



AGENDA

EAST ORANGE COUNTY WATER DISTRICT
(EOCWD)

Thursday, September 15, 2022
185 N. McPherson Road, Orange, California

5:00 p.m.

NOTE: On March 4, 2020, California Governor Gavin Newsom declared a State of Emergency in California as a result of the COVID-19 Pandemic, for which Orange County Public Health Officials have continued to recommend measures to promote social distancing. Pursuant to Government Code Section 54953, and corresponding findings of the Board that currently remain in effect, (1) members of the Board of Directors and public may elect to attend this Regular Meeting by telephone or video conference due to concerns relative to COVID-19 Coronavirus and avoidance of public gatherings, and (2) **a public location to attend this meeting will now be provided in tandem with the telephone and video options.** The public may attend either in-person, telephonically, or by videoconference, with the latter accessible at:

To Access the Meeting by Computer/Device

<https://us02web.zoom.us/j/84577149550?pwd=dGw1RzUvY3RBSkFrVWlkbGhHakR2UT09>
or via shortlink: <https://bit.ly/3ra4ab2>

To Access the meeting by Phone:

Dial: (669) 900-6833

Meeting ID: 845 7714 9550 Passcode: 902788

Members of the public shall be permitted to speak live at the meeting as to both agendized and non-agendized items, as reflected in the agenda, utilizing the above-referenced internet or telephone options. Those wishing to speak may either submit a speaker request via the on-line chat feature before an item is heard, or by verbally indicating their desire to comment at the time the item is called. Additionally, members of the public may, but are not required to, e-mail comments to Sylvia Prado at sprado@eocwd.com up to 30 minutes before the Board meeting, and such comments shall be provided to the Board. Members of the public wishing to attend the meeting that require other reasonable modifications or accommodation to facilitate such attendance should contact Ms. Prado at (714) 538-5815 or the e-mail provided as soon as feasible before the meeting to make such request.

1. Call Meeting to Order; Pledge of Allegiance – Director Bell

2. State of Emergency Virtual Meeting Findings – Government Code § 54953(e)(3)

For the duration of the COVID-19 emergency, to support the continued use of virtual meetings, the Board shall as appropriate and justified find, by majority vote, determined whether (1) the State of Emergency declared by California Governor Newsom on March 4, 2020, relative to the COVID-19 Emergency, remains in effect; and (2) State or Local Health Officials continue to recommend or impose measures to promote social distancing in connection with such Emergency, and/or due to existing rate of community transmission and the small meeting space available to the District for in-person attendance, the provision of a physical location for the District’s meetings would present imminent risks to the health and safety of attendees. Such a finding will remain in effect for the next 30 days.

Recommendation: That the Board renew its prior Government Code section 54953(e) findings, authorizing the continued use of emergency teleconferencing procedures modified to permit a hybrid of in-person and teleconferenced attendance for both the Board and public, as (1) the State of Emergency declared by Governor Newsom on March 4, 2020, relative to the Covid-19 emergency, remains in effect; and (2) Orange County public health officials continue to recommend measures to promote social distancing in connection with such emergency, and the Board finds while circumstances can be relaxed to allow for in-person attendance, such in-person attendance shall remain optional for members of the Board and public and tele- and videoconferencing options shall remain in effect for an additional 30 days.

3. Addition of Items Arising After Posting of Agenda Requiring Immediate Action

(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present)

Recommendation: Adopt resolution determining need to take immediate action on item(s) and that the need for action came to the District’s attention after posting of the Agenda and that such item(s) be added to the Agenda.

4. Public Communications to the Board: Opportunity for members of the public to comment on agendized and non-agendized items. Each speaker and comment is limited to three minutes. During this time, e-mailed comments timely submitted to Ms. Prado shall be provided to the Board. Interested speakers who either verbally indicate their desire to speak during this item or submit a chat request at the beginning of the meeting shall be afforded an opportunity to address the Board. At the discretion of the Board President, comments on a particular agendized item may be deferred until that item is heard.



CONSENT CALENDAR (Items 5-10) All matters on the Consent Calendar are to be approved by one motion, without separate discussion on these items, unless a Board member or District staff request that specific items be removed from the Consent Calendar for separate consideration.

5. Minutes of Regular Board Meeting Held August 16, 2022
Recommendation: Approve minutes as presented.
6. Schedule of Disbursements
Recommendation: Approval of disbursements as submitted.
7. General Manager's Report
Recommendation: Receive and File.
8. Financial Statements
Recommendation: Informational.
9. Wholesale and Retail Water Usage Report
Recommendation: Informational.
10. Adoption of Revised Sewer Standards
Recommendation: Adopt new sewer standards.

MATTER FOR CONSIDERATION

11. Rate Study Presentation
Recommendation: Finalize report and direction staff to prepare the appropriate notification to comply with Proposition 218.
12. ID1 CRA Project Update
Recommendation: Informational.
13. General Manager Performance Evaluation
Recommendation: Approve salary increase to General Manager's compensation.

MISCELLANEOUS ITEMS

14. Directors' reports on meetings attended at District expense (Government Code Section 53232.3) and Directors' comments. Directors or staff may ask questions for clarification, make brief announcements, and make brief reports on their own activities. Directors may provide a reference to staff or other resources for factual information, request staff to report back at a subsequent meeting concerning a matter, or direct staff to place a matter on a future agenda (Government Code § 54954.2)



15. Monthly Legislative & Outreach Report
Recommendation: Receive and File.

RECESS TO CLOSED SESSION

1. Conference with Legal Counsel - Existing Litigation (Govt Code § 54956.9(d)(1))- *Irvine Ranch Water District v. Orange County Water District*, Case No. 30-2016-00858584-CU-WMCJC.
2. Open Session: Report Out of Closed Session

ADJOURNMENT

Adjourning to the next Regular Meeting scheduled for **October 20, 2022**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California or on-line as noticed pursuant to findings of the Board.

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

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

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

August 18, 2022

Call to Order. A Regular Meeting of the Board of Directors of the East Orange County Water District was called to order by President DOUGLASS DAVERT at 5:00 p.m. on Thursday, August 18, 2022, with Director JOHN SEARS leading the Pledge of Allegiance. Pursuant to Government Code Section 54953(e), and related findings of the Board of Directors, public attendance was facilitated via video and teleconference, and there was no public location for attending this board meeting in-person. JEFFREY HOSKINSON, Secretary, recorded the minutes of the meeting.

The following Directors attended the meeting: Directors RICHARD BELL, DOUGLASS DAVERT, GEORGE MURDOCH, JOHN SEARS, and MARILYN THOMS.

Also present were:

DAVID YOUNGBLOOD	General Manager
JEFF SMYTH	Engineering Manager
JERRY MENDZER	Operations Manager
JULIAN DE LA O SOLIS	Administrative Assistant
JEFF HOSKINSON	District Secretary and Legal Counsel
JOHN LEWIS	Lewis Consulting
CHRISTOPHER DEAL	Best, Best & Krieger (videoconference)

Other staff and members of the public may have attended via video- or teleconference that are not listed above.

State of Emergency Virtual Meeting Findings.

ACTION TAKEN: The Board, on motion from SEARS, seconded by MURDOCH, by unanimous vote renewed for an additional 30 days its prior Government Code section 54953(e) findings, authorizing the continued use of emergency teleconferencing procedures for all District meetings as (1) the State of Emergency declared by Governor Newsom on March 4, 2020, relative to the COVID-19 emergency, remains in effect; and (2) Orange County public health officials continue to recommend measures to promote social distancing in connection with such emergency, and the Board finds that the provision of a physical location for the District's meetings, in light of the existing rate of community transmission and the small meeting space available to the District, would present imminent risks to the health and safety of attendees.

Addition of Items Arising After Posting of Agenda Requiring Immediate Action.
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present).

ACTION TAKEN: None

Public Communications to the Board. No public comments were presented, and no e-mail communications for public comment received.

Consent Calendar. The Board, on motion from BELL, seconded by THOMS, approved the Consent Calendar items by unanimous roll-call vote, as follows:

5. **Minutes:** THE MINUTES OF THE JUNE 16, 2022 REGULAR MEETING OF THE BOARD WERE APPROVED AS SUBMITTED;
6. **Schedules of Disbursements:** THE BOARD APPROVED THE SCHEDULES OF DISBURSEMENTS AS SUBMITTED;
7. **General Manager's Report:** THE BOARD RECEIVED AND FILED THE GENERAL MANAGER'S REPORT;
8. **Financial Statements:** THE BOARD RECEIVED AND FILED THE FINANCIAL STATEMENTS;
9. **Wholesale and Retail Water Usage Report:** THE BOARD RECEIVED AND FILED THE WHOLESALE AND RETAIL WATER USAGE REPORT;
10. **Equipment Surplus:** THE BOARD APPROVED THE SURPLUS AND DISPOSAL OF EQUIPMENT AS PRESENTED;
11. **Conference and Meeting Request:** THE BOARD AUTHORIZED ATTENDANCE AT THE ORANGE COUNTY WATER SUMMIT AS DESIRED.

**** THE BOARD HEARD ITEM NO. 17 OUT OF ORDER**

Miscellaneous Items.

18. **Monthly Legislative & Outreach Report.** Hon. John Lewis, of Lewis Consulting, provided an oral highlight of his monthly report, discussing responses to the Orange County Grand Jury by the Municipal Water District of Orange County ("MWDOC"), an overview of election projections; and an update on the Colorado River drought and Lake Mead.

ACTION TAKEN: The Board, on motion by SEARS, seconded by BELL, by unanimous roll-call vote elected to receive and file the Monthly Legislative and Outreach Report.

**** THE BOARD RETURNED TO THE BALANCE OF THE AGENDA AS AGENDIZED**

Matters for Consideration.

12. Circula Panorama Pipeline Design Award. General Manager Youngblood introduced the item, including an overview of the District's plans and considered projects at the Vista Panorama Reservoir. General Manager Youngblood and Engineering Manager Smyth detailed the current consideration of a secondary feedline for the neighborhood, and the desire to authorize a design for such project. Director BELL indicated that the design proposal had been discussed at the Engineering Committee.

ACTION TAKEN: The Board, on motion by BELL, seconded by THOMS, authorized the General Manager to award a Professional Services Contract to MKN & Associates, in the amount of \$252,214, for the design of the Circula Panorama Pipeline Project.

13. Barret Pump Station Construction. Mr. Smyth provided a background of the design efforts relative to the Barrett Booster Pump Station by MKN & Associates, and bids that were received relative to the construction.

ACTION TAKEN: The Board, on motion by SEARS, seconded by THOMS, (1) awarded a construction contract to Pacific Hydrotec in the amount of \$1,457,100, (2) awarded a professional services amendment to MKN & Associates in the amount of \$157,192 for additional services such as engineering, inspection, and management during construction, and (3) established a contingency budget of \$100,000 to be used at the discretion of the General Manager to address any unanticipated conditions for the construction of the Barrett Pump Station Replacement Project.

14. OC-70 Meter Resolution. General Manager Youngblood referred to his report, with respect to the approximate \$1.5 million returned by the Metropolitan Water District of Southern California ("Metropolitan") in connection with the OC-70 Meter, which was disbursed by EOCWD to its wholesale water customers, including \$215,000 to EOCWD.

ACTION TAKEN: None. Information Only

15. Orange County Grand Jury Report Response. President DAVERT introduced the item, relative to the June 22, 2022 Orange County Grand Jury report, entitled "Water in Orange County Need 'One Voice,'" with reference to the proposed reply requested by EOCWD, among other agencies, presented to the Board. Director SEARS indicated that the answers were well done.

ACTION TAKEN: The Board, on motion by MURDOCH, seconded by THOMS, by unanimous roll-call vote approved the response to the Grand Jury report as presented.

Miscellaneous Items.

16. Directors' reports on meetings attended at District expense (Government Code Section 53232.3) and Directors' comments. The Directors reported attendance as set forth in the agenda, as follows:

President Davert

6/8 OC LAFCO Commission Meeting
6/10 EOCWD Administrative & Finance Committee Meeting
6/16 EOCWD Regular Board Meeting
7/13 OC LAFCO Commission Meeting

Vice President Murdoch

6/3 ACWA Region 10 Workgroup
6/9 EOCWD Engineering & Operations Committee Meeting
6/16 EOCWD Regular Board Meeting
6/30 EOCWD Employee Recognition Luncheon
7/7 Meeting with Eric O'Donnell Legislative Update

Director Bell

6/9 EOCWD Engineering & Operations Committee Meeting
6/16 EOCWD Regular Board Meeting

Director Sears

6/2 Foothill Communities Association (FCA) Meeting
6/3 Water Advisory Committee of Orange County (WACO) Meeting
6/10 EOCWD Administrative & Finance Committee Meeting
6/16 EOCWD Regular Board Meeting
6/30 EOCWD Employee Recognition Luncheon
7/1 Water Advisory Committee of Orange County (WACO) Meeting
7/19 Annual Foothill Communities Association (FCA) Meeting

Director Thoms

6/16 EOCWD Regular Board Meeting

Vice-President MURDOCH and Director BELL provided summaries of presentations on Colorado River water and related comments. Director BELL commented on AB 157 and limitations on residential indoor water use. Director SEARS provided a brief summary relative to two Water Advisory Committee of Orange County ("WACO") meetings attended.

Closed Session.

1. **Conference with Legal Counsel** – Potential Litigation (Govt. Code § 54956.9(d)(4))
AT&T and T-Mobile Communications (Vista Panorama)
2. **Conference with Legal Counsel** - Existing Litigation (Govt Code § 54956.9(d)(1))
Irvine Ranch Water District v. Orange County Water District, Case No. 30-2016-00858584-CU-WMCJC.
3. **Public Employee Performance Evaluation** (Government Code § 54957)
Title: General Manager

Report Out: The Board met in Closed Session on Closed Session Items 1 through 3, and took no reportable action.

Adjournment.

The Board adjourned the meeting at or around 5:53 p.m. to the next Regular Meeting of the Board of Directors on **Thursday, September 15, 2022**, at 5:00 p.m., to be held on-line pursuant to Government Code Section 54953(e) and, as applicable, in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California.

Respectfully submitted,

Jeffrey A. Hoskinson



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: MONTHLY DISBURSEMENTS
DATE SEPTEMBER 15, 2022

Background

Monthly disbursements

Recommendation

Approval of disbursements as submitted.

Attachment(s): Monthly disbursements report

EAST ORANGE COUNTY WATER DISTRICT

DISBURSEMENT SUMMARY

September 15, 2022

WHOLESALE AND RETAIL BILLS	\$1,491,114.46
DIRECTOR'S PAYROLL	\$1,714.93
EMPLOYEE'S PAYROLL	\$154,773.25
DISBURSEMENT TOTAL	<u><u>\$1,647,602.64</u></u>

TRANSFER SUMMARY

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

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

East Orange County Water District Bills For Consideration

09/12/22

Accrual Basis

As of August 31, 2022

Date	Num	Name	Memo	Credit
08/17/2022	6794	ALS GROUP USA, CORP	Laboratory Analysis (water quality) August 2022	382.50
08/17/2022	6795	AMIR SADIGHI	RZ Customer Deposit Refund	378.34
08/17/2022	6796	AT&T	Various SCADA Lines 08/05/22-09/05/22	87.96
08/17/2022	6797	CINTAS CORPORATION NO. 3	Uniforms - August 2022	106.22
08/17/2022	6798	COUNTY OF ORANGE	Communication Charges - 07/01/22 - 09/30/22	680.00
08/17/2022	6799	EIDE BAILLY LLP	Consulting Services Retainer & Out of Scope - July 2022	10,526.50
08/17/2022	6800	FIRE GRAZERS INC.	Reservoir Maintenance at the 6 MG reservoir site	6,442.00
08/17/2022	6801	GENERATOR SERVICES CO, INC	Generator Rental 08/01/22-08/31/22	2,699.52
08/17/2022	6802	HILL BROTHERS CHEMICAL CO	Chemicals for WZ Reservoir	922.50
08/17/2022	6803	HOME DEPOT CREDIT SERVICES	Misc. Hardware, Materials & Tools/Maintenance	1,042.27
08/17/2022	6804	IRVINE PIPE SUPPLY	Andres Reservoir Maintenance	233.51
08/17/2022	6805	MWDOC	Water Loss Control Shared Services Year III	3,600.00
08/17/2022	6806	O'REILLY AUTO ENTERPRISES, LLC	Vehicle Maintenance	18.72
08/17/2022	6807	PTI SAND & GRAVEL	Valve Replacement	483.40
08/17/2022	6808	SOUTHERN CALIFORNIA EDISON	Electricity - Various Location 06/28/22-7/27/22	3,187.08
08/17/2022	6809	SPECTRUM BUSINESS	Office Internet 08/08/22-09/07/22	287.95
08/17/2022	6810	TESCO CONTROLS, INC	SCADA Upgrade	9,695.00
08/17/2022	6811	TOTAL EXTERMINATING INC	Rodent Control - Peter's Canyon Res - August 2022	550.00
08/17/2022	6812	ULTRA WELDING, INC.	WZ Vault Repair	810.00
08/17/2022	6813	UNDERGROUND SERVICE ALERT	USA Location - August 2022	436.18
08/17/2022	6814	UNITED WATERWORKS INC.	Crawford Canyon Project	6.41
08/17/2022	6815	WATERLINE TECHNOLOGIES INC.	Water Quality	228.00
08/18/2022	6816	SANCON TECHNOLOGIES, INC.	CIPP Project	194,939.05
08/30/2022	6817	ALS GROUP USA, CORP	Laboratory Analysis (water quality) August 2022	325.00
08/30/2022	6818	ATKINSON, ANDELSON, LOYA, RUUD &...	July 2022 Legal Fees	4,077.00
08/30/2022	6820	BAY ALARM	Alarm Services 09/01/22-12/01/22	113.81
08/30/2022	6819	California Water Environment Association	CWEA Membership & Certification	394.00
08/30/2022	6821	Charles G. Chavana	Reimbursed Sewer Charges	2,227.00
08/30/2022	6822	CINTAS CORPORATION NO. 3	Uniforms - August 2022	207.11
08/30/2022	6823	COUNTY OF ORANGE	Permit & Inspection Fees	1,028.39
08/30/2022	6824	FIDELITY NATIONAL TITLE COMPANY	Preliminary Report - 185 N Mc Pherson Orange, CA 92869	550.00
08/30/2022	6825	FOOTHILL SENTRY, INC	Water Conservation Ad	525.18
08/30/2022	6826	G O RODRIGUEZ TRUCKING, INC	Valve Replacement	2,339.00
08/30/2022	6827	GENERATOR SERVICES CO, INC	Generator Rental 09/01/22-09/30/22	2,699.52
08/30/2022	6828	HAAKER EQUIPMENT COMPANY	Vehicle Maintenance	613.72
08/30/2022	6829	INSTANT LUBE, INC.	Vehicle Maintenance	132.77
08/30/2022	6830	JASON THORSELL	Reimbursement - Office Supplies	12.02
08/30/2022	6831	JERRY MENDZER	Rembursement - Vehicle Equipment	43.08
08/30/2022	6832	Landmark 3T,LLC	Sewer Analysis Customer Refund	594.00
08/30/2022	6833	MAIN GRAPHICS	Bi-Monthly Water Bill Mailing	1,391.83
08/30/2022	6834	MATRIX COMPUTER SERVICE	IT Support 07/20/22-08/17/22	2,707.50
08/30/2022	6835	MKN	Barrett Pump Station Replacement	22,683.88
08/30/2022	6836	MWDOC	FY 22/23 Choice Programs	8,550.38
08/30/2022	6837	PETTY CASH	Petty Cash Reimbursement	172.92
08/30/2022	6838	PTI SAND & GRAVEL	Valve Replacement	487.19
08/30/2022	6839	Ricardo Sanchez	Reimbursement - Water Collection Systems Course	161.00
08/30/2022	6840	Smileday Dental,INC Dr. Than Minh Le, D...	Plan Check Deposit Refund	187.38
08/30/2022	6841	SOUTHERN CALIFORNIA EDISON	Electricity - Various Location - 07/26/22-8/23/22	397.20
08/30/2022	6842	STANDARD INSURANCE COMPANY	Life Insurance Premium 09/01/22-09/30/22	772.03
08/30/2022	6843	TOTAL EXTERMINATING INC	Rodent Control - Peter's Canyon Res - August 2022	275.00
08/30/2022	6844	TRENCH SHORING COMPANY	Equipment - Valve Replacement	467.50
08/30/2022	6845	USA BLUE BOOK	Water Quality Testing Materials	1,041.26
08/30/2022	6846	WATERLINE TECHNOLOGIES INC.	Water Quality	310.08
08/30/2022	6847	WEST COAST TELCOM PRODUCTS	Small Tools	3,707.51

TOTAL

296,937.37

East Orange County Water District Bills For Consideration

09/12/22

Accrual Basis

As of September 12, 2022

Date	Num	Name	Memo	Credit
09/08/2022	6848	EAST ORANGE COUNTY WATER DIST.	Payment to WZ for Imported Water	102,210.65
09/08/2022	6849	MWDOC	Wholesale Zone Water Purchase July 2022	1,024,099.60
09/09/2022	6850	ALLCOM BUILDING SERVICES, LLC	September 2022 Janitorial	710.00
09/09/2022	6851	ALS GROUP USA, CORP	Laboratory Analysis (water quality) August 2022	150.00
09/09/2022	6852	AT&T LONG DISTANCE	Long Distance Calls 07/26/22-08/25/22	31.12
09/09/2022	6853	CINTAS CORPORATION NO. 3	Uniforms - August 2022	100.89
09/09/2022	6854	CITY OF ORANGE-WATER	06/22/22- 08/24/22 Water Usage for 210 N. McPherson Road	145.18
09/09/2022	6855	EEC ENVIRONMENTAL	FOG Program 04/01/22-06/31/22	6,257.50
09/09/2022	6856	Orange County Sanitation District	August 2022 Sewer Permits	45,094.53
09/09/2022	6857	LEWIS CONSULTING GROUP	Consulting Services - August 2022	2,500.00
09/09/2022	6858	PARADISE DRINKING WATERS	Bottled Water (Office/Field)	48.25
09/09/2022	6859	ROMEL KFOURY	RZ Customer Refund	197.54
09/09/2022	6860	SANCON TECHNOLOGIES, INC.	CIPP Project	10,259.95
09/09/2022	6861	SOCALGAS	Gas 07/27/22 to 08/25/2022 185 N McPherson	22.37
09/09/2022	6862	SOUTHERN CALIFORNIA EDISON	Electricity - Various Location 07/28/22-8/25/22	102.71
09/09/2022	6863	TOM DODSON & ASSOCIATES	CEQA for Office Development	1,305.00
09/09/2022	6864	VERIZON WIRELESS	Wireless 07/26/22-8/25/22	941.80
TOTAL				1,194,177.09

EAST ORANGE COUNTY WATER DISTRICT
 CITIZENS BUSINESS BANK
 Prior Month's Checks To Ratify
 DIRECTORS' PAYROLL*
 15-Sep-22

PAYMENT FOR BOARD AND COMMITTEE MEETINGS IN THE MONTH OF JUNE 2022 & JULY 2022

DATE	CHECK NO	AMOUNT	PAYABLE TO
8/18/2022	362	\$ 323.22	BOARD DIRECTOR
8/18/2022	363	\$ 319.38	BOARD DIRECTOR
8/18/2022	364	\$ 646.45	BOARD DIRECTOR
8/18/2022	365	\$ 159.68	BOARD DIRECTOR
		\$ 1,448.73	TOTAL PAYROLL CHECKS
PAYROLL TAXES, ADP CHARGE EFT			
		\$266.20	ADP TAXES
		\$266.20	TOTAL CHARGES & TRANSFER
		\$1,714.93	

***** NOTE: DOUG DAVERT DECLINES PAYMENT FOR ALL MEETINGS**

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

EAST ORANGE COUNTY WATER DISTRICT
 CITIZENS BUSINESS BANK
 Prior Month's Checks To Ratify
 EMPLOYEES' PAYROLL*
 Month of Aug 2022

	CHECK DATE	CHECK AMOUNT	PAYABLE TO
AUTO DEPOSIT	8/10/2022	\$ 7,790.32	GENERAL MANAGER
AUTO DEPOSIT	8/10/2022	\$ 5,500.89	ENGINEERING MANAGER
AUTO DEPOSIT	8/10/2022	\$ 5,398.45	OPERATIONS MANAGER
AUTO DEPOSIT	8/10/2022	\$ 4,073.41	WASTEWATER SUPERVISOR
AUTO DEPOSIT	8/10/2022	\$ 2,169.71	WATER DISTRIBUTION OPERATOR III
AUTO DEPOSIT	8/10/2022	\$ 1,990.23	WATER DISTRIBUTION OPERATOR I
AUTO DEPOSIT	8/10/2022	\$ 3,375.59	WATER DISTRIBUTION OPERATOR I
AUTO DEPOSIT	8/10/2022	\$ 2,469.33	WASTEWATER COLLECTION OPERATOR II
AUTO DEPOSIT	8/10/2022	\$ 1,715.30	WASTEWATER COLLECTION OPERATOR I
AUTO DEPOSIT	8/10/2022	\$ 2,148.26	WASTEWATER COLLECTIONS OPERATOR I
AUTO DEPOSIT	8/10/2022	\$ 2,382.80	OFFICE MANAGER
AUTO DEPOSIT	8/10/2022	\$ 2,202.62	MANAGEMENT ANALYST
AUTO DEPOSIT	8/10/2022	\$ 2,129.67	ADMINISTRATIVE ASSISTANT I
AUTO DEPOSIT	8/10/2022	\$ 1,553.53	PART TIME ADMINISTRATIVE ASSISTANT
		<u>\$ 44,900.11</u>	SUB TOTAL

AUTO DEPOSIT	8/24/2022	\$ 7,035.69	GENERAL MANAGER
AUTO DEPOSIT	8/24/2022	\$ 5,500.90	ENGINEERING MANAGER
AUTO DEPOSIT	8/24/2022	\$ 5,395.60	OPERATIONS MANAGER
AUTO DEPOSIT	8/24/2022	\$ 3,492.08	WASTEWATER SUPERVISOR
AUTO DEPOSIT	8/24/2022	\$ 2,748.34	WATER DISTRIBUTION III
AUTO DEPOSIT	8/24/2022	\$ 1,990.22	WATER DISTRIBUTION WORKER I
AUTO DEPOSIT	8/24/2022	\$ 2,438.33	WATER DISTRIBUTION WORKER I
AUTO DEPOSIT	8/24/2022	\$ 2,268.33	WASTEWATER COLLECTION OPERATOR II
AUTO DEPOSIT	8/24/2022	\$ 1,715.30	WASTEWATER COLLECTION OPERATOR I
AUTO DEPOSIT	8/24/2022	\$ 2,900.36	WASTEWATER COLLECTIONS WORKER I
AUTO DEPOSIT	8/24/2022	\$ 2,382.81	OFFICE MANAGER
AUTO DEPOSIT	8/24/2022	\$ 2,202.63	MANAGEMENT ANALYST
AUTO DEPOSIT	8/24/2022	\$ 2,182.60	ADMINISTRATIVE ASSISTANT I
AUTO DEPOSIT	8/24/2022	\$ 1,553.54	PART TIME ADMINISTRATIVE ASSISTANT
		<u>\$ 43,806.73</u>	SUB TOTAL

8/10/2022	\$22,032.31	ADP TAXES
8/10/2022	\$2,793.17	EMPLOYEE PERS ELECTRONIC FUNDS TRANSFER
8/10/2022	\$3,443.59	EMPLOYER PERS ELECTRONIC FUNDS TRANSFER
8/10/2022	\$1,613.67	EMPLOYEE PERS PEPRA TRANSFER
8/10/2022	\$1,785.78	EMPLOYER PERS PEPRA MEMBER TRANSFER
8/10/2022	\$1,634.67	CAL PERS 457 - ING BANK
	<u>\$33,303.19</u>	TOTAL TRANSFERS

8/24/2022	\$21,309.51	ADP TAXES
8/24/2022	\$2,806.79	EMPLOYEE PERS ELECTRONIC FUNDS TRANSFER
8/24/2022	\$3,460.37	EMPLOYER PERS ELECTRONIC FUNDS TRANSFER
8/24/2022	\$1,613.67	EMPLOYEE PERS PEPRA TRANSFER
8/24/2022	\$1,785.78	EMPLOYER PERS PEPRA MEMBER TRANSFER
8/24/2022	\$1,787.10	CAL PERS 457 - ING BANK
	<u>\$32,763.22</u>	TOTAL TRANSFERS

\$154,773.25 GRAND TOTAL PAYROLL

PAYROLL	PAYROLL
8/10/2022	8/24/2022
\$44,900.11	\$43,806.73
\$33,303.19	\$32,763.22
\$78,203.30	\$76,569.95

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



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: GENERAL MANAGER'S REPORT
DATE SEPTEMBER 15, 2022

Background

Monthly report from the General Manager on District activities

Recommendation

Receive and File.

Attachment(s): General Manager's Report

EAST ORANGE COUNTY WATER DISTRICT GENERAL MANAGER'S REPORT

SEPTEMBER 2022

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

SEWER

1) ID1 Update

Activities & Accomplishments for August include:

Activities

- Completed Group 8 cleaning (see attached report).
- Reviewed applications for sewer permits.
- Completed monthly siphon cleaning.
- Completed monthly hot spot cleaning.
- Completed CCTV inspections.
- Completed Dig Alert tickets.
- Ordered misc. sewer supplies and tools.
- Completed FOG Inspections and permit renewals.

Sewer Spills

Update: No spills to report for August 2022.

Permits:

Update: Twelve permits were issued in August; five (5) new SFRs in unincorporated area; three (3) SFR remodels, two (2) in unincorporated area and one (1) in Tustin; two (2) ADUs in unincorporated area; one (1) commercial in Tustin; and one (1) septic to sewer conversion in unincorporated area.

2) ID1 Capacity, Reliability, and Augmentation Project #1

Update: T.E. Roberts completed the construction on the Crawford Canyon segment and they have begun construction on the 6th Street segment. The next segment will be the sewer main crossing at the I5 Freeway, then Browning south of the I5 Freeway to Mitchell, and finally the crossing of the flood control channel and railroad at Fallen Leaf. Construction is expected to be complete in April of 2023.

WHOLESALE ZONE

1) WZ Water Demands

See attachment.

2) Water Quality Update

No Update.

3) OC-43/Walnut Takeout Vault Rehabilitation/Replacement Update

Update: Staff expects to go out to bid next month and start construction in January.

4) WZ Connection Permits

Update: Eight wholesale zone permits were issued in August, six (6) in unincorporated area and two (2) in Tustin.

RETAIL ZONE

1) Water Demand – see attachment

2) East Orange DroughtReach™ Program

Update: RZ Demand was 14.3% lower in August 2022 than August 2021. Water efficiency messaging continues through social media and print media (Foothill Sentry).

3) Well / Booster Station Operations

No Update.

Well Levels – Update: Groundwater levels have declined slightly over the last month as shown on the attached graph.

The pumping water level for the East Well is currently at 229.8 feet BGS (below ground surface). (Note that pumping water levels have been as low as 297 feet BGS back in July 2014).

4) Vista Panorama Reservoir

Update: Due to budget constraints the project will be limited to removing the existing reservoir this fiscal year. Staff requested a quote from the previous low bidder, Pacific Hydrotech, and other demolition firms to remove the concrete reservoir. The design of the Circula Panorama Pipeline Replacement and Conversion was awarded to MKN and Associates in August. Staff held a kickoff meeting with MKN and the design has begun.

5) New Well/PFAS Treatment

Update: The contractor installed the chemical building. The well canopy is expected to be installed mid-September and the IX vessels the following week.

6) **System Leaks**

On August 29th, at 8pm, staff responded to a reported leak at the Stonehenge development located off of Crawford Canyon Rd. A 6" ac water main was found to be leaking. Staff was able to install a repair clamp without shutting down the main. It took staff approximately 4 hours to investigate the leak, expose the pipe and make the repair. The leak was caused by settlement.

7) **Water Availability Request/Connection Permits**

None to report.

8) **Monthly WZ & RZ Operations Activities – June and July**

- Performed valve replacement work on Crawford Canyon Rd.
- Repaired mainline break at Stonehenge.
- Yard cleanup.
- Installed 2 new 1" water services on Media Panorama.
- Completed Wholesale zone meter testing.
- Reviewed new scada software with staff and received training from Tesco.
-
- Goat work completed at 6 MG reservoir site.
-
- Completed 10 meter change outs.
- Investigated 10 possible customer leaks.
- Set 44 late payment door tags.
- Performed 3 meter disconnects.
- Performed 5 final meter reads.
- Responded to 2 high bill complaints.
- Investigated 1 water quality complaint.
- Attended meetings for Barrett Booster Station, ID1, SCADA, Admin Building, Vista Panorama reservoir, Newport reservoir projects and Sewer Standards Update.
- Ordered misc. tools, parts, and materials.
- Completed 48 Dig Alerts.
- Monitored daily operations of reservoir chlorination system at Andres reservoir (Ops. Manager).
- Attended Groundwater Producer Meetings (Eng. Manager).
- Submitted monthly, quarterly, and annual reports to SWRCB.
- Reviewed weekly water quality data.
- Ordered water quality supplies.
- Attend weekly maintenance and operations meeting with GM (Engineering and Ops Managers).

JOINT SYSTEM ACTIVITIES

A. Pandemic Response (COVID-19) Plan

No Update.

B. Public Safety Power Shutoff (PSPS)

No Update.

C. SEDARU

Please see the attached SEDARU water work and sewer work reports which provide information on work staff is performing and the types of customer interactions that staff are having.

D. America's Water Infrastructure Act (AWIA) Cybersecurity Improvements

Update: West Yost has begun work on the procedures.

E. Safety

Update: Field staff completed training on hazardous waste treatment, forklift safety, and fire extinguisher safety.

F. Engineering & Operations Committee

Minutes for the September 8, 2022 meeting is attached.

G. Administrative & Finance Committee

The September meeting was cancelled.



Monthly Water Asset Report

August 2022

Year

Customer Work

	Broken Meter Box	Check Backflow	Customer Leak	Hi/Lo Pressure	High Water Bill	Meter Changeout	Meter Connect	Meter Disconnect	Meter Edit	Meter Read	Meter Re-read	Misc Customer Task	Water Qual. Compl.	Grand Total
August			10		2	10	1	3		5	1	3	1	36

Date

Aug 2022 MONTHS ▾

2022

APR MAY JUN JUL AUG SEP OCT

Facilities Work

Count of objectid

	Andres Reservoir Site	Barret Reservoir Site	Facility Edit	Maintenance	Newport Reservoir Site	Peters Canyon Reservoir Site	Vista Panorama Reservoir Site	Grand Total
August	3			5	2	2	2	14

Pump Work

Count of objectid

	Pump and Motor Maintenance	Pump Edit
August	1	

DigTicket Work

Count of objectid

	Water	Grand Total
August	48	48

Air Vac Work

	Air Vac Maintenance
August	1

Sample Work

	In-House WQ Data
August	75

Hydrant Work

	Hydrant Edit	Hydrant Flushing	Hydrant Maintenance	Install Hyd. Meter	Grand Total	Gallons Used
August						

Pressure Reducing Station Work

	Pressure Reducing Station Maintenance
August	1

Water Distribution Line Work

	Main Leak Report	Pipe Edit	Grand Total	Service Lateral Leak
August				

Valve Work

	Valve Edit	Valve Exercise	Grand Total
August			

Production Meter Work

	Production Meter Maintenance	Production Meter Test	Grand Total
August			



Monthly Sewer Asset Report

August 2022

Sewer Gravity Main Work

	Line Cleaning Segments	Pipe Edit	Root Foaming	Grand Total
August	381	93		474

	Pipes CCTVd	Feet of Main CCTVd	Feet of Main Cleaned	Feet of Main Root Foamed
August	96	20,449	86,610	

Permitting Work

	Const. Inspection	Customer Investigation	Parcel Permit Info Edit	Pre construction	Grand Total
August	1	2			3

Date

Aug 2022 MONTHS ▾

2022

1AY JUN JUL **AUG** SEP OCT NOV DE

◀ ▶

Manhole Work

	Manhole Inspection	Manhole Rehab	Grand Total
August	212	2	214

Easement Work

	Easement Inspect
August	

Water Hydrants

	Hydrant Meter Read	Water Used in CCF	Water Used in Gallons
August	24	41.00	30,750

FOG Work

	FOG Form
August	10

DigTicket Work

	Sewer 811 Locate
August	289

**Minutes of the
Engineering & Operations Committee
September 8, 2022**

1. The meeting was called to order at 4:32 p.m. by Director Bell.

The following Directors attended the meeting: Directors Bell and Murdoch. Also present were: David Youngblood – General Manager, Jeff Smyth – Engineering Manager, Jerry Mendzer – Operations Manager, and Sylvia Prado – Office Manager.

2. No public comments were received.
3. No additional items were added to the agenda.

Informational Items

4. ID1 CRA Project Update – Staff updated the Committee on the current status of the project. The Crawford Canyon segment was completed and the road re-opened in time for school. The contractor is now at 6th Street in Tustin. The Committee asked questions about the remaining work and status of the budget. The project is expected to be completed in April of next year.
5. RZ East & West Well Pumping Levels – See attached report.
6. RZ System Status and Water Use – Staff commented RZ system demands are down from the previous month and provided information on system repairs. See attached report.
7. WZ System Status and Water Use – Staff provided an update on the MWD outage to repair the raw water upper feeder. See attached report.
8. Sewer System Status and Spill Report – No sewer spills in June - August
9. Sewer Development Permits – See attached reports.

Action Item

10. Sewer Specifications Adoption – Staff presented the item. Staff highlighted revisions including modern materials and changes to fees. Director Murdoch recommended removing the fees from the specifications and including them with the sewer rates and charges so changes would not require a Standards update. He also inquired about Proposition 218 noticing of the fees. Staff will determine if Prop. 218 noticing is required and take appropriate action. The Committee recommended Board adoption of the revised Design, Construction and Repair Standards for Sanitary Sewers with recommended changes.
11. Adjournment at 5:10 pm



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: MONTHLY FINANCIALS & TREASURERS REPORT
DATE SEPTEMBER 15, 2022

Background

Monthly Financial Summary for Wholesale Zone, Retail Zone, and ID1 (wastewater).

Recommendation

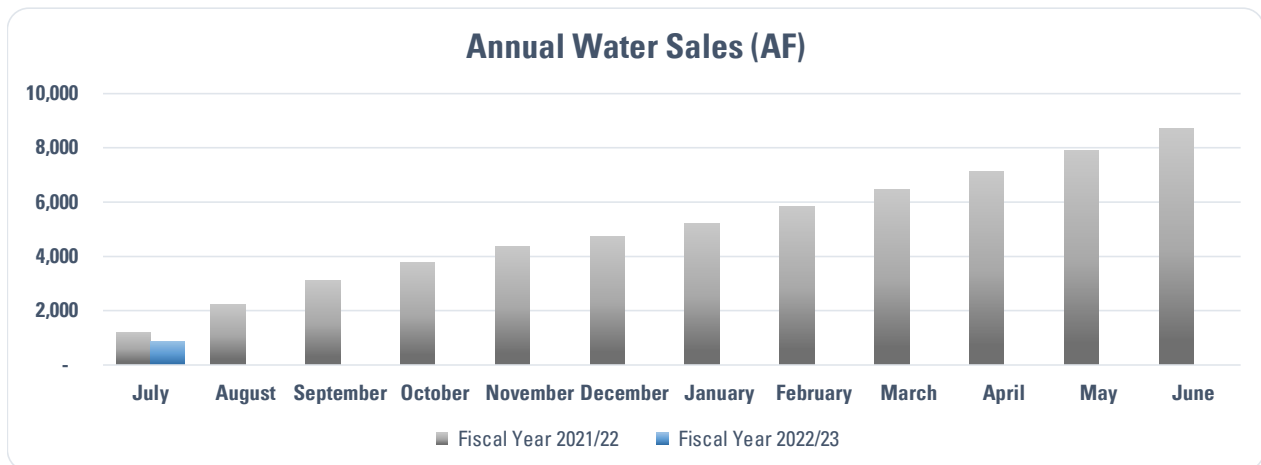
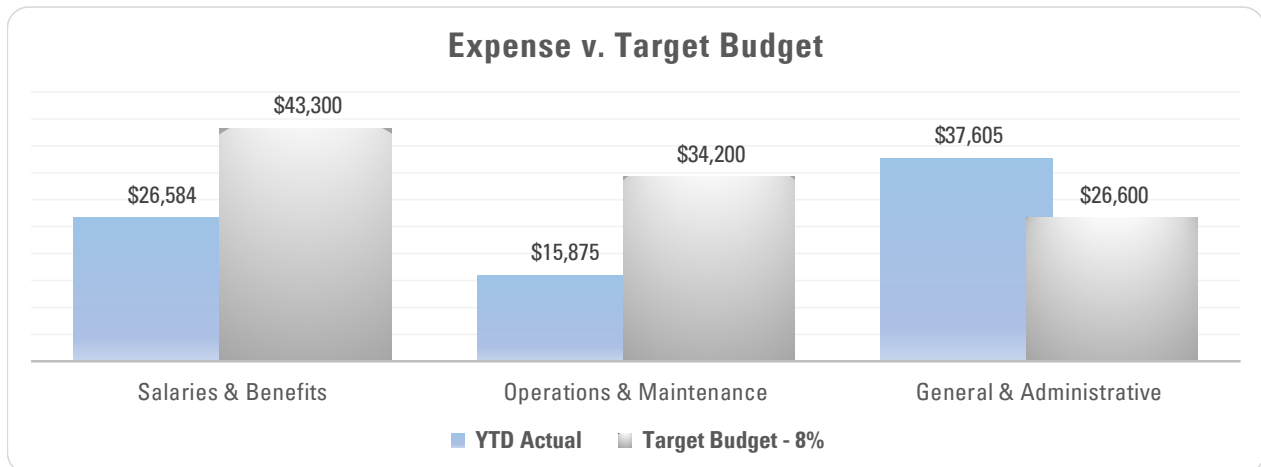
Informational.

Attachment(s): WZ, RZ, and ID1 Financial Summary for July 2022.



Revenue & Expense Summary Wholesale (Unaudited) Period Ending July 31, 2022

	A		B		C		D = B/C
	JULY 2022 ACTUAL		YTD ACTUAL		2022/23 ANNUAL BUDGET		YTD BUDGET 8%
1 REVENUES							
2 Operating Revenues	\$ 1,120,746	\$	1,120,746	\$	9,540,800		12%
3 Non-Operating Revenues	11,452		11,452		1,217,200		1%
4 TOTAL REVENUES	1,132,198		1,132,198		10,758,000		11%
5 EXPENSES							
6 Source of Supply	1,045,351		1,045,351		9,011,200		12%
7 Salaries & Benefits	26,584		26,584		519,600		5%
8 Operations & Maintenance	15,875		15,875		410,100		4%
9 General & Administrative	37,605		37,605		318,800		12%
10 TOTAL EXPENSES	1,125,416		1,125,416		10,259,700		11%
11 NET INCOME / (LOSS) BEFORE DEBT, CAPITAL & ADPS	6,783		6,783		498,300		1%
12 Section 115 Pension Trust Contributions	-		-		(50,000)		0%
13 Capital Expenses (Reserve-Funded)	(38,582)		(38,582)		(3,562,300)		1%
14 NET INCREASE / (DECREASE) TO RESERVES	\$ (31,800)	\$	\$ (31,800)	\$	\$ (3,114,000)		1%

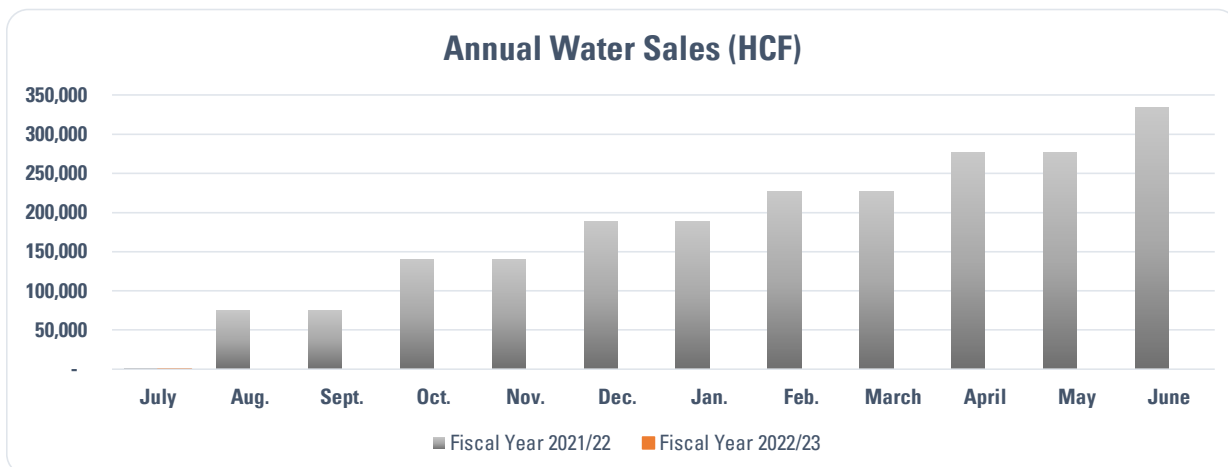
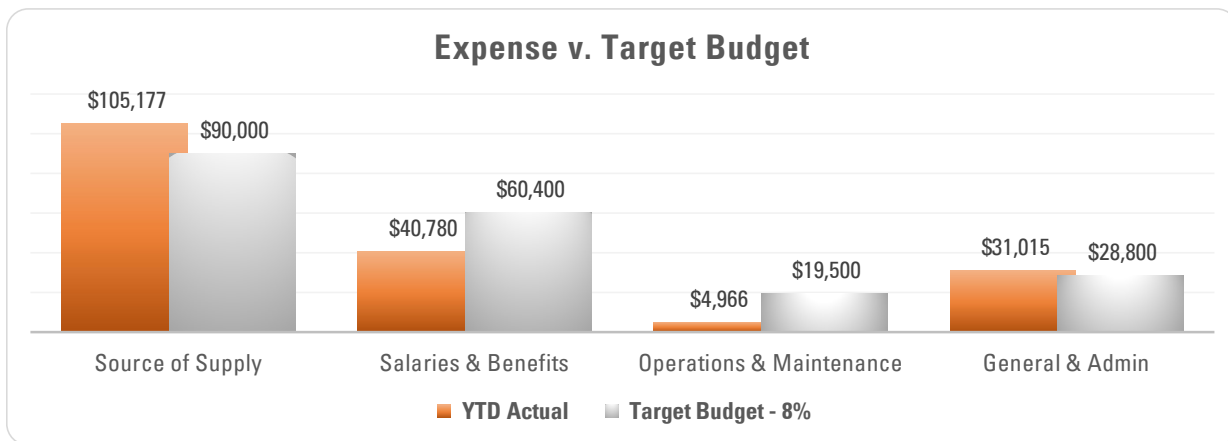


No assurance provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the U.S. not included.



Revenue & Expense Summary Retail (Unaudited) Period Ending July 31, 2022

	A	B	C	D = B/C
	JULY 2022 ACTUAL	YTD ACTUAL	2022/23 ANNUAL BUDGET	YTD BUDGET 8%
1 REVENUES				
2 Operating Revenues	\$ 2,852	\$ 2,852	\$ 2,725,900	0%
3 Non-Operating Revenues	1,238	1,238	520,200	0%
4 TOTAL REVENUES	4,090	4,090	3,246,100	0%
5 EXPENSES				
6 Source of Supply	105,177	105,177	1,080,100	10%
7 Salaries & Benefits	40,780	40,780	725,000	6%
8 Operations & Maintenance	4,966	4,966	234,300	2%
9 General & Administrative	31,015	31,015	345,800	9%
10 TOTAL EXPENSES	181,938	181,938	2,385,200	8%
11 NET INCOME / (LOSS) BEFORE DEBT, CAPITAL & ADPs	(177,848)	(177,848)	860,900	0%
12 Debt Service	-	-	(259,000)	0%
13 Section 115 Pension Trust Contributions	-	-	(50,000)	0%
14 Capital Expenses (Reserve-Funded)	(37,348)	(37,348)	(5,664,200)	1%
15 Prior Year Revenue	215,187	215,187	-	0%
16 NET INCREASE / (DECREASE) TO RESERVES	\$ (8)	\$ (8)	\$ (5,112,300)	0%

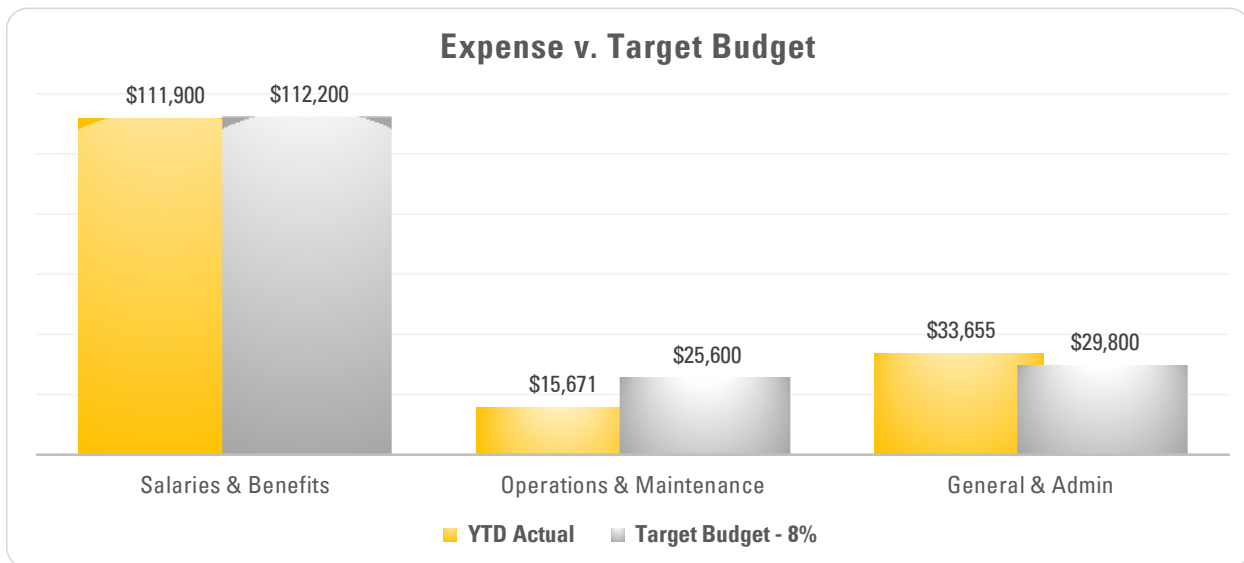


No assurance provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the U.S. not included.



Revenue & Expense Summary Sewer (Unaudited) Period Ending July 31, 2022

	A	B	C	D = B/C
	JULY 2022 ACTUAL	YTD ACTUAL	2022/23 ANNUAL BUDGET	YTD BUDGET 8%
1 REVENUES				
2 Operating Revenues	\$ 9,653	\$ 9,653	\$ 3,229,500	0%
3 Non-Operating Revenues	255,926	255,926	690,900	37%
4 TOTAL REVENUES	265,579	265,579	3,920,400	7%
5 EXPENSES				
6 Salaries & Benefits	111,900	111,900	1,346,700	8%
7 Operations & Maintenance	15,671	15,671	307,200	5%
8 General & Administrative	33,655	33,655	357,200	9%
9 TOTAL EXPENSES	161,227	161,227	2,011,100	8%
10 NET INCOME / (LOSS) BEFORE DEBT, CAPITAL & ADPs	104,353	104,353	1,909,300	5%
11 Debt Service	-	-	(1,036,000)	0%
12 Section 115 Pension Trust Contribution	-	-	(50,000)	0%
13 Capital Expenses (Reserve-Funded)	(30,540)	(30,540)	(3,627,600)	1%
14 NET INCREASE / (DECREASE) TO RESERVES	\$ 73,813	\$ 73,813	\$ (2,804,300)	





Cash & Investments

(Unaudited)
July 31, 2022

	Type	Cost	Market	% Total
District Cash & Investments				
Unrestricted				
Local Agency Investment Fund (LAIF)	Investment	\$ 20,766,454	\$ 20,499,095	28.0%
U.S. Bank - Sewer	Investment	4,435,585	4,280,068	5.9%
Raymond James Brokerage	Investment	1,721,654	1,639,428	2.2%
Citizens Business Bank	Checking	1,336,375	1,336,375	1.8%
Citizens Business Bank	Money Market	39,844	39,844	0.1%
Total Unrestricted		28,299,912	27,794,811	38.0%
Restricted				
U.S. Bank - Sewer Capital	Investment	34,469,179	33,260,646	45.5%
U.S. Bank - Debt Proceeds	Investment	11,965,359	11,965,359	16.4%
PARS Post-Employment Benefits	Trust	150,000	137,872	0.2%
Total Restricted		46,584,538	45,363,877	62.0%
Total District Cash & Investments		\$ 74,884,450	\$ 73,158,688	100.0%

No assurance provided on these financial statements. The financial statements do not include a statement of cash flows. Substantially all disclosures required by accounting principles generally accepted in the U.S. not included.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: WHOLESALE AND RETAIL WATER USAGE REPORT
DATE SEPTEMBER 15, 2022

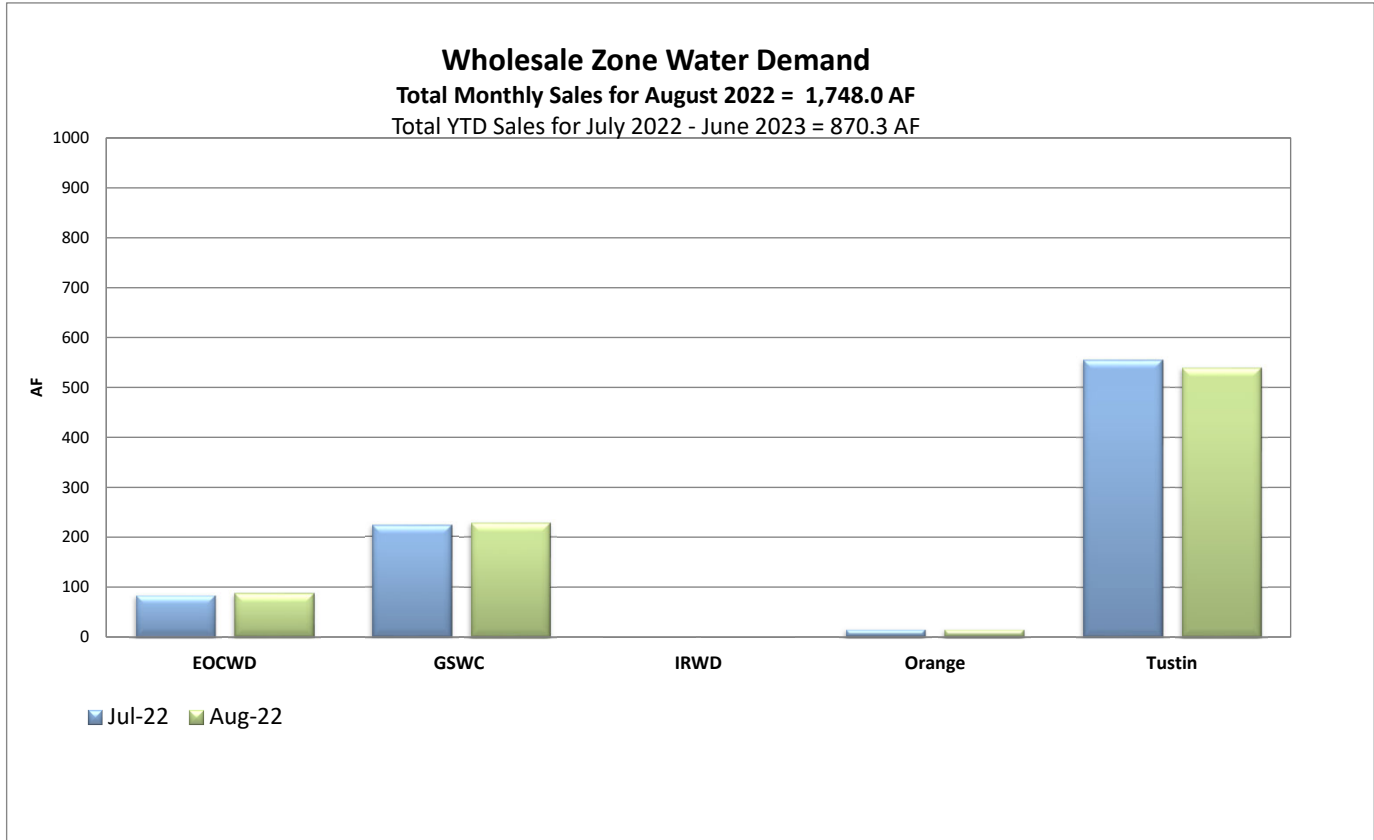
Background

Monthly report on wholesale and retail water usage for the month of August 2022.

Recommendation

Informational; no action necessary.

Attachment(s): Wholesale and Retail Usage Reports



EOCWD IMPORTED WATER DELIVERY BALANCE - FY22/23
(Acre-feet)

	OC-43	OC-48				OC-70						TOTAL DELIVERIES BY AGENCY				
	MWD Tustin	Retail Zone	Golden State	Tustin	MWD Total	IRWD Jamboree	Orange	Retail Zone	Golden State	Tustin	MWD Total	IRWD OPA	Orange	Retail Zone	Golden State	Tustin
JUL	320.9	0.0	19.0	221.8	240.8	0.0	15.1	84.0	204.3	12.6	316.0	0.0	15.1	84.0	223.3	555.3
AUG	287.0	0.0	17.8	218.0	235.8	0.0	14.7	87.4	210.9	34.5	347.5	0.0	14.7	87.4	228.7	539.5
SEP												0.0	0.0	0.0	0.0	0.0
OCT												0.0	0.0	0.0	0.0	0.0
NOV												0.0	0.0	0.0	0.0	0.0
DEC												0.0	0.0	0.0	0.0	0.0
JAN												0.0	0.0	0.0	0.0	0.0
FEB												0.0	0.0	0.0	0.0	0.0
MAR												0.0	0.0	0.0	0.0	0.0
APR												0.0	0.0	0.0	0.0	0.0
MAY												0.0	0.0	0.0	0.0	0.0
JUN												0.0	0.0	0.0	0.0	0.0
Total	607.9	0.0	36.8	439.8	476.6	0.0	29.8	171.4	415.2	47.1	663.5	0.0	29.8	171.4	452.0	1094.8

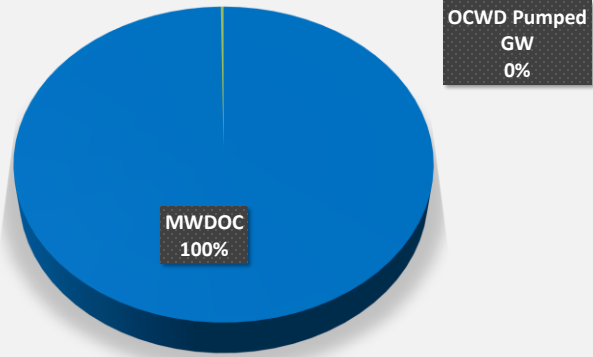
East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Overview of Usage FY 2022-23 Monthly Water Use

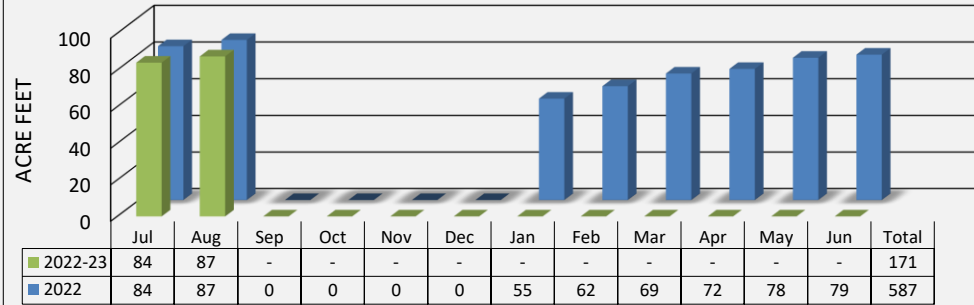
Type of Supply	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWDOC	84	87	-	-	-	-	-	-	-	-	-	-	171
OCWD Pumped GW	-	0.4	-	-	-	-	-	-	-	-	-	-	0
Total	84	88	-	-	-	-	-	-	-	-	-	-	172

2022 MWDOC Usage	July	August	September	October	November	December	January	February	March	April	May	June	Total
	84	87	0	0	0	0	55	62	69	72	78	79	587

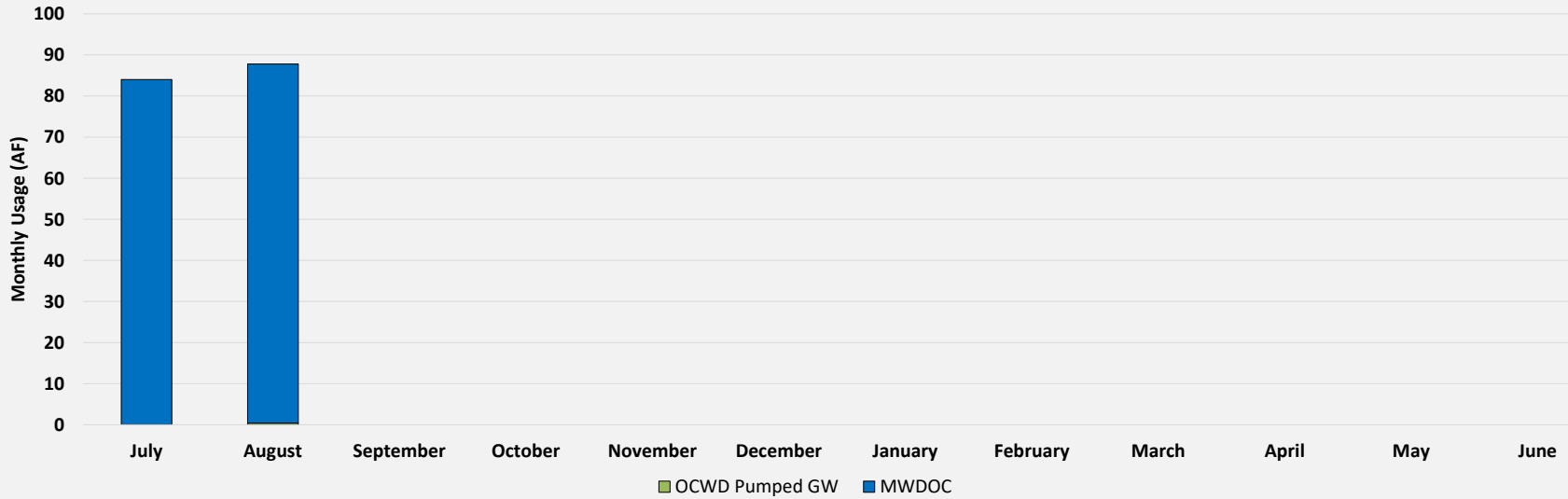
2022-23 Sources of Water



MWDOC Calendar Year and Fiscal Year Purchases



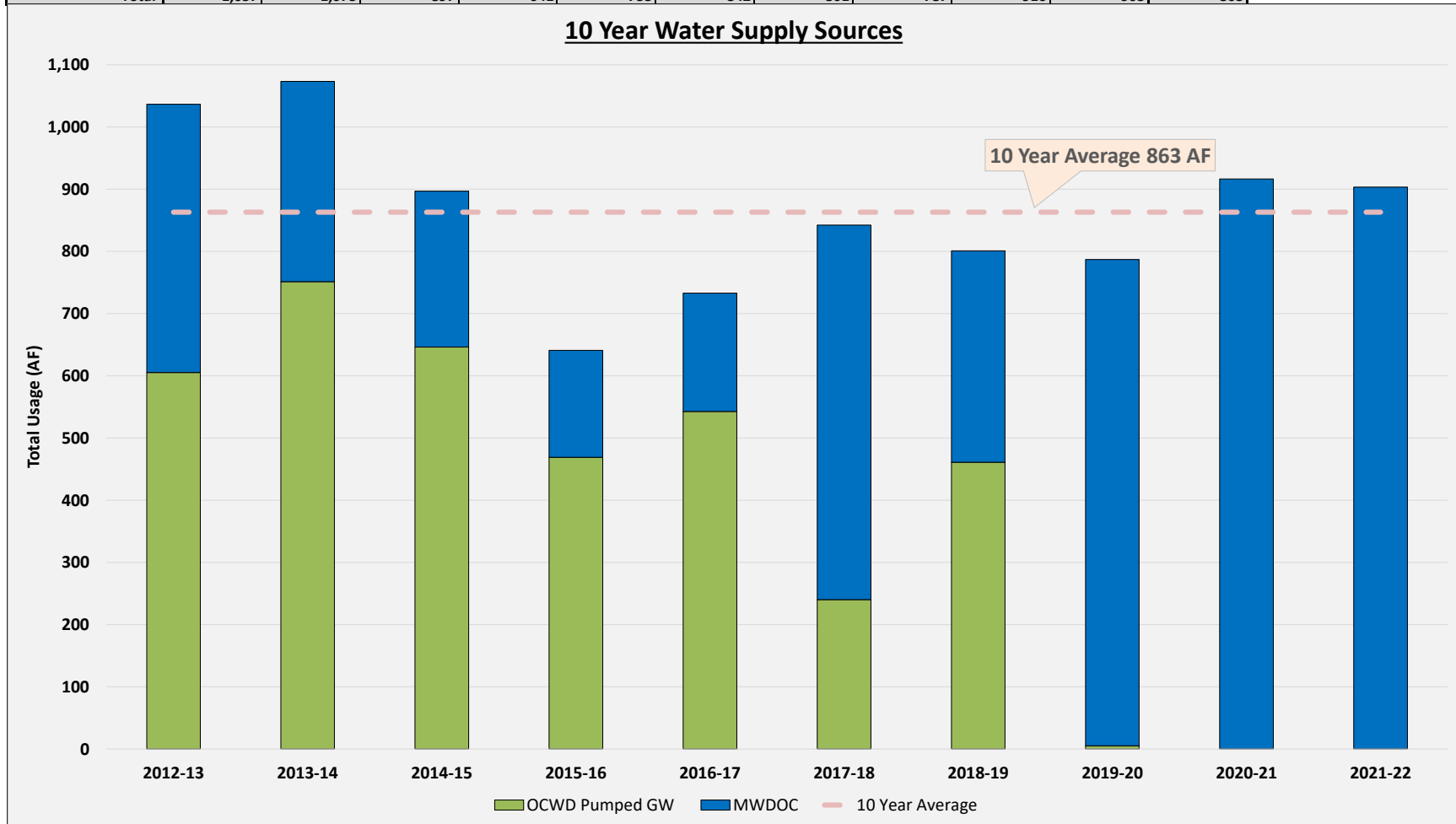
2022-23 Monthly Water Supply Sources



East Orange County Retail Zone Water Usage Report

Annual Water Usage

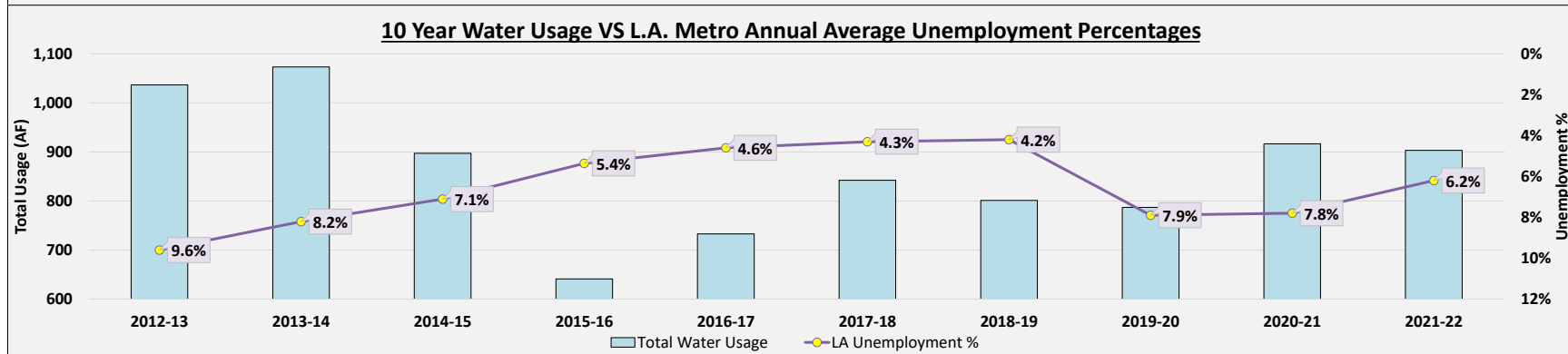
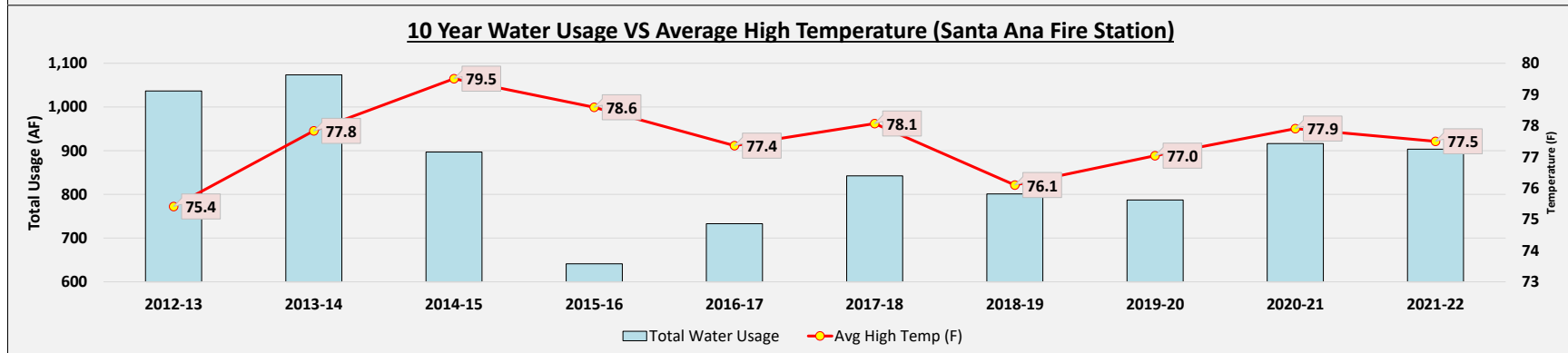
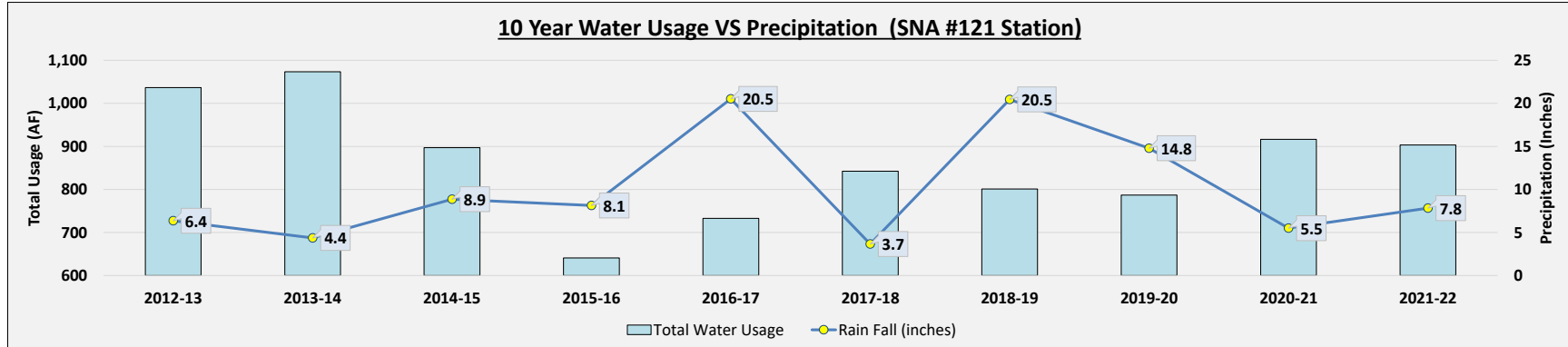
Type of Supply	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Average
MWDOC	431.3	322.0	250.7	172.1	190.2	602.1	340.0	781.8	916.4	903.3	491.0
OCWD Pumped GW	605.2	751.3	646.3	468.9	542.7	240.2	461.0	5.2	0.0	0.0	372.1
Total	1,037	1,073	897	641	733	842	801	787	916	903	863



East Orange County Retail Zone Water Usage Report

Water Usage Variables

Type of Supply	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Average
Rain Fall (inches)	6.4	4.4	8.9	8.1	20.5	3.7	20.5	14.8	5.5	7.8	10.1
Avg High Temp (F)	75.4	77.8	79.5	78.6	77.4	78.1	76.1	77.0	77.9	77.5	77.5
LA Unemployment %	9.6%	8.2%	7.1%	5.4%	4.6%	4.3%	4.2%	7.9%	7.8%	6.2%	6.5%
Total Water Usage	1,037	1,073	897	641	733	842	801	787	916	903	863



East Orange County Retail Zone Water Usage Report

East Orange County Retail Zone Detailed Usage Historical Monthly Potable Usage (Fiscal Year, July-June)

Fiscal Year	July	August	September	October	November	December	January	February	March	April	May	June	Total
2016-17 Usage	82	87	70	68	58	44	37	32	43	70	70	79	738
2017-18 Usage	87	98	77	81	60	70	53	49	45	67	71	84	842
2018-19 Usage	107	99	85	73	62	40	47	29	43	61	59	77	781
2019-20 Usage	82	87	86	83	68	46	47	56	38	52	67	76	787
2020-21 Usage	90	99	93	91	75	68	62	54	44	64	85	95	920
2021-22 Usage	100	102	89	76	73	48	55	62	69	72	78	79	903
Average of Last 6 FYs	91	95	83	79	66	53	50	47	47	64	72	82	829
Monthly Usage Percentage	11%	12%	10%	9%	8%	6%	6%	6%	6%	8%	9%	10%	100%

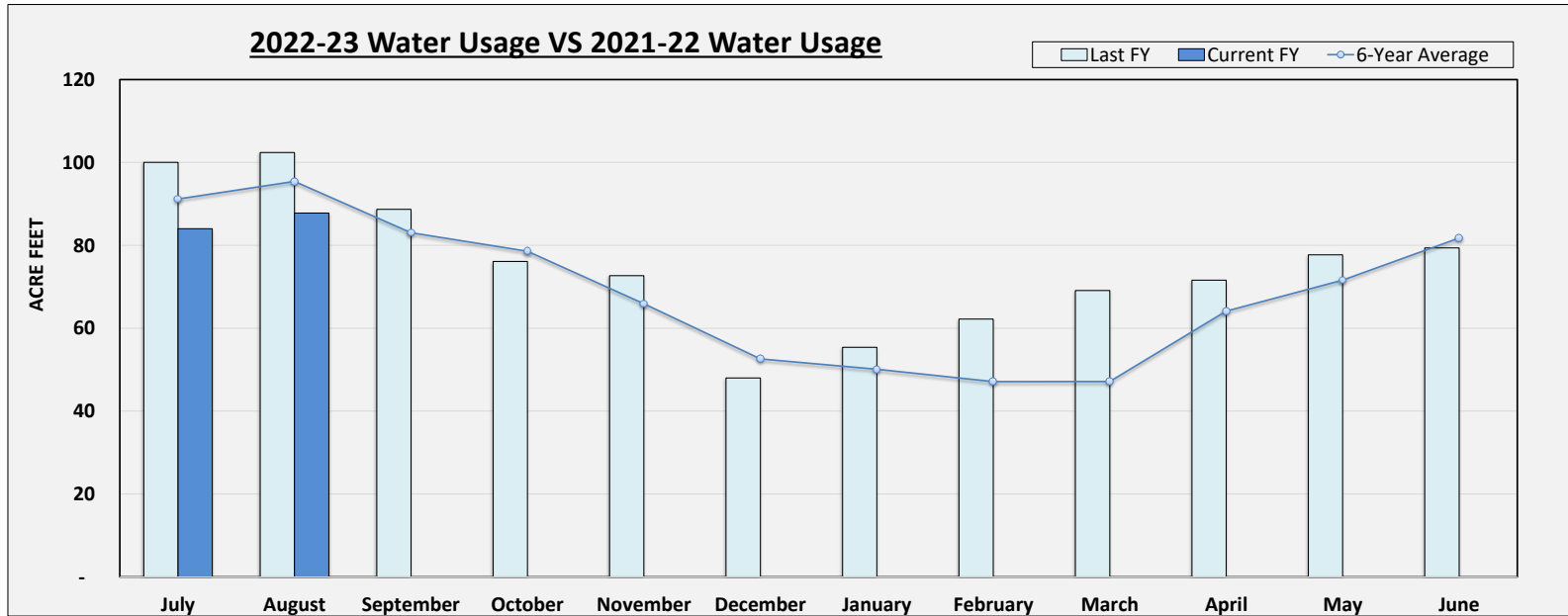
Water Usage By Source

Imported	July	August	September	October	November	December	January	February	March	April	May	June	Total
MWD via EO Wholesale	84.0	87.4											171.4
Water from IRWD during OC-70 shutdo	-	-											-
CPTP	-	-											-
MWD In-Lieu*	-	-											-
Imported Total	84	87	-	-	-	-	-	-	-	-	-	-	171.4

*In-lieu totals are subtracted from imported totals

Local	July	August	September	October	November	December	January	February	March	April	May	June	Total
OCWD Pumped GW	-	0.4											0.4
Less Fill up Reservoir	-	-											-
Less CPTP	-	-											-
Local Total (minus reservoir)	-	0.4	-	-	-	-	-	-	-	-	-	-	0.4

Total Usage 2022-23	84	88	-	-	-	-	-	-	-	-	-	-	172
FY 21-22 versus FY 22-23	-16%	-14%											

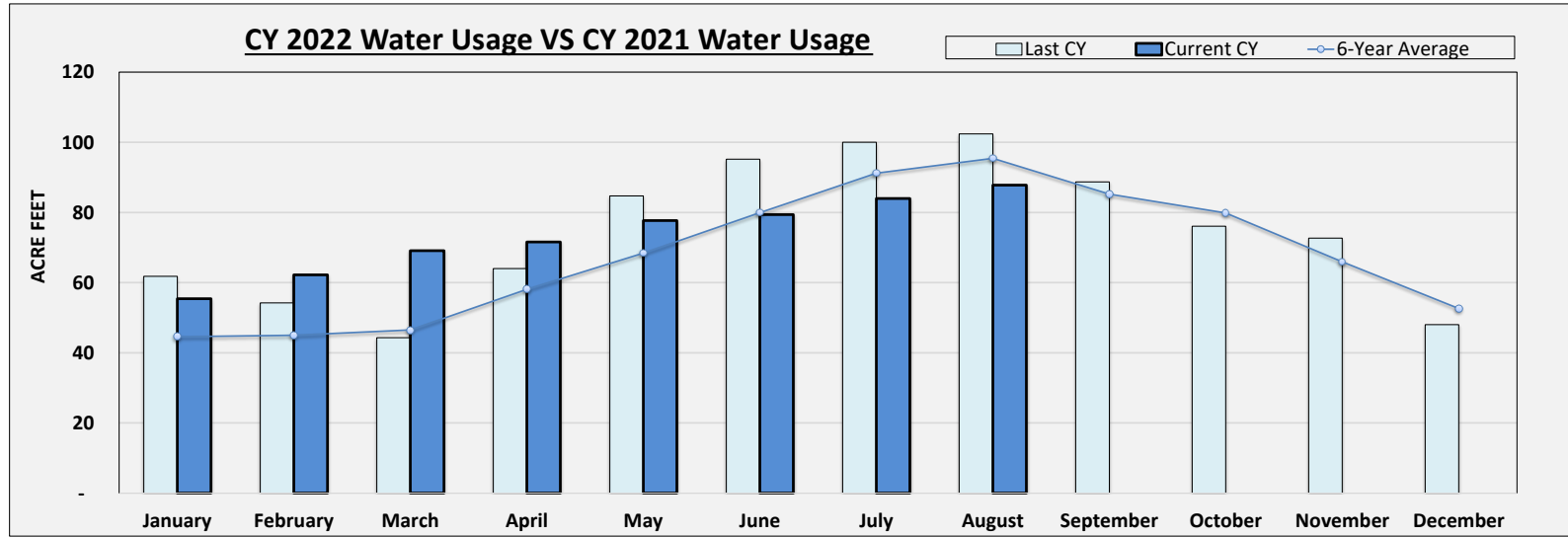


East Orange County Retail Zone Water Usage Report

Historical Monthly Potable Usage (Calendar Year)

Calendar Year	January	February	March	April	May	June	July	August	September	October	November	December	Total
2016	29	46	64	35	63	69	82	87	70	68	58	44	713
2017	31	32	43	70	70	79	87	98	77	81	60	70	798
2018	53	49	45	67	71	84	107	99	97	81	62	40	855
2019	45	33	45	61	55	77	82	87	86	83	68	46	767
2020	47	56	38	52	67	76	90	99	93	91	75	68	851
2021	62	54	44	64	85	95	100	102	89	76	73	48	892
6 year Average	45	45	47	58	68	80	91	95	85	80	66	53	813

Total Water Usage 2022	55	62	69	72	78	79	84	88	-	-	-	-	587
2022 VS 2021 Usage	-10%	+15%	+56%	+12%	-8%	-17%	-16%	-14%					



	Population	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2021 Usage (AF)		62	54	44	64	85	95	100	102	89	76	73	48	892
2021 GPCD	3,210	202	197	145	217	277	322	327	335	300	249	246	157	248
2022 Usage (AF)		55	62	69	72	78	79	84	87	-	-	-	-	587
2022 GPCD	3,222	181	225	225	241	254	268	274	285	-	-	-	-	244
CY over CY change in GPCD		-22	+28	+80	+25	-24	-54	-53	-50					-4

	Population	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
2021-22 Usage (AF)		100	102	89	76	73	48	55	62	69	72	78	79	903
2021-22 GPCD	3,210	327	335	300	249	246	157	181	225	226	242	254	269	251
2022-23 Usage (AF)		84	87	-	-	-	-	-	-	-	-	-	-	171
2022-23 GPCD	3,222	274	285	-	-	-	-	-	-	-	-	-	-	280
FY over FY change in GPCD		-53	-50											+28

*Cumulative through the end of the last month shown

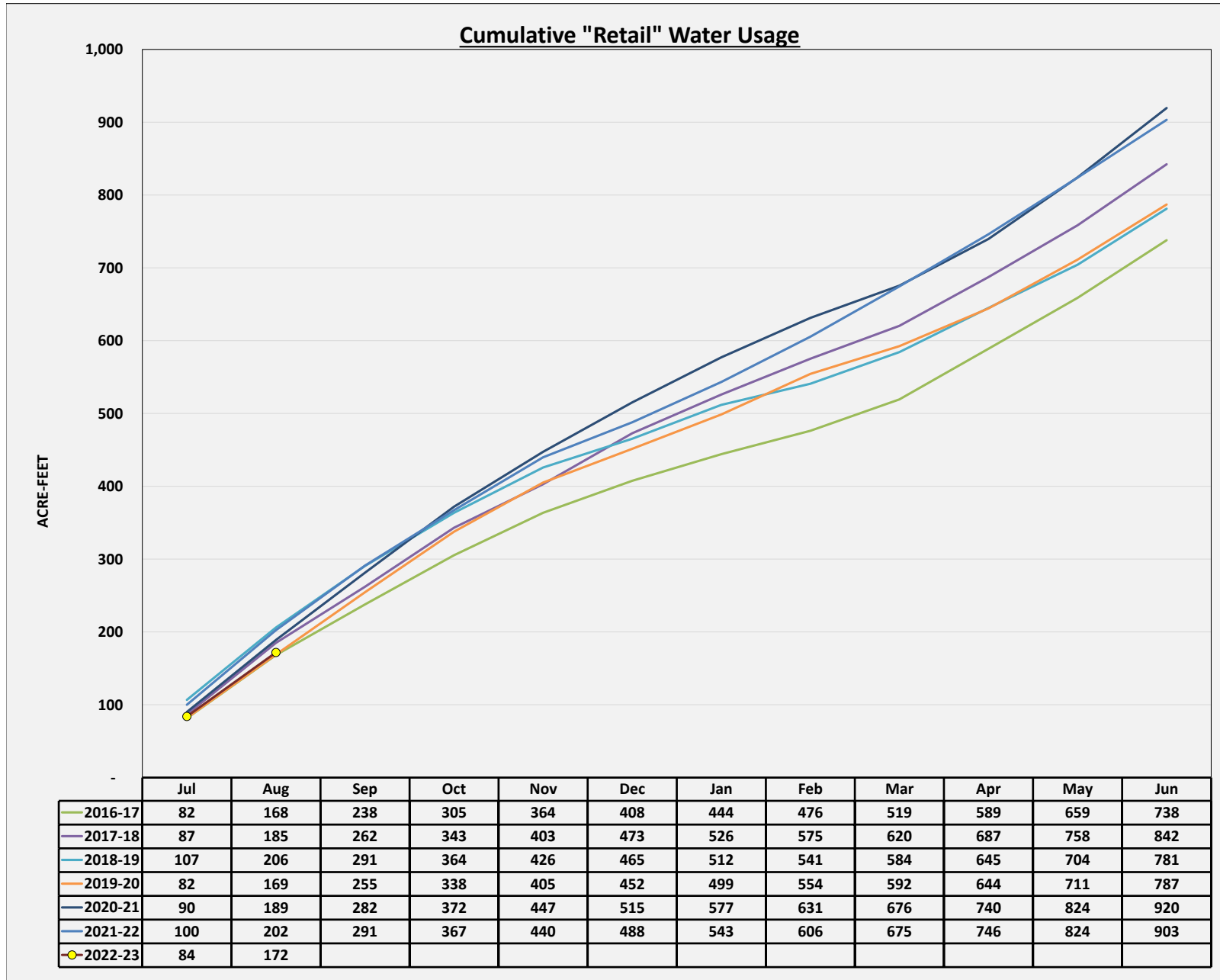
*GPCD = (Total Monthly Production - Fill up Reservoir) / Population/days in the month

*For the months of July 2022 - August 2022, groundwater usage was not delivered to customers and is not counted towards GPCD



East Orange County Retail Zone Water Usage Report

Cumulative Water Usage by Fiscal Year



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: ADOPTION OF REVISED DESIGN, CONSTRUCTION AND REPAIR STANDARDS FOR SANITARY SEWERS

DATE: SEPTEMBER 15, 2022

Background

Standardized sewer specifications are required as part of the SSMP and they are important to: 1) ensure adequate hydraulic capacity so that pipelines don't overflow in dry or wet weather; 2) ensure that the quality of the materials installed enhance life expectancy and; 3) lower the cost of operations and maintenance of the system with standardized materials.

The District's initial Design, Construction and Repair Standards for Sanitary Sewers (Standards) were adopted from Orange County Sanitation District's standards with the acquisition of Sewer Area 7. A minor revision was completed in 2019 for the ID1 CRA Project #1 and to change the plan check fees to make them consistent with the water Standard Specifications.

In January of this year, staff retained MKN and Associates to review and update the Standards, and a complete revision of the Standards was completed with input from staff. Staff reviewed the new Standards and is recommending them for adoption. The revision included correcting editorial errors, addition of new materials, and implementing current industry best practices. The revised standards are posted on the District's website for review.

This item was reviewed by the Engineering and Operations Committee at the meeting on September 8, 2022. Staff removed fees from the Standards, as recommended by the Committee, and the Committee recommended adoption of the Standards with the changes incorporated. The fees will be adopted with the sewer system rates and charges and noticed as appropriate.

Recommendation

The Board adopt the revised Design, Construction and Repair Standards for Sanitary Sewers.

Attachment(s)

The revised Standards may be viewed on the District's website at:

https://www.eocwd.com/files/ugd/5317eb_3ce1f64ac0b742f1844a7bdf35137c0b.pdf



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: RATE STUDY PRESENTATION
DATE SEPTEMBER 15, 2022

Background

The District hired Raftelis Financial Consultants to prepare a rate study for the next 5 year period. Work on this study began in August 2021. Several iterations and revisions have been reviewed by staff and representatives from Ide Bailey. Recent shifts in inflationary costs as well as rising costs of both groundwater and imported water have been considered in this latest version of the rate study.

This presentation will review the financial plan and rate study as well as some of the underlying assumptions. Once the Board is comfortable with the proposed rates, staff will finalize the report and prepare a Proposition 218 notification for the retail water and sewer areas.

Recommendation

Finalize the Financial Plan and Rate Study reports and authorize staff to proceed with the preparation of a Proposition 218 notification for both the retail service area and the sewer service area.

Attachment(s): Raftelis Presentation



East Orange County Water District

Water, Wastewater and Wholesale Rate Study –
Board Meeting

September 15, 2022

Agenda

1. Introduction/Background/Assumptions
2. Wholesale
 - Financial Plan
 - Rates
3. Retail
 - Financial Plan
 - Rates
 - Bill Impacts
4. Sewer
 - Financial Plan
 - Rates
5. Next Steps



Steps in Conducting a Rate Study

STEP 1

Rate Setting Framework

- Financial goals and policies
- Pricing objectives

STEP 3

Cost of Service & Rate Design

- Cost allocations
- Rate design
 - Rate calculations
 - Customer impact analyses

STEP 2

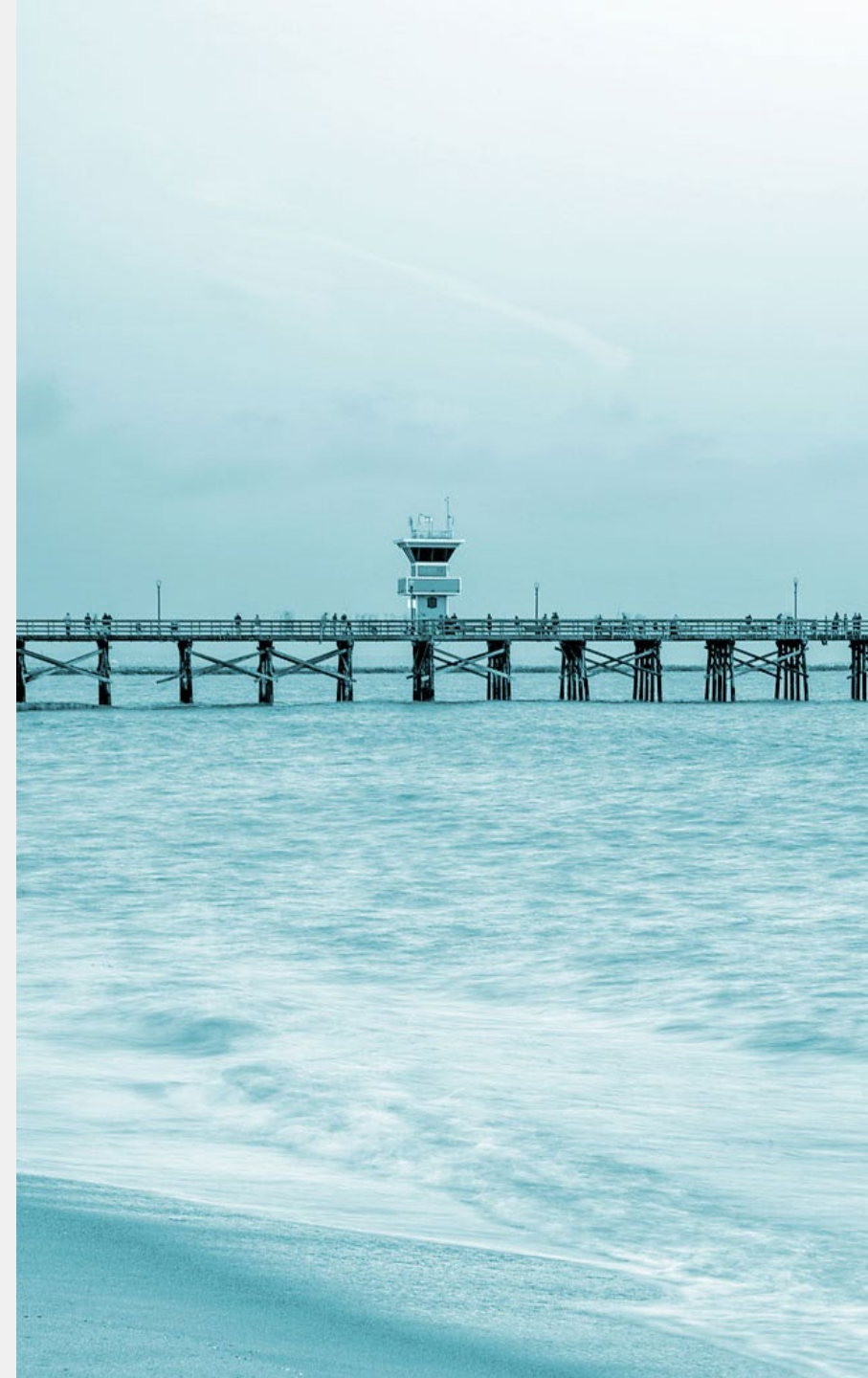
Financial Plan (\$)

- Evaluation of CIP and financing options
- Cash flow analysis for financial sufficiency

STEP 4

Final Rate Adoption

- Report
- Prop 218 Notice
- Public Hearing



Current Rates and Assumptions



Current Water Rates

- Retail Water Service (effective August 16, 2021):
 - › Monthly Meter Charge
 - 5/8" \$22.50
 - 3/4" \$33.75
 - 1" \$56.24
 - 1.5" \$112.46
 - 2" \$179.92
 - 3" \$393.56
 - › Volume: \$5.07/ccf
 - › Existing Water System Capital Charge: \$32.52/month/account
- Wholesale Water (in effect since FY2019)
 - › EOCWD capital improvement charge (replacement reserve charge) = \$15.82/meter
 - › EOCWD RTS = \$8.18/meter

Current Sewer Rates (adopted July 21, 2016)

- Residential
 - › SFR: \$108/year
 - › MFR: \$75.60/year
- Non-Residential
 - › SFR rate * Class Percent Factor on a per 1,000 sq. ft. basis
 - Ex. USPS = $\$108 * 28\% = \$30.24/1,000 \text{ sq. ft.}$
 - Ex. Coffee shop = $\$108 * 424\% = \$457.92/1,000 \text{ sq. ft.}$

Inflationary Assumptions

Item	Amount (% / year)	Source
General	5.0%	20-yr LA CPI adjusted upwards based on recent inflation
Salaries & Benefits	4.0%	Suggested
Utilities	3.5%	5-yr average of Retail price of electricity to Industrial customers, CA
MWD Volumetric Rates	4.0%	Historical increase FY 2011 to 2020
MWD Capacity Charge	3.7%	Historical increase FY 2011 to 2022
MWD RTS Charge	9.9%	Historical increase FY 2011 to 2022
OCWD Groundwater Rate	5.9%	Inflation starts in FY 2028, used actual groundwater rates prior to 2028
Capital	3.0%	20-yr LA CCI
Other Revenue	1.5%	Suggested
Interest rate for reserves	0.5%	Suggested
Property Tax	1.0%	Proposition 13 – tax % increase limit

Reserve Targets

› Wholesale

- Operating Reserve: **10 months of EOCWD expenses (non pass-through)**
- Capital Replacement Reserve: **average CIP**
- Rate Stabilization: **25% of Commodity Revenue**

› Retail

- Operating Reserve Minimum: **10 months (modeled 6 months) budgeted operating of expenses**
- Capital Replacement Reserve: **average CIP**
- Rate Stabilization: **25% of Commodity Revenue**

› Sewer

- Operating Reserve: **10 months of expenses**
- Capital Replacement Reserve: **None (Large cash balance)**
- Rate Stabilization: **\$1,000,000**

Wholesale

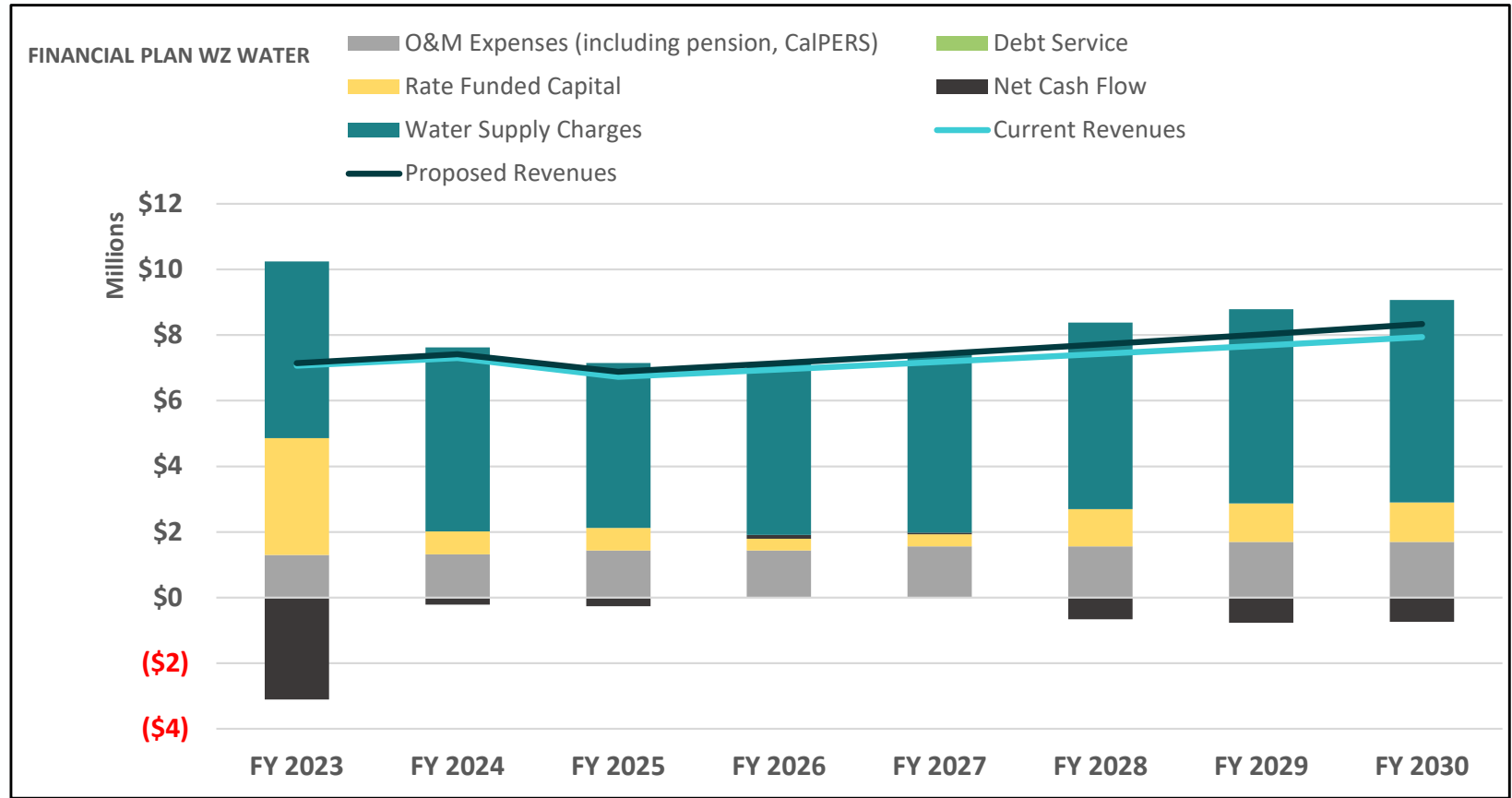


Wholesale Water

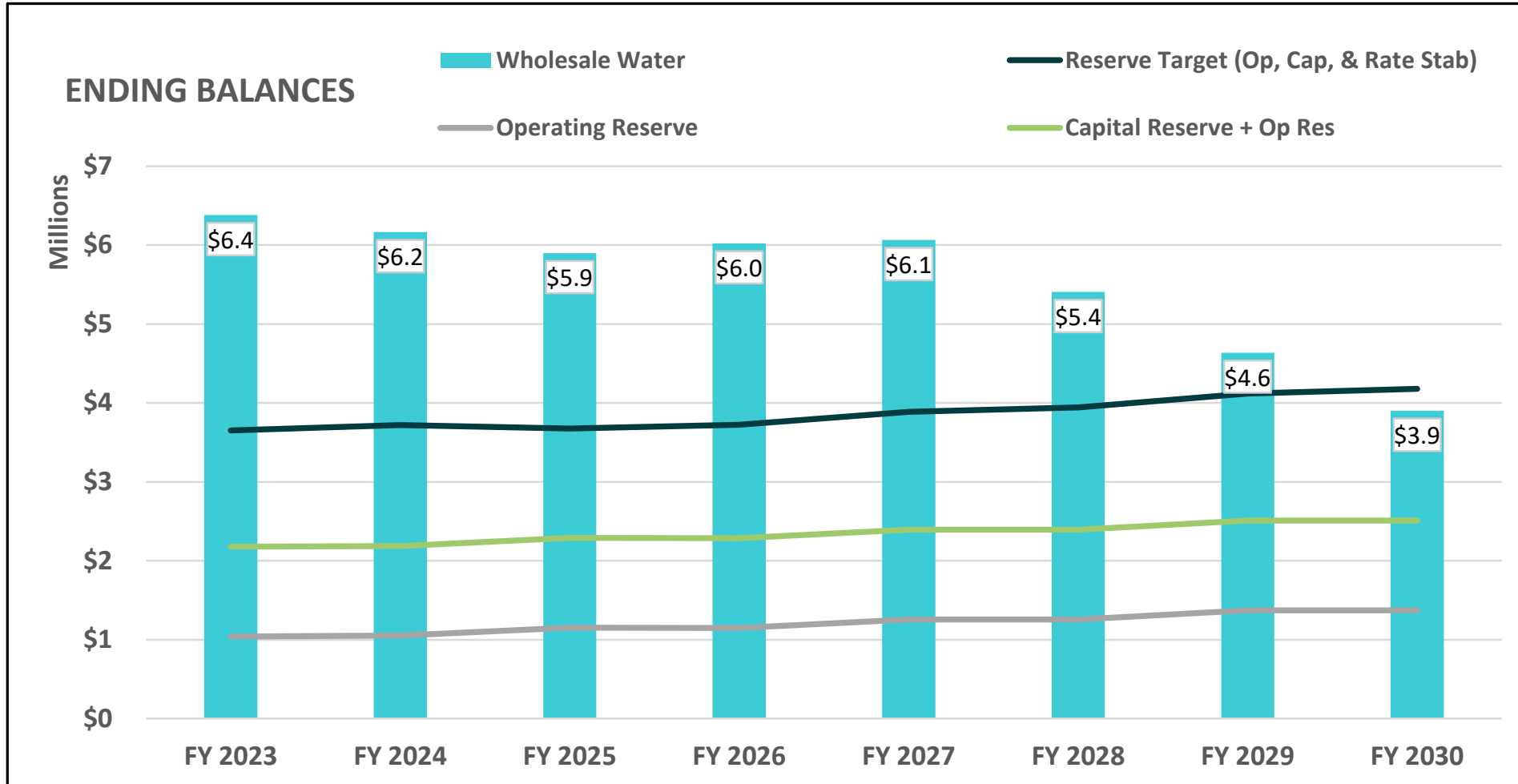
- Changed the replacement reserve charge from a flat charge to be based on meter size.

Proposed Financial Plan – Wholesale Water

Fiscal Year	Mo.	Revenue Adjustment
2023	Oct	8%
2024	Jul	7%
2025	Jul	7%
2026	Jul	7%
2027	Jul	7%



Proposed Financial Plan Ending Fund Balances – Wholesale Water



Wholesale Water

- Decrease in the replacement reserve charge: it is now applied by meter size



Line No.	Service Area (A)	Meters (B)	Equivalent Meters (C)
1	TUSTIN	14,108	21,842
2	IRWD	436	918
3	GSWC	2,622	5,195
4	ORANGE	2,451	3,617
5	EOCWD	1,208	1,520
6	Total	20,825	33,092
7		Operating	Capital
8	Total Revenue Required	\$217,017	\$334,013
9		Ready to Serve Charge	Replacement Reserve
10		<i>\$/meter</i>	<i>\$/equivalent meter</i>
11	Line 8 / Line 6	\$10.42	\$10.09
12	Current Charge	\$8.50	\$16.00

Proposed Rates – Wholesale Water

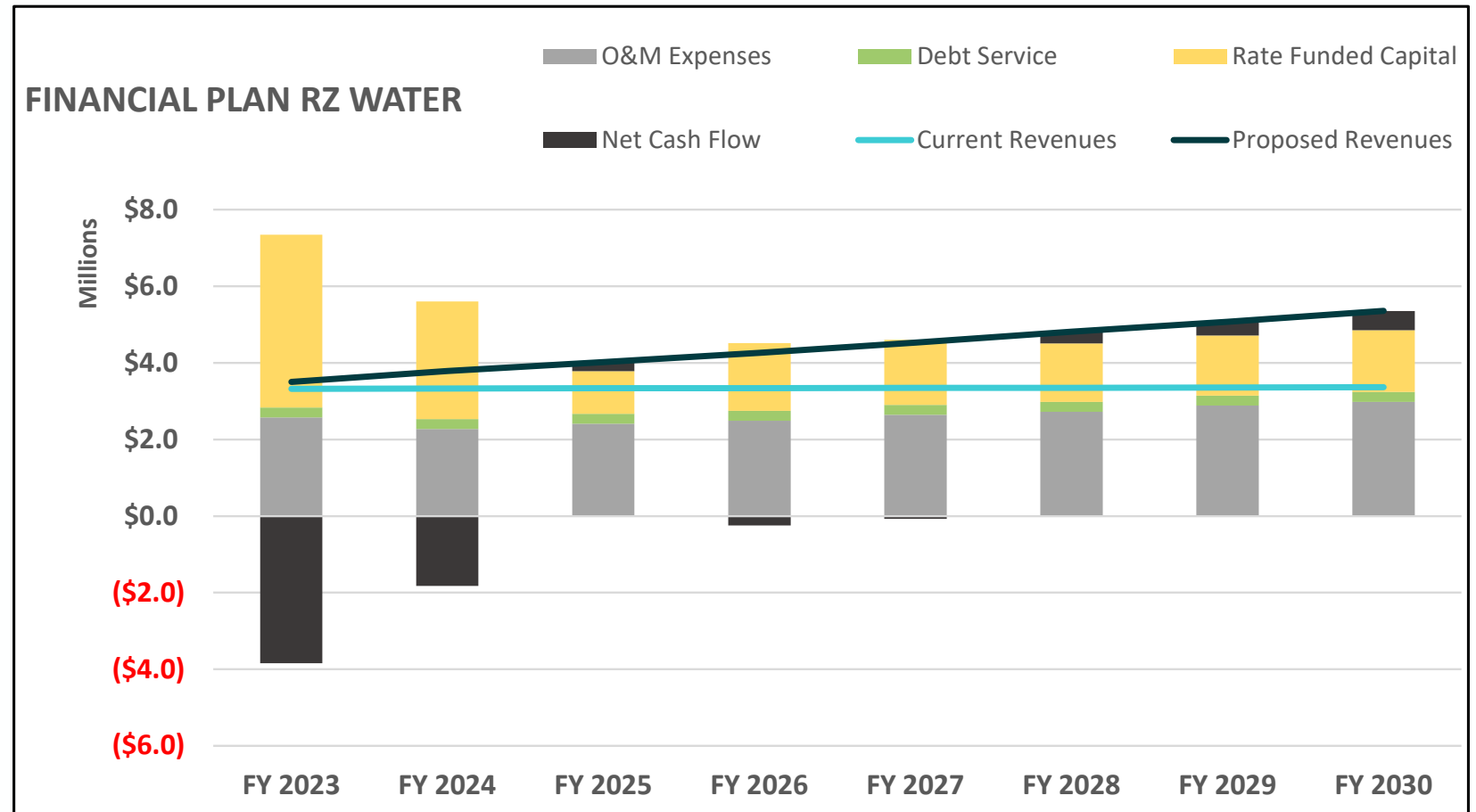
Proposed Rates	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Effective Date	Current Rate	Oct 2022	Jul 2023	Jul 2024	Jul 2025	Jul 2026
Revenue Adjustment						
Readiness to Serve Charge			7.0%	7.0%	7.0%	7.0%
Replacement Reserve Fund Charge			7.0%	7.0%	7.0%	7.0%
Readiness to Serve Charge						
Annual Charge, \$/meter	\$8.50	\$10.42	\$11.15	\$11.93	\$12.77	\$13.66
Replacement Reserve Fund Charge						
Meter Size						
5/8-Inch	\$16.00	\$10.09	\$10.80	\$11.56	\$12.36	\$13.23
3/4-Inch	\$16.00	\$10.09	\$10.80	\$11.56	\$12.36	\$13.23
1-Inch	\$16.00	\$16.82	\$18.00	\$19.26	\$20.61	\$22.05
1-1/2-Inch	\$16.00	\$33.64	\$36.00	\$38.52	\$41.22	\$44.10
2-Inch	\$16.00	\$53.83	\$57.60	\$61.63	\$65.95	\$70.56
3-Inch	\$16.00	\$117.76	\$126.00	\$134.82	\$144.26	\$154.35
4-Inch	\$16.00	\$211.96	\$226.80	\$242.67	\$259.66	\$277.84
6-Inch	\$16.00	\$538.31	\$575.99	\$616.31	\$659.46	\$705.62
8-Inch	\$16.00	\$942.05	\$1,007.99	\$1,078.55	\$1,154.05	\$1,234.83

Retail



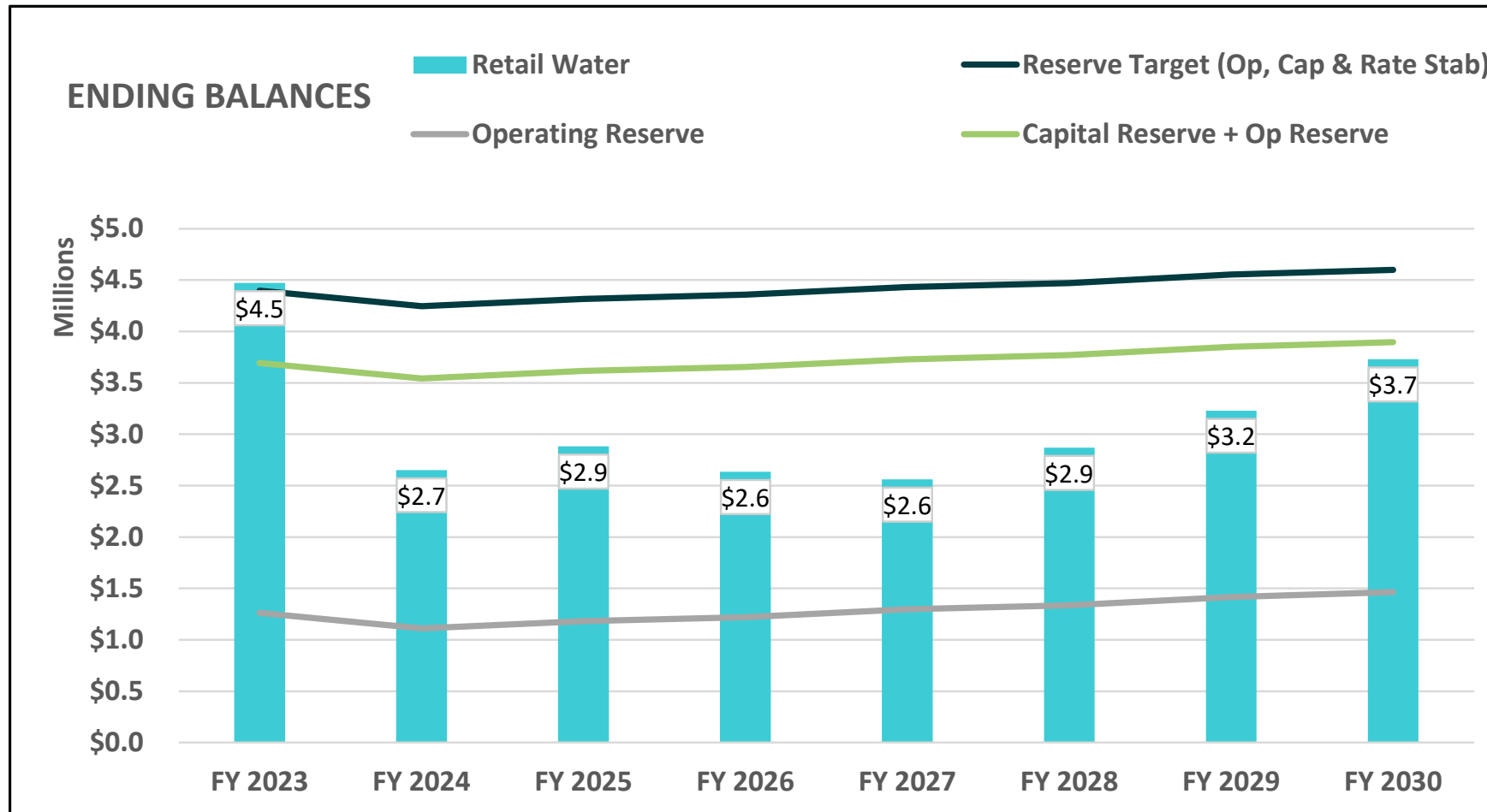
Retail Water Proposed Financial Plan

Fiscal Year	Mo.	Revenue Adjustment
2023	Oct	8%
2024	Jul	7%
2025	Jul	7%
2026	Jul	7%
2027	Jul	7%



Retail Water Proposed Financial Plan

Ending Fund Balances



Retail Water

- Changed the capital charge basis from \$/account to based on meter size.
- Monthly fixed charge – we are changing how we are calculating equivalent meters. Equivalent meter are based on $\frac{3}{4}$ " meters instead of $\frac{5}{8}$ " meters. This lowers the charge for large meter sizes. Only have 9 – $\frac{5}{8}$ " meters.
- Changed operating reserve from 10 months of expenses to 6 months of expenses, tied to bi-monthly billing.
 - › Avoids debt issuance to increase reserves

Retail Water – Monthly Charge Derivation

- Proposed service charge is higher for smaller meters due to changing the base meter size from 5/8" to 3/4"
- Only have nine 5/8" meters vs 869 3/4" meters

Line No.	Meter Size (A)	Billing \$/bill (B)	Meter Capacity \$/mtr (C)	Monthly Capacity Charge \$/mtr (D)	Proposed Monthly Service Charge \$/bill (E)	Current Charge \$/bill (F)
1	5/8"	\$8.53	\$6.68	\$15.93	\$31.14	\$22.50
2	3/4"	\$8.53	\$6.68	\$15.93	\$31.14	\$33.75
3	1"	\$8.53	\$11.13	\$26.55	\$46.21	\$56.24
4	1.5"	\$8.53	\$22.26	\$53.09	\$83.89	\$112.46
5	2"	\$8.53	\$35.62	\$84.95	\$129.10	\$179.92
6	3"	\$8.53	\$77.91	\$185.83	\$272.27	\$393.56

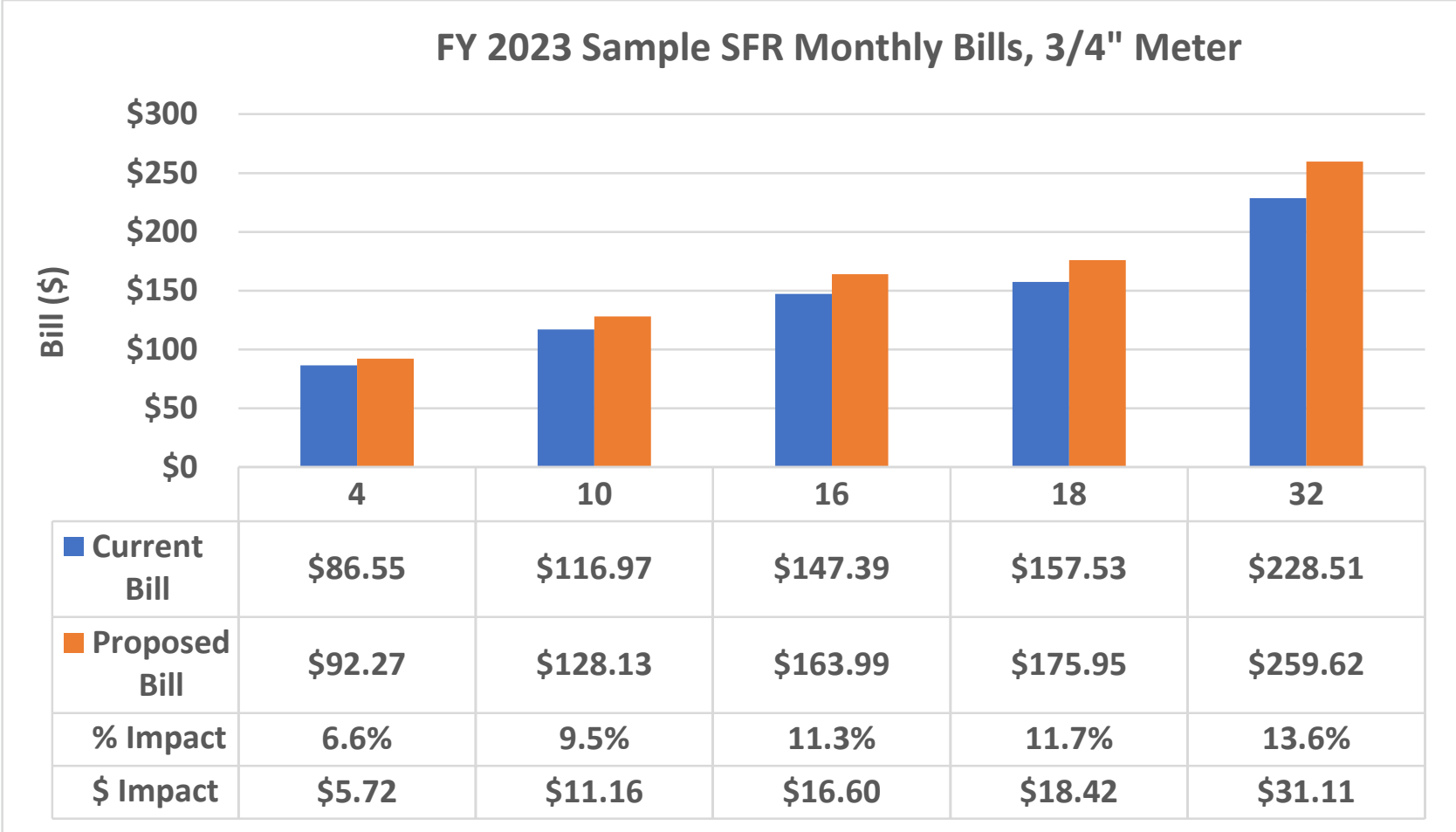
Retail Water Proposed Rates assuming 37.5% Fixed Revenue

Proposed Rates	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Effective Date	Current	Oct 2022	Jul 2023	Jul 2024	Jul 2025	Jul 2026
Revenue Adjustment			7.0%	7.0%	7.0%	7.0%
Meter Size Fixed Charge						
5/8"	\$22.50	\$31.14	\$33.32	\$35.65	\$38.15	\$40.82
3/4"	\$33.75	\$31.14	\$33.32	\$35.65	\$38.15	\$40.82
1"	\$56.24	\$46.21	\$49.44	\$52.91	\$56.61	\$60.57
1.5"	\$112.46	\$83.89	\$89.76	\$96.05	\$102.77	\$109.96
2"	\$179.92	\$129.10	\$138.14	\$147.81	\$158.15	\$169.22
3"	\$393.56	\$272.27	\$291.33	\$311.72	\$333.54	\$356.89
Commodity Rate (\$/ccf)	\$5.07	\$5.59	\$5.98	\$6.40	\$6.84	\$7.32
Capital Charge						
All Accounts	\$32.52					
5/8"		\$32.75	\$35.05	\$37.50	\$40.13	\$42.93
3/4"		\$32.75	\$35.05	\$37.50	\$40.13	\$42.93
1"		\$54.59	\$58.41	\$62.50	\$66.88	\$71.56
1.5"		\$109.18	\$116.82	\$125.00	\$133.75	\$143.11
2"		\$174.69	\$186.92	\$200.00	\$214.00	\$228.98
3"		\$382.13	\$408.88	\$437.50	\$468.13	\$500.90

Fixed
revenue =
37.5%

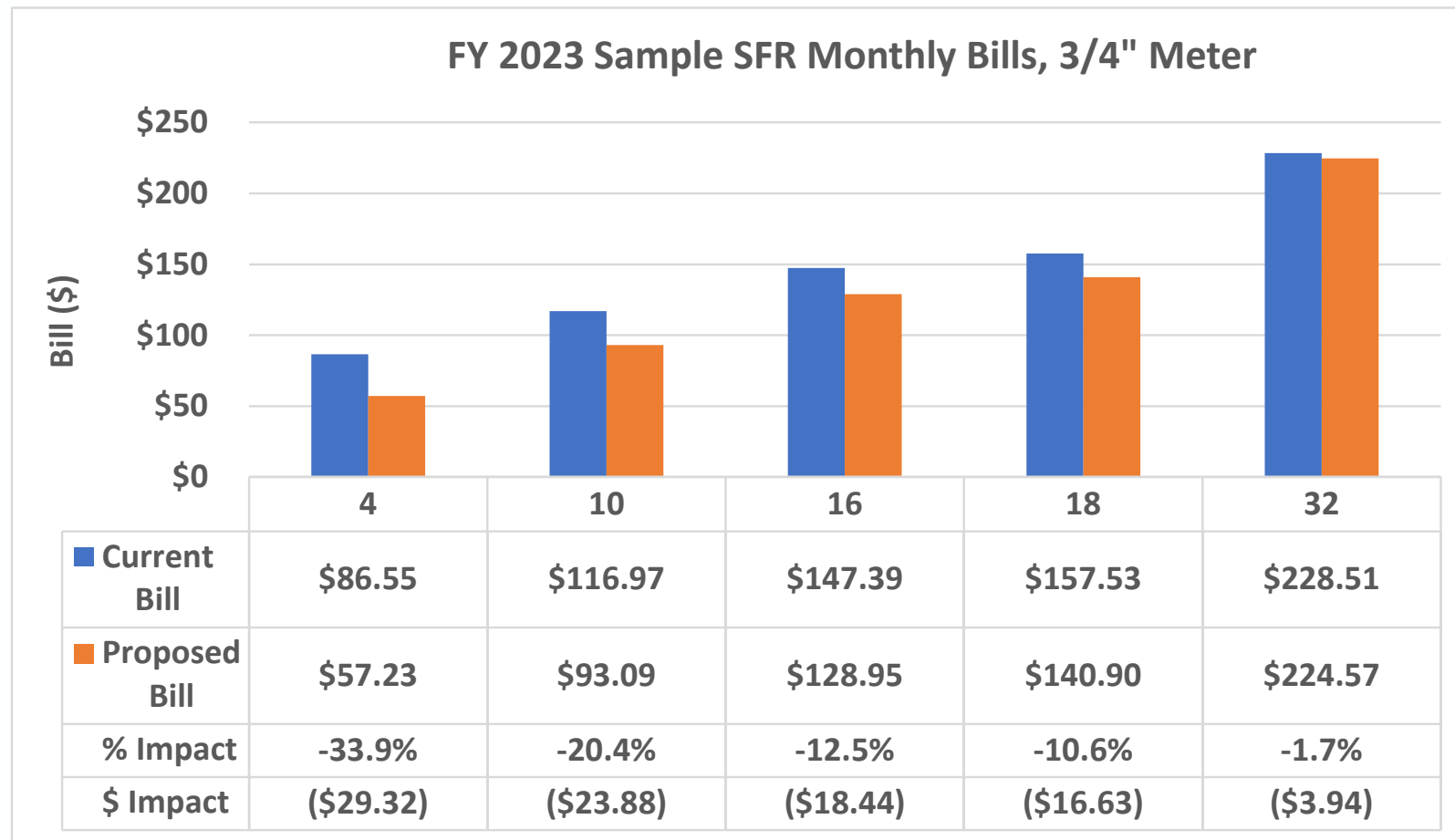
Typical Bills – Average Use is 16 HCF

- Capital charge decrease helps lower the average bill
- Includes the capital charge that will be collected via property taxes



Typical Bills – Average Use is 16 HCF

- Excluding capital charge in proposed bill because it will be collected via property taxes.



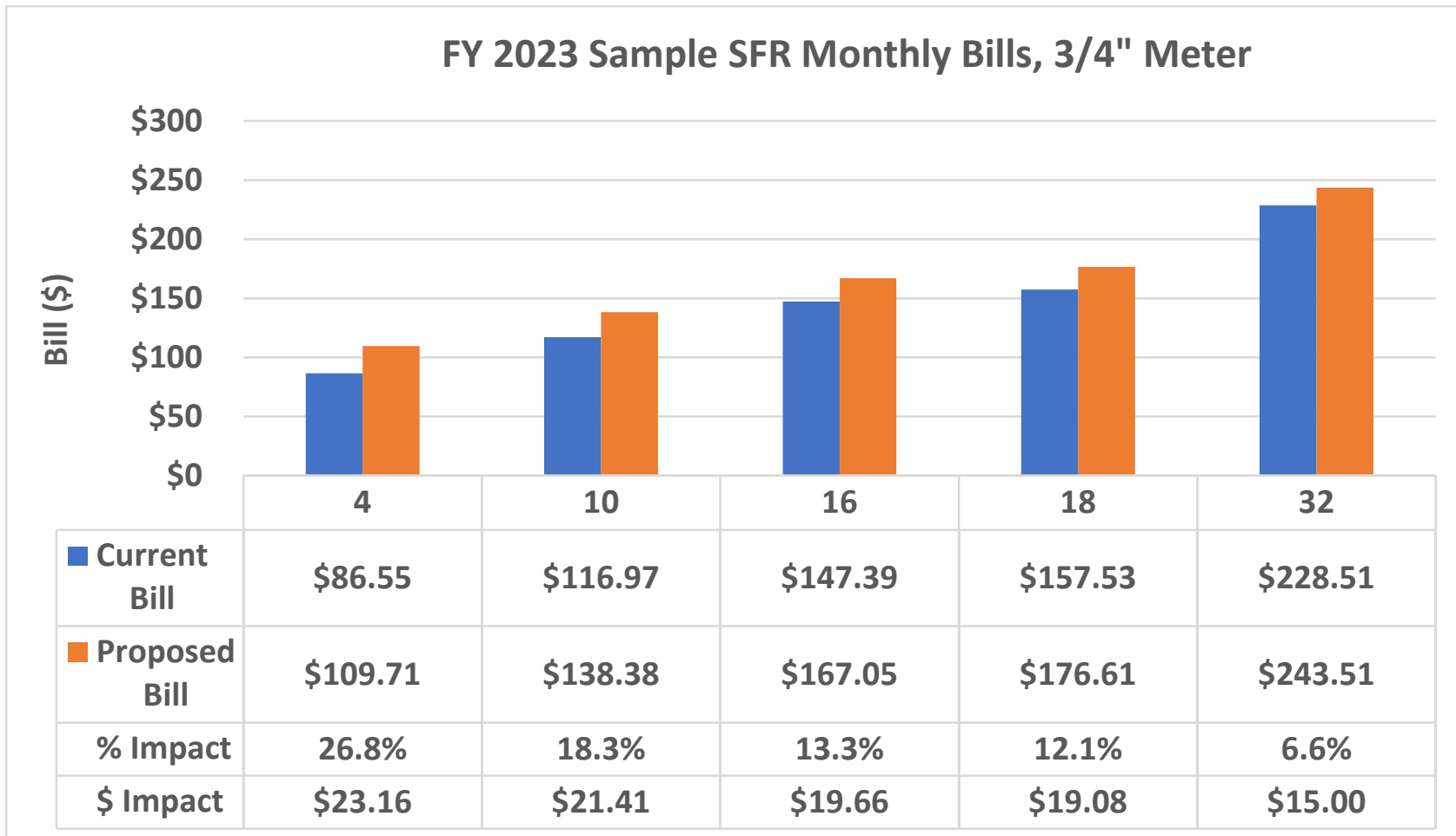
Retail Water Alternative Proposed Rates assuming 50% Fixed Revenue

Proposed Rates	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Effective Date	Current	Oct 2022	Jul 2023	Jul 2024	Jul 2025	Jul 2026
Revenue Adjustment			7.0%	7.0%	7.0%	7.0%
Meter Size Fixed Charge						
5/8"	\$22.50	\$51.91	\$55.54	\$59.43	\$63.59	\$68.04
3/4"	\$33.75	\$51.91	\$55.54	\$59.43	\$63.59	\$68.04
1"	\$56.24	\$80.84	\$86.50	\$92.55	\$99.03	\$105.96
1.5"	\$112.46	\$153.14	\$163.86	\$175.33	\$187.60	\$200.74
2"	\$179.92	\$239.91	\$256.70	\$274.67	\$293.90	\$314.47
3"	\$393.56	\$514.66	\$550.69	\$589.23	\$630.48	\$674.61
Commodity Rate (\$/ccf)	\$5.07	\$4.47	\$4.78	\$5.11	\$5.47	\$5.85
Capital Charge						
All Accounts	\$32.52					
5/8"		\$32.75	\$35.05	\$37.50	\$40.13	\$42.93
3/4"		\$32.75	\$35.05	\$37.50	\$40.13	\$42.93
1"		\$54.59	\$58.41	\$62.50	\$66.88	\$71.56
1.5"		\$109.18	\$116.82	\$125.00	\$133.75	\$143.11
2"		\$174.69	\$186.92	\$200.00	\$214.00	\$228.98
3"		\$382.13	\$408.88	\$437.50	\$468.13	\$500.90

Fixed
revenue =
50%

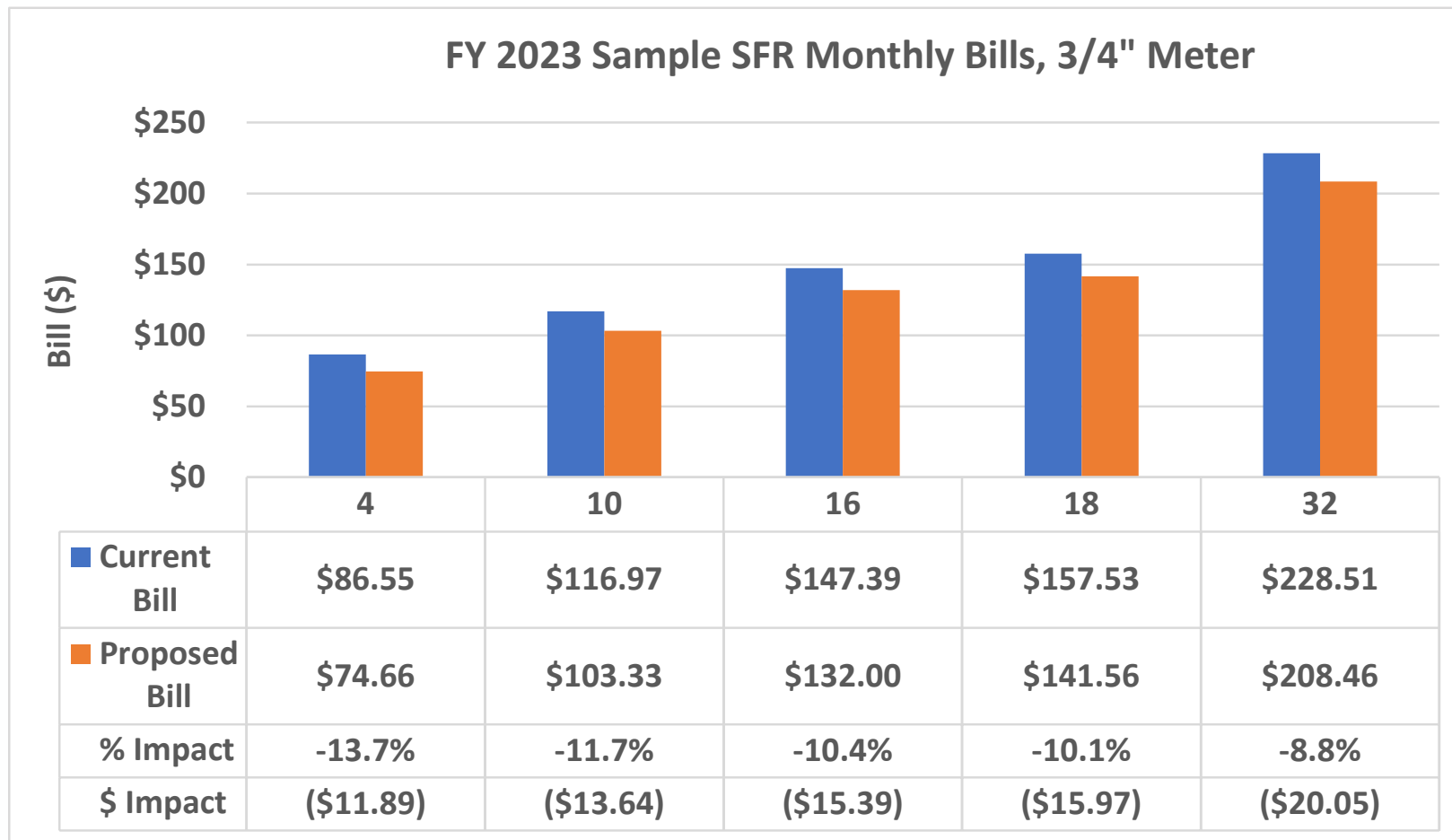
Alternative Bills – Average Use is 16 HCF

- Capital charge decrease helps lower the average bill
- Includes the capital charge that will be collected via property taxes



Alternative Bills – Average Use is 16 HCF

- Excluding capital charge in proposed bill because it will be collected via property taxes.



Sewer

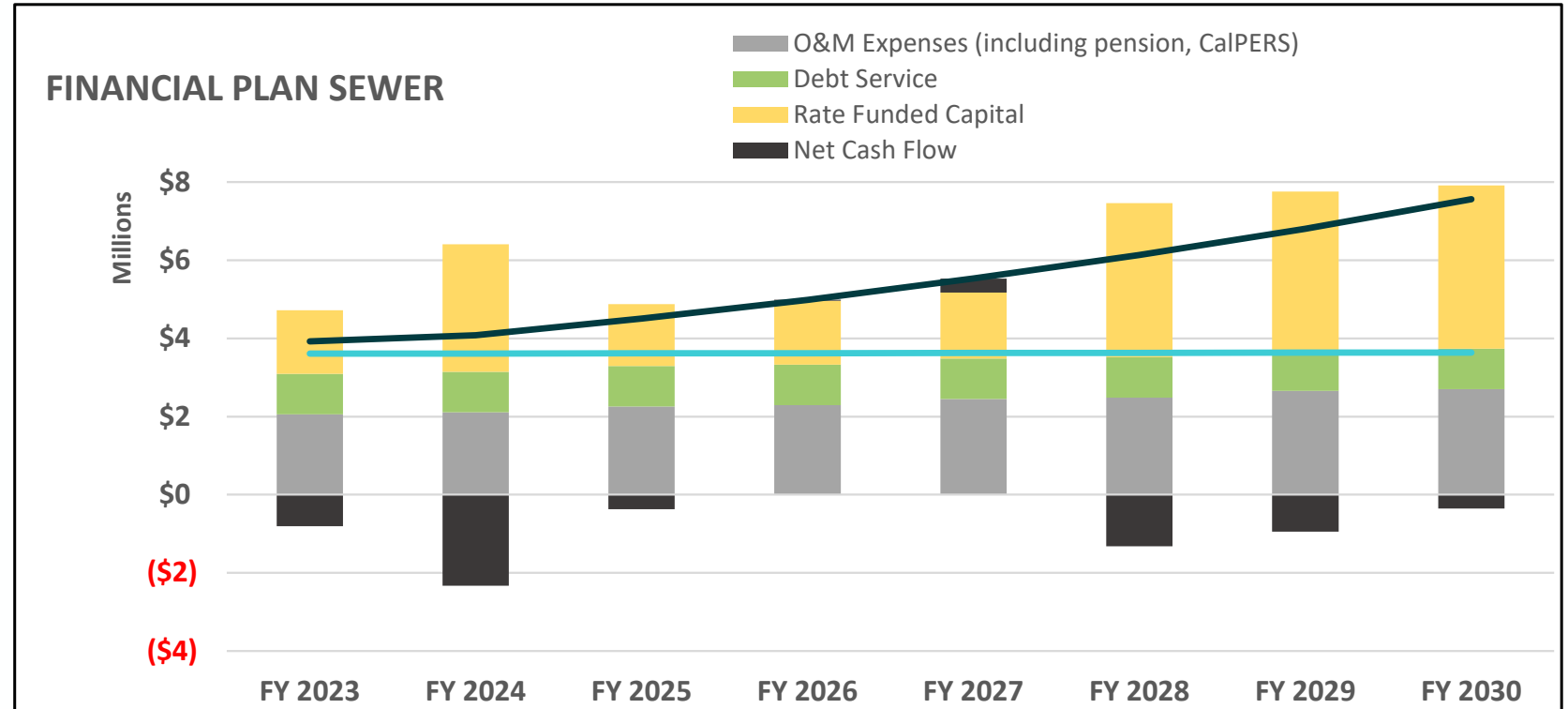


Sewer

- Prior to EOCWD taking over the sewer system in 2016, rates had not been changed in a very long time.
- Rates were cut in half in 2016 when EOCWD took over the sewer system.
- No rate adjustments since that initial reduction in 2016.
- CPI for Los Angeles-Long Beach-Anaheim has increased ~3.4%/year between Dec 2016 and Dec 2021.

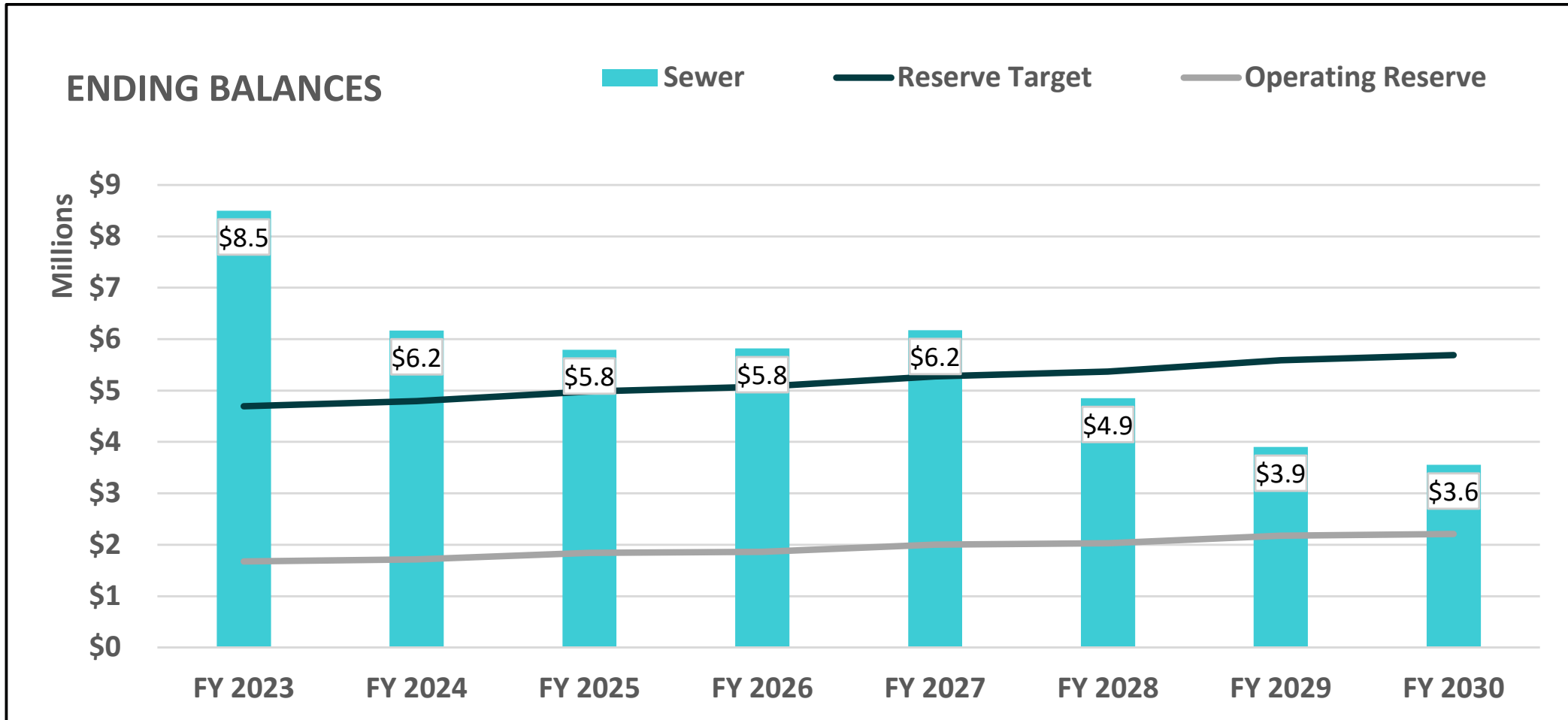
Proposed Financial Plan – Sewer

Fiscal Year	Mo.	Revenue Adjustment
2023	--	--
2024	Jul	12%
2025	Jul	12%
2026	Jul	12%
2027	Jul	12%



Proposed Financial Plan Ending Fund Balances

(does not show \$ restricted for capital)



Proposed Rates - Sewer

Proposed Rates	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Effective Date	Current Rate	Jul 2023	Jul 2024	Jul 2025	Jul 2026
Adjustment (%)	0.0%	12.0%	12.0%	12.0%	12.0%
SFR (annual charge)	\$108.00	\$120.96	\$135.48	\$151.73	\$169.94
MFR (annual charge)	\$75.60	\$84.67	\$94.83	\$106.21	\$118.96

- Non-residential charges are based on the single-family residential rate and the property use class of the non-residential customer per Resolution No. 16-2.

Capacity Fees



Capacity Fees

- One-time charges for new home/building connecting to the system.
- Equity Buy-In Approach
 - › Adds cash on hand and divides by current number of service units (equivalent meters or EDUs)

Wholesale Zone Capital Facility Fees

- › Wholesale capacity rights (assets) are inflated and not depreciated
- › Previous study was based on accounts and not equivalent meters

Line No.	Line Item	Equity Buy-in
1		<u>RCLD-Total</u>
2	Total Backbone System Value	\$26,222,202
3	Less Outstanding Debt Principal	\$0
4	Add Cash on Hand	\$9,484,100
5	FY 2022 System Value	\$35,706,302
6	Number of Equivalent Meters (EM)	33,092
7	5/8" Meter Capacity Fee (line 5 / line 6)	\$1,079
8	Current Fee	\$952

Proposed Wholesale Capital Facility Fees

Line No.	By Meter Size	EM Capacity Ratio	Proposed Fees	Existing Fees	Percent Difference
1	5/8"	1.0	\$1,079	\$952	13.3%
2	3/4"	1.0	\$1,079	\$952	13.3%
3	1"	1.7	\$1,798	\$1,586	13.4%
4	1 1/2"	3.3	\$3,597	\$3,173	13.4%
5	2"	5.3	\$5,755	\$5,076	13.4%
6	3"	11.7	\$12,588	\$11,103	13.4%
7	4"	21.0	\$22,659	\$19,986	13.4%
8	6"	53.3	\$57,547	\$50,856	13.2%
9	8"	93.3	\$100,707	\$88,828	13.4%
10	10"	140.0	\$151,060	\$133,243	13.4%

Retail Zone Capital Facility Fees

- › Assumes 3/4" meter is the base meter (all equivalences are in proportion to the 3/4" meter)

Line No.	Line Item	Equity Buy-In
1		<u>RCLD-Total</u>
2	Total Backbone System Value	\$7,938,878
3	Less Outstanding Debt Principal	\$4,035,600
4	Cash on Hand	\$8,313,421
5	FY 2022 System Value	\$12,216,699
6	Number of Equivalent Meters (EM)	1,525
7	Capacity Fee for 5/8" Meter (1 EM)	\$8,011
8	Current Fee	\$6,103

Line No.	By Meter Size	EM Capacity Ratio	Proposed Fees	Existing Fees	Percent Difference
1	5/8"	1.0	\$8,011	\$6,103	31.3%
2	3/4"	1.0	\$8,011	\$6,103	31.3%
3	1"	1.7	\$13,352	\$10,171	31.3%
4	1 1/2"	3.3	\$26,703	\$20,342	31.3%
5	2"	5.3	\$42,725	\$32,547	31.3%
6	3"	11.7	\$93,462	\$71,196	31.3%

Proposed Sewer Capital Facility Fees

- › Significant difference in asset values compared to last study

Line No.	Line Items	Equity Buy-In
1		<u>RCLD-Total</u>
2	Total Backbone System Value	\$308,790,469
3	Less Outstanding Debt Principal	\$16,142,400
4	Cash on Hand	\$9,300,700
5	FY 2022 System Value	\$301,948,769
6	Total Estimated Equivalent EDUs	28,491
7	Buy-in Unit Charge per EDU	\$10,598

Line No.	Proposed and Existing Sewer Capacity Fees	
1	Proposed Sewer Capacity Fees (per EDU)	\$10,598
2	Old 2020 Sewer Capacity Fees (per EDU)	\$2,469
3	% Difference	329%

Next Steps

- › Approve financial plans and revenue adjustments
- › Prepare and submit Proposition 218 notice
- › Set public hearing date
- › Draft report

End of Presentation





MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: ID1 CRA PROJECT UPDATE
DATE: SEPTEMBER 15, 2022

Background

At the June 16, 2022 meeting, the Board awarded ID1 CRA Project Construction Package #2 to T.E. Roberts, Inc. (T.E. Roberts). Construction Package #1 was previously completed, and Construction Package #2 is in progress. T.E. Roberts has completed the Crawford Canyon segment of Construction Package #2 and has mobilized to 6th Street. The next segment will be the sewer main crossing at the I5 Freeway, then Browning south of the I5 Freeway to Mitchell, and finally the crossing of the flood control channel and railroad at Fallen Leaf. The project is shown on the attached location map. Final project completion is expected in April of 2023.

The project budget is provided below:

ID1 CRA Project Budget	
Design	\$ 2,350,000
Construction – Package 1	\$ 5,036,000
Construction – Package 2	\$ 7,554,000
CM&I	\$ 1,480,000
Contingency	\$ 515,000
Total =	\$16,935,000

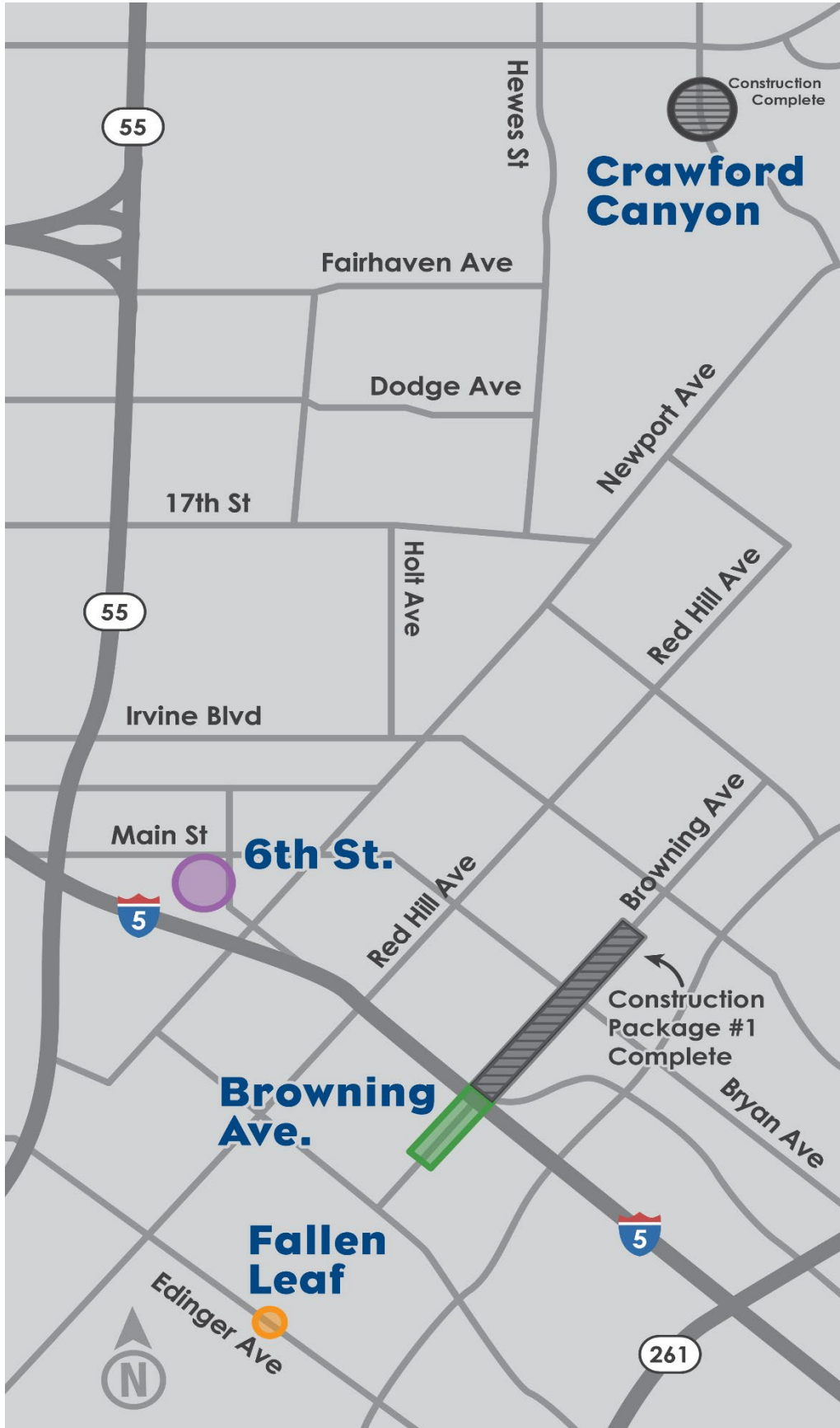
Recommendation

Informational.

Attachment(s):

Location Map

ID1 CRA PROJECT
LOCATION MAP





MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: GENERAL MANAGER ANNUAL REVIEW
DATE SEPTEMBER 15, 2022

Background

Pursuant to Section IV(A) of the General Manager's contract, the Board is permitted from time-to-time to consider salary and cost of living adjustments for the General Manager as deemed appropriate by the Board. The District recently conducted a review of the General Manager's performance over the past year. Based on that review, the Board has proposed a 10% increase in annual compensation, based on the General Manager's excellent performance as well as the unprecedented rise in the consumer price index.

Recommendation

That the Board consider approving a 10% increase in the annual compensation paid to the General Manager, retroactively effective to July 1, 2022, which would bring the General Manager's salary to approximately \$276,728 per year.

Attachment(s): None.



MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: DIRECTOR'S REPORTS
DATE: SEPTEMBER 15, 2022

Background

Board members represented the District at the following meetings in August 2022:

President Davert

8/10 OC LAFCO Commission Meeting
 8/18 EOCWD Regular Board Meeting

Vice President Murdoch

8/2 ACWA Region 10 Event
 8/9 ACWA ACE Subcommittee Meeting
 8/18 EOCWD Regular Board Meeting
 8/24-8/25 Urban Water Institute Conference
 8/30 ACWA APP Subcommittee Meeting
 8/30 ACWA ACE Subcommittee Meeting
 8/31 ACWA Membership Committee Meeting

Director Bell

8/18 EOCWD Regular Board Meeting

Director Sears

8/5 Water Advisory Committee of Orange County (WACO) Meeting
 8/9 North Tustin Fire Safe Council Meeting
 8/11 Foothill Communities Association
 8/18 EOCWD Regular Board Meeting
 8/24-8/26 Urban Water Institute Conference

Director Thoms

8/5 Water Advisory Committee of Orange County (WACO) Meeting
 8/18 EOCWD Regular Board Meeting
 8/24-8/25 Urban Water Institute Conference

Recommendation

Informational.

MEMO

TO: BOARD OF DIRECTORS
FROM: GENERAL MANAGER
SUBJECT: LEGISLATIVE AND OUTREACH REPORT
DATE: SEPTEMBER 15, 2022

Background

Attached are the most recent monthly reports from Lewis & Consulting Group and Townsend & Associates regarding local, regional and state issues and legislation of interest to the District. Additionally, copies of our monthly print and social media outreach are also attached.

Recommendation

The Board receive and file the report.

Attachment(s): Townsend Legislative Report
Lewis Consulting – County of Orange Report
Foothills Sentry Outreach Ad
Communications Lab Social Media Report

MEMORANDUM

To: East Orange County Water District
From: Townsend Public Affairs
Date: September 2, 2022
Subject: Monthly State and Federal Legislative Update

State Legislative Update

August 31 marked the final night of the 2021-2022 Legislative Session. January 2023 will kick off the next two-year legislative cycle, with new bills and concepts. Notably, the new bills will be matched by a massive class of freshman legislators and potential changes to legislative leadership, as this year marked the departure of nearly 30 incumbent lawmakers.

The final night of the legislative session ended at two o'clock in the morning, which can be attributed to numerous last minute legislative pushes for new climate related regulations, disputes over a bill that would have allowed legislative staffers to unionize, and the fate of California's last-standing nuclear power plant. In a stark contrast to last years' calm and quick final night of session, many major issues had not been decided and passed with the incremental waves of budget bills and budget trailer bills over the summer and in the month since summer recess.

Nevertheless, the Legislature decided the fate of a number of bills important to local governments in its final days of session. Of the 2,350 bills introduced this year, the Legislature passed a total of 1,440. As of September 2, the Governor has signed 490, vetoed 7, and still has 943 bills to consider before the September 30 deadline.

It is expected that the Governor will follow his previous bill-signing trends and will package bills with other similar measures for signing into law. These packages are likely to include measures that address housing and land use, behavioral health supportive services, climate change and energy, and Brown Act Modernization, among others. Below is an overview of a few of the bills the Legislature has passed onto the Governor's desk for final consideration, organized by issue area:

Water and the Environment

For most of the legislative session, the Legislature debated one of the most controversial water bills in several years while the water and wastewater industry were split on how to engage. The bill, SB 1157 (Hertzberg), would lower the existing indoor residential water use target to 42 gallons per capita per day starting in 2030, with an interim standard set at 47 gallons per capita per day starting in 2025. Amendments late in the session requires the Department of Water Resources to conduct additional studies about the impacts of a 2030 standard, as well as make modest changes

to the current existing variance process. Despite fierce opposition from water districts across the State, SB 1157 (Hertzberg) narrowly passed and is now on the Governor's desk.

In addition, bills to continue to address perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other forms of contamination were viewed favorably by the Legislature, including AB 2247 which requires a manufacturer of PFAS or a product or product component containing regulated PFAS that is sold, offered for sale, or distributed into the state to register product containing regulated PFAS on the publicly accessible reporting platform created by the Department of Toxic Substances Control (DTSC) and the Interstate Chemicals Clearinghouse (ICC). AB 2247 is on the Governor's desk, as well as AB 2771 (Quirk), which bans the manufacturing and sale of cosmetic products with intentionally added PFAS as an ingredient.

In addition to policy and source control bills, the Legislature also passed SB 991 (Newman), the most comprehensive progressive design-build for local water agencies in several years. SB 991 would allow local agencies that provide water service to use the progressive design-build project delivery method for 15 projects over \$5 million each until 2029. This represents a breakthrough for the use of design-build as a viable project delivery method with the intention of saving time and money.

Housing and Land Use

Throughout the 2022 Legislative Session, lawmakers were once again keenly focused on land use and zoning reform. These efforts build upon the passage of major land use reform bills from 2021, including SB 9 (Atkins), which requires the ministerial approval of urban lot splits and two-unit developments on single-family zoned parcels.

This year's Session ended with the passage of several notable land use reform measures, including AB 2011 (Wicks) and SB 6 (Caballero), both of which authorize housing development projects in sites zoned for retail, office, parking, or along transit-rich corridors, so long as developers utilize stricter labor standards or adhere to stricter affordability requirements. Despite their similarities, both bills passed into law – a strategy that legislative leadership has touted as a method to give developers the choice to decide which strategy to use when approaching a housing development project in a non-residential zone: comply with stricter labor standards or stricter affordability standards. As of September 2, both bills are still pending final action from the Governor.

In addition to land use reform measures, the Legislature passed a handful of bills relating to Accessory Dwelling Unit (ADU) requirements. These include SB 897 (Wieckowski), which makes various changes to existing ADU laws, including adjustments to the minimum height limitations that a local agency may impose. Another ADU reform measure is AB 916 (Salas), which prohibits a city or county from requiring a public hearing as a condition of reconfiguring existing space to add up to two bedrooms within an existing dwelling unit. Both bills are pending consideration from the Governor.

Brown Act Reform

The COVID-19 pandemic necessitated reforms to the Brown Act to provide remote flexibilities to adhere to social distancing orders. During the 2021 Legislative Session, the Legislature passed, and the Governor signed, AB 361 (Rivas) into law, which allows local agencies to use teleconferencing without complying with specified Ralph. M Brown Act restrictions in certain state emergencies. Following the passage of AB 361, it was thought there would be no appetite to modify its provisions or looks toward additional Brown Act modernization requirements. However, this Session, three measures addressing public meetings requirements were passed by the legislature.

These include AB 2449 (Rubio), which allows members of a legislative body of a local agency to use teleconferencing without identifying each teleconference location in the notice and agenda of the meeting, and without making each teleconference location accessible to the public. AB 2647 (Levine) allows writings that have been distributed to members of a legislative body of a local agency less than 72 hours before an open, regular meeting to be exempt from specified requirements of the Ralph M. Brown Act (Brown Act), if the agency meets certain requirements. Both measures are on the Governor's desk awaiting consideration, as of Friday, September 2.

An additional measure, SB 1100 (Cortese), has already been signed into law. This bill authorizes the presiding member of a legislative body conducting a meeting, or their designee, to remove an individual for disrupting the meeting, and defines "disrupting" for these purposes.

Each of these three measures reflect modest changes to the Brown Act to allow for additional flexibilities for local agencies. Continued remote teleconferencing for *all members* of a legislative body is currently provided via the provisions established under AB 361, which are set to expire January 1, 2024, or when the COVID-19 state of emergency is lifted – whichever comes first.

Climate and Energy

In mid-August, reports began swirling about the Governor convening meetings with Legislative leaders and the Democratic Caucus to push forward last-minute legislation to address the climate crisis. These priorities materialized into a [memo](#) presented to the Legislature, outlining climate change mitigation tactics the Governor wanted to see pushed forward in legislation before the end of Session. These included laws set interim targets for 100 percent clean energy, regulate projects to remove carbon from the atmosphere and smokestacks, and end new oil drilling near communities.

Ultimately, these efforts resulted in six legislative proposals, five of which passed the Legislature and are pending the Governor's signature as of September 2. These five measures include the following:

Greenhouse Gas Emission Reductions

Measures contained within the package relating to greenhouse gas emissions include AB 1279 (Muratsuchi), which codifies the State's existing goal of carbon neutrality by 2045. For context, the State enacted another greenhouse gas bill, AB 32, in 2006, requiring the State to set a target for emissions to drop to 1990 levels by 2020. While AB 1279 passed, another, more aggressive measure that would have set California's target at 55% below the state's 1990 emissions up from the current 40% target, failed in the Assembly on the final night of session.

Clean Energy and Grid Reliability

Another measure relating to the Governor's climate proposals is SB 1020 (Laird), which sets interim targets for generating clean energy. A current law already requires 100% of retail electricity to be fueled by renewables such as wind and solar by 2045. The new law would add 90% by 2035 and 95% by 2040. In addition, all State agencies must source their energy from 100% renewable sources by 2035, ten years sooner than law now requires.

The question remains, however, if California's electrical grid can handle the surge in energy demand. The State is expected to see a 68% increase in energy consumption by 2045, according to the California Air Resources Board. To handle that increase, the Agency estimates that the state needs to expedite renewable energy projects.

The issue of grid reliability was addressed in SB 846 (Dodd) which aims to keep the state's last remaining nuclear power plant in Diablo Canyon operating until 2030 and gives its operator,

Pacific Gas & Electric, a \$1.4 billion loan to do so. This bill was viewed as one of the most contentious bills of the final night of session – with proponents arguing the need to keep the power plant functioning in the face of increase grid demand, and opponents concerned about accidents, nuclear waste issues, and a perceived “PG&E bailout.”

Carbon Sequestration

SB 905 (Caballero) directs the California Air Resources Board to develop a program and set regulations for carbon capture, utilization and storage projects at polluting industries, such as oil refineries. The practice is supported by the oil industry, but environmentalists say it has the potential to do more harm than good and prolongs the lives of fossil fuels. The State has yet to see a large scale carbon capture and storage development seen to fruition.

Another bill approved by the Legislature, AB 1757 (C. Garcia), would require the State to set targets for removing planet-warming carbon from the atmosphere with nature-based methods, such as planting trees, restoring wetlands and scaling up public landscaping and urban forestry projects. The bill received widespread support from environmentalists, who say nature-based solutions to combating the existing amount of greenhouse gas emissions in the air is a better approach than relying on engineered technologies.

Oil Well Setbacks

The 2022 Legislative Session saw several attempts to establish buffer zones around oil and gas wells and other large-scale industrial equipment, to prevent their encroachment on “sensitive receptors” like residential zones and schools.

SB 1137 (Gonzalez), which requires 3,200 foot setbacks between new oil and gas wells and sensitive receptors, narrowly passed the Legislature on the final night of session. The bill also requires operators to take certain steps at the thousands of existing wells within that buffer zone. Included is a plan to monitor toxic leaks and emissions, and install alarm systems. In addition, new requirements would include limits on noise, light, dust and vapors.

Looking Forward

As previously mentioned, the Governor will have until the end of September to act on all measures passed by the Legislature. Last year, Governor Newsom approved 92 percent and vetoed 7.9 percent of the bills that made it to his desk. It is expected that he will sign a similar percentage of bills into law this year.

In addition to the onset of new laws, next year will mark massive changes in the State Legislature. The decennial redistricting process caused numerous lawmakers to move, battle for new district spots, or retire. This, coupled with the onset of another graduating class of legislators under the new term limit requirements established by Prop. 140 (1990), has prompted many legislators to not seek reelection. As such, 2023 will bring forward a new class of freshman legislators – specifically, 10 new Senators and 19 new Assembly Members.

This is likely to spark new leadership changes, bill ideas, and shift the makeup of factions within the Democratic Caucus. For instance, Assembly Member Robert Rivas has already signaled his intentions of battling Incumbent Speaker Anthony Rendon for the coveted Assembly Speakership. If he succeeds, it is likely he will appoint new committee chairs and internal leadership positions.

Governor Newsom Announces Water Strategy for a Hotter, Drier California

Last month, Governor Newsom announced California's latest actions to increase water supply and adapt to more extreme weather patterns caused by climate change. The actions, outlined in a strategy document published by the Administration called "[California's Water Supply Strategy, Adapting to a Hotter, Drier Future](#)" calls for investing in new sources of water supply, accelerating projects and modernizing how the state manages water through new technology.

To help make up for the water supplies California could lose over the next two decades, the strategy prioritizes actions to capture, recycle, de-salt and conserve more water. These actions include:

- Creating storage space for up to 4 million acre-feet of water, which will allow us to capitalize on big storms when they do occur and store water for dry periods
- Recycling and reusing at least 800,000 acre-feet of water per year by 2030, enabling better and safer use of wastewater currently discharged to the ocean.
- Freeing up 500,000 acre-feet of water through more efficient water use and conservation, helping make up for water lost due to climate change.
- Making new water available for use by capturing stormwater and desalinating ocean water and salty water in groundwater basins, diversifying supplies and making the most of high flows during storm events.

These actions are identified broadly in the Newsom Administration's [Water Resilience Portfolio](#) – the state's master plan for water released in 2020 – but they will be expedited given the urgency of climate-driven changes.

Governor Newsom Issues State of Emergency to Prevent Grid Strain with Increased Energy Demands

On August 31, Governor Newsom proclaimed a State of Emergency to temporarily increase energy production and reduce demand. The California Independent System Operator has called a Flex Alert, asking Californians to reduce their electricity consumption between 4 p.m. and 9 p.m. to save power and reduce the risk of outages.

Actions the State has taken to accelerate the transition to clean energy have put an estimated 4,000 megawatts on the grid that were not available in July 2020. Since then, the State has also developed emergency measures including adding generators and a Strategic Energy Reserve, additional procurement, and demand response to produce 2,000 megawatts available to respond to emergency conditions. However, because the recent heat wave has impacted the entire western United States, limited energy resources are being stretched across multiple states. The prolonged drought has also greatly reduced the State's ability to generate hydroelectric power. Additionally, the duration of the late August- early September heat wave is unlike those experienced in recent history increasing the length of time the grid will face peak demand.

This emergency proclamation will allow power plants to generate additional electricity, permits use of backup generators to reduce the amount of energy they need to draw from the grid during the periods of peak energy demand during this heat wave, and allows ships in California ports to reduce their consumption of electricity from the grid.

CARB Bans Sale of New Gas-Powered Vehicles, Beginning 2035

On August 25, the California Air Resources Board (CARB) adopted their Advanced Clean Cars II (ACC II) Regulations requiring automobile manufacturers to deliver to the California new vehicle market increasing percentages of zero-emission vehicles (ZEVs) as a portion of their overall product deliveries between model years 2026 and 2035. The ACC II regulations' proposal to increase the sale of ZEVs would culminate in nearly 100 percent sales of ZEVs by the 2035 as directed by Governor Newsom's Executive Order N-79-20.

For context, in 2018 and 2019 Assembly Member Ting introduced legislation banning the sale of gas-powered vehicles by 2035. That legislation never made it out of Assembly Transportation Committee due to lingering questions about its viability. Without answers to these and other questions, it appeared that this policy was going to struggle through the Legislature, so instead, in 2020 Governor Newsom produced an Executive Order directing CARB to develop regulations to implement the strategy. The ACC II regulations are the result of that order.

During the development of the regulations, automakers cautioned CARB that while technological advances may lower compliance costs, consumers may still not accept new technologies at the rates required by the regulation and stressed that complementary ZEV policies to facilitate the ZEV market are needed. Other stakeholders representing business associations expressed concerns about ZEV affordability.

CARB staff determined that, when weighing the benefits of emissions reductions against the increased costs imposed by the proposal, the net result of the ACC II regulations are estimated to be a cumulative net benefit to California of \$91.1 billion with a benefit-cost ratio of 1.43, meaning benefits are more than costs between 2026 and 2040. For more information, see the staff board summary [here](#); find the entire proposed resolution [here](#).

Federal Legislative Updates

Although the month of August is typically reserved for the Congressional recess, this year was marked by a broad last minute effort to sign sweeping climate, health, and tax legislation into law. The Inflation Reduction Act was one key piece of legislation that passed in August, along with the CHIPS and Science Act and the Honoring Our Pact Act. Additionally, the Biden Administration announced new policy initiatives to mitigate student loan debts for low- and middle-income borrowers, protect the DACA program, and address a regional megadrought in the west. Below is an overview of federal legislative updates that occurred during the month of August.

President Biden Signs Inflation Reduction Act

Following months of negotiations on the Inflation Reduction Act ([H.R. 5376](#)) in Congress, President Biden signed the legislation into law on August 16. The President's signing of the bill comes after the Senate voted 51-50 and the House voted 220-207 to pass the legislation. The \$750 billion legislation will address health care, tax, and energy reforms and marks a major victory for the Administration ahead of the November midterm elections.

Following the passage of the Inflation Reduction Act, Congress officially entered its August recess. The Senate is scheduled to return to Washington, DC on September 6, while the House is set to reconvene on September 13.

Update on FY23 Appropriations

Although Congress is in its recess this month, work on the path forward on FY23 appropriations continued throughout August. In June and July, the House and Senate Appropriations Committees released the text of their FY23 appropriations bills. Eight of the twelve annual spending bills passed the House in July, but none have passed the Senate. Due to the slim Democratic majorities in the House and Senate, Congress will need to strike a bipartisan compromise on FY23 appropriations in order to overcome a Republican filibuster in the Senate. The House and Senate bills that have been released are Democratic, partisan bills, with little to no Republican input. Because there is no bipartisan agreement, Congress will take up a Continuing Resolution (CR) in September to fund the government at current levels beyond the end of Fiscal Year 2022 on September 30. This will give the House and Senate negotiators more time to arrive at a compromise. The earliest a compromise will emerge is likely in December.

Capitol Hill sources suggest that the House of Representatives will consider a CR when they return to Washington during the week of September 12. We are told to anticipate this CR lasting until December 16, 2022.

EPA Proposes Designating Certain PFAS Chemicals as Hazardous Substances

On August 26, the Environmental Protection Agency (EPA) [proposed](#) to designate two of the most widely used per- and polyfluoroalkyl substances (PFAS) as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). The rulemaking aims to increase transparency around releases of these harmful chemicals and help to hold polluters accountable for cleaning up their contamination.

The proposal applies to perfluorooctanoic acid (PFOA) and perfluorooctanesulfonic acid (PFOS) and is based on significant evidence that PFOA and PFOS may present a substantial danger to human health and the environment. PFOA and PFOS can accumulate and persist in the human body for long periods of time and exposure can potentially lead to deadly illnesses, including cancer.

If this designation is finalized, releases of PFOA and PFOS that meet or exceed the reportable quantity would have to be reported to the National Response Center, state or Tribal emergency response commissions, and the local or Tribal emergency planning committees. Additionally, under the rule, polluters would be made to pay in certain circumstances by allowing the EPA to seek to recover cleanup costs. Federal entities that transfer or sell their property will be required to provide a notice about the storage, release, or disposal of PFOA or PFOS on the property and a covenant ensuring the contamination has been cleaned up, as well.

EPA will be publishing the Notice of Proposed Rulemaking in the *Federal Register* in the next several weeks. Upon publication, EPA welcomes comment for a 60-day comment period.

Biden Administration Calls for Colorado River Basin Conservation

On August 16, the Biden Administration [called](#) for the seven states in the Colorado River Basin – California, Arizona, and Nevada in the Lower Basin, and Utah, New Mexico, Colorado and Wyoming in the Upper Basin – to conserve up to 4.2 million-acre feet of water from the river annually through 2026 to ensure enough can serve the region amid a [megadrought](#). Earlier in June, the Bureau of Reclamation asked the states to come up with a long-term plan by mid-August to cut water; however, the states are at an impasse. With tensions running high between states

in the Upper and Lower Basins, the need to cut to water is so urgent there is likely not enough time to wait for a legal dispute to play out. If the dispute sparks litigation, it's likely to originate at the Supreme Court—the typical venue for interstate water conflicts—and take years or even decades to resolve.

The Colorado River provides water for 40 million people from Denver to Los Angeles, but the region is 23 years into a [megadrought](#), radically reducing river flows and drying up the largest reservoirs in the Country. The basin's two reservoirs, lakes Mead and Powell, are at a combined 28% of capacity. The Bureau is pushing states to come to a consensus on conservation.

President Biden Signs Executive Order to Implement CHIPS and Science Act

On August 25, President Biden signed an Executive Order (EO) to implement the semiconductor funding in the bipartisan CHIPS and Science Act of 2022 ([H.R. 4346](#)). The CHIPS+ Act establishes over \$52 billion to bolster the U.S. semiconductor industry and increase U.S. industry competitiveness. To coordinate effective implementation of the legislation across the Administration, the EO establishes an interagency CHIPS Implementation Steering Council. The Steering Council will be co-chaired by National Economic Director Brian Deese, National Security Advisor Jake Sullivan, and the Acting Director of the Office of Science and Technology Policy, Alondra Nelson.

The Administration has established six primary priorities to guide CHIPS+ implementation across the federal government. These include:

- Protect taxpayer dollars through a rigorous review of applications, as well as with clear compliance and accountability requirements.
- Meet economic and national security needs by building domestic capacity that reduces U.S. reliance on foreign semiconductor production while simultaneously increasing U.S. economic productivity and competitiveness.
- Ensure long-term leadership in the semiconductor sector through a collaborative network for research and innovation.
- Strengthen and expand regional manufacturing and innovation clusters to bolster investments across the supply chain.
- Catalyze private sector engagement to maximize large-scale private investment in production, technologies, and workers in the industry. The CHIPS+ program will ideally respond to market signals, fill market gaps, and reduce investment risk to private entities.
- Generate benefits for a broad range of stakeholders and communities, especially startups, workers, socially and economically disadvantaged businesses, universities, and local economies.

In addition to the EO, the Department of Commerce has launched CHIPS.gov to provide an essential channel through which the public can learn about CHIPS Program initiatives.

The County of Orange Report

Prepared for the East Orange County Water District

September 8, 2022
by Lewis Consulting Group

MWDOC Responds to Grand Jury

At the August 17th meeting, MWDOC unanimously passed their response to the Orange County Grand Jury's recent report. Previously OCWD had replied in a laudatory manner. The MWDOC response was a forceful response to the contrary and could best be described as a "you don't know what you are talking about". Prior to the vote, Director Al Nederhood summed up the Directors feelings when he referred to it as a "seriously flawed Grand Jury Report". Parts of the MWDOC response are printed below:



August 12, 2022

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Director

Sat Tamaribuchi
Director

Jeffrey M. Thomas
Director

Robert J. Hunter
General Manager

MEMBER AGENCIES

City of Brea
City of Buena Park
East Orange County Water District
El Toro Water District
Emerald Bay Service District
City of Fountain Valley
City of Garden Grove
Golden State Water Co.
City of Huntington Beach
Irvine Ranch Water District
Laguna Beach County Water District
City of La Habra
City of La Palma
Mesa Water District
Moulton Niguel Water District
City of Newport Beach
City of Orange
Orange County Water District
City of San Clemente
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

The Honorable Erick L. Larsh
Presiding Judge of the Superior Court
700 Civic Center Drive West
Santa Ana, CA 92701

Subject: MWDOC Responses to the Orange County Grand Jury Report's Findings and Recommendations

Dear Judge Larsh,

Please accept this letter as the Municipal Water District of Orange County's (MWDOC) timely response to the 2021-22 Orange County Grand Jury report, **Water in Orange County Needs "One Voice."** The responses to the Orange County Grand Jury Report's findings (F1-F6) and recommendations (R1-R2) are attached.

Water and the provision of water services at both the wholesale and retail level, are highly complex issues with multiple factors that must be fully assessed and understood when considering changes. MWDOC understands the Grand Jury has limitations on comprehensively researching the issue of consolidation or conducting the level of detailed analysis required to substantiate many of its findings. Potential consolidation of Orange County Water District (OCWD), and MWDOC has been evaluated and considered on numerous occasions in the past, and neither MWDOC nor OCWD have previously concluded that the benefits of consolidation are compelling enough to overcome the substantial financial, institutional, and statutory challenges.

While MWDOC appreciates the Grand Jury's time and efforts in preparing this report, we find the report did not conduct an in-depth analysis of the advantages and disadvantages of consolidation nor did it look at how the water providers and system interact and function. The simplicity of the report lacks compelling facts and evidence to support its findings and recommendations. Although MWDOC currently believes that consolidation is not in the best interest of the Orange County water providers and the public, we are committed to identify the avenues to improve its coordination, communication, and services and with OCWD and all the water providers throughout the county.

We thank the Grand Jury for its hard work on the report and interest in Orange County water issues.

Sincerely,

Megan Yoo Schneider, M.S., P.E.
Board President

F1 - A SINGULAR WATER AUTHORITY FOR ORANGE COUNTY'S WHOLESALE WATER SUPPLY LIKELY WOULD RESULT IN FURTHER OPPORTUNITIES AT THE LOCAL, STATE, AND FEDERAL LEVELS IN LEGISLATION, POLICY MAKING AND RECEIVING SUBSIDIES AND GRANTS.

RESPONSE: Disagree wholly with this Finding

MWDOC does not agree with this finding. The state and federal advocacy efforts of MWDOC and OCWD, combined with our respective member retail agencies (many of which also have their own state and federal advocacy programs), have resulted in substantial influence with state and federal legislators, as well as numerous successes in obtaining outside subsidies and grants. A simple reason for this effectiveness stems from the fact that multiple voices advocating for Orange County water interests resonate with more influence. Having multiple agencies with their own staff and advocacy resources actively involved in water policy and legislation increases our collective success rate and enhances, rather than diminishes, the County's influence. MWDOC, OCWD, and retail agencies each bring their own unique perspectives to the table on particular issues, whether those issues relate to imported water, groundwater, wholesale, or retail agency experience and knowledge. Recurring meetings and venues have been established in which MWDOC, OCWD and their member agencies actively collaborate on policy and legislative advocacy, as well as outside funding opportunities.

This coordinated structure has also resulted in numerous grant awards for groundwater clean-up, water use efficiency programs, and local water resource project development. This success is due to coordination among the agencies; and there is a long history of utilizing each agencies' area of expertise, whether it be local versus regional and/or groundwater versus imported water. MWDOC retains a specialized consultant who produces a monthly tracking report and identifies matching grants for all water providers' current infrastructure projects throughout the County. Upon request, the consultant assists agencies in applying for and securing available grants. This MWDOC cooperative service seeks to ensure that any available funding that will advance water interests in Orange County is identified and pursued by all interested agencies.

It should be noted, the Grand Jury report does not identify any specific instances in which there have been forgone grant opportunities, or conflicts in securing an outside funding among MWDOC or OCWD. Similarly, the report does not identify instances of materially conflicting policy positions among MWDOC and OCWD. As such, the conclusion of the Grand Jury that a single wholesale entity will improve legislative advocacy or the potential for securing outside funding is unfounded.

F6 - ORANGE COUNTY CURRENTLY DOES NOT HAVE A COUNTYWIDE COORDINATED POLICY REGARDING WATER CONSERVATION, WHICH RESULTS IN DIFFICULTY WHEN COMPLYING WITH ANY NEW STATE-MANDATED CONSERVATION REGULATIONS.

RESPONSE: Disagree wholly with this Finding

MWDOC has a long-standing history of leading and coordinating water use efficiency and conservation efforts and policy implementation throughout Orange County in partnership with the retail water agencies that are required to achieve water use efficiency targets with their customers. It is important to emphasize that the State mandated "Making Conservation a California Way of Life" water use efficiency regulations, are structured for compliance at a retail agency level. While MWDOC has and will continue to provide resources and support locally appropriate responses to the regulations, a one-size fits all water conservation "policy" would neither be productive nor recognize the diversity of needs found throughout Orange County. Retail water agencies have independent relationships and unique understanding of their customer base and in many cases, uniform countywide policies or customer messaging may not be compatible with local needs. The Grand Jury report did not detail the "difficulty" experienced by retail water agencies in meeting state-mandated conservation regulations or support the conclusion that a county-wide conservation "policy" would address such difficulties. The finding does not support the Grand Jury's broader recommendation for a change in Orange County's wholesale water agency structure.

MWDOC provides leadership, coordination, and support to all the Orange County water suppliers on implementation of water use efficiency and conservation programs. Programs include both rebate incentives and customer education resources accessed by Orange County residents and businesses. In addition, MWDOC has been very successful in acquiring and managing local, state, and federal grant funding to implement water use efficiency

programs. Many of these programs are implemented exclusively with a combination of grant funding acquired by MWDOC and availability of Metropolitan Water District funding, and therefore require minimal or no funding from the retail water agencies. Since 2001, MWDOC has brought in more than \$113 million in local, state, and federal grant funding for water use efficiency program implementation throughout Orange County. These investments are saving more than 57,000 acre-feet of water per year - enough water to serve 171,200 households per year.

Below are several significant milestones through the years that demonstrate MWDOC leadership in setting a coordinate effort among the agencies in the County regarding State Mandated Conservation regulations:

1991 MWDOC led the effort to voluntarily implement cost effective Best Management Practices within California Urban Water Conservation Council Memorandum of Understanding for urban water use efficiency standards.

2009 MWDOC led the formation of the Orange County Regional Alliance as part of the Conservation Act of 2009, known as 20% by 2020. The formation of the alliance allowed for Orange County retail agency investments in water use efficiency to be “pooled” for collective compliance with the law and successfully met the objective prior to 2020.

2018 “Making Conservation a California Way of Life” sought to take mandatory water use efficiency beyond the 20% by 2020 framework through implementing a retail agency budget-based approach. MWDOC has been a leader in the discussions with the California Department of Water Resources and State Water Resources Control Board in finalizing the details of this framework.

2018 Requirements focusing on distribution system water loss were enacted by the State through SB 555. In response, MWDOC developed a Technical Assistance Program to provide one-on-one technical assistance to comply with the regulations. To provide further services, MWDOC developed an innovative Water Loss Shared Services Program that provides specialized MWDOC staff to perform annual water balance validation, distribution system leak detection, customer water meter accuracy testing, and distribution system flushing.

2021 MWDOC and the retail agencies developed a model water conservation ordinance to have a coordinated, but locally appropriate response to water shortage conditions. Many of the retail agencies are currently implementing their ordinances with the Governor’s call for agencies to be at Level 2 of their Water Shortage Contingency Plans.

2022 MWDOC, in partnership with Santa Margarita Water District, is developing a tool for use by water agencies across the state to demonstrate the costs and efforts needed to meet the proposed new volumetric standards.

In another action, MWDOC unanimously nominated Director Bob McVicker to serve as ISDOC first Vice President.



The September 14th meeting of Orange County LAFCO has been cancelled and the next meeting will be held on October 12, 2022. Of interest to LAFCO is the possible impending vacancy of one of its members. A Superior Court judge has ruled that three Mission Viejo Councilmembers violated the city’s term-limit law and must step down from office. One of the three is Wendy Bucknum, one of the two City representatives on LAFCO. The judge has amended his order to give Mission Viejo time to turn to the Appellate Court.

The City plans to appeal, but if they lose their appeal, Councilwoman Bucknum will be out of office for some period of time. She will however appear on the November 2022 ballot and will be eligible to serve on LAFCO if re-elected. The question is how will LAFCO or the City Selection Committee respond to a possible short-term vacancy?

Berkeley IGS Poll Explored Drought Opinions

A Berkeley IGS poll conducted August 8-15, 2022 queried California registered voters on a series of questions related to the drought. The huge poll of 9,254 registered voters yields a margin of error of +/- 2% with a confidence level of 95%.

HOW SERIOUS DO YOU THINK CALIFORNIA'S WATER SHORTAGE IS?

	<u>STATEWIDE</u>	<u>ORANGE COUNTY</u>
VERY SERIOUS	71%	65%

HOW MUCH HAVE YOU AND YOUR FAMILY BEEN AFFECTED BY THE CURRENT WATER SHORTAGE?

GREAT OR SOMEWHAT	40%	27%
LITTLE OR NONE	57%	70%

ARE RESIDENTIAL WATER USERS DOING THEIR PART TO REDUCE WATER USAGE?

YES	32%	29%
NO	42%	44%

HOW ABOUT AGRICULTURAL WATER USERS AND FARMERS?

YES	29%	25%
NO	28%	27%

HOW ABOUT BUSINESSES AND COMMERCIAL USERS?

YES	13%	14%
NO	48%	48%

HOW IMPORTANT IS IT FOR CALIFORNIA RESIDENTS TO MAKE PERMANENT CHANGES TO THEIR OUTDOOR LANDSCAPING BY REMOVING LAWNS AND TURF AND REPLANTING WITH PLANTS AND SHRUBS THAT DON'T REQUIRE MUCH WATER?

IMPORTANT	72%	70%
NOT IMPORTANT	21%	23%

Orange County COVID-19 Update

ORANGE COUNTY COVID-19 STATS	9/6/2022	8/9/2022
CUMULATIVE CASES TO DATE	661,016	646,563
CUMULATIVE DEATHS TO DATE	7,365	7,247
DEATHS REPORTED TODAY	8	12
CUMULATIVE TESTS TO DATE	9,928,494	9,761,070
TESTS REPORTED THIS WEEK	36,223	48,946
CASES CURRENTLY HOSPITALIZED	202 *	282 *
CASES CURRENTLY IN ICU	30	40
CUMULATIVE RECOVERED TO DATE	641,538 *	613,647 *

* = INCLUDES *ICU* CASES

Election Countdown Less Than Two Months

As we approach the November 8th general election, our nation's most famous political prognosticators weigh in on the probability of the partisan control of the U.S. House and Senate.

PROGNOSTICATORS	U.S. HOUSE SEATS		U.S. SENATE SEATS	
	REP	DEM	REP	DEM
NATE SILVER / 538	228	207	49	51
REAL CLEAR POLITICS	235	200	50	50
LARRY SABATO/CRYSTAL BALL	229	206	50	50
POLITICO	226	209	50	50
COOK POLITICAL REPORT	229	206	49	51
COMPOSITE / AVERAGE	229	206	50	50

Colorado River Drought - An Alternative View

Dr. Roy Spencer is NO QUACK.

Spencer earned his Ph.D in meteorology from the University of Wisconsin in 1981. As a senior scientist for Climate Studies at NASA's Marshall Space Flight Center, he and fellow scientist Dr. John Christy received NASA's Exceptional Scientific Achievement Award for their global temperature monitoring work with satellites. In 1996, both scientists received special awards from the American Meteorological Society "for developing a global, precise record of earth's temperature from operational polar-orbiting satellites, fundamentally advancing our ability to monitor climate." In 2001, Dr. Spencer joined Dr. Christy at the University of Alabama Huntsville, where he continues to serve as the Principal Research Scientist. Dr. Spencer is quick to point out that the entirety of his research is government funded - NASA, NOAA and the DOE.

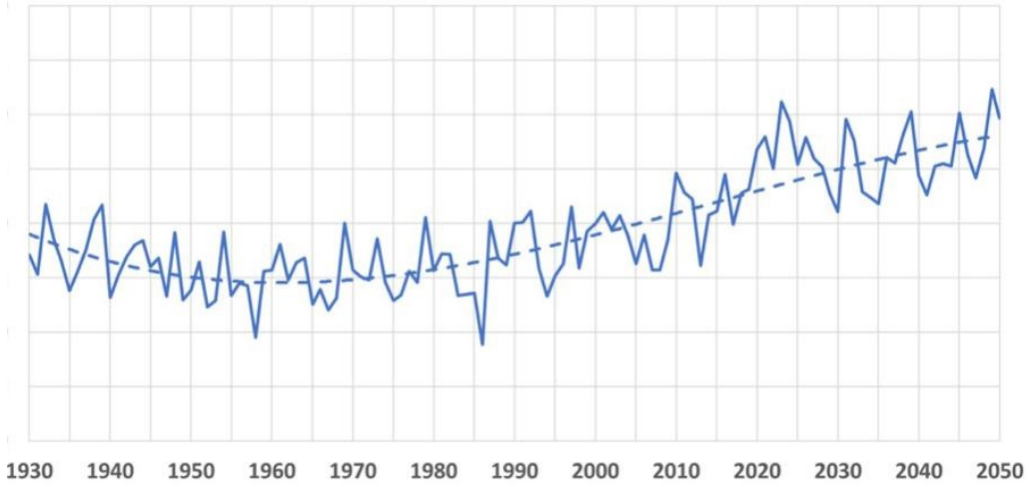
Dr. Spencer has an alternative view when it comes to the Colorado River drought. His thesis is that the Colorado River flow and water levels at Lake Mead and Lake Powell are not related to climate change, but instead to increased use combined with normal fluctuations in weather.

Dr. Spencer asserts the following points:

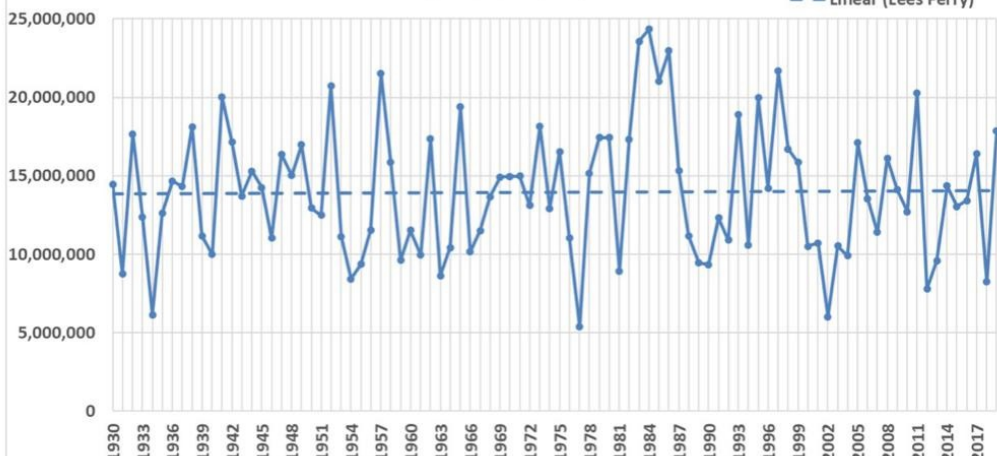
- ◆ Contrary to claims that drought is causing Lake Mead water levels to fall, the Colorado River natural flows into Lake Mead show no long-term trend since 1930
- ◆ Decadal time scale variations in river flow do occur, though, related to the Pacific Decadal Oscillation (PDO)
- ◆ Since about 2000, use of Lake Mead water has exceeded river inflow, causing water levels to drop. The negative phase of the PDO since that time has exacerbated the problem

As evidence, he provides a number of charts:

CMIP6 Climate Model Yearly Precipitation (inches)
(Lat = 37.5N-41.25N; Lon=250.3E - 254.1E)
Average of 183 climate model members



Colorado River Natural Flows Into Lake Mead, 1930-2019
(acre-ft per year)



April Upper Colorado River Basin Snowpack
Departure from Median, 1938-2022

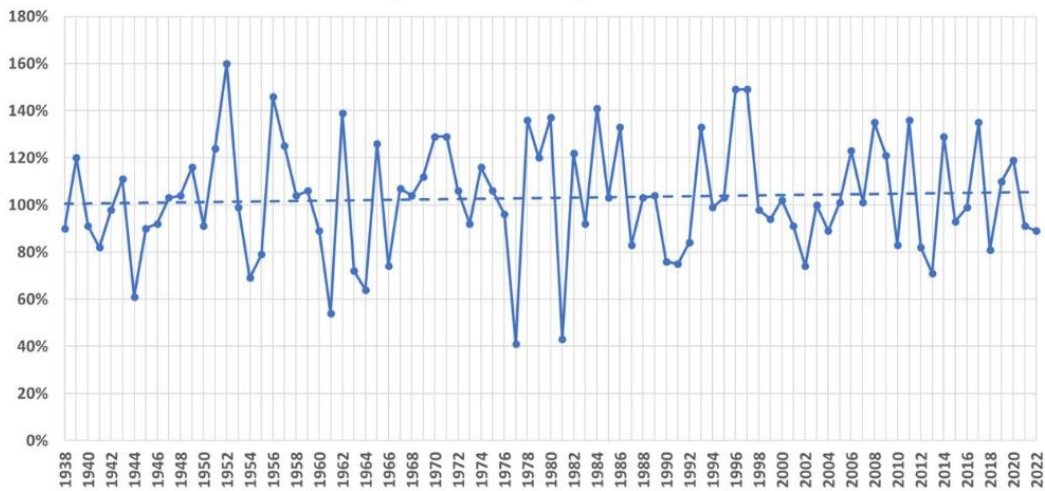
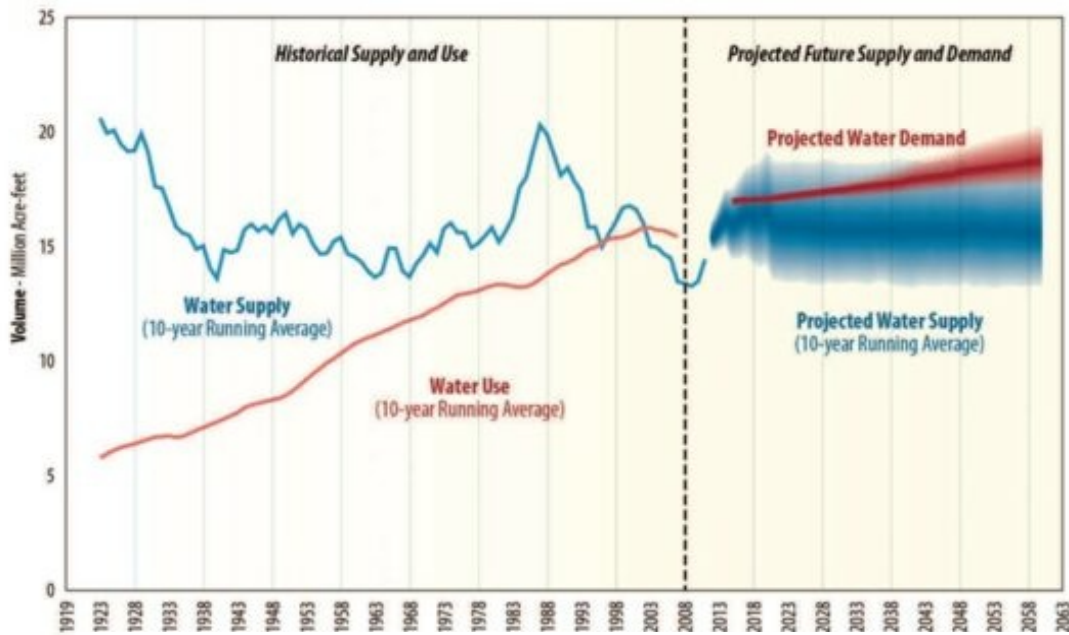
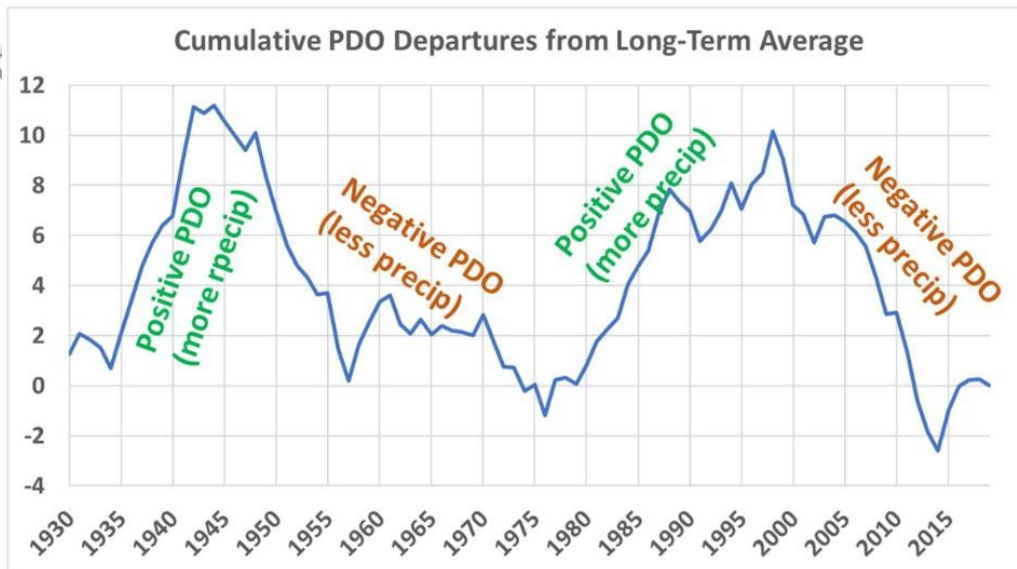


FIGURE 2

Historical Supply and Use¹ and Projected Future Colorado River Basin Water Supply and Demand

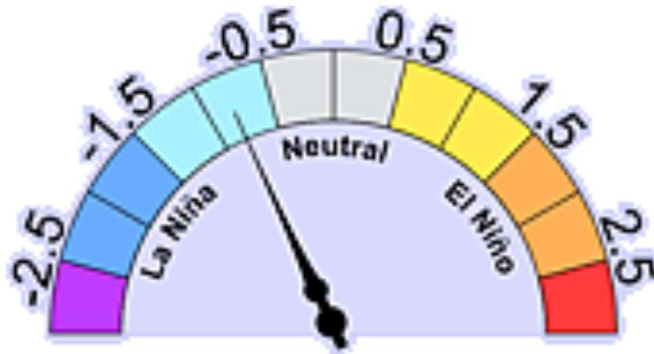


¹ Water Use operation



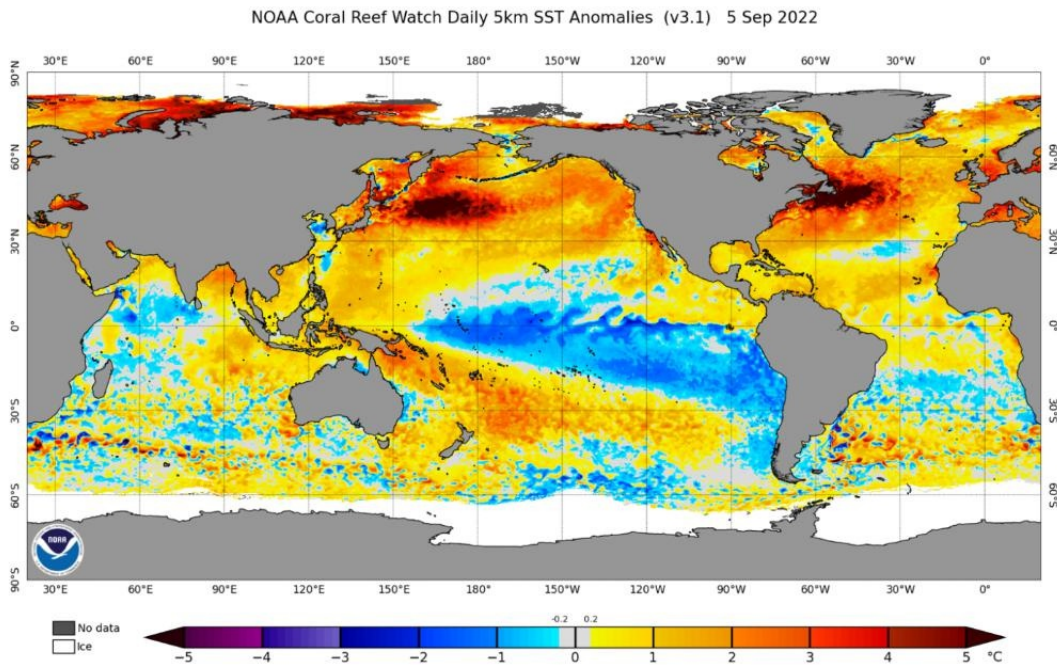
Dr. Spencer concludes his lengthy article with the following “The popular narrative that drought due to climate change is causing Lake Mead to have less water available to it is incorrect. Since 1930, there has been no long-term change in the Colorado River flow upstream of what is now Lake Mead. The latest climate models do not even predict a reduction in precipitation in the upper Colorado River watershed. Multi-decadal changes in river flow do occur, though, and are related to the Pacific Decadal Oscillation, a natural fluctuation in weather patterns over the northeast Pacific. Recent record-low water levels in Lake Mead are primarily due to record high water demand from the lake, since approximately 2000. The problem is being made somewhat worse by the negative phase of the PDO, also since approximately 2000.”

ENSO METER



Cold water emanating in South America provides a great picture of La Niña conditions.

ENSO/SST Page



Water smart is beautiful.



EOCWD
EAST ORANGE COUNTY
WATER DISTRICT

 **SAVE OUR WATER.com**



SOCIAL MEDIA REPORT

To: David Youngblood, General Manager, EOCWD

From: Michelle Lim, Social Media Manager, *Communications LAB*

Date: September 8, 2022

Re: Social Media Report // August 2022

SUMMARY REPORT

FACEBOOK

CURRENT PAGE FOLLOWERS

2,269

NEW PAGE LIKES

2 -33.3%

PAGE VISITS

17 +41.7%

PAGE REACH

85 -58.3%

INSTAGRAM

TOTAL FOLLOWERS

522

NEW FOLLOWERS

6 +50%

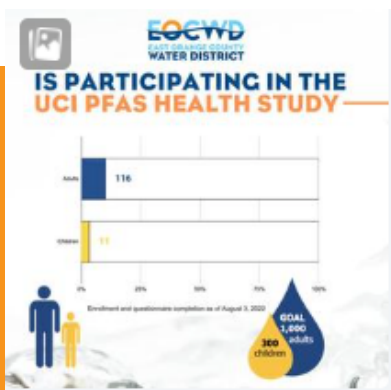
PAGE REACH

132 +144.4%

PROFILE VISITS

11 +10%

TOP SOCIAL MEDIA POSTS



UCI PFAS Study

Engagements: 5

Reach: 97



National Tell A Joke Day

Reach: 46

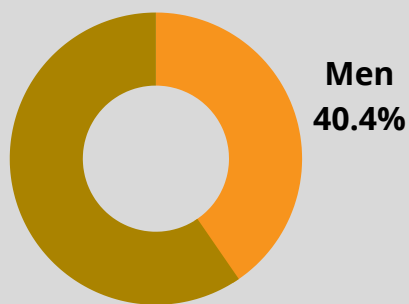
Engagement: 10

DEMOGRAPHIC | TARGET MARKET

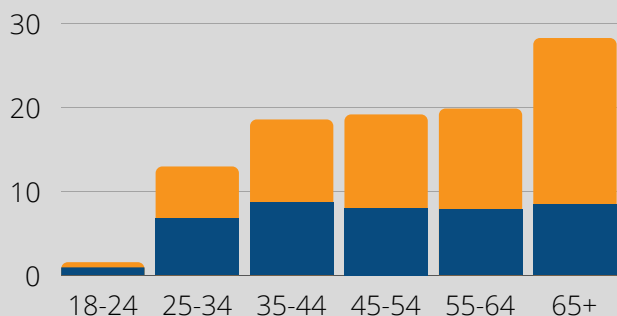
PAGE LIKES & FOLLOWERS (AGE & GENDER)

FACEBOOK PAGE FOLLOWERS

2,269



■ Men ■ Women



TOP DEMOGRAPHIC:

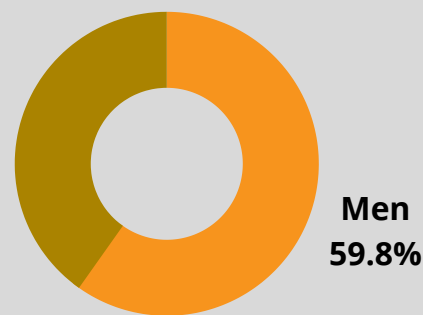
MEN (35-44)

WOMEN (65+)

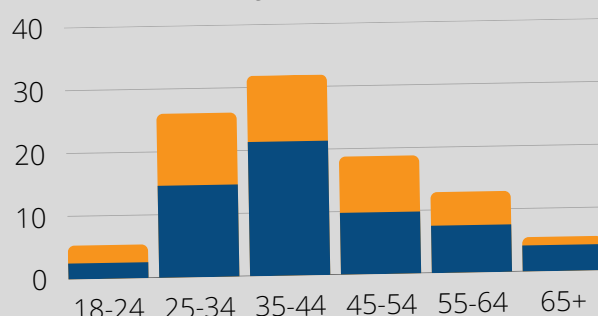
INSTAGRAM PAGE FOLLOWERS

522

Women 40.2%



■ Men ■ Women



TOP DEMOGRAPHIC:

MEN (35-44)

WOMEN (25-34)

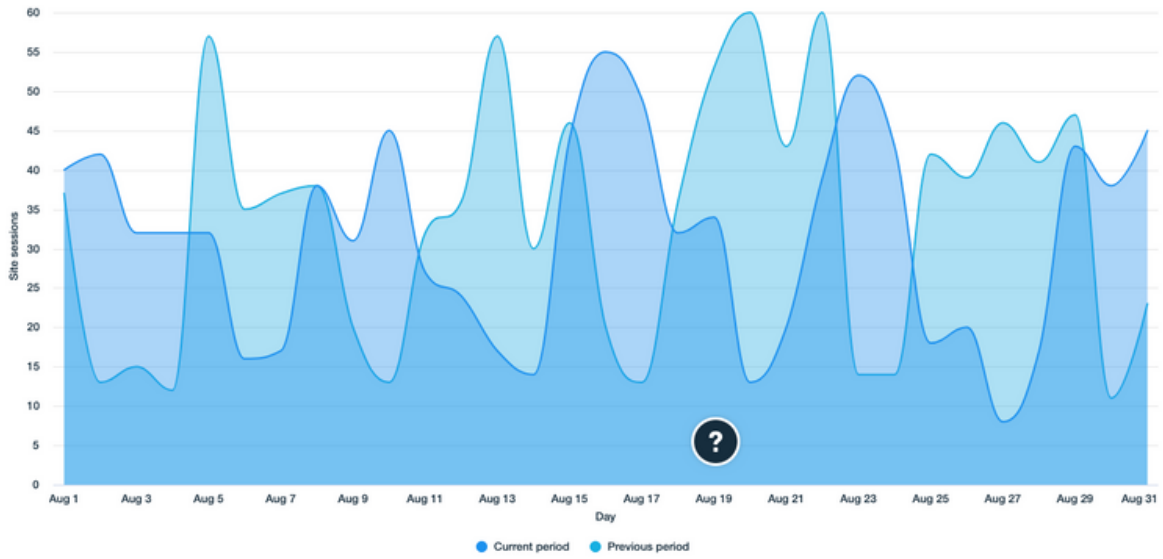
TOP CITIES (FACEBOOK)

- Los Angeles, CA 11.5%
- Santa Ana, CA 6.7%
- Orange, CA 5.6%
- Anaheim, CA 5.2%
- Long Beach, CA 3.3%

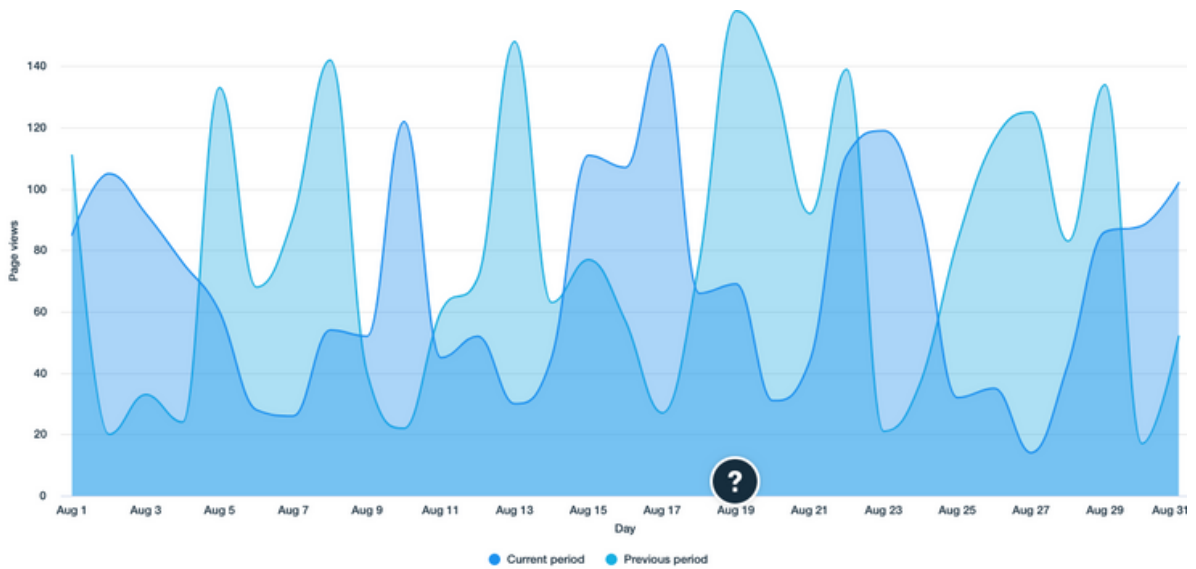
TOP CITIES (INSTAGRAM)

- Los Angeles, CA 2.9%
- San Diego, CA 2.7%
- Long Beach, CA 1.7%
- Anaheim, CA 1.3%
- Shanghai, China 1.3%

TRAFFIC OVER TIME



PAGE VIEWS



TRAFFIC BY TIME OF DAY

Day >	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Hour ^							
00 am	1	1	0	1	1	0	1
01 am	0	1	1	1	1	0	0
02 am	0	1	0	0	1	1	0
03 am	0	2	1	0	1	0	1
04 am	0	2	1	1	0	1	0
05 am	1	0	2	1	0	1	0
06 am	1	2	1	1	1	1	2
07 am	3	1	1	2	1	2	1
08 am	1	3	1	2	2	3	1
09 am	1	3	3	2	3	2	2
10 am	1	2	3	3	2	3	2
11 am	1	3	2	5	2	5	1
12 pm	2	3	2	4	1	2	2
01 pm	1	2	2	3	1	2	2
02 pm	1	3	5	3	3	2	3
03 pm	1	3	5	4	2	1	1
04 pm	2	3	4	4	4	1	1
05 pm	2	1	1	2	1	1	1
06 pm	1	1	1	2	1	1	2
07 pm	2	2	2	2	2	1	0
08 pm	1	1	3	3	3	3	0
09 pm	1	1	1	1	1	1	1
10 pm	1	3	3	1	1	0	1
11 pm	1	2	1	1	1	0	0

TOP TRAFFIC SOURCES BY SESSIONS

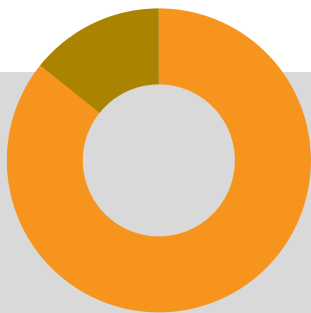


TOP PAGES BY SESSIONS

Top pages visited after landing:

Page name	Visitors	% of total visitors
/ (Homepage)	87	13%
/view-pay-my-bil	76	12%

Returning
103



New
620

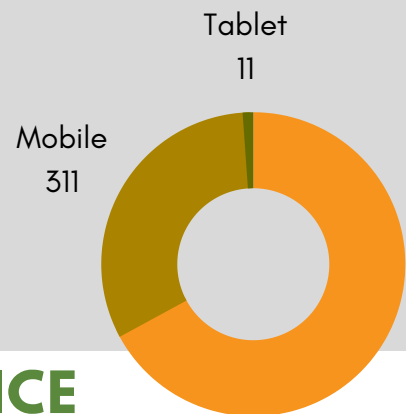
NEW VS. RETURNING VISITORS

723

UNIQUE VISITORS

978

SITE SESSIONS



SESSIONS BY DEVICE

OVERVIEW

SITE SESSIONS

978

UNIQUE VISITORS

723

AVG. SESSION DURATION

3M 5S