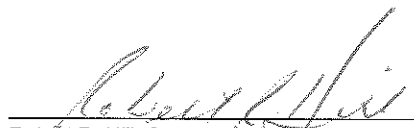


SI hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



Robert R. Hill, Secretary of the
El Toro Water District and the Board of
Directors thereof

AGENDA

EL TORO WATER DISTRICT REGULAR MEETING OF THE BOARD OF DIRECTORS ENGINEERING COMMITTEE MEETING AND FINANCE/INSURANCE COMMITTEE MEETING

(Director Monin will be teleconferencing

**From: Renaissance Hotel
44-400 Indian Wells Lane
Indian Wells, CA 92210)**

September 25, 2018

7:30 a.m.

CALL TO ORDER – Vice President Vergara

PLEDGE OF ALLEGIANCE – Vice President Vergara

ORAL COMMUNICATION – PUBLIC COMMENT

Members of the public may address the Committee at this time or they may reserve this opportunity with regard to an item on the agenda until said item is discussed by the Committee. Comments on other items will be heard at the time set aside for "COMMENTS REGARDING NON-AGENDA ITEMS." The public will identify themselves when called on and limit their comments to three minutes.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

ENGINEERING COMMITTEE

CONSENT CALENDAR

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

There are no items.

APPROVAL OF ITEMS REMOVED FROM TODAY'S ENGINEERING COMMITTEE CONSENT CALENDAR

The Board will discuss items removed from today's Engineering Committee Consent Calendar requiring further discussion.

Recommended Action: The Board will be requested to approve the items removed from today's consent Calendar.

ACTION ITEMS

There are no action items.

ENGINEERING GENERAL INFORMATION ITEMS

1. **EI Toro Water District Capital Project Status Report**
(Reference Material Included)

Staff will review and comment on the EI Toro Water District Capital Project Status Report.

2. **Engineering Items Discussed at Various Conferences and Meetings** (Oral Report)

The Committee will discuss any pertinent Engineering items discussed at Conferences.

COMMENTS REGARDING NON-AGENDA ENGINEERING COMMITTEE ITEMS

CLOSE ENGINEERING COMMITTEE MEETING

FINANCE/INSURANCE COMMITTEE MEETING

CALL MEETING TO ORDER – Director Monin

CONSENT CALENDAR

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

3. **Resolution No. 18-9-1 - Policy Statement 1985-5 (IV) - Travel and Expense Reimbursement Policy** (Reference Material Included)

APPROVAL OF ITEMS REMOVED FROM TODAY'S FINANCE COMMITTEE

CONSENT CALENDAR

The Board will discuss items removed from today's Finance Committee Consent Calendar requiring further discussion.

Recommended Action: The Board will be requested to approve the items removed from today's consent Calendar.

FINANCIAL ACTION ITEMS

4. **Financial Package - Authorization to Approve Bills for Consideration dated August 21, 2018 and Receive and File Financial Statements as of July 31, 2018** (Reference Material Included)

The Board will consider approving the Bills for Consideration dated August 21, 2018 and Receive and File Financial Statements as of July 31, 2018.

Recommended Action: Staff recommends that the Board 1) approve, ratify and confirm payment of those bills as set forth in the schedule of bills for consideration dated August 21, 2018, and 2) receive and file the Financial Statements for the period ending July 31, 2018.

FINANCIAL INFORMATION ITEMS

5. **Tiered Water Usage and Revenue Tracking** (Reference Material Included)

Staff will review and comment on monthly and year to date Tiered Water Usage and Revenue tracking.

COMMENTS REGARDING NON-AGENDA FIC ITEMS

CLOSE FINANCE AND INSURANCE COMMITTEE MEETING

ATTORNEY REPORT

CLOSED SESSION

At this time the Board will go into Closed Session as follows:

1. In accordance with Government Code Section 54956.96 in order to receive, discuss, and/or take action concerning information obtained by the District's representative pertaining to a closed session of the South Orange County Wastewater Authority ("SOCWA"), a joint powers agency.
2. In accordance with Government Code Section 54956.9 (d)(3) to consider taking action on a claim for damages to underground electrical facilities filed by Southern California Edison (SCE) dated August 20, 2018.

REGULAR SESSION

REPORT ON CLOSED SESSION (Legal Counsel)

Mr. Granito will provide an oral report on the Closed Session.

ADJOURNMENT TO 7:30 a.m., Tuesday, October 23, 2018.

The agenda material for this meeting is available to the public at the District's Administrative Office, which is located at 24251 Los Alisos Blvd., Lake Forest, Ca. 92630. If any additional material related to an open session agenda item is distributed to all or a majority of the board of directors after this agenda is posted, such material will be made available for immediate public inspection at the same location.

Request for Disability-Related Modifications or Accommodations

If you require any disability-related accommodation, including auxiliary aids or services, in order to participate in this public meeting, please telephone the District's Recording Secretary, Polly Welsch at (949) 837-7050, extension 225 at least forty-eight (48) hours prior to said meeting. If you prefer, your request may be submitted in writing to El Toro Water District, P.O. Box 4000, Laguna Hills, California 92654, Attention: Polly Welsch.

CAPITAL PROJECT / EQUIPMENT STATUS REPORT

September, 2018

I Oso Lift Station Improvement Project

The project design is nearly complete. Dudek is completing the Mitigated Negative Declaration to comply with applicable CEQA requirements. Staff is meeting with Moulton Niguel on September 21 to review and discuss the draft plan and Agreement regarding an emergency overflow connection from the Oso Lift Station to the MNWD sewer collection system near the station. Staff has submitted the applicable documents to facilitate a property transfer for a ten-foot strip on the east side of the site from the City of Laguna Woods.

II Phase II Recycled Water Distribution System Expansion Project

Construction

- **West Side System**

Construction of the West Side System Distribution System is complete.

- **East Side System**

Construction of the East Side System Distribution System is complete.

On-Site Retrofits

Staff is preparing to bid a retrofit project including the East Side system and certain sites in the West Side System. Staff anticipates bringing a contract award recommendation to the Board in November. The remaining sites in the West Side System will be handled separately due to unique characteristics that could result in the designation of the sites as “dual-plumbed” as defined in Title 22. Staff is inspecting each of these sites as well as performing coverage tests to determine the appropriate approach to the on-site retrofits.

State Revolving Fund Agreement / Project Funding

In late August and early September the District received three checks making up the total SRF grant and loan disbursements totaling \$4,977,548.

As reported in the monthly Finance Package, the reserves level dropped below the operating expense benchmark in March of 2018. The September Finance Package describes a reserve level that is below the operating expense benchmark.

| | |
|---|----------------------|
| Six Months Operating Expense Requirement | \$ 11,119,197 |
| Cash less Restricted Reserves On Hand | \$ 10,600,780 |

The reserve depletion has been remedied with the receipt of the SRF disbursement. The checks, which arrived in late August and early September, will be reflected in the September reserve analysis presented at the October Finance Committee. The September reserve comparison, inclusive of the recently received disbursement amount, would be:

| | |
|---|----------------------|
| Six Months Operating Expense Requirement | \$ 11,119,197 |
| Cash less Restricted Reserves On Hand | \$ 13,099,768 |

The following project information items are attached:

- Cost Tracking & Estimate
- Funding Summary
- Construction Summary
- Change Order Log

III Phase III Recycled Water Distribution System Expansion Project

Staff is working on a high level project summary that will evaluate and compare the costs and benefits of various recycled water project options. Staff is preparing to make a report to the Board, at a conceptual level, at the October 19 Special Board Meeting.

IV Advanced Metering Infrastructure (AMI) Feasibility Study & Alternatives Analysis

The consulting contract has been issued to MC Engineering. MC Engineering conducted a kickoff meeting with Staff on September 18. The project is expected to be complete in early 2019.

V South Orange County Supply and System Reliability Projects

A. Baker Water Treatment Product Water Conveyance Options

Moulton Niguel Water District is evaluating their capital projects schedule regarding a potential new turnout on the South County Pipeline that would include a turnout connection dedicated to the ETWD Baker supply. MNWD has informed staff that they are currently performing a property appraisal to facilitate the acquisition of the property for the new turnout. MNWD has verbally indicated they are prepared to continue the temporary conveyance of water through the Los Alisos interconnection until such time that the permanent conveyance facilities are complete.

B. Poseidon HB Ocean Desalination Project

As discussed at the ETWD July Engineering Committee meeting, OCWD has entered into a revised non-binding Term Sheet with Poseidon. As also discussed at the July meeting, OCWD will be reaching out to South County Agencies to confirm interest in receiving a specific based loaded supply from the project. Poseidon indicates they expect to be before the Santa Ana Regional Water Quality Board for consideration of their NPDES Permit renewal in the Fall and before the Coastal Commission sometime in 2019. The feasibility of the project remains contingent upon obtaining all regulatory and environmental approvals/permits along with approval of Met LRP funding based on \$475/AF over 15 years.

**PHASE II RECYCLED WATER
DISTRIBUTION SYSTEM EXPANSION PROJECT
TOTAL PROJECT COST ESTIMATE**

| | Estimate | | To Date |
|---|--------------------|--------------------|--------------------|
| | August | September | |
| Construction | | | |
| West Side System | | | |
| E.J. Meyer Construciton Contract | \$3,708,888 | \$3,708,888 | 2,950,038 |
| Allowance for Utility Conflicts | \$125,000 | \$125,000 | \$107,649 |
| Contingency | \$20,425 | \$20,425 | \$20,425 |
| Total | \$3,854,313 | \$3,854,313 | \$3,078,112 |
| East Side System | | | |
| T.E. Roberts Construction Contract | \$1,182,348 | \$1,182,348 | \$1,187,652 |
| Allowance for Utility Conflicts | \$0 | \$0 | |
| Contingency | \$0 | \$0 | |
| Total | \$1,182,348 | \$1,182,348 | \$1,187,652 |
| Construction Material (Meter Boxes) | \$17,259 | \$17,259 | \$17,259 |
| Total Construction | | | |
| Construction Contracts | \$4,891,236 | \$4,891,236 | |
| Allowance for Utility Conflicts (Contingency) | \$125,000 | \$125,000 | |
| Contingency | \$20,425 | \$20,425 | |
| Construction Material (Meter Boxes) | \$17,259 | \$17,259 | |
| Total Construction | \$5,053,920 | \$5,053,920 | \$4,283,023 |
| Engineering Design | | | |
| Engineering Design (Tetra Tech) | \$235,827 | \$235,827 | \$235,827 |
| Retrofit Site Plans | \$66,500 | \$66,500 | 63,189 |
| Easement Exhibits (Tetra Tech) | \$37,662 | \$37,662 | \$37,662 |
| System Supply Analysis | \$14,960 | \$14,960 | \$14,960 |
| Subtotal Design | \$354,949 | \$354,949 | \$351,638 |
| Planning | | | |
| CEQA (Dudek) | \$67,805 | \$67,805 | \$67,805 |
| Funding Research | \$9,701 | \$9,701 | \$9,701 |
| SRF Application Support | \$13,536 | \$13,536 | \$13,536 |
| Subtotal Planning | \$91,042 | \$91,042 | \$91,042 |
| Construction Support | | | |
| CEQA Construction Support | \$20,000 | \$20,000 | \$17,857 |
| Engineering Construction Support - Tetra Tech | \$80,000 | \$80,000 | \$70,176 |
| Construction Management & Inspection - MWH | \$475,000 | \$484,000 | \$460,909 |
| Construction Management & Inspection - Geotech | \$105,995 | \$105,995 | \$97,940 |
| Labor Compliance Consultant - GSLC | \$42,840 | \$42,840 | \$42,870 |
| Public Relations | \$20,000 | \$14,125 | \$14,125 |
| Miscellaneous Construction Support | \$30,000 | \$30,000 | \$24,327 |
| Subtotal Construction Support | \$773,835 | \$776,960 | \$728,203 |
| Administration | | | |
| Legal | \$10,000 | \$10,000 | |
| Funding Research | | | |
| SRF Application Support | | | |
| Public Relations | | | |
| Miscellaneous | \$15,000 | \$0 | |
| Easements Compensation | \$34,600 | \$34,600 | |
| Title Insurance | \$16,500 | \$16,500 | \$16,500 |
| Subtotal Administration | \$76,100 | \$61,100 | \$16,500 |
| On Site Conversions/Retrofits Construction | \$700,000 | \$700,000 | \$0 |
| Total Project | \$7,049,845 | \$7,037,970 | \$5,470,406 |

**SRF FUNDING BREAKDOWN
DISBURSEMENT NO. 1**

| DESCRIPTION | TOTAL | CWSRF LOAN | PROP 1 LOAN | PROP 1 GRANT |
|---------------|-----------------------|-----------------------|---------------------|-----------------------|
| EJ MEYER | \$2,812,523.00 | \$1,406,262.00 | \$421,878.00 | \$984,383.00 |
| TE ROBERTS | \$1,123,231.00 | \$561,616.00 | \$168,484.00 | \$393,131.00 |
| CHANGE ORDERS | \$20,425.00 | \$20,425.00 | | |
| CM | \$620,306.00 | \$310,153.00 | \$93,046.00 | \$217,107.00 |
| ALLOWANCES | \$401,063.00 | \$200,532.00 | \$200,531.00 | |
| TOTAL: | \$4,977,548.00 | \$2,498,988.00 | \$992,492.00 | \$1,486,068.00 |

**PHASE II RECYCLED WATER
DISTRIBUTION SYSTEM EXPANSION PROJECT**

CONSTRUCTION SUMMARY

**EAST SIDE SYSTEM
PIPELINE INSTALLATION PROGRESS**

| DIAMETER | CONTRACT (LF) | INSTALLED (LF) | COMPLETION PERCENTAGE |
|--------------|------------------|-------------------|--------------------------|
| 6" | 3,671 | 3,671 | 100% |
| 4" | 4,002 | 4,002 | 100% |
| TOTAL | 7,673 | 7,673 | 100% |

Construction Completion

| | | |
|-----------------------|----------------|--------|
| Progress Billings | \$1,187,652 | 89% |
| Allowance Utilization | \$0 | 0% |
| Change Orders | (\$149,759.02) | -11.2% |

**WEST SIDE SYSTEM
PIPELINE INSTALLATION PROGRESS**

| DIAMETER | CONTRACT (LF) | INSTALLED (LF) | COMPLETION PERCENTAGE |
|--------------|------------------|-------------------|--------------------------|
| 10" | 1,349 | 1,229 | 91% |
| 6" | 949 | 949 | 100% |
| 4" | 18,343 | 18,363 | 100% |
| TOTAL | 20,641 | 20,541 | 100% |

Construction Completion

| | | |
|-----------------------|--------------|------|
| Progress Billings | \$3,078,112 | 79% |
| Allowance Utilization | \$107,648.96 | 72% |
| Change Orders | \$20,424.86 | 0.5% |

**TOTAL DISTRIBUTION SYSTEM
PIPELINE INSTALLATION PROGRESS**

| DIAMETER | CONTRACT (LF) | INSTALLED (LF) | COMPLETION PERCENTAGE |
|--------------|------------------|-------------------|--------------------------|
| 10" | 1,349 | 1,229 | 91% |
| 6" | 4,620 | 4,620 | 100% |
| 4" | 22,345 | 22,365 | 100% |
| TOTAL | 28,314 | 28,214 | 100% |

Construction Completion

| | | |
|-----------------------|----------------|-------|
| Progress Billings | \$4,265,764 | 84% |
| Allowance Utilization | \$107,648.96 | 48% |
| Change Orders | (\$129,334.16) | -2.5% |

**PHASE II RECYCLED WATER
DISTRIBUTION SYSTEM EXPANSION PROJECT
CONSTRUCTION CHANGE ORDER SUMMARY**

| PROJECT | ORIGINAL CONTRACT VALUE | TOTAL CHANGE ORDERS | CHANGE ORDER PERCENTAGE |
|--------------------------|-------------------------|---------------------|-------------------------|
| EAST SIDE SYSTEM PROJECT | 1,337,411 | -149,759 | -11.2% |
| WEST SIDE SYSTEM PROJECT | 3,858,888 | 20,425 | 0.5% |
| TOTAL | 5,196,299 | -129,334 | -2.5% |

West Side System

| | | |
|--------------------------------|-----------------------|---|
| Change Order No. 1 | \$6,817.99 | Additional pipeline cost due to Hurricane Harvey related supply issues. |
| Change Order No. 2 | \$0.00 | Davis Bacon Wages |
| Change Order No. 3 | \$13,606.87 | Work delays due to unknown concrete in trench |
| Total Change Orders | \$20,424.86 | |
| Revised Contract Amount | \$3,879,312.86 | |
| Change Order No. 1 | \$0.00 | Davis Bacon Wages |
| Change Order No. 2 | \$5,304.43 | Meter Boxes |
| Change Order No. 3 | (\$155,063.45) | Final Quantities Reconciliation |
| Total Change Orders | (\$149,759.02) | |
| Revised Contract Amount | \$1,187,651.98 | |

**F.Y. 2018/19 CAPITAL REPLACEMENT AND REFURBISHMENT PROGRAM BUDGET ITEMS > \$50,000
BOARD APPROVAL SCHEDULE**

| Project Description | | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Budget Estimate | Board Approved Cost |
|----------------------------------|--|------|------|------|------|-----|-----|-----|-----|-----|-----|-----|-----|--------------------|---------------------|
| <i>2018/19 Capital Projects</i> | | | | | | | | | | | | | | | |
| 1 | Recycled Water Phase II - Retrofits | E | E | E | B | A | C | C | C | C | C | C | C | \$700,000 | |
| 2 | Replace R-6 Sodium Hypochlorite Tanks (CO) | | B | A | C | C | C | C | C | | | | | \$210,000 | |
| 3 | Oso Lift Station Improvement Project (CO) | E/CQ | E/CQ | E/CQ | B/CQ | A | C | C | C | C | C | C | C | \$1,000,000 | |
| 4 | Aliso Creek Lift Station Skid Pump and Piping | | | E | E | B | A | | | | | | | \$200,000 | |
| 5 | Reconstruct (West Side) Drainage Swale at the Holding Pond | | | | | | E | E | B | A | C | C | C | \$68,250 | |
| 6 | AMR / AMI Implementation | RFP | A | E | E | E | | | | | | | | \$200,000 | \$64,550 |
| 7 | Master Plan Update (CO) | | | RFP | RFP | RFP | A | E | E | E | E | E | | \$350,000 | |
| 8 | Old Treatment Plant / Clear Well Demo | | ET | ET | ET | | | | | | | | | \$400,000 | |
| <i>2018/19 Capital Equipment</i> | | | | | | | | | | | | | | | |
| 1 | 8-inch Trailer Mounted Emergency Pump | | E | E | E | B | A | | R | | | | | \$85,000 | |
| 2 | 300-375KW Emergency Generator Trailer | | E | E | B | A | | R | | | | | | \$175,000 | |
| Total | | | | | | | | | | | | | | \$3,388,250 | \$64,550 |

E = Engineering/Study

C = Construction

O = Order

N = Negotiate

R = Receive

P = Permit

CQ = CEQA

CO = Carry Over

RFP = Request for Proposal

B = Bid

A = Approve by Board

ET = Evaluate

M = Monitoring

BP = Board Presentation

RESOLUTION NO. 18-9-1

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE EL TORO WATER DISTRICT
AMENDING POLICY STATEMENT 1985-5 (IV)
“DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT”

WHEREAS, the Board of Directors of the El Toro Water District desires to amend its existing policy with regard to Director Travel and Reimbursements;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED as follows:

Policy Statement - Director Travel and Expense Reimbursement 1985-5(IV) is hereby amended, approved and adopted in the form and content attached to this Resolution marked Exhibit "A";

ADOPTED, SIGNED AND APPROVED this 27th day of September 2018.

(SEAL)

M. SCOTT GOLDMAN, President
El Toro Water District and of the
Board of Directors thereof

ATTEST

ROBERT R. HILL, Secretary
El Toro Water District and of
the Board of Directors thereof

| | | |
|---------------------------------------|--|--------------------------------------|
| Prepared by: Staff | EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV) TRAVEL AND EXPENSE REIMBURSEMENT POLICY | Page 1 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Revision: 14 |

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| | |
|---|----------------|
| Superseded by Resolution: 95-11-2 | Date: 11/16/95 |
| Superseded by Resolution: 96-09-2 | Date: 09/19/96 |
| Superseded by Resolution: 97-07-2 | Date: 07/31/97 |
| Superseded by Resolution: 99-07-1 | Date: 07/15/99 |
| Superseded by Resolution: 03-04-2 | Date: 04/24/03 |
| Superseded by Resolution: 06-02-1 | Date: 02/23/06 |
| Superseded by Resolution: 11-3-1 | Date: 3/24/11 |
| Superseded by Resolution: 15-4-2 | Date: 4/23/15 |
| Superseded by Resolution: 16-3-1 | Date: 3/24/16 |
| Superseded by Resolution: 17-3-1 | Date: 3/28/17 |
| Superseded by Resolution: 18-9-1 | Date: 9/27/18 |

| | | |
|---------------------------------------|---|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT | Page 2 of 14 Item 4 Section IV |
| Approved by: Board of Directors | POLICY STATEMENT 1985-5 (IV) | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES

I. PURPOSE

To advance training and professionalism, the El Toro Water District (District) encourages and authorizes attendance at various schools, seminars and conferences by its employees. Employees may also be required to travel both in and outside the state to conduct official District business. The purpose of this travel and expense policy is to furnish rules, guidelines, and procedures for governing reimbursement for travel expenses, and to establish certain procedures concerning travel authorization, documentation, and accounting. The District's objectives are to allow travel arrangements, and activities for its employees that conserve District funds and that have a significant and meaningful link to the purposes, policies, and interests of the District.

"Travel" shall mean attendance at meetings, conferences, or other functions on District business at other than the employee's headquarters. Employees shall not be in travel status to the extent that they travel to perform job assignments related to District facilities within designated service or maintenance areas unless it is overnight.

II. AUTHORIZATION FOR TRAVEL

Employees, if authorized by their supervisors, may travel anywhere within Orange County to carry out their assignments.

Other travel on District business by employees shall be undertaken only with the prior approval of the General Manager, or the Assistant General Manager.

| | | |
|------------------------------------|-------------------------------|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT | Page 3 of 14 Item 4 Section IV |
| Approved by: Board of Directors | POLICY STATEMENT | |
| | 1985-5 (IV) | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

III TRAVEL ARRANGEMENTS

To ensure the accuracy of travel arrangements and compliance with District policy, all employees will be required to complete all the appropriate travel forms. The forms will then be submitted to the Board Secretary or designee for processing.

Employees traveling on District business may make all travel arrangements and registrations through the Board Secretary or designee. All such payment and registration requests must be submitted in a timely manner to allow sufficient time for normal processing.

IV. POLICY

1. Employees are expected to exercise good judgment and a proper regard for economy in incurring expenses.
2. When required, the District will prepay airfares, lodging costs and conference registration fees. All such payment requests must allow sufficient time for normal processing and approval prior to payment.
3. When traveling on official District business, employees are encouraged to utilize their personal credit cards and/or cash for all expenses, and then to request reimbursement for such expense. However, in circumstances where the use of such credit cards and/or cash is deemed impractical, and where the total expense is expected to exceed fifty (\$50.00), the District may provide an advance of funds. Such advance shall not exceed one hundred percent (100%) for the total estimated expense.
4. Within ten (10) working days after completion of a trip, a travel expense report should be submitted to the Board Secretary or designee.

| | | |
|---------------------------------------|--|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV) | Page 4 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

5. Paid receipts for lodging, rail or airfares and conference registration fees are required if such expenses have been incurred. All other receipts received in the normal course of business shall also be attached.

6. There is no objection to an employee's spouse and/or other family member accompanying them on an official trip, provided that their presence does not detract from the employee's performance of duty. However, the District will not reimburse any expenses attributable to any companion.

7. In any situation where extraordinary travel expenses are expected to be incurred, or where this Policy does not adequately cover the situation or would result in an undue hardship, exceptions may be made with prior approval.

8. An employee may use any mode of transportation, designated or approved, including airline, railroad, bus or automobile. Reimbursement will be based on the following paragraphs.
 - A. Travel shall be by the most direct route. If an indirect route is used, the additional costs shall be at the employee's personal expense. Whenever air travel is used, an advance travel request shall be submitted to the Board Secretary or designee in order to obtain the lowest possible fare.

 - B. Air travel reimbursement shall be limited to economy fares including all applicable fee charges and taxes where such service is available. Travel to and from airports shall be by the most cost effective method.

| | | |
|---------------------------------------|--|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV) | Page 5 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES

- C. Reimbursement for the use of private cars, except those receiving a car allowance, shall be at the rate as established by the Internal Revenue Services (IRS). Mileage reimbursement shall be limited to the economy fare for air travel. Parking charges at the destination will be reimbursed in accordance with the provisions of this policy.

- D. Reimbursement for the use of rental cars will be allowed only when such use has been approved in advance. Maximum reimbursement for car rental will be for a full-size car.

- E. Travel in District vehicles may be approved when circumstances warrant it. When traveling in a District vehicle, receipts shall be secured for the purchase of gas, oil, and other supplies necessary en-route. These amounts shall be shown on the expense report with a notation that a District vehicle was used, indicating the District unit number, the license plate number and make of the vehicle. The amount of the charge shall be typed opposite the transportation category.

If emergency repairs are necessary, they shall be paid for by the person to whom the car is assigned. All receipts for such payments must be furnished in order to obtain reimbursement.

- F. It is expected that hotel and motel reservations will be made in advance whenever possible, and that lodging will be secured at rates considered reasonable for the particular destination. "Government rates" or "commercial rates" shall be requested at hotels and motels offering these discounts.

| | | |
|-----------------------|-------------------------------|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT | Page 6 of 14 Item 4 Section IV |
| Approved by: Board | POLICY STATEMENT | |
| | 1985-5 (IV) | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

- G. Reimbursement for lodging shall be limited to the minimum number of nights required to conduct the assigned District business. If an employee chooses to arrive earlier or stay later, the additional lodging and other expenses related to this decision will be the employee's personal expense.

- H. Generally, an employee shall not use lodging unless the destination is a 75-mile or more drive from the District's Administration Office or unless there is a very early or late official meeting that could justify the employee staying overnight at the destination.

- I. Any room service charges appearing on the hotel bill shall be deducted from the bill and reimbursed in accordance with the provisions of this policy.

- J. Local and long distance telephone and computer access charges will be reimbursed when such charges are incurred in conducting official District business or making essential personal calls such as a "safe arrival call." Charges will be shown on a separate line of the travel expense report and shall, therefore, be deducted from the hotel bill.

- K. When meals are associated with employee travel the following policies and procedures will apply:
 - i. Maximum allowance to cover meals, including meal tips, will be provided as follows:

| | |
|-----------|---------|
| Breakfast | \$15.00 |
| Lunch | \$20.00 |
| Dinner | \$30.00 |

| | | |
|---------------------------------------|--|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV) | Page 7 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

Under certain meeting or conference circumstances the maximum meal allowance may not be sufficient. In such cases, the General Manager has the authority to review and, if deemed appropriate, may approve the expenditure. Under similar instances involving the General Manager, the President of the Board of Directors shall review and, if deemed appropriate, may approve the expenditure.

- ii. No reimbursement shall be made for meals, other than during travel, without prior approval.
 - iii. No reimbursement shall be made for alcohol at any time.
 - iv. For travel that requires less than a full day, and for the day of departure and day of return on longer trips, the above amounts will be allowed for the meals actually required. All meal allowances shall be entered on the appropriate lines of the Travel Expense Report, with receipt(s) attached.
 - v. When conference, seminar or school registration fees include one or more meals, or where individual meals are otherwise provided, no amount shall be entered for this meal on the travel expense form.
- L. At times when other expenses associated with travel are required, employees will be reimbursed for all business expenses necessary to conduct the assigned District business. Examples include, but are not limited to the following:
- i. Airport parking charges when air travel is used.
 - ii. Parking charges at the destination hotel or garage when transportation is by private or rental car.

| | | |
|---------------------------------------|--|--------------------------------------|
| Prepared by: Board | EL TORO WATER DISTRICT POLICY STATEMENT 1985-5 (IV) | Page 8 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Revision: 14 |

TRAVEL AND EXPENSE REIMBURSEMENT POLICY
FOR EMPLOYEES
(Continued)

- iii. Airport bus/shuttle, or taxi fares where free airport bus/shuttle service is not available.
- iv. Conference, seminar or school registration fees.
- v. Local transportation (only as required for official District business).
- vi. A reasonable amount will be allowed for baggage handling, laundry and dry cleaning for employees attending a conference or school of more than one week in length. All receipts for such expense must be submitted with the travel expense report.
- vii. No reimbursement will be made for personal expenses such as newspapers, magazines, haircuts, shoeshines, excessive personal telephone calls, taxi fares to and from restaurants, and other personal expenses.

| | | |
|--|--|--------------------------------------|
| Prepared by: Staff/General Counsel | EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV) | Page 9 of 14 Item 4 Section IV |
| Approved by: Board | | Date: 9/27/18 Rev. 14 |

I. PURPOSE

To advance training and professionalism, El Toro Water District (District) encourages and, with prior approval by the Board, authorizes attendance at conferences (i.e. ACWA, CSDA, WaterReuse, CASA) by its Board members (Directors). Directors may be required to travel both in and outside the state to conduct official District business. This policy is to furnish guidelines for reimbursement for travel expenses and to establish certain procedures concerning travel authorization and documentation.

Members of the Board of Directors are encouraged to attend, with prior approval by the Board President, educational conferences and professional meetings when the purposes of such activities are to benefit the El Toro Water District. In addition, subject to prior approval of the Board President, the District encourages Directors development and excellence of performance by reimbursing expenses incurred for tuition, travel, lodging and meals as a result of training, educational courses and participation with professional organizations, associated with the interests of the District.

This Policy will be reviewed annually by the entire Board of Directors at a regular monthly meeting of the Board.

II. GOVERNANCE

The District shall adhere to Government Code Sections 53232 through 53232.4 when dealing with issues of Director remuneration and reimbursement.

| | | |
|--|--|---------------------------------------|
| Prepared by: Staff/General Counsel | EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV) | Page 10 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Rev. 14 |

III. **AUTHORIZED EVENTS**

Subject to the District's enabling statutes, attendance at the following qualifies a Director to be eligible to receive compensation.

- A. A conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234.
- B. Official business representing the District.

IV **AUTHORIZED EXPENSES**

- A. Reimbursement rates shall coincide with rates set by Internal Revenue Service Publication 463 or its successor publication(s).
- B. If lodging is in connection with the above or other prior approved event, such lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor. If the published group rate is unavailable, Directors shall be reimbursed for comparable lodging at government or IRS rates.
- C. Reimbursement for lodging shall be limited to the minimum number of nights required for the Director's attendance at the event. Charges for local and long distance telephone calls and computer access will be reimbursed when such calls are made in conducting official District business or essential personal calls such as a "safe arrival call". There will be no reimbursement for personal telephone calls or other hotel charges not related to District business needs.
- D. A Director's spouse or other family member(s) may accompany the Director on trips authorized under this policy provided that their presence does not detract from the Director's performance of duty. However, no expenses attributable to any companion will be reimbursed by the District.

| | | |
|--|--|---------------------------------------|
| Prepared by: Staff/General Counsel | EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV) | Page 11 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Rev. 14 |
| <p>E. If travel and lodging is in connection with the above or other prior approved event, Directors shall use government or group rates offered by the provider of transportation when available.</p> <p>F. If transportation is by commercial airline, reimbursement shall generally not exceed the standard round-trip airline economy airfare in effect at the time.</p> <p>G. Travel shall be by the most direct route. If an indirect route is used, the additional costs shall be at the Director's personal expense. Whenever air travel is used, an advance travel request shall be submitted to the Board Recording Secretary in order to obtain the lowest possible fare.</p> <p>H. If the use of the Director's personal automobile is required, the owner will be compensated for the mileage driven at the rate established by the Internal Revenue Service (IRS). Parking charges at the destination will be reimbursed with a receipt.</p> <p>I. Maximum reimbursement for car rental will be for a full-size car.</p> <p>J. Reimbursement for meals (including tips) during travel to, from and during the event, not included in the registration fee shall be limited to the minimum number of days required for attending the event.</p> <p>K. Any and all expenses that do not fall within the adopted travel reimbursement policy or the IRS reimbursable rates are required to be approved by the District's Board of Directors in a public meeting prior to the expenses being incurred.</p> <p>L. Expenses that do not adhere to the adopted travel reimbursement policy or the IRS reimbursable rates, and that do not receive prior approval from the District's Board of Directors in a public meeting prior to the expense being incurred, shall not be eligible for reimbursement.</p> | | |

| | | |
|--|--|---------------------------------------|
| Prepared by: Staff/General Counsel | EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV) | Page 12 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Rev. 14 |

AUTHORIZED EXPENSES (Continued)

M. *Expenses in General and Registration* - Authorized expenses may include registration, lodging, communication (telephone, computers, fax), business meals, common carrier fares, automobile rentals, parking fees, and use of personal automobiles at the standard mileage rate permitted at the time by the Internal Revenue Service.

V. **REIMBURSEMENT**

- A. The District shall provide expense reimbursement report forms to Directors who attend the above functions on behalf of the District, which shall document that expenses adhere to this policy.
- B. Except when customarily no receipts are provided or available (i.e. baggage handling), receipts are required to be submitted in conjunction with the expense report form. Failure to submit necessary receipts will result in denial of the reimbursement claim.
- C. Directors attending functions consistent with the above or other prior approved events shall submit written or oral reports to the District on the meeting(s) that were attended.
- D. It is against the law to falsify expense reports. Penalties for misuse of public resources or violating this policy may include, but are not limited to, the following:
 - (A) The loss of reimbursement privileges;
 - (B) Restitution to the District;
 - (C) Civil penalties for misuse of public resources pursuant to Government Code Section 8314; and
 - (D) Prosecution for misuse of public resources, pursuant to Section 424 of the Penal Code, penalties for which include 2, 3 or 4 years in prison.

| | | |
|--|--|---------------------------------------|
| Prepared by: Staff/General Counsel | EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV) | Page 13 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Rev. 14 |

VI. TRAVEL ARRANGEMENTS

- A. To ensure the accuracy of travel arrangements, Directors are to complete and sign the appropriate travel forms and submit them to the Board Recording Secretary or designee for processing per attachment ("A").
- B. Travel arrangements and registrations are to be made through the Board Recording Secretary. All payment and registration requests must be submitted in a timely manner to allow sufficient time for normal processing.
- C. Once the appropriate travel requests have been submitted and processed, a Travel Order (Attachment "B") authorizing the travel and attendance will be sent to the Director.

VII. GENERAL PROVISIONS

- A. All costs, including those pre-paid by the District prior to the Director's attendance at an approved meeting, will be listed on the Director's expense report at the end of the month in which the expenses were incurred, and wherever possible, must be substantiated with a receipt attached to the expense report.
- B. Travel related expenses for each Director are limited to \$7,000 per fiscal year. Unused portions of the Director's annual budget for this purpose cannot be carried over to a subsequent budget period.
- C. In any situation where extraordinary travel expenses is expected to be incurred, or where this Policy does not adequately cover the situation, or would work an undue hardship, exceptions may be made with prior approval of the Board President and General Manager.

| | | |
|--|--|---------------------------------------|
| Prepared by: Staff/General Counsel | EL TORO WATER DISTRICT POLICY STATEMENT DIRECTOR TRAVEL AND EXPENSE REIMBURSEMENT 1985-5 (IV) | Page 14 of 14 Item 4 Section IV |
| Approved by: Board of Directors | | Date: 9/27/18 Rev. 14 |

GENERAL PROVISIONS (Continued)

- D. Directors will submit their Travel Expense Claim Form for reimbursement to the District office within the first week, if possible of each month for the prior month's expenses. The Board President or designated representative will approve and sign the Claim Form before request for payment can be processed. The Board Presidents Claim Form shall be approved by the General Manager or Assistant General Manager.

- E. When a Director is obtaining authorization for travel and is aware that the circumstances are such that the charges should not be made against their annual budget, they may request authorization from the Board of Directors or President of the Board that the charges for this activity not be charged against their annual budget.

EL TORO WATER DISTRICT
FINANCIAL REPORT
September 25, 2018

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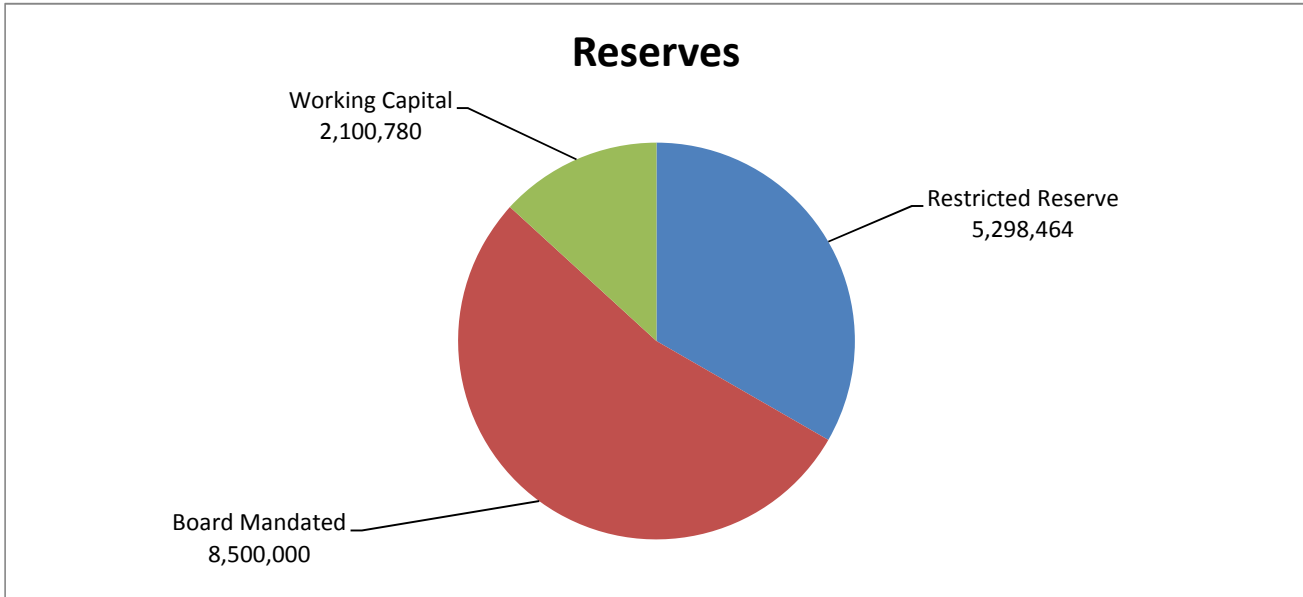
**EL TORO WATER DISTRICT
BALANCE SHEET**

| | 8/31/18 (Unaudited) | June 30, 2018 (Unaudited) |
|---|--------------------------------|--------------------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash & Investments | \$4,158,940 | \$2,354,807 |
| Receivables: | | |
| Accounts Receivable | 4,600,728 | 3,228,292 |
| Notes Receivable | - | - |
| Inventories | 646,298 | 636,252 |
| Prepaid Expenses | 353,043 | 172,006 |
| Total Current Assets | 9,759,010 | 6,391,357 |
| Restricted Assets | | |
| Cash & Investments | 11,798,464 | 11,689,909 |
| Total Restricted Assets | 11,798,464 | 11,689,909 |
| Non-Current Assets | | |
| Utility Plant: | | |
| Land & Easements | 7,451,585 | 7,451,585 |
| Long Term Leases | 342,382 | 342,382 |
| Equipment | 113,181,204 | 111,983,751 |
| Collection & Impound Reservoirs | 6,243,706 | 6,243,706 |
| Structure & Improvements | 34,734,945 | 34,734,945 |
| Total Utility Plant | 161,953,823 | 160,756,370 |
| Less Accumulated Depreciation & Amortization | (71,754,614) | (70,907,050) |
| Net Utility Plant | 90,199,209 | 89,849,320 |
| Construction Work in Progress | | |
| Notes Receivable | 5,736,518 | 6,815,236 |
| Total Non-current Assets | 95,935,728 | 96,664,556 |
| TOTAL ASSETS | \$117,493,202 | \$114,745,822 |

**EL TORO WATER DISTRICT
BALANCE SHEET**

| | 8/31/18 (Unaudited) | June 30, 2018 (Unaudited) |
|-----------------------------------|--------------------------------|--------------------------------------|
| LIABILITIES and EQUITY | | |
| Liabilities | | |
| Current Liabilities Payable | | |
| Accounts Payable | \$1,937,368 | \$2,087,350 |
| Current Portion of Long-Term Debt | 1,782,485 | 6,180 |
| Other Current Liabilities | 8,439,322 | 7,516,538 |
| Total Current Liabilities Payable | | |
| From Current Assets | 12,159,175 | 9,610,067 |
| | | |
| Long Term Debt | | |
| Long Term Debt | 36,505,060 | 35,802,806 |
| Total Long Term Debt | 36,505,060 | 35,802,806 |
| Total Liabilities | 48,664,236 | 45,412,873 |
| Fund Equity | | |
| Retained Earnings - Reserved | 22,174,300 | 22,174,300 |
| Contributed Capital | 8,744,767 | 8,744,767 |
| Retained Earnings - Unreserved | 37,381,628 | 38,051,994 |
| Net Income | 528,271 | 361,888 |
| Total Fund Equity | 68,828,966 | 69,332,949 |
| Total Liabilities & Fund Equity | \$117,493,202 | \$114,745,822 |

**EL TORO WATER DISTRICT
RESERVE ANALYSIS
31-Aug-18**



| | | |
|--------------------------------|-----------|-------------------|
| Restricted Reserve | \$ | 5,298,464 |
| Board Mandated | \$ | 8,500,000 |
| Capital Cash Flow / Compliance | \$ | 2,100,780 |
| Total | \$ | 15,899,244 |

Restricted Reserve

| | | |
|----------------------------|-----------|------------------|
| SRFL-Recycled | \$ | 1,602,958 |
| Capital Facilities Reserve | \$ | 55,806 |
| Tiered Cons Fund | \$ | 2,129,677 |
| Baker Funding | \$ | 1,510,023 |
| Total | \$ | 5,298,464 |

Board Mandated Minimum Reserve Levels

| | | |
|----------------------|-----------|------------------|
| Capital Construction | \$ | 3,000,000 |
| Rate Stabilization | \$ | 2,200,000 |
| Operations | \$ | 1,300,000 |
| Working Capital | \$ | 2,000,000 |
| Total | \$ | 8,500,000 |

| | |
|---|--------------|
| Six months operating expense requirement: | \$11,119,197 |
| Cash less restricted reserve on hand: | \$10,600,780 |

EL TORO WATER DISTRICT CHANGE IN RESERVES

| | <u>August 31, 2018</u> | <u>Year to Date</u> | <u>June 30, 2018</u> |
|---------------------------------------|-------------------------|-------------------------|---------------------------|
| Operating Revenue | 2,630,294 | 4,958,078 | 25,184,176 |
| Non-operating Revenue | 156,345 | 299,285 | 1,581,002 |
| Total Revenue | <u>2,786,638</u> | <u>5,257,363</u> | <u>26,765,179</u> |
| Operating Expenses | 2,068,788 | 3,867,975 | 21,367,838 |
| Depreciation | 366,470 | 732,940 | 4,229,724 |
| Non-operating Expenses | 64,088 | 128,177 | 805,729 |
| Total Expenses | <u>2,499,347</u> | <u>4,729,092</u> | <u>26,403,291</u> |
| NET INCOME | 287,292 | 528,271 | 361,888 |
| Non-Cash Items: | | | |
| Add: Depreciation | 366,470 | 732,940 | 4,229,724 |
| Change in Notes Receivable/Grant Fund | - | - | - |
| Loan Proceeds | 2,478,560 | 2,478,560 | - |
| Less: Debt Service | - | - | (1,739,637) |
| Capital Improvements | (167,002) | (559,855) | (6,021,629) |
| Total Non-Cash Items | <u>2,678,028</u> | <u>2,651,645</u> | <u>(3,531,542)</u> |
| CHANGE IN RESERVES | <u><u>2,965,320</u></u> | <u><u>3,179,916</u></u> | <u><u>(3,169,655)</u></u> |

EL TORO WATER DISTRICT
Cash Sheet
For the month ending August 31, 2018

| CHECK NUMBER | PAYMENT DATE | VENDOR NAME | PAYMENT AMOUNT |
|-----------------------------------|--------------|--|------------------------|
| 85567 | 08/09/2018 | MUNICIPAL WATER DISTRICT OF ORANGE CO. | 612,491.26 |
| 85593 | 08/09/2018 | E.J. MEYER COMPANY, INC. | 232,905.97 |
| 85518 | 08/02/2018 | IRVINE RANCH WATER DISTRICT | 155,873.35 |
| 85667 | 08/23/2018 | SO. CALIFORNIA EDISON CO. | 138,957.59 |
| 85596 | 08/16/2018 | ACWA HEALTH BENEFITS AUTHORITY | 119,599.55 |
| 85523 | 08/02/2018 | MOULTON NIGUEL WATER DISTRICT | 97,135.50 |
| 85669 | 08/23/2018 | TUTTLE CLICK FORD, INC. | 95,007.89 |
| TOTAL CHECKS OVER \$50,000 | | | \$ 1,451,971.11 |
| TOTAL CHECKS IN REGISTER | | | \$ 1,826,132.11 |

INTERBANK WIRES / DEBIT TRANSFERS

| | | |
|--|-------------------------------|----------------------|
| 08/03/2018 | PAYROLL DIRECT DEPOSIT | 135,677.47 |
| 08/03/2018 | FEDERAL DEPOSIT LIABILITY | 28,158.73 |
| 08/03/2018 | SDI & STATE TAX | 10,880.09 |
| 08/03/2018 | WAGE GARNISHMENTS | 585.00 |
| 08/03/2018 | PRUDENTIAL (401K) | 49,122.08 |
| 08/03/2018 | PRUDENTIAL (457) | 15,786.52 |
| 08/15/2018 | PAYROLL BOARD OF DIRECTOR | 4,040.81 |
| 08/15/2018 | SS, MEDICARE, SDI & STATE TAX | 1,409.76 |
| 08/15/2018 | PRUDENTIAL (457) | 2,562.30 |
| 08/17/2018 | PAYROLL DIRECT DEPOSIT | 134,598.05 |
| 08/17/2018 | FEDERAL DEPOSIT LIABILITY | 27,672.12 |
| 08/17/2018 | SDI & STATE TAX | 10,560.89 |
| 08/17/2018 | WAGE GARNISHMENTS | 585.00 |
| 08/17/2018 | PRUDENTIAL (401K) | 48,662.28 |
| 08/17/2018 | PRUDENTIAL (457) | 15,589.50 |
| 08/31/2018 | ADP AND BANK FEES | 5,510.40 |
| TOTAL INTERBANK WIRES / DEBIT TRANSFERS | | \$ 491,401.00 |

TOTAL DISBURSEMENTS \$ 2,317,533.11

ETWD EMPLOYEES

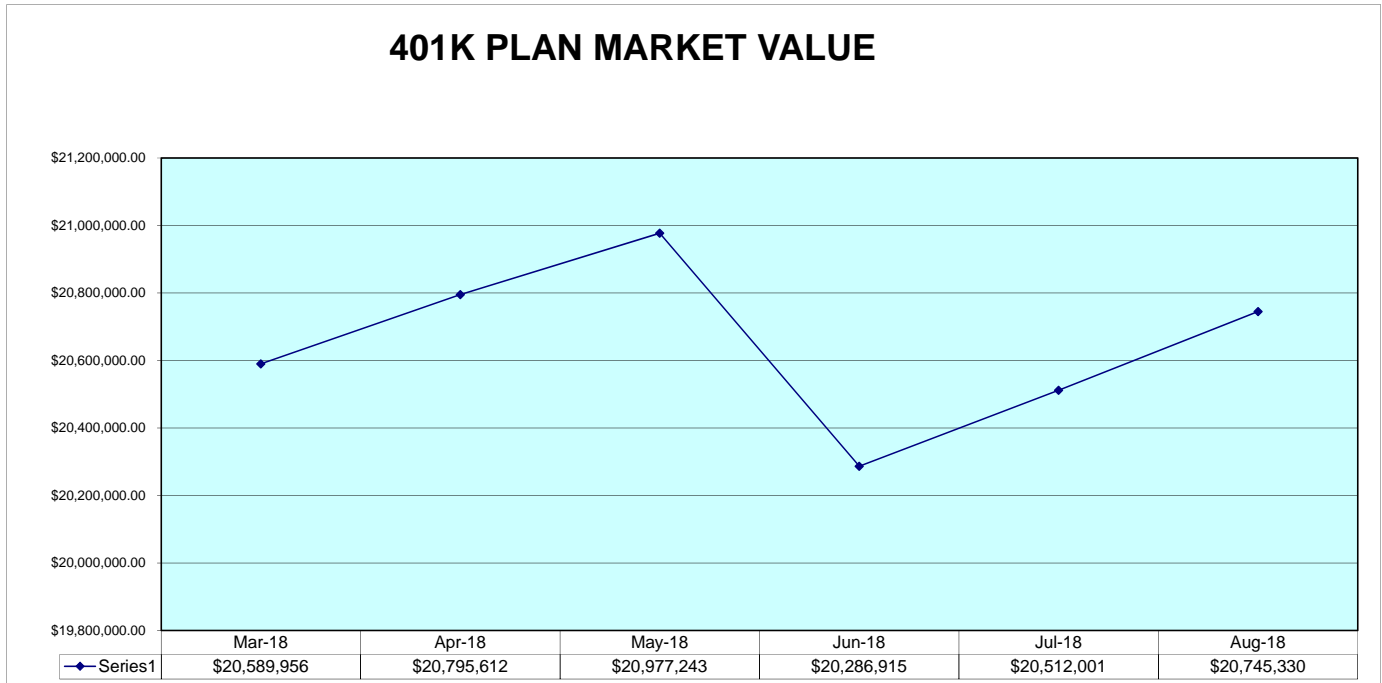
| CHECK NUMBER | PAYMENT DATE | PAYEE (DESCRIPTION) | PAYMENT AMOUNT |
|----------------------------------|--------------|--|--------------------|
| 85661 | 08/23/2018 | RAYMUND LLADA (Expense Reimbursement) | 500.00 |
| 85570 | 08/09/2018 | RALPH PALOMARES (Expense Reimbursement) | 332.14 |
| 85664 | 08/23/2018 | ROBERT McKERN (Expense Reimbursement) | 280.00 |
| 85614 | 08/16/2018 | GARTH BOTHA (Expense Reimbursement) | 269.98 |
| 85689 | 08/30/2018 | JUDY CIMORELL (Expense Reimbursement) | 254.37 |
| 85522 | 08/02/2018 | MICHAEL MIAZGA (Expense Reimbursement) | 229.27 |
| 85575 | 08/09/2018 | SANDRA SUE NORBERG (Expense Reimbursement) | 184.56 |
| 85515 | 08/02/2018 | ERIC NGUYEN (Expense Reimbursement) | 139.00 |
| 85580 | 08/09/2018 | STEVEN HANCOCK (Expense Reimbursement) | 101.75 |
| 85530 | 08/02/2018 | RICK OLSON (Expense Reimbursement) | 70.00 |
| 85673 | 08/23/2018 | VINCENT COPPOLA (Expense Reimbursement) | 60.00 |
| 85611 | 08/16/2018 | ERIC NGUYEN (Expense Reimbursement) | 56.14 |
| 85574 | 08/09/2018 | RICK BROWN (Expense Reimbursement) | 55.00 |
| TOTAL CHECKS TO EMPLOYEES | | | \$ 2,532.21 |

ETWD DIRECTORS

| CHECK NUMBER | PAYMENT DATE | PAYEE (DESCRIPTION) | PAYMENT AMOUNT |
|----------------------------------|--------------|--------------------------------------|------------------|
| 85564 | 08/09/2018 | MARK MONIN (Expense Reimbursement) | 175.49 |
| 85562 | 08/09/2018 | JOSE VERGARA (Expense Reimbursement) | 131.45 |
| TOTAL CHECKS TO DIRECTORS | | | \$ 306.94 |

EL TORO WATER DISTRICT
401K PLAN SUMMARY

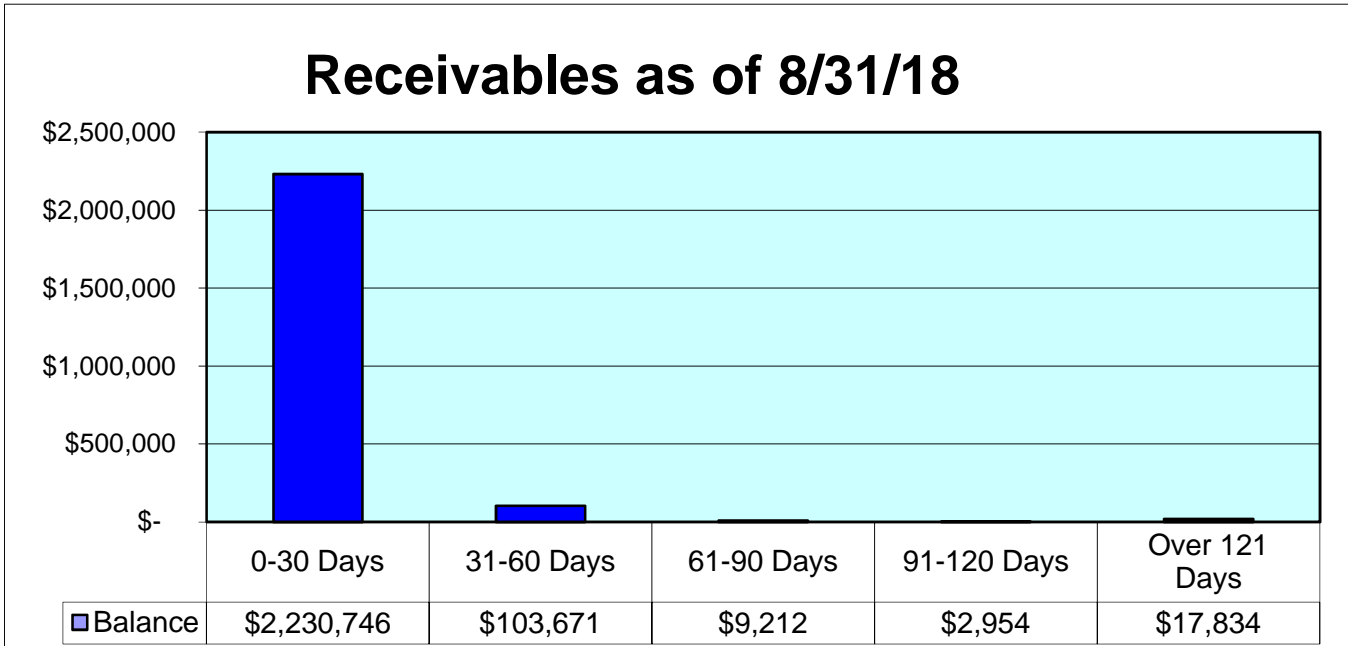
401K PLAN MARKET VALUE



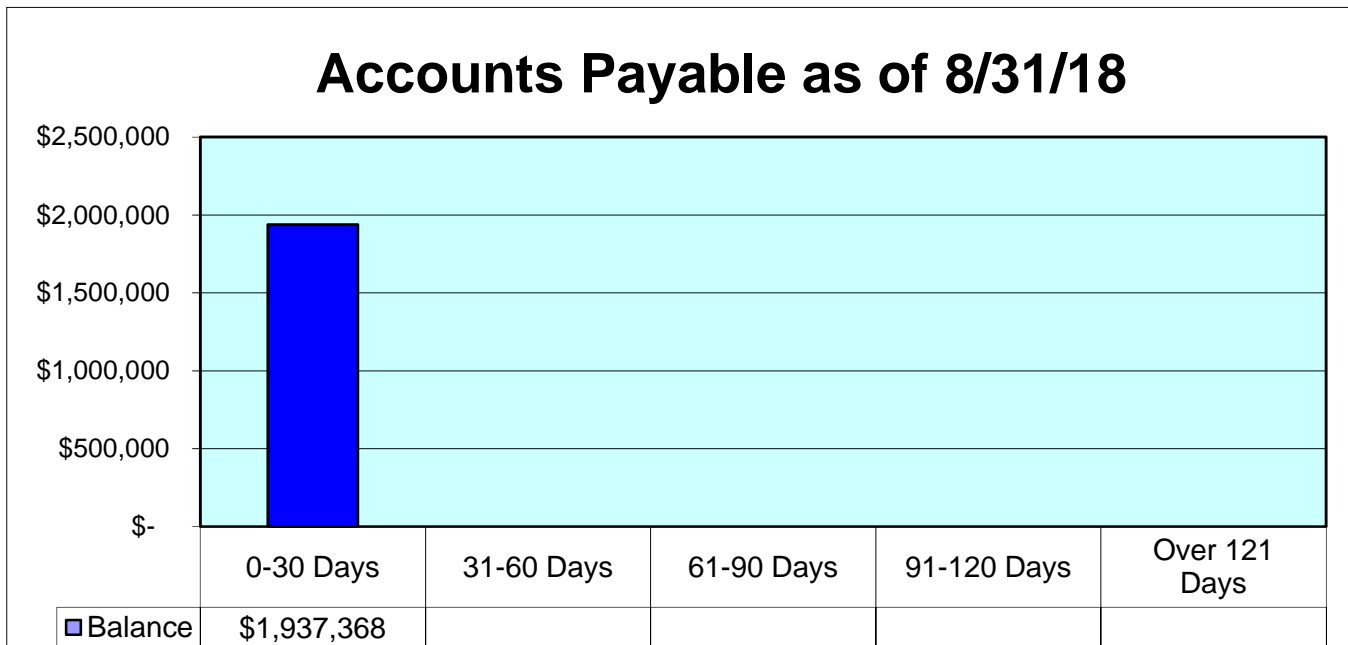
| MARKET VALUE SUMMARY | | | | | | | |
|---|-----------------------------|--|-------------------------------|--------------------------------------|--|--------------------------------|---|
| | Growth Under 40 yrs. Old | Capital Appreciation 40 to 44 yrs. Old | Balanced 45 to 49 yrs. Old | Balanced Income 50 to 54 yrs. Old | Income & Growth 55 to 59 yrs. Old | Income 60 to 64 yrs. Old | Capital Pres. Port Over 65 yrs. Old |
| Balance at July 1, 2018 | \$ 1,361,579.56 | \$0.00 | \$2,590,730.79 | \$0.00 | \$11,389,155.42 | \$0.00 | \$4,945,449.62 |
| Contributions | 49,995.18 | 5,426.67 | 34,275.01 | 19,931.76 | 79,538.00 | 17,615.87 | 39,440.52 |
| Withdrawals | (82,829.35) | 0.00 | 0.00 | 0.00 | 0.00 | (25,641.03) | (61,940.00) |
| Transfers | (107,465.90) | 460,635.42 | (1,052,400.42) | 5,554,333.46 | (5,594,854.49) | 2,794,956.15 | (2,055,204.22) |
| Interest, dividends and appreciation net of fees and charges | 49,911.56 | 4,510.63 | 22,083.31 | 33,034.23 | 219,625.64 | 5,598.96 | 47,837.20 |
| Balance at August 31, 2018 | \$ 1,271,191.05 | \$470,572.72 | \$1,594,688.69 | \$5,607,299.45 | \$6,093,464.57 | \$2,792,529.95 | \$2,915,583.12 |
| Average return YTD August 31, 2018 | 3.93% | 0.96% | 1.38% | 0.59% | 3.60% | 0.20% | 1.64% |

Average return is calculated by dividing the interest, dividends and appreciation, net of fees by ending fund balance and then annualize.

RECEIVABLES & PAYABLES AGEING



Bad Debts Year to Date: (\$114)



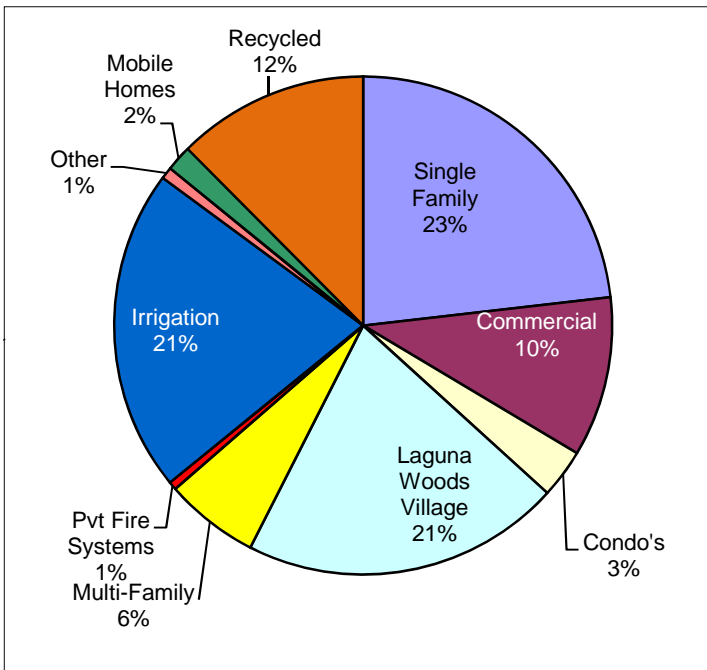
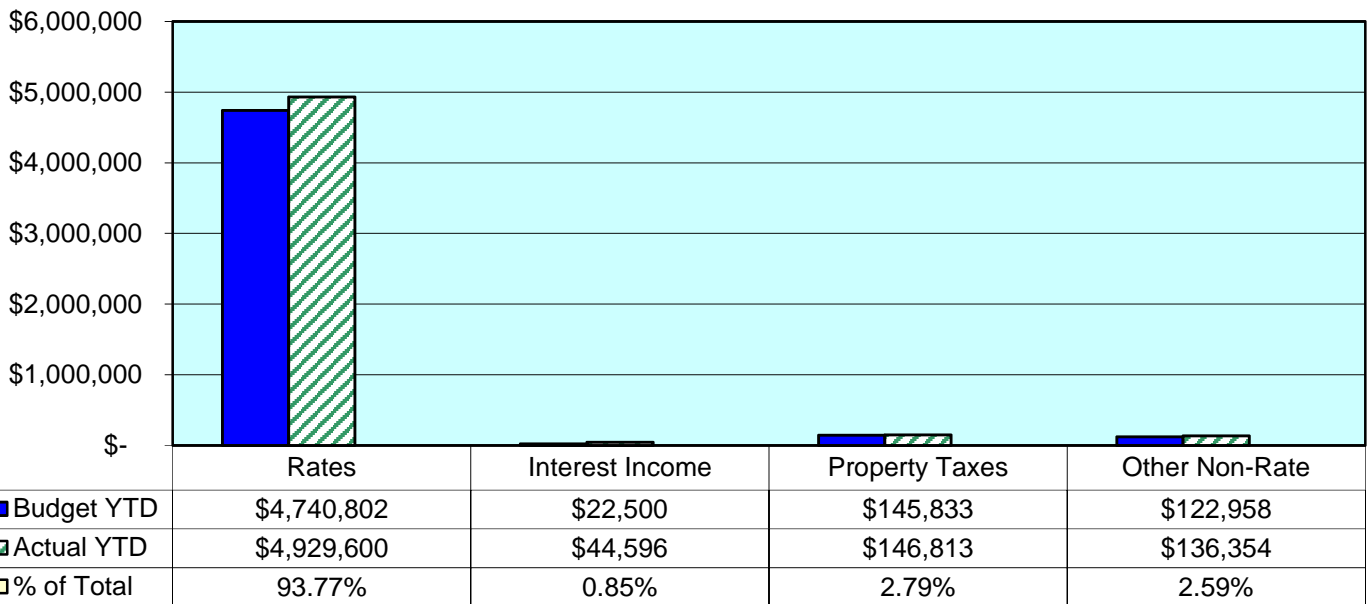
Year to Date Discounts Taken: \$0

Page 10
El Toro Water District
Income Statement
August 2018

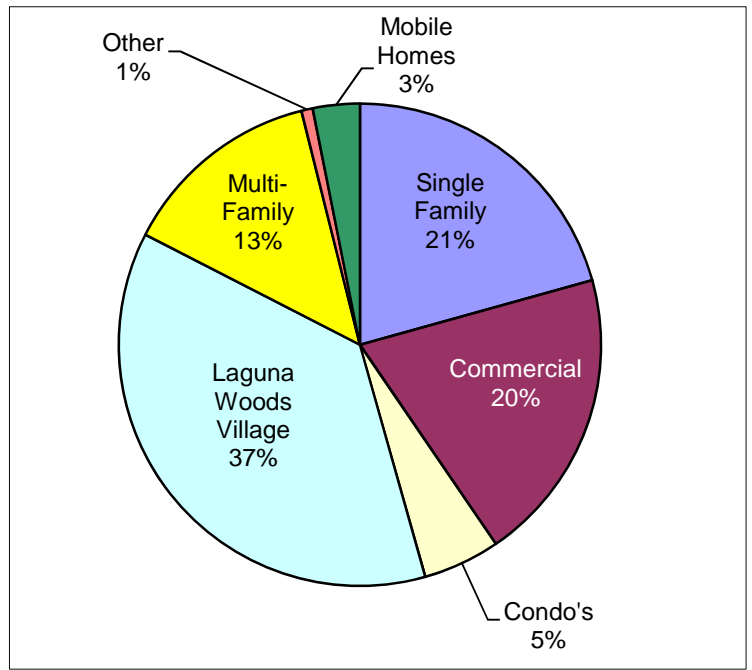
| | <u>Aug 18</u> | <u>Budget</u> | <u>% of Budget</u> | <u>Jul - Aug 18</u> | <u>YTD Budget</u> | <u>% of Budget</u> | <u>Annual Budget</u> |
|--|---------------------|---------------------|--------------------|---------------------|---------------------|--------------------|----------------------|
| Income | | | | | | | |
| 4600 · Water Service Charge | 278,942.69 | 280,341.25 | 99.5% | 533,649.52 | 560,682.50 | 95.18% | 3,364,095.00 |
| 4700 · Sanitary Service | 666,050.06 | 650,000.00 | 102.47% | 1,307,997.36 | 1,300,000.00 | 100.62% | 7,800,000.00 |
| 4722 · Recycled Water Tertiary Sales | 261,588.82 | 178,642.51 | 146.43% | 487,291.41 | 356,979.94 | 136.5% | 1,695,000.00 |
| 4724 · Service Charge - Recycled Water | 18,954.50 | 18,750.00 | 101.09% | 36,207.70 | 37,500.00 | 96.55% | 225,000.00 |
| 4750 · Capital Facilities Charge | 250,551.93 | 251,250.00 | 99.72% | 501,104.78 | 502,500.00 | 99.72% | 3,015,000.00 |
| 4800 · Commodity Charge | 1,150,590.64 | 992,417.39 | 115.94% | 2,063,349.23 | 1,983,140.03 | 104.05% | 9,416,278.00 |
| 4950 · Other Operating Income | 3,615.00 | 4,583.33 | 78.87% | 17,477.89 | 9,166.70 | 190.67% | 55,000.00 |
| 4960 · Other Income | 31,985.26 | 45,812.51 | 69.82% | 94,201.28 | 91,624.90 | 102.81% | 549,750.00 |
| 4967 · SMWD | 0.00 | 9,166.67 | 0.0% | 0.00 | 18,333.30 | 0.0% | 110,000.00 |
| 4970 · MNWD | 0.00 | 1,916.67 | 0.0% | 11,000.00 | 3,833.30 | 286.96% | 23,000.00 |
| 4980 · Interest Income | 33,737.50 | 11,250.00 | 299.89% | 44,595.68 | 22,500.00 | 198.2% | 135,000.00 |
| 4985 · Changes FMV CAMP | 16,725.29 | | 100.0% | 13,674.74 | | 100.0% | |
| 4986 · Changes FMV LAIF | | | 0.0% | | | 0.0% | |
| 4990 · Property Taxes | 73,896.60 | 72,916.67 | 101.34% | 146,813.27 | 145,833.30 | 100.67% | 875,000.00 |
| Total Income | 2,786,638.29 | 2,517,047.00 | 110.71% | 5,257,362.86 | 5,032,093.97 | 104.48% | 27,263,123.00 |
| Gross Profit | 2,786,638.29 | 2,517,047.00 | 110.71% | 5,257,362.86 | 5,032,093.97 | 104.48% | 27,263,123.00 |
| Expense | | | | | | | |
| 5100 · Personnel Cost | 672,938.32 | 690,653.10 | 97.44% | 1,325,467.84 | 1,381,306.25 | 95.96% | 8,287,837.25 |
| 5405 · Water Purchases | 811,954.70 | 845,723.09 | 96.01% | 1,550,123.47 | 1,690,004.33 | 91.72% | 8,027,968.00 |
| 5410 · Electrical Power | 166,430.72 | 89,787.48 | 185.36% | 297,807.66 | 179,575.20 | 165.84% | 1,077,450.00 |
| 5415 · Repair Parts & Materials | 74,670.64 | 32,133.75 | 232.37% | 84,387.53 | 64,267.50 | 131.31% | 385,605.00 |
| 5420 · Equipment Maintenance & Repair | 2,945.86 | 8,172.52 | 36.05% | 6,188.76 | 16,344.80 | 37.86% | 98,070.00 |
| 5425 · Pump Maintenance & Repair | 3,126.88 | 10,525.01 | 29.71% | 15,383.81 | 21,049.90 | 73.08% | 126,300.00 |
| 5430 · Motor Maintenance & Repair | 0.00 | 2,150.01 | 0.0% | 0.00 | 4,299.90 | 0.0% | 25,800.00 |
| 5440 · Electrical/Contl Maint & Repair | 5,114.26 | 5,791.67 | 88.3% | 5,114.26 | 11,583.30 | 44.15% | 69,500.00 |
| 5445 · Meter Maintenance & Repair | 0.00 | 291.66 | 0.0% | 0.00 | 583.40 | 0.0% | 3,500.00 |
| 5455 · Chemicals | 30,423.15 | 18,008.33 | 168.94% | 42,304.92 | 36,016.70 | 117.46% | 216,100.00 |
| 5460 · Structure Maint & Repair | 5,524.09 | 1,780.00 | 310.34% | 5,779.09 | 3,560.00 | 162.33% | 21,360.00 |
| 5465 · Asphalt Maintenance & Repair | 6,070.00 | 8,141.66 | 74.56% | 8,100.00 | 16,283.40 | 49.74% | 97,700.00 |
| 5470 · Consultants | 170.05 | 9,516.67 | 1.79% | 1,740.50 | 19,033.30 | 9.14% | 114,200.00 |
| 5475 · Contractors | 91,533.23 | 102,599.15 | 89.21% | 177,073.43 | 205,198.50 | 86.29% | 1,231,190.00 |
| 5480 · Engineers | 1,190.00 | 6,333.33 | 18.79% | 1,190.00 | 12,666.70 | 9.4% | 76,000.00 |
| 5482 · Dump Fees | 1,865.89 | 1,333.34 | 139.94% | 1,865.89 | 2,666.60 | 69.97% | 16,000.00 |
| 5485 · Laboratory | 1,251.00 | 2,950.00 | 42.41% | 1,442.68 | 5,900.00 | 24.45% | 35,400.00 |
| 5490 · License & Permits | 5,173.34 | 10,736.30 | 48.19% | 8,039.30 | 21,472.00 | 37.44% | 128,835.00 |
| 5495 · Gas & Oil | 8,361.34 | 7,500.00 | 111.49% | 16,366.65 | 15,000.00 | 109.11% | 90,000.00 |
| 5500 · Equipment Rental | 2,751.50 | 1,366.67 | 201.33% | 2,867.06 | 2,733.30 | 104.89% | 16,400.00 |
| 5505 · Landscaping | 17,966.98 | 8,671.67 | 207.19% | 17,966.98 | 17,343.30 | 103.6% | 104,060.00 |
| 5510 · Small Tools & Equipment | 964.55 | 5,129.17 | 18.81% | 4,063.49 | 10,258.30 | 39.61% | 61,550.00 |
| 5515 · Security | 5,246.68 | 1,587.94 | 330.41% | 5,443.68 | 3,175.60 | 171.42% | 19,055.00 |
| 5520 · Operating Supplies | 5,291.43 | 4,333.33 | 122.11% | 9,852.98 | 8,666.70 | 113.69% | 52,000.00 |
| 5525 · Safety Equipment | 90.44 | 3,216.67 | 2.81% | 439.70 | 6,433.30 | 6.84% | 38,600.00 |
| 5530 · Temporary Help | 0.00 | 2,833.34 | 0.0% | 0.00 | 5,666.60 | 0.0% | 34,000.00 |
| 5535 · Other Employee Cost | 10,460.13 | 7,500.00 | 139.47% | 24,313.69 | 15,000.00 | 162.09% | 90,000.00 |
| 5540 · Depreciation | 366,470.00 | 358,333.33 | 102.27% | 732,940.00 | 716,666.70 | 102.27% | 4,300,000.00 |
| 5545 · Insurance | 41,111.96 | 40,712.49 | 100.98% | 82,223.96 | 81,425.10 | 100.98% | 488,550.00 |
| 5555 · Advertising & Publicity | 0.00 | 208.33 | 0.0% | 0.00 | 416.70 | 0.0% | 2,500.00 |
| 5560 · Amortization | 570.49 | 570.83 | 99.94% | 1,140.98 | 1,141.70 | 99.94% | 6,850.00 |
| 5570 · Annual Event | 0.00 | 445.83 | 0.0% | 0.00 | 891.70 | 0.0% | 5,350.00 |
| 5575 · Audit | 19,500.00 | 2,500.00 | 780.0% | 19,500.00 | 5,000.00 | 390.0% | 30,000.00 |
| 5580 · Bad Debts | 0.00 | 1,666.67 | 0.0% | -114.43 | 3,333.30 | -3.43% | 20,000.00 |
| 5585 · Bank Charges | 5,510.40 | 4,708.33 | 117.04% | 9,862.13 | 9,416.70 | 104.73% | 56,500.00 |
| 5590 · Data Processing Supply & Access | 3,205.13 | 3,041.66 | 105.37% | 10,742.15 | 6,083.40 | 176.58% | 36,500.00 |
| 5595 · Data Processing Equipment | 0.00 | 3,333.34 | 0.0% | 0.00 | 6,666.60 | 0.0% | 40,000.00 |
| 5600 · Data Processing Consultants | 2,238.00 | 2,083.33 | 107.42% | 8,938.00 | 4,166.70 | 214.51% | 25,000.00 |
| 5605 · Directors Fees | 7,784.00 | 8,750.00 | 88.96% | 16,344.00 | 17,500.00 | 93.39% | 105,000.00 |
| 5610 · Dues & Memberships | 5,309.27 | 6,833.33 | 77.7% | 11,006.54 | 13,666.70 | 80.54% | 82,000.00 |
| 5615 · Education & Training | 4,499.31 | 2,437.50 | 184.59% | 4,921.41 | 4,875.00 | 100.95% | 29,250.00 |
| 5620 · Election Expense | 0.00 | 2,500.00 | 0.0% | 0.00 | 5,000.00 | 0.0% | 30,000.00 |
| 5625 · Employee Service Awards | 461.30 | 483.33 | 95.44% | 1,588.91 | 966.70 | 164.36% | 5,800.00 |
| 5630 · Software Maintenance & Licenses | 3,817.70 | 13,416.67 | 28.46% | 11,676.46 | 26,833.30 | 43.52% | 161,000.00 |
| 5640 · Interest Expense | 64,088.38 | 64,088.42 | 100.0% | 128,176.76 | 128,176.80 | 100.0% | 769,061.00 |
| 5645 · Janitorial | 2,775.00 | 2,816.67 | 98.52% | 5,587.00 | 5,633.30 | 99.18% | 33,800.00 |
| 5650 · Legal | 7,282.09 | 12,500.00 | 58.26% | 15,532.09 | 25,000.00 | 62.13% | 150,000.00 |
| 5655 · Meets, Conventions & Travel | 2,301.04 | 3,250.00 | 70.8% | 6,524.52 | 6,500.00 | 100.38% | 39,000.00 |
| 5657 · Meets, Con & Travel - Directors | 4,862.04 | 2,333.33 | 208.37% | 7,296.74 | 4,666.70 | 156.36% | 28,000.00 |
| 5660 · Office Supplies | 434.80 | 1,916.67 | 22.69% | 1,284.44 | 3,833.30 | 33.51% | 23,000.00 |
| 5670 · Postage | 3,231.78 | 1,708.33 | 189.18% | 3,231.78 | 3,416.70 | 94.59% | 20,500.00 |
| 5675 · Printing & Reproduction | 1,491.51 | 1,750.00 | 85.23% | 1,491.51 | 3,500.00 | 42.62% | 21,000.00 |
| 5680 · Property Tax | 1.63 | 458.33 | 0.36% | 1.63 | 916.70 | 0.18% | 5,500.00 |
| 5685 · Public Education & Outreach | 9,367.46 | 18,600.00 | 50.36% | 13,866.51 | 37,200.00 | 37.28% | 223,200.00 |
| 5690 · Publications & Subscriptions | 955.00 | 250.00 | 382.0% | 955.00 | 500.00 | 191.0% | 3,000.00 |
| 5695 · Communications | 9,005.53 | 8,500.00 | 105.95% | 18,877.90 | 17,000.00 | 111.05% | 102,000.00 |
| 5700 · Utilities | 1,557.53 | 1,775.00 | 87.75% | 2,172.34 | 3,550.00 | 61.19% | 21,300.00 |
| Total Expense | 2,499,346.53 | 2,460,737.58 | 101.57% | 4,729,091.70 | 4,920,032.68 | 96.12% | 27,408,141.25 |
| | <u>Aug 18</u> | <u>Budget</u> | <u>% of Budget</u> | <u>Jul - Aug 18</u> | <u>YTD Budget</u> | <u>% of Budget</u> | <u>Annual Budget</u> |
| Net Income | 287,291.76 | 56,309.42 | 510.2% | 528,271.16 | 112,061.29 | 471.41% | -145,018.25 |

EL TORO WATER DISTRICT REVENUES FROM WATER & WASTE WATER SALES AS OF 8/31/18

Where the Money Comes From



WATER REVENUE YTD 2018/2019



WASTE WATER REVENUE YTD 2018/2019

**EL TORO WATER DISTRICT
REVENUE COMPARISON
For the Month Ended August 31, 2018**

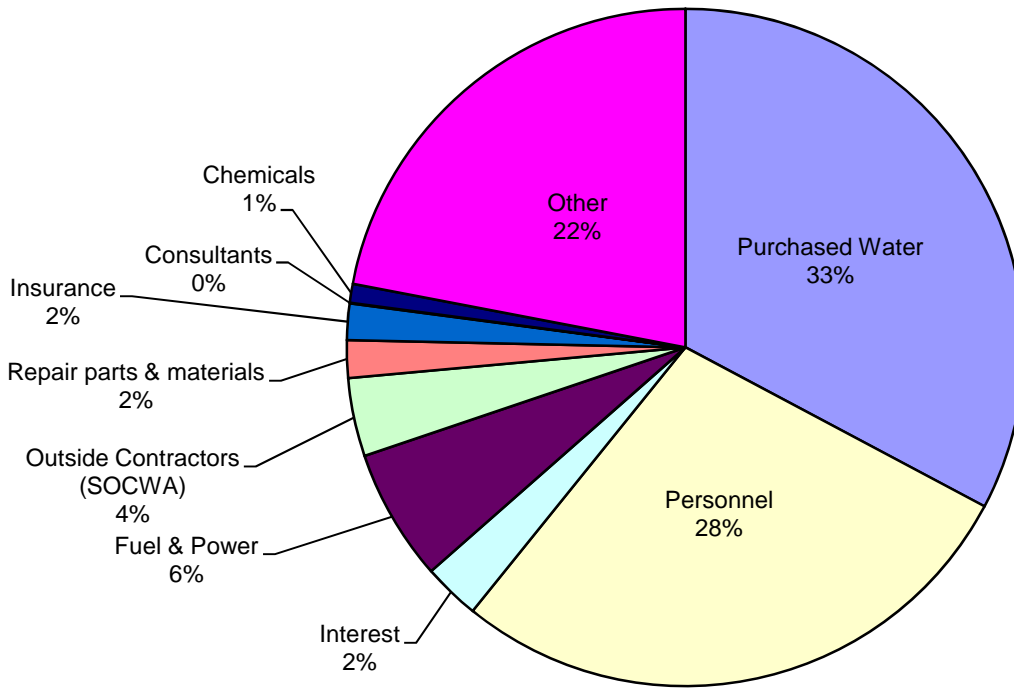
| | ACTUAL | CURRENT MONTH BUDGET | VARIANCE DOLLARS | % +/- | YEAR TO DATE ACTUAL | YEAR TO DATE BUDGET | VARIANCE DOLLARS | % +/- | BUDGET | REMAINING BUDGET |
|---------------------------------|---------------------|----------------------------|---------------------|--------------|---------------------------|---------------------------|---------------------|-------------|----------------------|----------------------|
| <u>From Rates</u> | | | | | | | | | | |
| Capital Facilities Charge | \$ 250,552 | \$ 251,250 | \$ (698) | 0% | \$ 501,105 | \$ 502,500 | \$ (1,395) | 0% | \$ 3,015,000 | \$ 2,513,895 |
| Water sales - Commodity | 1,150,591 | 992,417 | 158,173 | 16% | 2,063,349 | 1,983,140 | 80,209 | 4% | 9,416,278 | 7,352,929 |
| Water sales - Fixed Meter | 278,943 | 280,341 | (1,399) | 0% | 533,650 | 560,683 | (27,033) | -5% | 3,364,095 | 2,830,445 |
| Waste water sales | 666,050 | 650,000 | 16,050 | 2% | 1,307,997 | 1,300,000 | 7,997 | 1% | 7,800,000 | 6,492,003 |
| Recycled water tertiary sales | 261,589 | 178,643 | 82,946 | 46% | 487,291 | 356,980 | 130,311 | 37% | 1,695,000 | 1,207,709 |
| Service charge - Recycled water | 18,955 | 18,750 | 205 | 1% | 36,208 | 37,500 | (1,292) | -3% | 225,000 | 188,792 |
| TOTAL FROM RATES | 2,626,679 | 2,371,401 | 255,277 | 11% | 4,929,600 | 4,740,802 | 188,798 | 4% | 25,515,373 | 20,585,773 |
| <u>Non-rate Revenue</u> | | | | | | | | | | |
| Admin fee | 1,325 | 1,600 | (275) | -17% | 12,973 | 3,200 | 9,773 | 305% | 19,200 | 6,227 |
| 48 Hour notice fee | 2,115 | 2,451 | (336) | -14% | 4,215 | 4,903 | (688) | -14% | 29,416.44 | 25,201 |
| Restoration fee | 80 | 370 | (290) | -78% | 180 | 740 | (560) | -76% | 4,440 | 4,260 |
| Unpaid check fee | 95 | 150 | (55) | -37% | 110 | 300 | (190) | -63% | 1,800 | 1,690 |
| Cut lock fee | - | 12 | (12) | -100% | - | 24 | (24) | -100% | 144 | 144 |
| TOTAL NON-RATE | 3,615 | 4,583 | (968) | -21% | 17,478 | 9,167 | 8,311 | 91% | 55,000 | 37,523 |
| <u>Other Revenue</u> | | | | | | | | | | |
| Interest | 33,738 | 11,250 | 22,488 | 200% | 44,596 | 22,500 | 22,096 | 98% | 135,000 | 90,404 |
| Change FMV Investment | 16,725 | - | 16,725 | 0% | 13,675 | - | 13,675 | 0% | - | (13,675) |
| Property taxes | 73,897 | 72,917 | 980 | 1% | 146,813 | 145,833 | 980 | 1% | 875,000 | 728,187 |
| Other | 31,985 | 45,813 | (13,828) | -30% | 94,201 | 91,625 | 2,576 | 3% | 549,750 | 455,549 |
| TOTAL OTHER REVENUE | 156,345 | 129,979 | 26,365 | 20% | 299,285 | 259,958 | 39,327 | 15% | 1,559,750 | 1,260,465 |
| <u>Contract Service</u> | | | | | | | | | | |
| Santa Margarita W. D. | - | 9,167 | (9,167) | -100% | - | 18,333 | (18,333) | -100% | 110,000 | 110,000 |
| Moulton Niguel W. D. | - | 1,917 | (1,917) | -100% | 11,000 | 3,833 | 7,167 | 187% | 23,000 | 12,000 |
| TOTAL CONTRACT SERVICES | - | 11,083 | (11,083) | -100% | 11,000 | 22,167 | (11,167) | -50% | 133,000 | 122,000 |
| TOTAL REVENUE | \$ 2,786,638 | \$ 2,517,047 | \$ 269,591 | 11% | \$ 5,257,363 | \$ 5,032,094 | \$ 225,269 | 4% | \$ 27,263,123 | \$ 22,005,761 |

**EL TORO WATER DISTRICT
NON-RATE REVENUE ANALYSIS
FOR THE MONTH ENDING August 31, 2018**

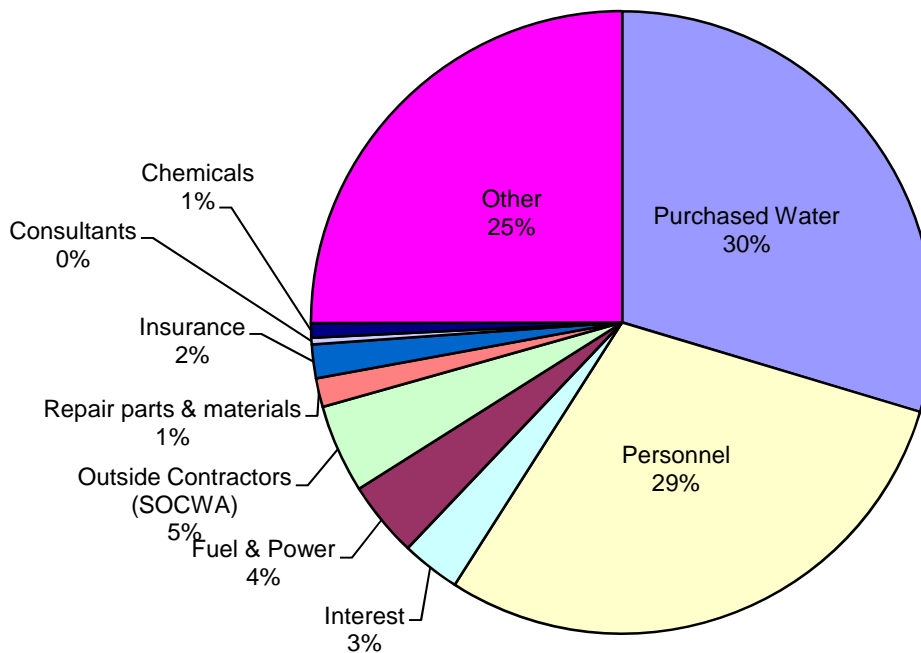
| | Aug-18 Actual | Aug-18 Budget | Jul 18- Aug 18 YTD Actual | Jul 18- Aug 18 YTD Budget |
|---|------------------|------------------|------------------------------|------------------------------|
| Site Leases | 7,597 | 26,229 | 31,103 | 52,458 |
| MWD Recycled Water LRP Rebate | 23,500 | 17,917 | 59,650 | 35,833 |
| JPIA Refund | | - | - | - |
| MWDOC Budget Based Tier & 2015 Urban Water Refund | | - | - | - |
| Recycled Metal | | - | 21 | - |
| Diesel Fuel Tax Refund | | - | - | - |
| Sale of District Vehicle | | | - | - |
| Misc Work for Customers | 888 | 1,667 | 3,427 | 3,333 |
| | <u>\$ 31,985</u> | <u>\$ 45,813</u> | <u>\$ 94,201</u> | <u>\$ 91,625</u> |
| Other Operating Income | | | | |
| Sales to Santa Margarita | - | | - | |
| Sales to Moulton Niguel | - | | - | |
| | <u>-</u> | | <u>-</u> | |
| Total | <u>31,985</u> | | <u>94,201</u> | |

WHERE THE MONEY GOES

YTD EXPENSES AT 8/31/18



EXPENSES YEAR ENDING 6/30/18



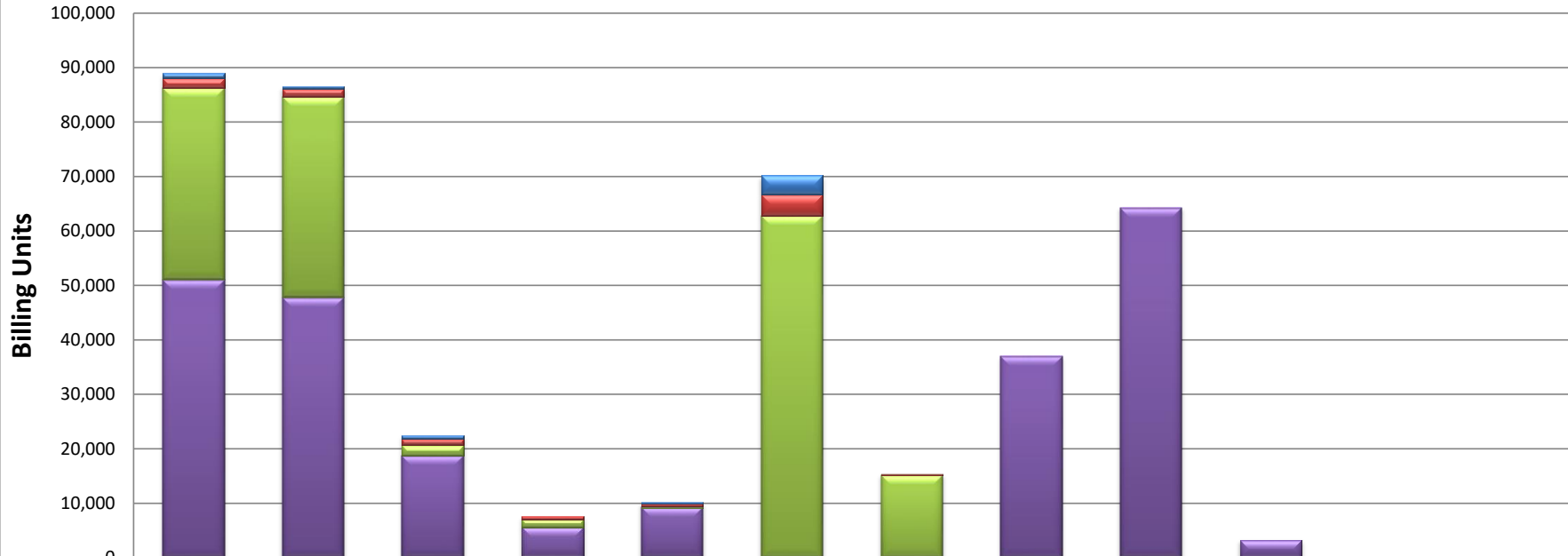
EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended August 31, 2018

| | ACTUAL | CURRENT MONTH BUDGET | VARIANCE DOLLARS | % +/- | YEAR TO DATE ACTUAL | YEAR TO DATE BUDGET | VARIANCE DOLLARS | % +/- | Annual BUDGET | REMAINING BUDGET |
|----------------------------------|------------------|----------------------------|---------------------|------------|---------------------------|---------------------------|---------------------|-----------|-------------------|---------------------|
| <u>Operating Expenses</u> | | | | | | | | | | |
| Personnel cost | \$672,938 | \$690,653 | \$17,715 | 3% | \$1,325,468 | \$1,381,306 | \$55,838 | 4% | \$8,287,837 | 6,962,369 |
| Purchased water | 811,955 | 845,723 | 33,768 | 4% | 1,550,123 | 1,690,004 | 139,881 | 8% | 8,027,968 | 6,477,845 |
| Electrical power | 166,431 | 89,787 | (76,643) | -85% | 297,808 | 179,575 | (118,232) | -66% | 1,077,450 | 779,642 |
| Repair parts & materials | 74,671 | 32,134 | (42,537) | -132% | 84,388 | 64,268 | (20,120) | -31% | 385,605 | 301,217 |
| Equipment repairs & maintenance | 2,946 | 8,173 | 5,227 | 64% | 6,189 | 16,345 | 10,156 | 62% | 98,070 | 91,881 |
| Pump repairs & maintenance | 3,127 | 10,525 | 7,398 | 70% | 15,384 | 21,050 | 5,666 | 27% | 126,300 | 110,916 |
| Motor repairs & maintenance | - | 2,150 | 2,150 | 100% | 0 | 4,300 | 4,300 | 100% | 25,800 | 25,800 |
| Electrical repairs & maintenance | 5,114 | 5,792 | 677 | 12% | 5,114 | 11,583 | 6,469 | 56% | 69,500 | 64,386 |
| Meter repairs & maintenance | - | 292 | 292 | 100% | 0 | 583 | 583 | 100% | 3,500 | 3,500 |
| Chemicals | 30,423 | 18,008 | (12,415) | -69% | 42,305 | 36,017 | (6,288) | -17% | 216,100 | 173,795 |
| Structure repairs & maintenance | 5,524 | 1,780 | (3,744) | -210% | 5,779 | 3,560 | (2,219) | -62% | 21,360 | 15,581 |
| Asphalt repairs & maintenance | 6,070 | 8,142 | 2,072 | 25% | 8,100 | 16,283 | 8,183 | 50% | 97,700 | 89,600 |
| Consultants - outside | 170 | 9,517 | 9,347 | 98% | 1,741 | 19,033 | 17,293 | 91% | 114,200 | 112,460 |
| Contractors - outside | 91,533 | 102,599 | 11,066 | 11% | 177,073 | 205,199 | 28,125 | 14% | 1,231,190 | 1,054,117 |
| Engineers - outside | 1,190 | 6,333 | 5,143 | 81% | 1,190 | 12,667 | 11,477 | 91% | 76,000 | 74,810 |
| Dump fees | 1,866 | 1,333 | (533) | -40% | 1,866 | 2,667 | 801 | 30% | 16,000 | 14,134 |
| Laboratories | 1,251 | 2,950 | 1,699 | 58% | 1,443 | 5,900 | 4,457 | 76% | 35,400 | 33,957 |
| License & permits | 5,173 | 10,736 | 5,563 | 52% | 8,039 | 21,472 | 13,433 | 63% | 128,835 | 120,796 |
| Automotive fuel & oil | 8,361 | 7,500 | (861) | -11% | 16,367 | 15,000 | (1,367) | -9% | 90,000 | 73,633 |
| Equipment rental | 2,752 | 1,367 | (1,385) | -101% | 2,867 | 2,733 | (134) | -5% | 16,400 | 13,533 |
| Landscaping | 17,967 | 8,672 | (9,295) | -107% | 17,967 | 17,343 | (624) | -4% | 104,060 | 86,093 |
| Small tools & equipment | 965 | 5,129 | 4,165 | 81% | 4,063 | 10,258 | 6,195 | 60% | 61,550 | 57,487 |
| Security | 5,247 | 1,588 | (3,659) | -230% | 5,444 | 3,176 | (2,268) | -71% | 19,055 | 13,611 |
| Operating supplies | 5,291 | 4,333 | (958) | -22% | 9,853 | 8,667 | (1,186) | -14% | 52,000 | 42,147 |
| Safety equipment | 90 | 3,217 | 3,126 | 97% | 440 | 6,433 | 5,994 | 93% | 38,600 | 38,160 |
| Temporary help | - | 2,833 | 2,833 | 100% | 0 | 5,667 | 5,667 | 100% | 34,000 | 34,000 |
| Other employee cost | 10,460 | 7,500 | (2,960) | -39% | 24,314 | 15,000 | (9,314) | -62% | 90,000 | 65,686 |
| Employee service awards | 461 | 483 | 22 | 5% | 1,589 | 967 | (622) | -64% | 5,800 | 4,211 |
| Education & training | 4,499 | 2,438 | (2,062) | -85% | 4,921 | 4,875 | (46) | -1% | 29,250 | 24,329 |
| Total Operating Expenses | 1,936,476 | 1,891,687 | (44,789) | -2% | 3,619,834 | 3,781,931 | 162,097 | 4% | 20,579,530 | 16,959,697 |

EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended August 31, 2018

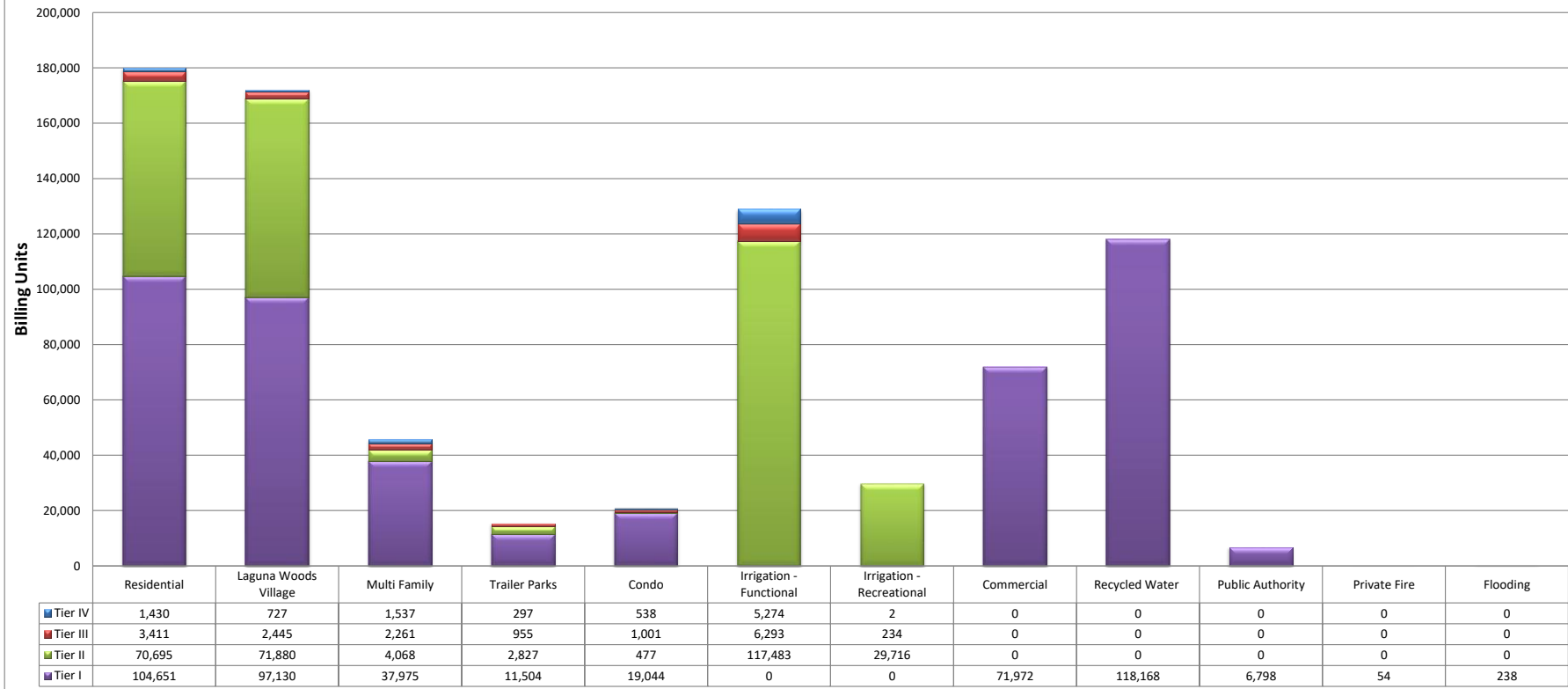
| | ACTUAL | CURRENT MONTH BUDGET | VARIANCE DOLLARS | % +/- | YEAR TO DATE ACTUAL | YEAR TO DATE BUDGET | VARIANCE DOLLARS | % +/- | Annual BUDGET | REMAINING BUDGET |
|----------------------------------|--------------------|----------------------------|---------------------|------------|---------------------------|---------------------------|---------------------|------------|---------------------|---------------------|
| <u>Indirect Cost</u> | | | | | | | | | | |
| Depreciation | 366,470 | 358,333 | (8,137) | -2% | 732,940 | 716,667 | (16,273) | -2% | 4,300,000 | 3,567,060 |
| Amortization | 570 | 571 | 0 | 0% | 1,141 | 1,142 | 1 | 0% | 6,850 | 5,709 |
| Insurance | 41,112 | 40,712 | (399) | -1% | 82,224 | 81,425 | (799) | -1% | 488,550 | 406,326 |
| Data processing supplies & assc. | 3,205 | 3,042 | (163) | -5% | 10,742 | 6,083 | (4,659) | -77% | 36,500 | 25,758 |
| Data processing equipment | 0 | 3,333 | 3,333 | 100% | 0 | 6,667 | 6,667 | 100% | 40,000 | 40,000 |
| Data processing consultants | 2,238 | 2,083 | (155) | -7% | 8,938 | 4,167 | (4,771) | -115% | 25,000 | 16,062 |
| Software maintenance & licenses | 3,818 | 13,417 | 9,599 | 72% | 11,676 | 26,833 | 15,157 | 56% | 161,000 | 149,324 |
| Janitorial | 2,775 | 2,817 | 42 | 1% | 5,587 | 5,633 | 46 | 1% | 33,800 | 28,213 |
| Printing & reproduction | 1,492 | 1,750 | 258 | 15% | 1,492 | 3,500 | 2,008 | 57% | 21,000 | 19,508 |
| Publications & subscriptions | 955 | 250 | (705) | -282% | 955 | 500 | (455) | -91% | 3,000 | 2,045 |
| Communications - voice | 2,803 | 3,333 | 530 | 16% | 6,359 | 6,667 | 307 | 5% | 40,000 | 33,641 |
| Communications - data | 4,412 | 2,667 | (1,746) | -65% | 7,615 | 5,333 | (2,281) | -43% | 32,000 | 24,385 |
| Communications - mobile | 1,790 | 2,500 | 710 | 28% | 4,904 | 5,000 | 96 | 2% | 30,000 | 25,096 |
| Utilities | 1,558 | 1,775 | 217 | 12% | 2,172 | 3,550 | 1,378 | 39% | 21,300 | 19,128 |
| Total Indirect Cost | 433,198 | 436,583 | 3,385 | 1% | 876,745 | 873,167 | (3,579) | 0% | 5,239,000 | 4,362,255 |
| <u>Overhead Cost</u> | | | | | | | | | | |
| Annual events | - | 446 | 446 | 100% | - | 892 | 892 | 100% | 5,350 | 5,350 |
| Audit | 19,500 | 2,500 | (17,000) | -680% | 19,500 | 5,000 | (14,500) | -290% | 30,000 | 10,500 |
| Bad debts | - | 1,667 | 1,667 | 100% | (114) | 3,333 | 3,448 | 103% | 20,000 | 20,114 |
| Bank charges | 5,510 | 4,708 | (802) | -17% | 9,862 | 9,417 | (445) | -5% | 56,500 | 46,638 |
| Directors fees | 7,784 | 8,750 | 966 | 11% | 16,344 | 17,500 | 1,156 | 7% | 105,000 | 88,656 |
| Dues & memberships | 5,309 | 6,833 | 1,524 | 22% | 11,007 | 13,667 | 2,660 | 19% | 82,000 | 70,993 |
| Election Expense | - | 2,500 | 2,500 | 100% | 0 | 5,000 | 5,000 | 100% | 30,000 | 30,000 |
| Interest | 64,088 | 64,088 | 0 | 0% | 128,177 | 128,177 | 0 | 0% | 769,061 | 640,884 |
| Legal | 7,282 | 12,500 | 5,218 | 42% | 15,532 | 25,000 | 9,468 | 38% | 150,000 | 134,468 |
| Meetings, conventions & travel | 2,301 | 3,250 | 949 | 29% | 6,525 | 6,500 | (25) | 0% | 39,000 | 32,475 |
| Meets, con & travel - Directors | 4,862 | 2,333 | (2,529) | -108% | 7,297 | 4,667 | (2,630) | -56% | 28,000 | 20,703 |
| Office supplies | 435 | 1,917 | 1,482 | 77% | 1,284 | 3,833 | 2,549 | 66% | 23,000 | 21,716 |
| Postage | 3,232 | 1,708 | (1,523) | -89% | 3,232 | 3,417 | 185 | 5% | 20,500 | 17,268 |
| Property taxes | 2 | 458 | 457 | 100% | 2 | 917 | 915 | 100% | 5,500 | 5,498 |
| Advertising & Publicity | - | 208 | 208 | 100% | - | 417 | 417 | 100% | 2,500 | 2,500 |
| Public education & outreach | 9,367 | 18,600 | 9,233 | 50% | 13,867 | 37,200 | 23,333 | 63% | 223,200 | 209,333 |
| Total Overhead Cost | 129,673 | 132,468 | 2,795 | 2% | 232,513 | 264,935 | 32,423 | 12% | 1,589,611 | 1,357,098 |
| TOTAL EXPENSES | \$2,499,347 | \$2,460,738 | (\$38,609) | -2% | \$4,729,092 | \$4,920,033 | \$190,941 | 4% | \$27,408,141 | \$22,679,050 |

August 2018 Water Sales

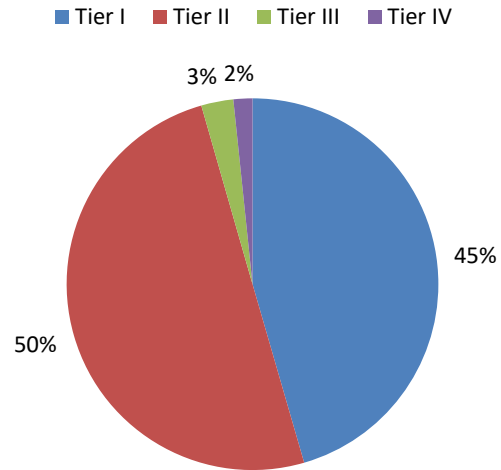


| | Residential | Laguna Woods Village | Multi Family | Trailer Parks | Condo | Irrigation - Functional | Irrigation - Recreational | Commercial | Recycled Water | Public Authority | Private Fire | Flooding |
|------------|-------------|----------------------|--------------|---------------|-------|-------------------------|---------------------------|------------|----------------|------------------|--------------|----------|
| ■ Tier IV | 912 | 467 | 674 | 37 | 240 | 3,446 | 1 | 0 | 0 | 0 | 0 | 0 |
| ■ Tier III | 1,842 | 1,411 | 1,092 | 607 | 502 | 3,940 | 212 | 0 | 0 | 0 | 0 | 0 |
| ■ Tier II | 35,259 | 36,863 | 1,972 | 1,427 | 235 | 62,806 | 15,149 | 0 | 0 | 0 | 0 | 0 |
| ■ Tier I | 50,996 | 47,831 | 18,739 | 5,619 | 9,177 | 0 | 0 | 37,065 | 64,278 | 3,226 | 17 | 55 |

Year-to-Date Water Sales as of August 2018

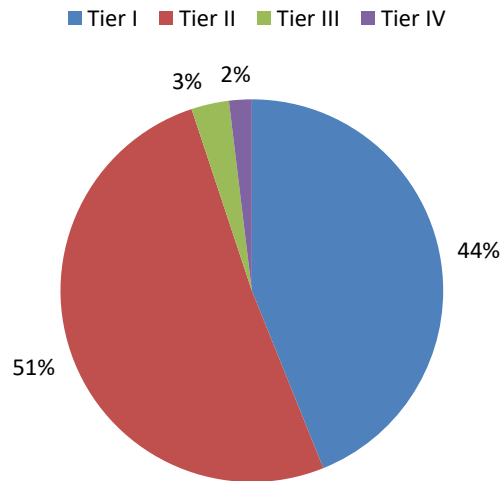


Year to Date Tiered Sales As of August 2018



| Year To Date Sales in ccf | | |
|---------------------------|---------|---------|
| Tier I | 270,304 | 45.52% |
| Tier II | 297,146 | 50.04% |
| Tier III | 16,600 | 2.80% |
| Tier IV | 9,805 | 1.65% |
| | 593,855 | 100.00% |

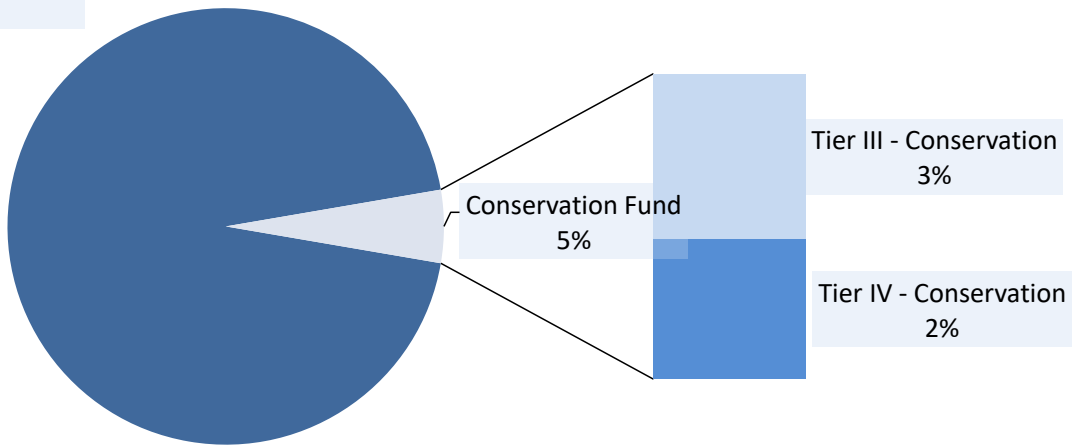
August 2018 Tiered Sales



| Current Month Sales in ccf | | |
|----------------------------|---------|---------|
| Tier I | 132,362 | 43.91% |
| Tier II | 153,711 | 50.99% |
| Tier III | 9,606 | 3.19% |
| Tier IV | 5,777 | 1.92% |
| | 301,456 | 100.00% |

Year to Date Water Sales as of August 2018

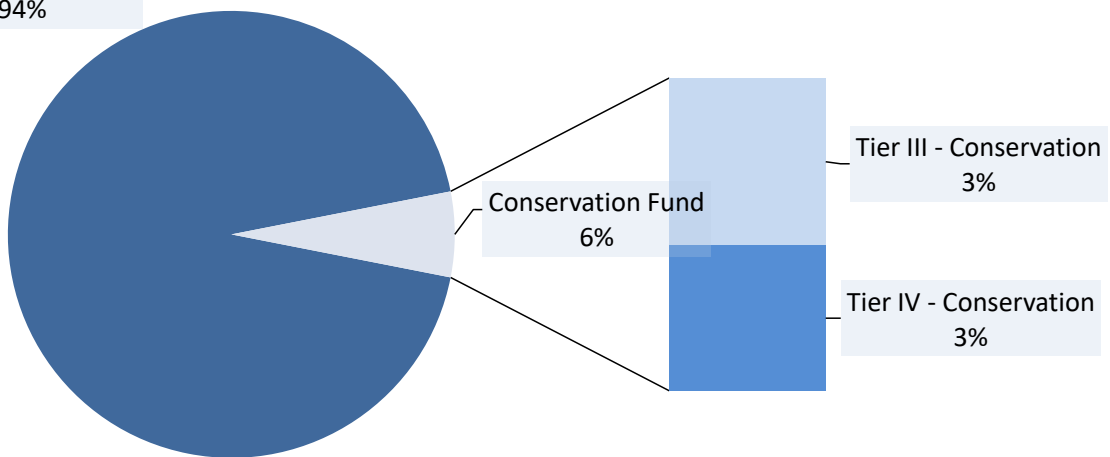
Water Delivery Cost
95%



| Category | Billings | Percentage |
|-------------------------|-----------------------|----------------|
| Water Delivery Cost | \$1,628,191.19 | 94.60% |
| Tier III - Conservation | \$50,464.00 | 2.93% |
| Tier IV - Conservation | \$42,492.95 | 2.47% |
| | \$1,721,148.14 | 100.00% |

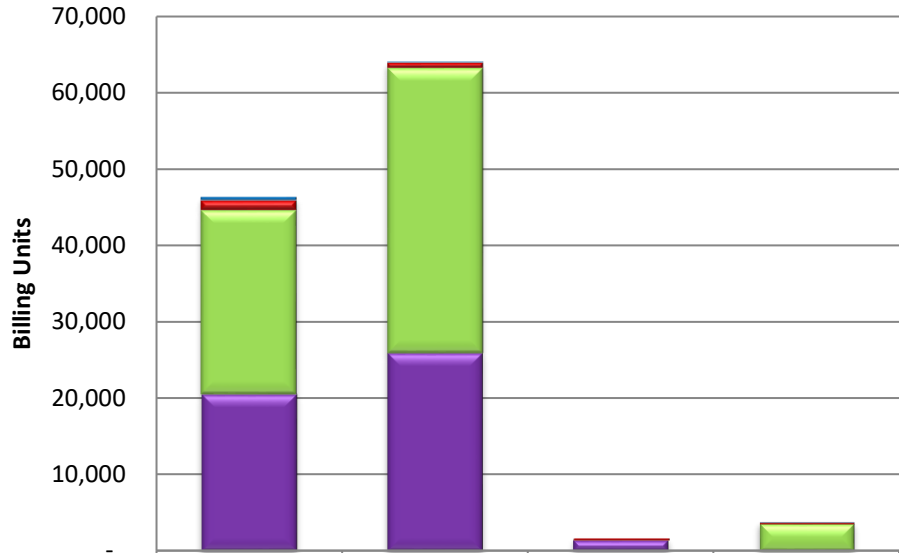
August 2018 Water Sales

Water Delivery Cost
94%



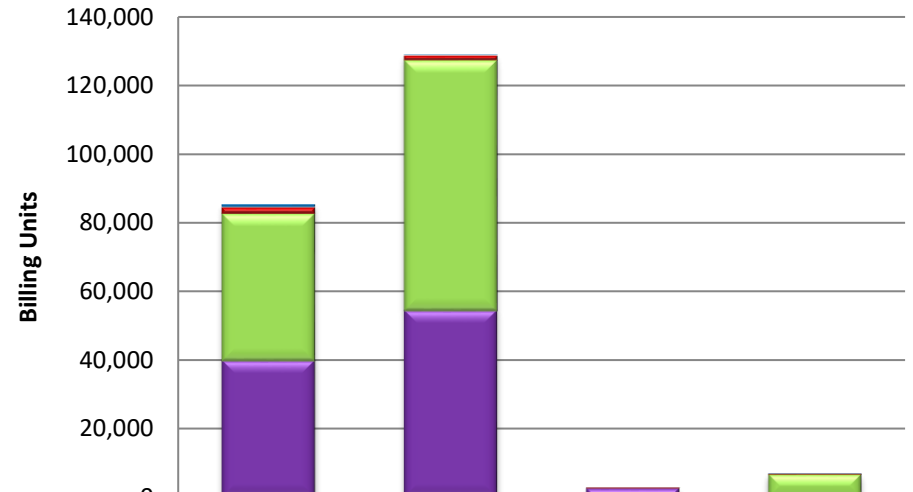
| Category | Billings | Percentage |
|-------------------------|---------------------|----------------|
| Water Delivery Cost | \$828,828.74 | 93.83% |
| Tier III - Conservation | \$29,202.24 | 3.31% |
| Tier IV - Conservation | \$25,312.39 | 2.87% |
| | \$883,343.37 | 100.00% |

Laguna Woods Village August 2018 Water Sales



| | Third | United | Mutual 50 | GRF |
|--------|--------|--------|-----------|-------|
| Tier 4 | 424 | 99 | - | 3 |
| Tier 3 | 1,255 | 653 | 232 | 230 |
| Tier 2 | 24,097 | 37,360 | 45 | 3,586 |
| Tier 1 | 20,514 | 25,852 | 1,465 | - |

Laguna Woods Village Year-to-Date Water Sales August 2018



| | Third | United | Mutual 50 | GRF |
|--------|--------|--------|-----------|-------|
| Tier 4 | 665 | 135 | 0 | 4 |
| Tier 3 | 1,895 | 1,241 | 235 | 260 |
| Tier 2 | 43,033 | 72,933 | 56 | 6,894 |
| Tier 1 | 39,866 | 54,476 | 2,788 | 0 |

EL TORO WATER DISTRICT

Glossary of Water Terms

Accumulated overdraft: The amount of water necessary to be replaced in the intake area of the groundwater basin to prevent the landward movement of ocean water into the fresh groundwater body.

Acre-foot, AF: A common water industry unit of measurement. An acre-foot is 325,851 gallons, or the amount of water needed to cover one acre with water one foot deep. An acre-foot serves annual needs of two typical California families.

ACWA: Association of California Water Agencies.
A statewide group based in Sacramento that actively lobbies State and Federal Government on water issues.

Advanced treatment: Additional treatment processes used to clean wastewater even further following primary and secondary treatment. Also known as tertiary treatment.

AFY: Acre-foot per year.

Alluvium: A stratified bed of sand, gravel, silt, and clay deposited by flowing water.

AMP: Allen McCulloch pipeline.

Major pipeline transporting treated water to water districts between Yorba Linda, where it starts to El Toro Water District reservoir, where it terminates.

Annexation: The inclusion of land within a government agency's jurisdiction.

Annual overdraft: The quantity by which the production of water from the groundwater supplies during the water year exceeds the natural replenishment of such groundwater supplies during the same water year.

Aqueduct: A man-made canal or pipeline used to transport water.

Aquifer: An underground geologic formation of rock, soil or sediment that is naturally saturated with water; an aquifer stores groundwater.

Arid: Dry; deserts are arid places. Semi-arid places are almost as dry as a desert.

Artesian: An aquifer in which the water is under sufficient pressure to cause it to rise above the bottom of the overlying confining bed, if the opportunity is provided.

Artificial recharge: The addition of surface water to a groundwater reservoir by human activity, such as putting surface water into recharge basins. (See also: groundwater recharge and recharge basin.)

AWWA American Water Works Association
Nationwide group of public and private water purveyors and related industrial suppliers.

Base flow: The portion of river surface flow which remains after deduction of storm flow and/or purchased imported water.

Bay-Delta: The Sacramento-San Joaquin Bay-Delta is a unique natural resource of local, state and national significance. The Delta is home to more than 500,000 people; contains 500,000 acres of agriculture; provides habitat for 700 native plant and animal species; provides water for more than 25 million Californians and 3 million acres of agriculture; is traversed by energy, communications and transportation facilities vital to the economic health of California; and supports a \$400 billion economy.

BIA: Building Industry Association.

Biofouling: The formation of bacterial film (biofilm) on fragile reverse osmosis membrane surfaces.

Biosolids: Solid organic matter recovered from a sewage treatment process and used especially as fertilizer.

BMP: Best Management Practice. An engineered structure or management activity, or combination of these, that eliminates or reduces adverse environmental effects.

Brackish water: A mixture of freshwater and saltwater.

Brown Act: Ralph M. Brown Act enacted by the State legislature governing all meetings of legislative bodies. Also known as the Open Meeting requirements.

Canal: A ditch used to move water from one location to another.

CASA: California Association of Sanitation Agencies The sanitation equivalent of ACWA concerned solely with issues affecting the treatment and disposal of solid waste and wastewater.

CEQA: California Environmental Quality Act.

CERCLA: Comprehensive Environmental Response, Compensation and Liability Act. This federal law establishes the Superfund program for hazardous waste sites. It provides the legal basis for the United States EPA to regulate and clean up hazardous waste sites, and if appropriate, to seek financial compensation from entities responsible for the site.

CFS: Cubic feet per second.

Chloramines: A mixture of ammonia and chlorine used to purify water.

Clarify: To make clear or pure by separation and elimination of suspended solid material.

Coagulation: The clumping together of solids so they can more easily be settled out or filtered out of water. A chemical called aluminum sulfate (alum) is generally used to aid coagulation in water treatment and reclamation.

Coastkeepers: A non-profit organization dedicated to the protection and preservation of the marine habitats and watersheds of Orange County through programs of education, restoration, enforcement and advocacy.

Colored water: Groundwater extracted from the basin that is unsuitable for domestic use without treatment due to high color and odor exceeding drinking water standards.

Condensation: The process of water vapor (gas) changing into liquid water. An example of condensation can be seen in the tiny water droplets that form on the outside of a glass of iced tea as warmer air touches the cooler glass.

Confined aquifer: An aquifer that is bound above and below by dense layers of rock and contains water under pressure.

Conjunctive use: Storing imported water in a local aquifer, in conjunction with groundwater, for later retrieval and use.

Contaminate: To make unclean or impure by the addition of harmful substances.

CPCFA: California Pollution Control Financing Authority. State agency providing funds for wastewater reclamation projects.

Crisis:

1. **a:** The turning point for better or worse **b:** a paroxysmal attack of pain, distress, or disordered function **c:** an emotionally significant event or radical change of status in a person's life <a midlife *crisis*>
2. The decisive moment (as in a literary plot)
3. **a:** An unstable or crucial time or state of affairs in which a decisive change is impending; *especially* : one with the distinct possibility of a highly undesirable outcome <a financial *crisis*> **b:** a situation that has reached a critical phase

CTP Coastal Treatment Plant

CWPCA California Water Pollution Control Association. A 7000 member non-profit educational organization dedicated to water pollution control.

Dam: A barrier built across a river or stream to hold water.

Decompose: To separate into simpler compounds, substances or elements.

Deep percolation: The percolation of surface water through the ground beyond the lower limit of the root zone of plants into a groundwater aquifer.

Degraded water: Water within the groundwater basin that, in one characteristic or another, does not meet primary drinking water standards.

Delta: Where the rivers empty; an outlet from land to ocean, also where the rivers deposit sediment they carry forming landforms.

Delta Vision: Delta Vision is intended to identify a strategy for managing the Sacramento-San Joaquin Delta as a sustainable ecosystem that would continue to support environmental and economic functions that are critical to the people of California.

Demineralize: To reduce the concentrations of minerals from water by ion exchange, distillation, electro-dialysis, or reverse osmosis.

De-nitrification: The physical process of removing nitrate from water through reverse osmosis, microfiltration, or other means.

Desalting (or desalination): Removing salts from salt water by evaporation or distillation. Specific treatment processes, such as reverse osmosis or multi-stage flash distillation, to demineralize seawater or brackish (saline) waters for reuse. Also sometimes used in wastewater treatment to remove salts other pollutants.

Desilting: The physical process of removing suspended particles from water.

Dilute: To lessen the amount of a substance in water by adding more water.

Disinfection: Water treatment which destroys potentially harmful bacteria.

Drainage basin: The area of land from which water drains into a river, for example, the Sacramento River Basin, in which all land area drains into the Sacramento River. Also called catchment area, watershed, or river basin.

Drought: A prolonged period of below-average precipitation.

DPHS: California Department of Public Health Services. Regulates public water systems; oversees water recycling projects; permits water treatment devices; certifies drinking water treatment and distribution operators; supports and promotes water system security; provides support for small water systems and for improving technical, managerial, and financial (TMF) capacity; provides funding opportunities for water system improvements.

DVL: Diamond Valley Lake. Metropolitan's major reservoir near Hemet, in southwestern Riverside County.

DWR: California Department of Water Resources. Guides development/management of California's water resources; owns/operates State Water Project and other water facilities.

Endangered Species: A species of animal or plant threatened with extinction.

Endangered Species Act of 1973 (ESA): The most wide-ranging of the dozens of United States environmental laws passed in the 1970s. As stated in section 2 of the act, it was designed to protect critically imperiled species from extinction as a "consequence of economic growth and development untended by adequate concern and conservation.

Ecosystem: Where living and non-living things interact (coexist) in order to survive.

Effluent: Wastewater or other liquid, partially or completely treated or in its natural state, flowing from a treatment plant.

Evaporation: The process that changes water (liquid) into water vapor (gas).

Estuary: Where fresh water meets salt water.

Evapotranspiration: The quantity of water transpired (given off), retained in plant tissues, and evaporated from plant tissues and surrounding soil surface. Quantitatively, it is expressed in terms of depth of water per unit area during a specified period of time.

FCH Federal Clearing House – Environmental Review/Processing

FEMA Federal Emergency Management Agency

Filtration: The process of allowing water to pass through layers of a porous material such as sand, gravel or charcoal to trap solid particles. Filtration occurs in nature when rain water soaks into the ground and it passes through hundreds of feet of sand and gravel. This same natural process of filtration is duplicated in water and wastewater treatment plants, generally using sand and coal as the filter media.

Flocculation: A chemical process involving addition of a coagulant to assist in the removal of turbidity in water.

Forebay: A reservoir or pond situated at the intake of a pumping plant or power plant to stabilize water level; also, a portion of a groundwater basin where large quantities of surface water can recharge the basin through infiltration.

Gray water reuse: Reuse, generally without treatment, of domestic type wastewater for toilet flushing, garden irrigation and other non-potable uses. Excludes water from toilets, kitchen sinks, dishwashers, or water used for washing diapers.

Green Acres Project (GAP): A 7.5 million gallons per day (MGD) water reclamation project that serves tertiary treated recycled water to irrigation and industrial users in Costa Mesa, Fountain Valley, Huntington Beach, Newport Beach, and Santa Ana.

God Squad: A seven-member committee that is officially called the "Endangered Species Committee". Members consist of Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Chairman of the Council of Economic Advisers, the Administrator of the National Oceanic and Atmospheric Administration and one individual from the affected state. The squad was established in 1978 by an amendment to the 1973 Endangered Species Act (ESA). It has only been called into action three times to deal with proposed federal agency actions that have been determined to cause "jeopardy" to any listed species. Such actions may receive an exemption from the ESA if five members of the committee determine that the action is of regional or national significance, that the benefits of the action clearly outweigh the benefits of conserving the species and that there are no reasonable and prudent alternatives to the action.

Groundwater: Water that has percolated into natural, underground aquifers; water in the ground, not water puddled on the ground.

Groundwater basin: A groundwater reservoir defined by the overlying land surface and the underlying aquifers that contain water stored in the reservoir. Boundaries of success-ively deeper aquifers may differ and make it difficult to define the limits of the basin.

Groundwater mining: The withdrawal of water from an aquifer in excess of recharge over a period of time. If continued, the underground supply would eventually be exhausted or the water table could drop below economically feasible pumping lifts.

Groundwater overdraft: The condition of a groundwater basin in which the amount of water withdrawn by pumping exceeds the amount of water that recharges the basin over a period of years during which water supply conditions approximate average.

Groundwater recharge: The action of increasing groundwater storage by natural conditions or by human activity. See also: Artificial recharge.

Ground Water Replenishment System (GWRS): A joint project of the Orange County Water District and the Orange County Sanitation District that will provide up to 100,000 acre-feet of reclaimed water annually. The high-quality water will be used to expand an existing underground seawater intrusion barrier and to replenish the groundwater basin underlying north and central Orange County.

Groundwater table: The upper surface of the zone of saturation (all pores of subsoil filled with water), except where the surface is formed by an impermeable body.

GPM: Gallons per minute.

Ground Water Replenishment System (GWRS): Orange County Water District's state-of-the-art, highly advanced, waste-water treatment facility.

Hydrologic balance: An accounting of all water inflow to, water outflow from, and changes in water storage within a hydrologic unit over a specified period.

Hydrologic cycle: The process of water constantly circulating from the ocean, to the atmosphere, to the earth in a form of precipitation, and finally returning to the ocean.

Imported water: Water that has originated from one hydrologic region and is transferred to another hydrologic region.

Inflatable rubber dams: Designed to replace temporary sand levees that wash out during heavy storm flow, the dams hold back high-volume river flows and divert the water into the off-river system for percolation.

Influent: Water or wastewater entering a treatment plant, or a particular stage of the treatment process.

Irrigation: Applying water to crops, lawns or other plants using pumps, pipes, hoses, sprinklers, etc.

JPIA Joint Powers Insurance Authority. A group of water agencies providing self-insurance to members of the ACWA.

LAIF Local Agency Investment Fund. Statewide pool of surplus public agency money managed by State Treasurer.

Leach: To remove components from the soil by the action of water trickling through.

MAF: Million acre feet.

MCL: Maximum contaminant level set by EPA for a regulated substance in drinking water. According to health agencies, the maximum amount of a substance that can be present in water that's safe to drink and which looks, tastes and smells good.

MET: Metropolitan Water District of Southern California.

MGD: Million gallons per day.

Microfiltration: A physical separation process where tiny, hollow filaments members separate particles from water.

Microorganism: An animal or plant of microscopic size.

MWD: Metropolitan Water District of Southern California.

MWDOC: Municipal Water District of Orange County. Intermediate wholesaler between MWD and 27 member agencies including ETWD.

Non-point source pollution: Pollution that is so general or covers such a wide area that no single, localized source of the pollution can be identified.

NPDES National Pollution Discharge Elimination System

OCBC: Orange County Business Council.

OCEMA Orange County Environmental Management Agency

OCWD: Orange County Water District.

Opportunity:

1. A favorable juncture of circumstances.
2. A good chance for advancement or progress .

Organism: Any individual form of life, such as a plant, animal or bacterium.

PCM Professional Community Management, Inc. Property Management company providing services to Laguna Woods Village and other homeowner associations.

Perched groundwater: Groundwater supported by a zone of material of low permeability located above an underlying main body of groundwater with which it is not hydrostatically connected.

Percolation: The downward movement of water through the soil or alluvium to the groundwater table.

Permeability: The capability of soil or other geologic formations to transmit water.

Point source: A specific site from which waste or polluted water is discharged into a water body, the source of which is identified. See also: non-point source.

Potable water: Suitable and safe for drinking.

PPB: Parts per billion.

Precipitation: Water from the atmosphere that falls to the ground as a liquid (rain) or a solid (snow, sleet, hail).

Primary treated water: First major treatment in a wastewater treatment facility, usually sedimentation but not biological oxidation.

Primary treatment: Removing solids and floating matter from wastewater using screening, skimming and sedimentation (settling by gravity).

Prior appropriation doctrine: Allocates water rights to the first party who diverts water from its natural source and applies the water to beneficial use. If at some point the first appropriator fails to use the water beneficially, another person may appropriate the water and gain rights to the water. The central principle is beneficial use, not land ownership.

Pumping Plant: A facility that lifts water up and over hills.

Recharge: The physical process where water naturally percolates or sinks into a groundwater basin.

Recharge basin: A surface facility, often a large pond, used to increase the infiltration of surface water into a groundwater basin.

Reclaimed wastewater: Wastewater that becomes suitable for a specific beneficial use as a result of treatment. See also: wastewater reclamation.

Reclamation project: A project where water is obtained from a sanitary district or system and which undergoes additional treatment for a variety of uses, including landscape irrigation, industrial uses, and groundwater recharge.

Recycling: A type of reuse, usually involving running a supply of water through a closed system again and again. Legislation in 1991 legally equates the term "recycled water" to reclaimed water.

Reservoir: A place where water is stored until it is needed. A reservoir can be an open lake or an enclosed storage tank.

Reverse osmosis: (RO) A method of removing salts or other ions from water by forcing water through a semi-permeable membrane.

RFP Request for Proposal

Riparian: Of or on the banks of a stream, river, or other body of water.

RO: Reverse osmosis. See the listing under "reverse osmosis."

R-O-W Right-of-way

Runoff: Liquid water that travels over the surface of the Earth, moving downward due to gravity. Runoff is one way in which water that falls as precipitation returns to the ocean.

RWQCB Regional Water Quality Control Board. State agency regulating discharge and use of recycled water.

Safe Drinking Water Act (SDWA): The Safe Drinking Water Act (SDWA) was originally passed by Congress in 1974 to protect public health by regulating the nation's public drinking water supply. The law was amended in 1986 and 1996 and requires many actions to protect drinking water and its sources: rivers, lakes, reservoirs, springs, and ground water wells. (SDWA does not regulate private wells which serve fewer than 25 individuals.) SDWA authorizes the United States Environmental Protection Agency (US EPA) to set national health-based standards for drinking water to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. US EPA, states, and water systems work together to make sure that these standards are met.

Safe yield: The maximum quantity of water that can be withdrawn from a groundwater basin over a long period of time without developing a condition of overdraft, sometimes referred to as sustained yield.

SAFRA Santa Ana River Flood Protection Agency

Salinity: Generally, the concentration of mineral salts dissolved in water. Salinity may be measured by weight (total dissolved solids - TDS), electrical conductivity, or osmotic pressure. Where seawater is known to be the major source of salt, salinity is often used to refer to the concentration of chlorides in the water.

SAWPA: Santa Ana Watershed Project Authority.

SCADA Supervisory Control and Data Acquisition

SCAP Southern California Alliance of Publicly. Newly formed group of public agencies seeking reasonable regulation of sewer industry.

SCH State Clearing House – Environmental Review/Processing

Seasonal storage: A three-part program offered by Metropolitan Water District of Southern California:

STSS (Short Term Seasonal Storage) financially encourages agencies with local groundwater production capabilities to produce a higher percentage of their demand in the summer from their local groundwater supplies, thus shifting a portion of their demand on the MWD system from the summer to winter;

LTSS (Long Term Seasonal Storage) financially encourages retail agencies to take and store additional amounts of MWD water above their normal annual demands for later use; Replenishment Water provides less expensive interruptible water that is generally available and used to increase the operating yield of groundwater basins.

Seawater intrusion: The movement of salt water into a body of fresh water. It can occur in either surface water or groundwater basins.

Seawater barrier: A physical facility or method of operation designed to prevent the intrusion of salt water into a body of freshwater.

Secondary treatment: The biological portion of wastewater treatment which uses the activated sludge process to further clean wastewater after primary treatment. Generally, a level of treatment that produces 85 percent removal efficiencies for biological oxygen demand and suspended solids. Usually carried out through the use of trickling filters or by the activated sludge process.

Sedimentation: The settling of solids in a body of water using gravity.

Settle: To clarify water by causing impurities/solid material to sink to a container's bottom.

Sewer: The system of pipes that carries wastewater from homes and businesses to a treatment plant or reclamation plant. Sewers are separate from storm drains, which is a system of drains and pipes that carry rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain water is not treated before it is discharged.

SigAlert: Any unplanned event that causes the closing of one lane of traffic for 30 minutes or more, as opposed to a planned event, like road construction, which is planned.

SJBA San Juan Basin Authority

Sludge: The solids that remain after wastewater treatment. This material is separated from the cleaned water, treated and composted into fertilizer. Also called biosolids.

SOCWA South Orange County Wastewater Authority. Regional Joint Powers Authority formed for collection and treatment of sewerage (previously known as AWMA/SERRA/SOCRA). SOCWA member agencies:

CSC – City of San Clemente

CSJC – City of San Juan Capistrano

CLB – City of Laguna Beach

ETWD – El Toro Water District

EBSD – Emerald Bay Service District

IRWD – Irvine Ranch Water District

MNWD – Moulton Niguel Water District

SCWD – South Coast Water District

SMWD – Santa Margarita Water District

TCWD – Trabuco Canyon Water District

SRF State Revolving Fund

Storm Drain: The system of pipes that carries rain water from urban streets back to the ocean. Overwatering your yard can also cause water to run into the streets and into storm drains. Storm drain

water is not treated before it is discharged. Storm drains are separate from sewers, which is a separate system of pipes to carry wastewater from homes and businesses to a treatment plant or reclamation plant for cleaning.

Storm flow: Surface flow originating from precipitation and run-off which has not percolated to an underground basin.

SWP: State Water Project. An aqueduct system that delivers water from northern California to central and southern California.

SWRCB State Water Resources Control Board

TDS: Total dissolved solids. A quantitative measure of the residual minerals dissolved in water that remain after evaporation of a solution. Usually expressed in milligrams per liter.

Tertiary treatment: The treatment of wastewater beyond the secondary or biological stage. Normally implies the removal of nutrients, such as phosphorous and nitrogen, and a high percentage of suspended solids.

THM: Trihalomethanes. Any of several synthetic organic compounds formed when chlorine or bromine combine with organic materials in water.

TMA: Too many acronyms.

TMDL: Total maximum daily load; A quantitative assessment of water quality problems, contributing sources, and load reductions or control actions needed to restore and protect bodies of water.

Transpiration: The process in which plant tissues give off water vapor to the atmosphere as an essential physiological process.

Turbidity: Thick or opaque with matter in suspension; muddy water.

Ultraviolet light disinfection: A disinfection method for water that has received either secondary or tertiary treatment used as an alternative to chlorination.

VE Value Engineering

VOC: Volatile organic compound; a chemical compound that evaporates readily at room temperature and contains carbon.

Wastewater: Water that has been previously used by a municipality, industry or agriculture and has suffered a loss of quality as a result.

Water Cycle: The continuous process of surface water (puddles, lakes, oceans) evaporating from the sun's heat to become water vapor (gas) in the atmosphere. Water condenses into clouds and then falls back to earth as rain or snow (precipitation). Some precipitation soaks into the ground (percolation) to replenish groundwater supplies in underground aquifers.

Water rights: A legally protected right to take possession of water occurring in a natural waterway and to divert that water for beneficial use.

Water-use Efficiency: The water requirements of a particular device, fixture, appliance, process, piece of equipment, or activity.

Water year (USGS): The period between October 1st of one calendar year to September 30th of the following calendar year.

Watermaster: A court appointed person(s) that has specific responsibilities to carry out court decisions pertaining to a river system or watershed.

Water Reclamation: The treatment of wastewater to make it suitable for a beneficial reuse, such as landscape irrigation. Also called water recycling.

Watershed: The total land area that from which water drains or flows to a river, stream, lake or other body of water.

Water table: The top level of water stored underground.

WEF Water Environment Federation. Formerly – Water Pollution Control Federation (WPCF). International trade group advising members of sewage treatment techniques and their effect on the environment.

Weir box: A device to measure/control surface water flows in streams or between ponds.

Wellhead treatment: Water quality treatment of water being produced at the well site.

Wetland: Any area in which the water table stands near, at, or above the land surface for a portion of the year. Wetlands are characterized by plants adapted to wet soil conditions.

Xeriscape: Landscaping that requires minimal water.