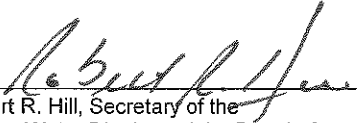


31 hereby certify that the following agenda was posted at least 72 hours prior to the time of the meeting so noticed below at 24251 Los Alisos Boulevard, Lake Forest, California.



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

October 23, 2018

7:30 a.m.

CALL TO ORDER – Vice President Vergara

PLEDGE OF ALLEGIANCE – President Goldman

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

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)

1. Consider approving the September 25, 2018 Engineering Committee meeting minutes.

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.

ENGINEERING ACTION ITEMS

2. **Portable Generator** (Reference Material Included)

Staff will review and comment on the purchase of a portable generator to replace an existing generator that no longer complies with current air quality regulatory requirements. The 2018/19 adopted budget for the replacement of the Emergency Generator is \$175,000.

Recommended Action:

Staff recommends that the Board of Directors authorize the General Manager to enter into a Purchase Order Contract with United Rentals, Inc. in the amount of \$142,024.19 for the purchase of a new 275 kW standby generator. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

ENGINEERING GENERAL INFORMATION ITEMS

3. **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.

4. **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)

5. Consider approving the September 25, 2018 Finance Committee meeting minutes.

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

6. **Quarterly Insurance Report** (Reference Material Included)

Staff will review and comment on the Quarterly Insurance Report for the period July 1, 2018 through September 30, 2018.

Recommended Action: Staff recommends that the Board Receive and File the Quarterly Insurance Report for the period of July 1, 2018 through September 30, 2018.

7. **Election of Independent Special Districts of Orange County (ISDOC) Officers** (Reference Material Included)

Staff will review and comment on the election process and the two seats (President and First Vice President) that require ISDOC members to cast a vote for. Ballots must be received no later than 5 p.m. on October 23, 2018.

Recommended action: Staff recommends that the Board of Directors authorize the President to cast a vote in support of SMWD Director Sandra Jacobs for the position of President and ETWD Director/Treasurer Mark Monin for the position of First Vice President.

8. **Financial Package - Authorization to Approve Bills for Consideration dated October 23, 2018 and Receive and File Financial Statements as of September 30, 2018** (Reference Material Included)

The Board will consider approving the Bills for Consideration dated October 23, 2018 and Receive and File Financial Statements as of September 30, 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 October 23, 2018, and 2) receive and file the Financial Statements for the period ending September 30, 2018.

9. **Capital Facility Fee Reserve Reconciliation in Accordance with SB1760 (Government Code Section 66013)** (Reference Material Included)

Staff will review and comment on the 2017/18 fiscal year reconciliation of the District's restricted Capital Facility Fee Reserve. In accordance with SB1760 (Government Code Section 66013), the District is obligated to reconcile financial information regarding the nature, balances, collections, earnings and expenditures of funds in the Capital Facilities Fee Reserve. As such, a reconciliation report of the 2017/18 fiscal year has been prepared.

Recommended Action: Staff recommends that the Board of Directors receive and file the 2017/18 fiscal year Capital Facility Fee Reserve reconciliation report.

FINANCIAL INFORMATION ITEMS

10. **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.

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., Monday, November 19, 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.

MINUTES OF THE REGULAR MEETING
OF THE
ENGINEERING COMMITTEE MEETING

September 25, 2018

Vice President Vergara called the Meeting of the Engineering Committee to order at 7:30 a.m. on September 25, 2018.

Vice President Vergara led in the Pledge of Allegiance to the flag.

Present at today's meeting were Committee Members, JOSE F. VERGARA, MARK MONIN (via teleconference), KATHRYN FRESHLEY, and FRED ADJARIAN.

Committee Member President M. SCOTT GOLDMAN was absent.

Also present were ROBERT R. HILL, General Manager/Secretary, DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, JUDY CIMORELL, Human Resources Manager, NEELY SHAHBAKHTI, Finance Manager/Controller, RICK OLSON, Operations Superintendent, GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, and CAROL MOORE, Laguna Woods Mayor.

Oral Communication/Public Comment

There were no comments.

Items Received too Late to be Agendized

Vice President Vergara asked if there were any items received too late to be agendized. Mr. Hill replied no.

Consent Calendar

There were no items.

Action Items

There were no action items.

Engineering General Information Items

Capital Project Status Report

Oso Lift Station Project

Mr. Cafferty stated that the project design is nearly complete. He further stated that staff met with MNWD staff to discuss the draft plan and agreement for an emergency overflow connection from the Oso Lift Station to MNWD's sewer collection system.

Mr. Cafferty stated that staff has submitted the documents to facilitate a property transfer on the east side of the site from the City of Laguna Woods.

Phase II Recycled Water Distribution System Expansion Project

Mr. Cafferty stated that the West Side System and the East Side System construction is complete.

On-Site Retrofits

Mr. Cafferty stated that staff is preparing to bid a retrofit project for the East Side System and certain sites in the West Side System. He further stated that the remaining sites in the West Side System will be handled separate due to unique characteristics that could result in designation of the sites as "dual plumbed" as defined in Title 22.

SRF Agreement/Project Funding

Mr. Cafferty stated that the District has received 3 disbursement checks from the SRF loan totaling \$4,977,548. He further stated that the District's Reserve level dropped below the operating expense benchmark in March 2018, but the Reserve depletion has been remedied with the receipt of the SRF disbursement.

Phase III Recycled Water Distribution System Expansion Project

Mr. Cafferty stated that Phase III will be discussed at a Special Board Meeting.

AMI Feasibility Study and Alternatives Analysis

Mr. Cafferty stated that the consulting contract has been issued to MC Engineering and staff had a kickoff meeting. He further stated that this project is expected to be complete early 2019.

Director Freshley asked what is the primary focus of this project. Mr. Cafferty replied that the project will provide a clear analysis of different metering and communication technologies and which technologies make the most sense for our service area. Mr. Cafferty further noted that the analysis will provide an estimate of total costs and the associated benefits of an AMI system.

Director Freshley asked if the project could be done in phases. Mr. Cafferty replied that the study will consider phasing options.

South OC supply and System Reliability Projects

Baker Water Treatment Produce Water Conveyance Options

Mr. Cafferty stated that MNWD is currently performing a property appraisal to facilitate the acquisition of the property for the new turnout.

Poseidon HB Ocean Desal Project

Mr. Hill stated that OCWD has entered into a revised non-binding Term Sheet with Poseidon, and will be reaching out to South County agencies to confirm interest in receiving supply from the project.

Vice President Vergara asked if OCWD attends these meetings. Mr. Hill replied yes.

Engineering Items Discussed at Various Conferences and Meetings

There were no comments.

Comments Regarding Non-Agenda Engineering Committee Items

Director Monin asked if there have been any discussions on Irvine Lake and what it might provide. Mr. Cafferty replied that discussion is on-going to review concepts for Irvine Lake and the challenge of putting water in the Lake and then allocating the costs associated with evaporation.

Adjournment

There being no further business to come before the Board, the following motion was duly made and passed.

Motion: Director Adjarian made a Motion, seconded by Director Freshley and unanimously carried that today’s meeting be adjourned at 7:56 o’clock a.m. to Tuesday, October 23, 2018 at 7:30 o’clock a.m. at the District’s Administrative Offices at 24251 Los Alisos Blvd, Lake Forest, CA. 92630.

Roll Call:

Director Monin	aye
Director Adjarian	aye
Vice President Vergara	aye
Director Freshley	aye

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

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

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

275 KW PORTABLE EMERGENCY GENERATOR



BACKGROUND/PURPOSE:

The District maintains permanent stationary generators at eight of its ten sewage lift stations as well as at the P-1 and P-4 Pump Stations, at the Warehouse and at the WRP. Each of these sites as well as the two sewer lift stations and six water pump stations without stationary generators have readily available connections for portable generators. The District has historically maintained four portable generators for use at sites without stationary generators or to provide emergency backup power in the event of a generator failure at sites equipped with stationary generators.

Compliance with the increasingly stringent air quality regulations promulgated by the South Coast Air Quality Management District (AQMD) has proven more and more challenging and expensive over the last several years. The District has already made the investments necessary to accommodate the capital and maintenance expense associated with compliance with air quality regulations impacting the District's on-road fleet of diesel vehicles. Similar regulations have been extended to portable generator facilities. Three of the District's four portable generators exceeded 50 KW in size and were equipped with engines classified by AQMD as Tier 0. The regulation prohibiting the operation of Tier 0 engines went into effect in January, 2017.

The District has already replaced a smaller (56 KW) generator and one of the two larger (275 KW) generators. The replacement of the second (275 KW) generator is budgeted in the 2018/19 fiscal year.

The new generator will be equipped with a Tier 4 Final engine that represents best available technology that complies with all current and anticipated AQMD requirements.

GENERATOR PROPOSAL:

During the selection process for the first (275 KW) generator staff solicited quotes for generators from four manufacturers. In August of 2017, after an evaluation of the generator proposals, staff recommended and the Board approved the purchase of a Cummins Pacific generator. Cummins has agreed to provide the second generator at essentially the same cost as the generator purchased last year. The only difference is the cost of registration, approximately \$198, that was inadvertently left out of the proposal last year.

275 KW Portable Emergency Generator

Page 2

The opportunity to purchase the same model generator at the same price that resulted from the previous bid price brings distinct maintenance advantages.

BUDGET EVALUATION:

The 2018/19 fiscal year capital budget for this equipment is \$175,000. The proposed Cummins Pacific generator is well under budget. The equipment acquisition budget is summarized as follows:

Cummins Pacific Generator	\$ 131,809.00
Tax	\$ 10,215.19
Total	\$ 142,024.19
Project Budget	\$ 175,000.00
Under Budget	\$ 32,975.81

The estimated lead time for delivery of the new generator is 90 days from issuance of the purchase order. The generator should therefore be available by early February.

Recommended Action:

Staff recommends that the Board of Directors authorize the General Manager to enter into a Purchase Order Contract with United Rentals, Inc. in the amount of \$142,024.19 for the purchase of a new 275 kW standby generator. Staff further recommends that the Board authorize the General Manager to fund the project costs from the District's Capital Reserves in accordance with the District's adopted Capital Reserve Policy.

By: Dennis P. Cafferty
Date: October 19, 2018

CAPITAL PROJECT / EQUIPMENT STATUS REPORT

October, 2018

I Oso Lift Station Improvement Project

The project design is complete.

The Notice of Intent to file a CEQA Mitigated Negative Declaration has been filed for public review with the State Clearinghouse and the County of Orange. Staff is awaiting comments and intends to bring the MND to the Board for approval in November.

Staff met with Moulton Niguel in September to review and discuss the draft plans and Agreement regarding an emergency overflow connection from the Oso Lift Station to the MNWD sewer collection system near the station. MNWD is generally receptive of the concept and will provide comments on the Agreement.

Staff submitted a lot line adjustment to the City of Laguna Woods to facilitate the expansion of the site by ten feet on the east side of the property. The lot line adjustment will need to be approved by the County of Orange due to an existing lease agreement between the City and the County relative to the Woods End Wilderness Preserve/Laguna Coast Wilderness Park. It is staff's understanding that the County will take it to the Board of Supervisors in February.

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 submitted the retrofit plans to the State and County Health departments for review. Staff anticipates bringing a contract award recommendation to the Board in December. 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.

The following project information items are attached:

- **Cost Tracking & Estimate**
- **Change Order Log**

III Phase III Recycled Water Distribution System Expansion Project

Staff presented a conceptual project summary 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 in September. 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. OCWD has reached out to ETWD, MNWD and SMWD to confirm interest in receiving a specific based loaded supply from the project. ETWD staff will be meeting with OCWD and Poseidon on 10/24/18. 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
	September	October	
Construction			
West Side System			
E.J. Meyer Constructicon Contract	\$3,708,888	\$3,684,474	3,525,756
Allowance for Utility Conflicts	\$125,000		\$107,649
Contingency	\$20,425		\$20,425
Total	\$3,854,313	\$3,684,474	\$3,653,830
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	\$4,866,822	
Allowance for Utility Conflicts (Contingency)	\$125,000	\$0	
Contingency	\$20,425	\$0	
Construction Material (Meter Boxes)	\$17,259	\$17,259	
Total Construction	\$5,053,920	\$4,884,081	\$4,858,742
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	\$17,858
Engineering Construction Support - Tetra Tech	\$80,000	\$80,000	\$70,176
Construction Management & Inspection - MWH	\$484,000	\$484,000	\$477,299
Construction Management & Inspection - Geotech	\$105,995	\$105,995	\$97,940
Labor Compliance Consultant - GSLC	\$42,840	\$42,840	\$42,870
Public Relations	\$14,125	\$14,125	\$14,125
Miscellaneous Construction Support	\$30,000	\$30,000	24,703
Subtotal Construction Support	\$776,960	\$776,960	\$744,969
Administration			
Legal	\$10,000	\$10,000	
Funding Research			
SRF Application Support			
Public Relations			
Miscellaneous	\$0	\$0	
Easements Compensation	\$34,600	\$34,600	
Title Insurance	\$16,500	\$16,500	\$16,500
Subtotal Administration	\$61,100	\$61,100	\$16,500
On Site Conversions/Retrofits Construction	\$700,000	\$700,000	\$0
Total Project	\$7,037,970	\$6,868,132	\$6,062,891

**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	-174,414	-4.5%
TOTAL	5,196,299	-324,173	-6.2%

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
Change Order No. 4	\$0.00	No cost time extension
Change Order No. 5	(\$194,838.57)	Final Quantities Reconciliation
Total Change Orders	(\$174,413.71)	
Revised Contract Amount	\$3,684,474.29	

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	P	B	A	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	\$163,257
3	Oso Lift Station Improvement Project (CO)	E/CQ	E/CQ	E/CQ	CQ		B	B	A	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 Swayle 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	A			R						\$175,000	
Total														\$3,388,250	\$227,807

E = Engineering/Study
C = Construction
O = Order

R = Receive
P = Permit
CQ = CEQA

RFP = Request for Proposal
B = Bid
A = Approve by Board

ET = Evaluate
M = Monitoring
BP = Board Presentation

N = Negotiate

CO = Carry Over

10/19/2018

MINUTES OF THE REGULAR MEETING
OF THE
FINANCE/INSURANCE COMMITTEE MEETING

September 25, 2018

Director Monin called the Meeting of the Finance/Insurance Committee to order at 7:56 a.m. on September 25, 2018.

Present at today's meeting were Committee Members JOSE F. VERGARA, FRED ADJARIAN, MARK MONIN (via teleconference), and KATHRYN FRESHLEY.

Committee Member M. SCOTT GOLDMAN was absent.

Also present were ROBERT R. HILL, General Manager/Secretary, DENNIS P. CAFFERTY, Assistant General Manager/District Engineer, JUDY CIMORELL, Human Resources Manager, RICK OLSON, Operations Superintendent, NEELY SHAHBAKHTI, Finance Manager/Controller, GILBERT J. GRANITO, General Counsel, POLLY WELSCH, Recording Secretary, and CAROL MOORE, Laguna Woods Mayor.

Consent Calendar

1. Resolution No. 18-9-1 Policy Statement 1985-5 (IV) – Travel and Expense Reimbursement Policy

Motion: Vice President Vergara made a Motion, seconded by Director Adjarian, and unanimously carried across the Board to approve the Consent calendar.

Roll Call Vote:

Vice President Vergara	aye
Director Adjarian	aye
Director Monin	aye
Director Freshley	aye

Approval of Items Removed from Today's FIC Consent Calendar

Finance Action Items

Finance Report

Ms. Shahbakhti stated that we are two months into the fiscal year. She further stated that on page 4, Cash and Investments, is a summary of all cash and investments that the District has. She also stated that it begins with LAIF market value and regional costs, with year-to-date and is grouped by the type of investment such as Federal Notes and all securities by name, original cost, market value, par value, and year-to-date maturity.

Ms. Shahbakhti stated that at the end of the Summary are total Cash and Investments for that month.

Director Monin stated that the 10-year Bond is at 3.10 which is an increase, and a lot of Money Markets are at 2.10 in the short-term world.

Ms. Shahbakhti stated that our LAIF is making 2% as of August 31st and our CAMP is at 2.12%.

Mr. Hill stated that at the October 19th Special Board meeting Mr. Richard Babbe will be presenting some alternatives to shorten the investment term and hopefully capitalize on increasing the return. He further stated that at this meeting we will be looking for the Board to provide additional direction.

Director Monin asked for a Motion to approve the Finance report.

Motion: Director Adjarian made a Motion, seconded by Vice President Vergara, and unanimously approved across the Board to approve the Finance report.

Roll Call Vote:

Vice President Vergara	aye
Director Adjarian	aye

Director Monin	aye
Director Freshley	aye

Finance Information Items

Tiered Water Usage and Revenue Tracking

Ms. Shahbakhti stated that included in the package is the month of August water usage and year-to-date for July and August, sales and usage by Tier, and consumptions.

Comments Regarding Non-Agenda FIC Items

There were no comments.

Close Finance and Insurance Committee Meeting

At approximately 8:03 o'clock a.m. the Finance and Insurance Committee meeting was closed.

Attorney Report

Mr. Granito reported that there is no need for a Closed Session at today's meeting, therefore Regular session continued.

Adjournment

There being no further business to come before the Board, the following motion was duly made and passed.

Motion: Director Adjarian made a Motion, seconded by Vice President Vergara and unanimously carried that today's meeting be adjourned at 8:03 o'clock a.m. to Tuesday, October 23, 2018 at 7:30 o'clock a.m. at the District's Administrative Offices at 24251 Los Alisos Blvd, Lake Forest, CA. 92630.

Roll Call:

Director Freshley	aye
Director Adjarian	aye
Vice President Vergara	aye
Director Monin	aye

Respectfully submitted,

POLLY WELSCH
Recording Secretary

APPROVED:

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

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

**EL TORO WATER DISTRICT
INSURANCE UPDATE
October 2018**

Liability Program

There is nothing new to report this quarter.

Property Insurance

There is nothing new to report this quarter.

Excess Public Employee Fidelity Program

There is nothing new to report this quarter.

Underground Storage Tank Pollution Liability

There is nothing new to report this quarter.

Dam Failure Liability

There is nothing new to report this quarter.

Fiduciary Liability Policy

This policy is the Parent Organization: El Toro Water District Retirement Savings Plan & Trust Agreement was renewed September 2018. The premium for this year is \$12,327.00 which is two years pre-paid premium.

Liability & Property Claims

1. On August 20, 2018, our employee was in an accident with another driver on Los Alisos & Madero. The police report states that both drivers claim to have a green light, so there was no fault established. JPIA has decided to wait out the claim to see if the other driver files a claim, he has six months from the date of the accident. Our truck has been repaired and paid for by JPIA. This is on hold until February 20, 2019.
2. We received a letter from Southern California Edison about an accident that happened on January 29, 2018 with one of our Vendors. The vendor has paid Southern California Edison and this claim is closed.
3. On August 18, 2018, our employee was driving the on-call vehicle when he backed into a white carport pole which he did not see. The bumper on the truck was damaged and repaired by our mechanic. This accident is closed.
4. We received another claim from Southern California Edison for an accident that happened March 29, 2018. Our vendor is waiting for the invoice so they can pay. Southern California Edison has not sent the invoice as of this date.

Workers' Compensation Policy

The Workers' Compensation Policy was renewed as of July 1, 2018 and runs through June 30, 2019. The District's experience modification rate is down from 1.17 to 0.83 for FY 18/19.

Workers' Compensation Claims

There was one worker's compensation claim for this quarter with no loss time.

Medical Insurance

The District offers three medical plans as follows:

Kaiser Health - \$10 office co-pay with no annual deductibles.

Anthem Blue Cross – HMO; Offers a \$10 copay with no annual deductibles.

Anthem Blue Cross – PPO; this plan offers benefits within the physician network and outside of the network. In network there is a co-pay of \$15.00 with an annual deductible of \$200 per person and \$600 per family. Out of the network, benefits are offered at 20% cost to the employee for all covered services with the same annual deductibles.

Average cost per month per employee for the first quarter is \$1344.26.

Vision Insurance

VSP provides vision coverage to our employees, Directors and dependents. It provides an annual eye exam and discounted rates for frames, lenses and contacts.

The cost per month per employee for the first quarter is \$17.21.

Dental Insurance

The District provides dental coverage with Delta Dental. Our dental insurance pays up to \$1,500 for the upcoming year for covered services. All preventative services are offered every six months with the copay waived.

Average cost per month per employee for the first quarter is \$78.55.

Long and Short Term Disability Insurance

The District offers Long and Short Term Disability Program through Lincoln National Life Insurance Company.

The Long Term Disability program provides a maximum monthly benefit of \$10,000.

The Short Term Disability program provides a maximum weekly benefit of \$ 1,500.

Both Short and Long Term Disability Programs are paid by the District and provides disability payments up to 66 2/3 of an employee's weekly or monthly salary if the claim is approved.

Average cost per month per employee for the first quarter is \$43.64.

Long Term Care Insurance

Long Term care is a program that provides a monthly benefit of \$2,500 to be applied to home health care or an assisted living facility.

Average cost per month per employee for the first quarter is \$7.31.

Life Insurance Coverage

The District offers Life Insurance coverage through Lincoln National Life Insurance Company at twice the employee's annual salary up to a maximum of \$300,000.

Lincoln National Life Insurance Company also provides life insurance coverage for the Directors.

Premium rates are based on age and salary of insured employees. The premium is adjusted on the employee's birthday every fifth year.

Average cost per month per employee for the first quarter is \$37.10.

Employee Assistance Program (EAP) Coverage

UNUM is our carrier for our Employee Assistance Program. This program offers assistance in many areas such as: childcare, eldercare, legal consultations, and health information, personal relationship issues, financial planning assistance, stress management and career development. This benefit also comes with a \$5,000 portable term life insurance benefit.

The cost per month per employee for the first quarter is \$1.70.

An insurance report of Budget vs. Actual Costs for fiscal year 2018/2019 is attached for the Board's review as well as a summary of currently held District insurance policies.

Submitted by:
Nancy Laursen
Judy Cimorell

**Budget vs. Actual - Q1 2018/19
10/1/2018**

	Annual Budget	Actual Paid to Date	Difference	
Insurance Coverage				
Liability	\$140,000	\$156,333	\$16,333	
Property	\$70,000	\$61,600	(\$8,400)	
Fiduciary Liability <small>(Pd 2 years 9/2018 - 8/2020)</small>	\$6,300	\$12,327	\$6,027	
Dam Ins. (includes Excess)	\$16,650	\$19,155	\$2,505	
less SMWD- 50% & MNWD 5% - R-6	(\$8,325) (\$833)	(\$7,928) (\$793)	\$397 \$40	
Underground Storage Tank	\$1,250	\$1,385	\$135	
Excess Crime	\$1,750	\$1,900	\$150	
Total Insurance	\$226,792	\$243,979	\$17,187	
			Accumulative	
Benefits - Directors	Annual Budget	Q1 Budget	Q1 Actual	Difference
Long Term Care	\$18,471	\$4,618	\$1,978	(\$2,640)
Dental	\$4,728	\$1,182	\$905	(\$277)
Vision	\$1,045	\$261	\$224	(\$38)
Life	\$185	\$46	\$32	(\$15)
Total Benefits Directors	\$24,429	\$6,107	\$3,138	(\$2,969)
Retiree Benefits				
Medical	\$293,429	\$73,357	\$70,209	(\$3,148)
Employee paid	(\$29,343)	(\$7,336)	(\$7,021)	\$315
Anthem Supplement	\$13,299	\$3,325	\$3,275	(\$50)
Total retiree benefits	\$277,385	\$69,346	\$66,463	(\$2,883)
Employee Benefits				
Emp.Assistance Program	\$1,205	\$301	\$301	(\$0)
Medical	\$1,257,815	\$314,454	\$267,349	(\$47,105)
Emp. Co-pay	(\$95,451)	(\$23,863)	(\$21,350)	\$2,513
Life/AD&D	\$27,902	\$6,976	\$6,789	(\$187)
Dental	\$59,475	\$14,869	\$14,375	(\$493)
Vision	\$12,341	\$3,085	\$3,098	\$13
LTD/STD	\$35,564	\$8,891	\$7,987	(\$904)
LTC	\$9,015	\$2,254	\$1,831	(\$423)
LTC-Emp. Paid	(\$2,598)	(\$650)	(\$492)	\$157
Workers comp.	\$160,000	\$40,000	\$27,825	(\$12,175)
Total Employee Benefits	\$1,465,268	\$366,317	\$307,712	(\$58,605)

SUMMARY OF COVERAGE

Type of Coverage	<u>GENERAL LIABILITY</u>	Coverage Term: 10/18-19
Coverage Includes	1. Commercial General Liability 2. Contractual Liability 3. Products/Completed Operations 4. Personal Injury	Premium - \$156,333
Coverage Limits	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110

Type of Coverage	<u>AUTO LIABILITY</u>	Coverage Term: 10/18-19
Coverage Includes	1. Owned Automobiles/Trucks 2. Non-owned Automobiles/Trucks 3. Hired Automobiles/Trucks	Premium - Included
Coverage Limits	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110

Type of Coverage	<u>PUBLIC OFFICIALS LIABILITY</u>	Coverage Term: 10/18-19
Coverage Includes	1. Errors & Omissions	Premium - Included
Coverage Limits	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110

Type of Coverage	<u>PROPERTY</u>	Coverage Term: 4/18 - 19
Coverage Includes	1. Basic Property Values- Building, Fixed Equipment, Personal Property 2. Mobile Equipment Value 3. Licensed Vehicle - Comprehensive & Collision - Private Passenger, Light Truck, Sport Utility, Other Vehicles	\$61,600
Automobile Physical Damage Comprehensive - 83 Vehicles Collision - 83 Vehicles		
Coverage Limits	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110

Type of Coverage	<u>EXCESS CRIME PROGRAM</u>	Coverage Term: 4/18- 19
Coverage Includes	<ol style="list-style-type: none"> 1. Public Employee Dishonesty 2. Forgery or Alteration 3. Computer Fraud 4. Faithful Performance of Duty 5. Treasurer/Tax Collector/Board Members (included) 	Premium - \$1,900
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>UNDERGROUND STORAGE TANK POLLUTION LIABILITY</u>	Coverage Term: 7/18-19
Coverage Includes	<ol style="list-style-type: none"> 1. Claims-Made 2. Environmental Incident 	Premium - \$1,385
Covers 1 Tank Located at: 23542 Moulton Parkway Laguna Woods, CA 92637		
Coverage Limits	Insurance Carrier	Policy Number
	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>DAM FAILURE LIABILITY</u>	Coverage Term: 10/18-19
Coverage (Includes Excess Ins. for El Toro Reservoir)	<ol style="list-style-type: none"> 1. Bodily Injury 2. Property Damage 	Premium - \$19,155
Covers: El Toro Reservoir Rossmoor Dam		
Coverage Limits	Insurance Carrier	Policy Number
\$20 Million – ETWD & Rossmoor	Pooled Self-insured	MOLC - 100110

Type of Coverage	<u>FIDUCIARY LIABILITY</u>	Coverage Term: 9/18-19
Coverage Includes	<ol style="list-style-type: none"> 1. Executive Protection Policy 	Premium - \$12,327
2 years Pre-paid Premium		
Parent Organization: ETWD Retirement Savings Plan & Trust Agreement		
Coverage Limits	Insurance Carrier	Policy Number
	Travelers Casualty & Surety Co. of America	105992703

Type of Coverage	<u>WORKERS' COMPENSATION</u>	Coverage Term: 7/18 - 6/19
Coverage Includes	1. Coverage A - Workers' Compensation 2. Coverage B - Employer's Liability	Premium - Paid Quarterly Varies per Payroll
Coverage Limits Coverage A \$0 - \$2 Million \$2 Million to Statutory	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110
Coverage Limits Coverage B \$0 - \$2 Million \$2 Million excess of \$2 Million SIR	Insurance Carrier Pooled Self-insured	Policy Number MOLC - 100110

Type of Coverage	<u>LIFE & ACCIDENT</u>	1st Quarter Premium \$6,821
Coverage Includes	Coverage - 2 X Annual Income (Max. of \$300,000)	
Insurance Carrier	Lincoln National Life Insurance Co.	Policy # 10218807
Eligibility Period	2 Months After Hire	
Plan Wait or Deductible	60 Days	

Type of Coverage	<u>LONG / SHORT TERM DISABILITY</u>	1st Quarter Premium \$7,987
Coverage Includes	66 2/3 Insured Earnings Max. of \$10,000	
Insurance Carrier	Lincoln National Life Insurance Co.	Policy # 10218808
Eligibility Period	1 Year After Hire	
Plan Wait or Deductible	30 Days STD 90 Days or 9 Weeks LTD	

Type of Coverage	<u>LONG TERM CARE</u>	1st Quarter Premium \$1,338
Coverage Includes	\$2,500/Month \$150,000 Total Benefit	
Insurance Carrier	UNUM	Policy # 220384
Eligibility Period	1 Year After Hire	
Plan Wait or Deductible	365 Days	

Type of Coverage	<u>PERSONAL ACCIDENT INSURANCE</u>	1st Quarter Premium Employee Paid
Coverage Includes	\$50,000 or \$100,000	
Insurance Carrier	INA	Policy # OKH-1253-56
Eligibility Period	Optional	
Plan Wait or Deductible	None	

Type of Coverage	<u>DENTAL</u>	1st Quarter Premium \$15,281
Coverage Includes	\$25.00 or \$50.00/Family	
Insurance Carrier	Delta Dental Plan of California	Policy #399-1012
Eligibility Period	2 Months After Hire	
Plan Wait or Deductible	60 Days	

Type of Coverage	<u>MEDICAL</u>	1st Quarter Premium \$309,187
Coverage Includes	HMO or PPO by Employee Choice	
Insurance Carrier	Anthem Blue Cross / Kaiser Insurance thru ACWA	Policy #229CA
Eligibility Period	1 Month After Hire	
Plan Wait or Deductible	30 Days	

* Premium includes employees and retirees

Type of Coverage	<u>VISION</u>	1st Quarter Premium \$3,322
Coverage Includes	Annual Exam/Frame Every 2 Years	
Insurance Carrier	Vision Service Plan thru ACWA	Policy #399-1012
Eligibility Period	2 Months After Hire	
Plan Wait or Deductible	60 Days	

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY ELECTION OF OFFICERS

The ISDOC Executive Committee consists of the President, First Vice President, Second Vice President, Third Vice President, Secretary, Treasurer and Immediate Past President. Officers are elected in October of even numbered years for two year terms. Please vote for one candidate per seat.

The ISDOC bylaws indicate, "At the end of the nominating period if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected." This is the case for the Second Vice President, Third Vice President and Treasurer positions, therefore they are not on the ballot. Arlene Schafer from Costa Mesa Sanitary District, Mary Aileen Matheis from Irvine Ranch Water District and Joan Finnegan from Municipal Water District of Orange County, respectfully, have been selected to these seats. As there were no nominations for the Secretary position, the ISDOC Executive Committee will either fill the vacancy by appointment or call for a special election within the first sixty days of 2019.

Cast your Vote: Please cast your vote for the remaining seats by placing an "X" on the line next to the individual for which you wish to vote in each position. If you are writing in a candidate, please include their district affiliation and position. **THE SIGNATURE PAGE IS ON THE REVERSE SIDE OF THE BALLOT. IT MUST BE SIGNED BY YOUR VOTING REPRESENTATIVE IN ORDER TO BE COUNTED.**

President

_____ Saundra Jacobs, Vice President
Santa Margarita Water District

_____ Michael Posey, Trustee
Orange County Mosquito & Vector Control District

First Vice President (Programs)

_____ Lucille Kring, President
Orange County Mosquito & Vector Control District

_____ Mark Monin, Director
El Toro Water District

DISTRICT NAME

SIGNATURE OF VOTING REPRESENTATIVE

Ballots must be received no later than 5 p.m. October 23, 2018.

You may return your ballot by mail or email to:

Heather Baez
P.O. Box 20895
Fountain Valley, CA 92728
Attention: ISDOC Executive Committee Election
OR Email: hbaez@mwdoc.com

EL TORO WATER DISTRICT
FINANCIAL REPORT
October 23, 2018

I.	Balance Sheet	2 - 3
	A. Cash & Investments	
	1) Mix and Liquidity	4
	2) Reserve Analysis	5
	3) Change in Reserves	6
	4) Bills for consideration	7
	5) 401K Plan	8
	B. Other balance sheet items	
	1) A/R aging	9
	2) A/P aging	9
II	Revenue & Expense	10
	A. Analysis of Revenue & Expenses	11
	B. Revenues	
	1) Where the money comes from	12
	2) Who the money comes from	12
	3) Revenue budget comparison	13
	4) Miscellaneous Revenue	14
	C. Expenses	
	1) Where the money goes	15
	2) Expense budget comparison	16 - 17
	3) Capital expenditures – equipment	18
	4) Capital expenditures – projects	18

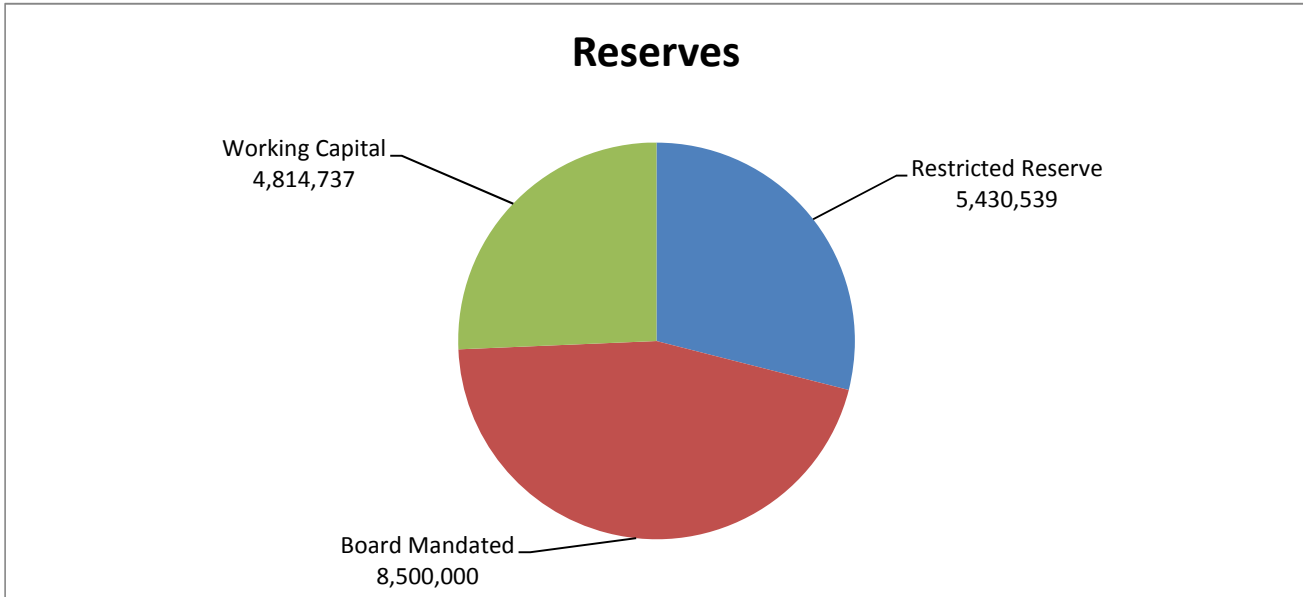
**EL TORO WATER DISTRICT
BALANCE SHEET**

	9/30/18 (Unaudited)	June 30, 2018 (Unaudited)
ASSETS		
Current Assets		
Cash & Investments	\$6,888,594	\$2,354,807
Receivables:		
Accounts Receivable	4,362,199	3,228,292
Notes Receivable	-	-
Inventories	624,972	636,252
Prepaid Expenses	414,467	172,006
Total Current Assets	12,290,232	6,391,357
Restricted Assets		
Cash & Investments	11,930,539	11,689,909
Total Restricted Assets	11,930,539	11,689,909
Non-Current Assets		
Utility Plant:		
Land & Easements	7,451,585	7,451,585
Long Term Leases	342,382	342,382
Equipment	113,189,460	111,983,751
Collection & Impound Reservoirs	6,243,706	6,243,706
Structure & Improvements	34,735,345	34,734,945
Total Utility Plant	161,962,480	160,756,370
Less Accumulated Depreciation & Amortization	(72,121,654)	(70,907,050)
Net Utility Plant	89,840,825	89,849,320
Construction Work in Progress		
Notes Receivable	6,381,359	6,815,236
Total Non-current Assets	96,222,184	96,664,556
TOTAL ASSETS	\$120,442,955	\$114,745,822

**EL TORO WATER DISTRICT
BALANCE SHEET**

	9/30/18 (Unaudited)	June 30, 2018 (Unaudited)
LIABILITIES and EQUITY		
Liabilities		
Current Liabilities Payable		
Accounts Payable	\$2,276,997	\$2,087,350
Current Portion of Long-Term Debt	1,782,485	6,180
Other Current Liabilities	2,784,355	7,516,538
 Total Current Liabilities Payable From Current Assets	 6,843,837	 9,610,067
 Long Term Debt		
Long Term Debt	50,195,811	35,802,806
 Total Long Term Debt	 50,195,811	 35,802,806
 Total Liabilities	 57,039,648	 45,412,873
 Fund Equity		
Retained Earnings - Reserved	17,034,893	22,174,300
Contributed Capital	8,744,767	8,744,767
Retained Earnings - Unreserved	36,941,072	38,051,994
Net Income	682,575	361,888
Total Fund Equity	63,403,307	69,332,949
 Total Liabilities & Fund Equity	 \$120,442,955	 \$114,745,822

**EL TORO WATER DISTRICT
RESERVE ANALYSIS
30-Sep-18**



Restricted Reserve	\$	5,430,539
Board Mandated	\$	8,500,000
Capital Cash Flow / Compliance	\$	4,814,737
Total	\$	18,745,276

Restricted Reserve

SRFL-Recycled	\$	1,602,958
Capital Facilities Reserve	\$	55,806
Tiered Cons Fund	\$	2,220,084
Baker Funding	\$	1,551,690
Total	\$	5,430,539

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:	\$13,314,737

EL TORO WATER DISTRICT CHANGE IN RESERVES

	<u>September 30, 2018</u>	<u>Year to Date</u>	<u>June 30, 2018</u>
Operating Revenue	2,155,220	7,113,298	25,184,176
Non-operating Revenue	131,556	430,841	1,581,002
Total Revenue	<u>2,286,776</u>	<u>7,544,139</u>	<u>26,765,179</u>
Operating Expenses	1,707,759	5,569,889	21,367,838
Depreciation	366,470	1,099,410	4,229,724
Non-operating Expenses	64,088	192,265	805,729
Total Expenses	<u>2,138,317</u>	<u>6,861,564</u>	<u>26,403,291</u>
NET INCOME	148,459	682,575	361,888
Non-Cash Items:			
Add: Depreciation	366,470	1,099,410	4,229,724
Change in Notes Receivable/Grant Fund	-	-	-
Loan Proceeds	2,498,988	4,977,548	-
Less: Debt Service	-	-	(1,739,637)
Capital Improvements	(653,497)	(1,213,352)	(6,021,629)
Total Non-Cash Items	<u>2,211,961</u>	<u>4,863,606</u>	<u>(3,531,542)</u>
CHANGE IN RESERVES	<u><u>2,360,419</u></u>	<u><u>5,546,181</u></u>	<u><u>(3,169,655)</u></u>

EL TORO WATER DISTRICT
Cash Sheet
For the month ending September 30, 2018

CHECK NUMBER	PAYMENT DATE	VENDOR NAME	PAYMENT AMOUNT
85727	09/06/2018	MUNICIPAL WATER DISTRICT OF ORANGE CO.	709,635.84
85801	09/27/2018	ACWA/JOINT POWERS INS. AUTH	156,333.47
85775	09/20/2018	ACWA HEALTH BENEFITS AUTHORITY	118,020.19
85794	09/20/2018	SO. CALIFORNIA EDISON CO.	99,145.89
85726	09/06/2018	MOULTON NIGUEL WATER DISTRICT	85,339.90
85827	09/27/2018	T.E. ROBERTS, INC.	59,382.60
TOTAL CHECKS OVER \$50,000			\$ 1,227,857.89
TOTAL CHECKS IN REGISTER			\$ 1,576,675.36

INTERBANK WIRES / DEBIT TRANSFERS

09/14/2018	PAYROLL DIRECT DEPOSIT	138,075.97
09/14/2018	FEDERAL DEPOSIT LIABILITY	28,742.29
09/14/2018	SDI & STATE TAX	11,042.50
09/14/2018	WAGE GARNISHMENTS	585.00
09/14/2018	PRUDENTIAL (401K)	50,805.37
09/14/2018	PRUDENTIAL (457)	16,421.07
09/14/2018	PAYROLL BOARD OF DIRECTOR	5,224.77
09/14/2018	SS, MEDICARE, SDI & STATE TAX	1,580.63
09/14/2018	PRUDENTIAL (457)	2,890.80
09/28/2018	PAYROLL DIRECT DEPOSIT	136,582.15
09/28/2018	FEDERAL DEPOSIT LIABILITY	28,791.34
09/28/2018	SDI & STATE TAX	10,879.68
09/28/2018	WAGE GARNISHMENTS	585.00
09/28/2018	PRUDENTIAL (401K)	49,137.58
09/28/2018	PRUDENTIAL (457)	15,073.31
09/30/2018	ADP AND BANK FEES	5,551.22

TOTAL INTERBANK WIRES / DEBIT TRANSFERS **\$ 501,968.68**

TOTAL DISBURSEMENTS **\$ 2,078,644.04**

ETWD EMPLOYEES

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
85780	09/20/2018	CHAU VUONG (Expense Reimbursement)	436.71
85741	09/06/2018	SANDRA SUE NORBERG (Expense Reimbursement)	278.79
85793	09/20/2018	SHERRI A. SEITZ (Expense Reimbursement)	86.93
85835	09/27/2018	DOMINIC BERGIN (Expense Reimbursement)	85.60
85723	09/06/2018	JEFF WEBSTER (Expense Reimbursement)	60.00
85808	09/27/2018	CHAU VUONG (Expense Reimbursement)	55.59
85779	09/20/2018	CESAR CASSANI (Expense Reimbursement)	45.00

TOTAL CHECKS TO EMPLOYEES **\$ 1,048.62**

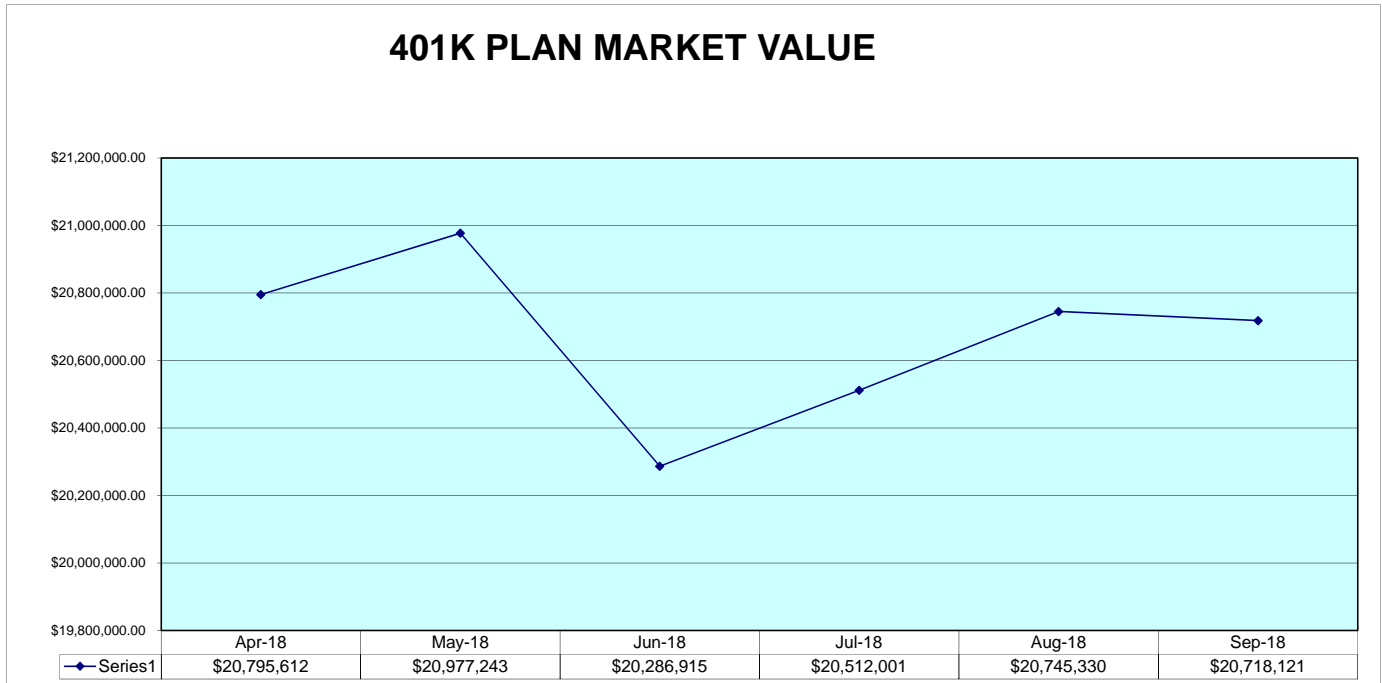
ETWD DIRECTORS

CHECK NUMBER	PAYMENT DATE	PAYEE (DESCRIPTION)	PAYMENT AMOUNT
85765	09/12/2018	MARK MONIN (Expense Reimbursement)	994.87
85762	09/12/2018	JOSE VERGARA (Expense Reimbursement)	284.49
85759	09/12/2018	FREDERICK ADJARIAN (Expense Reimbursement)	110.28

TOTAL CHECKS TO DIRECTORS **\$ 1,389.64**

**EL TORO WATER DISTRICT
401K PLAN SUMMARY**

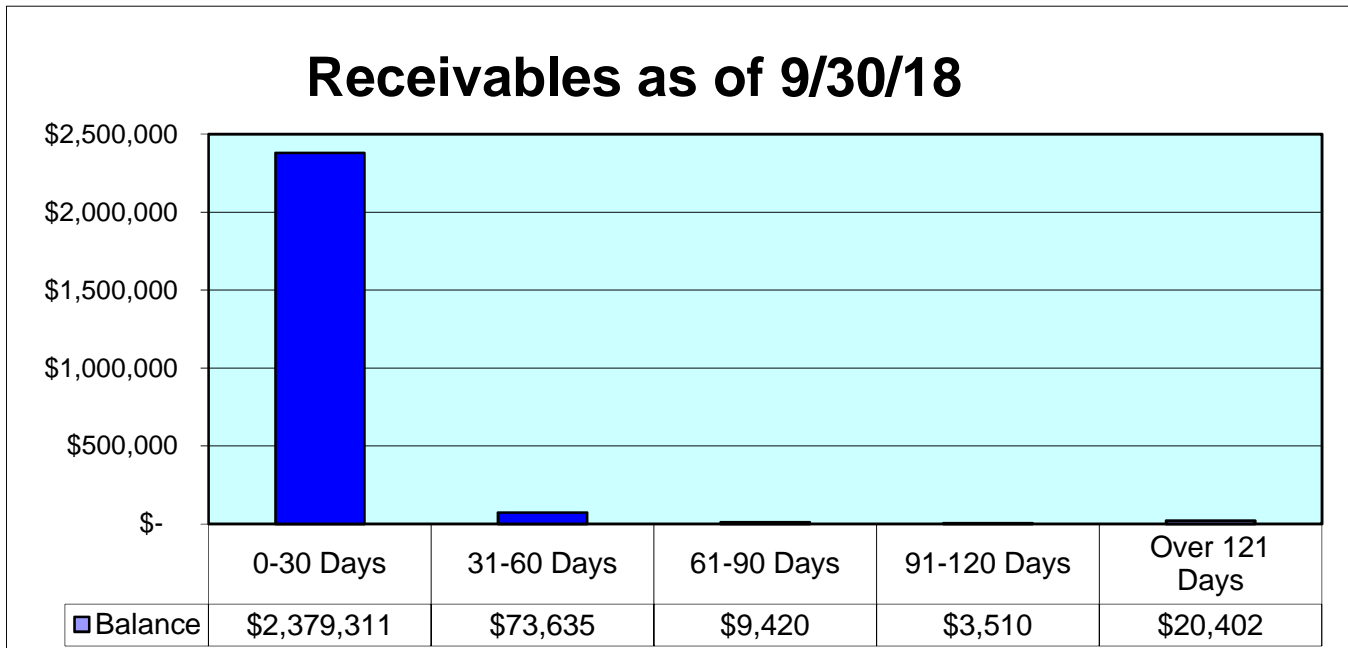
401K PLAN MARKET VALUE



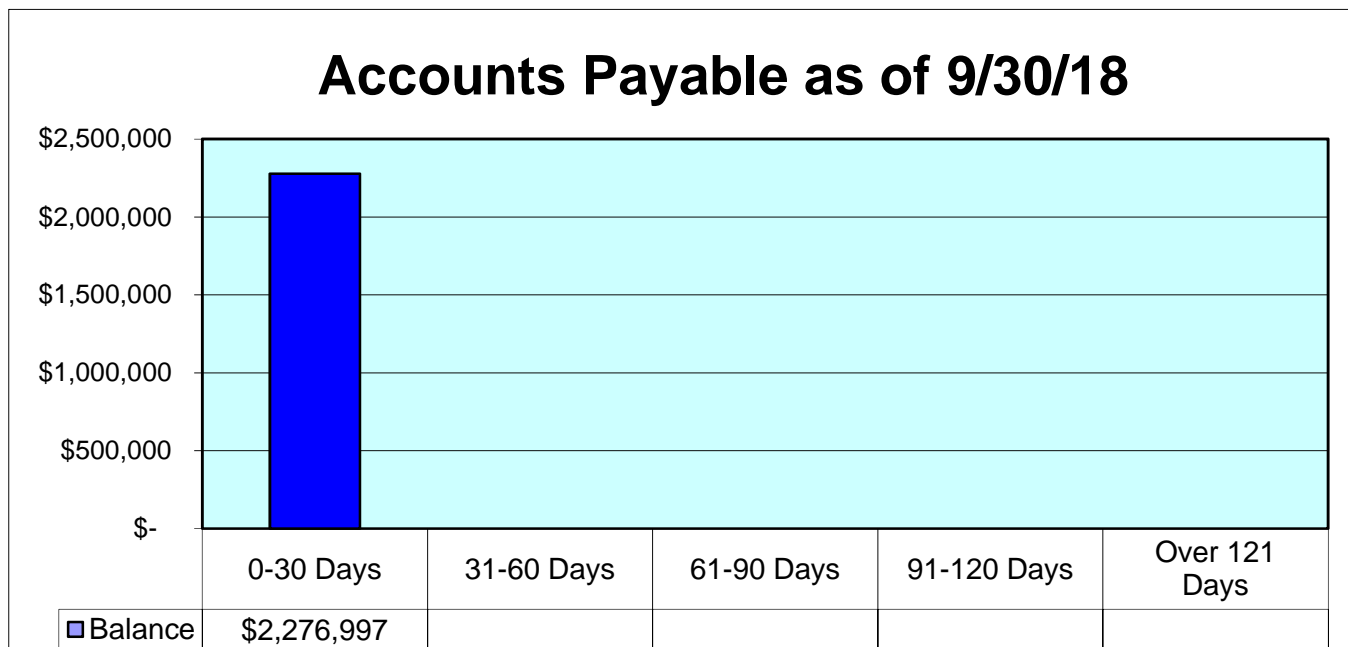
MARKET VALUE SUMMARY							
	Growth Under 40 yrs. Old	Capital Appreciation 40 to 44 yrs. Old	Balanced 45 to 49 yrs. Old	Balanced Income 50 to 54 yrs. Old	Income & Growth 55 to 59 yrs. Old	Income 60 to 64 yrs. Old	Capital Pres. Port Over 65 yrs. Old
Balance at July 1, 2018	\$ 1,361,579.56	\$0.00	\$2,590,730.79	\$0.00	\$11,389,155.42	\$0.00	\$4,945,449.62
Contributions	69,560.15	10,999.10	43,367.43	39,781.68	99,414.68	35,117.87	47,925.05
Withdrawals	(82,829.35)	0.00	0.00	0.00	0.00	(25,641.03)	(207,278.27)
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	52,403.98	6,036.80	24,508.33	41,267.87	223,794.78	8,171.24	44,605.35
Balance at September 30, 2018	\$ 1,293,248.44	\$477,671.32	\$1,606,206.13	\$5,635,383.01	\$6,117,510.39	\$2,812,604.23	\$2,775,497.53
Average return YTD September 30, 2018	4.05%	1.26%	1.53%	0.73%	3.66%	0.29%	1.61%

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)



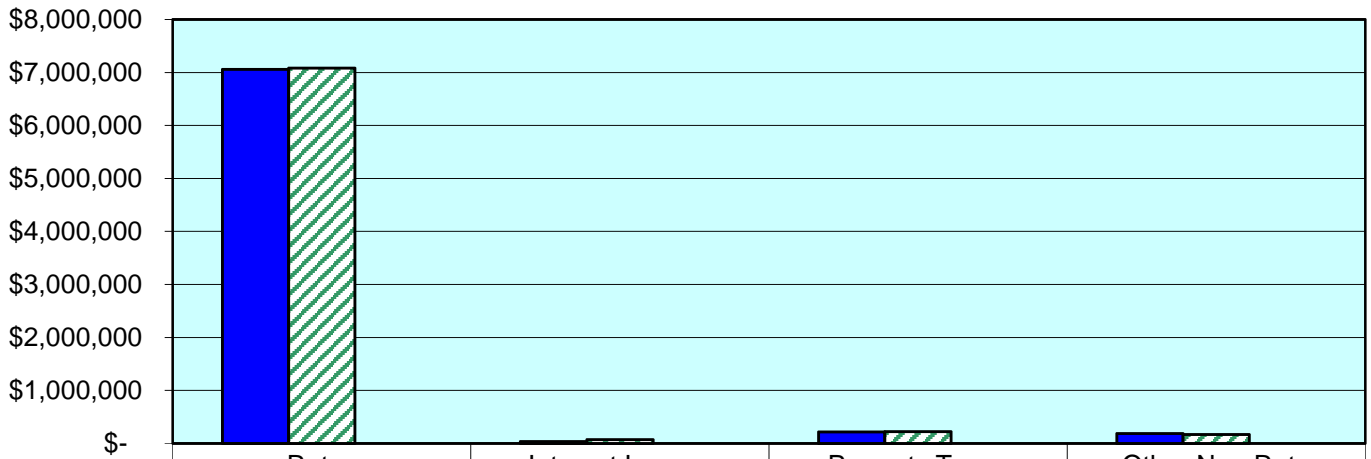
Year to Date Discounts Taken: \$783

Page 10
El Toro Water District
Income Statement
September 2018

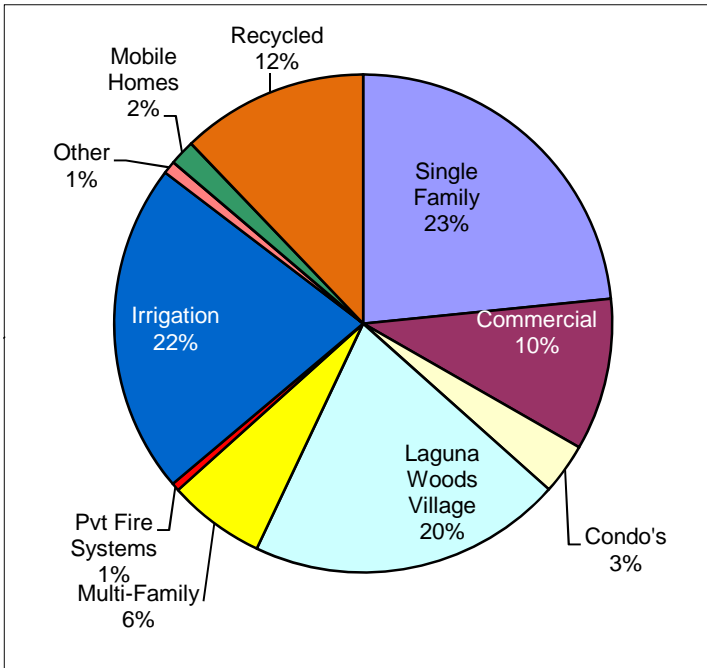
	<u>Sep 18</u>	<u>Budget</u>	<u>% of Budget</u>	<u>Jul - Sep 18</u>	<u>YTD Budget</u>	<u>% of Budget</u>	<u>Annual Budget</u>
Income							
4600 · Water Service Charge	279,366.90	280,341.25	99.65%	813,016.42	841,023.75	96.67%	3,364,095.00
4700 · Sanitary Service	664,215.71	650,000.00	102.19%	1,972,213.07	1,950,000.00	101.14%	7,800,000.00
4722 · Recycled Water Tertiary Sales	144,887.12	170,416.63	85.02%	632,178.53	527,396.57	119.87%	1,695,000.00
4724 · Service Charge - Recycled Water	18,954.50	18,750.00	101.09%	55,162.20	56,250.00	98.07%	225,000.00
4750 · Capital Facilities Charge	250,349.91	251,250.00	99.64%	751,454.69	753,750.00	99.7%	3,015,000.00
4800 · Commodity Charge	792,037.80	946,720.01	83.66%	2,855,387.03	2,929,860.04	97.46%	9,416,278.00
4950 · Other Operating Income	5,407.71	4,583.33	117.99%	22,885.60	13,750.03	166.44%	55,000.00
4960 · Other Income	41,222.45	45,812.51	89.98%	135,423.73	137,437.41	98.54%	549,750.00
4967 · SMWD	0.00	9,166.67	0.0%	0.00	27,499.97	0.0%	110,000.00
4970 · MNWD	0.00	1,916.67	0.0%	11,000.00	5,749.97	191.31%	23,000.00
4980 · Interest Income	28,411.62	11,250.00	252.55%	73,007.30	33,750.00	216.32%	135,000.00
4985 · Changes FMV CAMP	-13,089.23			585.51			
4986 · Changes FMV LAIF							
4990 · Property Taxes	75,011.35	72,916.67	102.87%	221,824.62	218,749.97	101.41%	875,000.00
Total Income	2,286,775.84	2,463,123.74	92.84%	7,544,138.70	7,495,217.71	100.65%	27,263,123.00
Gross Profit	2,286,775.84	2,463,123.74	92.84%	7,544,138.70	7,495,217.71	100.65%	27,263,123.00
Expense							
5100 · Personnel Cost	603,173.52	690,653.10	87.33%	1,928,641.36	2,071,959.35	93.08%	8,287,837.25
5405 · Water Purchases	720,958.88	806,845.70	89.36%	2,271,082.35	2,496,850.03	90.96%	8,027,968.00
5410 · Electrical Power	45,346.72	89,787.48	50.51%	343,154.38	269,362.68	127.4%	1,077,450.00
5415 · Repair Parts & Materials	13,013.63	32,133.75	40.5%	96,393.34	96,401.25	99.99%	385,605.00
5420 · Equipment Maintenance & Repair	9,384.34	8,172.52	114.83%	15,573.10	24,517.32	63.52%	98,070.00
5425 · Pump Maintenance & Repair	15,488.02	10,525.01	147.15%	30,871.83	31,574.91	97.77%	126,300.00
5430 · Motor Maintenance & Repair	0.00	2,150.01	0.0%	0.00	6,449.91	0.0%	25,800.00
5440 · Electrical/Contl Maint & Repair	2,081.14	5,791.67	35.93%	7,195.40	17,374.97	41.41%	69,500.00
5445 · Meter Maintenance & Repair	0.00	291.66	0.0%	0.00	875.06	0.0%	3,500.00
5455 · Chemicals	8,251.70	18,008.33	45.82%	48,361.42	54,025.03	89.52%	216,100.00
5460 · Structure Maint & Repair	2,521.14	1,780.00	141.64%	8,300.23	5,340.00	155.44%	21,360.00
5465 · Asphalt Maintenance & Repair	7,520.00	8,141.66	92.36%	15,620.00	24,425.06	63.95%	97,700.00
5470 · Consultants	1,656.90	9,516.67	17.41%	3,397.40	28,549.97	11.9%	114,200.00
5475 · Contractors	88,883.86	102,599.15	86.63%	265,957.29	307,797.65	86.41%	1,231,190.00
5480 · Engineers	2,318.50	6,333.33	36.61%	3,508.50	19,000.03	18.47%	76,000.00
5482 · Dump Fees	187.99	1,333.34	14.1%	2,053.88	3,999.94	51.35%	16,000.00
5485 · Laboratory	3,642.65	2,950.00	123.48%	5,085.33	8,850.00	57.46%	35,400.00
5490 · License & Permits	2,922.99	10,736.30	27.23%	10,962.29	32,208.30	34.04%	128,835.00
5495 · Gas & Oil	7,969.29	7,500.00	106.26%	24,335.94	22,500.00	108.16%	90,000.00
5500 · Equipment Rental	3,581.97	1,366.67	262.1%	6,449.03	4,099.97	157.3%	16,400.00
5505 · Landscaping	12,923.66	8,671.67	149.03%	30,890.64	26,014.97	118.74%	104,060.00
5510 · Small Tools & Equipment	284.32	5,129.17	5.54%	4,125.17	15,387.47	26.81%	61,550.00
5515 · Security	3,979.10	1,587.94	250.58%	7,315.90	4,763.54	153.58%	19,055.00
5520 · Operating Supplies	4,364.57	4,333.33	100.72%	13,905.07	13,000.03	106.96%	52,000.00
5525 · Safety Equipment	1,087.35	3,216.67	33.8%	1,527.05	9,649.97	15.82%	38,600.00
5530 · Temporary Help	0.00	2,833.34	0.0%	0.00	8,499.94	0.0%	34,000.00
5535 · Other Employee Cost	11,123.70	7,500.00	148.32%	35,487.61	22,500.00	157.72%	90,000.00
5540 · Depreciation	366,470.00	358,333.33	102.27%	1,099,410.00	1,075,000.03	102.27%	4,300,000.00
5545 · Insurance	42,776.82	40,712.49	105.07%	125,000.78	122,137.59	102.34%	488,550.00
5555 · Advertising & Publicity	200.00	208.33	96.0%	200.00	625.03	32.0%	2,500.00
5560 · Amortization	570.49	570.83	99.94%	1,711.47	1,712.53	99.94%	6,850.00
5570 · Annual Event	0.00	445.83	0.0%	0.00	1,337.53	0.0%	5,350.00
5575 · Audit	0.00	2,500.00	0.0%	19,500.00	7,500.00	260.0%	30,000.00
5580 · Bad Debts	0.00	1,666.67	0.0%	-114.43	4,999.97	-2.29%	20,000.00
5585 · Bank Charges	5,551.22	4,708.33	117.9%	15,413.35	14,125.03	109.12%	56,500.00
5590 · Data Processing Supply & Access	739.92	3,041.66	24.33%	11,482.07	9,125.06	125.83%	36,500.00
5595 · Data Processing Equipment	0.00	3,333.34	0.0%	0.00	9,999.94	0.0%	40,000.00
5600 · Data Processing Consultants	1,800.00	2,083.33	86.4%	10,738.00	6,250.03	171.81%	25,000.00
5605 · Directors Fees	9,436.00	8,750.00	107.84%	25,780.00	26,250.00	98.21%	105,000.00
5610 · Dues & Memberships	6,177.27	6,833.33	90.4%	17,183.81	20,500.03	83.82%	82,000.00
5615 · Education & Training	162.10	2,437.50	6.65%	5,083.51	7,312.50	69.52%	29,250.00
5620 · Election Expense	0.00	2,500.00	0.0%	0.00	7,500.00	0.0%	30,000.00
5625 · Employee Service Awards	0.00	483.33	0.0%	1,588.91	1,450.03	109.58%	5,800.00
5630 · Software Maintenance & Licenses	35,826.62	13,416.67	267.03%	47,503.08	40,249.97	118.02%	161,000.00
5640 · Interest Expense	64,088.38	64,088.42	100.0%	192,265.14	192,265.22	100.0%	769,061.00
5645 · Janitorial	2,864.00	2,816.67	101.68%	8,451.00	8,449.97	100.01%	33,800.00
5650 · Legal	9,360.38	12,500.00	74.88%	24,892.47	37,500.00	66.38%	150,000.00
5655 · Meets, Conventions & Travel	1,795.20	3,250.00	55.24%	8,319.72	9,750.00	85.33%	39,000.00
5657 · Meets, Con & Travel - Directors	2,157.11	2,333.33	92.45%	10,851.85	7,000.03	155.03%	28,000.00
5660 · Office Supplies	1,087.00	1,916.67	56.71%	2,371.44	5,749.97	41.24%	23,000.00
5670 · Postage	185.47	1,708.33	10.86%	3,417.25	5,125.03	66.68%	20,500.00
5675 · Printing & Reproduction	340.00	1,750.00	19.43%	1,831.51	5,250.00	34.89%	21,000.00
5680 · Property Tax	44.23	458.33	9.65%	45.86	1,375.03	3.34%	5,500.00
5685 · Public Education & Outreach	3,448.75	18,600.00	18.54%	15,867.04	55,800.00	28.44%	223,200.00
5690 · Publications & Subscriptions	349.10	250.00	139.64%	1,304.10	750.00	173.88%	3,000.00
5695 · Communications	9,167.98	8,500.00	107.86%	28,045.88	25,500.00	109.98%	102,000.00
5700 · Utilities	1,053.22	1,775.00	59.34%	3,225.56	5,325.00	60.57%	21,300.00
Total Expense	2,138,317.20	2,421,860.19	88.29%	6,861,563.88	7,341,892.87	93.46%	27,408,141.25
Net Income	148,458.64	41,263.55	359.78%	682,574.82	153,324.84	445.18%	-145,018.25

EL TORO WATER DISTRICT REVENUES FROM WATER & WASTE WATER SALES AS OF 9/30/18

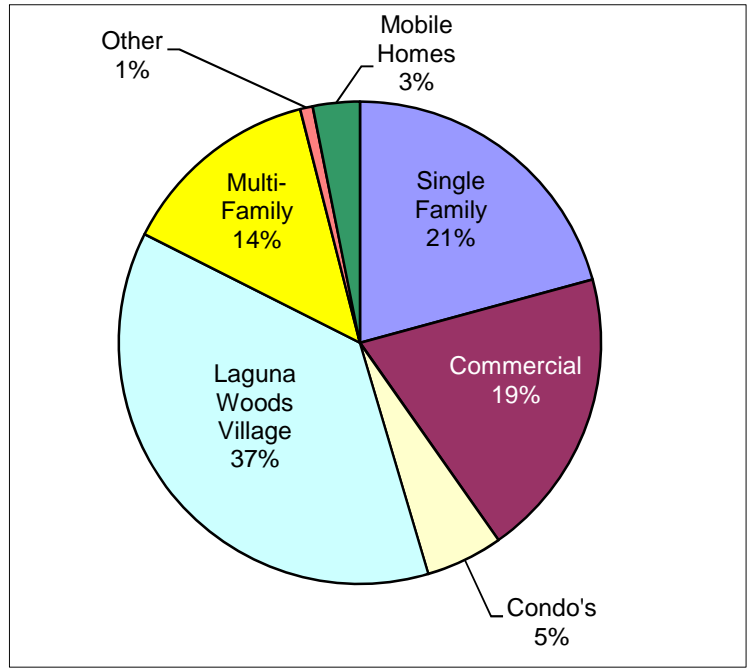
Where the Money Comes From



	Rates	Interest Income	Property Taxes	Other Non-Rate
■ Budget YTD	\$7,058,280	\$33,750	\$218,750	\$184,437
■ Actual YTD	\$7,079,412	\$73,007	\$221,825	\$169,895
□ % of Total	93.84%	0.97%	2.94%	2.25%



WATER REVENUE YTD 2018/2019



WASTE WATER REVENUE YTD 2018/2019

**EL TORO WATER DISTRICT
REVENUE COMPARISON
For the Month Ended September 30, 2018**

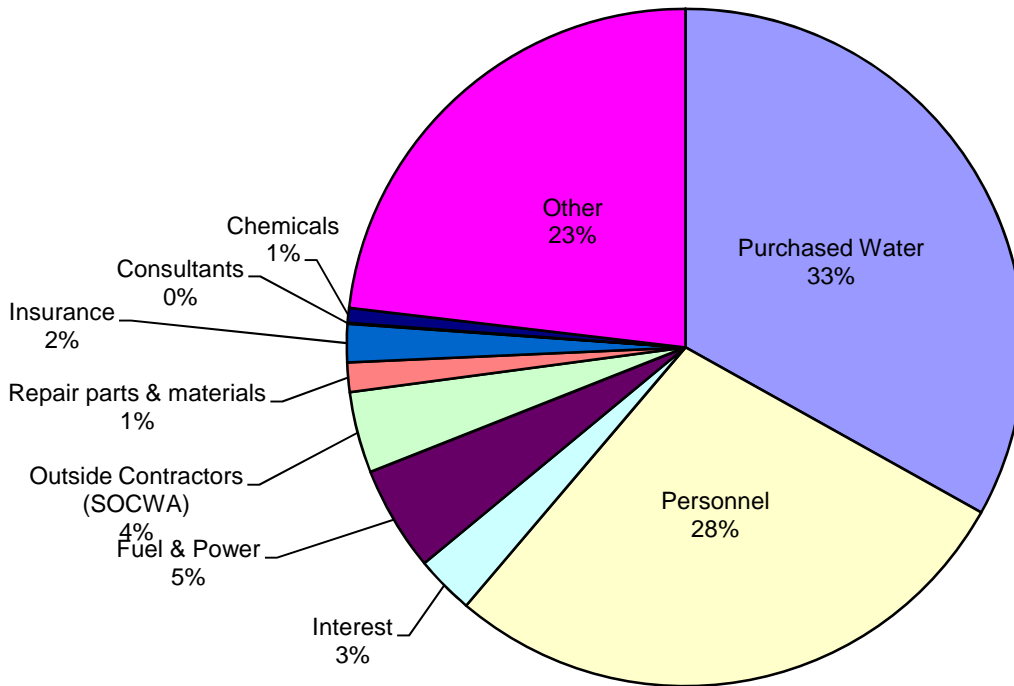
	ACTUAL	CURRENT MONTH BUDGET	VARIANCE DOLLARS	% +/-	YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	VARIANCE DOLLARS	% +/-	BUDGET	REMAINING BUDGET
<u>From Rates</u>										
Capital Facilities Charge	\$ 250,350	\$ 251,250	\$ (900)	0%	\$ 751,455	\$ 753,750	\$ (2,295)	0%	\$ 3,015,000	\$ 2,263,545
Water sales - Commodity	792,038	946,720	(154,682)	-16%	2,855,387	2,929,860	(74,473)	-3%	9,416,278	6,560,891
Water sales - Fixed Meter	279,367	280,341	(974)	0%	813,016	841,024	(28,007)	-3%	3,364,095	2,551,079
Waste water sales	664,216	650,000	14,216	2%	1,972,213	1,950,000	22,213	1%	7,800,000	5,827,787
Recycled water tertiary sales	144,887	170,417	(25,530)	-15%	632,179	527,397	104,782	20%	1,695,000	1,062,821
Service charge - Recycled water	18,955	18,750	205	1%	55,162	56,250	(1,088)	-2%	225,000	169,838
TOTAL FROM RATES	2,149,812	2,317,478	(167,666)	-7%	7,079,412	7,058,280	21,132	0%	25,515,373	18,435,961
<u>Non-rate Revenue</u>										
Admin fee	2,533	1,600	933	58%	15,506	4,800	10,706	223%	19,200	3,694
48 Hour notice fee	2,520	2,451	69	3%	6,735	7,354	(619)	-8%	29,416.44	22,681
Restoration fee	210	370	(160)	-43%	390	1,110	(720)	-65%	4,440	4,050
Unpaid check fee	145	150	(5)	-3%	255	450	(195)	-43%	1,800	1,545
Cut lock fee	-	12	(12)	-100%	-	36	(36)	-100%	144	144
TOTAL NON-RATE	5,408	4,583	824	18%	22,886	13,750	9,135	66%	55,000	32,115
<u>Other Revenue</u>										
Interest	28,412	11,250	17,162	153%	73,007	33,750	39,257	116%	135,000	61,993
Change FMV Investment	(13,089)	-	(13,089)	0%	586	-	586	0%	-	(586)
Property taxes	75,011	72,917	2,095	3%	221,825	218,750	3,075	1%	875,000	653,175
Other	41,222	45,813	(4,591)	-10%	135,424	137,437	(2,014)	-1%	549,750	414,326
TOTAL OTHER REVENUE	131,556	129,979	1,577	1%	430,841	389,937	40,904	10%	1,559,750	1,128,909
<u>Contract Service</u>										
Santa Margarita W. D.	-	9,167	(9,167)	-100%	-	27,500	(27,500)	-100%	110,000	110,000
Moulton Niguel W. D.	-	1,917	(1,917)	-100%	11,000	5,750	5,250	91%	23,000	12,000
TOTAL CONTRACT SERVICES	-	11,083	(11,083)	-100%	11,000	33,250	(22,250)	-67%	133,000	122,000
TOTAL REVENUE	\$ 2,286,776	\$ 2,463,124	\$ (176,348)	-7%	\$ 7,544,139	\$ 7,495,218	\$ 48,921	1%	\$ 27,263,123	\$ 19,718,985

**EL TORO WATER DISTRICT
NON-RATE REVENUE ANALYSIS
FOR THE MONTH ENDING September 30, 2018**

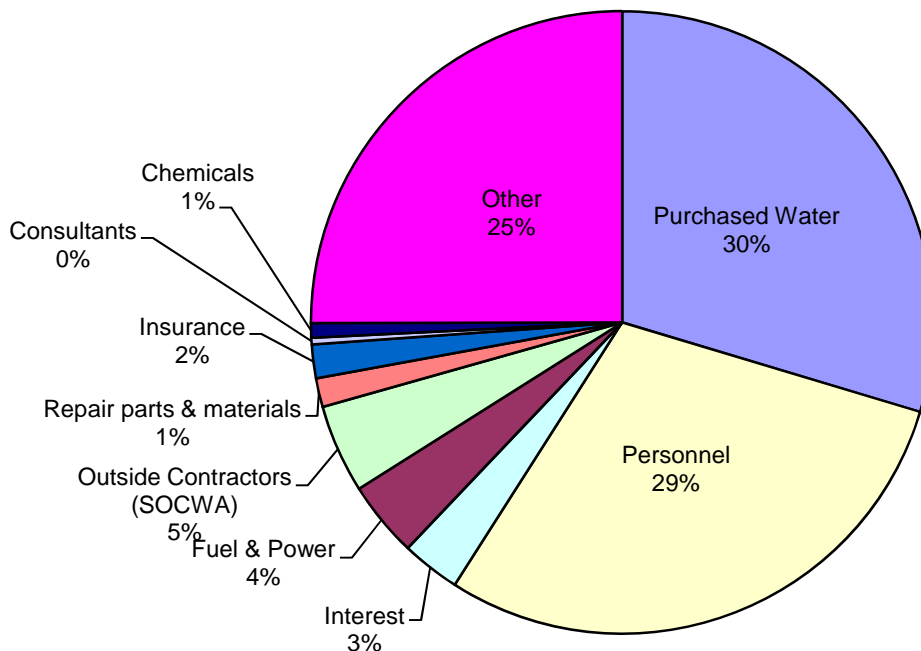
	Sep-18 Actual	Sep-18 Budget	Jul 18- Sep 18 YTD Actual	Jul 18- Sep 18 YTD Budget
Site Leases	8,166	26,229	39,269	78,688
MWD Recycled Water LRP Rebate	31,000	17,917	90,650	53,750
JPIA Refund		-	-	-
MWDOC Budget Based Tier & 2015 Urban Water Refund		-	-	-
Recycled Metal	1,145	-	1,167	-
Diesel Fuel Tax Refund		-	-	-
Sale of District Vehicle			-	-
Misc Work for Customers	912	1,667	4,338	5,000
	<u>\$ 41,222</u>	<u>\$ 45,813</u>	<u>\$ 135,424</u>	<u>\$ 137,438</u>
Other Operating Income				
Sales to Santa Margarita	-		-	
Sales to Moulton Niguel	-		-	
	<u>-</u>		<u>-</u>	
Total	<u>41,222</u>		<u>135,424</u>	

WHERE THE MONEY GOES

YTD EXPENSES AT 9/30/18



EXPENSES YEAR ENDING 6/30/18



EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended September 30, 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	\$603,174	\$690,653	\$87,480	13%	\$1,928,641	\$2,071,959	\$143,318	7%	\$8,287,837	6,359,196
Purchased water	720,959	806,846	85,887	11%	2,271,082	2,496,850	225,768	9%	8,027,968	5,756,886
Electrical power	45,347	89,787	44,441	49%	343,154	269,363	(73,792)	-27%	1,077,450	734,296
Repair parts & materials	13,014	32,134	19,120	60%	96,393	96,401	8	0%	385,605	289,212
Equipment repairs & maintenance	9,384	8,173	(1,212)	-15%	15,573	24,517	8,944	36%	98,070	82,497
Pump repairs & maintenance	15,488	10,525	(4,963)	-47%	30,872	31,575	703	2%	126,300	95,428
Motor repairs & maintenance	-	2,150	2,150	100%	0	6,450	6,450	100%	25,800	25,800
Electrical repairs & maintenance	2,081	5,792	3,711	64%	7,195	17,375	10,180	59%	69,500	62,305
Meter repairs & maintenance	-	292	292	100%	0	875	875	100%	3,500	3,500
Chemicals	8,252	18,008	9,757	54%	48,361	54,025	5,664	10%	216,100	167,739
Structure repairs & maintenance	2,521	1,780	(741)	-42%	8,300	5,340	(2,960)	-55%	21,360	13,060
Asphalt repairs & maintenance	7,520	8,142	622	8%	15,620	24,425	8,805	36%	97,700	82,080
Consultants - outside	1,657	9,517	7,860	83%	3,397	28,550	25,153	88%	114,200	110,803
Contractors - outside	88,884	102,599	13,715	13%	265,957	307,798	41,840	14%	1,231,190	965,233
Engineers - outside	2,319	6,333	4,015	63%	3,509	19,000	15,492	82%	76,000	72,492
Dump fees	188	1,333	1,145	86%	2,054	4,000	1,946	49%	16,000	13,946
Laboratories	3,643	2,950	(693)	-23%	5,085	8,850	3,765	43%	35,400	30,315
License & permits	2,923	10,736	7,813	73%	10,962	32,208	21,246	66%	128,835	117,873
Automotive fuel & oil	7,969	7,500	(469)	-6%	24,336	22,500	(1,836)	-8%	90,000	65,664
Equipment rental	3,582	1,367	(2,215)	-162%	6,449	4,100	(2,349)	-57%	16,400	9,951
Landscaping	12,924	8,672	(4,252)	-49%	30,891	26,015	(4,876)	-19%	104,060	73,169
Small tools & equipment	284	5,129	4,845	94%	4,125	15,387	11,262	73%	61,550	57,425
Security	3,979	1,588	(2,391)	-151%	7,316	4,764	(2,552)	-54%	19,055	11,739
Operating supplies	4,365	4,333	(31)	-1%	13,905	13,000	(905)	-7%	52,000	38,095
Safety equipment	1,087	3,217	2,129	66%	1,527	9,650	8,123	84%	38,600	37,073
Temporary help	-	2,833	2,833	100%	0	8,500	8,500	100%	34,000	34,000
Other employee cost	11,124	7,500	(3,624)	-48%	35,488	22,500	(12,988)	-58%	90,000	54,512
Employee service awards	-	483	483	100%	1,589	1,450	(139)	-10%	5,800	4,211
Education & training	162	2,438	2,275	93%	5,084	7,313	2,229	30%	29,250	24,166
Total Operating Expenses	1,572,828	1,852,809	279,981	15%	5,186,867	5,634,740	447,873	8%	20,579,530	15,392,663

EL TORO WATER DISTRICT
Expense Comparison
For the Month Ended September 30, 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%	1,099,410	1,075,000	(24,410)	-2%	4,300,000	3,200,590
Amortization	570	571	0	0%	1,711	1,713	1	0%	6,850	5,139
Insurance	42,777	40,712	(2,064)	-5%	125,001	122,138	(2,863)	-2%	488,550	363,549
Data processing supplies & assoc.	740	3,042	2,302	76%	11,482	9,125	(2,357)	-26%	36,500	25,018
Data processing equipment	0	3,333	3,333	100%	0	10,000	10,000	100%	40,000	40,000
Data processing consultants	1,800	2,083	283	14%	10,738	6,250	(4,488)	-72%	25,000	14,262
Software maintenance & licenses	35,827	13,417	(22,410)	-167%	47,503	40,250	(7,253)	-18%	161,000	113,497
Janitorial	2,864	2,817	(47)	-2%	8,451	8,450	(1)	0%	33,800	25,349
Printing & reproduction	340	1,750	1,410	81%	1,832	5,250	3,418	65%	21,000	19,168
Publications & subscriptions	349	250	(99)	-40%	1,304	750	(554)	-74%	3,000	1,696
Communications - voice	1,722	3,333	1,611	48%	8,082	10,000	1,918	19%	40,000	31,918
Communications - data	4,533	2,667	(1,867)	-70%	11,159	8,000	(3,159)	-39%	32,000	20,841
Communications - mobile	2,912	2,500	(412)	-16%	8,806	7,500	(1,306)	-17%	30,000	21,194
Utilities	1,053	1,775	722	41%	3,226	5,325	2,099	39%	21,300	18,074
Total Indirect Cost	461,958	436,583	(25,375)	-6%	1,338,703	1,309,750	(28,953)	-2%	5,239,000	3,900,297
<u>Overhead Cost</u>										
Annual events	-	446	446	100%	-	1,338	1,338	100%	5,350	5,350
Audit	-	2,500	2,500	100%	19,500	7,500	(12,000)	-160%	30,000	10,500
Bad debts	-	1,667	1,667	100%	(114)	5,000	5,114	102%	20,000	20,114
Bank charges	5,551	4,708	(843)	-18%	15,413	14,125	(1,288)	-9%	56,500	41,087
Directors fees	9,436	8,750	(686)	-8%	25,780	26,250	470	2%	105,000	79,220
Dues & memberships	6,177	6,833	656	10%	17,184	20,500	3,316	16%	82,000	64,816
Election Expense	-	2,500	2,500	100%	0	7,500	7,500	100%	30,000	30,000
Interest	64,088	64,088	0	0%	192,265	192,265	0	0%	769,061	576,796
Legal	9,360	12,500	3,140	25%	24,892	37,500	12,608	34%	150,000	125,108
Meetings, conventions & travel	1,795	3,250	1,455	45%	8,320	9,750	1,430	15%	39,000	30,680
Meets, con & travel - Directors	2,157	2,333	176	8%	10,852	7,000	(3,852)	-55%	28,000	17,148
Office supplies	1,087	1,917	830	43%	2,371	5,750	3,379	59%	23,000	20,629
Postage	185	1,708	1,523	89%	3,417	5,125	1,708	33%	20,500	17,083
Property taxes	44	458	414	90%	46	1,375	1,329	97%	5,500	5,454
Advertising & Publicity	200	208	8	4%	200	625	425	68%	2,500	2,300
Public education & outreach	3,449	18,600	15,151	81%	15,867	55,800	39,933	72%	223,200	207,333
Total Overhead Cost	103,531	132,468	28,937	22%	335,994	397,403	61,409	15%	1,589,611	1,253,618
TOTAL EXPENSES	\$2,138,317	\$2,421,860	\$283,543	12%	\$6,861,564	\$7,341,893	\$480,329	7%	\$27,408,141	\$20,546,577

CAPITAL FACILITY FEE RESERVE
Annual Reconciliation in Accordance with Requirements of
SB 1760
(Government Code Section 66013)

In accordance with the District’s Rules and Regulations, the El Toro Water District collects from developers connecting to the District’s Water System and/or Sewer System a Capital Facility Fee (“CFF”). These funds are held in a segregated and restricted reserve (Capital Facility Reserve) for expenditure on qualified Water System and/or Sewer System Capital Facility projects.

In accordance with the requirements of SB 1760 (Government Code Section 66013) the District must make available to the Public, within 180 days after the last day of each fiscal year, information regarding the nature, balances, collections, earnings and expenditures of funds in the Capital Facilities Reserve. The following provides the necessary information in compliance with that requirement.

1) Description of the Capital Facility Fee:

In accordance with El Toro Water District Rules and Regulations Applicable to Water and Sewer Service, Schedule No. 2-W Water Capital Facilities Fee (Residential and Non-Residential Customers), Schedules No. 4-S Capital Facilities Fee (Residential Developments) and No. 5-S Capital Facilities Fee (Commercial and Industrial Developments and Public Authority Projects) the District collects Capital Facilities Fees. Fees are determined according to the respective policies as follows:

a. **Water Capital Facilities Fee (Residential and Non-residential Customers)**

The Water Capital Facilities Fee consists of two components

- i. The Water Capital Facilities Fee – Meter Component for each new residential and/or non-residential customer desiring new and/or increased capacity in the El Toro Water District water system shall be an amount based on the meter size as follows:

Meter Size	Capital Facilities Fee Meter Component
5/8”	\$2,145
3/4”	\$2,145
1”	\$3,582
1 1/2”	\$8,708
2”	\$21,856

- ii. The Water Capital Facilities Fee – Water Supply Charge (WSC) for each new residential and/or non-residential customer desiring new and/or increased capacity in the El Toro Water District water system shall be an amount based on the estimated new demand in acre-feet per year (afy) at a rate of \$8,900/afy as follows:

$$\text{WSC (\$)} = \text{Project Demand (afy)} \times \$8,900/\text{afy}$$

b. **Sewer Capital Facilities Fee (Residential Developments)** - The Capital Facilities Fee for each new residential customer desiring new and/or increased capacity in the El Toro Water District sewer system shall be \$9.311 times the number of gallons of sewage to be discharged into the District’s system each day. Gallons of sewage to be discharged will be calculated using characteristic sewage generation factors established by the City of Los Angeles/Los Angeles County Sanitation Districts for various residential user classifications.

c. **Sewer Capital Facilities Fee (Commercial and Industrial Developments and Public Authority Projects)** - The Capital Facilities Fee for each new Commercial and Industrial Development and Public Authority Project desiring new and/or increased capacity in the El Toro Water District sewer system shall be based on the daily volume of sewage to be discharged into the District’s sewer system by each establishment within a development. The Capital Facilities Fee for each establishment within a development shall be an amount equal to \$9.311 times the number of gallons of sewage to be discharged into the District’s system each day. Gallons of sewage to be discharged will be calculated using characteristic sewage generation factors established by the City of Los Angeles/Los Angeles County Sanitation Districts for various commercial, industrial and public authority user classifications.

- 2) A reconciliation of the funds in the Capital Facility Reserve during fiscal year 2017/18 is as follows:

	Water Meter	Water Supply	Sewer
Balance as of July 1, 2017	\$ -0-	\$ -0-	\$ -0-
Collections	\$22,623.29	\$ -0-	\$23,230.12
Interest Earned	\$463.78		\$476.22
Sub-Total	\$23,087.07		\$23,706.34
Expended during the fiscal year	(\$23,087.07)	\$ -0-	(\$23,706.34)
Balance June 30, 2018	\$ -0-	\$ -0-	\$ -0-

- 3) As reported in 2) above, the District collected a total of \$45,853.41 from new developments during fiscal year 2017/18.

- 4) During fiscal year 2017/18 the District allocated funds from the restricted Capital Facility Reserve to fund a portion of the District’s capital commitment to purchase a new emergency generator:

	Emergency Generator	%
Total Project Cost	\$141,825.94	
Funding		
Capital Facility Reserve	\$46,793.41	33%
Capital Construction Reserves	\$95,032.53	67%

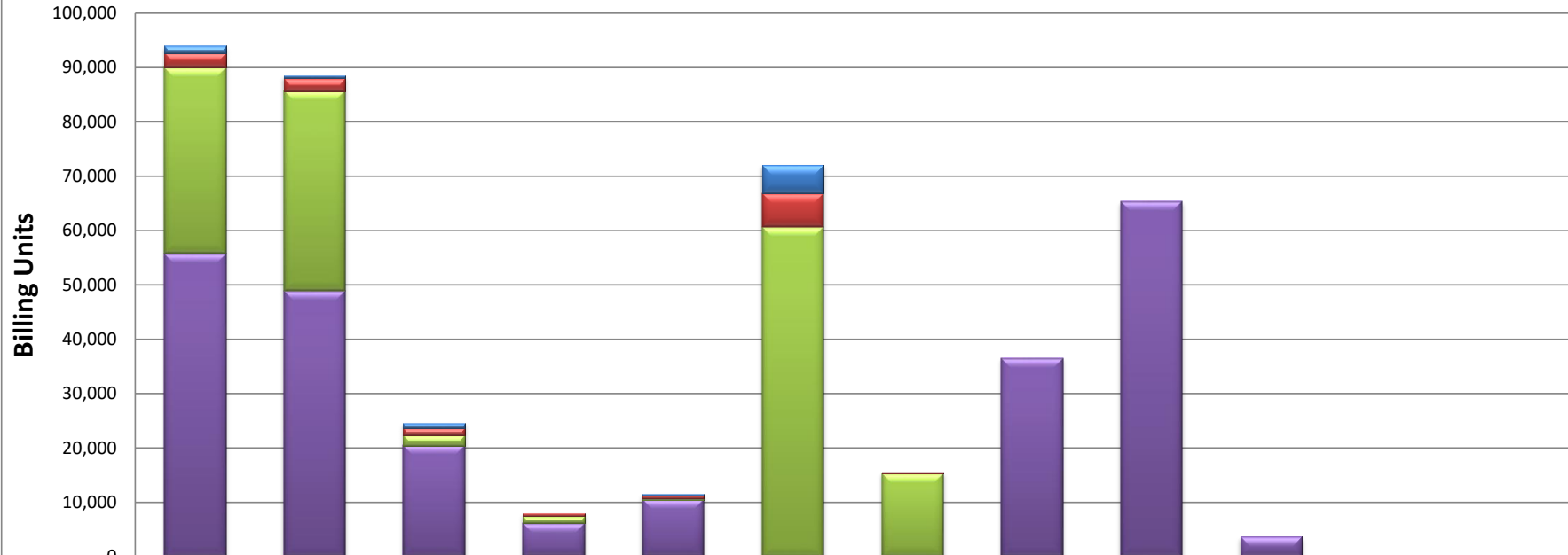
There were no inter-fund transfers or loans from the Capital Facilities Fee Reserve account during the year.

5) **Project Descriptions**

a. **Emergency Genertor**

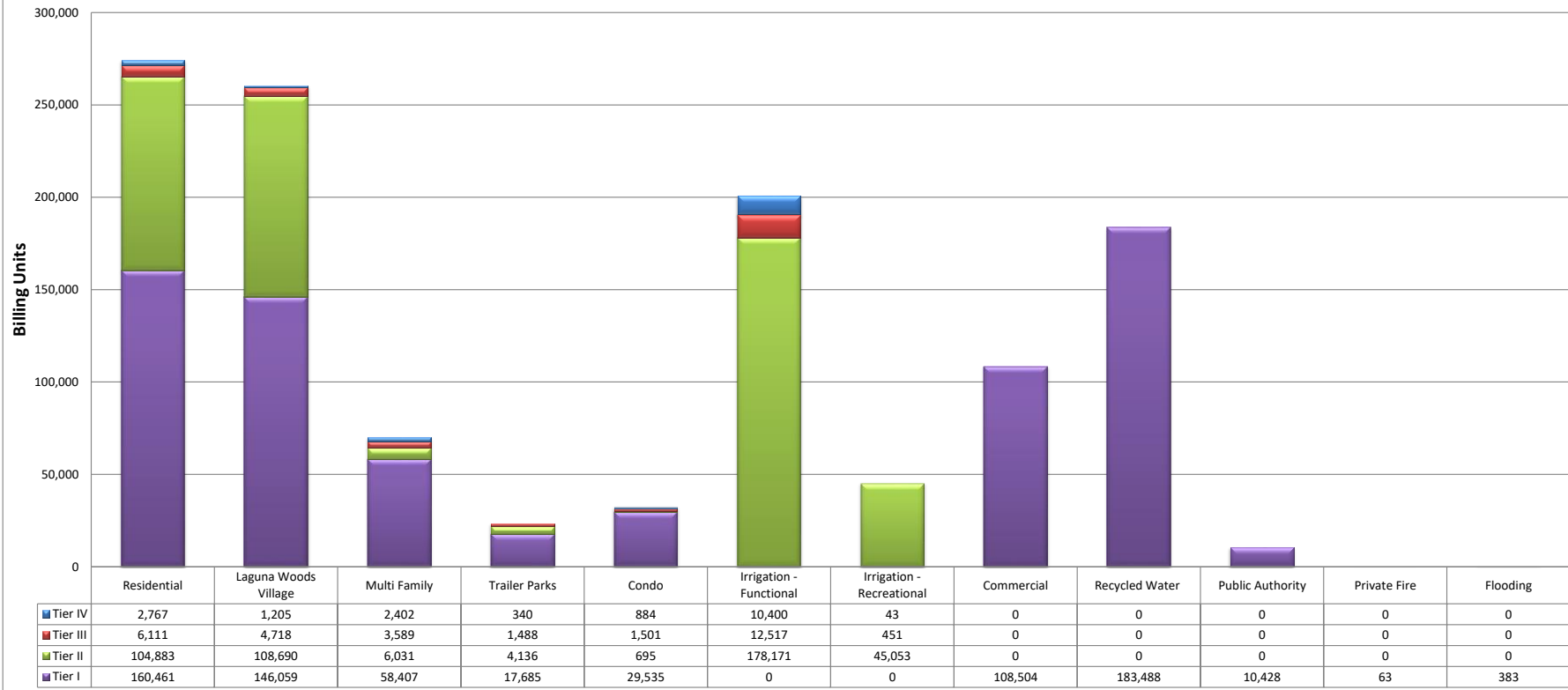
The El Toro Water District utilizes portable emergency generators to provide backup power to water and wastewater pumping facilities in the event of a power outage or electrical system failure. Several, but not all, of the District’s water and sewer pumping facilities have stationary emergency generators. The portable emergency generators provide assurance that the District can continue to provide water and wastewater pumping during unplanned, or emergency power outages at facilities without stationary generators or at facilities in which the stationary generator has failed or is out of service. Due to a recent South Coast Air Quality Management District regulation, the District’s existing portable emergency generators are non-compliant. In the 17-18 fiscal year the District purchased one 470kVA, Tier 4 Final, portable emergency generator which provides the ability to run any of the water and/or wastewater pumping facilities in full operation. The purchase of the emergency generator helped mitigate the District’s vulnerability during any unplanned power outage.

September 2018 Water Sales

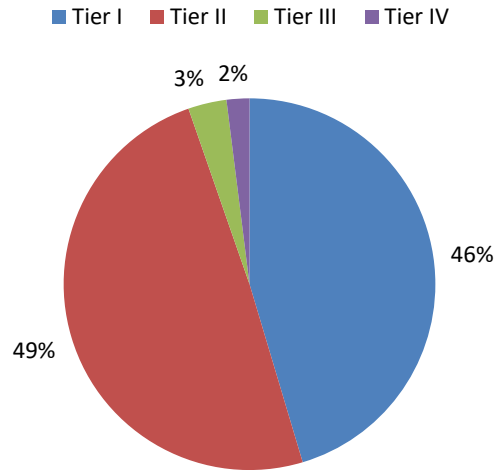


	Residential	Laguna Woods Village	Multi Family	Trailer Parks	Condo	Irrigation - Functional	Irrigation - Recreational	Commercial	Recycled Water	Public Authority	Private Fire	Flooding
■ Tier IV	1,337	478	865	43	346	5,126	41	0	0	0	0	0
■ Tier III	2,700	2,273	1,328	533	500	6,224	217	0	0	0	0	0
■ Tier II	34,188	36,810	1,963	1,309	218	60,688	15,337	0	0	0	0	0
■ Tier I	55,810	48,929	20,432	6,181	10,491	0	0	36,532	65,320	3,630	9	145

Year-to-Date Water Sales as of September 2018

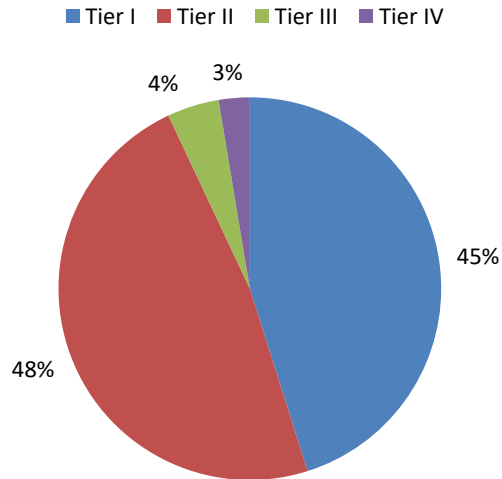


Year to Date Tiered Sales As of September 2018



Year To Date Sales in ccf		
Tier I	412,147	45.38%
Tier II	447,659	49.29%
Tier III	30,375	3.34%
Tier IV	18,041	1.99%
	908,222	100.00%

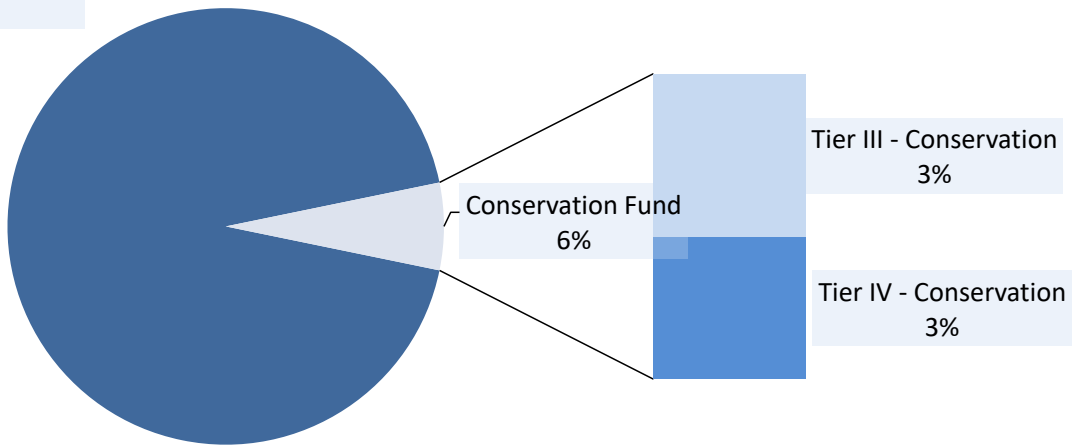
September 2018 Tiered Sales



Current Month Sales in ccf		
Tier I	141,843	45.12%
Tier II	150,513	47.88%
Tier III	13,775	4.38%
Tier IV	8,236	2.62%
	314,367	100.00%

Year to Date Water Sales as of September 2018

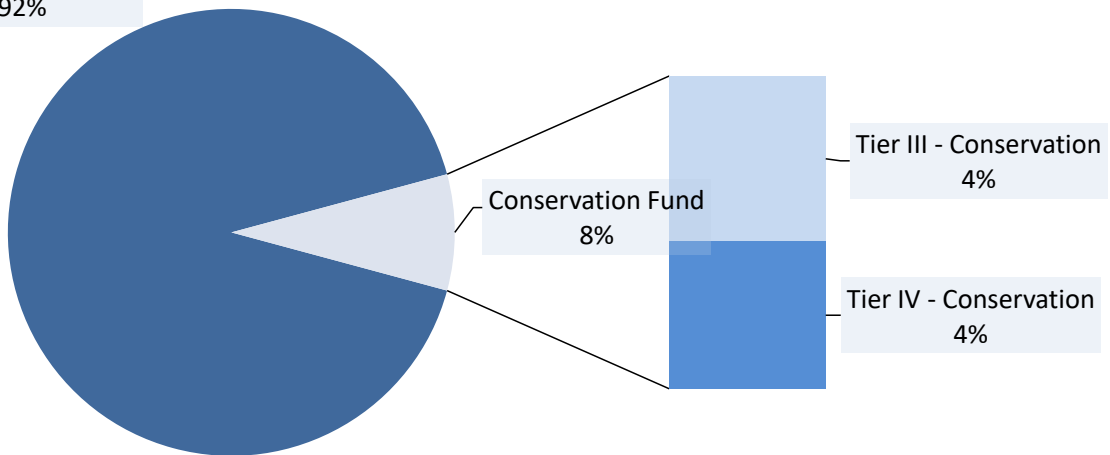
Water Delivery Cost
94%



Category	Billings	Percentage
Water Delivery Cost	\$2,492,271.38	93.54%
Tier III - Conservation	\$92,340.00	3.47%
Tier IV - Conservation	\$79,699.83	2.99%
	\$2,664,311.21	100.00%

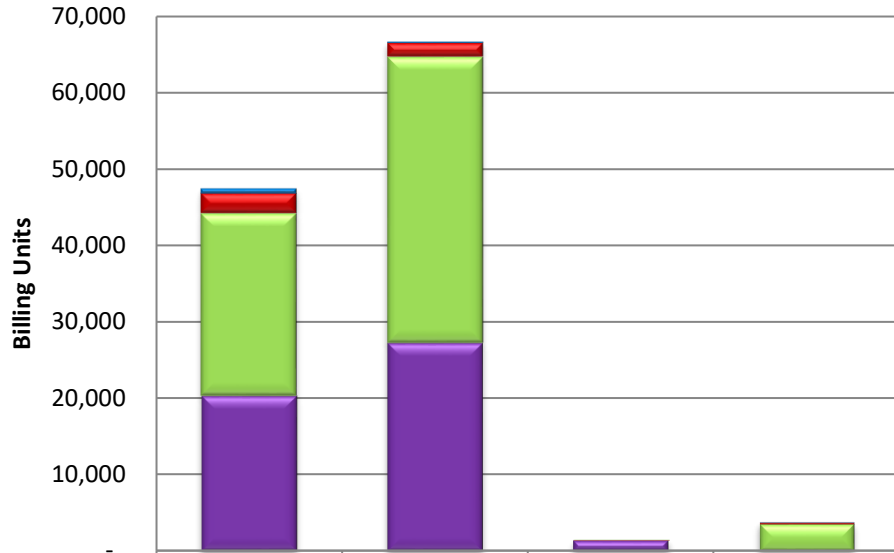
September 2018 Water Sales

Water Delivery Cost
92%



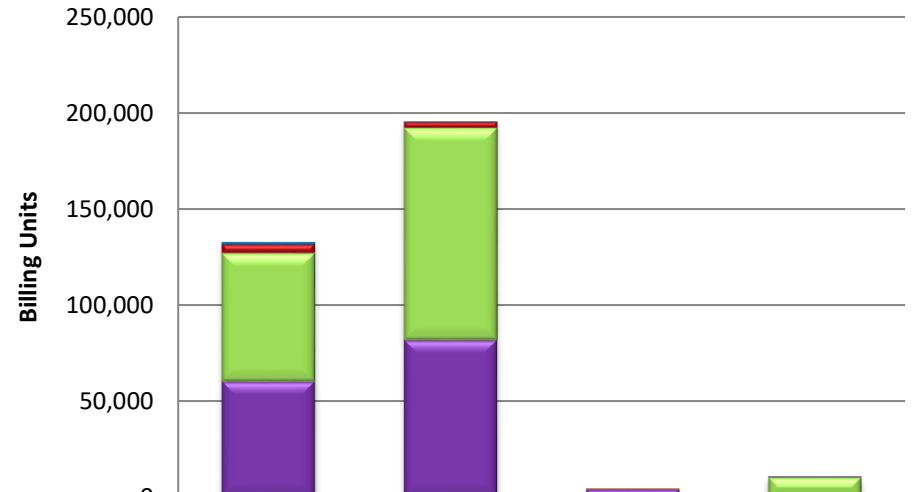
Category	Billings	Percentage
Water Delivery Cost	\$864,080.19	91.62%
Tier III - Conservation	\$41,876.00	4.44%
Tier IV - Conservation	\$37,206.88	3.94%
	\$943,163.07	100.00%

Laguna Woods Village September 2018 Water Sales



	Third	United	Mutual 50	GRF
Tier 4	671	173	-	50
Tier 3	2,673	1,800	55	227
Tier 2	23,883	37,434	33	3,548
Tier 1	20,295	27,214	1,420	-

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



	Third	United	Mutual 50	GRF
Tier 4	1,336	308	0	54
Tier 3	4,568	3,041	290	487
Tier 2	66,916	110,367	89	10,442
Tier 1	60,161	81,690	4,208	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.