replenishment System (GWRS) reaching its total incentive limit of \$86,273,000 by the end of FY18-19



**Exhibit A6**  
**SUMMARY OF FUNDING AND EXPENSES**  
**For All Water Use Efficiency Programs**

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
<b>Funding</b>						
Metropolitan Water District	\$ 680,000	\$ 915,455	\$ 235,455	\$ 1,067,130	\$ 151,675	\$ 387,130
USBR	127,380	133,104	5,724	58,100	(75,004)	(69,280)
DWR	714,755	955,410	240,655	169,912	(785,498)	(544,843)
Member Agencies	1,356,000	914,874	(441,126)	1,040,004	125,130	(315,996)
MWDOC	30,000	35,000	5,000	35,000	-	5,000
<b>TOTAL OUTSIDE FUNDING</b>	<b>\$ 2,908,135</b>	<b>\$ 2,953,843</b>	<b>\$ 45,708</b>	<b>\$ 2,370,147</b>	<b>\$ (583,696)</b>	<b>\$ (537,988)</b>
<b>Program Expenses Funded from Outside Sources</b>						
Project Administration - Staff Time	\$ 6,300	\$ 5,714	\$ (586)	\$ 5,500	\$ (214)	\$ (800)
Monitoring and Evaluation	-	-	-	-	-	-
Installation Verification	135,000	50,511	(84,489)	50,000	(511)	(85,000)
Rebate Incentives	2,766,835	3,071,245	304,410	2,320,539	(750,706)	(446,296)
Databasing	-	-	-	-	-	-
<b>TOTAL PROGRAMS EXPENSES</b>	<b>\$ 2,908,135</b>	<b>\$ 3,127,470</b>	<b>\$ 219,335</b>	<b>\$ 2,376,039</b>	<b>\$ (751,431)</b>	<b>\$ (532,096)</b>

**Exhibit B**  
**Expenditures by Program**

Cost Center	PROGRAM	FY 2018-2019 BUDGET FTE	FY 2019-2020 BUDGET FTE	FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
11	Administrative - Board	1.85	1.90	\$ 1,188,992	\$ 1,015,180	\$ 1,219,502
12	Administrative - General	3.45	3.54	616,618	623,741	719,875
13	Personnel / Staff Development	1.40	1.53	315,728	281,318	329,579
19	Overhead	3.79	4.37	1,283,116	1,198,428	1,175,297
21	Reliability Planning and Engineering	3.85	4.15	785,812	927,800	1,139,042
22	Research Participation	0.00	0.00	47,044	47,044	-
23	Metropolitan Issues and Water Policy	4.14	4.76	843,133	899,588	959,744
31	Governmental Affairs	0.96	0.94	480,284	464,453	495,743
35	Water Use Efficiency (Core)	0.62	0.97	386,212	375,638	485,572
32	Public Affairs	3.68	3.81	756,078	775,176	796,472
41	Finance	3.18	3.17	508,581	451,601	581,848
45	Information Technology	1.00	0.99	330,002	326,023	306,362
25	MWDOC's Contribution to WEROC	2.55	2.53	216,868	216,868	273,367
<b>CORE TOTAL</b>		<b>30.48</b>	<b>32.67</b>	<b>\$ 7,758,468</b>	<b>\$ 7,602,855</b>	<b>\$ 8,482,402</b>
62	Water Use Efficiency Program	5.13	5.07	839,155	801,400	874,517
63	School Programs	0.21	0.10	437,626	419,439	629,159
70	Water Loss Control	0.00	1.46	-	-	278,757
<b>CHOICE TOTAL</b>		<b>5.33</b>	<b>6.62</b>	<b>\$ 1,276,781</b>	<b>\$ 1,220,839</b>	<b>\$ 1,782,434</b>
<b>CORE &amp; CHOICE TOTAL</b>		<b>35.81</b>	<b>39.29</b>	<b>\$ 9,035,249</b>	<b>\$ 8,823,694</b>	<b>\$ 10,264,836</b>
Includes:	Full-time employees	30.00	34.12	(2)		
	Part-time employees	0.72	0.74			
	Interns	2.50	1.90			
	WEROC Full-time employees	2.00	2.53			
	WEROC Part-time employees	0.59	0.00			

(1)

(1) Total Operational Costs of WEROC is allocated among MWDOC, OCWD, OCSD, Anaheim, Santa Ana, Fullerton and South Orange County Wastewater Authority. Capital Expenditures are provided by MWDOC. Dollars shown are MWDOC's share only.

(2) FTE's for 2018-2019 are calculated based on 2080 hours of work for the year. FTE's for 2019-2020 are calculated based on 2096 hours worked for the year. This corresponds to the actual working days for the fiscal year which varies year to year. MWDOC and WEROC combined are budgeted to have a total of 37 full-time employees, 1 part-time employee and 4 interns. MWDOC and WEROC share one of the full-time employees. Several full-time employees are budgeted to work less than 40 hours a week which explains the fractions of an FTE for full-time employees.

**Municipal Water District of Orange County**  
**2019-2020 FISCAL MASTER PLAN PROJECTIONS**

(in thousands)

	Projected ACTUALS FY18-19	BUDGET FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
Beginning Designated Reserve Balance - MWDOC	\$6,132	\$ 6,433	\$ 6,323	\$ 6,507	\$ 6,721	\$ 6,833	\$ 6,905
OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	5,835	6,136	6,026	6,210	6,424	6,536	6,608
<b>Revenues</b>							
Water Rate Revenues:							
Retail Meter Agency Charge	7,697	7,889	7,969	8,087	8,130	8,223	8,320
Ground Water Customer Charge	499	630	643	656	669	682	696
Subtotal	8,196	8,519	8,612	8,743	8,798	8,905	9,016
Other Revenues:							
Choice Revenues	1,221	1,782	1,818	1,854	1,892	1,929	1,968
Interest Earnings	553	580	586	600	617	631	644
Misc./Reimbursements	3	3	3	3	3	3	3
Subtotal	1,777	2,365	2,407	2,457	2,512	2,563	2,615
<b>Total Revenues</b>	9,973	10,885	11,019	11,200	11,310	11,468	11,630
<b>Expenses</b>							
Core Expenses	7,347	8,446	8,615	8,787	8,963	9,142	9,325
Choice Expenses	1,221	1,782	1,818	1,854	1,892	1,929	1,968
Capital Acquisitions (not including building)	256	36	20	20	20	20	20
<b>Total Expenses w/o Building &amp; Election</b>	8,824	10,265	10,453	10,662	10,875	11,092	11,313
<b>Revenue Over Expenses w/o Building &amp; Election</b>	1,149	620	566	538	436	376	317
<b>ELECTION Reserve Beginning Balance</b>	608	696	696	304	608	390	694
<b>Annual Election Reserve Contribution</b>	288	-	304	304	304	304	304
<b>Annual Election Expense</b>	200	-	696	-	522	-	696
<b>Election Reserve Ending Balance</b>	696	696	304	608	390	694	302
<b>BUILDING Reserve Beginning Balance</b>	385	413	395	413	413	413	413
<b>Annual Building Reserve Contribution</b>	560	638	68	10	10	10	10
<b>Annual Building Expense</b>	532	836	50	10	10	10	10
<b>Building Reserve Ending Balance</b>	413	395	413	413	413	413	413
<b>CASH FLOW Reserve Beginning Balance</b>	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<b>Annual Cash Flow Reserve Contribution</b>	-	-	-	-	-	-	-
<b>Cash Flow Reserve Ending Balance</b>	1,500	1,500	1,500	1,500	1,500	1,500	1,500
<b>Ending General Fund &amp; Cash Flow Reserves</b>	\$ 5,027	\$ 5,027	\$ 5,503	\$ 5,413	\$ 5,743	\$ 5,491	\$ 5,896
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
<b>MWDOC Water Rates</b>							
Water Sales in Acre Feet	216,977	220,121	230,154	238,554	240,123	245,123	245,123
Total Retail Customer Meters	628,327	636,204	640,102	644,366	645,211	650,010	655,101
OCWD BPP %	75%	75%	75%	75%	75%	75%	75%
<b>Increment Rate</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Connection Charge</b>	\$ 12.25	\$ 12.40	\$ 12.45	\$ 12.55	\$ 12.60	\$ 12.65	\$ 12.70
Fixed Charge %		100%	100%	100%	100%	100%	100%
<b>Rate Increase Proposal:</b>							
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ 0.15	\$ 0.05	\$ 0.10	\$ 0.05	\$ 0.05	\$ 0.05	\$ 0.05

1 Assumptions for FMP:

Inflation factor:

2.00% per year

Rate of return on Investment of portfolio:

3.21% per year

**Working Capital and Interest Revenue Projections**

	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
<b>Working Capital:</b>					
Designated Reserve Fund	6,323	6,507	6,721	6,833	6,905
General Fund Float	8,000	8,000	8,000	8,000	8,000
WUE use of fund	(200)	(200)	(200)	(200)	(200)
Water Payment Float	3,850	3,875	3,900	3,925	3,950
Average Working Capital	17,973	18,182	18,421	18,558	18,655
Interest rate	3.26%	3.30%	3.35%	3.40%	3.45%
<b>Interest Revenue Projections:</b>					
Interest Income - General	586	600	617	631	644
<b>Total Interest Revenue Projections</b>	<b>586</b>	<b>600</b>	<b>617</b>	<b>631</b>	<b>644</b>

## Total Core Expenses

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,104,292	3,084,643	3,669,658
6090	Directors Compensation - MWDOC	255,360	221,341	268,133
6095	Directors Compensation - MWD	145,920	140,343	153,218
6105	Benefits - Admin	979,729	970,716	1,139,985
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	(161,317)	(173,642)	(225,831)
6115	Benefits - Directors	94,767	92,575	93,947
6120	Health Insurance Coverage for Retirees	70,519	50,492	70,287
6205	Training	25,000	22,000	30,000
6210	Tuition Reimbursement	5,000	2,500	5,000
6220	Temporary Help	5,000	-	5,000
7010	Engineering - Outside Services	330,000	531,508	435,000
7020	Legal - General	255,000	167,000	200,000
7030	Audit	29,000	19,380	29,240
7040	Other Professional Fees	862,921	796,837	920,445
7110	Conference - Employee	42,880	38,505	43,546
7115	Conference - Directors	24,930	23,530	26,177
7150	Travel & Accommodations - Employee	99,600	92,850	122,345
7155	Travel & Accommodations - Director	51,750	50,275	65,373
7210	Membership / Sponsorship	141,662	144,044	160,019
7250	CDR Participation	47,044	47,044	50,156
7305	Business Expense	5,600	4,200	5,200
7310	Office Maintenance	132,796	112,300	138,527
7315	Building Repair & Maintenance	20,000	10,000	20,000
7320	Rents & Leases	3,460	3,200	3,616
7330	Office Supplies	36,000	32,000	36,000
7340	Postal / Mail Delivery	8,600	8,300	9,000
7350	Subscriptions / Books	1,500	900	1,500
7360	Reproduction Expense	33,073	33,100	61,000
7410	Computer & Peripherals Maint	8,000	8,000	8,000
7430	Software Purchase	45,861	45,000	34,500
7440	Software Support	51,934	51,000	59,134
7540	Computers and Equipment	11,850	11,850	45,750
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	17,262	19,139	19,300
7615	Toll Road Charges	1,000	739	900
7620	Insurance Expense	138,500	138,000	140,000
7640	Utilities - Telephone	20,178	22,200	24,333
7650	Bank Fees	21,225	4,617	1,200
7670	Miscellaneous Expenses	113,205	97,001	96,100
8810	Capital Acquisition	255,500	167,500	366,900
	<b>Total Expenditure</b>	<b>7,541,599</b>	<b>7,297,987</b>	<b>8,539,659</b>

MWDOC's Contribution:

to WEROC Capital improvements	25,488	25,488	44,389
to WEROC Operations	191,380	191,380	228,978
MWDOC's Contribution to Election Rsrv	304,000	288,000	-
Capital Acquisition Carry Over (8810)		88,000	(330,624)
MWDOC's Building Expense	531,827	390,986	1,259,057
Building Expense Carryover		140,841	(423,226)
	<b>8,594,295</b>	<b>8,422,682</b>	<b>9,318,233</b>

### Total Choice Revenue and Expense

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
	Choice Revenue	972,087	972,087	1,782,434
4205	School Contracts	102,031	102,031	-
4705	Prior Year Carry Over	202,663	202,663	-
		-	-	-
	Choice billing over/under	-	(55,942)	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	<b>Total Revenue</b>	<b>1,276,781</b>	<b>1,220,839</b>	<b>1,782,434</b>

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	418,691	405,091	539,187
	S & B Reimb. DSC or Recov from Grants	(6,300)	(5,714)	(5,500)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	128,836	107,086	164,541
	Overhead Reimbursement	161,317	173,642	225,831
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	-	-	2,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Engineering - Outside Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	165,972	131,972	141,972
	Other Professional Fees - School Programs	401,865	401,865	609,990
7110	Conference - Employee	-	-	-
7115	Conference - Directors	-	-	-
7150	Travel & Accommodations - Employee	-	-	-
7155	Travel & Accommodations - Director	-	-	-
7210	Membership / Sponsorship	-	-	-
7250	CDR Participation	-	-	-
7310	Office Maintenance	-	-	-
7320	Rents & Leases	-	-	-
7330	Office Supplies	-	-	-
7332	Supplies - Water Loss Control	-	-	2,033
7340	Postal / Mail Delivery	400	336	400
7350	Subscriptions / Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	-	-	-
7440	Software Support	-	-	-
7540	Computers and Equipment	-	-	3,700
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	-	-
7612	Vehicle Expense	-	-	13,160
7615	Toll Road Charges	-	-	1,500
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	-	-	1,440
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	6,000	6,562	12,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	-	-	70,180
	<b>Total Expenditure</b>	<b>1,276,781</b>	<b>1,220,839</b>	<b>1,782,434</b>

## Total Core and Choice Expenses

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,522,983	3,489,733	4,208,845
	S & B Reimb. DSC or Recov from Grants	(6,300)	(5,714)	(5,500)
6090	Directors Compensation - MWDOC	255,360	221,341	268,133
6095	Directors Compensation - MWD	145,920	140,343	153,218
6105	Benefits - Admin	1,108,564	1,077,802	1,304,526
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	94,767	92,575	93,947
6120	Health Insurance Coverage for Retirees	70,519	50,492	70,287
6205	Training	25,000	22,000	32,000
6210	Tuition Reimbursement	5,000	2,500	5,000
6220	Temporary Help	5,000	-	5,000
7010	Engineering - Outside Services	330,000	531,508	435,000
7020	Legal - General	255,000	167,000	200,000
7030	Audit	29,000	19,380	29,240
7040	Other Professional Fees	1,028,893	928,809	1,062,417
	Other Professional Fees - School Programs	401,865	401,865	609,990
7110	Conference - Employee	42,880	38,505	43,546
7115	Conference - Directors	24,930	23,530	26,177
7150	Travel & Accommodations - Employee	99,600	92,850	122,345
7155	Travel & Accommodations - Director	51,750	50,275	65,373
7210	Membership / Sponsorship	141,662	144,044	160,019
7250	CDR Participation	47,044	47,044	50,156
7305	Business Expense	5,600	4,200	5,200
7310	Office Maintenance	132,796	112,300	138,527
7315	Building Repair & Maintenance	20,000	10,000	20,000
7320	Rents & Leases	3,460	3,200	3,616
7330	Office Supplies	36,000	32,000	36,000
7332	Supplies - Water Loss Control	-	-	2,033
7340	Postal / Mail Delivery	9,000	8,636	9,400
7350	Subscriptions / Books	1,500	900	1,500
7360	Reproduction Expense	33,073	33,100	61,000
7410	Computer & Peripherals Maint	8,000	8,000	8,000
7430	Software Purchase	45,861	45,000	34,500
7440	Software Support	51,934	51,000	59,134
7540	Computers and Equipment	11,850	11,850	49,450
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	17,262	19,139	19,300
7612	Vehicle Expense	-	-	13,160
7615	Toll Road Charges	1,000	739	2,400
7620	Insurance Expense	138,500	138,000	140,000
7640	Utilities - Telephone	20,178	22,200	25,773
7650	Bank Fees	21,225	4,617	1,200
7670	Miscellaneous Expenses	119,205	103,563	108,100
8810	Capital Acquisition	255,500	167,500	437,080
	<b>Total Expenditure</b>	<b>8,818,381</b>	<b>8,518,826</b>	<b>10,322,093</b>

MWDOC's Contribution:

to WEROC Capital improvements	25,488	25,488	44,389
to WEROC Operations	191,380	191,380	228,978
MWDOC's Contribution to Election Rsrv	304,000	288,000	-
Capital Acquisition Carryover (8810)	-	88,000	(330,624)
MWDOC's Building Expense	531,827	390,986	1,259,057
Building Expense Carryover	-	140,841	(423,226)
	<b>9,871,076</b>	<b>9,643,521</b>	<b>11,100,667</b>

**Administrative - Board**  
**11**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	258,131	205,845	274,056	
6090	Directors Compensation - MWDOC	255,360	221,341	268,133	1
6095	Directors Compensation - MWD	145,920	140,343	153,218	2
6105	Benefits - Admin	77,533	64,831	85,133	
6115	Benefits - Directors	94,767	92,575	93,947	
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	225,000	160,000	195,000	4
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors	24,930	23,530	26,177	5
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director	51,750	50,275	65,373	5
7210	Membership / Sponsorship	27,040	27,426	28,072	6
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery	4,100	4,300	4,500	
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage	10,662	12,614	12,500	
7615	Toll Road Charges	600	400	500	
7620	Insurance Expense				
7640	Utilities - Telephone	1,200	700	893	
7650	Bank Fees				
7670	Miscellaneous Expenses	12,000	11,000	12,000	7
8410	Overhead Reimbursement				
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>1,188,992</b>	<b>1,015,180</b>	<b>1,219,502</b>	

1&2 • Based on 5% increase from Jan to June 2020.

3 • Best, Best & Krieger \$ 144,400  
• Aleshire & Wynder \$ 15,600  
\$ 160,000

4 • Best, Best & Krieger \$ 182,500  
• Aleshire & Wynder \$ 12,500  
\$ 195,000

5 • See Exhibit F.

6 • See Exhibit D.

7 • Misc board expenses (supplies)

MWDOC's Contribution to Election Rsrv	304,000	288,000	-
	<u>1,492,992</u>	<u>1,303,180</u>	<u>1,219,502</u>

**Administrative - General**  
**12**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	260,272	273,941	269,650
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	94,306	104,759	103,341
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help	5,000		5,000
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	6,000	6,000	2,500
7110	Conference - Employee	42,880	38,505	43,546
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	99,600	92,850	122,345
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	91,660	93,521	106,837
7250	CDR Participation			50,156
7305	Business Expense	5,600	4,200	5,200
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	1,500	900	1,500
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	6,600	6,525	6,800
7615	Toll Road Charges	400	339	400
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,800	2,200	2,600
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>616,618</b>	<b>623,741</b>	<b>719,875</b>

1 • See Exhibit J.

2 • See Exhibit E.

3 • See Exhibit D.

4 • Center for Demographic Research at  
Cal State University Fullerton  
(Moved from Cost Center 22)



**Personnel / Staff Development**  
**13**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	179,875	181,932	206,844	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	54,453	54,885	61,235	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	25,000	22,000	30,000	1
6210	Tuition Reimbursement	5,000	2,500	5,000	
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	30,000	7,000	5,000	2
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	21,400	13,000	21,500	3
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>315,728</b>	<b>281,318</b>	<b>329,579</b>	

1 • Staff Technical Training & Leadership  
Development Training

2 • Best, Best & Krieger

3 • Employee Recognition \$ 5,000  
• Applicant Background Checks & Physical \$ 2,500  
• Team Building, Lunch meetings \$ 1,200  
• Holiday Lunch \$ 2,800  
• OCWD Health Fair \$ 300  
• Employee Flu Shots \$ 200  
• Job Ads Recruiting \$ 5,000  
• TAD Executive Assessments \$ 4,500  
\$ 21,500

**Overhead**  
**19**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	444,512	448,320	540,698	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	138,248	132,940	165,130	
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	
6111	Overhead Reimbursement from Choice	(161,317)	(173,642)	(225,831)	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees	70,519	50,492	70,287	1
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	6,723	6,600	6,812	2
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance	132,796	112,300	138,527	3
7315	Building Repair & Maintenance	20,000	10,000	20,000	
7320	Rents & Leases	3,460	3,200	3,616	4
7330	Office Supplies	36,000	32,000	36,000	
7340	Postal / Mail Delivery	4,500	4,000	4,500	
7350	Subscriptions / Books				
7360	Reproduction Expense	4,473	4,600	4,500	
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense	138,500	138,000	140,000	
7640	Utilities - Telephone	18,978	21,000	22,483	
7650	Bank Fees	21,225	4,617	1,200	
7670	Miscellaneous Expenses	4,500	4,000	4,100	5
8810	Capital Acquisition	193,000	105,000	366,900	6
	<b>Total Expenditure</b>	<b>1,283,116</b>	<b>1,110,428</b>	<b>1,505,921</b>	
	Capital Acquisition Carryover (8810)		88,000	(330,624)	8
	MWDOC's Building Expense (8811)	531,827	390,986	1,259,057	7
	Building Expense Carryover		140,841	(423,226)	8
		<b>1,814,943</b>	<b>1,730,255</b>	<b>2,011,128</b>	

1	Retirees:	
	• 12 Retirees	
2	• Pension Plan administration by Dissinger Associates	\$ 4,500
	• Cafeteria Plan Wameworks	\$ 2,312
		<u>6,812</u>
3	• Window Cleaning	\$ 1,200
	• Sewer Flush & Extra Office Cleaning	\$ 1,300
	• OCWD	\$ 126,256
	• Plant Maintenance	\$ 2,671
	• Landscape/Maintenance Atrium	\$ 5,000
	• Binding Machine Renewal	\$ 700
	• Carpet Cleaning	\$ 1,400
		<u>\$ 138,527</u>
4	• Iron Mountain	\$ 2,616
	• El Toro Water District (South EOC site)	1,000
		<u>\$ 3,616</u>
5	• Misc equipment repairs, fees etc.	
6	• Office Furniture/Generator/Audio Visual	
	See Exhibit H	
7	• Bldg Improvements - Eval / Design / Roof / HVAC	
	Seismic / Construction / Electrical	
8	• FY18-19 Carryover is the Amount budgeted less the amount of work projected to be completed.	
	• FY19-20 Carryover is the Cumulative dollars from Prior Years that will be applied toward work projected to be completed in FY19-20.	

**Reliability Planning and Engineering**  
**21**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	490,675	458,543	629,997	*
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	133,136	125,472	176,545	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services	155,000	338,868	325,000	1
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone		500	500	
7650	Bank Fees				
7670	Miscellaneous Expenses	7,000	4,416	7,000	
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>785,812</b>	<b>927,800</b>	<b>1,139,042</b>	

1 • Includes general consulting,  
local supply integration.

\* One FTE added for Sr. Engineer Position

**Research Participation**  
**22**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin			
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR & UCI Water Research Center	47,044	47,044	
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	<b>Total Expenditure</b>	47,044	47,044	-

<- <- Moved to Cost Center 12

# Metropolitan Issues and Water Policy

23

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	507,087	540,037	650,389	*
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	161,046	166,910	199,354	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services	175,000	192,640	110,000	
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				
7045	Other Professional Fees - MET				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses				
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>843,133</b>	<b>899,588</b>	<b>959,744</b>	

• See Exhibit J

\* One FTE added for Bay Delta Position

**Government Affairs**  
**31**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	117,400	113,359	125,148
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	42,784	41,589	44,595
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	308,000	301,505	314,000
	Other Professional Fees - DSC			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	100		
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	12,000	8,000	12,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>480,284</b>	<b>464,453</b>	<b>495,743</b>

1 • BB&K \$ 90,000  
• Barker \$ 96,000  
• Travel/Miscellaneous \$ 7,505  
• Lewis Consulting \$ 42,000  
• Ackerman \$ 30,000  
• Grant Research & Acquisition \$ 36,000  
\$ 301,505

2 • BB&K \$ 96,000  
• Barker \$ 96,000  
• Travel/Miscellaneous \$ 8,000  
• Lewis Consulting \$ 42,000  
• Ackerman \$ 36,000  
• Grant Research & Acquisition \$ 36,000  
\$ 314,000

3 • Legislative Outreach & Briefings \$ 7,000  
• WACO \$ 5,000  
\$ 12,000

**Public Affairs**  
**32**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	305,539	326,486	358,126	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	105,336	103,492	112,356	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	269,198	269,198	241,133	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	28,500	28,500	56,500	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone			457	
7650	Bank Fees				
7670	Miscellaneous Expenses	47,505	47,500	27,900	3
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>756,078</b>	<b>775,176</b>	<b>796,472</b>	

1	Public Affairs Activities:	
	• Resolutions/Proclamations	\$ 4,500
	• Member Agency Workshops PAW	\$ 6,500
	• Consumer Confidence Reports	\$ 40,633
	• Event Registration Fees	\$ 4,500
	• WaterFix Program Support	\$ 30,000
	• Wyland Mayors Challenge	\$ 10,000
	• Scouts Program	\$ 15,000
	Subtotal	\$111,133

	Communications Plan Activities:	
	• Strategic Digital Outreach	\$ 95,000
	• Advertising	\$ 20,000
	• Special Events AV Support	\$ 15,000
	Subtotal	\$130,000
		<u>\$241,133</u>

2	• Promotional Items, Branded Materials	\$ 25,000
	• Info Items Handouts, Books, Folders	\$ 25,000
	• Poster Slogan Award & Ceremony	6,500
		<u>\$ 56,500</u>

3	• Ricki Maint and Repair	\$ 3,400
	• Children's Water Festival	
	Sponsorship	\$ 3,500
	• Spring Smartscape Expo	\$ 7,000
	• Event Display Materials	\$ 4,000
	• Legislative Staff Trip Travel Costs	\$ 5,000
	• Sponsorship Contingency Fund	\$ 5,000
		<u>\$ 27,900</u>

**Water Use Efficiency  
(Core)  
35**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	103,988	105,721	144,986	*
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	31,262	38,300	44,476	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	225,000	202,534	265,000	1
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship	22,962	23,097	25,110	2
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	3,000	5,985	6,000	
8810	Capital Acquisition				
	<b>Total Expenditure</b>	<b>386,212</b>	<b>375,638</b>	<b>485,572</b>	

1 • General Research	\$ 75,000
• Landscape Education	5,000
• Water Loss Control Work Grp	\$ 55,000
• WLC Business Plan Implement	\$ 30,000
• Aerial Imagery and Landscape Measurement Project	<u>\$100,000</u>
	<u>\$265,000</u>
2 • CalWEP Dues	\$ 12,775
• South O.C. Watershed Mngmt Area Dues	\$ 10,500
• OC CLCA	<u>\$ 1,835</u>
	<u>\$ 25,110</u>

\* Half FTE added for Water Loss Control Program



**General Finance**  
**41**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	328,933	322,576	354,005
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	101,648	98,245	106,603
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit	29,000	19,380	29,240
7040	Other Professional Fees	48,000	11,000	91,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	400	1,000
8810	Capital Acquisition			
	<b>Total Expenditure</b>	<b>508,581</b>	<b>451,601</b>	<b>581,848</b>

1 • Annual Audit	\$ 19,767
• Single Audit	\$ 4,473
• WUE Grant Review	\$ 5,000
	<u>\$ 29,240</u>

2 • Custodial Bank fees	\$ 6,500
• Financial Consulting	\$ 40,000
• OPEB Actuarial	\$ 4,500
• Business Continuity Consultant	\$ 40,000
	<u>\$ 91,000</u>

**Information Technology**  
**45**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	107,880	107,882	115,761	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	39,977	39,291	41,217	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				1 • Misc repairs, maint & components
7110	Conference - Employee				
7115	Conference - Directors				2 • Misc software upgrades and license
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				3 • MWDOC Website Support & Enhancements \$ 15,000
7310	Office Maintenance				• Investment software usage cost \$ 2,340
7320	Rents & Leases				• Financial Management System \$ 23,773
7330	Office Supplies				• Cisco Smartnet support \$ 4,500
7340	Postal / Mail Delivery				• Misc NAV development \$ 2,000
7350	Subscriptions / Books				• Jet Reports support \$ 1,521
7360	Reproduction Expense				• ECS Laserfiche Annual Support \$ 4,000
7410	Computer & Peripherals Maint	8,000	8,000	8,000	1
7430	Software Purchase	45,861	45,000	34,500	2
7440	Software Support	51,934	51,000	59,134	3
7540	Computers and Equipment	11,850	11,850	45,750	4
7580	Maintenance Expense				4 • NAS storage for backups \$ 6,000
7610	Automotive / Mileage				• 7 Desktop Computers w/ Monitors \$ 10,600
7615	Toll Road Charges				• RICOH color printer support \$ 350
7620	Insurance Expense				• RICOH color printer replacement \$ 6,000
7640	Utilities - Telephone				• WiFi Network Equipment \$ 6,000
7650	Bank Fees				• Replace HR and Eng printers \$ 3,600
7670	Miscellaneous Expenses	2,000	500	2,000	• Cloud Storage for Disaster Recovery \$ 11,000
8810	Capital Acquisition	62,500	62,500		• 2 Laptop Computers \$ 2,200
	<b>Total Expenditure</b>	<b>330,002</b>	<b>326,023</b>	<b>306,362</b>	<b>\$ 45,750</b>

**Water Use Efficiency  
(choice)  
62**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4215	Choice Revenue	684,346	684,346	874,517
4705	Prior Year Carry over	154,809	154,809	
	Choice billing over/under		(37,755)	
	<b>Total Revenue</b>	839,155	801,400	874,517

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2019 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	397,568	394,710	424,388
6012	Salaries & Benefits - Recovery from Grants	(6,300)	(5,714)	(5,500)
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	122,007	103,877	118,240
	Overhead Reimbursement	153,508	169,657	189,017
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	165,972	131,972	141,972
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	400	336	400
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,562	6,000
8810	Capital Acquisition			
	<b>Total Expenditure</b>	839,155	801,400	874,517

1 • Recovery from WUE Grants for some Salaries and Benefits:

2 • Marketing of WUE programs \$ 40,000  
 • Residential Installation Verification Inspec \$ 35,000  
 • CSANS Webhosting & Annual Maint \$ 14,400  
 • Turf Rebate Processing Platform - Droplet \$ 39,072  
 • Drip Rebate Processing Platform - Droplet \$ 6,000  
 • E-Signature Rebate Processing \$ 7,500  
**\$ 141,972**

**School Program  
(choice)  
63**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4215	Choice Revenue	287,741	287,741	629,159
4205	School Contracts	102,031	102,031	
4705	Prior Year Carry over	47,854	47,854	
	Choice billing over/under		(18,187)	
	<b>Total Revenue</b>	437,626	419,439	629,159

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2019 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	21,123	10,380	11,119
6105	Benefits - Admin	6,828	3,209	3,487
	Overhead Reimbursement	7,810	3,985	4,563
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	401,865	401,865	609,990
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	<b>Total Expenditure</b>	437,626	419,439	629,159

- 1 • Assemblies: FY19-20  
Goal is 70,000 students
- Digital Program \$ 45,895
  - High Schools \$ 105,567
  - Elementary Schools \$ 270,496
  - Middle Schools 188,032
  - \$ 609,990

**Water Loss Control**  
(choice)  
70

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4215	Choice Revenue			278,757
4705	Prior Year Carry over			
	Choice billing over/under		-	
	<b>Total Revenue</b>	-	-	278,757

Revenues and expenses do not include pass-through costs to agencies for outside services performed for Meter Accuracy Testing and Distribution System Flushing

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin		-	103,680
	Salaries & Wages - Reimb. from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin		-	42,814
	Overhead Reimbursement		-	32,250
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			2,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7332	Supplies - Water Loss Control			2,033
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			3,700
7580	Maintenance Expense			
7610	Automotive / Mileage			
7612	Vehicle Expense			13,160
7615	Toll Road Charges			1,500
7620	Insurance Expense			
7640	Utilities - Telephone			1,440
7650	Bank Fees			
7670	Miscellaneous Expenses			6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			70,180
	<b>Total Expenditure</b>	-	-	278,757

1 • Water Balance Validation Cert.

2 • Gloves, Hats, Uniforms, Uniform Cleaning, etc.

3 • 2 Workstations & 1 Laptop

4 • Vehicle Fuel & Oil  
• GPS Vehicle Tracking  
• Auto Insurance

5 • 2 Cell Phones

6 • See Exhibit H

**WEROC**  
**25**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	191,380	191,380	228,978
4210	WEROC Contracts	191,380	191,380	228,978
4205				
4230	Reimbursements		1,062	
4240				
4410				
4805				
	<b>Operational Revenue</b>	<b>382,760</b>	<b>383,822</b>	<b>457,956</b>
	Operational Reserves to Capital	80,912	80,912	
	Capital Projects Carryover			150,219
	MWDOC Contribution to Capital Improvements	25,488	25,488	44,389
	<b>TOTAL WEROC Revenue</b>	<b>489,160</b>	<b>490,222</b>	<b>652,564</b>

1 • OCSD \$ 44,880  
 • SOCWA \$ 17,402  
 • OCWD \$ 114,490  
 • 3 Cities -- \$17,402 ea \$ 52,206  
 \$ 228,978

2 • Grants and sale of generator

3 • WEROC Reserves  
 4 • See Exhibit H

		FY 2018-2019 PROPOSED BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	236,268	241,836	267,463
	Salaries & Benefits - Recovery from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	65,137	65,203	82,520
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	1,150	1,150	1,150
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	30,000	30,000	30,000
7110	Conference - Employee	2,800	2,344	2,800
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	6,430	5,271	8,380
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	605	605	1,105
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office & Radio Supplies	1,000	1,000	1,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	1,000	1,230	1,000
7410	Computer & Peripherals Maint	5,060	5,060	5,060
7430	Software Purchase			
7440	Software Support	6,750	7,088	7,441
7510	Site Maintenance	900	670	900
7540	Computers and Equipment			
7580	Maintenance - Generators	2,000	2,000	2,000
7581	Maintenance - Radios	1,838	1,838	1,838
7582	Maintenance - EOC's	3,000	3,000	2,000
7610	Automotive / Mileage	1,700	860	1,000
7615	Toll Road Charges	115	213	213
7620	Insurance Expense			
7640	Utilities - Telephone	13,008	8,372	10,000
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	1,000	1,000
7671	Miscellaneous Training	3,000	3,000	3,000
8810	Capital Acquisition			
	<b>Operations Expenditure</b>	<b>382,760</b>	<b>381,739</b>	<b>429,870</b>
	Contribution to Operating Reserves			28,086
	<b>Total Operations Budget</b>	<b>382,760</b>	<b>381,739</b>	<b>457,956</b>
	Capital Expenditures	106,400	38,753	194,608
	<b>TOTAL Expenditures</b>	<b>489,160</b>	<b>420,492</b>	<b>652,564</b>

5 • See Exhibit E

6 • See Exhibit J

7 • See Exhibit D

8 • See Exhibit H

**Exhibit D**

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Proposed District Participation Costs  
Fiscal Year 2019-2020**

	Budget FY 2018-2019	Projected FY 2018-2019 Actuals	Budget FY 2019-2020	Approval included in Budget Approval
<b>Required Participation or Service</b>				
LAFCO	\$ 27,000	\$ 27,356	\$ 28,000	√
<b>Subtotal Cost Center 11</b>	<b>\$ 27,000</b>	<b>\$ 27,356</b>	<b>\$ 28,000</b>	
Association of Calif. Water Agencies (ACWA)	\$ 18,000	\$ 19,255	\$ 19,736	√
<b>Subtotal Cost Center 12</b>	<b>\$ 18,000</b>	<b>\$ 19,255</b>	<b>\$ 19,736</b>	
South OC Watershed Management Area Dues	\$ 9,096	\$ 9,096	\$ 10,500	√
<b>Subtotal Cost Center 35</b>	<b>\$ 9,096</b>	<b>\$ 9,096</b>	<b>\$ 10,500</b>	
<b>Subtotal - Required Participation or Service</b>	<b>\$ 54,096</b>	<b>\$ 55,707</b>	<b>\$ 58,236</b>	
<b>Elective Participation</b>				
Colorado River Water Users Assn. (CRWUA 2-Director's)	\$ 40	\$ 70	\$ 72	√
<b>Subtotal Cost Center 11</b>	<b>\$ 40</b>	<b>\$ 70</b>	<b>\$ 72</b>	
Association of California Cities- Orange County (ACCOC)	\$ 5,100	\$ 5,150	\$ 5,279	√
American Water Works Association (AWWA)	\$ 1,675	\$ 1,678	\$ 1,720	√
Association of Metropolitan Water Agencies (AMWA)	\$ 18,900	\$ 19,453	\$ 19,940	√
CA Chamber of Commerce (HR California)	\$ 480	\$ 469	\$ 481	√
CALDESAL	\$ 5,100	\$ 5,000	\$ 5,125	√
California Association of Public Information Officers (CAPIO)	\$ 255	\$ 255	\$ 765	√
California Council for Environmental & Economic Balance (CCEEB)	\$ 24,990	\$ 24,500	\$ 25,113	√
California Municipal Treasurers Association (CMTA)	\$ 160	\$ 160	\$ 160	√
California Municipal Utilities Association (CMUA)			\$ 8,000	New
California Society of Municipal Finance Officers (CSMFO)	\$ 130	\$ 130	\$ 130	√
CA Special Districts Assn. (CSDA)	\$ 6,980	\$ 7,252	\$ 7,433	√
Colorado River Water Users Assn. (CRWUA 3-staff)	\$ 65	\$ 65	\$ 108	√
Government Finance Officers Association (GFOA)	\$ 170	\$ 170	\$ 170	√
Indep. Special Districts of Or. Co. (ISDOC)	\$ 50	\$ 50	\$ 50	√
International Association of Business Communicators (IABC)			\$ 350	New
International Personnel Management Association (IPMA)	\$ 50	\$ 50	\$ 50	
National Endangered Species Act Reform Coalition (NESARC)			\$ 1,000	New
National Water Resources Assn., Mun. Caucus	\$ 510	\$ 510	\$ 510	√
Orange County Business Council (OC Chamber)	\$ 5,100	\$ 5,000	\$ 5,125	√
Orange County Public Affairs Association (OCPAA)	\$ 205	\$ 205	\$ 205	√
Orange County Water Association (OCWA)	\$ 105	\$ 105	\$ 105	√
Public Agency Risk Managers Association (PARMA)	\$ 105	\$ 105	\$ -	
Public Relations Society of America/O.C. (PRSA)	\$ 305	\$ 710	\$ 728	√
Society of Human Resources Management (SHRM)	\$ 185	\$ 209	\$ 214	√
Southern California Personnel Management Assoc. (SCPMA)	\$ 55	\$ 55	\$ 55	√
South Orange County Economic Coalition (SOCEC)	\$ 1,530	\$ 1,530	\$ 1,530	√
Southern California Water Committee (SCWC)	\$ 865	\$ 865	\$ 865	√
Urban Water Institute			\$ 1,250	New
Water Environment Federation			\$ 50	New
Water Education Foundation	\$ 590	\$ 590	\$ 590	√
<b>Subtotal Cost Center 12</b>	<b>\$ 73,660</b>	<b>\$ 74,266</b>	<b>\$ 87,101</b>	
OC Chapter-Calif. Landscape Contractors Assoc.	\$ 1,625	\$ 1,835	\$ 1,835	√
CA Water Efficiency Partnership (formerly CA Urban Water Cnsv Cncl)	\$ 12,241	\$ 12,166	\$ 12,775	√
<b>Subtotal Cost Center 35</b>	<b>\$ 13,866</b>	<b>\$ 14,001</b>	<b>\$ 14,610</b>	
<b>Subtotal - Elective Participation</b>	<b>\$ 87,566</b>	<b>\$ 88,337</b>	<b>\$ 101,783</b>	
International Association of Emergency Managers	\$ 380	\$ 380	\$ 380	√
California Emergency Services Association	\$ 225	\$ 225	\$ 225	√
California Utilities Emergency Association			\$ 500	New
<b>WEROC Program Total</b>	<b>605</b>	<b>605</b>	<b>1,105</b>	
<b>GRAND TOTAL - General Fund</b>	<b>\$ 141,662</b>	<b>\$ 144,044</b>	<b>\$ 160,019</b>	

# Exhibit E

## MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Summary of Proposed Staff Registration & Travel Budget <sup>(1)</sup> Fiscal Year 2019-2020

Conference / Meeting	Location/Date/Staff	Registration	Travel <sup>(1)</sup>	Approval included in	
				Budget	Approval
Association of California Water Agencies (ACWA)	- DC Conference (3 staff)	\$ 3,060	\$ 6,600	✓	
	- Fall Conference, San Diego, December 3-6, 2019, (6 staff)	4,290	4,320	✓	
	- Spring Conference, Central Coast, California, May 5-8, 2020, (6 staff)	4,290	6,000	✓	
	- Region 10 (2 trips)	130	200		
	- Legislative Symposium (2 staff)	620	1,840	✓	
Association of California Cities of OC (ACCOC)	- Sacramento (2 staff)				
Advocacy Trip	-Washington DC (1 staff)	2,040	2,856	✓	
		1,224	3,264	✓	
Assoc. of Metrop. Water Agencies (AMWA)	Misc. Conference, TBD (1 staff)	1,632	2,244	✓	
	Executive Conference, Newport, Rhode Island, October 20-23, 2019 (1 staff)	920	1,600		
	Water Policy Conference, TBD (1 staff)	920	2,250	✓	
American Water Works Association (AWWA)	Cal Nevada & National Conference, Fall Conference, San Diego, October 21-24, 2019 (3 staff)	1,500	3,000	✓	
	Cal Nevada & National Spring Conference, Nevada, March 2020 (3 staff)	1,530	3,366	✓	
	ACE Annual Conference, Orlando, FL, June 2020 (4 staff)	2,000	3,400	✓	
	North American Water Loss, Nashville, TN, December 3-5, 2019, (2 staff)	1,200	2,600	✓	
AWWA/Water Environment Federation- Utility Management Conference	TBD, (1 staff)	800	1,600	New	
Bond Buyers Conference	TBD, (1 staff)	200		✓	
California Association of Public Information Officials (CAPIO)	Northern California, TBD, (2 staff)	600	150	✓	
California Council for Environmental & Economic Balance (CCEEB)	TBD (2 staff)	200	2,000	✓	
	Calif. Environmental Dialogue (CED), TBD (5 Trips)		5,000	✓	
Calif. Soc. of Mun. Finance Officers	Anaheim, January 28-31, 2020, (1 staff)	400	100	✓	
Cal Desal Conference	TBD (1 staff)	260	500	✓	
Colorado River Water Users Association (CRWUA)	Las Vegas - Fall, December 11-13, 2019 (4 staff)	1,940	3,500	✓	
California Special Districts Association (CSDA)	Anaheim, September 25-28, 2019 (2 staff)	1,200	200	✓	
Annual Conference	Legislative Days, Sacramento (2 staff)	410	1,230	✓	
California Water Efficiency Partnership (CalWEP) Membership (formerly CUWCC)	Membership Meetings, 1=No. Cal & 2=So. Cal (3 trips)		800	✓	
	Board Meetings, 2=No. Cal & 2=So. Cal (4 trips)		1,400	✓	
	Peer to Peer, Santa Barbara, December 11, 2019 (5 staff)	1,300	3,575	✓	
Department of Water Resources (DWR)/State Water Resources Control Board (SWRCB)	Urban Advisory Group Meetings, Sacramento (4 trips)		2,400	✓	
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento (1 Staff)	900	1,200	✓	
	DC (1 Staff)	900	2,000	✓	
Legislative Advocacy	Sacramento, (24 trips)		14,400	✓	
Technical Bay/Delta Advocacy	Sacramento, (24 trips)		14,400	New	
Urban Water Institute	Fall Conference, TBD (4 Staff)	2,200	3,200	✓	
	Spring Conference, TBD(4 Staff)	2,200	3,200	✓	
Washington Legislative Advocacy	(6 trips)		10,800	✓	
Water Environment Federation's Technical Exhibition & Conference	September 21-25, 2019, Chicago Illinois, (1staff)	630	2,400	New	
Water Smart Innovations Conference	Las Vegas Nevada, October 2-4, 2019, (2 staff)	800	1,000	✓	
Miscellaneous*		3,250	3,750	✓	
<b>General Fund Total **</b>		<b>\$ 43,546</b>	<b>\$ 122,345</b>		
<b>Conferences/Meetings/Trainings</b>					
International Assoc. of Emergency Managers	Savannah, Georgia, (1 staff)	\$ 700	\$ 1,900	✓	
AWWA Cal Nevada & National Conf.	Spring 2020, Nevada-(1 staff)	700	1,340	✓	
California Emergency Services Association	Santa Rosa, (2 staff)	1,400	3,000	✓	
Calif. State Training Institute	San Luis Obispo, (1Staff)	700	1,140	✓	
FEMA Emergency Management Institute (EMI)	Emmitsburg Maryland, (1 Staff)	-	1,000	New	
Local Training Opportunities (examples OCWA, SCESA, etc.)	(3 Staff)	450		✓	
<b>WEROC Program Total</b>		<b>\$ 3,950</b>	<b>\$ 8,380</b>		
<b>PROPOSED GENERAL FUND BUDGET</b>		<b>\$ 43,546</b>	<b>\$ 122,345</b>		

\* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

\*\* Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.



**Exhibit F**

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Summary of Proposed Board Registration & Travel Budget <sup>(1)</sup>  
Fiscal Year 2019-2020**

<b>Conference</b>	<b>Location/Date/Directors</b>	<b>Registration</b>	<b>Travel <sup>(1)</sup></b>	<b>Approval included in Budget Approval</b>
Association of California Water Agencies (ACWA)	DC Conference (2 Directors)	\$ 2,040	\$ 4,400	√
	Fall Conference, San Diego, December 3-6, 2019, (3 Directors)	\$ 2,145	\$ 2,160	√
	Spring Conference, Central Coast (3 Directors)	\$ 2,145	\$ 3,000	√
	Region 10 (2 Directors)	\$ 130	\$ 200	√
Association of California Cities of OC (ACCOC)	Sacramento (2 Directors)	\$ 2,040	\$ 2,856	√
	Advocacy Trip - Washington DC (3 Directors)	\$ 3,672	\$ 9,792	√
American Water Works Association/Water Environment Federation (AWWA/WEF)	Utility Management Conference, TBD (1 Director)	\$ 800	\$ 1,600	New
Bond Buyers	Conference, (2 Directors)	\$ 400	\$ -	√
Colorado River Water Users Association(CRWUA)	Las Vegas, December 11-13, 2019 (2 Directors)	\$ 970	\$ 1,750	√
California Special Districts Association (CSDA)	Annual Conference, Anaheim, September 25-28, 2019, (1 Director)	\$ 600	\$ 100	√
	Legislative Days, Sacramento (1 Director)	\$ 205	\$ 615	√
California Council for Environmental & Economic Balance (CCEEB)	Conference, TBD (1 Director)	\$ 100	\$ 1,000	√
	California Environmental Dialogue (5 Trips)		\$ 5,000	√
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento, (3 Directors)	\$ 2,700	\$ 3,600	√
	Advocacy Trip-DC (2 Directors)	\$ 1,800	\$ 4,000	√
Sacramento Legislative Advocacy	(8 Trips)		\$ 4,800	√
Urban Water Institute	Fall Conference, (3 Directors)	\$ 1,650	\$ 2,400	√
	Spring Conference, (3 Directors)	\$ 1,650	\$ 2,400	√
Washington DC Legislative Advocacy	(6 trips)		\$ 10,800	√
Water Environment Federation	Technical Exhibition & Conference, September 21-25, 2019, Chicago Illinois, (1 Director)	\$ 630	\$ 2,400	New
Miscellaneous*		\$ 2,500	\$ 2,500	√
<b>TOTAL**</b>		<b>\$ 26,177</b>	<b>\$ 65,373</b>	
<b>PROPOSED GENERAL FUND BUDGET</b>		<b>\$ 26,177</b>	<b>\$ 65,373</b>	

\* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

\*\* Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

## Exhibit G

### MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

### Proposed Total Membership that Includes Registration & Travel Costs<sup>(1)</sup> Fiscal Year 2019-2020

Conference / Meeting	Membership	Registration	Travel	Total
American Water Works Association (AWWA)	\$ 1,720	\$ 7,830	\$ 15,566	\$ 25,116
Association of California Cities- Orange County (ACCOC)	5,279	8,976	18,768	33,023
Association of Calif. Water Agencies (ACWA)	19,736	18,850	28,720	67,306
Association of Metropolitan Water Agencies (AMWA)	19,940	3,472	6,094	29,506
California Association of Public Information Officers (CAPIO)	765	600	150	1,515
California Council for Environmental & Economic Balance	25,113	300	13,000	38,413
CALDESAL	5,125	260	500	5,885
California Society of Municipal Finance Officers (CSMFO)	130	400	100	630
California Special Districts Assn. (CSDA)	7,433	2,415	2,145	11,993
California Water Efficiency Partnership	12,775	1,300	5,775	19,850
Colorado River Water Users Assn. (CRWUA)	180	2,910	5,250	8,340
Orange County Business Council (OC Chamber)	5,125	6,300	10,800	22,225
Urban Water Institute	1,250	7,700	11,200	20,150
Water Environment Federation	50	1,260	4,800	6,110
<b>Grand Total for Memberships with Conferences/Travel:</b>	<b>\$ 104,621</b>	<b>\$ 62,573</b>	<b>\$ 122,868</b>	<b>\$ 290,062</b>

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

## Exhibit H

### MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Schedule of Capital Expenditures Fiscal Year 2019-2020

	<u>Proposed Budget</u>	<u>Approval included in Budget Approval</u>
<b>Furniture and Fixtures- 19-8810:</b>		
MWDOC Office Improvements (Generator/Audio-Visual Equipment/Workstations/Furnishings)	\$ 366,900	√
Prior Year Projects Carryover from FY2017 through FY2019	<u>\$ (330,624)</u>	√
<b>Subtotal 8810 Improvements</b>	<b>\$ 36,276</b>	
 <b>Building Improvements- 19-8811:</b>		
Eval / Design / Roof / HVAC/ Seismic / Construction / Electrical	\$ 1,259,057	√
Prior Year Projects Carryover from FY2017 through FY2019	<u>(423,226)</u>	√
<b>Subtotal 8811 Improvements</b>	<b>835,831</b>	
 <b>New Realized Costs - Cost Center 19</b>	 <b><u>\$ 872,107</u></b>	
 <b>Water Loss Control- 70-8810:</b>		
Two Pickup Trucks	\$ 60,000	√
Two Cab Guards	1,200	√
Two Corner Strobes	800	√
Two Traffic Directors	1,000	√
Two Tool Boxes	900	√
Two Pipe Locators	<u>6,280</u>	√
<b>Total - Cost Center 70</b>	<b>\$ 70,180</b>	
 <b>WEROC - 25-8810 &amp; 8811:</b>		
SEOC Improvements	\$ 181,558	√
WEROC Office Improvements	<u>13,050</u>	√
WEROC Subtotal:	\$ 194,608	
Prior Year Projects Carryover	<u>\$ (150,219)</u>	√
<b>* New Realized Costs - Cost Center 25</b>	<b><u>\$ 44,389</u></b>	

\* Proposed budget is for increased construction estimates on prior year approved projects.

**Exhibit J**  
**Professional / Special Services Authorized**  
**Core Fund**

Department	Consultant	Service	Budget FY 18-19	Budget FY 19-20	* Approval included in Budget Approval
<b>Engineering Expenses</b>					
Planning & Operation (21)	(To be determined)	Hydrolic/Water Quality Modeling	155,000	325,000	
Met Issues & Special Projects (23)	Ed Means Consulting	Consulting on MET issues	25,000	45,000	√
	(To be determined)	MET and Reliability Planning	150,000	65,000	
<b>Total Engineering Expenses</b>			<b>330,000</b>	<b>435,000</b>	
<b>Legal Expenses</b>					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	200,000	182,500	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	25,000	12,500	√
	Best, Best & Krieger	Labor Counsel Services	30,000	5,000	√
<b>Total Legal Expenses</b>			<b>255,000</b>	<b>200,000</b>	
<b>Audit Expenses</b>					
Finance (41)	Vasquez & Company LLP	Annual Financial Audit and Federal Single Audit	29,000	29,240	√
<b>Training</b>					
Administration (13)	TBD/Cal State University Fullerton	Staff Development/Technical Training/Leadership Training	25,000	30,000	√
<b>Professional Fees</b>					
Administration (12 & 13 & 19)	Dissinger Associates	Pension Plan Administration	4,500	4,500	√
	Wage Works	Cafeteria Plan Administration	2,223	2,312	√
	Gladwell Services	Records Management Consulting	6,000	2,500	√
Governmental Affairs (31)	BBK Legislation	State Legislative Advocate	90,000	96,000	√
	James C. Barker	Federal Legislative Advocate	96,000	96,000	√
	Lewis Consulting	County Issues Consulting	42,000	42,000	√
	Soto Services	Grant Research and Acquisition Assistance	36,000	36,000	√
	Ackerman	Legal and Regulatory	36,000	36,000	√
	(To be determined)	Miscellaneous	8,000	8,000	
Public Affairs (32)	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	38,698	40,633	√
	So Cal Water Coalition	So Cal Water Coalition Outreach	30,000	30,000	√
	(To be determined)	Collateral materials update and resolutions/proclamations	3,000	4,500	
	(To be determined)	Event Registration Fees	3,000	4,500	
	Hashtag Pinpoint	Strategic Digital Outreach Contract	100,000	95,000	√
	(To be determined)	PAW Meeting Materials	1,500		
	(To be determined)	Client Agency Workshops for PAW	4,000	6,500	
	(To be determined)	Wyland Mayors Challenge		10,000	
	PSAV	Special Events AV Support	5,000	15,000	√
	(To be determined)	Advertising	20,000	20,000	
WUE - Core (35)	(To be determined)	Core High School Program	64,000		
	(To be determined)	Scouts Program		15,000	
	(To be determined)	General WUE Research	75,000	75,000	
	Blue Watchdog Conservation, Inc	Landscape Education and Outreach Program	50,000	5,000	√
	Water Systems Optimization	Water Loss Control Work Grp (WLC)	50,000	55,000	√
	Water Systems Optimization	WLC Business Plan Implementation	-	30,000	√
Finance & IT (41 & 45)	(To be determined)	WLC Shared Services Equipment	50,000	-	
	SAWPA	Aerial Imagery and Landscape Measurement Project		100,000	√
	U.S. Bank	Custodial Bank fees	3,000	6,500	√
	(To be determined)	Business Continuity Consultant		40,000	
	Davis Farr	Financial Consulting	40,000	40,000	√
	(To be determined)	OPEB Actuarial	5,000	4,500	√
<b>Total Professional Fees</b>			<b>862,921</b>	<b>920,445</b>	

**WEROC**

Department	Consultant	Service	Budget FY 18-19	Budget FY 19-20	* Approval included in Budget Approval
<b>Professional Fees</b>					
WEROC	(To be determined)	Consultant for Security Act Implementation	30,000	30,000	
<b>Total Professional Fees</b>			<b>30,000</b>	<b>30,000</b>	

\* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

**Exhibit J1**  
**Professional / Special Services Authorized**  
**Choice Funds**

Department	Consultant	Service	Budget FY 18-19	Budget FY 19-20	* Approval included in Budget Approval
<b>Training</b>					
<b>Water Loss Control (70)</b>	(To be determined)	Water Balance Validation Certification		2,000	
<b>Professional Fees</b>					
<b>Water Use Efficiency (62)</b>	Various Printers	Printing of marketing materials for all WUE programs	40,000	40,000	√
	Enterprise Information Systems	CSANS Webhosting & Annual Maintenance	29,400	14,400	√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	45,072	45,072	√
	Droplet	E-Signature Rebate Processing	16,500	7,500	√
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	35,000	35,000	√
<b>School Program (63)</b>	Discovery Science Center	Assemblies (Elementary School)	257,615	270,496	√
	ITO	Assemblies (High School)	100,540	105,567	√
	(To be determined)	Assemblies (Middle School)		188,032	
	ITO	Digital Program	43,710	45,895	√
<b>Total Professional Fees</b>			<b>567,837</b>	<b>751,962</b>	

\* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

**Municipal Water District of Orange County**  
**Fiscal Year 2018-2019 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers <sup>(1)</sup>	Consolidated Budget Total
<b>Revenues:</b>								
Water Sales		\$ 220,515,870				\$ 220,515,870		\$ 220,515,870
Local Resource Program Incentives		(16,416,776)				(16,416,776)		(16,416,776)
Retail Meter Charge	7,697,006					7,697,006		7,697,006
Ground Water Customer Charge	499,012					499,012		499,012
Water Increment Charge	-					-		-
Interest Revenue	390,000	13,000				403,000		403,000
MWDOC's Contribution	-		2,972,135	216,868	28,397	3,191,912	(216,868)	3,191,912
Outside Fundings				191,380		191,380		191,380
Carryover Funds	1,276,781			-		1,276,781		1,276,781
Choice Revenue	3,000					3,000		3,000
Miscellaneous Income								
<b>Total Revenues</b>	<b>9,865,799</b>	<b>204,112,094</b>	<b>2,972,135</b>	<b>408,248</b>	<b>28,397</b>	<b>217,386,673</b>	<b>(216,868)</b>	<b>217,169,805</b>
<b>Expenses:</b>								
Water Purchases		204,099,094				204,099,094		204,099,094
Salaries & Wages	3,522,963			236,268	-	3,759,231		3,759,231
less S & W Reimb. DSC or Recov from Grants	(6,300)					(6,300)		(6,300)
Employee Benefits	1,315,564			65,137	-	1,380,701		1,380,701
Engineering Expense	330,000					330,000		330,000
Professional Fees	1,430,758			30,000		4,432,893		4,432,893
Contribution to Election Reserve	304,000		2,972,135			304,000		304,000
Legal Expense - General	255,000			-		255,000		255,000
Maintenance Expense	152,796			4,738		157,534		157,534
Insurance Expense	138,500			-		138,500		138,500
Membership / Sponsorship	141,662			605		142,267		142,267
Director Compensation	255,360					255,360		255,360
MWDOC Contribution to WEROC Operations	191,380					191,380	(191,380)	-
MWDOC Contribution to WEROC Capital Improv	25,488					25,488	(25,488)	-
<b>Others:</b>								
MWD Representation	145,920					145,920		145,920
Director Benefits	94,767					94,767		94,767
Health Insurance Coverage for Retirees	70,519					70,519		70,519
Audit Expense	29,000					29,000		29,000
Automotive & Toll Road Expenses	18,262					20,077		20,077
Conference Expense - Staff	42,880			1,815		45,680		45,680
Conference Expense - Directors	24,930			2,800		24,930		24,930
CDR Participation	47,044					47,044		47,044
Business Expense	5,600					5,600		5,600
Miscellaneous Expense	140,430			7,000		147,430		147,430
Postage / Mail Delivery	9,000					9,000		9,000
Rents & Leases	3,460			-		3,460		3,460
Outside Printing, Subscription & Books	34,573			1,000		35,573		35,573
Office Supplies	36,000			1,000		37,000		37,000
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	97,795			6,750		104,545		104,545
Computers and Equipment	11,850			-		11,850		11,850
Telecommunications Expense	20,178			13,008		33,186		33,186
Temporary Help Expense	5,000					5,000		5,000
Training Expense	25,000			1,150		26,150		26,150
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	99,600			6,430		106,030		106,030
Travel & Accommodations - Directors	51,750					51,750		51,750
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	531,827					531,827		531,827
MWDOC Sinking Fund Expense (generator & radios)				-		-		-
Capital Acquisition	255,500			106,400		361,900		361,900
All Other Expenses	1,813,884	-	-	152,413	-	1,966,297		1,966,297
<b>Total Expenses</b>	<b>9,871,076</b>	<b>204,099,094</b>	<b>2,972,135</b>	<b>489,160</b>	<b>-</b>	<b>217,431,465</b>	<b>(216,868)</b>	<b>217,214,597</b>
<b>EFFECT ON RESERVES / FUND BALANCE</b>	<b>\$ (5,277)</b>	<b>\$ 13,000</b>	<b>(2)</b>	<b>\$ (80,912)</b>	<b>\$ 28,397</b>	<b>\$ (44,792)</b>	<b>\$ -</b>	<b>\$ (44,792)</b>

1 Adjustment for MWDOC's contributions to other funds.  
2 Net change to restricted reserves for interest revenue.

**Municipal Water District of Orange County  
Fiscal Year 2019-2020 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers <sup>(1)</sup>	Consolidated Budget Total
<b>Revenues:</b>								
Water Sales		\$ 251,878,259				\$ 251,878,259		\$ 251,878,259
Local Resource Program Incentives		(5,465,263)				(5,465,263)		(5,465,263)
Retail Meter Charge	7,888,930					7,888,930		7,888,930
Ground Water Customer Charge	630,247					630,247		630,247
Water Increment Charge	-					-		-
Interest Revenue	580,000	20,000				600,000		600,000
MVDOC's Contribution	-			273,367		273,367	(273,367)	-
Outside Fundings	-		2,370,147	228,978	-	2,599,125		2,599,125
Carryover Funds	-			150,219		150,219		150,219
Choice Revenue	1,782,434					1,782,434		1,782,434
Miscellaneous Income	3,000					3,000		3,000
<b>Total Revenues</b>	<b>10,884,610</b>	<b>246,432,996</b>	<b>2,370,147</b>	<b>652,564</b>	<b>-</b>	<b>260,340,317</b>	<b>(273,367)</b>	<b>260,066,950</b>
<b>Expenses:</b>								
Water Purchases		246,412,996				246,412,996		246,412,996
Salaries & Wages	4,208,645			267,463	-	4,476,108		4,476,308
less S & W Reimb. DSC or Recov from Grants	(5,500)					(5,500)		(5,500)
Employee Benefits	1,511,526			82,520	-	1,594,046		1,594,046
Engineering Expense	435,000					435,000		435,000
Professional Fees	1,672,407			30,000		4,072,554		4,072,554
Contribution to Election Reserve	-		2,370,147			-		-
Legal Expense - General	200,000			-	-	200,000		200,000
Maintenance Expense	158,527			4,738		163,265		163,265
Insurance Expense	140,000			-		140,000		140,000
Membership / Sponsorship	160,019			1,105		161,124		161,124
Director Compensation	268,133					268,133		268,133
MVDOC Contribution to WEROC Operations	228,978					228,978	(228,978)	-
MVDOC Contribution to WEROC Capital Improv	44,389					44,389	(44,389)	-
<b>Others:</b>								
MWD Representation	153,218					153,218		153,218
Director Benefits	93,947					93,947		93,947
Health Insurance Coverage for Retirees	70,287					70,287		70,287
Audit Expense	29,240					29,240		29,240
Automotive & Toll Road Expenses	34,860			1,213		36,073		36,073
Conference Expense - Staff	43,546			2,800		46,346		46,346
Conference Expense - Directors	26,177					26,177		26,177
CDR Participation	50,156					50,156		50,156
Business Expense	5,200					5,200		5,200
Miscellaneous Expense	109,300			6,000		115,300		115,300
Postage / Mail Delivery	9,400					9,400		9,400
Rents & Leases	3,616					3,616		3,616
Outside Printing, Subscription & Books	62,500			1,000		63,500		63,500
Office Supplies	38,033			1,000		39,033		39,033
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	93,634			7,441		101,075		101,075
Computers and Equipment	49,450					49,450		49,450
Telecommunications Expense	25,773			10,000		35,773		35,773
Temporary Help Expense	5,000					5,000		5,000
Training Expense	32,000			1,150		33,150		33,150
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	122,345			8,380		130,725		130,725
Travel & Accommodations - Directors	65,373					65,373		65,373
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MVDOC Building Expense	835,831					835,831		835,831
Contribution to Operating Reserves	-			28,086		28,086		28,086
Capital Acquisition	106,456			194,608		301,064		301,064
All Other Expenses	2,078,342			266,738		2,345,080		2,345,080
<b>Total Expenses</b>	<b>11,100,667</b>	<b>246,412,996</b>	<b>2,370,147</b>	<b>652,564</b>	<b>-</b>	<b>260,536,374</b>	<b>(273,367)</b>	<b>260,263,006</b>
<b>EFFECT ON RESERVES / FUND BALANCE</b>	<b>\$ (216,057)</b>	<b>\$ 20,000</b>	<b>(2)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (196,057)</b>	<b>\$ -</b>	<b>\$ (196,056)</b>

1 Adjustment for MVDOC's contributions to other funds.  
2 Net change to restricted reserves for interest revenue.



**INFORMATION ITEM**

March 13, 2019

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

**SUBJECT: PUBLIC HEARING DATE SCHEDULED FOR APRIL 17, 2019 RE  
ORDINANCE SUPERSEDING AND REPEALING MWDOC  
ORDINANCE NO. 47 REGARDING COMPENSATION FOR  
DIRECTORS**

**STAFF RECOMMENDATION**

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It is recommended that the Committee receive and file the report.

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**SUMMARY**

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The MWDOC Board directed staff to work with legal counsel to revise Ordinance No. 47 so that any increases in Director Compensation be limited to the amount set for staff in the annual budget, but not more than the amount allowable under California State law.

Directors' (and MET Directors') compensation is established by Ordinance pursuant to Water Code Section 20200 *et seq.*, and requires a Public Hearing in order to amend the existing procedure set forth in Ordinance No. 47.

The Public Hearing is currently scheduled for April 17, 2019 (at the Board meeting), and pursuant to the law, the necessary publications announcing the Public Hearing will be published in the *OC Register* on April 1 and April 8.

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



**Administration Activities Report  
February 8, 2019 to March 7, 2019**

Activity	Summary
<b>Administration/Board</b>	<p>Staff worked on the following:</p> <ul style="list-style-type: none"> <li>• Scheduled meetings for Rob Hunter and other various meetings of the Board members.</li> <li>• Assisted Rob/Karl with various write ups and follow-up for the Committees and Board.</li> <li>• Continue to send the Water Supply Reports to the member agencies.</li> <li>• Continued training of new administrative staff.</li> <li>• Processed and reviewed agreements for appropriate board approval and insurance requirements.</li> <li>• Review Insurance documents for all District Agreements</li> <li>• Coordinate FTP sites with IT.</li> <li>• Prepare documentation and distribute Form 700s</li> <li>• Submitted several Form 700s to the County Clerk</li> <li>• Continue review of Administrative Code for requirements and potential changes; consulted with Legal Counsel</li> <li>• Began the process of planning for the Elected Officials Forum; coordinated invitation letters</li> <li>• Finalizing travel for ACWA DC &amp; Urban Water Institute Spring Conference.</li> <li>• Made travel arrangements for AWWA CA NV Spring Conference, AMWA 2019 Water Policy Conference, ACWA Spring Conference, OCBC Advocacy – DC, Urban Water Institute Annual Water Conference.</li> <li>• Registered Public Affairs for CAPIO – Newport Beach, WUE – CalWEP Peer to Peer Conference, WUE employee training, Directors for one day events</li> </ul>
<b>MWDOC/OCWD Joint Administration</b>	No new information to report.
<b>Records Management</b>	<ul style="list-style-type: none"> <li>• Review and reorganization of electronic documents in Laserfiche system continues.</li> <li>• Staff met with a representative from ECS for a Laserfiche training session.</li> <li>• Other staff members are being trained in some Records Management procedures in order to provide backup when necessary</li> </ul>

	<ul style="list-style-type: none"> <li>• Staff has scheduled April 8 and 9 for our annual records management audit. Department drives will be reviewed with staff, as well as the shared drive. Recommendations will be made for improved efficiencies as necessary. Diane Gladwell will be here to facilitate the audit and make recommended adjustments.</li> </ul>
<b>Recruitment /Departures</b>	<ul style="list-style-type: none"> <li>• Francisco Soto will be departing the District on March 14. Staff is in the process of placing a job posting for his replacement and intends on utilizing the services of a consultant to assist with WEROC services during the transition.</li> </ul>
<b>Projects and Activities</b>	<ul style="list-style-type: none"> <li>• Coordination efforts continue with IDS Consultants, Engineering and WEROC staff regarding building improvements, seismic retrofits, electrical upgrades, IT Server Air Conditioning unit.</li> <li>• Staff continues with the implementation phase of Neogov which is on track to go live at the end of March.</li> <li>• Personnel Manual updates will be presented in July.</li> <li>• Staff is working on Budget preparation for 2019/20.</li> <li>• Staff were provided with an opportunity to meet with a rep from Social Security Administration on February 28<sup>th</sup>, as well as a rep from the Council on Aging on March 7<sup>th</sup> to review Medicare information relative to those employees retiring within the next 5+/- years.</li> <li>• A CPR, First Aid and AED training class is in the process of being scheduled for renewing certification and will be held in March/April timeframe.</li> </ul>

**INFORMATION ITEM**

March 13, 2019

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

**FROM:**       Robert J. Hunter, General Manager

Staff Contact: Jeff Stalvey

**SUBJECT:**   **Finance and IT Pending Items Report**

**SUMMARY**

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The following list details the status of special projects that are in-progress or to be completed during FY 2018-19.

Description	% of Completion	Estimated Completion date	Status
<b><u>Finance</u></b>			
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
2019 W-9 collection for water rebates. Currently holding 0 rebate checks awaiting W-9 forms.	On-going	On-going	In Progress
Pulled 83 W-9's to respond to an IRS penalty notice for 2016 1099 filings. Legal counsel responded. IRS waived the penalty.	<b>100%</b>	02-28-19	Completed
Government Compensation in California Report 2018	<b>0%</b>	03-30-19	Not Started
Preparation of documents for FY2019-20 budget process.	<b>85%</b>	05-31-19	In Progress
RFP for Actuarial Services. We have been with Demsey Filliger for 5 years.	<b>0%</b>	05-31-19	Not Started

Description	% of Completion	Estimated Completion date	Status
<b><u>Information Technology</u></b>			
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Purchase and upgrade Conference room 101 with Interactive board	<b>0%</b>	06-30-19	Not Started
Upgrade VOIP telephone phone system (Hardware and software)	<b>50%</b>	03-31-19	In Progress

Description	% of Completion	Estimated Completion date	Status
<b><u>FY 2018-19 Completed Special Tasks</u></b>			
<b><u>Finance</u></b>			
State Controller Report preparation FY2017-18	<b>100%</b>	01-31-19	Completed
Mailed 430 1099-MISC forms for rebates and AP vendors for 2018 on 01/25/19. Uploaded all files to IRS on 01/29/19.	<b>100%</b>	01-29-19	Completed
<b><u>Information Technology</u></b>			
Purchase and upgrade Virtual Hyper-V Host Server (Hardware and Software)	<b>100%</b>	12-31-18	Completed



INFORMATION ITEM

March 13, 2019

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

FROM: **Robert Hunter, General Manager**

Staff Contact: Kevin Hostert

SUBJECT: **Monthly Water Usage Data, Imported Water Projections, and Water Supply Info.**

**STAFF RECOMMENDATION**

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

**COMMITTEE RECOMMENDATION**

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Committee recommends (To be determined at Committee Meeting)

**REPORT**

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The attached figures show the recent trend of water consumption in Orange County (OC), an estimate of Imported Water Sales for MWD OC, and selected water supply information.

- OC Water Usage, Monthly by Supply **OCWD Groundwater was the main supply in January**
- OC Water Usage, Monthly, Comparison to Previous Years Water usage in **January 2019 was below average compared to the last 5 years**. We are continuing to see slight increases in overall water usage compared to the previous three Fiscal Years. It has been 23 months since all mandatory water restrictions were lifted by the California State Water Resources Control Board.
- Historical OC Water Consumption Orange County M & I water consumption is projected to be **545,000 AF in FY 2018-19** (this includes ~15 TAF of agricultural usage and non-retail water agency usage). This is about **5,000 AF more than FY 2017-18** and is about **27,000 AF more than FY 2016-17**. Water usage per person is projected to be slightly higher in **FY 2018-19 for Orange County at 151 gallons per day** (This includes recycled water). Although OC population has increased 20% over the past two decades, water usage has not increased, on average. A long-

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

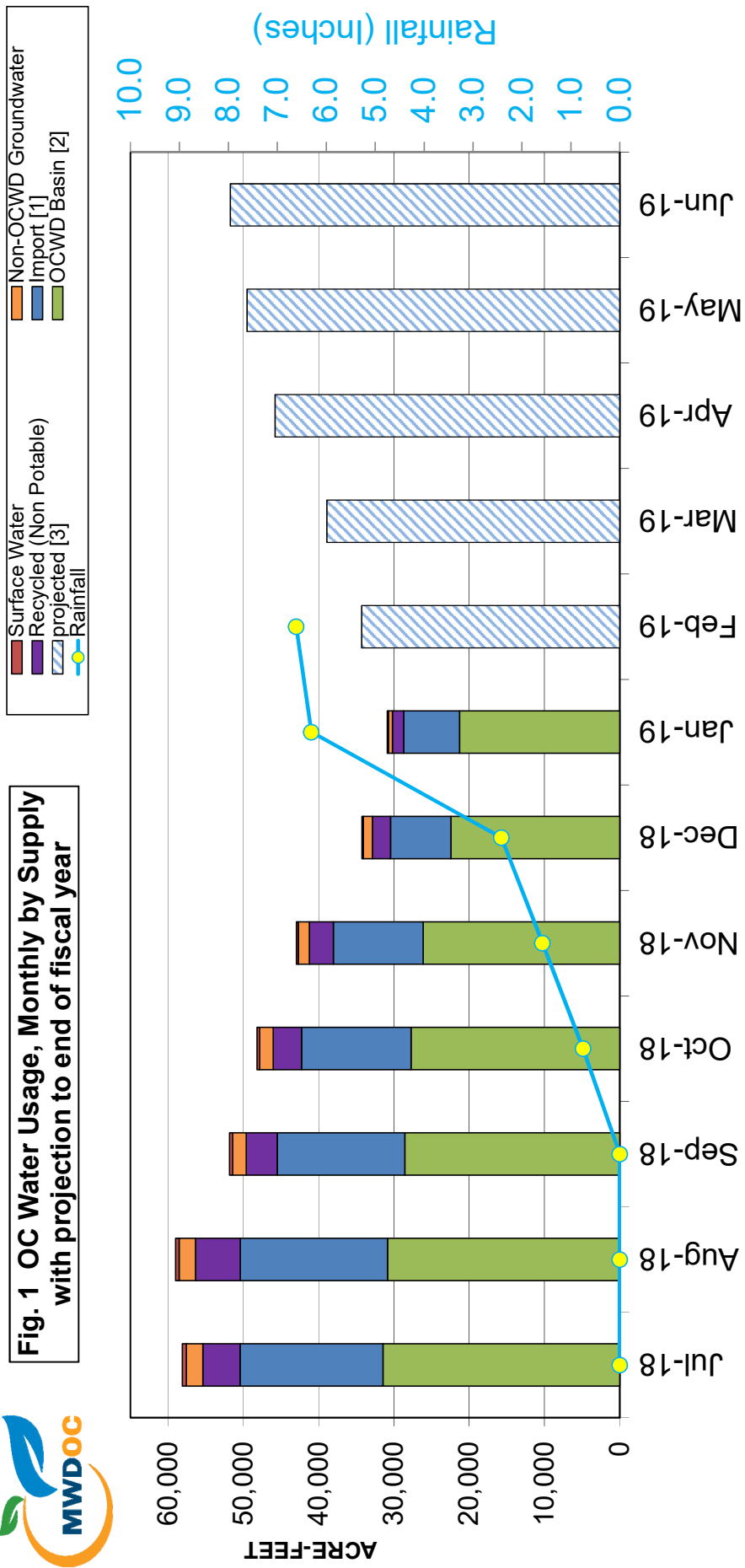
term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts. ***O.C. Water Usage for the last three Fiscal Years is the lowest since the 1982-83 Fiscal Year*** (FY 1982-83 was the third wettest year on record).

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

- Orange County's accumulated rainfall through ***early March*** was above average for this period. Water year to date rainfall in Orange County is ***18.40 inches***, which is ***188% of normal***.
- Northern California accumulated precipitation through ***early March*** was ***137% of normal for this period***. Water Year 2018 was 82% of normal while water year 2017 was 187% of normal. The ***Northern California snowpack*** was ***153% of normal*** as of March 3<sup>rd</sup>. ***As of late February, 2.33% of California is experiencing moderate drought conditions*** while 12.83% of the state is experiencing abnormally dry conditions. The State Water Project Contractors Table A Allocation was increased to 35% in February 2019.
- Colorado River Basin accumulated precipitation through ***early March*** was ***113% of normal*** for this period. The ***Upper Colorado Basin snowpack*** was ***122% of normal*** as of March 3<sup>rd</sup>. ***Lake Mead and Lake Powell*** combined have about ***58% of their average storage volume*** for this time of year and are at ***39.7% of their total capacity***. If Lake Mead's ***level falls below a "trigger" limit 1,075 ft. at the end of a calendar year***, then a shortage will be declared by the US Bureau of Reclamation (USBR), impacting Colorado River water deliveries to the Lower Basin states. As of late February, Lake Mead levels were ***13.20' above the "trigger" limit***. The USBR predicts that the start of 2019 will not hit the "trigger" level but there is ***a 69% chance that the trigger level will be hit in 2020 and a 82% chance in 2021***.



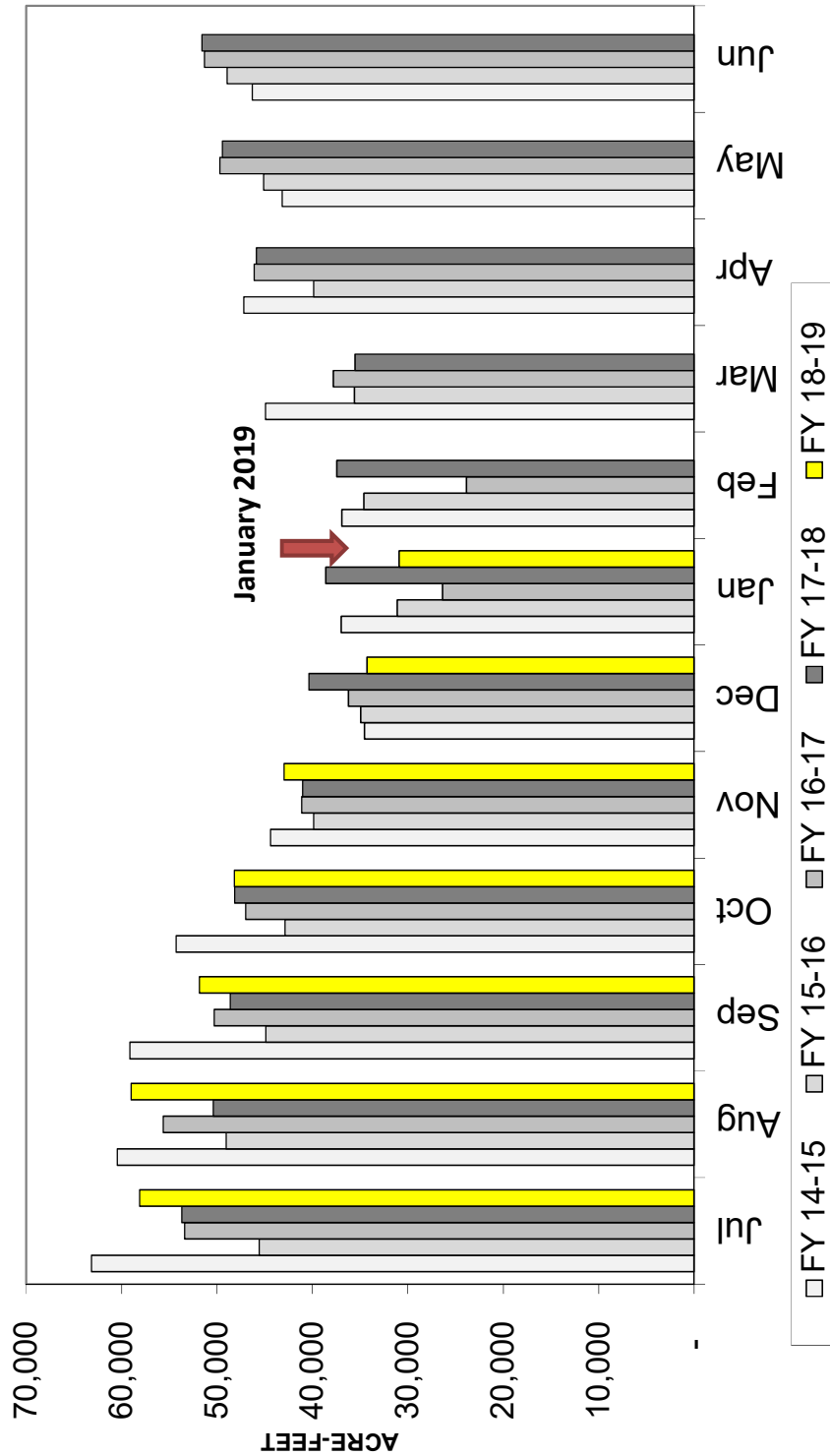
**Fig. 1 OC Water Usage, Monthly by Supply  
with projection to end of fiscal year**



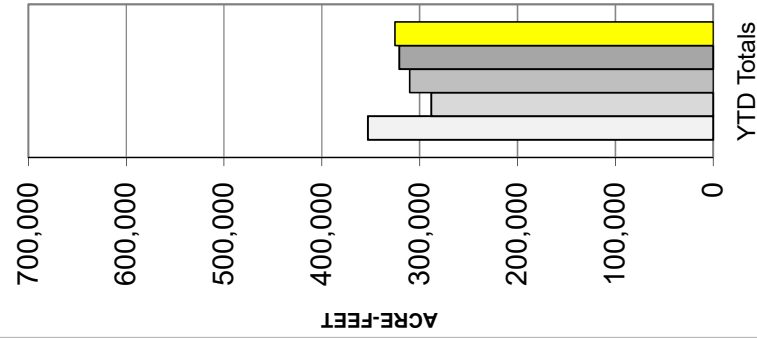
- [1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.
- [2] GW for consumptive use only. Excludes In-Lieu water deliveries and CUP water extraction that are counted with Import. BPP in FY '17-18 is 75%.
- [3] MWD OC's estimate of monthly demand is based on the projected FY 15-16 "Retail" water demand and historical monthly demand patterns.
- [4] Total water usage includes IRWD groundwater agricultural use and usage by non-retail water agencies.



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



**Partial Year Subtotals**

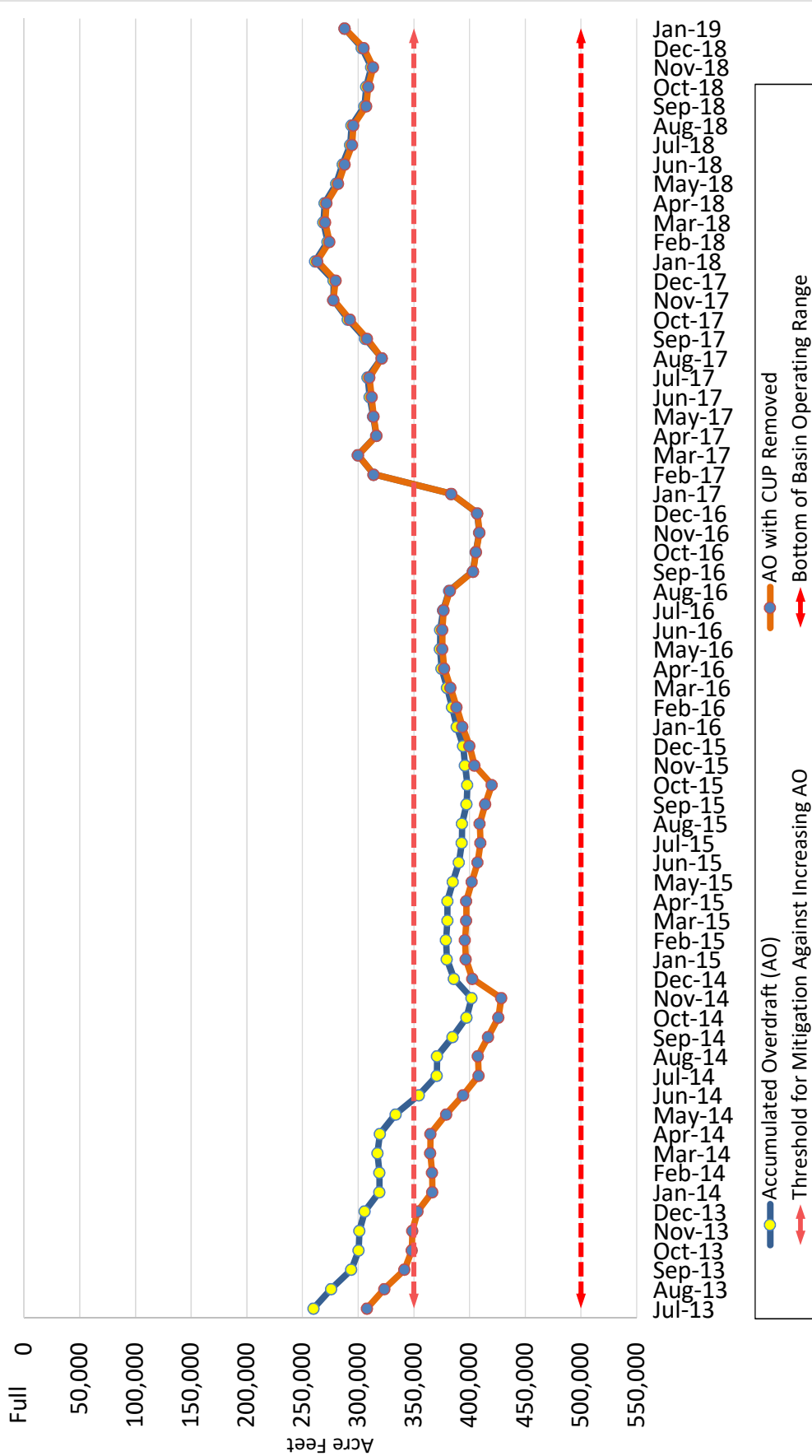


[1] Sum of Imported water for consumptive use (includes "In-Lieu" deliveries; excludes "Direct Replenishment" and "Barrier Replenishment") and Local water for consumptive use (includes recycled and non-potable water and excludes GWRS production) Recent months numbers include some estimation.





## Accumulated Overdraft of the OCWD Groundwater Basin as of January 2019



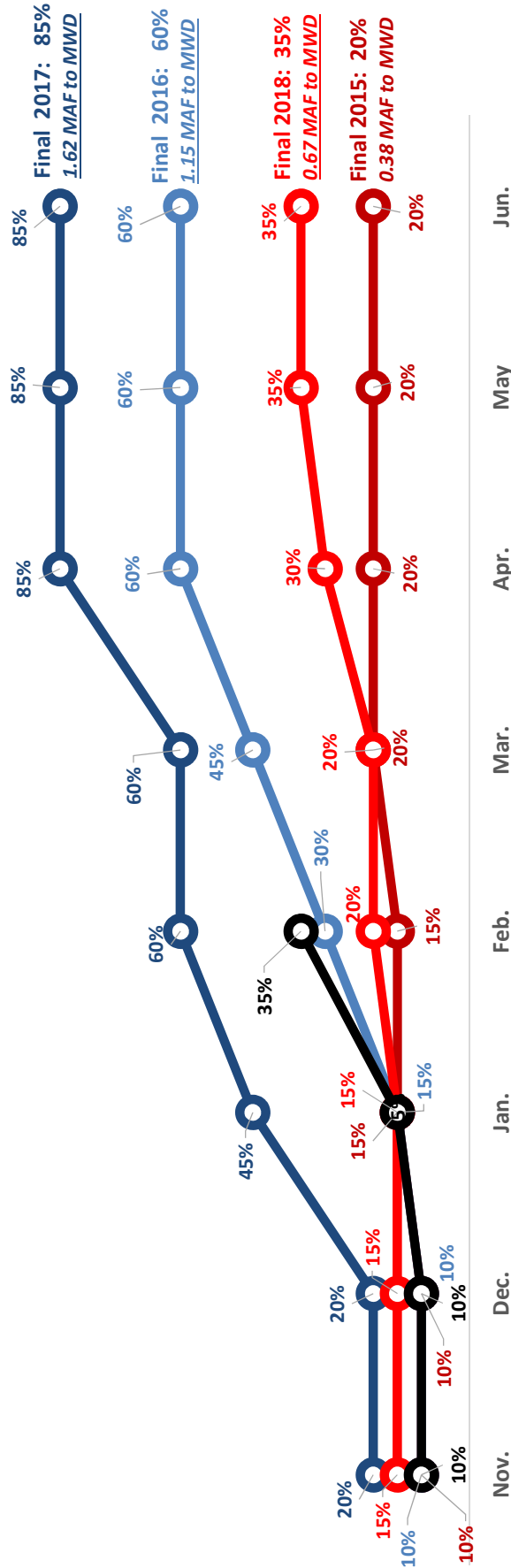
	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
AO (AF)	308,488	321,131	306,280	290,800	277,691	278,056	261,521	272,475	268,752	269,889	280,329	286,163
AO w/CUP removed (AF)	310,216	321,131	308,007	292,522	277,691	279,776	263,237	274,188	270,463	271,601	282,041	287,869
AO (AF)	292,869	294,090	305,572	307,374	311,765	303,249	287,800					
AO w/CUP removed (AF)	294,572	295,790	307,271	309,072	313,460	304,943	287,800					



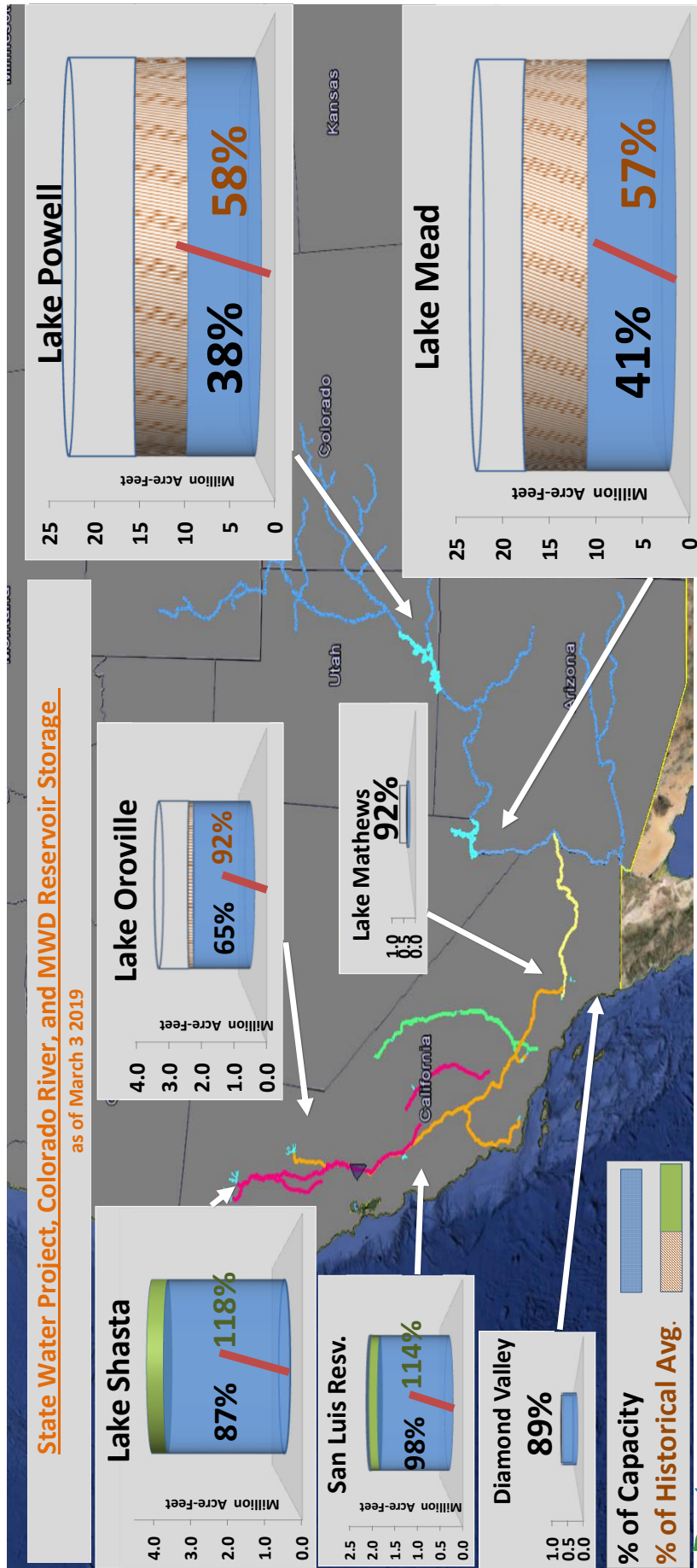
## SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS

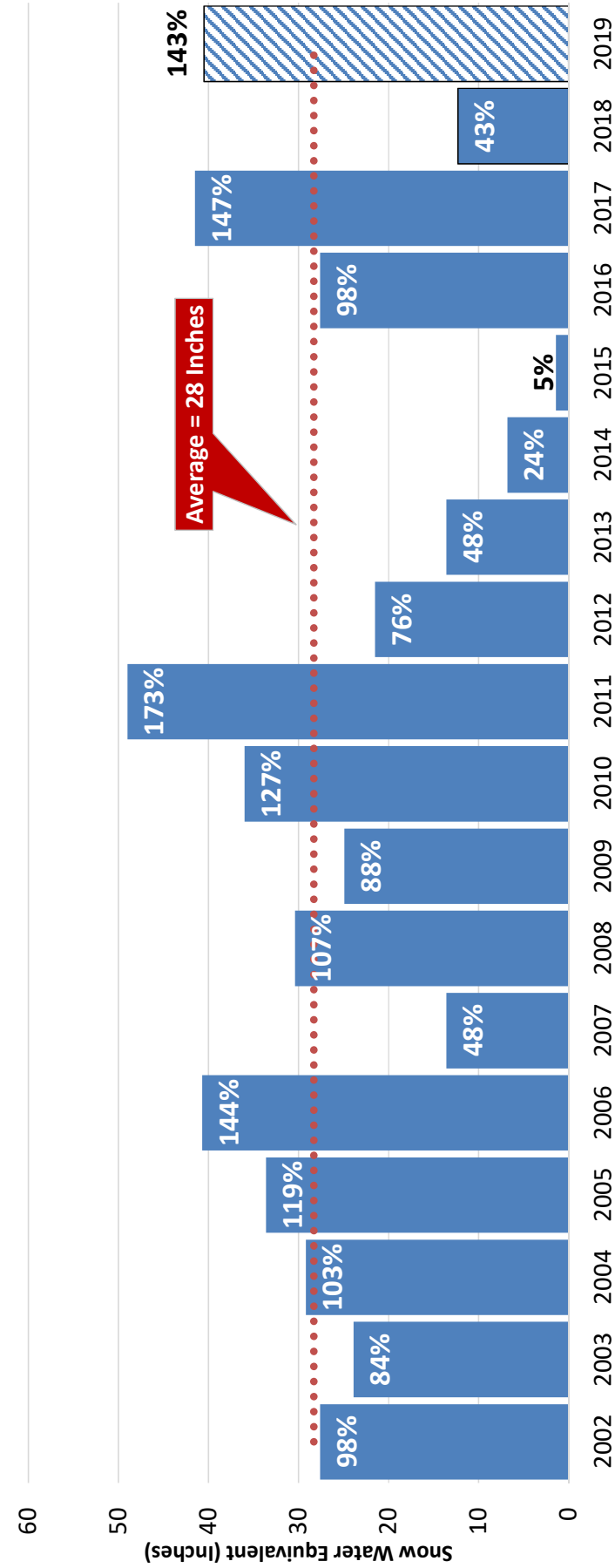
Final 2019: ???

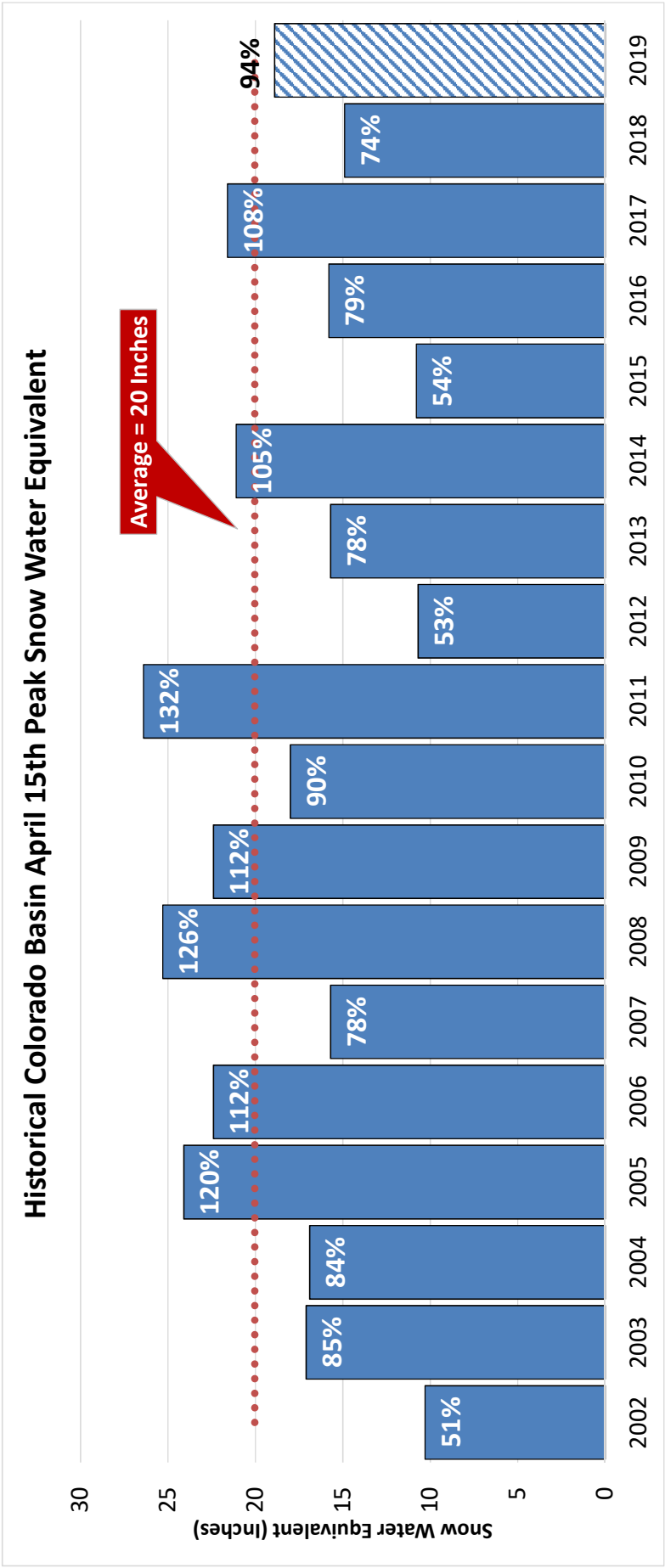


# **State Water Project, Colorado River, and MWD Reservoir Storage** as of March 3 2019



# Historical Northern California April 1st Peak Snow Water Equivalent

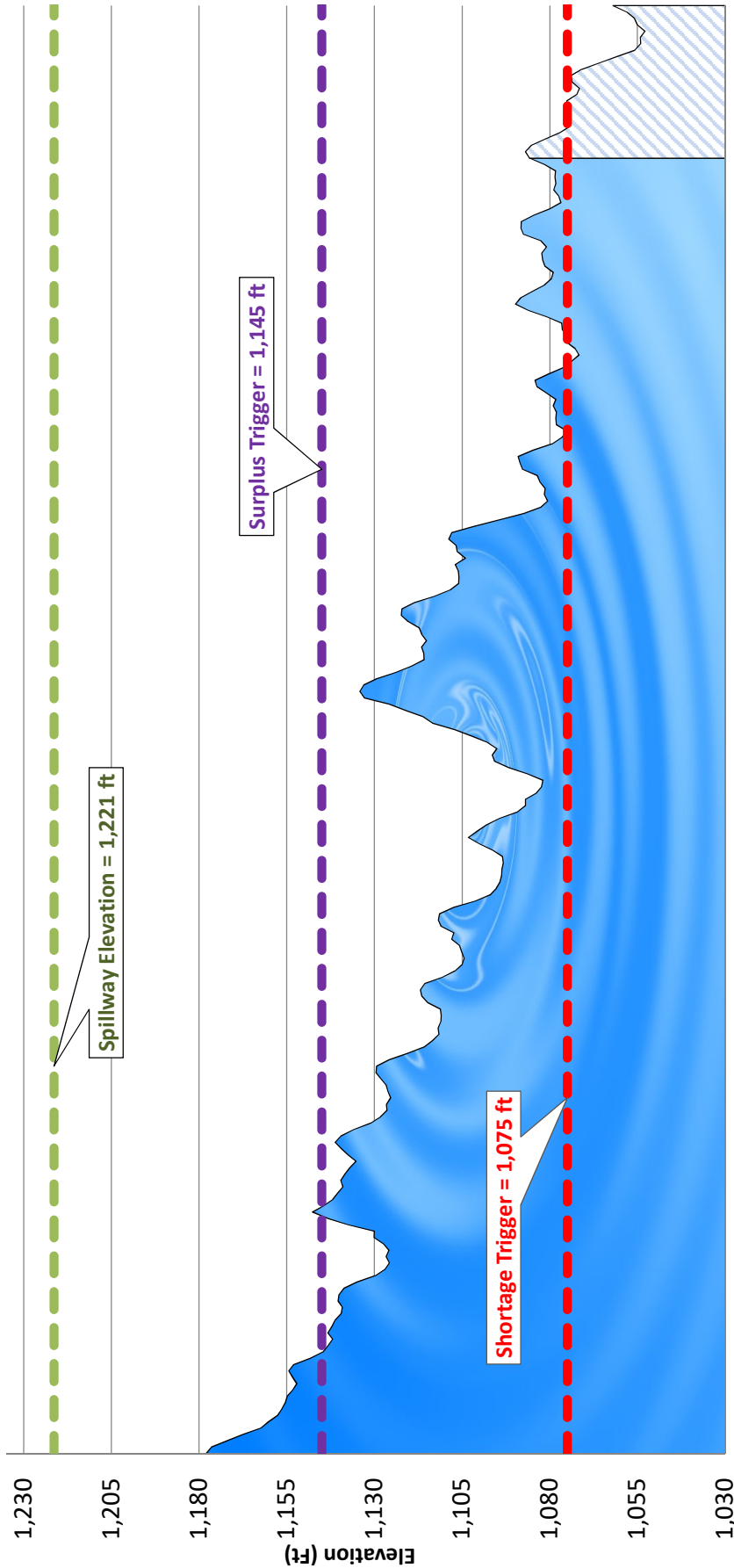






# Lake Mead Levels: Historical and Projected projection per USBR 24-Month Study

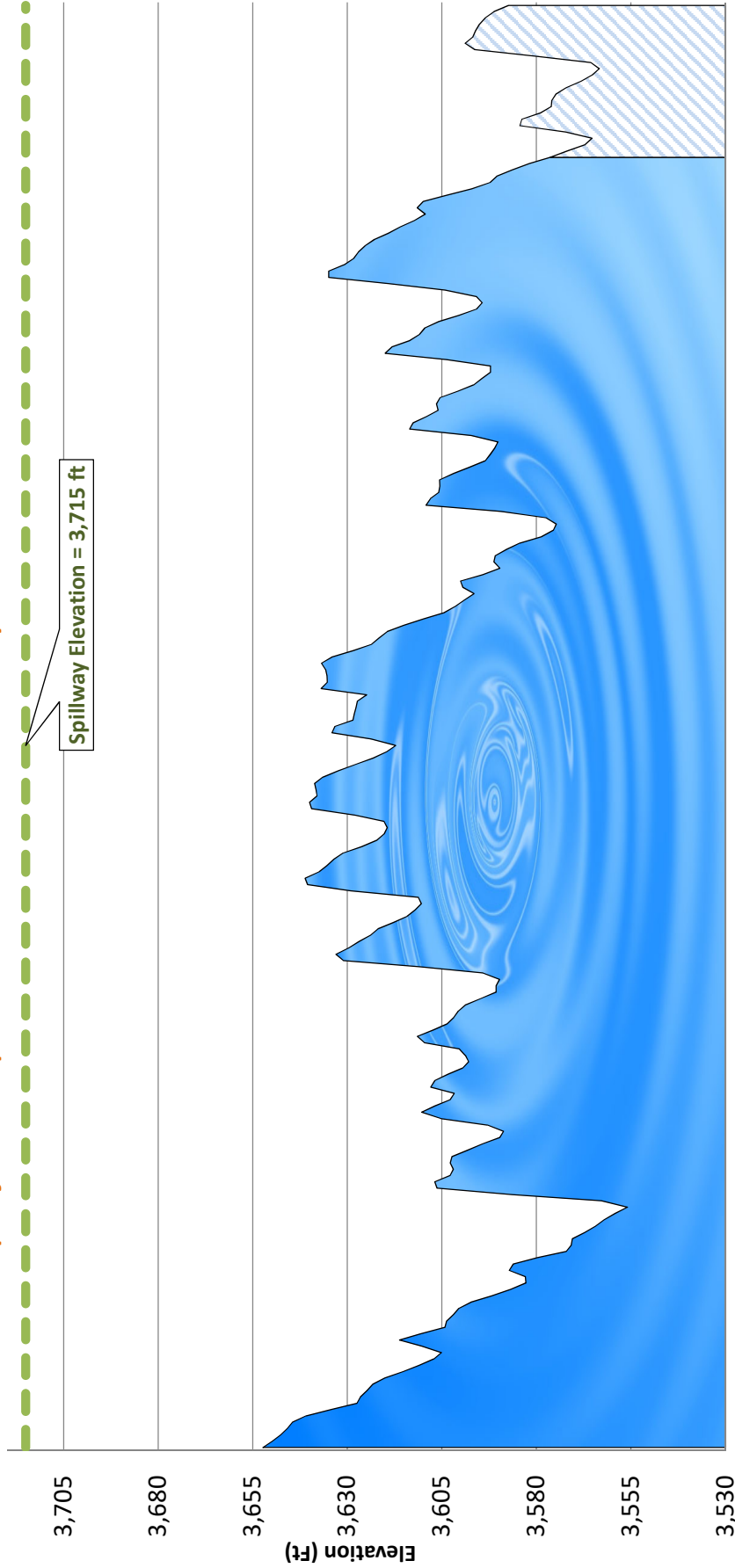
■ Historical    □ Projected





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

■ Historical    □ Projected







## Lake Mead Historical Water Elevation Level

Intake Tower

Hoover Dam

Historic Peak July 1983 @ 1,225 Feet

