

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

Jointly with the

ADMINISTRATION & FINANCE COMMITTEE

June 12, 2019, 8:30 a.m.

Conference Room 101

A&F Committee:

J. Thomas, Chair

J. Finnegan

R. McVicker

Staff: R. Hunter, K. Seckel, J. Berg,

H. De La Torre, K. Davanaugh

Ex Officio Member: Director Barbre

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 – May 2019
 - b. Disbursement Approval Report for the month of June 2019
 - c. Disbursement Ratification Report for the month of May 2019
 - d. GM Approved Disbursement Report for the month of May 2019
 - e. Water Use Efficiency Projects Cash Flow – May 31, 2019
 - f. Consolidated Summary of Cash and Investment – April 2019
 - g. OPEB and Pension Trust Fund monthly statement
2. FINANCIAL REPORT – Combined Financial Statements and Budget Comparative for the Period ending April 30, 2019

ACTION ITEMS

3. AMENDMENTS TO ADMINISTRATIVE CODE SECTION 9500
4. 2019-20 PAY STRUCTURE ADJUSTMENT
5. AWARD CONTRACT FOR ELECTRICAL SYSTEM REHABILITATION PROJECT

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.)

6. OFFICE BUILDING MARKET RESEARCH
7. SOLE SOURCE PROCUREMENT WITH ACCO ENGINEERED SERVICES
8. DEPARTMENT ACTIVITIES REPORTS
 - a. Administration
 - b. Finance and Information Technology
9. MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

OTHER ITEMS

10. 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
May 2019**

WATER REVENUES

Date	From	Description	Amount
05/01/19	City of Garden Grove	March 2019 Water deliveries	78,356.23
05/03/19	Serrano Water District	March 2019 Water deliveries	12,449.22
05/03/19	South Coast Water District	March 2019 Water deliveries	393,754.90
05/03/19	City of Huntington Beach	March 2019 Water deliveries	821,775.35
05/06/19	City of Seal Beach	March 2019 Water deliveries	5,696.85
05/06/19	City of Buena Park	March 2019 Water deliveries	777,481.24
05/09/19	Laguna Beach County Water District	March 2019 Water deliveries	45,169.03
05/09/19	Santa Margarita Water District	March 2019 Water deliveries	1,184,148.72
05/10/19	City of San Clemente	March 2019 Water deliveries	434,545.61
05/10/19	Mesa Water	March 2019 Water deliveries	338,699.17
05/13/19	El Toro Water District	March 2019 Water deliveries	354,394.52
05/14/19	East Orange County Water District	March 2019 Water deliveries	560,702.14
05/14/19	City of La Palma	March 2019 Water deliveries	4,010.86
05/14/19	City of Westminster	March 2019 Water deliveries	239,429.01
05/14/19	City of San Juan Capistrano	March 2019 Water deliveries	189,924.59
05/14/19	City of Orange	March 2019 Water deliveries	34,642.82
05/15/19	Orange County Water District	March 2019 Water deliveries	11,174,561.23
05/15/19	Golden State Water Company	March 2019 Water deliveries	213,123.79
05/15/19	Yorba Linda Water District	March 2019 Water deliveries	44,099.37
05/15/19	Moulton Niguel Water District	March 2019 Water deliveries	1,410,862.72
05/28/19	City of Fountain Valley	April 2019 Water deliveries	11,598.85
05/28/19	City of Newport Beach	April 2019 Water deliveries	81,641.95
05/30/19	Trabuco Canyon Water District	April 2019 Water deliveries	72,540.79
05/31/19	City of Huntington Beach	April 2019 Water deliveries	1,453,245.35
05/31/19	City of Brea	April 2019 Water deliveries	15,997.65

TOTAL REVENUES \$ 19,952,851.96

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

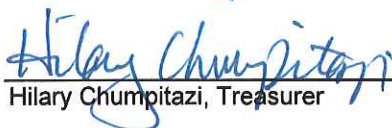
MISCELLANEOUS REVENUES

Date	From	Description	Amount
05/30/19	Paypal	2/21/19 Water Policy dinner	87.09
05/30/19	Paypal	ISDOC Luncheon	48.63
05/03/19	Pat Meszaros	May-Jun 2019 Retiree Health insurance	80.96
05/30/19	Keith Lyon	June 2019 Retiree Health insurance	288.99
05/30/19	Stan Sprague	June 2019 Retiree Health insurance	244.77
05/31/19	US Bank	Monthly interest	45.34
05/06/19	City of Buena Park	January 2019 Smartimer rebate program	100.00
05/20/19	Irvine Ranch Water District	March 2019 Smartimer rebate program	880.17
05/24/19	City of San Clemente	March 2019 Smartimer rebate program	48.00
05/28/19	Trabuco Canyon Water District	March 2019 Smartimer rebate program	45.78
05/06/19	City of Buena Park	February 2019 Turf Removal rebate program	111.00
05/13/19	City of Fountain Valley	March 2019 Turf Removal rebate program	111.00
05/13/19	El Toro Water District	March 2019 Rain Barrels rebate program	15.00
05/20/19	Irvine Ranch Water District	March 2019 Turf Removal and Spray to Drip rebate	2,595.60
05/09/19	City of Westminster	March 2019 Turf Removal and Spray to Drip rebate program	222.00
05/28/19	City of Newport Beach	March 2019 Turf Removal and Spray to Drip rebate program	222.00
05/06/19	Moulton Niguel Water District	March 2019 Smartimer, Rotating Nozzle, Turf Removal and Spray to Drip rebate program	7,531.69
05/10/19	City of San Clemente	March 2019 So Cal Watersmart rebate program	555.00
05/30/19	Trabuco Canyon Water District	April 2019 So Cal Watersmart rebate program	100.00
05/31/19	El Toro Water District	April 2019 So Cal Watersmart rebate program	115.00
05/14/19	City of La Palma	Addition to Choice School Program FY 18-19	197.28
05/20/19	El Toro Water District	Water Loss Control technical assistance - WSO Inc.	13,872.00
05/30/19	South Coast Water District	Water Loss Control technical assistance - WSO, Inc.	10,200.00

TOTAL MISCELLANEOUS REVENUES \$ **37,717.30**

TOTAL REVENUES \$ 19,990,569.26


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard C. Ackerman	
1235	May 2019 Consulting on legal and regulatory matters	950.00
	*** Total ***	950.00
	Aleshire & Wynder LLP	
51234	April 2019 Legal services	4,590.00
51675	May 2019 Legal services	4,560.50
	*** Total ***	9,150.50
	Alliant Insurance Services, Inc.	
1085955	7/1/19-7/1/20 Workers Compensation Insurance	28,558.50
	*** Total ***	28,558.50
	Alta FoodCraft	
51910412	5/24/19 Coffee & tea supplies	224.22
	*** Total ***	224.22
	ARC Document Solutions, LLC	
10163851	Presentation board printed for Laguna Beach Pocket Park design	61.07
10185304	5/13/19 Services to print plans for MWDOC office electrical panel upgrade	28.37
	*** Total ***	89.44
	Best Best and Krieger LLP	
849148	April 2019 State legislative advocacy services	7,938.97
55401-APR19	April 2019 Legal services	18,910.53
	*** Total ***	26,849.50
	Blue Watchdog Conservation, Inc.	
1508	3/22/19-4/23/19 Instruction services for OC Qualified Water Efficiency Landscape training	1,618.46
1520	4/24/19-5/28/19 Instruction services for OC Qualified Water Efficiency Landscape training	2,323.09
	*** Total ***	3,941.55
	California Newspapers Partnership	
5244010-APR19	April 2019 Fees for publishing 3 public notices	2,703.00
	*** Total ***	2,703.00
	CDW Government	
SGQ4479	Laser Jet Pro printer for Engineering department	520.91
	*** Total ***	520.91
	Hunter T. Cook	
APR-JUN2019	April-June 2019 Retiree medical premium	1,536.00
	*** Total ***	1,536.00

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

Invoice#	Vendor / Description	Amount to Pay
	CSU Fullerton ASC	
AR169152	Map of MWDOC water agencies	186.93
AR169153	4 Maps of MWDOC service areas	247.98
AR169154	2010-2018 Updated historic population estimates by water areas	618.66
AR169155	Seismic hazard analysis, data and maps	179.75
	*** Total ***	1,233.32
	Dissinger Associates	
043019AP-MWD	2018 Pension plan administration fees	2,600.00
	*** Total ***	2,600.00
	Dudek	
20192534	3/30/19-4/26/19 Planning level reliability for South County interconnection	7,910.00
	*** Total ***	7,910.00
	GovConnection, Inc.	
56738109	Project planning software for IT department projects	469.78
56804359	Backup software license and 3 year maintenance plan for phone server	1,048.03
	*** Total ***	1,517.81
	HashtagPinpoint Corporation	
1195	May 2019 Social media consultation and services	7,917.00
	*** Total ***	7,917.00
	Independent Special Dist of OC	
ISDOC-1/31/19	12/28/18-1/30/19 PayPal receipts for 1/31/19 meeting	164.46
ISDOC-6/27/19	3/28/19-5/29/19 PayPal receipts for 6/27/19 meeting	48.63
	*** Total ***	213.09
	James C. Barker, P.C.	
105-0519	May 2019 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	Jill Promotions	
10512	50 Wood ornaments for Poster Contest winners	262.79
10562	25 Power banks for speaker gifts	456.67
10564	25 Laser pointers for speaker gifts	586.39
10568	300 Lapel pins with MWDOC logo	1,491.53
	*** Total ***	2,797.38
	Karen's Detail Custom Frames, LLC	
3080	Custom framing for certificates for agencies hosting Girl Scout events	207.58
3085	40 Drawings custom framed for Poster Contest winners	1,453.03
	*** Total ***	1,660.61
	Lawnscape Systems, Inc.	
401282	5/7/19 Landscape maintenance for atrium	295.00
	*** Total ***	295.00

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

Invoice#	Vendor / Description	Amount to Pay
	Lewis Consulting Group	
2019-129	May 2019 Consulting services	3,437.50
	*** Total ***	3,437.50
	Edward G. Means III	
MWDOC-1070	April 2019 Consulting on MET issues and guidance to Engineering staff	2,529.58
MWDOC-1071	May 2019 Consulting on MET issues and guidance to Engineering staff	1,250.00
	*** Total ***	3,779.58
	Meltwater News US Inc.	
IN-S151-486497	2 Year subscription for media monitoring software	17,000.00
	*** Total ***	17,000.00
	NDS	
717883	5/2/19 Delivery charges for Board packets	254.63
718014	5/16/19 Delivery charges for Board packets	123.61
718104	5/20/19 and 5/31/19 Delivery charges for Board packets	190.51
	*** Total ***	568.75
	Office Depot, Inc.	
309441660001	5/1/19 Office supplies	102.20
311476071001	5/9/19 Office supplies	120.42
311477525001	5/8/19 Office supplies	6.41
312891129001	5/9/19 Office supplies	33.02
319455328001	5/23/19 Office supplies	18.48
	*** Total ***	280.53
	Office Solutions	
I-01569718	5/3/19 Office supplies	9.27
I-01570024	5/3/19 Office supplies	9.66
I-01577661	5/17/19 Office supplies	310.49
I-01585326	6/4/19 Office supplies	8.38
I-01586377	6/5/19 Office supplies	399.24
	*** Total ***	737.04
	Orange County Fast Print, Inc.	
57991	Business cards for D. Micalizzi and C. Harris	110.25
	*** Total ***	110.25
	Orange County Water District	
20277	April 2019 Postage, shared office & maintenance expense	8,067.94
20313	May 2019 50% share of WACO expense	246.25
	*** Total ***	8,314.19
	OMB Electrical Engineers, Inc.	
78499	3/30/19-4/30/19 Electrical engineering services for MWDOC office electrical upgrade	1,200.00
78694	3/30/19-4/30/19 Electrical engineering reimbursable expense for MWDOC office electrical upgrade	152.54
	*** Total ***	1,352.54

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Patricia Kennedy Inc.	
10890	June 2019 Plant maintenance	214.00
	*** Total ***	214.00
	Resilient Communications	
802325	Installation, configuration and migration services for phone server upgrade	9,300.00
	*** Total ***	9,300.00
	Joey C. Soto	
MWDOC#012	April 2019 Grant research and acquisition assistance	2,999.75
	*** Total ***	2,999.75
	SubSurface Locators Inc.	
190225	Data cable for leak detection equipment	130.00
	*** Total ***	130.00
	WageWorks, Inc.	
INV1424526	May 2019 Cafeteria plan administration	196.07
	*** Total ***	196.07
	Water Systems Optimization, Inc.	
1543	April 2019 Services to develop a Water Loss Control business plan	3,985.00
1554	May 2019 Water Loss Control program	7,877.72
	*** Total ***	11,862.72
	Wyland Foundation	
2019PP	Mayor's Challenge for Water Conservation sponsorship	10,000.00
	*** Total ***	10,000.00
	Total Core Expenditures	178,950.75

Choice Expenditures:

	Discovery Science Center	
DSOC/IV/000891	April 2019 Elementary school program	28,747.95
DSOC/IV/000905	May 2019 Elementary school program	24,203.34
	*** Total ***	52,951.29
	Tim Hogan	
5860	128,800 Bill inserts printed for member agencies for Water Use Efficiency rebate programs	3,195.78
	*** Total ***	3,195.78
	Mission RCD	
2680	April 2019 Field verifications for Water Use Efficiency rebate programs	1,991.56
	*** Total ***	1,991.56

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Orange County Water District	
20277	April 2019 Postage for Water Use Efficiency rebate programs	14.41
	*** Total ***	14.41
	Pollardwater	
R134845	5 Safety vests for Water Leak Detection program	93.02
	*** Total ***	93.02
	Top Hat Productions	
95114	5/2/19 Lunch for Water Use Efficiency Workgroup meeting	587.35
95144	5/14/19 Lunch for Water Loss Control Workgroup meeting	390.70
	*** Total ***	978.05
	Total Choice Expenditures	<hr/> 59,224.11
Other Funds Expenditures:		
	Droplet Technologies LLC	
1100	5,000 Digital signatures for Droplet rebate processing software	8,250.00
	*** Total ***	8,250.00
	Mega Maids Cleaning Service	
10382	5/3/19 WEROC S. EOC cleaning services	90.00
10397	5/13/19 WEROC N. EOC cleaning services	85.00
	*** Total ***	175.00
	Michael Baker International	
1047299	4/1/19-4/28/19 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan update	990.72
	*** Total ***	990.72
	Mission RCD	
2680	April 2019 Field verifications for Water Use Efficiency rebate programs	5,842.79
	*** Total ***	5,842.79
	Orange County Fast Print, Inc.	
57991	Business cards for K. Hubbard	81.16
	*** Total ***	81.16
	Water Systems Optimization, Inc.	
1542	April 2019 Water Loss Control program	4,785.00
1554	May 2019 Water Loss Control program	11,560.00
	*** Total ***	16,345.00
	Total Other Funds Expenditures	<hr/> 31,684.67
	Total Expenditures	<hr/> <hr/> 269,859.53

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Core Disbursements:				
138864	5/6/19	SPECTB	Spectrum Business	
		0375210042019	May 2019 Telephone and internet expense	1,099.18
			***Total ***	1,099.18
138865	5/6/19	VERIZO	Verizon Wireless	
		9828794492	April 2019 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
138866	5/13/19	BARBRE	Brett Barbre	
		051319BB	Return of pension repayment	48,816.47
			***Total ***	48,816.47
138867	5/13/19	DICKEX	Larry Dick	
		051319LD	Return of pension repayment	47,149.52
			***Total ***	47,149.52
138868	5/13/19	FINNEG	Joan Finnegan	
		051319JF	Return of pension repayment	21,854.35
			***Total ***	21,854.35
138869	5/13/19	HINMAN	Susan Hinman	
		051319SH	Return of pension repayment	20,950.10
			***Total ***	20,950.10
138870	5/13/19	OSBORN	Wayne S. Osborne	
		051319WO	Return of pension repayment	8,305.12
			***Total ***	8,305.12
138871	5/13/19	THOMAS	Jeffery Thomas	
		051319JT	Return of pension repayment	16,592.91
			***Total ***	16,592.91
138889	5/15/19	USBANK	U.S. Bank	
		0403/0640/5443-APR2019	3/23/19-4/22/19 Cal Card charges	12,905.73
			***Total ***	12,905.73
			(See attached sheet for details)	
ACH003948	5/15/19	BARBRE	Brett Barbre	
		043019	April 2019 Business expense	241.86
			***Total ***	241.86
ACH003953	5/15/19	CHUMPI	Hilary Chumpitazi	
		43019	April 2019 Business expense	87.00
			***Total ***	87.00

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003956	5/15/19	DAVISR 043019	Rachel Davis April 2019 Business expense ***Total ***	 187.72 187.72
ACH003957	5/15/19	DICKEX 043019	Larry Dick April 2019 Business expense ***Total ***	 146.16 146.16
ACH003961	5/15/19	HARRIS 043019	Cathleen M. Harris April 2019 Business expense ***Total ***	 98.57 98.57
ACH003963	5/15/19	HUNTER 043019	Robert J. Hunter April 2019 Business expense ***Total ***	 41.13 41.13
ACH003968	5/15/19	MULDOO 043019	Traci L. Muldoon April 2019 Business expense ***Total ***	 24.36 24.36
ACH003978	5/15/19	ROBERT 043019	Bryce Roberto April 2019 Business expense ***Total ***	 84.19 84.19
138892	5/20/19	SPECTB 0343564051019	Spectrum Business May 2019 Telephone expense for 3 analog fax lines ***Total ***	 108.45 108.45
138894	5/31/19	IRONMO 9GG1041	Iron Mountain May 2019 Archived document storage fees ***Total ***	 209.70 209.70
138899	5/31/19	THOMAS 043019	Jeffery Thomas April 2019 Business expense ***Total ***	 174.00 174.00
ACH003981	5/31/19	ACKEEX 043019	Linda Ackerman April 2019 Business expense ***Total ***	 81.20 81.20
ACH003982	5/31/19	BACATI 022819	Tiffany Baca February 2019 Business expense ***Total ***	 75.93 75.93

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

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH003983	5/31/19	BAEZHE 043019	Heather Baez April 2019 Business expense ***Total ***	 94.37 94.37
ACH003984	5/31/19	BERGJO 043019	Joseph Berg April 2019 Business expense ***Total ***	 10.00 10.00
ACH003985	5/31/19	BUIJEA 043019	Jeannie Bui April 2019 Business expense ***Total ***	 40.02 40.02
ACH003986	5/31/19	BUSSLI 043019	Charles Busslinger April 2019 Business expense ***Total ***	 229.38 229.38
ACH003987	5/31/19	DELATO 043019	Harvey De La Torre April 2019 Business expense ***Total ***	 40.53 40.53
ACH003988	5/31/19	FAHLBE 043019	Beth Fahl April 2019 Business expense ***Total ***	 27.65 27.65
ACH003991	5/31/19	MULDOO 033119	Traci L. Muldoon March 2019 Business expense ***Total ***	 30.36 30.36
ACH003992	5/31/19	MULDOO 043019A	Traci L. Muldoon April 2019 Business expense ***Total ***	 2.90 2.90
ACH003994	5/31/19	SCHNEI 043019	Megan Yoo Schneider April 2019 Business expense ***Total ***	 663.35 663.35
ACH003996	5/31/19	WAITER 043019	Rachel Waite April 2019 Business expense ***Total ***	 9.57 9.57
ACH003997	5/31/19	WILSON 043019	Sarah C. Wilson April 2019 Business expense ***Total ***	 72.33 72.33
Total Core Disbursements				180,568.14

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Choice Disbursements:				
138889	5/15/19	USBANK	U.S. Bank	
		0640-APR19	3/23/19-4/22/19 Cal Card charges	184.55
			***Total ***	184.55
ACH003956	5/15/19	DAVISR	Rachel Davis	
		043019	April 2019 Business expense	30.57
			***Total ***	30.57
			Total Choice Disbursements	215.12
Other Funds Disbursements:				
138865	5/6/19	VERIZO	Verizon Wireless	
		9828794492	April 2019 4G Mobile broadband unlimited service	76.02
			***Total ***	76.02
138872	5/15/19	ATTUVEOC	AT&T	
		1812-MAY19	May 2019 U-verse internet service for WEROC N. EOC	50.00
			***Total ***	50.00
138873	5/15/19	ATTCALN	AT&T	
		000012956853	April 2019 WEROC N. & S. EOC telephone expense	234.74
		000012956854	April 2019 WEROC N. EOC telephone expense	106.39
			***Total ***	341.13
138874	5/15/19	CATALI	Catalina Island Conservancy	
		0015837	July 2018 WEROC radio repeater site lease	1,804.20
		0015962	August 2018 WEROC radio repeater site lease	1,804.20
			***Total ***	3,608.40
138878	5/15/19	IRWD	Irvine Ranch Water District	
		9814	March 2019 Credit for Local Resource Program and In-lieu water purchases	292,409.15
			***Total ***	292,409.15
138889	5/15/19	USBANK	U.S. Bank	
		0640-APR19	3/23/19-4/22/19 Cal Card charges	233.26
			***Total ***	233.26
			(See attached sheet for details)	
		DRIPPR	Spray to Drip Program	
138900	5/30/19	S2D2-R-IRWD-30237-17301	T. Le	335.18
138901	5/30/19	S2D2-C-IRWD-12274-17314	TIC-SPECTRUM (Irvine)	1,832.20
138902	5/30/19	S2D2-R-IRWD-37413-17346	D. Fry	286.00

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
138903	5/30/19	S2D2-R-ETWD-37411-17354	H. Lai	116.55
138904	5/30/19	S2D2-R-O-37365-17335 ADJ	L. Panitz	90.00
138905	5/30/19	S2D2-C-IRWD-12274-17315	TIC-SPECTRUM (Irvine)	1,217.40
138906	5/30/19	S2D2-C-IRWD-12274-17316	TIC-SPECTRUM (Irvine)	2,626.20
138907	5/30/19	S2D2-C-IRWD-12274-17317	TIC-SPECTRUM (Irvine)	889.00
138908	5/30/19	S2D2-C-IRWD-12274-17318	TIC-SPECTRUM (Irvine)	2,456.60
			***Total ***	9,849.13
TURFRP				
			Turf Removal Program	
138909	5/30/19	TR11-C-IRWD-26706-26702	City of Irvine	21,747.72
138910	5/30/19	TR11-C-IRWD-26706-26703	City of Irvine	54,390.60
138911	5/30/19	TR11-C-IRWD-26706-26704	City of Irvine	16,633.74
138912	5/30/19	TR12-R-MNT-29139-29063	N. Martin	840.00
138913	5/30/19	TR12-C-IRWD-12274-30152	TIC-Spectrum Office (Irvine)	27,688.60
138914	5/30/19	TR12-R-IRWD-30237-30161	T. Le	758.00
138915	5/30/19	TR12-C-IRWD-12274-34179	TIC-Spectrum Office (Irvine)	21,304.50
138916	5/30/19	TR12-C-IRWD-12274-34182	TIC-Spectrum Office (Irvine)	45,958.50
138917	5/30/19	TR12-C-IRWD-12274-35178	TIC-Spectrum Office (Irvine)	15,557.50
138918	5/30/19	TR12-C-IRWD-12274-35180	TIC-Spectrum Office (Irvine)	42,990.50
138919	5/30/19	TR12-R-MNT-35276-35206	M. Oconnell	1,333.18
138920	5/30/19	TR12-R-IRWD-35285-35214	K. Barnes	2,507.00
138921	5/30/19	TR12-R-MNT-35356-35279	C. Oldroyd	2,730.00
138922	5/30/19	TR12-R-O-36363-35289	R. Rosen	3,662.00
138923	5/30/19	TR12-R-MNT-37369-36295	A. Caruana	2,289.00
138924	5/30/19	TR12-R-MNT-37374-36298	J. Collison	1,323.00
138925	5/30/19	TR12-R-MNT-37379-36302	B. Ivarsson	1,110.00
138926	5/30/19	TR12-R-MNT-37399-36317	R. Darienzo	777.00
138927	5/30/19	TR12-R-ETWD-37402-36319	E. Cortez	1,580.00
138928	5/30/19	TR12-R-MNT-37407-36324	H. Spindel	1,210.61
138929	5/30/19	TR12-R-MNT-37409-36326	D. Do	2,262.00
138930	5/30/19	TR12-R-IRWD-35345-36329	J. Jordan	950.00
138931	5/30/19	TR12-R-ETWD-37411-36330	H. Lai	3,960.00
138932	5/30/19	TR12-R-IRWD-37412-36331	V. Knox	925.00
138933	5/30/19	TR12-R-IRWD-5110-37347	A. Edwards	960.00
138934	5/30/19	TR12-R-MNT-26764-37348	M. Koontz	1,746.00
138935	5/30/19	TR12-R-IRWD-38431-37350	D. Andraos	1,006.00
138936	5/30/19	TR12-R-IRWD-38432-37351	N. Tran	656.00
138937	5/30/19	TR12-R-IRWD-38452-37366	T. Ha	617.00
138938	5/30/19	TR12-R-MNT-38448-37375	P. Maciariello	1,893.00
138939	5/30/19	TR12-R-IRWD-38499-37406	J. Pipp	286.00
138940	5/30/19	TR12-R-MNT-38540-37444	K. Keyes	1,764.00
138941	5/30/19	TR12-R-MNT-37382-36304	S. Guerdatt	394.00
138942	5/30/19	TR12-R-MNT-35255-35179	M. Lee	188.00
138943	5/30/19	TR12-R-MNT-37388-36307	D. Shkarovetsky	587.00
138944	5/30/19	TR12-R-MNT-37397-36315	G. Siragusa	1,509.00
138945	5/30/19	TR12-R-MNT-35312-35237	A. Watson	1,023.00
138946	5/30/19	TR12-R-IRWD-35319-35244	V. Arya	289.00
			***Total ***	287,406.45

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
138897	5/31/19	SANTI1 MAR2019	Santiago Aqueduct Commission March 2019 SAC Pipeline Operation surcharge ***Total ***	 2,923.08 2,923.08
138898	5/31/19	SCHUNK 051519	Janine Schunk April-May 2019 Business expense ***Total ***	 106.65 106.65
ACH003995	5/31/19	SANTAM MAR2019	Santa Margarita Water District March 2019 SCP Pipeline Operation surcharge ***Total ***	 20,716.31 20,716.31
WIRE-190531	5/31/19	METWAT 9679	Metropolitan Water District March 2019 Water deliveries ***Total ***	 17,933,225.12 17,933,225.12
Total Other Funds Disbursements				18,550,944.70
Total Disbursements				18,731,727.96



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: April 22, 2019
Payment Date: May 15, 2019

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>Public Affairs Card</u>		
3/24/2019	Supplies for Children's Water Festival	\$ 59.89
3/27/2019	40 Collapsible buckets for Poster Contest winners	519.20
3/31/2019	Apple iPad for Poster Contest winners	428.04
4/3/2019	Lunch for School Program Request for Proposal meeting	47.69
4/16/2019	Hermes Creative Awards application fees for inspection trip invitation and MWDOC logo	428.00
4/17/2019	Lunch for Public Affairs department meeting	55.78
	Total	<u>\$ 1,538.60</u>

Cal Card Charges
Statement Date: April 22, 2019
Payment Date: May 15, 2019

Date	Description	Amount
<u>K. Seckel Card</u>		
3/21/2019	California Environmental Dialogue Plenary meeting in Sacramento, CA on Mar. 21, 2019 - Accommodations for M. Baum Haley	\$ 527.18
3/21/2019	Plan check fees for electrical panel upgrade project	646.43
3/24/2019	1/24/19-2/23/19 Web hosting service for MWDOC website and 3/24/19-3/23/20 virtual private server hosting	1,335.63
3/26/2019	Lunch for MET Directors' meeting	176.00
3/27/2019	Federal Express delivery charges for Board of Supervisors on Mar. 25, 2019	19.04
3/27/2019	Dana Point Chamber State of South County Address & Dinner in Laguna Hills, CA on Apr. 11, 2019 - Registration for H. Baez	50.00
3/29/2019	Annual subscription for Los Angeles Times newspaper	221.00
3/29/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 26-28, 2019 - Accommodations partial refund for K. Hubbard	(243.29)
4/1/2019	UPS Delivery charges for Board packets on Mar. 29, 2019	7.40
4/1/2019	3/01/19-3/31/19 E-mail service for California Sprinkler Adjustment Notification system	14.95
4/2/2019	Federal Express delivery charges for Board of Supervisors on Mar. 29, 2019	19.04
4/2/2019	Office supplies from Costco	433.42
4/3/2019	Federal Express delivery charges for Plump Engineering on Apr. 1, 2019	19.04
4/5/2019	Lunch for Association of California Cities - Orange County meeting hosted by MWDOC	340.79
4/8/2019	UPS Delivery charges for returned shipment of DC Lunch briefing materials on Apr. 2, 2109 and Board packets on Apr. 5, 2019	37.77 ¹
4/8/2019	California Special Districts Association Special Districts Legislative Days in Sacramento, CA from May 21-22, 2019 - Registration for H. Baez	275.00
4/8/2019	Flowers for MWDOC Director	80.80
4/11/2019	Lunch for WEROC Hazard Mitigation Workgroup meeting	215.00
4/12/2019	Breakfast for Qualified Water Efficient Landscaper training class	169.60
4/15/2019	UPS Delivery charges for Board packets on Apr. 5, 2019	38.78
4/16/2019	Computer supplies	29.50
4/18/2019	LSL CPAs and Business Advisors Annual Governmental Accounting and Auditing Update in Brea, CA on May 14, 2019 - Registration for H. Chumpitazi	95.00
4/18/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Airfare for H. Baez	445.96
4/18/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Airfare for M. Baum Haley	445.96
4/18/2019	Legislative Activities in Sacramento, CA on May 17, 2019 - Airfare for H. Baez	406.96
4/18/2019	Legislative Activities in Sacramento, CA on Apr. 26, 2019 - Airfare for H. Baez	432.96
4/21/2019	Federal Express delivery charges for Black & Veatch and Brown and Caldwell on Apr. 18, 2019	38.16
Total		\$ 6,278.08

¹ UPS refunded \$26.65 to MWDOC's account for returned briefing materials

Cal Card Charges
Statement Date: April 22, 2019
Payment Date: May 15, 2019

Date	Description	Amount
<u>R. Hunter Card</u>		
3/23/19-4/22/19	Meals for R. Hunter's meetings	\$ 95.96
3/21/2019	California Environmental Dialogue Plenary meeting in Sacramento, CA on Mar. 21, 2019 - Accommodations for Director Yoo Schneider	486.12
3/26/2019	K. Cole Retirement dinner in Los Angeles, CA on Mar. 26, 2019 - Parking for R. Hunter	33.00
4/4/2019	Dana Point Chamber State of South County Address & Dinner in Laguna Hills, CA on Apr. 11, 2019 - Registration for Director Dick and R. Hunter	100.00
4/4/2019	California Water Environment Association Annual conference in Palm Springs, CA from Apr. 9-12, 2019 - Registration for Director Yoo Schneider	315.00
4/5/2019	Food for Elected Officials meeting	989.10
4/5/2019	Orange County Water Association Industry Insight Presentation in Irvine, CA on Apr. 17, 2019 - Registration for Director Barbre	45.00
4/6/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Transportation for R. Hunter	20.22
4/7/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Meal for R. Hunter	44.81
4/8/2019	California Special Districts Association Special Districts Legislative Days in Sacramento, CA from May 21-22, 2019 - Airfare for H. Baez	529.96
4/9/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Accommodations for R. Hunter	1,282.29
4/9/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Transportation for R. Hunter	21.05
4/10/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Parking for R. Hunter	81.00
4/10/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 9-10, 2019 - Accommodations due to flight delay for R. Hunter	224.93
4/13/2019	California Water Environment Association Annual conference in Palm Springs, CA from Apr. 9-12, 2019 - Accommodations for Director Yoo Schneider	743.82
4/18/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Airfare for Director Thomas	494.60
Total		\$ 5,506.86

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of May 2019

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138891	5/20/19	MISCEL 052119	Petra Sosa - Tacos San Jose Food for employee appreciation lunch	400.00
			***Total ***	400.00
			Total Core Disbursements	<u>400.00</u>
Choice Disbursements:				
			Total Choice Disbursements	<u>-</u>
Other Funds Disbursements:				
			Total Other Funds Disbursements	<u>-</u>
			Total Disbursements	<u><u>400.00</u></u>

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

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

**Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS**
Cash Flow as of 05/31/19

	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
Cash - Beginning Balance	\$ 280,031.97	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (199,074.20)	\$ (255,903.10)	\$ (281,461.19)	\$ (588,877.88)	
REVENUES:													
BUREC	4,605.00	111.00		102,395.93			162,953.35		6,090.00				\$ 276,155.28
City of Brea													-
City of Buena Park	222.00	222.00									211.00		433.00
City of Fountain Valley			1,376.29	663.05	111.00		222.00		333.00		111.00		3,038.34
City of Fullerton													-
City of Garden Grove	598.99												-
City of Huntington Beach	222.00			40.00									638.99
City of La Habra	3,244.99	9,442.99		1,683.99	3,312.00	1,245.00	3,694.36	222.00	2,149.28	854.55	603.00		444.00
City of San Clemente													26,230.16
City of San Juan Capistrano													-
City of Santa Ana													-
City of Tustin													-
City of Newport Beach		3,343.80		1,980.57		2,314.05	91.45	94.75	162.00		222.00		8,208.62
City of Orange	444.00		913.75	1,134.10	173.85	428.00	111.00			444.00			3,648.70
City of Westminster	333.00	539.00	555.00		666.00			111.00			222.00		2,537.00
County of Orange													-
Department of Water Resources	32,990.80												32,990.80
East Orange County Water District													34,722.01
El Toro Water District		774.00		2,544.00	4,063.10	290.00	104.00	1,928.80	883.99		130.00		11,164.99
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	14,474.81	34,189.42	3,475.77		370,612.59
Laguna Beach County Water District		15.00				30.00		45.00	30.00				120.00
Mesa Water District	66.82	197.98	170.00	140.00		356.00			284.01	140.00			1,354.81
Metropolitan Water District		191,093.43				27,066.04	14,020.41	204,584.98	94,158.08				530,922.94
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		51,455.67	27,631.02	7,531.69		260,529.84
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District		605.76		18.98	100.00				211.85	333.00	145.78		870.52
Yorba Linda Water District		284.07											828.92
Miscellaneous Revenues													
Miscellaneous	2,228.14			1,587.30									-
Interest Revenue	91,568.53	262,233.99	13,297.02	134,140.44	128,321.65	172,720.95	246,434.71	238,792.63	76,074.61	193,748.07	12,652.24	-	\$ 1,569,984.84
Total Revenues													
EXPENDITURES:													
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				24,769.89		21,283.68		211,000.55
Mission RCD		20,080.11	18,627.78	13,404.64	2,770.71	2,324.45	2,324.45	2,121.45	5,774.85		1,529.67		66,613.66
Multi Family HET Direct			4,800.00		75,975.00	100,275.00	81,300.00	127,420.00					388,770.00
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	1,609.06	2,033.84	9,849.13		28,292.55
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	100,324.71	216,762.32	287,406.45		1,570,848.69
Water Savings Incentive Program							15,000.00						15,000.00
Miscellaneous Expenses													
Interest Expense							67.77	1,197.58					1,265.35
Salary & Benefit			5,563.51	1,700.00	1,785.00	1,275.00	2,040.00		425.00	510.00			14,318.51
Total Expenditures	\$ 98,045.58	\$ 128,401.17	\$ 249,792.05	\$ 234,068.51	\$ 466,316.75	\$ 137,376.53	\$ 257,946.85	\$ 194,678.65	\$ 132,903.51	\$ 219,506.16	\$ 320,068.93	\$ -	\$ 2,438,894.69
Cash - Ending Balance	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (199,074.20)	\$ (255,903.10)	\$ (281,461.19)	\$ (588,877.88)	\$ (588,877.88)	



Item 1f

Municipal Water District of Orange County
Consolidated Summary of Cash and Investment
 April 30, 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

Brett R. Barbre
 President

Joan C. Finnegan
 Vice President

Larry D. Dick
 Director

Megan Yoo Schneider, P.E.
 Director

Sat Tamaribuchi
 Director

Jeffery M. Thomas
 Director

Vacant
 Division 3 Director

Robert J. Hunter
 General Manager

MEMBER AGENCIES

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

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

Fund	Book Value	% of Portfolio
Designated Reserves		
General Operations	\$3,341,910	24.42%
Grant & Project Cash Flow	1,500,000	10.96%
Election Expense	608,000	4.44%
Building Repair	385,408	2.82%
OPEB	297,147	2.17%
Total Designated Reserves	6,132,465	44.81%
General Fund	6,710,800	49.05%
Water Fund	910,256	6.65%
Conservation Fund	(281,461)	(2.05%)
Desalination Feasibility Study Fund	(145,268)	(1.06%)
WEROC Fund	327,059	2.39%
Trustee Activities	29,249	0.21%
Total	\$13,683,100	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.55%	\$74,922	\$74,922
Short-term investment			
• LAIF	47.60%	\$6,512,664	\$6,512,664
• OCIP	29.18%	3,993,321	3,993,321
Long-term investment			
• Corporate Bond	8.42%	1,152,193	1,142,172
• Certificates of Deposit	14.25%	1,950,000	1,955,536
Total	100.00%	\$13,683,100	\$13,678,615

The average number of days to maturity/call as of April 30, 2019 equaled 164 and the average yield to maturity is 2.357%. During the month, the District's average daily balance was \$17,110,400.67. 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 April 2019.

The (\$4,485) difference between the book value and the market value on April 30, 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

April 30, 2019

4/30/2019	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,955,535.50	1,950,000.00	14.33	762	2.504
Corporate Bond	1,150,000.00	1,142,172.00	1,152,192.66	8.45	635	2.290
Local Agency Investment Funds	6,512,664.24	6,512,664.24	6,512,664.24	47.87	1	2.436
Orange County Investment Pool	3,993,321.49	3,993,321.49	3,993,321.49	29.35	1	2.177
Total Investments	13,605,985.73	13,603,693.23	13,608,178.39	100.00	164	2.357
Cash						
Cash	74,921.54	74,921.54	74,921.54		1	0.00
Total Cash and Investments	13,680,907.27	13,678,614.77	13,683,099.93		164	2.357

Total Earnings	Month Ending April	Fiscal Year to Date
Current Year	32,831.64	454,373.16
Average Daily Balance	17,110,400.67	
Effective Rate of Return	2.357%	

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

6-5-19


Hilary Chumipitazi, Treasurer

Date

06/05/2019

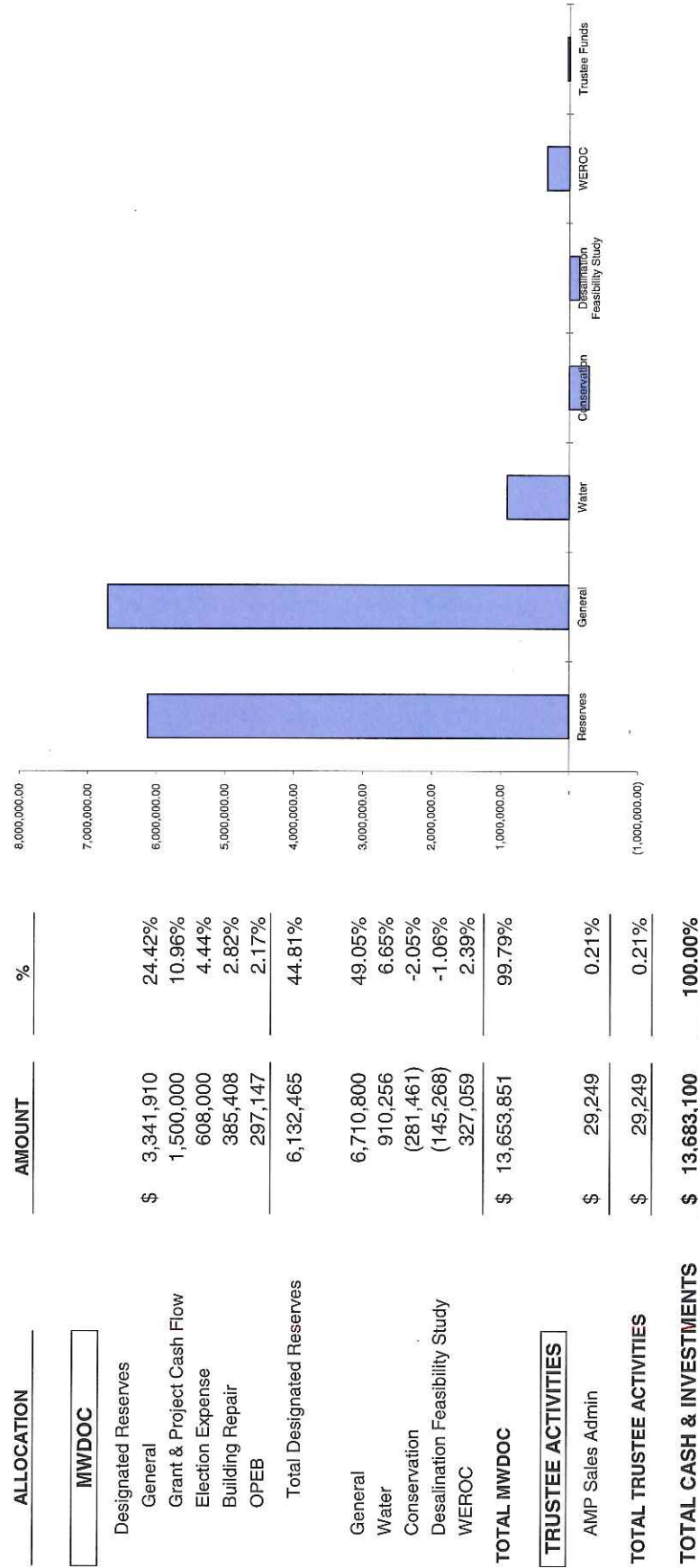
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
April 30, 2019

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	246,552.50	250,000.00	2.250	2.250	1,246	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,747.50	250,000.00	1.950	1.950	126	9/3/2019
Comenity Capital	20033AJUX2	7/25/2017	200,000.00	197,848.00	200,000.00	2.000	2.000	808	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	255,192.50	250,000.00	3.300	3.300	1,547	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	255,710.00	250,000.00	3.350	3.350	1,561	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,525.00	250,000.00	3.250	2.534	82	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	250,145.00	250,000.00	2.500	2.500	643	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,815.00	250,000.00	2.050	2.050	91	7/30/2019
Sub Total			1,950,000.00	1,955,535.50	1,950,000.00	2.596	2.504	762	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	498,475.00	500,341.30	2.250	2.152	237	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	196,410.00	200,000.00	2.500	2.500	1,172	7/15/2022
Wells Fargo	949748GR5	1/13/2016	250,000.00	249,275.00	250,528.79	2.550	2.409	587	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	198,012.00	201,322.57	2.500	2.278	1,155	6/28/2022
Sub Total			1,150,000.00	1,142,172.00	1,152,192.66	2.402	2.290	635	
Total Investments			3,100,000.00	3,097,707.50	3,102,192.66	2.524	2.425	715	
Total Earnings									
Current Year			Month Ending April		Fiscal Year To Date				
			6,286.72		61,995.00				

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
April 30, 2019

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	6,512,664.24	6,512,664.24	6,512,664.24	2.436	2.436	1	N/A
Sub Total			6,512,664.24	6,512,664.24	6,512,664.24	2.436	2.436	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	3,993,321.49	3,993,321.49	3,993,321.49	2.177	2.177	1	N/A
Sub Total			3,993,321.49	3,993,321.49	3,993,321.49	2.177	2.177	1	
Total Investments			10,505,985.73	10,505,985.73	10,505,985.73	2.338	2.338		
Cash									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	74,421.54	74,421.54	74,421.54	0.000	0.000	1	N/A
Total Cash			74,921.54	74,921.54	74,921.54	0.000	0.000	1	
Total Cash and Investments			10,580,907.27	10,580,907.27	10,580,907.27	2.338	2.338	1	
Total Earnings									
Current Year			Month Ending April	Fiscal Year To Date					
			26,544.92	392,378.16					

**Municipal Water District of Orange County
Cash and Investments at April 30, 2019**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**Account Report for the Period**
4/1/2019 to 4/30/2019Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 4/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 4/30/2019
OPEB	\$2,145,639.30	\$0.00	\$42,115.01	\$447.01	\$0.00	\$0.00	\$2,187,307.30
PENSION	\$210,869.29	\$0.00	\$4,138.98	\$43.93	\$0.00	\$0.00	\$214,964.34
Totals	\$2,356,508.59	\$0.00	\$46,253.99	\$490.94	\$0.00	\$0.00	\$2,402,271.64

Investment Selection**Source**OPEB **Moderate HighMark PLUS**
PENSION **Moderate HighMark PLUS****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	1.96%	4.80%	6.72%	7.95%	5.76%	-	10/26/2011
PENSION	1.96%	4.80%	-	-	-	-	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 APRIL 30, 2019

**Municipal Water District of Orange County
Combined Balance Sheet
As of April 30, 2019**

<u>ASSETS</u>	Amount
Cash in Bank	74,921.54
Investments	13,608,178.39
Accounts Receivable	29,524,610.19
Accounts Receivable - Other	181,973.94
Accrued Interest Receivable	58,654.80
Prepays/Deposits	248,354.59
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	<u>(2,975,506.90)</u>
TOTAL ASSETS	<u><u>\$45,020,323.57</u></u>
 <u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	30,074,378.84
Accounts Payable - Other	56.82
Accrued Salaries and Benefits Payable	484,255.14
Other Liabilities	379,715.16
Unearned Revenue	<u>954,311.68</u>
Total Liabilities	<u>31,892,717.64</u>
 Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	<u>1,002,006.98</u>
Total Restricted Fund Balances	<u>1,002,006.98</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	<u>297,147.00</u>
Total Designated Reserves	<u>6,132,464.81</u>
General Fund	3,072,149.80
General Fund Capital	525,009.00
WEROC Capital	104,948.58
WEROC	<u>183,846.12</u>
Total Unrestricted Fund Balances	<u>10,018,418.31</u>
Excess Revenue over Expenditures	
Operating Fund	2,801,992.99
Other Funds	<u>(694,812.35)</u>
Total Fund Balance	<u>13,127,605.93</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>45,020,323.57</u></u>

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
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	31,296.18	435,851.00	390,000.00	111.76%	0.00	(45,851.00)
Subtotal	31,296.18	8,631,868.75	8,586,018.00	100.53%	0.00	(45,850.75)
Choice Programs	402.78	1,085,862.13	1,174,750.00	92.43%	0.00	88,887.87
Miscellaneous Income	1,271.82	23,512.44	3,000.00	783.75%	0.00	(20,512.44)
School Contracts	7,106.19	71,267.40	102,031.00	69.85%	0.00	30,763.60
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	8,780.79	1,180,645.58	1,285,057.00	91.87%	0.00	104,411.42
TOTAL REVENUES	40,076.97	9,812,514.33	9,871,075.00	99.41%	0.00	58,560.67

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	290,423.18	2,893,685.71	3,522,982.00	82.14%	0.00	629,296.30
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(428.40)	(8,068.20)	0.00	0.00%	0.00	8,068.20
Director's Compensation	80,209.85	224,903.46	255,360.00	88.07%	0.00	30,456.54
MWD Representation	46,255.29	142,732.55	145,920.00	97.82%	0.00	3,187.45
Employee Benefits	84,840.31	883,082.53	1,108,564.00	79.66%	0.00	225,481.47
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	(81.60)	(1,536.80)	0.00	0.00%	0.00	1,536.80
Director's Benefits	7,289.74	75,680.69	94,767.00	79.86%	0.00	19,086.31
Health Insurance for Retirees	4,416.24	52,356.51	70,519.00	74.24%	0.00	18,162.49
Training Expense	0.00	7,664.23	25,000.00	30.66%	0.00	17,335.77
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	512,924.61	4,475,643.45	5,433,812.00	82.37%	0.00	958,168.56
Engineering Expense	10,627.95	264,502.70	330,000.00	80.15%	298,524.07	(233,026.77)
Legal Expense	23,500.53	173,310.36	255,000.00	67.96%	81,689.64	0.00
Audit Expense	0.00	19,380.00	29,000.00	66.83%	0.00	9,620.00
Professional Services	72,197.21	830,476.91	1,430,758.00	58.04%	392,901.42	207,379.67
Professional Fees	106,325.69	1,287,669.97	2,044,758.00	62.97%	773,115.13	(16,027.10)
Conference-Staff	1,050.00	22,706.06	42,880.00	52.95%	0.00	20,173.94
Conference-Directors	410.00	13,426.31	24,930.00	53.86%	0.00	11,503.69
Travel & Accom.-Staff	4,919.55	47,005.26	99,600.00	47.19%	0.00	52,594.74
Travel & Accom.-Directors	1,835.85	24,153.89	51,750.00	46.67%	0.00	27,596.11
Travel & Conference	8,215.40	107,291.52	219,160.00	48.96%	0.00	111,868.48
Membership/Sponsorship	500.00	139,755.53	141,662.00	98.65%	0.00	1,906.47
CDR Support	11,761.05	47,044.26	47,044.00	100.00%	0.00	(0.26)
Dues & Memberships	12,261.05	186,799.79	188,706.00	98.99%	0.00	1,906.21
Business Expense	185.38	2,241.54	5,600.00	40.03%	0.00	3,358.46
Maintenance Office	7,555.33	80,760.77	132,796.00	60.82%	50,505.39	1,529.84
Building Repair & Maintenance	892.74	10,411.57	20,000.00	52.06%	12,317.39	(2,728.96)
Storage Rental & Equipment Lease	209.70	3,094.90	3,460.00	89.45%	365.10	0.00
Office Supplies	3,678.62	23,751.51	36,000.00	65.98%	1,144.15	11,104.34
Postage/Mail Delivery	533.98	8,289.44	9,000.00	92.10%	1,567.78	(857.22)
Subscriptions & Books	221.00	596.65	1,500.00	39.78%	0.00	903.35
Reproduction Expense	1,275.79	11,096.20	33,073.00	33.55%	1,651.66	20,325.14
Maintenance-Computers	508.10	3,638.36	8,000.00	45.48%	1,771.85	2,589.79
Software Purchase	2,901.28	33,848.18	45,861.00	73.81%	0.00	12,012.82
Software Support	5,018.48	35,901.70	51,934.00	69.13%	2,760.00	13,272.30
Computers and Equipment	0.00	9,391.24	11,850.00	79.25%	0.00	2,458.76
Automotive Expense	1,699.52	17,054.72	17,262.00	98.80%	0.00	207.28
Toll Road Charges	68.27	811.09	1,000.00	81.11%	0.00	188.91
Insurance Expense	8,628.85	90,268.94	138,500.00	65.18%	0.00	48,231.06
Utilities - Telephone	1,936.74	18,906.97	20,178.00	93.70%	445.26	825.77
Bank Fees	270.87	4,350.74	21,225.00	20.50%	0.00	16,874.26
Miscellaneous Expense	7,781.61	71,171.82	119,205.00	59.71%	1,500.00	46,533.18
MWDOC's Contrb. to WEROC	15,948.33	184,971.34	216,868.00	85.29%	0.00	31,896.66
Depreciation Expense	2,822.33	28,223.35	0.00	0.00%	0.00	(28,223.35)
Other Expenses	62,136.92	638,781.03	893,312.00	71.51%	74,028.58	180,502.39
Election Expense	0.00	196,135.57	304,000.00	64.52%	0.00	107,864.43
Building Expense	(8,001.03)	95,667.86	531,827.00	17.99%	152,631.98	283,527.16
Capital Acquisition	0.00	22,532.15	255,500.00	8.82%	9,520.00	223,447.85
TOTAL EXPENSES	693,862.64	7,010,521.34	9,871,075.00	71.02%	1,009,295.69	1,851,257.98
NET INCOME (LOSS)	(653,785.67)	2,801,992.99	0.00			

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

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	9,608,822.30	128,399,480.90	188,976,940.00	67.94%	60,577,459.10
Readiness to Serve Charge	839,273.57	8,776,657.16	10,902,178.00	80.50%	2,125,520.84
Capacity Charge CCF	299,996.67	3,127,471.68	3,854,976.00	81.13%	727,504.32
SCP/SAC Pipeline Surcharge	28,496.51	277,712.90	365,000.00	76.09%	87,287.10
Interest	<u>1,913.23</u>	<u>18,104.45</u>	<u>13,000.00</u>	<u>139.27%</u>	<u>(5,104.45)</u>
TOTAL WATER REVENUES	<u>10,778,502.28</u>	<u>140,599,427.09</u>	<u>204,112,094.00</u>	<u>68.88%</u>	<u>63,512,666.91</u>
<u>WATER PURCHASES</u>					
Water Sales	9,608,822.30	128,399,480.90	188,976,940.00	67.94%	60,577,459.10
Readiness to Serve Charge	839,273.57	8,776,657.16	10,902,178.00	80.50%	2,125,520.84
Capacity Charge CCF	299,996.67	3,127,471.68	3,854,976.00	81.13%	727,504.32
SCP/SAC Pipeline Surcharge	<u>28,496.51</u>	<u>277,712.90</u>	<u>365,000.00</u>	<u>76.09%</u>	<u>87,287.10</u>
TOTAL WATER PURCHASES	<u>10,776,589.05</u>	<u>140,581,322.64</u>	<u>204,099,094.00</u>	<u>68.88%</u>	<u>63,517,771.36</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u><u>1,913.23</u></u>	<u><u>18,104.45</u></u>	<u><u>13,000.00</u></u>		

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

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	20,807.17	128,540.00	16.19%
Expenses	<u>23,096.78</u>	<u>128,540.00</u>	17.97%
Excess of Revenues over Expenditures	(2,289.61)	0.00	
Member Agency Administered Passthru			
Revenues	408,570.00	100,000.00	408.57%
Expenses	<u>408,570.00</u>	<u>100,000.00</u>	408.57%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	14,007.68	43,500.00	32.20%
Expenses	<u>14,007.68</u>	<u>43,500.00</u>	32.20%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	192,648.44	425,000.00	45.33%
Expenses	<u>192,865.86</u>	<u>425,000.00</u>	45.38%
Excess of Revenues over Expenditures	(217.42)	0.00	
CII Rebate Program			
Revenues	110,847.21	462,500.00	23.97%
Expenses	<u>110,730.00</u>	<u>462,500.00</u>	23.94%
Excess of Revenues over Expenditures	117.21	0.00	
Turf Removal Program			
Revenues	553,767.52	1,345,000.00	41.17%
Expenses	<u>1,309,425.92</u>	<u>1,345,000.00</u>	97.36%
Excess of Revenues over Expenditures	(755,658.40)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	82,355.23	366,840.00	22.45%
Expenses	<u>108,903.05</u>	<u>366,840.00</u>	29.69%
Excess of Revenues over Expenditures	(26,547.82)	0.00	
Large Landscape Survey Program			
Revenues	1,918.71	64,000.00	3.00%
Expenses	<u>13,574.03</u>	<u>64,000.00</u>	21.21%
Excess of Revenues over Expenditures	(11,655.32)	0.00	
WSIP - Industrial Program			
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	
WUE Projects			
Revenues	1,384,921.96	2,972,135.00	46.60%
Expenses	<u>2,196,173.32</u>	<u>2,972,135.00</u>	73.89%
Excess of Revenues over Expenditures	(811,251.36)	0.00	
WEROC			
Revenues	376,351.34	489,160.00	76.94%
Expenses	<u>297,055.50</u>	<u>489,160.00</u>	60.73%
Excess of Revenues over Expenditures	79,295.84	0.00	



ACTION ITEM

June 19, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Hilary Chumpitazi, Accounting Manager

SUBJECT: **Amendments to Administrative Code Section 9500**

STAFF RECOMMENDATION

It is recommended that the Board of Directors: Authorize staff to update the Administrative Code for Section 9500.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

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

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

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

MWDOC PROPERTY

§9500-§9501

§9500 DISPOSAL OF SURPLUS PERSONAL PROPERTY

The General Manager shall have the authority and responsibility for the ultimate sale or disposal of surplus personal property of MWDOC. The Accounting Manager shall be informed whenever MWDOC personal property is surplus to the needs of MWDOC. The Accounting Manager shall investigate whether the recommended surplus material or equipment can be economically used by another department within MWDOC. sold or disposed of. If, after this investigation, it is determined that the material or equipment is either broken, obsolete or of no further use for the purposes of MWDOC tThe following guidelines shall are then appliedapply:

- In the case of items listed on MWDOC's fixed assets, submit the item(s) to the General Manager with the Accounting Manager's recommendation who is to authorized approve to declare itemsthe these assets as surplus and to sell, ~~serap~~ or dispose of such items. The Administration & Finance Committee shall be informed of the intention to write off erand sell or dispose of any items declared as surplus.
- Both items listed on the fixed assets and those items not listed on fixed assets shall be reviewed and may be disposed of at the discretion of the General Manager and in no event shall it be distributed to an officer, Director, employee or family member. Unless it is obsolete computer/electronic equipment that is considered surplus to MWDOC and was purchased specifically for business use by an employee or Director (i.e., iPad, laptop, PC). This item can then be sold to the employee or Director for the fair market value.
- Under the direction of the Accounting Manager, staff will conduct a physical inventory of fixed assets every three years.
- Whenever it is advantageous or useful to MWDOC to publicly advertise surplus personal property for sale or otherwise dispose of said property, the Accounting Manager shall sell such materials to the highest bidder at auction or by an established fixed price based on value analysis of the material.
- An attempt shall be made to determine the value of items declared surplus by contacting vendors who normally take items as trade-in or buy surplus items.

If the Accounting Manager determines that surplus personal property shall be disposed of by sale or auction, notice of the time and place of said sale or auction shall be either

published in a newspaper of general circulation or posted in at least three public places at least seven, but not more than 14 days prior to the date of the sale or auction. The notice shall identify with reasonable particularity the items to be sold and shall state that any person may bid on said items and that all sales will be paid in cash. No officer or Director of MWDOC or immediate family member of an officer or Director shall be permitted to bid at auction for or purchase any surplus property of MWDOC.

No MWDOC employee or immediate family of an employee shall be permitted to bid at auction for or purchase any surplus property of MWDOC if such employee was in any way involved in the decision to originally purchase the item, the recommendation or decision to declare said item surplus, the determination of the value of items declared surplus, or the advertising or conduct of any sale or auction.

Motion - 9/5/90; Motion – 11/17/99; 11/21/01; M-6/17/15

§9501 DISPOSAL OF SURPLUS REAL PROPERTY

SECTION 1: IDENTIFYING SURPLUS REAL PROPERTY

- 1.1 Preliminary Requirements - The General Manager shall establish a procedure for the continuous review of real property owned by MWDOC for the purpose of determining which of such property is surplus to MWDOC's needs. Upon determination by the General Manager that property is surplus, the Board shall be notified of the determination, then a) cause the property to be appraised by one or more appraisers and b) comply with the California Environmental Quality Act and the legal requirements pertaining to the disposition of property in cities or counties which have a general plan. If, upon such compliance, any official body objects to the proposed sale, the Board shall first expressly uphold or reject the objections. There being no objections, or the objections having been completed, the General Manager may then sell the surplus property as hereinafter set forth.
- 1.2 Authority for General Manager to Sell Surplus Property - If, after offering the property for sale to certain public agencies, as required by law, at the fair market value was determined by the General Manager after review of any or all appraisals of the property, no such offer is accepted, the General Manager may sell it either by public auction or by using the services of real estate brokers or a professional auctioneer.

SECTION 2: AUCTION BY MWDOC STAFF

- 2.1 If the General Manager or a duly authorized agent elects to sell the property by public auction, such auction shall be at such time and place as may be determined by the General Manager, with or without sealed bids having been first submitted.

2.2 Whenever the General Manager or a duly authorized agent determines that the sale shall be at public auction without sealed bids having been first submitted, no bid at the auction shall be considered unless the bidder shall, prior to the holding of the auction, deposit with the person designated by the General Manager to conduct such sale, the percentage indicated in Section 4.1 of the amount specified in the notice of sale as the minimum bid, in cash, cashier's check or check certified by a responsible bank, as a guarantee that the person making the bid will purchase the property under the terms specified in the notice of sale. The property shall be sold to the highest responsible bidder at or above the minimum bid and the deposits of all other bidders be returned forthwith. The General Manager or a duly authorized agent shall reject all bids below the minimum bid.

2.3 ~~Once Whenever~~ the General Manager determines that the sale shall be by sealed bids, all bids shall be filed in the MWDOC office at or before the time specified in the notice of sale. Bids shall be on forms approved by the General Manager, and shall be accompanied by a cash deposit, cashier's check or check certified by a responsible bank in an amount not less than ~~the percentage~~ the percentage indicated in Section 4.1 of the amount specified in the notice of sale as the minimum bid, as a guarantee that the person making the bid will purchase the property under the terms specified in the notice of sale. The General Manager shall, at the time and place specified in the notice of sale, open the bids. Thereafter, there shall be a public auction at a time and place specified in the notice of sale, and any person shall be eligible to bid at the auction; provided, however, that any oral bid shall be ignored unless it exceeds by at least five percent the highest sealed bid made by a responsible person. No oral bid at such sale not preceded by a sealed bid from the same party shall be considered unless accompanied by a cash deposit, cashier's check or check certified by a responsible bank in an amount not less than the percentage indicated in Section 4.1 of the amount specified in the notice of sale as the minimum bid, as a guarantee that the person making the bid will purchase the property under the terms specified in the notice of sale. If no oral bid is made at the public auction, or if such oral bid is not in accordance with the provisions hereof, the property shall be ordered sold to the highest responsible bidder at or above the minimum bid. The General Manager shall reject all bids below the minimum bid.

2.4 A real estate commission shall be paid in connection with a sale at public auction on the following basis: the real estate commission shall not exceed the prevailing rate in the same area where the property is located and it shall be stated in the bid for which a claim for the payment of a commission is made that it is subject to the same. The commission shall be distributed in this manner:

When at a public auction, without sealed bids, if the highest bid was procured by a licensed real estate broker, the commission shall be paid to the broker. When at a public auction following submission of sealed bids, if the successful bid is the highest sealed bid, and it was procured by a licensed real estate broker, the

commission shall be paid to that broker.

When at a public auction following the submission of sealed bids, if the successful bid was procured by a licensed real estate broker, but the highest sealed bid was not obtained by such a broker, the commission shall be paid to the broker. When at a public auction following the submission of sealed bids, if the highest sealed bid was procured by a licensed real estate broker, but the successful bid was procured by a different licensed real estate broker, the commission shall be divided equally between the brokers.

When at a public auction following the submission of sealed bids, if the highest sealed bid was procured by a licensed real estate broker, but the successful bid was not subject to a commission, one-half of the commission based upon the amount of the successful bid shall be paid to the broker.

In determining which is the highest bid, there shall not be subtracted therefrom the commission, if any, which the bid provides shall be paid to a licensed real estate broker.

- 2.5 The General Manager shall cause a notice of sale to be posted on the property in at least one conspicuous place. It shall specify the minimum bid which will be accepted for the property, which shall not be less than 90 percent of the lowest appraisal and shall state the terms of the sale which shall be in conformity with Section 1. The General Manager shall cause one or more advertisements of the sale to be placed in a newspaper, or newspapers, so as to give reasonable notice of the sale.

SECTION 3: OPEN LISTING

If the General Manager elects to sell the property by using the services of licensed real estate brokers, he shall do so by offering it for sale by advertising in a newspaper, or newspapers, that the property is being offered for sale with courtesy to brokers, and by notifying real estate boards in the area in which the property is located that the property is being offered for sale with courtesy to licensed brokers. The initial offer for sale shall be for no less than the highest appraised valuation of the property. The General Manager is authorized to sell the property for the highest price which can be obtained; provided, however that such price shall be no lower than the lowest appraisal without approval of the Board. The General Manager is authorized to pay to the broker who procures the accepted offer, a commission not to exceed the prevailing rate in the area in which the property is located.

- 3.1 Exclusive Listing - The General Manager may with the approval of the Board, give an exclusive listing to an individual licensed broker; provided, however, that the property shall not be sold for less than the lowest appraisal without the approval of the Board. In such case, the General Manager is authorized to pay a commission, upon consummation of the sale, not to exceed the prevailing rate

in the area in which the property is located.

SECTION 4: AUCTION BY PROFESSIONAL AUCTIONEERS

The General Manager may sell the property by using the services of a professional auctioneer and may in connection therewith pay the reasonable expense of advertising the auction, and agree to pay a commission to the auctioneer not in excess of the prevailing rate in the area upon the consummation of the sale. Any such sale shall be subject to the approval of the Board of Directors.

- 4.1 Required Deposit - No bid offer made pursuant to Sections 2, 3.0, and 3.1 above, shall be considered unless the bidder or offeror shall at the time the bid or offer is made, deposit with the person designated by the General Manager the percentage indicated below of the specified amount in cash, cashier's check or check certified by a responsible bank as a guarantee that the bidder or offeror will purchase the property for the bid or offered price.

Specified Amount

Deposit

To \$500	Full amount of bid or offer
\$501 to \$10,000	\$500 + 10% of minimum bid or offer
\$10,001 to \$50,000	\$1,500 + 5% over \$10,000
\$50,001 to \$100,000	\$3,000 + 3% over \$50,000
\$100,000 and above	\$4,500 + 2% over \$100,000

- 4.2 Terms - Any sale shall be for cash or on the following minimum terms: 20 percent down payment with balance amortized over 10 years at an interest rate equal to the prevailing rate charged by financial institutions in the area in which the property is located, and to be secured by a deed of trust on the property sold. No prepayment penalty shall be required.
- 4.3 Where the property was appraised on the basis of a different zoning on the property than the existing zoning, the sale may be made contingent upon the bidder or ~~offeror~~offeror obtaining a rezoning of the property within a reasonable time to be determined by the General Manager.
- 4.4 Policy of Title Insurance - The General Manager may furnish the successful bidder or offeror with a policy of title insurance, if possible, and open an escrow to complete the sale, paying the usual seller's charges in connection therewith; provided, however, that if it subsequently develops that the title company is unwilling to issue a policy insuring title to the bidder or offeror in the manner indicated, the General Manager shall not be required to furnish such a policy and the bidder has the option to cancel the sale; whereupon money previously deposited by offeror shall be refunded promptly and there shall be no further obligation on the part of either the bidder or the General Manager in connection with the sale; provided, further, that if under such circumstances the bidder or

offeror elects not to cancel the transaction, the General Manager shall furnish such title insurance as the title company will then issue, and shall be released from liability on any representation relating to title theretofore made and not covered by the title insurance policy.

- 4.5 Completion of Sale - Execution and Delivery of Deed - The General Manager shall apply the deposit made by the successful bidder, or offeror, on the purchase price or down payment if the sale is on terms, and, upon completion of the sale either directly to him, or through an escrow, the General Manager is authorized to execute and deliver on behalf of MWDOC a grant deed conveying the property to such bidder or offeror. In the case of a sale for cash (1) without an escrow, the successful bidder or offeror must pay the balance of the purchase price to the General Manager within thirty days after the auction or acceptance of the offer or (2) with an escrow, upon the closing thereof; provided, however, that the General Manager may choose to give the successful bidder or offeror extensions of time in which to make the payment.
- 4.6 Forfeiture of Deposits - Any deposit made by a successful bidder or offeror shall be retained by MWDOC as liquidated damages if the bidder or offeror shall fail to complete the purchase in accordance with the terms and conditions of the notice of sale or offer. If there is such a failure, a licensed real estate broker, otherwise entitled to a commission under the provisions of this Section shall be paid as a commission, an amount not to exceed one-half of the deposit so retained after deducting title and escrow expenses, if any; but in no event shall it exceed the commission which would have been received in the absence of such failure. ~~If the~~ if the successful bidder or offeror does not complete the sale as required by this Section, the property may be sold to the next highest bidder or offeror who wishes to buy.

SECTION 5: RESERVATION OF OIL, GAS AND MINERAL RIGHTS

The right to extract all oil, gas hydrocarbons or other minerals without the right of surface entry for the development thereof, shall be reserved in the sale of any real property under the provisions of this Resolution provided, however, that there shall be no such extraction within 500 feet of the surface.

R1101 - 8/26/81; R1245 - 11/26/84;



ACTION ITEM

June 19, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Cathy Harris, Director of Human Resources and Administration

SUBJECT: 2019-20 PAY STRUCTURE ADJUSTMENT

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%, as approved during the budget process.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

Pursuant to the recently approved 2019-20 Budget and the information presented regarding Compensation Pool Guidelines, attached is the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%. The schedule is effective as of July 1. This is an adjustment of salary ranges only and not individual salaries. In addition, the Salary Schedule includes the new Water Loss positions approved in the Budget, as well as new classifications due to promotions.

The justification for range adjustment is to keep the salary ranges consistent with the market and avoid falling behind. Without this annual adjustment a significant gap can develop and requires a significant adjustment to the pay structure during the Total Compensation Assessment, which is performed every three years.

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

A 7% Merit Pool was approved in the 2019/20 MWDOC budget.

In accordance with District Policy, a comprehensive compensation and benefits survey is to be conducted every three years to evaluate the market practices and job grading. The next comprehensive salary and benefits survey will be initiated in November of 2020 for completion in spring of 2021. The last comprehensive study was completed in spring 2018.

BOARD OPTIONS

- | | |
|-----------|---|
| Option 1: | Approve Staff recommendation, as presented which is consistent with current District Policy |
| Option 2: | Do not approve the staff recommendation (which may then result in issues with the 7% merit pool adjustments). |

STAFF RECOMMENDATION

Approve Option 1 (approve the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%, as approved during the budget process).

MWDOC PAY STRUCTURE - EFFECTIVE JULY 1, 2019 (3.8% COLA adjustment)

Pay Grade	Job Classification		Range Minimum \$	Range Maximum \$
INT	Student Intern	hourly	14.82	22.16
R1	Office Assistant	annually	35,702	48,192
		monthly	2,975	4,016
		hourly	17.17	23.17
R2	Open	annually	42,819	57,816
		monthly	3,568	4,818
		hourly	20.59	27.79
R3	Database Coordinator	annually	46,043	62,162
		monthly	3,837	5,180
		hourly	22.14	29.89
R4	Accounting Technician	annually	49,505	66,819
		monthly	4,125	5,568
		hourly	23.80	32.13
R5	Administrative Assistant	annually	53,207	71,834
		monthly	4,434	5,986
		hourly	25.58	34.54
R6	Sr. Admin Assistant	annually	57,195	77,208
	Public Affairs Assist	monthly	4,766	6,434
	Water Loss Control Programs Technician – Leak Detection	hourly	27.50	37.12
R7	Records Coordinator	annually	61,494	83,011
		monthly	5,124	6,918
		hourly	29.57	39.90
R8	Public Affairs Coordinator	annually	66,103	89,244
		monthly	5,509	7,437
		hourly	31.78	42.90
R9	WUE Analyst I	annually	71,046	95,930
	Executive Assistant	monthly	5,921	7,994
	Assoc. Water Resources Analyst	hourly	34.15	46.12
	Accountant WEROC Emergency Coordinator			
R10	Public Affairs Specialist	annually	76,396	103,119
	WUE Analyst II	monthly	6,366	8,593
	WEROC Specialist	hourly	36.73	49.57
	Sr. Executive Assistant			
R11	Water Resources Analyst	annually	82,127	110,856
	Sr. Accountant	monthly	6,844	9,238
	Water Loss Control Programs Supervisor	hourly	39.48	53.29
R12	Fin. Analyst/Database Analyst	annually	88,264	119,167
	Network Systems Engineer	monthly	7,355	9,931
	Sr. WUE Analyst	hourly	42.43	57.30
	Public Affairs Supervisor			
R13	Accounting Supervisor	annually	94,903	128,098
	Public Affairs Manager	monthly	7,909	10,675
	Sr. Water Resources Analyst	hourly	45.63	61.59
	Sr. Exec. Assist to the Board			
R14	WUE Program Supervisor	annually	102,020	137,722
	WEROC Programs Manager	monthly	8,502	11,477
	Sr. Fin. Analyst/Database Analyst	hourly	49.05	66.21
R15	Sr. Engineer	annually	109,662	148,039
	Accounting Manager	monthly	9,139	12,337
	Governmental Affairs Mgr	hourly	52.72	71.17
R16	Principal Water Resources Analyst	annually	117,877	159,144
	WUE Program Manager	monthly	9,823	13,262
		hourly	56.67	76.52

R17	Principal Engineer	annually	126,737	171,084
	Administrative Services Manager	monthly	10,561	14,257
		hourly	60.93	82.25
R18	Director of Public Affairs	annually	136,242	183,908
	Director of Water Use Efficiency	monthly	11,353	15,326
	Director of Emergency Management Director of Human Resources & Administration	hourly	65.50	88.41
R19	Director of Finance/IS	annually	146,463	197,712
	Associate General Manager	monthly	12,205	16,476
		hourly	70.42	95.05
R20	Open	annually	157,424	212,542
		monthly	13,119	17,712
		hourly	75.69	102.18
R21	Assistant General Manager	annually	165,711	232,005
		monthly	13,809	19,334
		hourly	79.67	111.54
GM	General Manager (eff. 9/9/18)	annually	273,095	273,095

Annual and Monthly amounts are based on a 40-hour work week (2080 hour annually).

If you have questions on the pay structure or classifications,
please contact Human Resources at 714.963.3058



ACTION ITEM

June 19, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager

SUBJECT: **Award Contract for Electrical System Rehabilitation Project**

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve entering into the subject agreement for improvements to the MWDOC administration building electrical system:

- Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities.
- Award AVRAM Electric "MWDOC Electrical System Rehabilitation Project" construction contract in the amount of \$213,883.00.
- Authorize the General Manager to enter into a license agreement with OCWD to install and maintain underground electric utilities and related equipment on OCWD property, and pay OCWD a one-time license fee of \$1,148.00.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

Staff is seeking Board authorization to proceed with improvements to the administration building electrical system for improved capacity, reliability, longevity and to accommodate proposed future use of the building as a back-up Emergency Operations Center.

DETAILED REPORT

Staff informed the Board at the September 12, 2018 A&F Committee of a pending evaluation of the administration building's aging electrical system. The electrical system was

Budgeted (Y/N): Y	Budgeted amount: \$240,000 (FY 2019-20)	Core X	Choice __
Action item amount:		Line item: 19-8811	
Fiscal Impact (explain if unbudgeted):			

found to be 'as expected for a building of this age'; meaning that additional work was identified for improved system capacity, reliability, longevity and to accommodate the proposed future use of the building as a back-up Emergency Operations Center. Specifically the dry type distribution transformer is old, inefficient and was found to be running too hot. Additionally, energy usage readings showed that the building required a larger service connection and larger transformer in order to meet current electric code requirements (currently limited to 350 amps). The transformer outside of the building which supplies power to both the MWDOC and OCWD administration buildings is sufficiently sized to accommodate the proposed increase (to 600 amps); but the existing service to the MWDOC building had been limited back in the 1980's due to concerns about the adequacy of the outside conductor cables to carry additional load beyond 350 amps.

On December 19, 2018 the Board authorized the General Manager to enter into a contract with OMB Electrical Engineers, Inc. to provide electrical engineering services for the administration building electrical work. Further investigation confirmed the need to replace the conductor cable serving the MWDOC administration building to accommodate increased service amperage.

Project Bidding

The job was advertised for bidding, a pre-bid meeting was held, and formal bids were received from 7 bidders on May 29, 2019. The apparent low bidder is AVRAM Electric. Staff is in the process of completing paperwork associated with the bid package and should be fully completed by the time of the Board Meeting.

Due to concerns raised by contractors during the bid process concerning long lead times for electrical equipment procurement, the project construction schedule was increased to 95 calendar days to allow sufficient time to procure the necessary electrical equipment. Anticipated project completion is in early October 2019.

Bid Summary

1. Avram Electric	Jurupa Valley	\$213,883
2. Bergelectric Corp.	Carlsbad	\$221,199
3. GA Technical Services Inc.	Upland	\$258,325
4. Baker Electric	Escondido	\$263,861
5. Amtek Construction	Whittier	\$279,146
6. Halcyon Electric, Inc.	Placentia	\$344,000
7. Minaco America Corp.	Gardena	\$397,000

Engineer's Estimate	\$245,000
Average Bid	\$282,488

Low Bid Schedule

NO.	ITEM DESCRIPTION	UNIT	ITEM COST
1.	Mobilization/Demobilization	LS	\$18,000
2.	New Circuit Breaker at existing Transformer (T-22), and new 600A feeder to MWDOC Administration	LS	\$70,000

	Building, including Relay Coordination Study and Arc Flash sticker recommendations		
3.	Procurement and installation of new 600A Main Switch Board, including re-connection of all existing feeders. Removal and demolition of old 400A switchboard, associated disconnect switch and feeders, and patching of walls and ceilings.	LS	\$51,883
4.	Procurement and installation of new 112.5KVA transformer, Panel L, and associated feeder, including removal and demolition of existing 45KVA transformer.	LS	\$40,000
5.	Procurement and installation of 600A manual transfer switch and generator tap box, and associated feeder	LS	\$28,000
6.	Final testing, completion of Punch List, and all necessary training	LS	\$6,000
	Total Price		\$213,883

License Agreement

OCWD has requested that MWDOC enter into a license agreement to construct, install and maintain underground electric utilities on OCWD property; and pay a one-time license fee of \$1,148.00, which OCWD staff indicated is the standard fee amount previously approved by the OCWD Board. The term of the agreement is to run conterminously with the Building Lease Agreement. The attached draft license agreement should be fully completed by the time of the Board Meeting.

Financial Summary

1. Investigation, Energy Usage Monitoring, and System Mapping	\$13,393.68
2. Electrical Design, and Construction Support Services	\$14,500.00
3. Construction Contract	\$213,883.00
4. License Fee for underground utilities to OCWD	<u>\$1,148.00</u>
Total Project Cost	\$242,924.68

BOARD OPTIONS

Option #1

- Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities.
- Award AVRAM Electric "MWDOC Electrical System Rehabilitation Project" construction contract in the amount of \$213,883.00.
- Authorize the General Manager to enter into a license agreement with OCWD to install and maintain underground electric utilities and related equipment on OCWD property, and pay OCWD a one-time license fee of \$1,148.00.

Option #2

- Do not authorize the work. Continue to risk an unscheduled loss of power to the building and interruption to business operations for an indeterminate amount of time until power can be restored.

STAFF RECOMMENDATION

Option #1

LICENSE AGREEMENT

The Municipal Water District of Orange County (Fountain Valley, CA)

This License Agreement ("License") is made and entered into as of May 23, 2019 by and between the **ORANGE COUNTY WATER DISTRICT**, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended ("OCWD"), and **The Municipal Water District of Orange County**, a California municipal water district ("MWDOC" or "Licensee").

PART I

FUNDAMENTAL LICENSE TERMS

1.1 License: OCWD hereby issues to Licensee a License to enter upon the following real property owned by OCWD, for the purpose or activity specified in Paragraph 1.1.2:

1.1.1 Licensed Property: The real property located at 18700 Ward Street, Fountain Valley, CA 92708, as depicted on exhibit "A" included as attached hereto and incorporated herein by this reference ("Licensed Area").

1.1.2. Use of Premises: For and during the term of this License, and any extension or renewal thereof, Licensee, shall use the Premises solely and exclusively for the following purpose(s) or activity(ies): to construct, install and maintain underground electric utilities and related equipment, to connect the MWDOC building to Transformer T-22 ("T-22") ("License Activity") in the location and as depicted in exhibit "A" attached hereto and incorporated herein by this reference ("Licensed Area"). This License also grants Licensee the right of access to and from the Licensed Area from the northeast portion of Licensee's administration building and across OCWD property ("Access Area") as shown in red in exhibit "A". OCWD reserves the right to change the Access Area at any time in its sole and absolute discretion, provided that such change is reasonable and MWDOC's access is not interrupted.

1.2 Term: This License shall commence on June 1, 2019 ("Commencement Date") and shall run conterminously with the Lease Agreement between OCWD and MWDOC dated April 15, 1987 ("Lease Agreement"). Any actions or events which shall operate to extend or terminate the Lease Agreement shall automatically extend or terminate this License Agreement simultaneously. This License and the Licensee's rights hereunder may not be extended beyond the Lease Agreement expiration, unless such extension is set forth in writing and signed by both OCWD and the Licensee. Notwithstanding the foregoing or any other provision of this License, either OCWD or Licensee may terminate this License with or without cause, or for any reason, at any time, by giving the other party a ninety (90) days written notice of termination.

1.3 License Consideration: As consideration for the issuance of this License, Licensee shall pay to OCWD a one-time fee of **\$1,148.00** ("License Fee") in accordance with Part II (General Provisions).

1.4 Notices and Payments: All payments, notices and other writings required to be delivered under this License to either party shall be delivered in accordance with the provisions of Part II ("General

Commented [1]: Is this amount tied to something?

Commented [PD2R1]: This is a standard fee amount previously approved by the Board for all license agreements.

Provisions”), to OCWD at the address set forth in Part II, and to Licensee at the address set forth in this Part I.

1.5 Attachments: This License incorporates by reference the following Attachments to this License:

- Part I: Fundamental License Terms
- Part II: General License Provisions
- Part III: Special License Provisions
- Part IV: Map of the Premises

1.6 Integration: This License represents the entire understanding of OCWD and Licensee as to the License and all other matters contained herein. Except as specifically referenced herein, no prior oral or written understanding shall be of any force or effect with regard to those matters covered by this License. Excepting the Lease Agreement which is unmodified by this License Agreement, this License supersedes and cancels any and all previous negotiations, arrangements, agreements or understandings, if any, between the parties, and none shall be used to interpret this License.

IN WITNESS WHEREOF, the parties have executed and entered into this License as of the date first set forth above.

<p>“LICENSOR” ORANGE COUNTY WATER DISTRICT, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended</p> <p>By: _____ Michael Markus P. E., General Manager</p> <p>APPROVED AS TO FORM: RUTAN & TUCKER, LLP.</p> <p>_____ General Counsel, Orange County Water District</p> <p>4/25/2019</p>	<p>“LICENSEE” MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, a California municipal water district</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Licensee Information: 18700 Ward Street Fountain Valley, CA 92708</p>
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PART II
GENERAL LICENSE PROVISIONS

2.1 Payment of License Fee

2.1.1 Transmittal of Payments: Licensee shall make all License Fee payments, and pay all other sums due under this License, in lawful money of the United States, by check payable to "ORANGE COUNTY WATER DISTRICT," and shall personally deliver or mail all payments without any notice or demand to OCWD at the address set forth in Paragraph 2.8.1 below. Licensee assumes all risk of loss or late payment if any payment is made by mail.

2.1.2 No Offsets: All License Fees and other sums due under this License shall be paid without offset or deduction, and shall be deemed payments on account. Neither the payment by Licensee nor the acceptance by OCWD of any License Fee or other sum in an amount which is less than the amount due and payable pursuant to this License, nor the issuance of a monthly statement showing as due and payable an amount less than is properly due and payable pursuant to the terms of this License, shall constitute an agreement by OCWD modifying this License or a waiver of OCWD's right to receive all sums provided for in this License. No endorsement or statement on any check or any letter accompanying any check or payment shall be deemed an accord or satisfaction, and OCWD shall accept all checks and payments from Licensee without prejudice to OCWD's right to recover the balance of the amount due or to pursue any other remedy in this License or otherwise provided by law.

2.2 Charges for Payment of License Fee

2.2.1 If any payment of any License Fee or any other sum due OCWD is not received by OCWD within ten (10) days after the due date, Licensee shall be deemed delinquent in its License Fee payment and a late charge of one and one-half percent (1.5%) of the delinquent amount, plus the sum of One Hundred Dollars (\$100.00), shall become immediately due and payable to OCWD. An additional charge of one and one-half percent (1.5%) of such delinquent License Fee payment (excluding late charges) shall be added for each additional calendar month (or portion thereof) that the delinquent sum remains unpaid.

2.2.2 Licensee and OCWD hereby acknowledge and agree that such late charges do not represent and shall not be deemed to be an interest payment, but that such late charges represent a fair and reasonable estimate of the costs and expenses that OCWD will incur by reason of Licensee's late payment.

2.2.3 Acceptance by OCWD of any delinquent License Fee payment or late charge shall in no way constitute a waiver of Licensee's default with respect to such overdue and delinquent payment, or in any way impair, prevent or restrict OCWD from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

2.3 Use of the Licensed Area

2.3.1 Conditions of Use: For and during the term of this License, and any extension or renewal thereof, Licensee's use of the Licensed Area shall be subject to the following conditions, covenants and restrictions:

2.3.1.1 Except as provided in this License, the Licensed Area shall be used only for the purposes specified in Paragraph 1.1.2 above, and the Licensed Area shall not be used for any other use or purpose whatsoever, without the prior written consent of OCWD.

2.3.1.2 Lessee shall not cause, permit or suffer any “hazardous material,” “hazardous waste” or “hazardous chemicals” as those terms are used in CERCLA (42 U.S.C. § 9601(14)) or SARA (42 U.S.C. § 110211(e)) or any similar Federal, State, or local law, statute, ordinance, regulation or order, or otherwise determined by OCWD, to be brought upon, left, used or abandoned on the Licensed Area.

2.3.1.3 Licensee shall not maintain, commit or permit the maintenance or commission of any waste or any nuisance (as defined in California Civil Code section 3479) on the Licensed Area, and Licensee shall not use or permit the use of the Licensed Area for any unlawful purpose.

2.3.1.4 OCWD or its authorized representative shall have the right at all reasonable times to enter upon the Licensed Area and inspect the general condition of the Licensed Area to determine if Licensee is complying with the terms, conditions, requirements and provisions of this License.

2.3.2 Utilities and Services: Licensee shall be solely responsible for obtaining all utility service and for the payment of all utility charges, including but not limited to water and power, supplied to the Licensed Area, if needed.

2.3.3 Permits and Approvals: Licensee shall obtain any and all governmental permits, approvals, licenses or other authorizations which may be required in connection with the use of the Licensed Area as set forth in this License. No approval or consent given under this License by OCWD shall affect or limit Licensee's obligations hereunder, nor shall any approvals or consents given by OCWD, in its capacity as a party to this License, be deemed to be approval as to compliance or conformance with any applicable governmental codes, laws, orders, rules or regulations.

2.4 Insurance: Without limiting Licensee's indemnification obligations, Licensee shall not enter or occupy the Licensed Area until Licensee has obtained all of the insurance required herein from a company or companies acceptable to OCWD, and Licensee shall maintain all such insurance in full force and effect at all times during the term of this License and any extension or renewal thereof. Insurance shall be placed with insurers having a current A.M. Best rating of no less than A:-VII or equivalent or as otherwise approved by OCWD. If Licensee is a governmental agency, a letter of self-insurance may be substituted for a Certificate of Insurance.

2.4.1 Licensee shall take out and maintain the following insurance:

2.4.1.1 Workers' Compensation and Employer's Liability Insurance: Licensee shall cover or insure under the applicable laws relating to workers' compensation insurance all of its employees working on or about the Licensed Area, in accordance with the “Workers' Compensation and Insurance Act,” Division IV of the Labor Code of the State of California and any Acts amendatory thereof. Licensee shall provide worker's compensation insurance as required by the State of California with Statutory Limits and employer's liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence. Such policy of workers compensation insurance shall contain the following separate endorsements:

(a) “Insurer waives all rights of subrogation against the Orange County Water District, its officers, directors, employees, representatives and volunteers.”

(b) “This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially changed for any reason by the insurer until thirty (30) days after receipt by the Orange County Water District of a written notice of such cancellation, limitation or reduction of coverage.”

2.4.1.2 Commercial General Liability Insurance providing coverage in the following minimum limits:

(a) Combined single limit of Two Million Dollars (\$2,000,000) per occurrence or the full occurrence limits of the policies available, whichever is greater for Bodily Injury, Personal Injury or Death and Property Damage.

(b) Damage Coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001).

(c) If Commercial General Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503 or ISO CG 2504, or insurer’s equivalent endorsement provided to OCWD), or the general aggregate limit shall be twice the required occurrence limit.

2.4.1.3 Comprehensive Automobile Liability Insurance, including owned, non-owned, leased, hired, and borrowed automobiles and similar vehicles, providing the following minimum limits:

(a) Combined single limit of One Million Dollars (\$1,000,000) per occurrence for Bodily Injury, Personal Injury or Death and Property Damage.

(b) Coverage shall be at least as broad as Insurance Services Office (ISO) Business and Auto Coverage (Form CA 0001) covering any auto.

2.4.2 Endorsements: The policies of liability insurance provided for in Paragraphs 2.4.1.2 and 2.4.1.3 shall specify that this specific License is insured and that coverage for injury to participants resulting from Licensee’s activities is not excluded, and shall be in a form satisfactory to OCWD and contain the following separate endorsements:

(a) “The Orange County Water District, its officers, directors, employees, representatives and volunteers, are declared to be additional insureds on all of the above policies with respects to the operations and activities of the named insured at or from the premises of the Orange County Water District. The coverage shall contain no special limitations on the scope of protection afforded to the Orange County Water District, its officers, directors, employees, representatives and volunteers.”

(b) “This insurance policy shall not be suspended, voided, reduced in coverage or in limits, canceled, limited, non-renewed, or materially changed for any reason until thirty (30) days after receipt by the Orange County Water District of a written notice of such cancellation, limitation or reduction of coverage.”

(c) “This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon or looked to cover a loss under said policy; the Orange County Water District shall not be liable for the payment of premiums or assessments on this policy.”

(d) “Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Orange County Water District, its officers, directors, employees, representatives, or volunteers.”

(e) “This insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.”

2.4.3 Evidence of Coverage: Licensee shall at the time of the execution of the License present to OCWD the original policies of insurance required by this Paragraph 2.4 or a certificate of the insurance, with separate endorsements (Insurance Services Office Form CG 2026, or equivalent), showing the issuance of such insurance and the additional insured and other provisions and endorsements required herein and copies of all endorsements signed by the insurer’s representative. All policies shall contain the Licensee’s name and location of the Licensed Area on the certificate. At least thirty (30) days prior to the expiration of any such policy, a signed complete certificate of insurance, with all endorsements provided herein, showing that such insurance coverage has been renewed or extended, shall be filed with OCWD. Licensee’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

2.4.4 Review of Coverage: OCWD shall have the right at any time to review the coverage, form, and limits of insurance required under this License. If, in the sole and absolute discretion of OCWD, the insurance provisions in this License do not provide adequate protection for OCWD, OCWD shall have the right to require Licensee to obtain insurance sufficient in coverage, form and limits to provide adequate protection and Licensee shall promptly comply with any such requirement. OCWD’s requirements shall not be unreasonable, but shall be adequate in the sole opinion of OCWD to protect against the kind and extent of risks which may exist at the time a change of insurance is required, or thereafter.

2.4.5 Deductibles: Any and all deductibles must be declared and approved by OCWD prior to execution of this License.

2.4.6 License Contingent Upon Coverage: Notwithstanding any other provision of this License, this License ~~may be declared null and void by OCWD shall be null and void at all times~~ when the above-referenced original policies of insurance or Certificate of Insurance or Renewal Certificates or Endorsements are not on file with OCWD.

2.5 Indemnification

2.5.1 OCWD not Liable: OCWD shall not be liable at any time for any loss, damage or injury whatsoever to the person or property of any person or entity whatsoever, including but not limited to any employee, agent or contractor of Licensee, resulting from or arising out of any act or omission of Licensee or of any person or entity holding under Licensee, or the occupancy or use of the Licensed Area or any part thereof by or under Licensee, or any act or omission in the exercise of any right or the performance of any obligation under this License, or directly or indirectly from any state or condition of the Licensed Area, or any part thereof, if in connection with the License Activity.

2.5.2 Indemnification: Irrespective of any insurance carried by Licensee for the benefit of OCWD, and notwithstanding any other provision of this License to the contrary, Licensee shall indemnify and hold OCWD, its officers, directors, employees, representatives and volunteers harmless from and against any and all actions, claims, demands, judgments, attorneys fees, costs,

damages to persons or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, any employee, agent or contractor of Licensee) in any way arising out of or in connection with this License, the operations carried on by Licensee on the Licensed Area, or the occupation or use of the Licensed Area by Licensee or any person or entity holding under Licensee (collectively, "Claims"), whether or not there is concurrent active or passive negligence on the part of OCWD, ~~and/or acts for which the OCWD would be held strictly liable~~, but excluding the sole active negligence and willful misconduct of OCWD. In connection therewith:

Commented [3]: I'm not sure what you have in mind here.??

Commented [PD4R3]: Ok to delete

2.5.2.1 Licensee shall defend and hold OCWD, its officers, employees, agents, representatives and volunteers, harmless from any and all Claims, whether caused by OCWD's active or passive negligence, but excluding any Claim that results from the sole active negligence or willful misconduct of OCWD, its officers, employees, agents, or representatives; and Licensee shall pay all expenses and costs, including attorneys' fees, incurred in connection therewith.

2.5.2.2 Licensee shall promptly pay any judgment rendered against Licensee or OCWD covering any Claim, and hold and save OCWD harmless therefrom, whether such Claim was caused by OCWD's active or passive negligence, ~~and/or acts for which OCWD would be held strictly liable~~, but excluding the sole active negligence and willful misconduct of OCWD.

2.5.2.3 In the event OCWD is made a party to any action or proceeding filed or prosecuted for or arising out of or in connection with any Claim, Licensee shall pay to OCWD any and all costs and expenses incurred by OCWD in any such action or proceeding, together with reasonable attorneys' fees.

2.5.2.4 All of the indemnity obligations of Licensee under this Paragraph 2.5.2, or as otherwise set forth in this License, shall survive the expiration or earlier termination of this License.

2.6 Legal Relations and Responsibilities

2.6.1 Nature of Relationship: OCWD and Licensee understand and agree that the only relationship between them created by this License is that of Licensor and Licensee, and that this License does not create, and shall not be construed to create, any agency, partnership, joint venture, landlord-tenant or other relationship between OCWD and Licensee.

2.6.2 Compliance with Laws: Licensee shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the activities of Licensee under this License, or the possession or use of the Licensed Area by Licensee, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Licensee shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, OCWD, its officers, directors, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by Licensee or any person or entity holding under Licensee.

2.6.3 Assignment: The License granted hereby is personal to Licensee and any assignment of said License by Licensee, voluntarily or by operation of law, shall automatically terminate this

License, unless Licensee has obtained the prior written consent of OCWD, which may be withheld, in its sole and absolute discretion, for any reason or no reason at all.

2.6.4 Acknowledgment of OCWD's Title: Licensee hereby acknowledges the title of OCWD in and to the Licensed Area, including the real property fixtures and improvements existing or erected thereon, and Licensee hereby covenants and promises never to assail, contest or resist OCWD's title to the Licensed Area.

2.6.5 Liens: Licensee shall maintain the Licensed Area free from and clear of any claims, obligations, liabilities, liens, encumbrances and charges, including but not limited to any claims, liens or charges arising out of or in connection with the furnishing of materials or the performance of labor on the Licensed Area. Licensee further shall protect and indemnify OCWD and the Licensed Area from and hold them, and each of them, harmless against any and all such claims, obligations, liabilities, liens, encumbrances and charges.

2.6.6 Possessory Interest Taxation: A possessory interest subject to property taxation may be created by this License. It is understood and agreed that if such a possessory interest is created, Licensee shall be responsible for the payment of all property taxes levied on such interest, and that OCWD shall have no responsibility therefor.

2.6.7 OCWD's Reservations

2.6.7.1 OCWD hereby reserves the right to grant easements and rights-of-way for pole or tower lines for transmission of electricity, and easements, leases and rights-of-way for telephone, telegraph, telecommunication facilities, gas, water, water well(s), sewer and oil lines, for roads and highways, and for other similar uses over and across the Premises at any location or locations within the Premises. Notwithstanding the previous sentence, OCWD may not unreasonably interfere with Licensee's possession or use of the Licensed Area for the License Activities. Licensee shall not interfere with any easements or rights-of-way pertaining to or affecting the Premises.

2.6.7.2 OCWD hereby reserves the right to sell, transfer or otherwise dispose of any portion of the Licensed Area at any time. In the event of such sale, transfer or disposition, the rights and obligations of OCWD under this License, including OCWD's rights to transfer this License, shall be transferred to OCWD's successor in interest and such transfer shall be a condition of any such sale, transfer, or disposal of the Licensed Area.

2.6.7.3 OCWD reserves the right unto itself to perform any and all work involved in protecting, replenishing and/or conserving the basin groundwater supply and any other work necessary to the functions or purposes of OCWD, as set forth in the Orange County Water District Act, Chapter 924 of the California Statutes of 1933, as amended, upon any portion or all of the Licensed Area at any time. OCWD further reserves unto itself the rights of ingress and egress over all or any portion of the Licensed Area.

2.6.9 Surrender of Possession: Unless extended as provided in Section 1.2 of the License, at the expiration or termination of this License, Licensee shall promptly quit and surrender the Licensed Area in a good state of repair.

2.6.10 Disposition of Abandoned Property: If Licensee abandons or quits the Licensed Area or is dispossessed thereof by process of law or otherwise, title to any personal property left on the Licensed Area for fifteen (15) or more days after such event shall at OCWD's opinion, be deemed to have been abandoned and transferred to OCWD. OCWD shall have the right to remove and dispose of any and all such property without liability therefor to Licensee or to any person or entity claiming under Licensee, and OCWD shall have no duty to account for such property. Licensee agrees to reimburse OCWD for any and all costs associated with OCWD transferring or disposing of Licensee's personal property pursuant to this Section.

2.6.11 Premises "As-Is": Licensee acknowledges that the Licensed Area are being provided to Licensee on an "as-is" basis, and Licensee takes and occupies the Licensed Area without reliance upon any representation by OCWD, or any of its officers, employees, agents or representatives, or any other person, concerning the Licensed Area, their fitness for Licensee's intended use or any other particular purpose of use, their income-producing history, potential or capabilities, their value, or any other promise, representation or inducement not expressly set forth in this License.

2.6.12 No Representation or Warranty Concerning Premises: Licensee acknowledges that neither OCWD, nor any of its officers, employees, agents or representatives, has made any written or oral representation, promise, or warranty, expressed or implied, concerning the Licensed Area, their fitness for Licensee's intended use or any other purpose or use, their income producing history, potential or capabilities, their value, or any other matter not expressly set forth in this License.

2.6.13 Disputes: In the event that any action is commenced by a party to this License against the other to enforce its rights or obligations arising from this License or seeking to interpret this License, the prevailing party in such action, in addition to any other relief and recovery ordered by the court, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.

2.6.14 Security Measures: Licensee acknowledges that the Licensed Area are licensed to and accepted by Licensee in an "as-is" condition, and that the License Payments and other sums payable from Licensee to OCWD hereunder do not include the cost of security guard or any other security services or measures. Licensee further acknowledges that OCWD makes no representation or warranty, express or implied, regarding the security of the Licensed Area or the need for or propriety of any security measures at the Licensed Area; and Licensee further acknowledges that OCWD shall have no obligation whatsoever to provide guard service or any other security measures. Licensee expressly assumes all responsibility for the protection and security of Licensee's property in the Licensed Area.

2.6.15 No Obligation to Third Parties: Execution and issuance of this License shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, nor obligate either of the parties hereto to, any person or entity other than OCWD and Licensee.

2.6.16 Waiver: Any waiver by any party of a breach of any provision of this License shall not be deemed a continuing waiver or a waiver of any subsequent breach whether of the same or of another provision hereof.

2.6.17 OCWD's Liability on Termination: Licensee hereby waives all damages or claims for damage that may be caused by any action of OCWD in terminating this License (either with or without cause), or taking possession of the Premises as provided in this License or at law, and

Commented [5]: This is redundant and is already stated in Section 2.5.2.3.

Commented [PD6R5]: Agreed

Commented [PD7]: Per OCWD counsel, OCWD owns the property, and is under no obligation to provide MWDOC a license. OCWD should have the authority to terminate the license if it deems doing so in its best interests, and it should not be held liable if it chooses to do so.

Licensee waives all claims for damages to or loss of such property of Licensee as may be in or upon the Premises upon the termination of this License.

2.7 Maintenance and Repair of Premises

2.7.1 Licensee's Obligation to Maintain Premises: Licensee shall at all times during the term of this License, and any extension or renewal thereof, at its sole cost and expense, keep and maintain in good condition and in substantial repair the Licensed Area, unless otherwise maintained by OCWD pursuant to separate agreement between the OCWD and Licensee. Licensee shall at all times in the maintenance and use of any the Licensed Areas comply with all laws, ordinances and regulations pertaining thereto, and all conditions and restrictions set forth herein .

2.7.2 Licensee's Default of its Maintenance Duties: In the event that Licensee fails, neglects or refuses to satisfy the obligations in Section 2.7.1 to the extent applicable, OCWD shall notify Licensee in writing of such failure or refusal. Should Licensee fail or refuse to correct such default within ten (10) days of receipt of such written notice from OCWD, OCWD may, but shall not be required to, itself or by contract, undertake the necessary maintenance, repair or replacements; and the cost thereof, including but not limited to the cost of labor, materials and equipment and procurement of insurance, plus an administrative fee in the amount of fifteen percent (15%) of the sum of such costs, shall be paid by Licensee to OCWD within ten (10) days of Licensee's receipt of a statement of such costs from OCWD. Any such maintenance, repair or replacement by or on behalf of OCWD shall not be deemed to be a waiver of Licensee's default under this License, and shall not in any way impair, prevent or restrict OCWD from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

2.8 Miscellaneous

2.8.1 Notices: Any notice, payment or instrument required or permitted to be given or delivered by this License may be given or delivered by personal delivery or by depositing the same in any United States mail depository, first class postage prepaid, and addressed as follows:

If to OCWD:

If by mail: ORANGE COUNTY WATER DISTRICT
P.O. Box 8300
Fountain Valley, CA 92728-8300
Attn: Property Management
Email: property.manager@ocwd.com

If by personal delivery: ORANGE COUNTY WATER DISTRICT
18700 Ward Street
Fountain Valley, CA 92708
Attn: Property Management

If to Licensee: To such name and address set forth for Licensee in Part I of this License,

or such other person or address as either party may direct in writing to the other; provided, however, that such new or different person or address shall not become effective until

Commented [8]: Given the existing agreement between the parties for maintenance, I do not think this section is necessary.

Commented [PD9R8]: Per OCWD counsel, it is OCWD's right to be reimbursed if OCWD is required to make repairs or conduct maintenance because MWDOC fails to do so in the area subject to the license

acknowledged in writing by the party to whom directed. Except where service is by personal delivery or by registered or certified mail, return receipt requested, service of any instrument or writing shall be deemed completed forty-eight (48) hours after deposit in a United States mail depository.

2.8.2 Warranty of Authority: Each officer of OCWD and Licensee affixing his or her signature to this License warrants and represents by such signature that he or she has the full legal authority to bind his or her respective party to all of the terms, conditions and provisions of this License, that his or her respective party has the full legal right, power, capacity and authority to enter into this License and perform all of its provisions and obligations, and that no other approvals or consents are necessary in connection therewith.

2.8.3 Headings: The titles and headings of Sections and Paragraphs of this License, as herein set forth, have been inserted for the sake of convenience only, and are not to be taken, deemed or construed to be any part of the terms, covenants or conditions of this License, or to control, limit or modify any of the terms, covenants or conditions hereof.

2.8.4 Time of Essence: Time is of the essence of this License. Failure to comply with any requirement, including but not limited to any time requirement, of this License shall constitute a material breach of this License.

2.8.5 Construction and Amendment: This License shall be construed, interpreted, governed and enforced in all respects according to the laws of the State of California and as if drafted by both OCWD and Licensee. No amendment, change or modification of this document shall be valid unless in writing, stating that it amends, changes or modifies this License, and signed by all of the parties hereto.

2.8.6 Successors: Subject to the provisions of Paragraph 2.6.3 above, this License, and all of the terms, conditions and provisions herein, shall inure to the benefit of, and be binding upon, OCWD, Licensee, and their respective successors and assigns.

2.8.8 Partial Invalidity: If any term, covenant, condition or provision of this License is held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way affect, impair, or invalidate any other term, covenant, condition or provision contained in this License.

2.8.9 Further Assurances: Each of the parties hereto shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the parties hereto.

2.8.10 Precedence: In the event of any conflict between Parts of this License, Part I shall prevail over Parts II, III and IV, and Part III shall prevail over Part II.

[END GENERAL LICENSE PROVISIONS]

Commented [10]: This seems unnecessary.

Commented [PD11R10]: Agreed

PART III
SPECIAL LICENSE PROVISIONS

3.1 Additional Conditions of Use: The following are added to Paragraph 2.3.1, as additional conditions to the use of the Premises:

2.3.5 Licensee shall coordinate all activity on the Licensed Area with OCWD's General Manager or his designee (herein the "Manager"), who is located at the OCWD's Fountain Valley Office, (714) 378-3200. Licensee shall contact the Manager at least 10 days before commencing any work on the Licensed Area and provide the start date of any work contemplated under this License and shall not commence work until the work has been approved by the Manager.

3.2 The following provision is added to Paragraph 2.4 (Insurance) of this License:

2.4.7 Insurance: Licensee shall not permit any contractor or subcontractor to commence work on any portion of the Licensed Area until Licensee has obtained, or has caused its contractors or subcontractors to obtain insurance in the amounts as stated in Paragraph 2.4 above which shall include as additional insured OCWD, its officers, directors, employees, agents, invitees and representatives (collectively, "OCWD Parties"), but only while acting in their capacity as such and only with respect to the operations of the original named insured, its contractors, subcontractors, agents, officers and employees in the performance those uses as stated in Paragraph 1.1.2 (Use of Licensed Area) above. Licensee shall furnish OCWD with certificates of insurance and endorsements showing insurance coverage as described in Paragraph 2.4 above.

3.3 Section 2.9, including Paragraphs 2.9.1 through 2.9.5, is added to this License as follows:

2.9 Improvements:

2.9.1 Prior Consent for Improvements: Other than the installation of the underground utilities and related equipment authorized in Section 1.1.2, Licensee shall not make any alteration of or improvement to the Licensed Area without the prior written approval of the Manager.

2.9.1.1 Other than the installation of the underground utilities and related equipment authorized in Section 1.1.2, if Licensee desires to make any alteration, improvement, addition or other utility installation in or about the Licensed Area, Licensee shall present such request in writing to OCWD, together with detailed plans of the proposed alteration or improvement; and Licensee shall not commence such alteration or improvement unless and until the Manager has granted approval thereto in writing.

2.9.1.2 In the event that the Manager grants written approval to any requested alteration of or improvement to the Licensed Area, such approval shall be deemed conditioned upon Licensee acquiring all governmental licenses, approvals and permits required therefor, and such alteration or improvement shall be constructed in strict conformance with the plans approved therefor by the Manager. Once approved by the Manager, no changes or alterations shall be made to the plans without the prior written approval by the Manager.

Commented [12]: Is this a second approval for the work?? There are no parameters on the approval. Section 1.1.2 already provides the approval, the only other requirement should be notice and coordination. This boilerplate language seems to be intended for additional improvements.

Commented [PD13R12]: This section is intended for additional improvements after the original work is completed.

2.9.1.3 In the event that the Manager grants written approval to any requested alteration of or improvement to the Licensed Area, Licensee shall construct such alteration or improvement at Licensee's sole cost and expense.

2.9.1.4 Should any damage or injury to OCWD's property or facilities ("Facilities") occur, either through the acts of agents, servants or employees of Licensee or by any independent contractor of Licensee in the exercise of the rights granted in this License, Licensee agrees to immediately, upon the written demand of OCWD, restore such Facilities, at Licensee's sole cost and expense, to the condition of same on the date of the damage or injury.

2.9.1.5 Licensee shall at the completion of any improvements, restore the surface of the Licensed Area to the state that existed prior to the commencement of work.

2.9.1.6 Upon written approval of the Manager and during weekend hours, Licensee shall be allowed to de-energize T-22 depicted in exhibit "A", which provides power supply to both OCWD's and Licensee's administration buildings, to complete Licensee's electrical improvements. Licensee shall contact the Manager at least 14 days before de-energizing T-22. Licensee shall promptly energize T-22 and restore any portions of the Premises, at Licensee's sole cost and expense, that are disturbed by Licensee's activities to the same condition as existed at the commencement date.

2.9.1.7 Licensee shall be temporarily allowed to use five (5) parking stalls, as depicted in exhibit "A", for Licensee's equipment and materials, while performing exterior construction activities on the Premises. Licensee shall be allowed to use the parking stalls and perform exterior construction activities during normal business hours and in a manner which does not unreasonably or materially interfere with Licensors activities at the Property.

2.9.1.8 Underground Utilities: Licensee must contact Dig Alert and comply with the applicable processes, policies and/or procedures of Dig Alert, prior to any underground installation. Any trenching for underground utility runs must be hand dug.

2.9.2 "As-Built" Plans and Construction Costs: OCWD shall have the right to require Licensee to prepare and furnish to OCWD, at Licensee's sole cost and expense, and within sixty (60) days following completion of such alteration or improvement, a complete set of reproducible "As-Built" plans for such alteration or improvement.

2.9.3 Compliance with Building Codes: Licensee shall comply with all Building Codes in effect at the time of construction or installation of an improvement of any kind on the Licensed Area. The applicable Building Codes shall be those codes as adopted by the local permitting jurisdiction (i.e., city or county) in which the Licensed Area is located. In the event that Licensee fails to conform to the Building Codes, OCWD may require immediate compliance. If Licensee fails to comply, OCWD, at its option, may make such changes to bring the improvement into compliance with the Building Codes and charge Licensee the cost of such changes plus ten percent (10%) to cover administrative costs. Licensee shall have ten (10) days from receipt of the invoice to reimburse OCWD for the cost of making such changes.

2.9.4 Modification of Alterations or Improvements: In the event that Licensee desires to modify or add to any alteration of or improvement to the Licensed Area, Licensee shall not commence any such modification or alteration without the prior written consent of the Manager, which shall not unreasonably withheld.

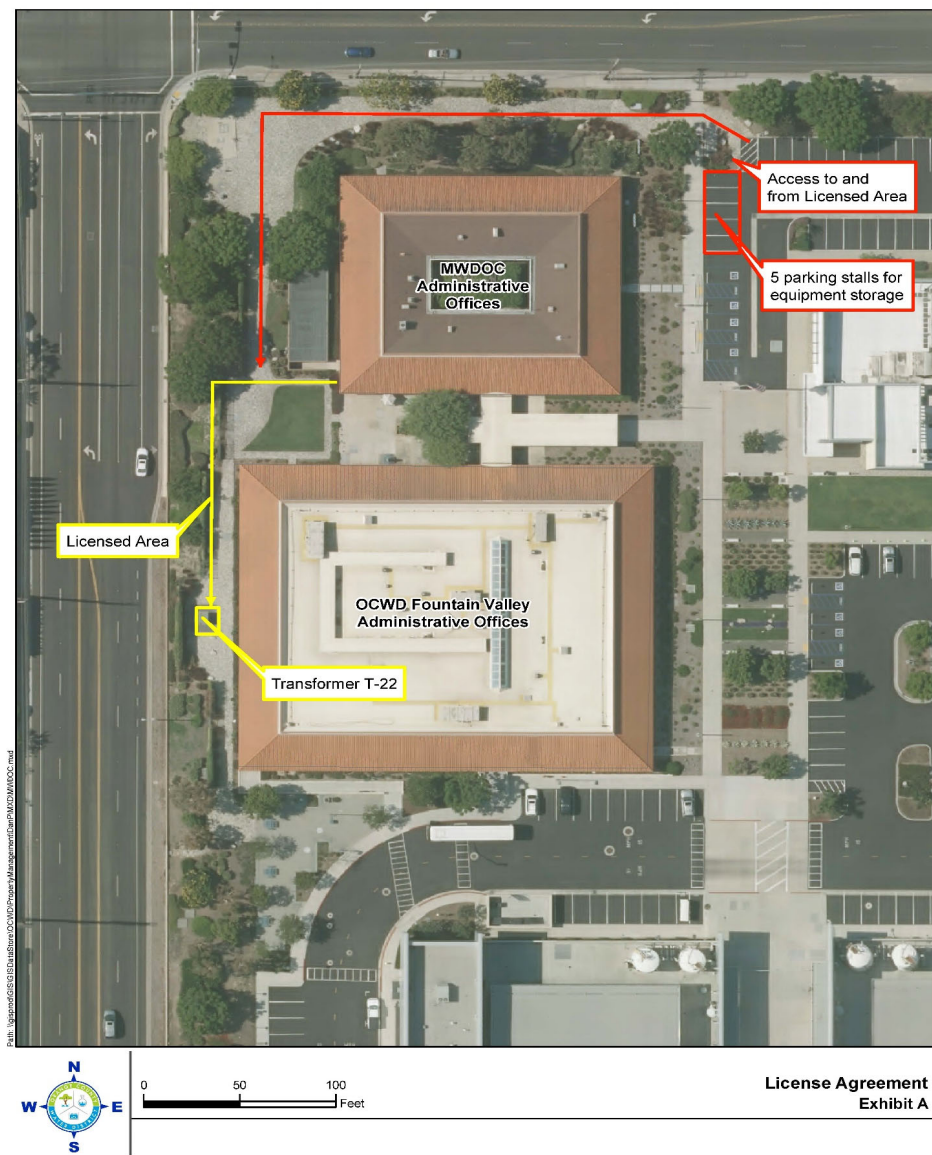
2.9.5 Mechanics Liens or Stop-Notices: Licensee shall at all times indemnify and save OCWD harmless from all claims, losses, demands, damages, costs, expenses, or liability costs for labor or materials in connection with construction, repair, alteration, or installation of structures, improvements, equipment, pipelines, or facilities within the Licensed Area, and from the cost of defending against such claims, including attorney fees and costs.

In the event a lien or stop-notice is imposed upon the Licensed Area as a result of such construction, repair, alteration, or installation, Licensee shall either:

- (a) Record a valid Release of Lien, or
- (b) Procure and record a bond in accordance with Section 8424 of the Civil Code, which frees the Licensed Area from the claim of the lien or stop-notice and from any action brought to foreclose the lien.

[End Special Provisions]

PART IV
EXHIBIT A





INFORMATION ITEM

June 12, 2019

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

FROM: **Robert Hunter, General Manager**

Staff Contact: Cathy Harris
Charles Busslinger

SUBJECT: **Office Building Market Research**

STAFF RECOMMENDATION

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

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

MWDOC staff received a request from the Board at the September 2018 A&F Committee to conduct additional market research on options for relocating to an alternative office location.

Staff hired Lee & Associates Commercial Real Estate Services on April 23, 2019 to; conduct a review of currently available relocation options, determine the value of the existing MWDOC building, and provide an estimate of the total cost to move to a new location.

1. Lee & Associates provided a building survey (attached) of seven buildings available as of May 30, 2019, meeting the following criteria:
 - A. 20,000 to 40,000 square foot office space / No more than two-stories is preferred.
 - B. One large board room that can accommodate 60 to 75 people. The ability of use the Boardroom as an Emergency Operations Center (EOC). The room when used as an

Budgeted (Y/N): N/A	Budgeted amount: Not budgeted	Core __	Choice __
Action item amount:	Line item:		
Fiscal Impact (explain if unbudgeted): Discussions including fiscal impacts still being evaluated			

- EOC would need to be large enough to accommodate desk configuration for up to 45 people.
- C. Building is to be located in a non-liquefaction zone. Will consider properties in Costa Mesa, Irvine, Orange, Tustin, Lake Forest and Mission Viejo – (i.e. needs to be in MWDOC’s service area). Will not consider Santa Ana, Anaheim and Fullerton.
 - D. The building is not to be a brittle concrete or steel-frame building with known design flaws – such as a Special Moment Resisting Frame (SMRF) design. Wood frame and reinforced concrete buildings are acceptable, as are steel frame buildings constructed after 2006. Unacceptable buildings include buildings with unreinforced masonry and steel frame buildings built prior to 2006.
 - E. 4:1 car parking; Structure vs Surface, Paid or Unpaid. MWDOC does not want to pay monthly parking fees or have employees incur that cost. Need at least 100 parking spaces to accommodate up to 50 employees and at least 50 additional cars when having meetings.
 - F. Office build-out to include a combination of general office (work stations) and private offices. 2 conference rooms and 1 breakroom/kitchen.
 - G. If any of the space is on an upper floor, an elevator is required.
 - H. Prefer easy access to freeways.
 - I. Leased space will need to be ADA compliant, Title 24 compliant, and meet current seismic codes for a building classified as having a public meeting space.
 - J. Interview and engage interior architect for space programming of requirements, and if approved, perform a property condition assessment. May need to engage structural engineer for seismic improvements.
2. Lee & Associate also provided a Preliminary Broker Opinion of Value for the existing MWDOC building with MWDOC’s 33.6 % interest valued at \$2,141,434.
 3. Lee & Associates’ Sample Project Cost estimate is also attached indicating a total cost to relocate at \$11.9 million dependent upon additional site work and ADA improvements needed. [Note: the Tenant Improvement (TI) Construction Costs are not based upon prevailing wage rates.]



Municipal Water District of
Orange County
Building Survey
May 30, 2019

#	Address	Total SF Available	SF	Sales Price	Price PSF	Status	# Floors	Elevator	Parking	Liq. Zone	Comments
1	95 Argonaut Aliso Viejo	48,183	30,554	\$14,000,000	\$290.56	Currently on the market for sale only, but Owner will sell.	2	Yes	195 4.00 : 1	No	Pacific Park / Built in 1990
2	11 Auto Center Irvine	48,000	48,000	\$11,000,000	\$229.17	Former Auto Dealership for Sale	2	No	256 5.33 : 1	No	Would require significant improvements to convert to office space. Built in 1986.
3	18802 Bardeen Avenue Irvine	26,383	26,383	\$10,421,285	\$395.00	Available	1	N/A	100 3.80 : 1	No	Single-story corporate headquarters facility.
4	25381 Commercentre Drive, Bldg E Lake Forest	20,592		\$5,750,000	\$279.23	Available	2	Yes	90 4.00 : 1	No	Also on the market for lease, so the square footage necessary for MWDOC may not be available.
5	25391 Commercentre Drive, Bldg B Lake Forest	26,154	26,154	\$7,715,430	\$295.00	Just listed for sale	2	Yes	105 4.00 : 1	No	Built in 1999 CTU with glass set in metal framing.
6	310 Goddard Way Irvine	12,198	12,198		\$375 - \$400	310 and 320 Goddard just came back on the market for sale.	2	Yes	49 4.00 : 1	No	Can work for MWDOC if combined with 320 Goddard.
7	320 Goddard Way Irvine	23,871	23,871		\$375 - \$400	310 and 320 Goddard just came back on the market for sale.	2	Yes	95 4.00 : 1	Partial	



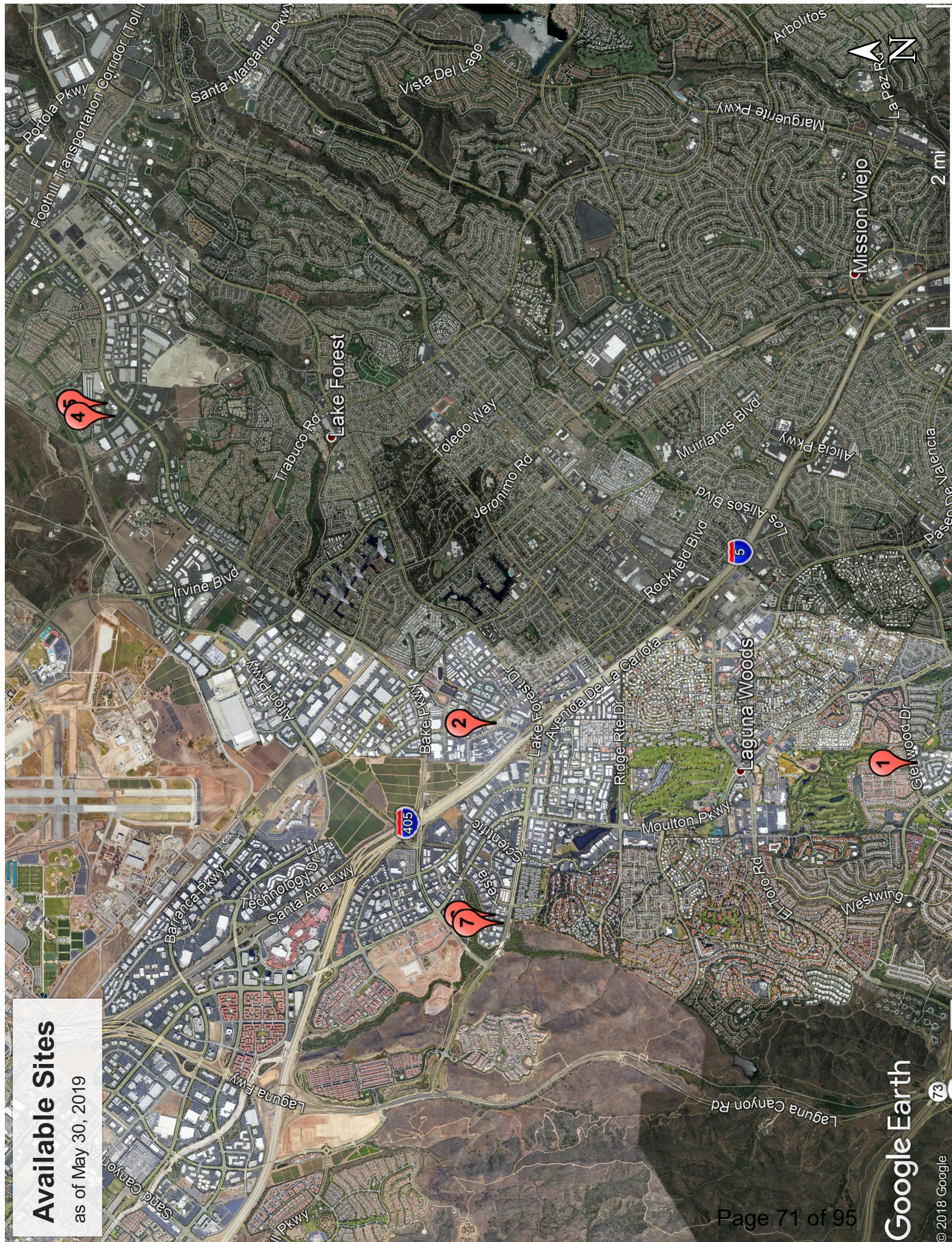
COMMERCIAL REAL ESTATE SERVICES

Prepared By:
Dave Hunsaker 714.564.7113
Craig DeMiranda 714.564.7138

1004 W. Taft Avenue, Suite 150 | Orange, CA 90865 | O 714.647.9100 F 714.543.5285 | LeeOrange.com

Available Sites

as of May 30, 2019



Available Sites

as of May 30, 2019



Preliminary Broker Opinion of Value

18700 Ward Street, Fountain Valley, CA 92708
APN 156-101-06

Prepared for:



Municipal Water District of Orange County (MWD OC)

Prepared by:

Lee & Associates Commercial Real Estate Services, Inc. – Orange
Dave Hunsaker and Craig DeMiranda

May 30, 2019

Scope of Work

To provide a valuation of the 12,280 square foot office building occupied by MWD OC at 18700 Ward Street in Fountain Valley.

Property Description

MWD OC occupies a freestanding, single-story office building totaling approximately 12,280 square feet located at 18700 Ward Street in Fountain Valley. MWD OC also shares a board room, connecting hallway and reception area with Orange County Water District (OCWD). The portion occupied by MWD OC is part of a larger complex totaling approximately 42,622 square feet. The total land parcel is approximately 772,581 square feet (17.74 acres). The property is zoned M-1 (Manufacturing).

MWD OC only has interest in the structures. OCWD owns the land. MWD OC leases their land portion from OCWD for \$1.00 per year. A 50-year lease was signed in 1987 and MWD OC has unlimited options to extend for periods of 15 years per Section 6.4.1 of the Lease.

As per the fourth amendment to the Lease, MWD OC's share of the property is 33.6%.

Preliminary Broker Opinion of Value

18700 Ward Street, Fountain Valley, CA 92708

May 30, 2019

Page 2

Valuation Constraints

OCWD and MWDOC each have the right to terminate the Lease (Section 6.4.2) and pursuant to Sections 3.2, 3.5 and 3.7. This language may warrant legal review. If OCWD's right to terminate is ongoing, any additional capital expenditures by MWDOC for improvements could be at risk.

MWDOC has the right to lease a portion of the space to water-related organizations or entities, but if MWDOC ceases to use the office facilities as its administrative office, the Lease shall terminate (6.4.2).

Within 90 days of such termination, OCWD shall pay to MWDOC a sum representing the value, as of the date of termination of the Lease, of MWDOC's proportionate interest (33.6%) in the office facilities and common facilities, excluding the value of the land. The value is to be determined by a qualified appraiser.

The property is zoned for manufacturing which could impact the appraised value.

Valuation

A rough market value for office buildings in this size, area and condition is \$300 per square foot. Standard coverage for a single-story office building with 4:1 car parking is going to be approximately 30% of the total land size.

Current land comps for industrially zoned land range from \$45 to 50 psf. Since the increased cost of construction is causing land values to plateau and even decrease, we are using \$45 for the sake of our analysis.

Based on the above assumptions, the value of MWDOC's interest in the property can be calculated as follows:

\$300 x 42,622 building square feet	= \$12,766,600
Less \$45 x 142,073 land square feet	= \$ 6,393,285 (Assumes building coverage of 30%)
Subtotal	= \$ 6,373,315
33.6% of Subtotal	= \$ 2,141,434 (Approximate value of MWDOC's interest)

SAMPLE PROJECT COST ESTIMATE

Date:	5/29/2019
Project Area:	25,000 SF

Task	\$/SF	Cost
Purchase Price	\$ 350.00	\$ 8,750,000
Move	\$ 5.00	\$ 125,000
TI Construction Cost	\$ 80.00 [#]	\$ 2,000,000
Furniture	\$ 35.00	\$ 875,000
Soft Cost (A/E Fees)	\$ 6.00	\$ 150,000
Site Work	~ NA / TBD* ~	\$ -
ADA Upgrades	~ NA / TBD* ~	\$ -
TOTAL COST		\$ 11,900,000

***NOTE:** Cost varies based on scope of work required.

T.I. = Tenant Improvement

- this rate does NOT include prevailing wages

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Fiscal Year 2018-19

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



- A. Supplier Information/Name of Company and Prime Contact at the Supplier and at MWD OC:
ACCO Engineered Systems - Darren Schwartz (714) 352-2226
Charles Busslinger - MWD OC
- B. Contract awards to Supplier over prior 36-months:
03/08/2019: A/C repair work - \$688.12
- C. Product(s) or Service(s) to be provided and Deliverables:
Replacement of non-functioning exhaust fans. Work includes design services, obtaining city permit approval, removal and replacement of non-functional exhausts fans for the electrical/telephone room, the restrooms, and the employee breakroom.
- D. Justification Definition**
Urgent necessity.
- E. Narrative Explanation:
The exhaust fan for the electrical/telephone room has not functioned for some time. Air circulation is a permit requirement to allow for the new electrical transformer to be located in the room as part of the electrical rehabilitation project. Technicians determined the fan also services the restrooms on the west side of the building, making exhaust fan replacement a Mechanical Code compliance issue. The employee break room fan, which is also not functioning, will be replaced at the same time.
- F. Budget Line Item Reference & Amount:
19-8810 & 19-8811 Contract amount: \$9,479.70
- G. Core or Choice designation:
Core
- H. Signature/Approvals:

Charles Busslinger
Requestor

5-20-19

Date

Robert J. ...
General Manager

5-20-19

Date

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

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

Mechanical Services

714 / 352-2226 Voice
800 / 998-2226 Service
714 / 352-2227 Fax
265 McCormick Ave.
Costa Mesa, CA 92626

May 20, 2019

Cathleen Harris
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708

Project: Exhaust Fans

Dear Cathy:

This proposal is to install two new exhaust fans for the break room and the electrical room/restrooms. Both exhaust fans are in poor shape, do not run and need to be replaced. The break room exhaust fan will be replaced with a new fan of the same size and capacity as the existing fan. The electrical room/restroom exhaust fan will be upsized to handle the additional heat load of the electrical room.

ACCO will provide the necessary parts, materials, supervision and labor to perform the following:

Scope of Work

1. Pull over the counter city permits
2. Provide and install two new Greenheck exhaust fans
 - Aluminum housing
 - Backward inclined wheel
 - Aluminum curb cap with prepunched mounting holes
 - Bird screen
 - Ball bearing motors
 - Motor isolated on shock mounts
 - Corrosion resistant fasteners
 - Motor - Vari-Green EC motor Control
 - Dial for balancing
 - UL/cUL 705 Listed - "Power Ventilators"
 - Switch, NEMA-1, Toggle
 - Junction Box Mounted & Wired
 - Back draft damper Gravity Operated
3. Disconnect and reconnect electrical power wiring
4. Certified air balance on all exhaust grilles
5. Air balance report
6. Fill out the MECH forms
7. All work will be performed during normal business hours

Labor	\$5,712.00
Material	\$3,288.00
Tax	\$287.70
Permits	\$192.00
Total	\$9,479.70

The work above will be performed for the price of..... \$9,479.70 including tax

11. The Seller shall be excused for any delay in completion of this Bid Contract caused by acts of God, including but not limited to, wind, rain, flood, storm, landslide, subsidence and earthquake; acts of neglect of owner or architect or by any employee or agent of either; acts of neglect of separate contractors employed by owner; acts of public utilities or governmental or public bodies or their agents; material shortages; labor trouble, labor slowdowns; strikes; union activity causing a reduction in productivity; fire; casualty; delay in transportation; changes ordered in the work; failure of Buyer to make payments to Seller as required under this Bid Contract, or other causes beyond the reasonable control of Seller, any of which shall automatically entitle Seller to reasonable or necessary extensions of the completion date of the work and to an equitable adjustment of the contract price to compensate Seller for all costs and expenses of additional labor, service, equipment or material and extended overhead resulting from any such delay. If any of the materials specified are not readily available, the Seller may substitute equally efficient materials or fixtures of generally similar character in lieu of the equipment, materials or fixtures specified, and it shall allow any differential between the original cost of the materials specified and the materials furnished. In the event of inability to obtain labor at union scale or without paying a premium above such scale, Seller may delay performance until same shall be obtainable without premium payment or at the option of the Buyer the latter may require the use of materials or labor requiring the payment of such excess cost, but upon condition that the Buyer shall pay such excess.
12. No additional work will be performed unless it is authorized in writing by the Buyer. If the Buyer refuses to sign a written work authorization or change order for the extra work, Seller reserves the right to refuse to perform the extra work.
13. Should either party hereto bring suit in court to enforce the terms hereof, any judgment awarded shall include court costs and reasonable attorney's fees to the successful party.
14. Seller assumes no responsibility for the design on those jobs where Seller prepares working or shop drawings from designs furnished by others. Seller assumes no responsibility whatsoever for design or operative end result under any contract unless there is affirmatively stated on the obverse side of this Bid Contract, a direct undertaking on Seller's part so to do.
15. Seller may suspend further performance under this Bid Contract upon three (3) days written notice to the Buyer in the event the Buyer is in breach of this Bid Contract for breach other than non-payment. Notice need not be given if work is suspended due to non-payment or due to the failure of the Buyer to pay for change orders as provided herein. In the event Seller elects to suspend performance, Seller shall be entitled to remobilization costs, including profit and overhead, upon the Buyer bringing payments current or issuing proper change orders for extra work. Such costs will equal actual losses sustained by Seller in terminating and restarting work.
16. This contract is entered into upon the understanding that in the prosecution of any work herein specified Seller will be allowed sufficient time for the performance of said work on the basis of a normal eight-hour day, and in the event that Buyer or any subcontractor require Seller to perform such labor on an overtime basis, then such additional expense of every kind and character as Seller may be required to incur on account of said overtime labor, shall constitute an additional charge herein.
17. It is agreed that Buyer is to provide without cost to Seller, proper hoisting conveyances and scaffolding (including the use of engineer) at times so as to not delay Seller's part of the work, unless otherwise indicated in this proposal.
18. Any loss or damage to Seller's work, materials or equipment occurring at the site of the project occasioned by fire, flood, earthquake, windstorm, riot or civil commotion shall be protected by Builders Risk Insurance procured by the contractor or owner without cost to Seller and Seller shall receive a proportionate share of the amount of any payment loss under any such policy or policies according as Seller's interest may appear.
19. Notwithstanding any provision in the plans, specifications, contract between prime contractor and owner, general conditions, or any contract documents executed by and between contractor and owner having to do with the subject now stated, Seller shall not be liable for the cost of correcting defects occasioned by the acts or omissions of employees of other subcontractors, the prime contractor, owner or any segregated contractor, to work performed by Seller. Before Seller proceeds with any corrective work to repair such damage, the prime contractor, or other person contracting with Seller in this Bid Contract, shall give Seller an unqualified instruction to proceed with the work upon their responsibility to compensate Seller therefore as an extra.
20. The Seller expressly reserves the right to assign all or any portion of its rights and/or duties under this Bid Contract with or without notice to the Buyer herein.
21. In the event of a conflict between the terms and conditions of this Bid Contract and terms and conditions stated in the plans and specifications, or any other contract document, including the prime contract between owner and prime contractor, the terms of this Bid Contract shall govern.
22. If, in Seller's opinion, Buyer's credit becomes impaired, Seller may, at its option, suspend work and deliveries under this contract until it has received full settlement or security for services rendered and are satisfied as to Buyer's credit for further shipments. If Buyer fails or refuses to make such payment, or give such security, then the full amount due under this contract at such time, for labor and material and/or equipment furnished shall immediately become due and payable and Seller shall have the right and the option to terminate this agreement. In the event that a suspension of this contract is required because of Buyer's doubtful credit, an extension of the time fixed for the performance of this contract equal to the time of such suspension, shall automatically occur. If legal action is filed to effect collection of any sums due hereunder, Seller shall be entitled to reasonable attorney fees in addition to all other damages found to be due hereunder.

ACCEPTED for BUYER:

By: 

(Authorized Signature)

Name/Title: Robert J. Hunter / GmDate of Acceptance: 5-20-19

Administration Activities Report

April 27 to June 6, 2019

Activity	Summary
Administration/Board	<p>Staff worked on the following:</p> <ul style="list-style-type: none"> • Scheduled meetings for Rob Hunter, Karl Seckel and other various meetings of the Board members. • Assisted Rob/Karl with various write-ups and follow-up for the Committees and Board. • Continue to send the Water Supply Reports to the member agencies. • Training of administrative staff. • Processed and reviewed agreements for appropriate Board approval and insurance requirements. • Review Insurance documents for all District Agreements. • Continue review of Administrative Code for requirements and potential changes; consulted with Legal Counsel. • Responded to four Public Records Act Requests. • Prepared Notice of Vacancy; arranged for posting at 7 sites within Division 3; submitted to OC Register for publication. • Prepared Information Packet for potential candidates for Division 3 and coordinated several special meetings • Continued to review Records Management system and evaluate new filing ideas, as well as work with Admin staff regarding potential changes. • Responded to four Public Records Act Requests. • Registered and made travel arrangements for WUE to attend Watersmart Innovations 2019 • Letters of support/oppose to legislators. • Travel expense reconciliation for OCBC and Spring ACWA Conference. • Registered Director for ACWA Region 10 conference. • Training: front desk
Records Management	<ul style="list-style-type: none"> • Continued to review Records Management system and evaluate new filing ideas, as well as work with Admin staff regarding potential changes. • Prepare for installation of WORM (write once, read many) back-up for Laserfiche documents. This data storage technology allows information to be written to disc and prevents the files from being over-written.

Recruitments	<ul style="list-style-type: none">• The recruitment process continues for the WEROC Coordinator (or Specialist), Water Loss Control Technician, and Water Loss Control Supervisor; interviews are in the process of being held and scheduled.• The Sr. Engineer position is still under review in preparation for posting and recruitment.• The recently implemented Neogo recruitment module was utilized for the recent recruitments and increased the number of applicants significantly. Applicant tracking and traffic to the site can be monitored and results tabulated in a variety of reporting features.
Projects and Activities	<ul style="list-style-type: none">• Coordination efforts continue with IDS Consultants, Engineering and WEROC staff, regarding building improvements, seismic retrofits, electrical upgrades, IT Server Air Conditioning unit.• Staff has applied for a wellness grant from JPIA and plans to utilize the funds in a variety of educational sessions and fitness coupons for employees.



INFORMATION ITEM

June 12, 2019

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

FROM: Robert J. Hunter, General Manager

Staff Contact: Jeff Stalvey

SUBJECT: Finance and IT Pending Items Report

SUMMARY

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

Description	% of Completion	Estimated Completion date	Status
<u>Finance</u>			
Further Implementation of WUE Landscape Programs Databases and Web Site.	On-going	On-going	In Progress
2019 W-9 collection for water rebates. Currently holding 3 rebate checks awaiting W-9 form.	On-going	On-going	In Progress
RFP for Actuarial Services sent out 06-03-19. We have been with Demsey Filliger for 5 years.	75%	06-30-19	In Progress
Prepare for Interim Audit the week of 07-08-19	10%	07-08-19	In Progress

Description	% of Completion	Estimated Completion date	Status
<u>Information Technology</u>			
Network security issues (hackers, viruses and spam emails)	On-going	On-going	Continuous system monitoring
Purchase and upgrade Conference room 101 with Interactive board	0%	06-30-19	Not Started

Description	% of Completion	Estimated Completion date	Status
<u>FY 2018-19 Completed Special Tasks</u>			
<u>Finance</u>			
Pulled 83 W-9's to respond to an IRS penalty notice for 2016 1099 filings. Legal counsel responded. IRS waived the penalty.	100%	02-28-19	Completed
Government Compensation in California Report 2018	100%	04-30-19	Completed
Preparation of documents for FY2019-20 budget process.	100%	04-30-19	Completed
File and pay sales tax for items purchased with no sales tax being charged in 2018.	100%	04-15-19	Completed
<u>Information Technology</u>			
Purchase and upgrade Virtual Hyper-V Host Server (Hardware and Software)	100%	12-31-18	Completed
Upgrade VOIP telephone phone system (Hardware and software)	100%	04-30-19	Completed



INFORMATION ITEM

June 12, 2019

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

FROM: **Robert Hunter, General Manager**

Staff Contact: Kevin Hostert

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

STAFF RECOMMENDATION

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

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

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

- OC Water Usage, Monthly by Supply **OCWD Groundwater was the main supply in April.**
- OC Water Usage, Monthly, Comparison to Previous Years Water usage in **April 2019 was below average compared to the last 5 years.** We are continuing to see slight decreases in overall water usage compared to FY 2017-18. It has been 26 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 **529,000 AF in FY 2018-19** (this includes ~15 TAF of agricultural usage and non-retail water agency usage). This is about **11,000 AF less than FY 2017-18** and is about **10,000 AF more than FY 2016-17**. Water usage per person is projected to be slightly higher in **FY 2018-19 for Orange County at 146 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):			

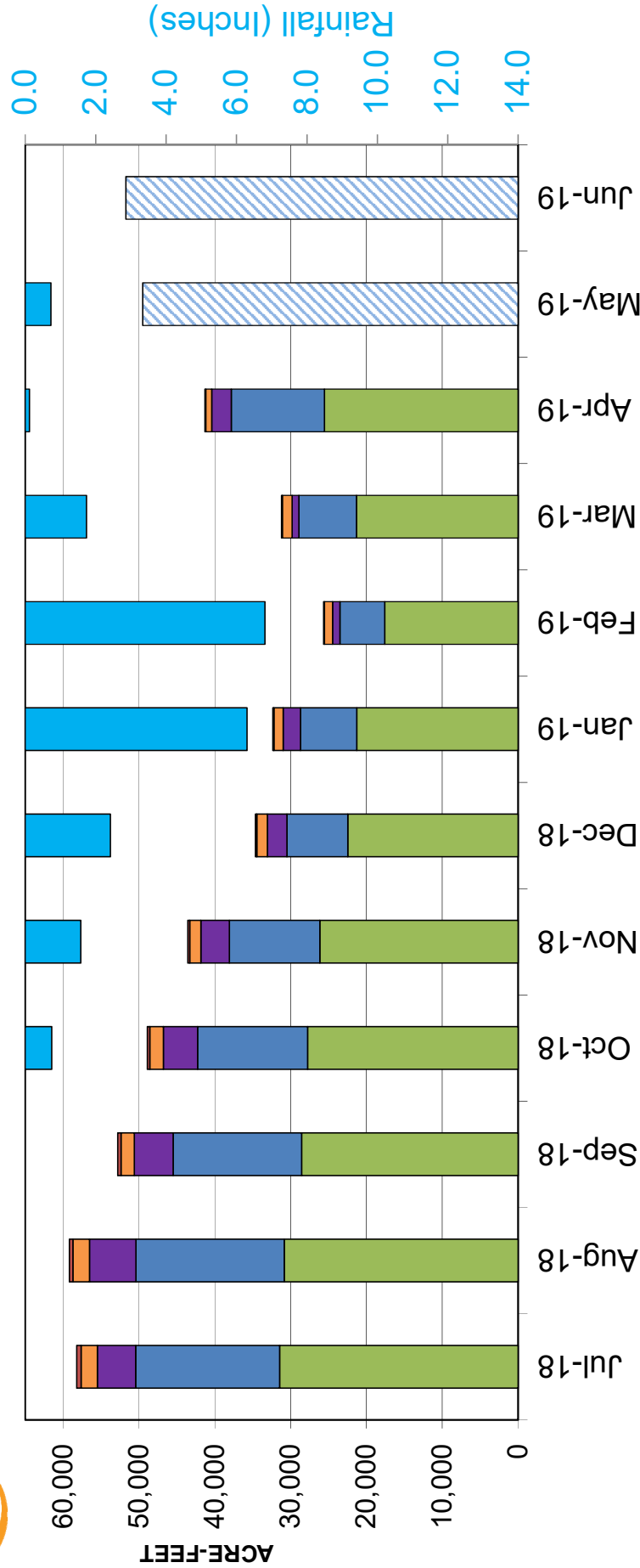
term decrease in per-capita water usage is attributed mostly to Water Use Efficiency (water conservation) efforts. ***O.C. Water Usage for the last three Fiscal Years is the lowest since the 1982-83 Fiscal Year*** (FY 1982-83 was the third wettest year on record).

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. 1st through Sept. 30th.

- Orange County's accumulated rainfall through ***early June*** was above average for this period. Water year to date rainfall in Orange County is ***20.45 inches***, which is ***162% of normal***.
- Northern California accumulated precipitation through ***early June*** was ***142% 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 ***172% of normal*** as of April 1st. ***As of late May, 0.00%*** of California is experiencing ***moderate drought conditions*** while 5.97% of the state is experiencing abnormally dry conditions. The State Water Project Contractors Table A Allocation was increased to 70% in March 2019.
- Colorado River Basin accumulated precipitation through ***late April*** was ***125% of normal*** for this period. The ***Upper Colorado Basin snowpack*** was ***128% of normal*** as of April 15th. ***Lake Mead and Lake Powell*** combined have about ***59% of their average storage volume*** for this time of year and are at ***41.8% 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 March, Lake Mead levels were ***16.26' 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 (As of April 1st 2019, Reclamation has not updated their projections following the recent storm activity)***.



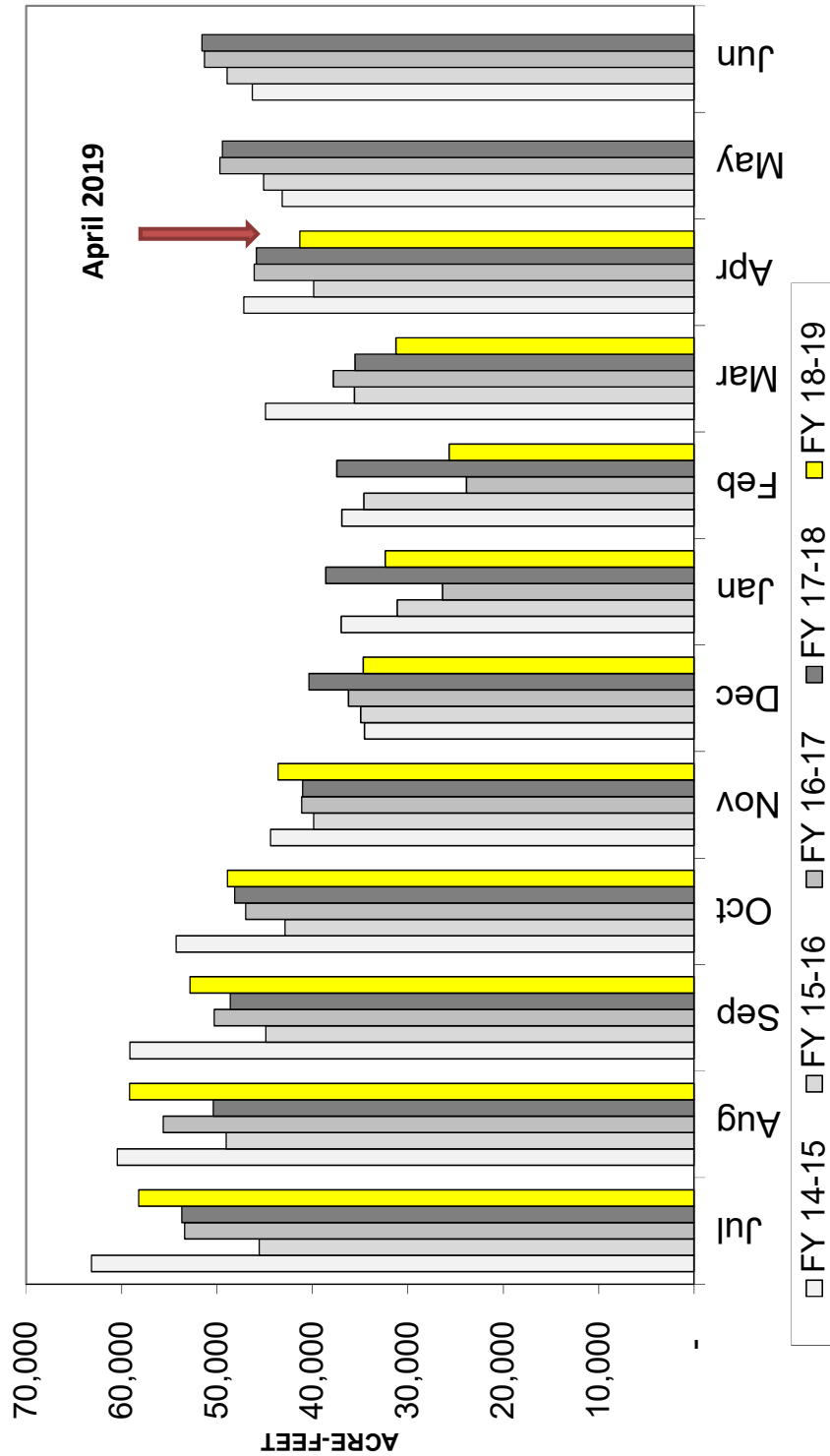
**Fig. 1 OC Water Usage, Monthly by Supply
with projection to end of fiscal year**



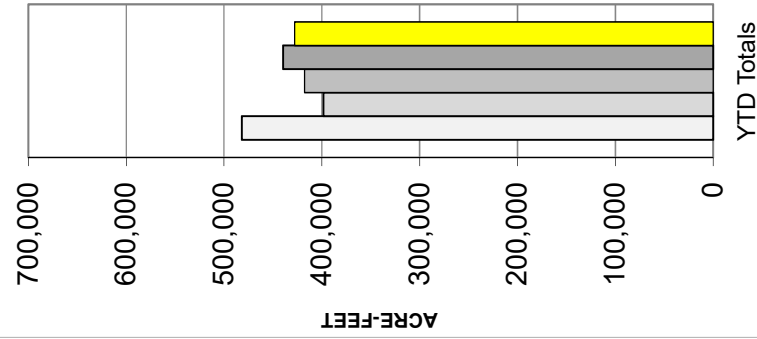
- [1] Imported water for consumptive use. Includes "In-Lieu" deliveries and CUP water extraction. Excludes "Direct Replenishment" deliveries of spreading water, "Barrier Replenishment" deliveries, and deliveries into Irvine Lake.
- [2] GW for consumptive use only. Excludes In-Lieu water deliveries and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



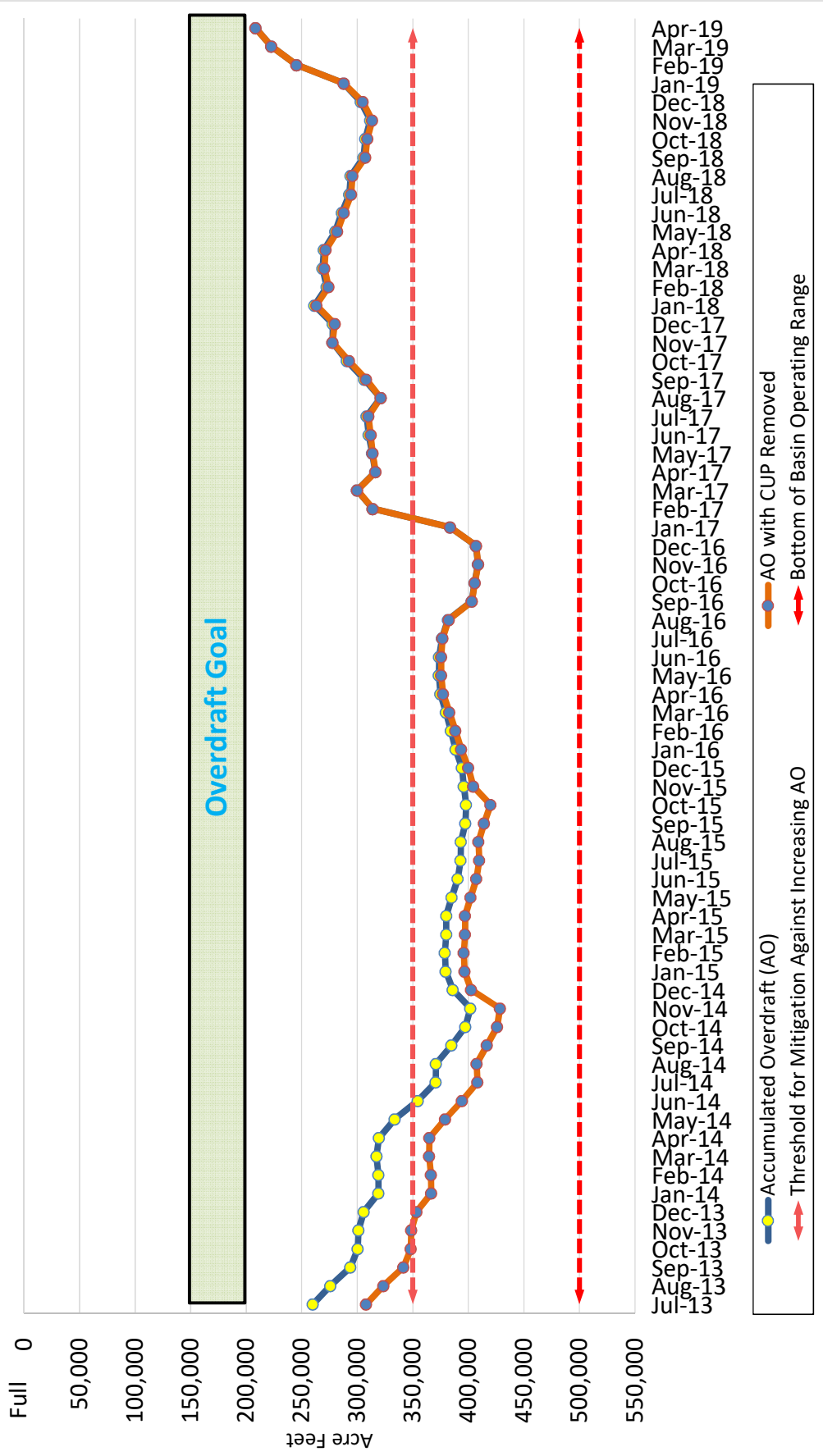
Partial Year Subtotals



[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.

######

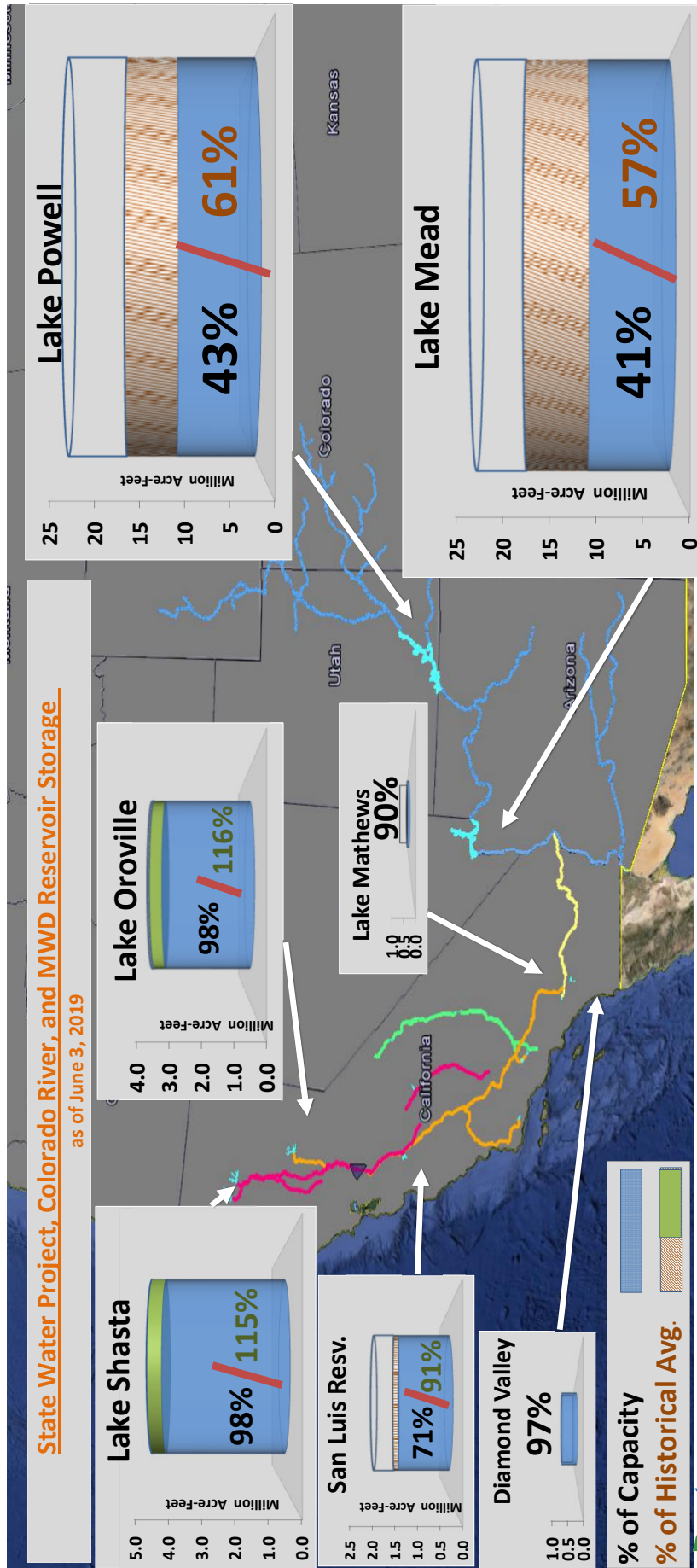
Accumulated Overdraft of the OCWD Groundwater Basin as of April 2019



	Jul-17	Aug-17	Sep-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	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	277,691	279,776	263,237	274,188	270,463	271,601	282,041	287,869
AO (AF)	292,869	294,090	305,572	311,765	303,249	287,800	245,452	222,625	208,424		
AO w/CUP removed (AF)	294,572	295,790	307,271	313,460	304,943	287,800	245,452	222,625	208,424		

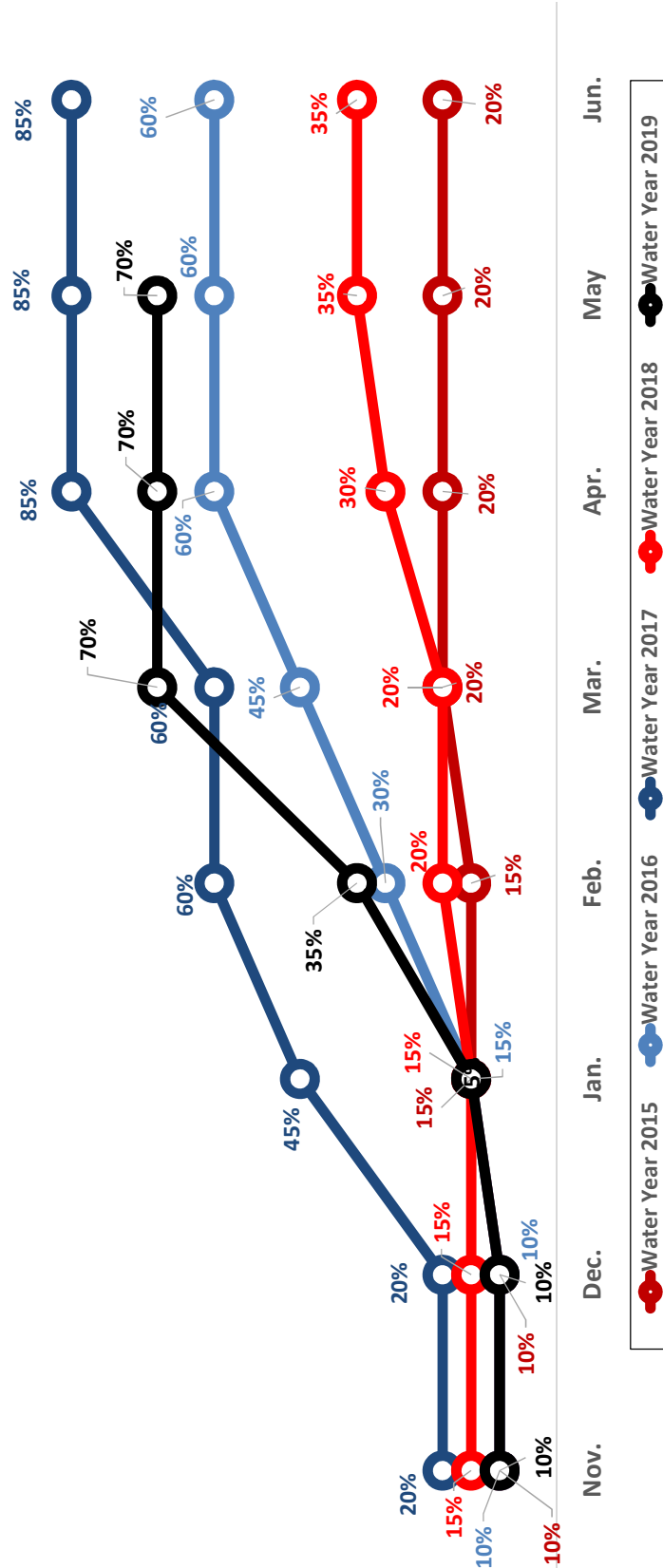


State Water Project, Colorado River, and MWD Reservoir Storage as of June 3, 2019

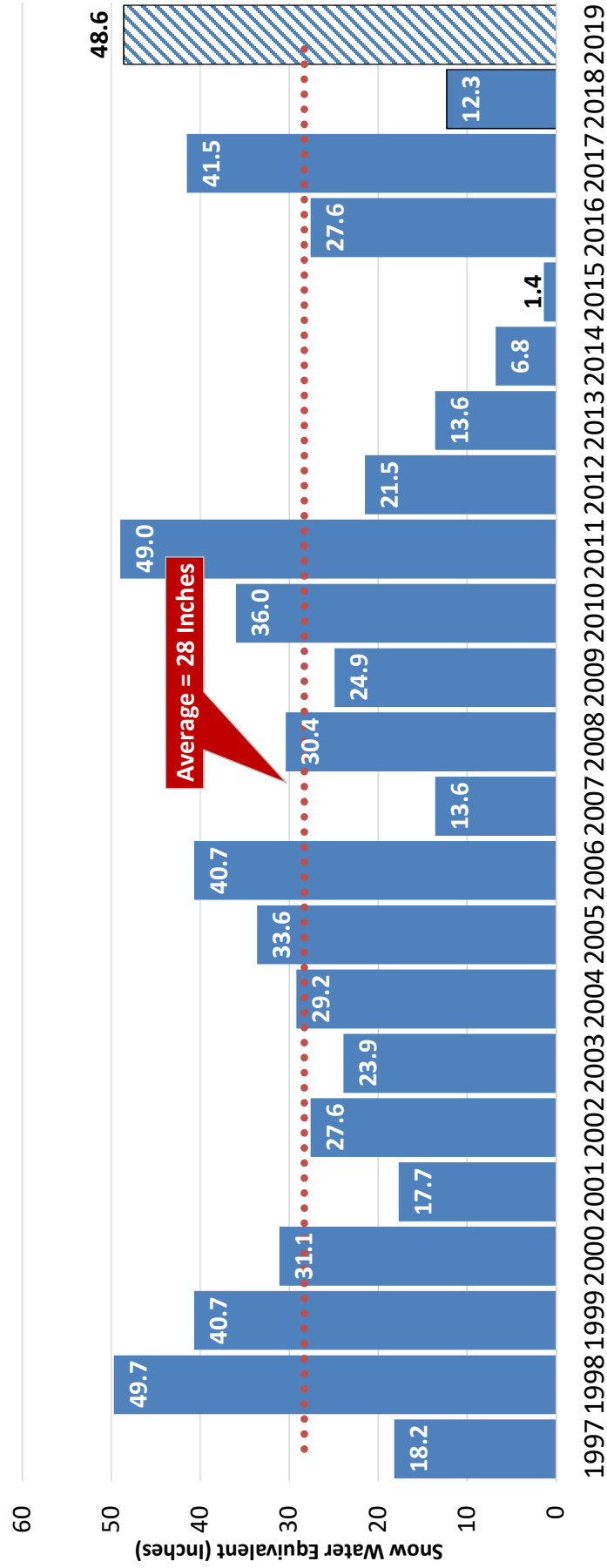


SWP TABLE A ALLOCATION

FOR STATE WATER PROJECT CONTRACTORS



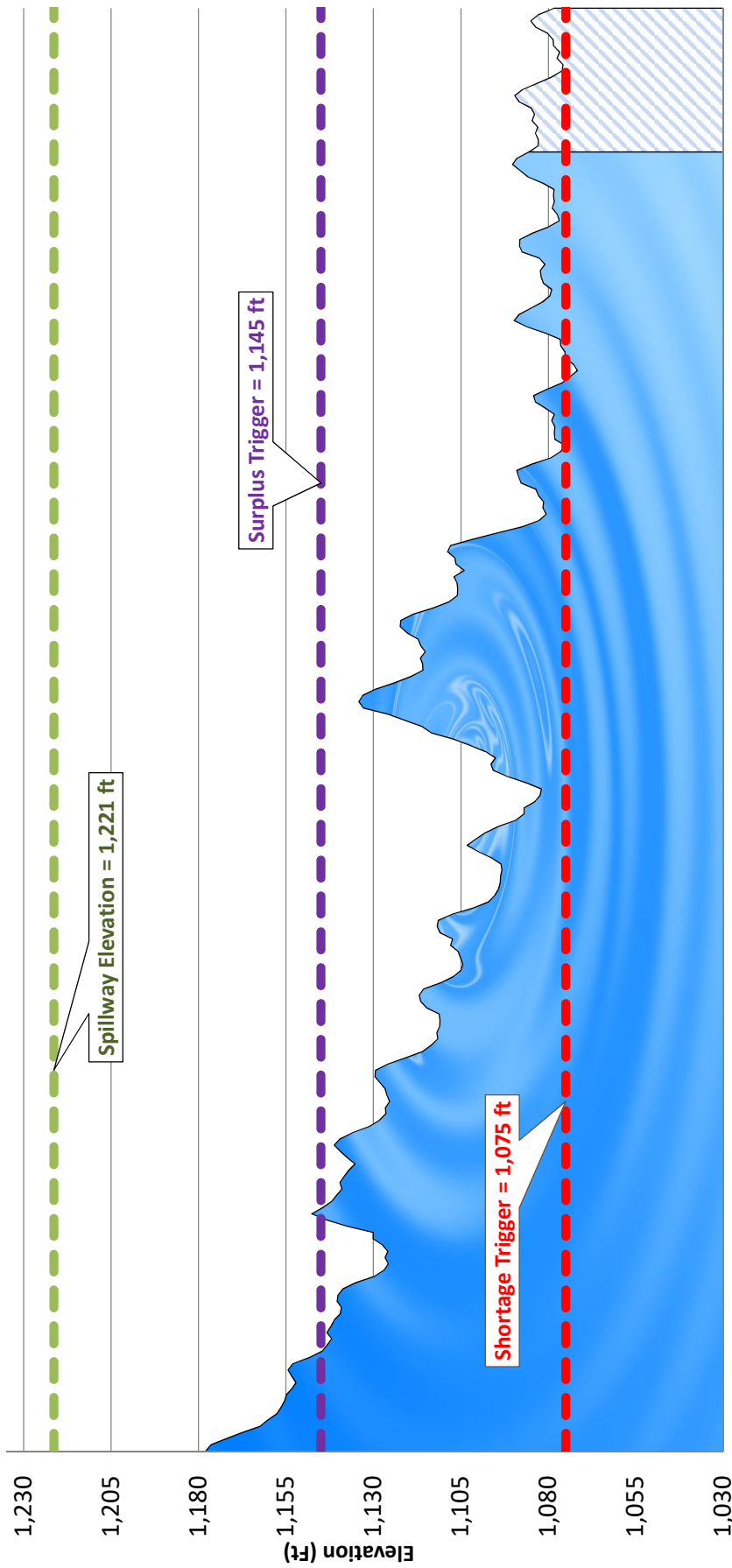
Historical Northern California April 1st Peak Snow Water Equivalent





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

