

POSTED January 16, 2015

Regular Meeting  
Utilities Operations  
19001 Huntington St  
Huntington Beach, California  
Wednesday, January 21, 2015  
4:00 P.M.

# AGENDA WEST ORANGE COUNTY WATER BOARD

## **MEETING ASSISTANCE NOTICE – AMERICANS WITH DISABILITIES ACT**

In accordance with the Americans with Disabilities Act the following services are available to members of our community who require special assistance to participate in West Orange County Water Board meetings. If you require special assistance, 48-hour prior notification will enable the board to make reasonable arrangements. To make arrangements for an assisted listening device (ALD) for the hearing impaired, American Sign Language interpreters, a reader during the meeting and/or large print agendas, please contact the Secretaries Office at (714) 375-5160.

## **LATE COMMUNICATION**

*Staff and members of the public have the opportunity to submit information related to an agenda item following distribution of the agenda packet to the West Orange County Water Board. This information is identified as "Late Communication" and is assembled into a packet by the Secretary on the day of the West Orange County Board meeting. The Brown (Open Meetings) Act requires that copies of Late Communication be made available to the public immediately upon distribution of material to a majority of the West Orange County Water Board. Communication received by any individual at the meeting will be made available to the public in the Secretaries Office the following morning.*

## **CALL MEETING TO ORDER**

## **PLEDGE OF ALLEGIANCE**

**ROLL CALL:** Beard, Contreras, Hardy, Miller, Sullivan

**PUBLIC COMMENTS**

**1. WELCOME NEW DIRECTORS AND NOMINATE NEW CHAIR**

Welcome new Directors Jill Hardy and Dave Sullivan of Huntington Beach and Sergio Contreras of Westminster to the West Orange County Water Board. Nominate a new Chair to replace former Chair Matt Harper.

**2. MINUTES**

RECOMMENDATION: Motion to approve and adopt minutes of the July 16, 2014, Regular Meeting as prepared and mailed by the Secretary.

**3. FUND REPORT & RATIFY BILLS – Chris Davis**

RECOMMENDATION: Motion to approve and file Maintenance and Operation Fund Reports as prepared by the Fiscal Agent for the West Orange County Water Board and ratify bills as approved for payment by the Manager and paid by the City of Huntington Beach, Fiscal Agent for West Orange County Water Board.

**4. TREASURER'S REPORT AS PREPARED BY CITY TREASURER – Alisa Cutchen**

RECOMMENDATION: Receive and File.

**5. ANNUAL INVESTMENT POLICY – Alisa Cutchen**

RECOMMENDATION: Adopt resolution 15-01, the annual investment policy for the Board.

**6. LOCAL AGENCY INVESTMENT FUND – Alisa Cutchen**

RECOMMENDATION: Adopt resolution 15-02 authorizing deposit of the Boards funds in the Local Agency Investment Fund of the State Treasury.

**7. FISCAL YEAR 2012-13 AUDIT – Chris Davis**

RECOMMENDATION: Receive and File.

**8. OPERATIONS & MAINTENANCE REPORT – Jay Kleinheinz**

RECOMMENDATION: Receive and File.

**9. MANAGEMENT AND ENGINEERING REPORT – Brian Ragland**

RECOMMENDATION: Receive and File.

**10. COMMENTS, QUESTIONS OR CONCERNS FROM DIRECTORS**

**11. ADJOURNMENT**

The next meeting will be a regular meeting held on April 15, 2015 at 4:00 p.m. at UTILITIES OPERATIONS, 19001 Huntington Street, Huntington Beach, California.

**WELCOME NEW DIRECTORS AND NOMINATE NEW CHAIR**

**AGENDA ITEM NO.1**

**MINUTES OF JULY 16, 2014 MEETING**

# MINUTES OF THE WEST ORANGE COUNTY WATER BOARD

Regular Meeting  
Public Works Utilities Yard  
Administration Building  
19001 Huntington Street  
Huntington Beach, California  
Wednesday, July 16, 2014

The Regular Meeting of the West Orange County Water Board was called to order by Chairman Harper at the City of Huntington Beach Public Works Utilities Yard, Administration Building, 19001 Huntington Street, Huntington Beach, California on Wednesday, April 16, 2014 at 4:10 p.m.

Members Present: Director Carchio – City of Huntington Beach  
Chairman Harper – City of Huntington Beach  
Director Miller – City of Seal Beach  
Director Quach – City of Westminster

Members Absent: Director Beard

Others Present: Brian Ragland – City of Huntington Beach  
Alisa Cutchen – City of Huntington Beach  
Andy Ferrigno – City of Huntington Beach  
Chris Davis – City of Huntington Beach  
Sean Crumby – City of Seal Beach  
Cody Nicolae – City of Garden Grove

## PUBLIC COMMENTS

None

## LATE COMMUNICATION – NONE

### 1. MINUTES

On a motion by Director Carchio, and seconded by Director Quach, the Board approved and adopted the Minutes of April 16, 2014.

**Motion approved 4-0-1 (Absent – Beard).**

### 2. FUND REPORT & RATIFY BILLS

On a motion by Director Carchio, and seconded by Director Quach, the Board moved to receive and file the fund report and approved the ratification of bills for payment by the Manager and paid by the City of Huntington Beach, Fiscal Agent for the West Orange County Water Board.

**Motion approved 4-0-1 (Absent - Beard).**

**3. TREASURER'S REPORT AS PREPARED BY THE CITY TREASURER**

Treasurer Alisa Cutchen presented the Treasurer's Report and the quarterly LAIF Report.

On a motion by Chairman Harper, and seconded by Director Quach, the Board moved to receive and file the Treasurer's Report.

**Motion approved 4-0-1 (Absent – Beard).**

**4. ELECTRONIC DISTRIBUTION OF DIRECTOR'S PACKETS**

Chris Davis inquired of the Board Director's if they would prefer to receive their quarterly meeting packets electronically rather in paper form via regular mail. No vote was taken but the Directors individually stated that each should be given the option of choosing which means of delivery they prefer.

**5. FISCAL YEAR 2014-15 BUDGET**

Chris Davis presented the updated Fiscal Year 2014-15 proposed budget for adoption.

On a motion by Chairman Harper, and seconded by Vice Chair Miller, the Board moved to adopt the Fiscal Year 2014-15 budget contingent upon each member agency approving the budget.

**Motion approved 4-0-1 (Absent – Beard).**

**6. OPERATIONS AND MAINTENANCE REPORT**

In Jay Kleinheinz absence, Brian Ragland reported that all maintenance is on schedule and up to date.

On a motion by Vice Chair Miller, and seconded by Director Carchio, the Board moved to receive and file the Management and Engineering Report.

**Motion approved 4-0-1 (Absent – Beard).**

**7. MANAGEMENT AND ENGINEERING REPORT**

None

**8. COMMENTS, QUESTIONS OR CONCERNS FROM THE DIRECTORS**

None

**9. ADJOURNMENT**

Chairman Harper adjourned the Regular Meeting of the West Orange County Water Board to the next Regular Meeting scheduled for October 15, 2014 at 4:00 p.m. at the Utilities Yard, Administration Building, 19001 Huntington Street, Huntington Beach, California.

WEST ORANGE COUNTY WATER BOARD

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Laurie Hill  
Secretary

ATTEST: \_\_\_\_\_  
Chairman

# MINUTES OF THE WEST ORANGE COUNTY WATER BOARD

Regular Meeting  
Public Works Utilities Yard  
Administration Building  
19001 Huntington Street  
Huntington Beach, California  
Wednesday, October 15, 2014

Members Present: Chairman Harper – City of Huntington Beach  
Director Miller – City of Seal Beach

Members Absent: Director Beard  
Director Carchio  
Director Quach

The West Orange County Water Board regular meeting of October 15, 2014 was cancelled due to lack of a quorum. It was adjourned until the Wednesday, January 21, 2015 regular meeting.

**FUND REPORT & RATIFY BILLS**

**West Orange County Water Board  
Expense Summary for January 21, 2015, Regular Board Meeting**

<b>Electricity</b>		<u>Amount</u>
September 2014 Edison Charges		\$380.33
October 2014 Edison Charges		\$375.72
November 2014 Edison charges		<u>\$354.28</u>
	<b>subtotal</b>	<b>\$1,110.33</b>
<b>Repairs and Maintenance</b>		
Port Supply		\$53.98
West Coast Marine		\$313.15
Inventory charges 10/1/14 to 12/31/14		\$575.20
Labor		\$2,661.34
Equipment Charges		<u>\$1,366.48</u>
	<b>subtotal</b>	<b>\$4,970.15</b>
<b>Directors - October Meeting</b>		
Harper, Miller		<u>\$200.00</u>
	<b>subtotal</b>	<b>\$200.00</b>
<b>Liability Insurance</b>		
ACWA JPIA		<u>\$2,595.00</u>
	<b>subtotal</b>	<b>\$2,595.00</b>
<b>Total</b>		<b>\$8,875.48</b>

<b>Distribution</b>	<u>Percentage</u>	<u>Amount</u>
Garden Grove	4.20%	\$372.77
Huntington Beach	56.10%	\$4,979.14
Seal Beach	14.30%	\$1,269.19
Westminster	25.40%	<u>\$2,254.37</u>
<b>Total</b>		<b>\$8,875.47</b>

WEST ORANGE COUNTY WATER BOARD  
FUND REPORT THROUGH DECEMBER 2014

<b>EXPENDITURES OCTOBER 2014 TO DECEMBER 2014</b>		Budget	Expended	Funds Available
<u>OPERATING EXPENSE</u>				
Utilities Expenses, Electricity	\$4,500	\$1,110	\$3,390	
Repair and Maintenance Expense	\$72,500	\$4,970	\$67,530	
Audit Fees	\$5,000		\$5,000	
Contractual Services, Legal	\$5,000		\$5,000	
Meeting, Board Members	\$2,000	\$200	\$1,800	
Liability Ins., Transmission Lines	\$8,000	\$2,595	\$5,405	
Other Contract Services	\$2,000		\$2,000	
Total Operating Expense	\$99,000	\$8,875	\$90,125	
<u>CAPITAL COSTS</u>				
	\$75,000		\$75,000	
<u>EXPENDITURE SUMMARY</u>				
	\$174,000	\$8,875	\$165,125	
	Budget	Received	To Receive	
<u>REVENUE SUMMARY</u>	\$201,718		\$201,718	
			Balance	
<b>FUNDS BALANCE</b>			<b>\$196,125</b>	



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P.O. Box 300  
Rosemead, CA  
91772-0001  
[www.sce.com](http://www.sce.com)

# Your electricity bill

WESTERN ORANGE CO WATER BOARD / Page 3 of 24

For billing and service inquiries call 1-800-990-7788,  
Mon - Fri 7 a.m. to 7 p.m. and Saturday 8 a.m. to 5 p.m.  
For emergency services call 24 hrs a day, 7 days a week

**Customer account** 2-21-891-9520  
KEN DILLS  
PO BOX 190  
HUNTINGTON BEACH, CA  
92648-0190

Date bill prepared: Oct 7 '14

## Your account summary

*Just chgs*

Amount of your last bill	\$397.76
Payment we received on Sep 22 '14 - thank you	-\$397.76
Balance forward	\$0.00
Your new charges	\$380.33
<b>Total amount you owe by Oct 27 '14</b>	<b>\$380.33</b>

OP/OC/OD/OJ/OW #	13175
Supplier #	18029
Order Co#	508
2-way or 3-way	
Account #	50885701.41200
Approved	KDILL 10-15-14
PV#	Batch#

## You Received a California Climate Credit

California is fighting climate change and so can you! Your bill includes a Climate Credit from a state program to cut carbon pollution while also reducing your energy costs. Find out how at [EnergyUpgradeCA.org/credit](http://EnergyUpgradeCA.org/credit).

## Summary of your billing detail

Service account	Service address	Billing period	Your rate	New charges
3-000-6276-98	BOLSA/NEWLAND MIDWAY CITY, CA	Sep 4 '14 to Oct 3 '14	TOU-GS-1-A	\$29.99
3-002-6702-34	WS SPGDALE/SO PE RR HUNTINGTON BEACH, CA	Sep 4 '14 to Oct 3 '14	TOU-GS-1-A	\$53.54
3-003-5176-40	DALE N/O KATELLA STANTON, CA	Sep 4 '14 to Oct 3 '14	TOU-GS-1-A	\$58.31
3-003-5426-86	8462 STANFORD AVE WTR GARDEN GROVE, CA	Sep 4 '14 to Oct 3 '14	TOU-GS-1-A	\$24.24
3-003-5454-54	8502 KATELLA GARDEN GROVE, CA	Sep 4 '14 to Oct 3 '14	TOU-GS-1-A	\$63.89

(Continued on next page)

Please return the payment stub below with your payment and make your check payable to Southern California Edison.  
If you want to pay in person, call 1-800-747-8908 for locations, or you can pay online at [www.sce.com](http://www.sce.com).

(14-574) Tear here

Tear here



Customer account 2-21-891-9520  
Please write this number on your check. Make your  
check payable to Southern California Edison.

**Amount due by Oct 27 '14** **\$380.33**  
Amount enclosed \$

STMT 10072014 P4

WESTERN ORANGE CO WATER BOARD  
% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH, CA 92648-0190

P.O. BOX 300  
ROSEMEAD, CA 91772-0001

21 891 9520 00000058 000000000000038033000038033



Go paperless at [www.sce.com/ebilling](http://www.sce.com/ebilling). It's fast, easy and secure.

P.O. Box 600,  
Rosemead, CA  
91771-0001  
[www.sce.com](http://www.sce.com)

WESTERN ORANGE CO WATER BOARD / Page 1 of 2

For billing and service inquiries  
call 1-800-990-7788, 24 hrs a day, 7 days a week

Customer account 2-21-891-9520

Date notice prepared: Nov 29 '14

% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH CA 92648-0190

### Past due service disconnection notice

**\$** Past due \$375.72 must be paid by 5 pm on Dec 15 '14

Utility services past due amount	\$375.72
Total past due amount	\$375.72

#### Important please read

Your payment is past due. To avoid disconnection of service, your payment must be received by Southern California Edison before the date shown above. If your utility service is disconnected, a Service Connection charge ranging from \$6.00 to \$86.00 may be required. A deposit may be required to re-establish your credit whether or not your service is disconnected.

This notice does not stop disconnection of service for any other unpaid bill. Your utility service will not be disconnected for unpaid amounts for other services. However, if you do not pay the total past due amount, your other services may be discontinued, you may be subject to legal action, or both. Southern California Edison will determine how payments are applied.

#### Options for paying your bill

- Do not mail your payment, as it may not be received in time. You may pay your bill through a Southern California Edison approved electronic payment method or bring this notice to a Southern California Edison authorized payment location.
- If you are a residential customer, you may pay your bill using your Credit Card or most Debit Cards by calling 1-800-254-4123. See the reverse side under Options for Paying Your Bill for more information.
- If you are having difficulty paying your bill, please contact us immediately. You may be eligible for a payment extension or financial assistance (available to income qualified customers). For information, please call 1-800-990-7788 before Dec 15 '14 .

(14-664)

Tear here

Bring in this entire disconnection notice when you pay

Tear here



Customer account 2-21-891-9520  
Please write this number on your check. Make your  
check payable to Southern California Edison.

Amount due by Dec 15 '14 **\$375.72**

Amount enclosed \$

OVDU 11262014 PD



WESTERN ORANGE CO WATER BOARD  
KEN DILLS  
% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH CA 92648-0190

Do not mail your payment.

21 891 9520 00000055 0000000000000037572000037572

Go paperless at [www.sce.com/ebilling](http://www.sce.com/ebilling). It's fast, easy and secure.



Go paperless at [www.sce.com/ebilling](http://www.sce.com/ebilling). It's fast, easy and secure.

# Your electricity bill

P.O. Box 300  
Rosemead, CA  
91772-0001  
[www.sce.com](http://www.sce.com)

WESTERN ORANGE CO WATER BOARD / Page 1 of 14

For billing and service inquiries call 1-800-990-7788,  
Mon - Fri 7 a.m. to 7 p.m. and Saturday 8 a.m. to 5 p.m.  
For emergency services call 24 hrs a day, 7 days a week

Customer account 2-21-891-9520  
KEN DILLS  
PO BOX 190  
HUNTINGTON BEACH, CA  
92648-0190

Date bill prepared: Dec 9 '14

## Your account summary

Amount of your last bill \$375.72  
Payment we received on Dec 01 '14 - thank you -\$375.72  
Balance forward \$0.00  
Your new charges \$351.27  
Late payment charge \$3.01

\$375.72  
-\$375.72  
\$0.00  
\$351.27  
\$3.01  
\$354.28

OP/OC/OD/OJ/OW #	13792
Supplier #	18029
Order Co#	508
2-way or 3-way	
Account #	50885701.61200
Approved	UNW 12-15-14
PV#	
Batch#	

**Total amount you owe by Dec 29 '14**

## You Received a California Climate Credit

California is fighting climate change and so can you! Your bill includes a Climate Credit from a state program to cut carbon pollution while also reducing your energy costs. Find out how at [EnergyUpgradeCA.org/credit](http://EnergyUpgradeCA.org/credit).

## Summary of your billing detail

Service account	Service address	Billing period	Your rate	New charges
3-000-6276-98	BOLSA/NEWLAND MIDWAY CITY, CA	Nov 4 '14 to Dec 5 '14	TOU-GS-1-A	\$31.85
3-002-6702-34	WS SPGDALE/SO PE RR HUNTINGTON BEACH, CA	Nov 4 '14 to Dec 5 '14	TOU-GS-1-A	\$52.33
3-003-5176-40	DALE N/O KATELLA STANTON, CA	Nov 4 '14 to Dec 5 '14	TOU-GS-1-A	\$55.69
3-003-5426-86	8462 STANFORD AVE WTR GARDEN GROVE, CA	Nov 4 '14 to Dec 5 '14	TOU-GS-1-A	\$25.92
3-003-5454-54	8502 KATELLA GARDEN GROVE, CA	Nov 4 '14 to Dec 5 '14	TOU-GS-1-A	\$44.92

(Continued on next page)

Please return the payment stub below with your payment and make your check payable to Southern California Edison.  
If you want to pay in person, call 1-800-747-8908 for locations, or you can pay online at [www.sce.com](http://www.sce.com).

(14-574) Tear here

Tear here



Customer account 2-21-891-9520  
Please write this number on your check. Make your check payable to Southern California Edison.

Amount due by Dec 29 '14 **\$354.28**

Amount enclosed \$

STMT 12092014 P4 C07 T0199 035285 01 AV 0.3780 B900

WESTERN ORANGE CO WATER BOARD  
% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH, CA 92648-0190

P.O. BOX 300  
ROSEMEAD, CA 91772-0001

21 891 9520 00000052 000000000000035428000035428



3433 Via Lido  
Newport Beach, CA 92660-3908  
949 673-9700

Invoice #: 1957  
Account #: 412085  
PO: CHRIS

Customer: PORT SUPPLY CUSTOMER  
Company: CITY OF HUNTINGTON BEACH  
ATTN: ACCOUNTS PAYABLE  
HUNTINGTON BEACH, CA 92648  
Signer: 12 SCOTT SMITH

Qty	NEI	Total
Controller Invert/Charg	MM1212 8652903	
1	49.98	0.00 1
Mfg Part #: MM-RC25		
Order Payment 129		
1	53.98	53.98
	Subtotal	53.98
	Sales Tax	0.00
	<b>Total</b>	<b>53.98</b>

-----  
Visa ----- 53.98  
\*\*\*\*\*6116  
Auth #: 090630  
Journal Key: 10703A/AC867776

② WOCWB INVERTER Controllers



3433 Via Lido  
Newport Beach, CA 92663-3908  
949-673-9700

Order Id  
1283020575

Qty	Price	Total
Controller-Invert/Charg MM1212		
8632903	5 57.99	289.95

Pickup at:  
1283 WM Newport Beach  
3433 Via Lido  
Newport Beach, CA 92663-3908

Ship Via:  
PS VAN \$ .00

Shipping Fee 0.00

Payment Type	Total
Order Deposit	313.15

Subtotal:	289.95
Fees:	0.00
Tax:	23.20
Total:	313.15
Deposit/Payments:	313.15
Balance Due:	0.00



# Work Order Charges Summary

Report Range: From 10/1/2014 To 12/31/2014

Program/Category WOID WO Description	Other Charges	WO Count	Labor Hours	Labor Charges	Equip. Charges	Materials Charges	Total
<b>508-WOCWB</b>		<b>5</b>	<b>52</b>	<b>\$2,661.34</b>	<b>\$1,366.48</b>	<b>\$575.20</b>	<b>\$4,603.02</b>
<b>Contracts for Rep and Maint (50885101.64620)</b>		<b>1</b>				<b>\$250.00</b>	<b>\$250.00</b>
WO: 144380 August BacT Can Installs: Install new BacT cans & angle stops tee'd off existing Air Vac laterals on West Orange County Water Board OC-9 & OC-35 Feeders. List of sites and maps to be provided by Derek Smith. Supply of BacT cans and plumbing parts located in Distribution storage area. Charge any misc plumbing parts for installations in August to: Acc #50885101.64620. WO #130169.		1				\$250.00	\$250.00
<b>Miscellaneous (50885101.64620)</b>		<b>1</b>	<b>12</b>	<b>\$683.49</b>	<b>\$217.80</b>		<b>\$901.29</b>
WO: 130043 WOCWB OT		1	12	\$683.49	\$217.80		\$901.29
<b>Other Cont Svcs (50885101.69505)</b>		<b>3</b>	<b>40</b>	<b>\$1,977.85</b>	<b>\$1,148.68</b>	<b>\$325.20</b>	<b>\$3,451.73</b>
WO: 130161 WOCWB Dec.		1				\$325.20	\$325.20
WO: 130170 WOCWB September		1	2	\$94.44	\$88.36		\$182.80
WO: 148019 WOCWB		1	38	\$1,883.41	\$1,060.32		\$2,943.73

Labor Charges                    \$2,661.34  
 Equipment Charges            \$1,366.48  
 Total                                **\$4,027.82**

**STATEMENT**

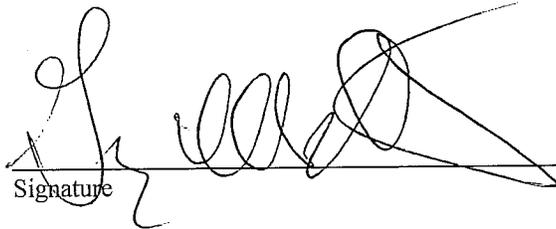
WEST ORANGE COUNTY WATER BOARD  
CITY HALL  
2000 MAIN STREET  
HUNTINGTON BEACH, CALIFORNIA

Services for the month of October 2014

**\$100.00**

*I certify that the above is true and just and that payment therefore has not been received and that services performed were performed for the benefit of the Board.*

Date: October 15, 2014

  
Signature

**Gary Miller  
CITY OF SEAL BEACH**

50885101.75410      \$56.1000  
50885101.75420      \$4.2000  
50885101.75430      \$14.3000  
50885101.75440      \$25.4000  
63470                      \$100.0000

OP/ OC/ <u>OD</u> OJ/ OW #	51005
Supplier #	63470
Order Co#	508
2-way or 3-way	
Account #	
Approved	 10-22-14
PV#	Batch#

101487170

**STATEMENT**

WEST ORANGE COUNTY WATER BOARD  
CITY HALL  
2000 MAIN STREET  
HUNTINGTON BEACH, CALIFORNIA

Services for the month of October 2014

**\$100.00**

*I certify that the above is true and just and that  
payment therefore has not been received and that  
services performed were performed for the benefit of  
the Board.*

Date: October 15, 2014

Signature 

**Matthew Harper**  
**CITY OF HUNTINGTON BEACH**

50885101.75410 \$56.1000  
50885101.75420 \$4.2000  
50885101.75430 \$14.3000  
50885101.75440 \$25.4000  
38334 \$100.0000

OP/OC(OD) OJ/OW #	51006
Supplier #	38334
Order Co#	308
2-way or 3-way	
Account #	
Approved	Matthew Harper 10-22-14
PV#	Batch#

104488 OR



# Association of California Water Agencies

Since 1910

Leadership • Advocacy • Information • Service

Date: October 23, 2014

West Orange County Water Board

PO Box 190

Huntington Beach, CA 92648

508 85101, 73010

OP/OC/OD/OJ/OW #	51301
Supplier #	11211
Order Co#	508
2-way or 3-way	
Account #	508 85101.73010
Approved	vjbell 11.21.14
PV#	Batch#

2015 Annual Agency Dues

\$2,595.00

Thank you for your continued support with ACWA. Please remit payment by **January 31, 2015**.

\*\*\*\*\*MEMBERSHIP DUES\*\*\*\*\*MEMBERSHIP DUES\*\*\*\*\*MEMBERSHIP DUES\*\*\*\*\*

**West Orange County Water Board  
Expense Summary for October 15, 2014, Regular Board Meeting**

<b>Southern California Edison</b>		<u>Amount</u>
June 2014 Charges		\$419.54
July 2014 Charges		\$384.51
August 2014 Charges		\$397.76
	<b>subtotal</b>	<u>\$1,201.81</u>

<b>Insurance</b>		
ACWA JPIA		\$4,786.00
		<u>\$4,786.00</u>

<b>Directors - July Meeting</b>		
Carchio, Harper, Miller, Quach		\$400.00
	<b>subtotal</b>	<u>\$400.00</u>

<b>Inventory Charges</b>		
Inventory Charges 7/1/14 to 9/30/14		\$7,897.45
	<b>subtotal</b>	<u>\$7,897.45</u>

<b>City of Huntington Beach - July through September 2014 Charges</b>		
Labor		\$21,158.56
Equipment Charges		\$5,574.63
	<b>subtotal</b>	<u>\$26,733.19</u>

<b>Total</b>		<u><u>\$41,018.45</u></u>
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<b>Distribution</b>	<u>Percentage</u>	<u>Amount</u>
Garden Grove	4.20%	\$1,722.77
Huntington Beach	56.10%	\$23,011.35
Seal Beach	14.30%	\$5,865.64
Westminster	25.40%	\$10,418.69
<b>Total</b>		<u><u>\$41,018.45</u></u>

WEST ORANGE COUNTY WATER BOARD  
FUND REPORT SEPTEMBER 2014

EXPENDITURES OCTOBER 2013 TO SEPTEMBER 2014	Budget	Expended	Funds Available
<u>OPERATING EXPENSE</u>			
Utilities Expenses, Electricity	\$4,500	\$4,352	\$148
Repair and Maintenance Expense	\$60,000	\$58,057	\$1,943
Audit Fees	\$5,000	\$4,990	\$10
Contractual Services, Legal	\$3,000	\$441	\$2,560
Meeting, Board Members	\$2,000	\$1,800	\$200
Liability Ins., Transmission Lines	\$8,000	\$8,996	(\$996)
Other Contract Services	\$2,500		\$2,500
		\$0	
Total Operating Expense	<b>\$85,000</b>	<b>\$78,636</b>	<b>\$6,364</b>
<u>CAPITAL COSTS</u>			
	<b>\$80,000</b>	<b>\$53,548</b>	<b>\$26,452</b>
EXPENDITURE SUMMARY	<b>\$165,000</b>	<b>\$132,184</b>	<b>\$32,816</b>
REVENUE SUMMARY	Budget	Received	To Receive
	\$163,858	\$163,858	\$0
FUND BALANCE			Balance
			<b>\$205,000</b>



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P.O. Box 300  
Rosemead, CA  
91772-0001  
[www.sce.com](http://www.sce.com)

# Your electricity bill

WESTERN ORANGE CO WATER BOARD / Page 3 of 20

For billing and service inquiries call 1-800-990-7788,  
Mon - Fri 7 a.m. to 7 p.m. and Saturday 8 a.m. to 5 p.m.  
For emergency services call 24 hrs a day, 7 days a week

Customer account 2-21-891-9520  
KEN DILLS  
PO BOX 190  
HUNTINGTON BEACH, CA  
92648-0190

Date bill prepared: Jul 9 '14

## Your account summary

Amount of your last bill	\$349.89
Payment we received on Jun 24 '14 - thank you	-\$349.89
Balance forward	\$0.00
Your new charges	\$419.54
<b>Total amount you owe by Jul 28 '14</b>	<b>\$419.54</b>

## You Received a California Climate Credit

California is fighting climate change and so can you! Your bill includes a Climate Credit from a state program to cut carbon pollution while also reducing your energy costs. Find out how at [EnergyUpgradeCA.org/credit](http://EnergyUpgradeCA.org/credit).

## Summary of your billing detail

Service account	Service address	Billing period	Your rate	New charges
3-000-6276-98	BOLSA/NEWLAND MIDWAY CITY, CA	Jun 5 '14 to Jul 7 '14	TOU-GS-1-A	\$33.14
3-002-6702-34	WS SPGDALE/SO PE RR HUNTINGTON BEACH, CA	Jun 5 '14 to Jul 7 '14	TOU-GS-1-A	\$57.97
3-003-5176-40	DALE N/O KATELLA STANTON, CA	Jun 5 '14 to Jul 7 '14	TOU-GS-1-A	\$65.09
3-003-5426-86	8462 STANFORD AVE WTR GARDEN GROVE, CA	Jun 5 '14 to Jul 7 '14	TOU-GS-1-A	\$26.75
3-003-5454-54	8502 KATELLA GARDEN GROVE, CA	Jun 5 '14 to Jul 7 '14	TOU-GS-1-A	\$71.43

(Continued on next page)

Please return the payment stub below with your payment and make your check payable to Southern California Edison.  
If you want to pay in person, call 1-800-747-8908 for locations, or you can pay online at [www.sce.com](http://www.sce.com).

4-574) Tear here

Tear here



Customer account 2-21-891-9520  
Please write this number on your check. Make your  
check payable to Southern California Edison.

Amount due by Jul 28 '14 \$419.54

Amount enclosed \$

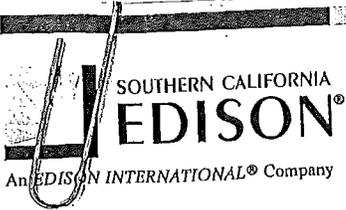
STMT 07092014 P4

WESTERN ORANGE CO WATER BOARD  
% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH, CA 92648-0190

P.O. BOX 300  
ROSEMEAD, CA 91772-0001

21 891 9520 00000059 000000000000041954000041954

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Go paperless at [www.sce.com/ebilling](http://www.sce.com/ebilling). It's fast, easy and secure.

# Your electricity bill

P.O. Box 300  
Rosemead, CA  
91772-0001  
[www.sce.com](http://www.sce.com)

WESTERN ORANGE CO WATER BOARD / Page 3 of 18

For billing and service inquiries call 1-800-990-7788,  
Mon - Fri 7 a.m. to 7 p.m. and Saturday 8 a.m. to 5 p.m.  
For emergency services call 24 hrs a day, 7 days a week

Customer account 2-21-891-9520  
KEN DILLS  
PO BOX 190  
HUNTINGTON BEACH, CA  
92648-0190

Date bill prepared: Aug 7 '14

## Your account summary

Amount of your last bill  
Payment we received on Jul 28 '14 - thank you  
Balance forward  
Your new charges  
Total amount you owe by Aug 26 '14

OP/OC/OD/OJ/OW #	13175
Supplier #	18029
Order Co#	508
Account #	50885101.61200
Approved	7/21/14 8-13-14
PV#	Batch#

## You Received a California Climate Credit

California is fighting climate change and so can you! Your bill includes a Climate Credit from a state program to cut carbon pollution while also reducing your energy costs. Find out how at [EnergyUpgradeCA.org/credit](http://EnergyUpgradeCA.org/credit).

## Summary of your billing detail

Service account	Service address	Billing period	Your rate	New charges
3-000-6276-98	BOLSA/NEWLAND MIDWAY CITY, CA	Jul 7 '14 to Aug 5 '14	TOU-GS-1-A	\$30.01
3-002-6702-34	WS SPGDAL/SO PE RR HUNTINGTON BEACH, CA	Jul 7 '14 to Aug 5 '14	TOU-GS-1-A	\$53.17
3-003-5176-40	DALE N/O KATELLA STANTON, CA	Jul 7 '14 to Aug 5 '14	TOU-GS-1-A	\$59.64
3-003-5426-86	8462 STANFORD AVE WTR GARDEN GROVE, CA	Jul 7 '14 to Aug 5 '14	TOU-GS-1-A	\$24.24
3-003-5454-54	8502 KATELLA GARDEN GROVE, CA	Jul 7 '14 to Aug 5 '14	TOU-GS-1-A	\$66.37

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Please return the payment stub below with your payment and make your check payable to Southern California Edison.  
If you want to pay in person, call 1-800-747-8908 for locations, or you can pay online at [www.sce.com](http://www.sce.com).

Tear here



Customer account 2-21-891-9520  
Please write this number on your check. Make your  
check payable to Southern California Edison.

Amount due by Aug 26 '14	\$384.51
Amount enclosed	\$

STMT 08072014 P4  
WESTERN ORANGE CO WATER BOARD  
% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH, CA 92648-0190

P.O. BOX 300  
ROSEMEAD, CA 91772-0001

21 891 9520 00000055 0000000000000038451.000038451

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Go paperless at [www.sce.com/ebilling](http://www.sce.com/ebilling). It's fast, easy and secure.

# Your electricity bill

P.O. Box 300  
Rosemead, CA  
91772-0001  
[www.sce.com](http://www.sce.com)

WESTERN ORANGE CO WATER BOARD / Page 3 of 22

For billing and service inquiries call 1-800-990-7788,  
Mon - Fri 7 a.m. to 7 p.m. and Saturday 8 a.m. to 5 p.m.  
For emergency services call 24 hrs a day, 7 days a week

Customer account 2-21-891-9520  
KEN DILLS  
PO BOX 190  
HUNTINGTON BEACH, CA  
92648-0190

Date bill prepared: Sep 6 '14

## Your account summary

Amount of your last bill  
Payment we received on Aug 25 '14 - thank you  
Balance forward  
Your new charges

**\$ Total amount you owe by Sep 25 '14**

OP/OC/OD/OJ/OW #	13115
Supplier #	18029
Order Co#	508
\$384.54 or 3-way	
\$0.00 Count #	50885101.61210
\$39.76 Approved	9/11/14
\$397.76 Batch#	

## You Received a California Climate Credit

California is fighting climate change and so can you! Your bill includes a Climate Credit from a state program to cut carbon pollution while also reducing your energy costs. Find out how at [EnergyUpgradeCA.org/credit](http://EnergyUpgradeCA.org/credit).

## Summary of your billing detail

Service account	Service address	Billing period	Your rate	New charges
3-000-6276-98	BOLSA/NEWLAND MIDWAY CITY, CA	Aug 5 '14 to Sep 4 '14	TOU-GS-1-A	\$31.05
3-002-6702-34	WS SPGDALE/SO PE RR HUNTINGTON BEACH, CA	Aug 5 '14 to Sep 4 '14	TOU-GS-1-A	\$55.55
3-003-5176-40	DALE N/O KATELLA STANTON, CA	Aug 5 '14 to Sep 4 '14	TOU-GS-1-A	\$61.04
3-003-5426-86	8462 STANFORD AVE WTR GARDEN GROVE, CA	Aug 5 '14 to Sep 4 '14	TOU-GS-1-A	\$25.08
3-003-5454-54	8502 KATELLA GARDEN GROVE, CA	Aug 5 '14 to Sep 4 '14	TOU-GS-1-A	\$68.88

(Continued on next page)

Please return the payment stub below with your payment and make your check payable to Southern California Edison.  
If you want to pay in person, call 1-800-747-8908 for locations, or you can pay online at [www.sce.com](http://www.sce.com).

(14-574)

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Customer account 2-21-891-9520  
Please write this number on your check. Make your  
check payable to Southern California Edison.

Amount due by Sep 25 '14

\$397.76

Amount enclosed \$

STMT 09062014 P4

WESTERN ORANGE CO WATER BOARD  
% HUNTINGTON BEACH WATER DIV  
PO BOX 190  
HUNTINGTON BEACH, CA 92648-0190

P.O. BOX 300  
ROSEMEAD, CA 91772-0001

21 891 9520 00000050 0000000000000039776000039776

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ASSOCIATION OF CALIFORNIA WATER AGENCIES  
**JOINT POWERS**  
INSURANCE AUTHORITY

# INVOICE

## AUTO and GENERAL LIABILITY PROGRAM FOR POLICY YEAR 10/1/2014 - 10/1/2015

Member # W019  
West Orange County Water Board  
PO Box 190  
Huntington Beach, CA 92648

Invoice Date: 08/21/2014

DESCRIPTION:

Deposit Premium for the 10/1/2014-2015 Policy Year  
(Due on October 1, 2014)

\$4,786.00

*ok* *CLD*

WILL BE DELINQUENT AND SUBJECT TO PENALTY AND INTEREST CHARGES, IF NOT  
PAID OR POST MARKED BY OCTOBER 31, 2014

PLEASE MAKE CHECK PAYABLE TO:  
ACWA/JOINT POWERS INSURANCE AUTHORITY

OP/ OC/ OD/ OJ/ OW #	
Supplier #	12156
Order Co#	508
2-way or 3-way	
Account #	50885.101.73010
Approved	
PV#	Batch#

ACWA/JOINT POWERS INSURANCE AUTHORITY  
LIABILITY PROGRAM  
E-MOD/PREMIUM CALCULATION WORK SHEET  
AT 8/21/2014

West Orange County Water Board

10/1/2014-2015 ANNUAL ESTIMATED PAYROLL: \$67,000

LOSSES FOR PERIOD 10/1/2010 THRU 9/30/2013

RETRO ALLOCATION POINT: \$2,500

YEAR	CLAIM #	TOTAL LOSS	RAP	CLAIMS OVER RAP (or \$15,000)*	AMOUNT USED IN E-MOD CALC (Capped at \$75,000)
10/1/2010-2011	No Claims	\$0.00	\$0	\$0.00	\$0.00
10/1/2011-2012	No Claims	\$0.00	\$0	\$0.00	\$0.00
10/1/2012-2013	No Claims	\$0.00	\$0	\$0.00	\$0.00
THREE YEAR LOSS TOTAL		\$0.00		\$0.00	\$0.00

**EXPERIENCE MODIFICATION FORMULA**

**STEP 1**

$$\begin{aligned}
 & \$2,250 + ( \text{Payroll} \times \text{P/R Modifier} \times ( 7 / \text{Log of Payroll} ) ) = \text{Basic Premium} \\
 & \$2,250 + ( \$67,000 \times 0.068501 \times ( 7 / 11.112448 ) ) = \$5,141
 \end{aligned}$$

**STEP 2**

$$\begin{aligned}
 & ( \text{Three Year Loss Total} / 3 ) / \text{Basic Premium} = \text{District Rate} \\
 & ( \$0 / 3 ) / \$5,141 = 0.0000
 \end{aligned}$$

**STEP 3**

$$\begin{aligned}
 & \text{District Rate} / \text{Average Rate} = \text{Unweighted Modification Factor} \\
 & 0.000000 / 0.166228 = 0.000000
 \end{aligned}$$

**STEP 4**

$$\begin{aligned}
 & \text{Square root of } ( \text{Basic Premium} / \$2,000,000 ) = \text{Credibility Factor} \\
 & \text{Square root of } ( \$5,141 / \$2,000,000 ) = 0.0507
 \end{aligned}$$

**STEP 5**

$$\begin{aligned}
 & ( \text{Credibility Factor} \times \text{Unweighted Modification Factor} ) + ( 1.0 - \text{Credibility Factor} ) = \text{E-MOD} \\
 & ( 0.0507 \times 0.0000 ) + ( 1.0 - 0.0507 ) = 0.9500
 \end{aligned}$$

**DEPOSIT PREMIUM FORMULA**

**STEP 1**

$$\begin{aligned}
 & \text{Basic Premium} \times \text{E-MOD} = \text{Gross Premium} \\
 & \$5,141 \times 0.9500 = \$4,884
 \end{aligned}$$

**STEP 2 (2 Programs = 2.00%)**

$$\begin{aligned}
 & \text{Gross Premium} \times \text{Multiple Program Discount Factor} = \text{Deposit Premium} + \text{Adjustment} = \text{Adjusted Deposit Premium} \\
 & \$4,884 \times 0.98 = \$4,786 + \$0 = \$4,786
 \end{aligned}$$

THE MINIMUM RAP FOR THE PREMIUM SHOWN ABOVE IS \$2,500

YOUR CURRENT RAP IS \$2,500

IF YOU WISH TO SELECT A HIGHER RAP, PLEASE CONTACT MEMBER SERVICES

\*AMOUNT DERIVED BY DETERMINING THE LOWER OF THE CHOSEN RAP VS \$15,000. IF 'TOTAL LOSS' COLUMN EXCEEDS  
THIS FIGURE THEN THE TOTAL LOSS IS ENTERED HERE.

STATEMENT

WEST ORANGE COUNTY WATER BOARD  
CITY HALL  
2000 MAIN STREET  
HUNTINGTON BEACH, CALIFORNIA

Services for the month of July 2014

\$100.00

*I certify that the above is true and just and that payment therefore has not been received and that services performed were performed for the benefit of the Board.*

Date: July 16, 2014

*[Handwritten Signature]*  
Signature  
**Joe Carchio**  
**CITY OF HUNTINGTON BEACH**

50885101.75410 \$56.1000  
50885101.75420 \$4.2000  
50885101.75430 \$14.3000  
50885101.75440 \$25.4000  
35373 \$100.0000

OP/OC/OD/OJ/OW #	49982
Supplier #	35373
Order Co#	508
2-way pr 3-way	
Account #	
Approved	<i>[Signature]</i> 7.22.14
PV#	Batch#

**STATEMENT**

WEST ORANGE COUNTY WATER BOARD  
CITY HALL  
2000 MAIN STREET  
HUNTINGTON BEACH, CALIFORNIA

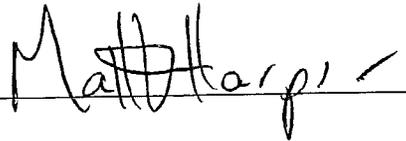
Services for the month of July 2014

**\$100.00**

*I certify that the above is true and just and that  
payment therefore has not been received and that  
services performed were performed for the benefit of  
the Board.*

Date: July 16, 2014

Signature



**Matthew Harper  
CITY OF HUNTINGTON BEACH**

50885101.75410	\$56.1000
50885101.75420	\$4.2000
50885101.75430	\$14.3000
50885101.75440	\$25.4000
38334	\$100.0000

OP/ OC/ <u>OD</u> / OJ/ OW #	49985
Supplier #	38334
Order Co#	508
2-way or 3-way	
Account #	
Approved <i>[Signature]</i>	7.22.14
PV#	Batch#

102118

STATEMENT

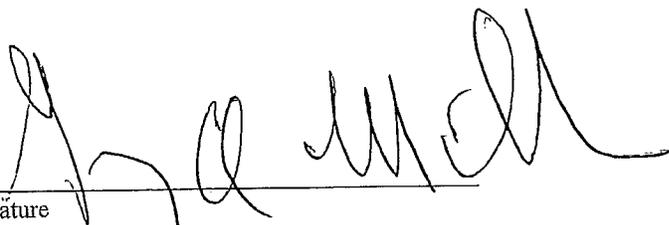
WEST ORANGE COUNTY WATER BOARD  
CITY HALL  
2000 MAIN STREET  
HUNTINGTON BEACH, CALIFORNIA

Services for the month of July 2014

\$100.00

*I certify that the above is true and just and that  
payment therefore has not been received and that  
services performed were performed for the benefit of  
the Board.*

Date: July 16, 2014

  
Signature

**Gary Miller**  
**CITY OF SEAL BEACH**

50885101.75410	\$56.1000
50885101.75420	\$4.2000
50885101.75430	\$14.3000
50885101.75440	\$25.4000
63470	\$100.0000



OP/OC/OD/OJ/OW #	49986
Supplier #	63470
Order Co#	508
2-way or 3-way	
Account #	
Approved	<i>[Signature]</i> 7.22.14
PV#	Batch#

102119

STATEMENT

WEST ORANGE COUNTY WATER BOARD  
CITY HALL  
2000 MAIN STREET  
HUNTINGTON BEACH, CALIFORNIA

Services for the month of July 2014

\$100.00

*I certify that the above is true and just and that  
payment therefore has not been received and that  
services performed were performed for the benefit of  
the Board.*

Date: July 16, 2014



Signature

**Andy Quach**  
**CITY OF WESTMINSTER**

50885101.75410	\$56.1000
50885101.75420	\$4.2000
50885101.75430	\$14.3000
50885101.75440	\$25.4000
101387	\$100.0000

OP/OC	OD/OJ/OW #	49987
Supplier #		101387
Order Co#		508
2-way or 3-way		
Account #		
Approved		July 7.22.14
PV#	Batch#	

102120



# Work Order Charges Summary

Report Range: From 07/01/2014 To 9/30/2014

Program/Category	WOID	WO Description	Other Charges	WO Count	Labor Hours	Labor Charges	Equip. Charges	Materials Charges	Total
508-WOCWB				10	476	\$21,158.56	\$5,574.63	\$7,897.45	\$34,630.63
Contracts for Rep and Maint (50885101.64620)									
WO: 133645		July BacT Can Installs:		3	414	\$17,882.24	\$4,341.93	\$7,856.53	\$30,080.69
WO: 144380		August BacT Can Installs:		1	152.5	\$6,976.95	\$1,701.98	\$6,129.75	\$14,808.68
WO: 144381		September BacT Can Installs:		1	189	\$7,662.06	\$2,006.33	\$1,726.78	\$11,395.17
Miscellaneous (50885101.64620)				1	72.5	\$3,243.23	\$633.62	\$0.00	\$3,876.85
WO: 130043		WOCWB OT		1	34	\$1,991.14	\$304.92		\$2,296.06
Other Cont Svcs (50885101.69505)				1	34	\$1,991.14	\$304.92		\$2,296.06
WO: 130168		WOCWB July		6	28	\$1,285.18	\$927.78	\$40.92	\$3,113.74
WO: 130169		WOCWB August		1	4	\$176.95	\$176.72		\$353.67
WO: 130170		WOCWB September		1	14	\$674.82	\$309.26		\$984.08
WO: 130192		WOCWB - Blow Offs		1	4	\$159.04	\$176.72		\$335.76
WO: 130193		WOCWB - DK OC-9 Inst. & Controls		1	6	\$274.37	\$265.08		\$539.45
				1				\$40.92	\$40.92

Labor Charges \$21,158.56  
 Equipment Charges \$5,574.63

Total Huntington Beach Charges \$26,733.19

Materials Charges are not assessed as these are purchased by WOCWB but also display automatically in the City's work order system. Assessing those charges would therefore be charging WOCWB twice. They are shown so that the Board members can review the quarterly work order.

**TREASURER'S REPORT AS PREPARED BY**  
**CITY TREASURER**



CITY OF HUNTINGTON BEACH  
INTERDEPARTMENTAL COMMUNICATION  
OFFICE OF THE CITY TREASURER

TO: West Orange County Water Board (WOCWB) c/o Chris Davis

FROM: Alisa Cutchen, City Treasurer

DATE: January 8, 2015

**SUBJECT: WEST ORANGE COUNTY WATER BOARD (WOCWB) - QUARTERLY  
INVESTMENT REPORT – JANUARY 21, 2015 MEETING**

---

Enclosed are the Investment Reports for October, November and December 2014.

Please distribute to the WOCWB Board Members and place these items on the next WOCWB agenda. We are missing the December 2014 LAIF Market Value Report, as it is not yet available. If this report becomes available prior to the WOCWB meeting date of January 21, 2015, Linda Wine will send you a copy as a late item.

cc: Laurie Hill  
Joyce M. Zacks



City of Huntington Beach  
2000 Main St.  
Huntington Beach.

**West Orange County Water Board  
Portfolio Management  
Portfolio Summary  
October 31, 2014**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	208,342.86	208,342.86	208,342.86	79.22	1	1	0.257	0.261
Passbook/Checking Accounts - USOC	54,643.57	54,643.57	54,643.57	20.78	1	1	0.049	0.050
	<b>262,986.43</b>	<b>262,986.43</b>	<b>262,986.43</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.214</b>	<b>0.217</b>

**Investments**

	October 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
<b>Total Earnings</b>				
Current Year	46.69		46.69	
Current Budget	40.00		40.00	480.00
Last Year Actual	60.00		60.00	720.00
<b>Average Daily Balance</b>	<b>251,170.27</b>		<b>251,170.27</b>	
<b>Effective Rate of Return</b>	<b>0.22%</b>		<b>0.22%</b>	

I certify that this report accurately reflects all WOCWB investments and is in conformity with all State laws and the investment policy statement filed with the WOCWB Board of Directors on January 14, 2014. A copy of this policy is available in the office of WOCWB. The investment program herein shown provides sufficient cash flow liquidity to meet the next six month's budgeted expenditures.

*Alisa Cutchen*  
Alisa Cutchen, Treasurer

1.7.15

West Orange County Water Board  
 Portfolio Management  
 Portfolio Details - Investments  
 October 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Local Agency Investment Funds</b>												
SYS100	100	Local Agency Investment Fund	208,342.86		208,342.86	208,342.86	208,342.86	0.261		0.261	1	
		Subtotal and Average	208,285.56		208,342.86	208,342.86	208,342.86			0.261	1	
<b>Passbook/Checking Accounts - UBOC</b>												
SYS101	101	Union Bank of California	42,884.71		54,643.57	54,643.57	54,643.57	0.050		0.050	1	
		Subtotal and Average	42,884.71		54,643.57	54,643.57	54,643.57			0.050	1	
		Total and Average	251,170.27		262,986.43	262,986.43	262,986.43			0.217	1	

**West Orange County Water Board  
Portfolio Management  
Activity By Type**

October 1, 2014 through October 31, 2014

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
SYS100	100	Local Agency Investment Fund	0.261		126.87	0.00	
		Subtotal			126.87	0.00	208,342.86
<b>Passbook/Checking Accounts - UBOC (Monthly Summary)</b>							
SYS101	101	Union Bank of California	0.050		45,564.60	0.00	
		Subtotal			45,564.60	0.00	54,543.57
		Total			45,691.47	0.00	262,986.43

**West Orange County Water Board  
Portfolio Management  
Activity Summary  
October 2013 through October 2014**

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
October	2013	2	280,026.22	0.257	0.261	0.266	0	0	1	1
November	2013	2	219,156.47	0.225	0.228	0.263	0	0	1	1
December	2013	2	248,858.57	0.225	0.228	0.263	0	0	1	1
January	2014	2	248,941.62	0.209	0.212	0.244	0	0	1	1
February	2014	2	264,722.25	0.188	0.191	0.236	0	0	1	1
March	2014	2	274,891.00	0.188	0.191	0.236	0	0	1	1
April	2014	2	274,956.90	0.186	0.188	0.233	0	0	1	1
May	2014	2	262,738.39	0.190	0.192	0.228	0	0	1	1
June	2014	2	260,378.39	0.190	0.192	0.228	0	0	1	1
July	2014	2	260,441.35	0.202	0.205	0.244	0	0	1	1
August	2014	2	260,493.64	0.215	0.218	0.260	0	0	1	1
September	2014	2	228,814.58	0.248	0.251	0.260	0	0	1	1
October	2014	2	251,170.27	0.214	0.217	0.261	0	0	1	1
Average		2	256,630.82	0.210%	0.213%	0.248	0	0	1	1

**West Orange County Water Board**  
**Portfolio Management**  
**Interest Earnings Summary**  
**October 31, 2014**

October 31 Month Ending      Fiscal Year To Date

**CD/Coupon/Discount Investments:**

Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00

**Pass Through Securities:**

Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00

**Cash/Checking Accounts:**

Interest Collected	127.23	127.23
Plus Accrued Interest at End of Period	-3,305.32	-3,305.32
Less Accrued Interest at Beginning of Period	( -3,224.78)	( -3,224.78)
Interest Earned during Period	46.69	46.69
<b>Total Interest Earned during Period</b>	<b>46.69</b>	<b>46.69</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>46.69</b>	<b>46.69</b>

**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**10/31/2014**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch.		
<b>United States Treasury:</b>				
Bills	\$ 11,138,020,722.75		\$ 11,146,519,500.00	NA
Notes	\$ 18,513,242,596.54		\$ 18,535,692,500.00	\$ 20,423,885.50
<b>Federal Agency:</b>				
SBA	\$ 561,088,301.66		\$ 556,484,910.43	\$ 512,473.75
MBS-REMICs	\$ 107,647,621.64		\$ 115,348,260.67	\$ 512,618.92
Debentures	\$ 2,059,410,921.24		\$ 2,058,696,450.00	\$ 2,952,711.40
Debentures FR	\$ -		\$ -	\$ -
Discount Notes	\$ 1,099,463,750.00		\$ 1,099,916,000.00	NA
GNMA	\$ -		\$ -	\$ -
Supranational Debentures	\$ 399,927,859.19		\$ 400,281,000.00	\$ 385,602.50
CDs and YCDs FR	\$ -		\$ -	\$ -
Bank Notes	\$ 300,000,000.00		\$ 299,866,514.97	\$ 72,888.89
CDs and YCDs	\$ 8,150,026,364.38		\$ 8,146,899,967.96	\$ 3,667,270.85
Commercial Paper	\$ 4,369,153,681.11		\$ 4,369,120,664.17	NA
<b>Corporate:</b>				
Bonds FR	\$ -		\$ -	\$ -
Bonds	\$ -		\$ -	\$ -
Repurchase Agreements	\$ -		\$ -	\$ -
Reverse Repurchase	\$ -		\$ -	\$ -
Time Deposits	\$ 4,942,740,000.00		\$ 4,942,740,000.00	NA
AB 55 & GF Loans	\$ 5,904,339,467.74		\$ 5,904,339,467.74	NA
<b>TOTAL</b>	<b>\$ 57,545,061,286.25</b>		<b>\$ 57,575,905,235.94</b>	<b>\$ 28,527,451.81</b>

Fair Value Including Accrued Interest \$ 57,604,432,687.75

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).



City of Huntington Beach  
2000 Main St.  
Huntington Beach,

**West Orange County Water Board  
Portfolio Management  
Portfolio Summary  
November 30, 2014**

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	208,342.86	208,342.86	208,342.86	68.73	1	1	0.257	0.261
Passbook/Checking Accounts - UBOC	94,772.02	94,772.02	94,772.02	31.27	1	1	0.049	0.050
<b>Investments</b>	<b>303,114.88</b>	<b>303,114.88</b>	<b>303,114.88</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.192</b>	<b>0.195</b>

	November 30	Month Ending	Fiscal Year To Date	Fiscal Year Ending
<b>Total Earnings</b>			94.23	
Current Year	47.54		80.00	480.00
Current Budget	40.00		120.00	720.00
Last Year Actual	60.00			
Average Daily Balance	277,700.02		264,217.69	
Effective Rate of Return	0.21%		0.21%	

I certify that this report accurately reflects all WOCWB investments and is in conformity with all State laws and the investment policy statement filed with the WOCWB Board of Directors on January 14, 2014. A copy of this policy is available in the office of WOCWB. The investment program herein shown provides sufficient cash flow liquidity to meet the next six month's budgeted expenditures.

*Alisa Cutchen*  
Alisa Cutchen, Treasurer

1-7-15

Portfolio WOCWB  
AC  
PM (PRE\_PM1) 7.3.0  
Report Ver. 7.3.3b

West Orange County Water Board  
 Portfolio Management  
 Portfolio Details - Investments  
 November 30, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Local Agency Investment Funds</b>												
	100	Local Agency Investment Fund	208,342.86		208,342.86	208,342.86	208,342.86	0.261		0.261	1	
		Subtotal and Average	208,342.86		208,342.86	208,342.86	208,342.86	0.261		0.261	1	
<b>Passbook/Checking Accounts - UBOC</b>												
	101	Union Bank of California	69,357.15		94,772.02	94,772.02	94,772.02	0.050		0.050	1	
		Subtotal and Average	69,357.15		94,772.02	94,772.02	94,772.02	0.050		0.050	1	
		Total and Average	277,700.02		303,114.88	303,114.88	303,114.88	0.195		0.195	1	

West Orange County Water Board  
 Portfolio Management

Activity By Type  
 November 1, 2014 through November 30, 2014

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
Local Agency Investment Funds (Monthly Summary)							
		Subtotal					208,342.86
Passbook/Checking Accounts - UBOC (Monthly Summary)							
SYS101	101	Union Bank of California	0.050		40,128.45	0.00	
		Subtotal			40,128.45	0.00	94,772.02
		Total			40,128.45	0.00	303,114.88

West Orange County Water Board  
Portfolio Management

Activity Summary  
November 2013 through November 2014

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Days to Maturity
				360 Equivalent	365 Equivalent					
November 2013	2013	2	219,156.47	0.225	0.228	0.263	0	0	1	1
December 2013	2013	2	248,858.57	0.225	0.228	0.263	0	0	1	1
January 2014	2014	2	248,941.62	0.209	0.212	0.244	0	0	1	1
February 2014	2014	2	264,722.25	0.188	0.191	0.236	0	0	1	1
March 2014	2014	2	274,891.00	0.188	0.191	0.236	0	0	1	1
April 2014	2014	2	274,956.90	0.186	0.188	0.233	0	0	1	1
May 2014	2014	2	262,738.39	0.190	0.192	0.228	0	0	1	1
June 2014	2014	2	260,378.39	0.190	0.192	0.228	0	0	1	1
July 2014	2014	2	260,441.35	0.202	0.205	0.244	0	0	1	1
August 2014	2014	2	260,493.64	0.215	0.218	0.260	0	0	1	1
September 2014	2014	2	228,814.58	0.248	0.251	0.260	0	0	1	1
October 2014	2014	2	251,170.27	0.214	0.217	0.261	0	0	1	1
November 2014	2014	2	277,700.02	0.192	0.195	0.261	0	0	1	1
Average		2	256,394.92	0.205%	0.208%	0.247	0	0	1	1

**West Orange County Water Board  
Portfolio Management  
Interest Earnings Summary  
November 30, 2014**

	November 30 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.52	127.75
Plus Accrued Interest at End of Period	-3,258.30	-3,258.30
Less Accrued Interest at Beginning of Period	( -3,305.32)	( -3,224.78)
Interest Earned during Period	47.54	94.23
Total Interest Earned during Period	47.54	94.23
Total Adjustments from Premiums and Discounts	0.00	0.00
Total Capital Gains or Losses	0.00	0.00
Total Earnings during Period	47.54	94.23





**West Orange County Water Board**  
**Portfolio Management**  
**Portfolio Summary**  
**December 31, 2014**

City of Huntington Beach  
 2000 Main St.  
 Huntington Beach, CA

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	208,342.86	208,342.86	208,342.86	77.76	1	1	0.263	0.267
Passbook/Checking Accounts - UBOC	59,563.32	59,563.32	59,563.32	22.24	1	1	0.049	0.050
	<b>267,926.18</b>	<b>267,926.18</b>	<b>267,926.18</b>	<b>100.00%</b>	<b>1</b>	<b>1</b>	<b>0.216</b>	<b>0.219</b>

**Investments**

	December 31	Month Ending	Fiscal Year To Date	Fiscal Year Ending
Total Earnings				
Current Year	50.50		142.58	
Current Budget	40.00		120.00	480.00
Last Year Actual	60.00		180.00	720.00
Average Daily Balance	284,952.63		271,204.46	
Effective Rate of Return	0.21%		0.21%	

I certify that this report accurately reflects all WOCWB investments and is in conformity with all State laws and the investment policy statement filed with the WOCWB Board of Directors on January 14, 2014. A copy of this policy is available in the office of WOCWB. The investment program herein shown provides sufficient cash flow liquidity to meet the next six months' budgeted expenditures.

*Alisa Cutchen*  
 Alisa Cutchen, Treasurer

Portfolio WOCW  
 AC  
 PM (PRF\_PM1) 7.3.0  
 Report Ver. 7.3.3b

Reporting period 12/01/2014-12/31/2014

Run Date: 01/08/2015 - 10:21

West Orange County Water Board  
 Portfolio Management  
 Portfolio Details - Investments  
 December 31, 2014

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
<b>Local Agency Investment Funds</b>												
	100	Local Agency Investment Fund	208,342.86		208,342.86	208,342.86	208,342.86	0.267		0.267	1	
		<b>Subtotal and Average</b>			208,342.86	208,342.86	208,342.86	0.267		0.267	1	
<b>Passbook/Checking Accounts - UBOC</b>												
	101	Union Bank of California	76,609.77		59,583.32	59,583.32	59,583.32	0.050		0.050	1	
		<b>Subtotal and Average</b>			59,583.32	59,583.32	59,583.32	0.050		0.050	1	
		<b>Total and Average</b>	284,952.63		267,926.18	267,926.18	267,926.18			0.219	1	

West Orange County Water Board  
 Portfolio Management  
 Activity By Type  
 December 1, 2014 through December 31, 2014

CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Redemptions or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
		Subtotal					208,342.86
<b>Passbook/Checking Accounts - USOC (Monthly Summary)</b>							
SYS101	101	Union Bank of California	0.050		0.70	35,189.40	
		Subtotal			0.70	35,189.40	59,583.32
		Total			0.70	35,189.40	267,926.18

**West Orange County Water Board  
Portfolio Management  
Activity Summary**

**December 2013 through December 2014**

Month End	Year	Number of Securities	Average Balance	Yield to Maturity		Managed Pool Rate	Number of Investments Purchased	Number of Investments Redeemed	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
December 2013		2	248,858.57	0.225	0.228	0.263	0	0	1	1
January 2014		2	248,941.62	0.209	0.212	0.244	0	0	1	1
February 2014		2	264,722.25	0.188	0.191	0.236	0	0	1	1
March 2014		2	274,891.00	0.188	0.191	0.236	0	0	1	1
April 2014		2	274,956.90	0.186	0.188	0.233	0	0	1	1
May 2014		2	262,738.39	0.190	0.192	0.228	0	0	1	1
June 2014		2	260,378.39	0.190	0.192	0.228	0	0	1	1
July 2014		2	260,441.35	0.202	0.205	0.244	0	0	1	1
August 2014		2	260,493.64	0.215	0.218	0.260	0	0	1	1
September 2014		2	228,814.58	0.248	0.251	0.260	0	0	1	1
October 2014		2	251,170.27	0.214	0.217	0.261	0	0	1	1
November 2014		2	277,700.02	0.192	0.195	0.261	0	0	1	1
December 2014		2	284,952.63	0.216	0.219	0.267	0	0	1	1
<b>Average</b>		<b>2</b>	<b>261,451.59</b>	<b>0.205%</b>	<b>0.208%</b>	<b>0.248</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>1</b>

**West Orange County Water Board**  
**Portfolio Management**  
**Interest Earnings Summary**  
**December 31, 2014**

	December 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Periods	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	0.70	128.45
Plus Accrued Interest at End of Period	-3,210.65	-3,210.65
Less Accrued Interest at Beginning of Period	( -3,260.45)	( -3,224.78)
Interest Earned during Period	50.50	142.58
<b>Total Interest Earned during Period</b>	<b>50.50</b>	<b>142.58</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>50.50</b>	<b>142.58</b>



**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**12/31/2014**

Description	Carrying Cost Plus		Fair Value	Accrued Interest
	Accrued Interest	Purch. Amortized Cost		
United States Treasury:				
Bills	\$ 10,887,243,396.32	\$ 10,893,046,311.71	\$ 10,892,425,500.00	NA
Notes	\$ 17,710,184,296.49	\$ 17,708,969,034.53	\$ 17,712,248,000.00	\$ 16,255,025.50
Federal Agency:				
SBA	\$ 546,751,742.21	\$ 546,751,742.21	\$ 542,196,891.53	\$ 499,449.17
MBS-REMICs	\$ 104,044,287.57	\$ 104,044,287.57	\$ 110,871,394.73	\$ 495,601.80
Debentures	\$ 1,856,527,095.09	\$ 1,856,522,928.42	\$ 1,855,996,950.00	\$ 3,710,279.75
Debentures FR	\$ -	\$ -	\$ -	\$ -
Discount Notes	\$ 1,349,432,083.34	\$ 1,349,892,944.44	\$ 1,349,948,000.00	NA
GNMA	\$ -	\$ -	\$ -	\$ -
Supranational Debentures	\$ 450,246,568.19	\$ 450,199,693.19	\$ 449,536,000.00	\$ 759,031.50
CDs and YCDs FR	\$ -	\$ -	\$ -	\$ -
Bank Notes	\$ 500,000,000.00	\$ 500,000,000.00	\$ 499,853,180.04	\$ 220,944.45
CDs and YCDs	\$ 9,450,006,464.82	\$ 9,450,006,464.82	\$ 9,446,060,558.99	\$ 4,073,958.30
Commercial Paper	\$ 5,468,678,264.43	\$ 5,469,479,438.27	\$ 5,468,593,770.00	NA
Corporate:				
Bonds FR	\$ -	\$ -	\$ -	\$ -
Bonds	\$ -	\$ -	\$ -	\$ -
Repurchase Agreements	\$ -	\$ -	\$ -	\$ -
Reverse Repurchase	\$ -	\$ -	\$ -	\$ -
Time Deposits	\$ 5,035,240,000.00	\$ 5,035,240,000.00	\$ 5,035,240,000.00	NA
AB 55 & GF Loans	\$ 6,910,533,523.59	\$ 6,910,533,523.59	\$ 6,910,533,523.59	NA
<b>TOTAL</b>	<b>\$ 60,268,887,722.05</b>	<b>\$ 60,274,686,368.75</b>	<b>\$ 60,273,503,768.88</b>	<b>\$ 26,014,290.47</b>

Fair Value Including Accrued Interest

\$ 60,299,518,059.35

Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

The value of each participating dollar equals the fair value divided by the amortized cost (0.99998038). As an example: if an agency has an account balance of \$20,000,000.00, then the agency would report its participation in the LAIF valued at \$19,999,607.60 or \$20,000,000.00 x 0.99998038.

**ANNUAL INVESTMENT POLICY**

# West Orange County Water Board Statement of Investment Policy

## 1.0 POLICY

1.1 Statement of Investment Policy. This statement of Investment Policy is intended to outline the policies for the prudent investment of funds for the West Orange County Water Board (WOCWB) to meet the short and long term cash flow needs of WOCWB.

This Investment Policy and practices are based upon the West Orange County Water Board Joint Powers Agreement dated October, 1967, as amended, prudent money management principles and State laws affecting the investment of funds. The Treasurer shall invest with the objectives of protecting principal of funds, providing sufficient liquidity to meet cash flow needs, and to achieve a reasonable rate of return within the parameter of prudent risk management as further described in 3.0, below.

1.2 Incorporated Appendices. Appendix 1, Definitions, and Appendix 2, Glossary, are attached to this Investment Policy and incorporated herein by this reference.

## 2.0 SCOPE

This Investment Policy covers all funds and investment activities under the direct control of WOCWB unless specifically exempted.

## 3.0 OBJECTIVE

The objective of the Investments is to meet the short and long term cash flow demands of WOCWB. To achieve this objective, and pursuant to Government Code Section 53600.5, the Investments will be structured to provide, in order of priority, (1) safety of principal; (2) providing sufficient liquidity to meet cash flow needs; and (3) providing a reasonable return on investment. These are further described below:

3.1 Safety of Principal. Safety of principal is the foremost objective of WOCWB's Investment Policy. Investments of WOCWB shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

3.2 Liquidity. The portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonable anticipated. This is accomplished by structuring the portfolio so that all funds mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio will maintain moneys in funds with daily liquidity, such as LAIF.

3.3 Return on Investment. Return on investment is of least importance compared to the safety and liquidity objectives described above. The portfolio will provide a rate of return based on the market rates of investments, at the time of purchase.

## 4.0 DELEGATION OF AUTHORITY

Pursuant to Section 3.0 of the Joint Powers Agreement and Government Code Section 53607, the Board hereby authorizes the Treasurer, or his/her designee, to invest, reinvest, sell or exchange WOCWB's funds and Investments in accordance with Government Code Sections 53600, 16429.1 and 53684, et seq., as further limited by this Investment Policy. Such delegation of authority is subject to annual review and renewal by the Board as set forth in 16.0. Within the Treasurer's office, the responsibility for the day-to-day investment of WOCWB funds will be the Treasurer or his/her authorized designee. The Treasurer shall be responsible for all transactions undertaken pursuant to this delegation of authority and shall report such transactions to the Board as required pursuant to Government

Code Section 53607.

## **5.0 PRUDENCE**

Investments shall be made in the context of the “Prudent Investor” standard set forth in Government Code Section 53600.3 which generally states that investments shall be made with judgment and care—under circumstances then prevailing—which person of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. All Investments purchased shall have daily liquidity or a final stated maturity date, upon which the full principal value of the security will be received. Although the Investment will mature at full principal value, it is recognized that the market values of certain securities may vary from time to time.

The Treasurer and the Deputy Treasurer, as investment officers acting in accordance with the Investment Policy and exercising due diligence and the referenced standard of care, shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported to WOCWB in a timely fashion and appropriate action is promptly taken to control adverse developments.

## **6.0 ETHICS AND CONFLICTS OF INTEREST**

The Treasurer and his/her authorized designees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or which could impair their ability to make impartial investment decisions. All individuals involved in the investment process shall disclose any material interest in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio and shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of WOCWB.

The Treasurer and his/her authorized designees are required to file annual disclosure statements as required for “public officials who manage public investments” (as defined and required by the Political Reform Act and related regulations, being Government Code Sections 81000 and following and the Fair Political Practices Commission (FPPC)). During the course of the year, if there is an event subject to disclosure that could impair the ability of the Treasurer or Deputy Treasurer to make impartial decisions, the General Manager and Board will be notified within 15 days of the event.

## **7.0 AUTHORIZED FINANCIAL INSTITUTIONS**

The Treasurer will maintain a list of the financial institutions authorized to provide investment and depository services to WOCWB and will perform an annual review of the financial condition and require annual audited financial statements to be on file for each such company. No public deposit shall be made except in a qualified public depository as established by State law. Negotiable instruments requiring third party safekeeping are not cost effective for WOCWB. Consequently, WOCWB does not require broker/dealers. Money market mutual fund accounts are restricted to funds that are rated “AAA” by at least two nationally recognized statistical-rating organizations (“NRSRO”) as set forth in 8.0.

## **8.0 AUTHORIZED AND SUITABLE INVESTMENTS**

Section 3.0 of the Joint Powers Agreement states that: “the Treasurer shall keep all revenues of WOCWB in an interest bearing account and otherwise perform the duties and responsibilities of that office as specified in Section 6505.5(a)-(e) of the Government Code.”

All Investments under this Investment Policy shall be made in accordance with the provisions of Article I (commencing with Section 6500), Chapter 5, Division 7, Title 1 and Sections 16429.1, 53601, and 53635 of the Government Code.

Authorized Investments under this Investment Policy are as follows:

- 8.1 Passbook or checking account deposits at a financial institution as authorized under 7.0 (insured or collateralized as set forth in 10.0). Except as provided under 11.0 (Diversification) there are no limitations on the amount of funds that can be invested in this Authorized Investment.
- 8.2 Certificates of Deposit (insured or collateralized as set forth in 10.0) limited to 30% of the Book Value of the portfolio.
- 8.3 Local Agency Investment Fund (LAIF). Except as provided under 11.0 (Diversification) there are no limitations on the amount of funds that can be invested in this Authorized Investment.
- 8.4 "AAA" rated Money Market Mutual Funds not to exceed 20% of the Book Value of the portfolio. All Money Market Mutual Funds must be "AAA" (or equivalent) rated by two NRSRO, invest only in direct obligations in US Treasury bills, notes, bonds, agencies and repurchase agreements with a weighted average of 60 days or less, and have a minimum of \$500 million in assets under management. No more than 10% of the portfolio shall be invested in any one mutual fund.

**9.0 INVESTMENT POOLS (LAIF DEPOSITS)**

The Treasurer will investigate all local government investment pools as authorized under Government Code 53684 and money market mutual funds prior to investing and quarterly thereafter while WOCWB funds are invested in the pool. Investment of funds in LAIF is authorized under provisions in Section 16429.1 of the Government Code as an allowable investment for local agencies even though some of the individual investments of the pool are not allowed as a direct investment by a local agency, and limits deposits to \$50 million per entity.

The Association of Public Treasurer's of the United States and Canada has issued guidelines and a questionnaire for investment pools. The response from LAIF is on file in the Treasurer's office. LAIF distributes monthly reports that provide the breakdown of the investment holdings. LAIF also provides quarterly reports indicating the maturity distribution and market value of the portfolio.

**10.0 COLLATERALIZATION**

Under the provisions of the California Government Code (Sections 53652-53667), California banks, and savings and loan associations are required to secure WOCWB's Certificate of Deposits, passbook and checking account deposits by pledging eligible securities (as described in Government Code Section 53651) with a value of 110% of principal and accrued interest. Such collateral shall be marked-to-market no less often than monthly. The Treasurer will have the authority to waive collateral requirements for deposits insured by the FDIC pursuant to Government Code Section 53653.

**11.0 DIVERSIFICATION**

WOCWB may diversify its Investments by security type and institution. If authorized by the Board and the Treasurer, and otherwise permitted by law, the funds of WOCWB may be invested in a single type of Authorized Investment if such Investment is fully insured as to both principal and interest.

**12.0 MAXIMUM MATURITIES**

To the extent possible, WOCWB will attempt to match its Investments with anticipated cash flow requirements. Unless matched to a specific cash flow need, WOCWB will not invest directly in securities maturing more than five years from the date of purchase.

**13.0 PERFORMANCE STANDARDS**

The investment portfolio shall be designed with the objective of obtaining a rate of return throughout budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow needs. The investment strategy will be passive and the benchmark for determining market yields will be the monthly average return of the 6-month constant maturity Treasury (6 month CMT). This will be used solely as a reference tool. The comparison to a benchmark does not imply that the Treasurer will add additional risk to the portfolio in order to attain or exceed the benchmark.

#### **14.0 INTERNAL CONTROL**

The WOCWB's external auditors shall annually review the investments with respect to the Investment Policy as part of their annual audit procedures. This review will provide internal control by assuring compliance with policies and procedures for the investments that are selected for testing.

To provide further protection of WOCWB funds, written procedures, which are incorporated herein by reference, prohibit the wiring of any funds, or providing payments in the form of checks, without the authorization of at least two of the four following designated officials:

1. Treasurer
2. Deputy Treasurer
3. Director of Finance
4. Budget Manager

#### **15.0 REPORTING**

Under the requirements of Government Code Section 53607 and 53646, the Treasurer shall render a written report to the Board of Directors containing detailed information on all securities, investments, and moneys of WOCWB. The reports will be submitted on a quarterly basis and provided to the Board within 30 days following the end of the quarter.

The reports will contain the following information:

- (i) Type of investment, name of the issuer, date of maturity, par and cost of each investment;
- (ii) the investments and moneys held by WOCWB, including a description of any funds, investments, or programs that are under the management of contracted parties;
- (iii) the market value and source of the valuation for all investments other than funds in LAIF, bank accounts and Certificates of Deposits (exempt from market valuation per Government Code);
- (iv) a statement of the compliance of the portfolio with the Investment Policy requirements or manner in which the portfolio is not in compliance;
- (v) a statement denoting WOCWB's ability to meet its expenditure requirements for the following six months; or explaining as to why sufficient money shall not, or may not, be available;
- (vi) monthly transaction detail for investments; and
- (vii) with respect to those investments exempt from market valuation pursuant to (iii) the most recent statement or statements received by WOCWB.

#### **16.0 INVESTMENT POLICY ADOPTION AND PERIODIC REVIEW**

This Investment Policy shall be adopted by Resolution of the Board. This Investment Policy is subject to review and amendment by the Board, as the Board shall direct. This Investment Policy shall be reviewed on an annual basis by the Treasurer and annually submitted to the Board by the Treasurer pursuant to Government Code Section 53607 and annually approved or readopted by the Board at a public meeting thereof.

## West Orange County Water Board Statement of Investment Policy

### DEFINITIONS

The terms defined in this Appendix shall, for purposes of the West Orange County Water Board Investment Policy, have the meanings specified below:

“**Authorized Investments**” means those classes of investments, which are authorized pursuant to this Investment Policy in 8.0. Authorized Investments may be more restrictive than those authorized by State Law.

“**Board**” means the Board of Directors of WOCWB.

“**Book Value**” means the value of an Investment, or all Investments, based upon a marked-to-market valuation as of any particular date.

“**FDIC**” means the Federal Deposit Insurance Corporation.

“**General Manager**” means the General Manager of WOCWB as appointed by the Board.

“**Investment Policy**” means the investment policy adopted by the Board, as it may be supplemented or amended.

“**Investments**” means those investments made with the funds of WOCWB.

“**Joint Powers Agreement**” means that Joint Powers Agreement under which the WOCWB was organized and operates, pursuant to Government Code Section 6500 et. seq., as amended and supplemented.

“**State**” means the State of California.

“**Treasurer**” means the Treasurer of WOCWB, appointed by the Board pursuant to the Joint Powers Agreement. This includes an officer of a member agency of WOCWB (such as a city treasurer) serving in the capacity of Treasurer of WOCWB.

“**WOCWB**” means the West Orange County Water Board, a joint powers agency.

Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context clearly otherwise indicates, words importing the singular number shall include the plural number and vice versa, and words importing persons shall include public bodies, as well as natural persons.

The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Investment Policy, refer to this Investment Policy.

## **West Orange County Water Board Statement of Investment Policy**

### **GLOSSARY**

**ASKED:** The price at which securities are offered. (The price at which a firm will sell a security to an investor.)

**BASIS POINT:** One one-hundredth of a percent (i.e. 0.01%)

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.)

**BROKER:** A broker brings buyers and sellers together for a commission. He does not take a position.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity evidenced by a certificate. Large-denomination CD's are typically negotiable.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COUPON:** a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g. US Treasury Bills).

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A Federal agency that insures bank deposits, currently up to \$100,000 per deposit.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other presidents serve on a rotating basis. The committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by congress and consisting of a seven-member Board of Governors in Washington, D.C.; 12 regional banks and about 5700 commercial banks are members of the system.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT (LGIP):** the aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**NEGOTIABLE CERTIFICATES OF DEPOSIT:** Unsecured obligations of the financial institution, bank or savings and loan, bought at par value with the promise to pay face value plus accrued interest at maturity. They are high-grade negotiable instruments, paying a higher interest rate than regular certificates of deposit.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See "Asked" and "Bid."

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit. Sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker/dealers, banks and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called "legal list." In other states, the trustee may invest in a security if it is one, which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity; on a bond, the current income return.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15C3-1:** See "Uniform Net Capital Rule."

**TREASURY BILLS:** A non-interest bearing discount security issued by the US Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BOND:** Long-term US Treasury securities having initial maturities of more than 10 years.

**TREASURY NOTES:** Intermediate-term coupon bearing US Treasury having initial maturities of from one year to ten years.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well

as nonmember broker/dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) Income Yield is obtained by dividing the current dollar income by the current market price for the security. (b) Net Yield or Yield to Maturity is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**LOCAL AGENCY INVESTMENT FUND RESOLUTION**

**RESOLUTION NO. 15-02**

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE WEST  
ORANGE COUNTY WATER BOARD AUTHORIZING  
INVESTMENT OF MONIES IN THE LOCAL AGENCY  
INVESTMENT FUND**

**WHEREAS**, Pursuant to Chapter 730 of the statutes of 1976 Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

**WHEREAS**, the deposit, investment and withdrawal of funds of the West Orange County Water Board ("WOCWB") in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code is authorized by the WOCWB Statement of Investment Policy, as adopted by this Board of Directors; and

**WHEREAS**, the Board of Directors of WOCWB does hereby find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of WOCWB.

**NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED**  
**by the Board of Directors of the West Orange County Water Board as follows:**

Section 1. That the Board of Directors does hereby authorize the deposit of WOCWB monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

Section 2. That the following WOCWB officers, or their successors in office, shall be authorized to order the deposit or withdrawal of WOCWB monies in the Local Agency Investment Fund:

- (a) The City of Huntington Beach City Treasurer;
- (b) The City of Huntington Beach Deputy City Treasurer;
- (c) The City of Huntington Beach Finance Director; and

ADOPTED, SIGNED and APPROVED this 21<sup>st</sup> day of January, 2015

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Chairperson  
West Orange County Water Board and  
Board of Directors thereof

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Secretary  
West Orange County Water Board

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Vice Chairperson  
West Orange County Water Board and  
Board of Directors thereof

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Director  
West Orange County Water Board

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Director  
West Orange County Water Board

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Director  
West Orange County Water Board

STATE OF CALIFORNIA            )  
  ) ss.  
COUNTY OF ORANGE            )

I, Laurie Hill, Secretary of the Board of Directors of the West Orange County Water Board, do hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the West Orange County Water Board at a regular meeting of such Board held on the 21st day of January, 2015, and that it was so adopted by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

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Secretary of the Board of Directors of the  
West Orange County Water Board

STATE OF CALIFORNIA        )  
  ) ss.  
COUNTY OF ORANGE        )

I, Laurie Hill, Secretary of the Board of Directors of the West Orange County Water Board, do hereby certify that the foregoing is a full, true and correct copy of Resolution No. 15-02 of such Board and that the same has not been rescinded, amended or repealed.

Dated this 21st day of January 2015.

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Secretary of the Board of Directors of the  
West Orange County Water Board

**FISCAL YEAR 2012-13 AUDIT**

**WEST ORANGE COUNTY WATER BOARD**

FINANCIAL STATEMENTS  
WITH  
INDEPENDENT AUDITORS' REPORT

FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2013

**WEST ORANGE COUNTY WATER BOARD**

**SEPTEMBER 30, 2013**

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**INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
West Orange County Water Board  
Huntington Beach, California

**Report on the Financial Statements**

We have audited the accompanying financial statements of the West Orange County Water Board (Board) as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Board, as of September 30, 2013, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter***

As discussed in Note 1 to the financial statements, the Board adopted Governmental Accounting Standards Board (GASB) Statements No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, and No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. Our opinion is not modified with respect to this matter.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 – 5 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Revenues, Expenses, and Change in Net Position by Participant and Budgetary Comparison Schedule (schedules) are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

  
Laguna Hills, California  
June 20, 2014

**WEST ORANGE COUNTY WATER BOARD**  
**Management's Discussion and Analysis (Unaudited)**  
**September 30, 2013**

This section of the West Orange County Water Board's (Board) annual financial report presents our analysis of the Board's financial performance during the year ended September 30, 2013. Please read it in conjunction with the financial statements, which follow this section.

**FINANCIAL HIGHLIGHTS**

During the year, the Board's current liabilities increased by \$40,687.  
During the year, the Board's maintenance and operating charges to participants increased by \$82,274.  
During the year, the Board's maintenance and operating expenses increased by \$81,475.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of two parts: Management's Discussion and Analysis and Financial Statements. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

**REQUIRED FINANCIAL STATEMENTS**

The financial statements of the Board report information about the Board using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net position includes all of the Board's investments and resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the Board and assessing the liquidity and financial flexibility of the Board. All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in net position. This statement measures the success of the Board's operations over the past year.

The final required financial statement is the statement of cash flows. The primary purpose of this statement is to provide information about the Board's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities and provides answers as to the nature of where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

**FINANCIAL ANALYSIS OF THE BOARD**

One of the most important questions asked about the Board's finances is "Is the Board as a whole better off or worse as a result of the year's activities?" The statement of net position and the statement of revenues, expenses and changes in net position report information about the Board's activities in a way that will help answer this question. These two statements report the net position of the Board and changes in them. You can think of the Board's net position – the difference between assets and liabilities - as one way to measure financial health or financial position. Over time, increases or decreases in the Board's net position are one indicator of whether its financial health is improving or deteriorating. However, you will need to consider other non-financial factors such as changes in economic conditions, population growth, zoning and new or changed government legislation.

**WEST ORANGE COUNTY WATER BOARD**  
**Management's Discussion and Analysis (Unaudited)**  
**September 30, 2013**

**NET POSITION**

To begin our analysis, a summary of the Board's Statement of Net Position is presented below:

**Table A**  
**Statement of Net Position**

	<u>September 30,</u> <u>2013</u>	<u>September 30,</u> <u>2012</u>	<u>\$ Change</u>	<u>% Change</u>
Current	\$ 288,093	\$ 267,873	\$ 20,220	7.5%
Total Assets	<u>288,093</u>	<u>267,873</u>	<u>20,220</u>	7.5%
Current	61,826	21,139	40,687	192.5%
Noncurrent	226,267	246,734	(20,467)	-8.3%
Total Liabilities	<u>288,093</u>	<u>267,873</u>	<u>20,220</u>	7.5%
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	0.0%

As can be seen from the table above, current liabilities increased from \$21,139 in fiscal year ended September 30, 2012, to \$61,826 in fiscal year ended September 30, 2013, mainly due to timing of payments for expenses incurred in fiscal year ended September 30, 2013. Further, noncurrent liabilities decreased from \$246,734 in fiscal year ended September 30, 2012, to \$226,267 in fiscal year ended September 30, 2013, mainly due to payment of prepaid expenses to be incurred in a future period.

**Table B**  
**Statement of Revenue, Expenses and Changes in Net Position**

	<u>September 30,</u> <u>2013</u>	<u>September 30,</u> <u>2012</u>	<u>\$ Change</u>	<u>% Change</u>
Operating Revenues	\$ 209,144	\$ 126,870	\$ 82,274	64.8%
Nonoperating Revenues	1,003	1,802	(799)	-44.3%
Total Revenues	<u>210,147</u>	<u>128,672</u>	<u>81,475</u>	63.3%
Operating Expenses	210,147	128,672	81,475	63.3%
Total Expenses	<u>210,147</u>	<u>128,672</u>	<u>81,475</u>	63.3%
Changes in Net Position	-	-	-	0.0%
Beginning Net Position	-	-	-	0.0%
Ending Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	0.0%

**WEST ORANGE COUNTY WATER BOARD**  
**Management's Discussion and Analysis (Unaudited)**  
**September 30, 2013**

While the Statement of Net Position shows the change in financial position of net position, the Statement of Revenues, Expenses, and Changes in Net Position provide answers as to the nature and source of these changes. As can be seen above, operating expenses increased from \$128,672 for the fiscal year ended September 30, 2012, to \$210,147 for the fiscal year ended September 30, 2013, mainly due to increased maintenance costs charged by the City of Huntington Beach. Also, revenues and expenses equal as the Board allocates all expenses to the participants for reimbursement.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

*CAPITAL ASSETS* - The Board does not own any capital assets. Costs incurred for repairs and maintenance did not meet the Board's capitalization threshold.

*DEBT ADMINISTRATION* - The only long-term liability the Board has is amounts due to each participant and is used for cash flow purposes.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES**

The Board of Directors and management considered many factors when setting the Fiscal Year 2013/2014 budget. One of those factors is the economy. Inflation in the area continues to be somewhat higher than the National Consumer Price Index (CPI) increase. The budget has been structured to contain costs while always continuing the Board's philosophy of providing excellence in service.

**CONTACTING THE BOARD'S FINANCIAL MANAGER**

This financial report is designed to provide our citizens and participants with a general overview of the Board's finances and to demonstrate the Board's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact Chris Davis, Senior Administrative Analyst, at 19001 Huntington Street, Huntington Beach, California 92648, Phone (714) 374-1641 or e-mail [chris.davis@surfcity-HB.org](mailto:chris.davis@surfcity-HB.org).

**WEST ORANGE COUNTY WATER BOARD**

**STATEMENT OF NET POSITION  
SEPTEMBER 30, 2013**

**Assets:**

Current assets:

Cash and cash equivalents held by fiscal agent

\$ 282,149

Prepaid insurance

5,944

**Total Assets**

288,093

**Liabilities:**

Current liabilities:

Accounts payable

61,826

Noncurrent Liabilities:

Due to participants:

City of Huntington Beach

117,388

City of Garden Grove

15,348

City of Seal Beach

35,730

City of Westminster

57,801

Total due to participants

226,267

**Total Liabilities**

288,093

**Net Position:**

Unrestricted

-

**Total Net Position**

\$ -

The accompanying notes to the basic financial statements.

**WEST ORANGE COUNTY WATER BOARD**

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
YEAR ENDED SEPTEMBER 30, 2013**

<b>Operating revenues</b>	
Maintenance and operating charges to participants	<u>\$ 209,144</u>
<b>Operating expenses</b>	
Maintenance and operating expenses	<u>210,147</u>
Operating loss	(1,003)
<b>Nonoperating revenues</b>	
Interest income	<u>1,003</u>
Change in net position	-
Net Position, Beginning of year	<u>-</u>
Net Position, End of year	<u><u>\$ -</u></u>

The accompanying notes to the basic financial statements.

**WEST ORANGE COUNTY WATER BOARD**

**STATEMENT OF CASH FLOWS  
YEAR ENDED SEPTEMBER 30, 2013**

<b>Cash flows from operating activities:</b>	
Receipts from participants	\$ 188,677
Payments to suppliers	<u>(169,713)</u>
<b>Net cash provided by operating activities</b>	<u>18,964</u>
<b>Cash flows from investing activities:</b>	
Interest received	<u>1,003</u>
Net increase in cash and cash equivalents	19,967
<b>Cash and cash equivalents, beginning of year</b>	<u>262,182</u>
<b>Cash and cash equivalents, end of year</b>	<u>\$ 282,149</u>
<b>Reconciliation of operating (loss) to net cash provided by operating activities:</b>	
Operating (loss)	<u>\$ (1,003)</u>
Adjustments to reconcile operating (loss) to net cash provided by operating activities:	
Net cash provided by operating activities:	
(Increase) in prepaid insurance	(253)
Increase in accounts payable	40,687
(Decrease) in due to participants	<u>(20,467)</u>
<b>Net cash provided by operating activities</b>	<u>\$ 18,964</u>

The accompanying notes to the basic financial statements.

**WEST ORANGE COUNTY WATER BOARD**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2013**

***NOTE 1 – ORGANIZATION AND HISTORY***

The West Orange County Water Board (Board) was created on February 9, 1955, through a joint powers agreement with subsequent supplements and amendments to provide for the construction, operation and maintenance of water transportation. Current participants under the agreement are the Cities of Huntington Beach, Westminster, Seal Beach and Garden Grove who own the facilities. All operating costs are allocated to and recovered from the participants, and accordingly, the Board has no net income from operations.

Effective February 1, 1996, the City of Huntington Beach purchased 3.8 cubic feet per second (cfs) of capacity in Feeder No.1. Revenues and expenses are now being allocated using the following percentages

City of Huntington Beach	56.1%
City of Garden Grove	4.2%
City of Seal Beach	14.3%
City of Westminster	25.4%
	<hr/>
	100.0%

***NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

***(a) Basis of Accounting***

The accounting methods and procedures adopted by the Board conform to generally accepted accounting principles as applied to governmental enterprise funds as prescribed by the Governmental Accounting Standards Board (GASB).

In December 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements: 1) Financial Accounting Standards Board (FASB) Statements and Interpretations, 2) Accounting Principles Board Opinions, and 3) Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure. This Statement also supersedes Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, thereby eliminating the election provided in Paragraph 7 of that Statement for enterprise funds and business-type activities to apply post-November 30, 1989 FASB Statements and Interpretation that do not conflict with contract GASB pronouncements. The Board implemented this pronouncement, effective October 1, 2012.

In June 2011, GASB issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This Statement provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources and amends the net asset reporting requirements in Statement No. 34, *Based Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets. The Statement is effective for periods beginning after December 15, 2011. The Board implemented this pronouncement, effective October 1, 2012.

**WEST ORANGE COUNTY WATER BOARD**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**(a) Basis of Accounting (Continued)**

The Board, as an enterprise fund, accounts for its operations in a manner similar to private business enterprises. The intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The focus of enterprise fund measurement is upon determination of operating income, changes in net position, financial position, and cash flows. The Board's operating revenues and expenses are those that result from providing services and producing and delivering goods.

**(b) Cash Equivalents**

The City of Huntington Beach acts as fiscal agent of the Board and all funds of the Board are held and managed by the City of Huntington Beach's Treasurer. For purposes of the financial statements, the Board considers highly liquid debt instruments (excluding assets whose use is limited) purchased with a maturity of three months or less to be cash equivalents. Money market account and funds invested with the Local Agency Investment Fund (LAIF) are considered to be cash equivalents.

**(c) Investments**

Investments are generally stated at fair value, which is based on quoted market prices as of the valuation date. The gain/loss resulting from valuation is reported in the revenue account interest income on the statement of revenues, expenses and changes in net position.

**(d) Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**(e) Due to Participants**

Due to participants are the residual amounts allocated to the participating agencies based on the allocation of revenues and expenses throughout the year.

**NOTE 3 – CASH AND INVESTMENTS**

Cash and investments as of September 30, 2013, consist of the following:

Money market account	\$	4,509
Investments in LAIF		277,640
Total Cash and Investments	\$	<u>282,149</u>

**WEST ORANGE COUNTY WATER BOARD**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2013**

**NOTE 3 – CASH AND INVESTMENTS (Continued)**

***Investments Authorized by the California Government Code and the Board’s Investment Policy***

The table below identifies the investment types that are authorized for the Board by the California Government Code (or the Board’s investment policy, where more restrictive). The table also identifies certain provisions of the Board’s investment policy that address interest rate risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Certificates of Deposit	5 years	30%*	**
California Local Agency Investment Fund (LAIF)	N/A	No Limit	\$30 million*
Money Market Mutual Funds	60 day Wgt Avg	20%	10%

\* The following investment types are authorized for the Board by the California Government Code. However, the Board's investment policy is more restrictive than the California Government Code:

Certificates of Deposit - The California Government Code allows a city to invest up to 100% of its portfolio in this investment type and up to 10% of its portfolio in a single issuer.

LAIF - The State Treasurer limits the participants to \$40 million.

\*\*The Board's investment policy does not include a policy for the maximum investment in one issuer for certificate of deposits. As such, the Board follows the California Government Code's maximum investment in one issuer, for time certificate of deposits and negotiable certificates of deposit, of 10%.

***Interest Rate Risk***

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair market value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. The Board mitigates interest rate risk by maintaining its fund in LAIF which may be drawn upon daily. At September 30, 2013, the Board was only invested in LAIF which had a weighted average maturity of 239 days.

***Credit Risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. At September 30, 2013, the LAIF pool is not rated.

**WEST ORANGE COUNTY WATER BOARD**

**NOTES TO FINANCIAL STATEMENTS  
YEAR ENDED SEPTEMBER 30, 2013**

***NOTE 3 – CASH AND INVESTMENTS (Continued)***

***Custodial Credit Risk***

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., brokerdealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Board's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure Board deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

At September 30, 2013, the Board's deposits with financial institutions did not exceed federal depository insurance limits.

***Local Agency Investment Fund (LAIF)***

The Board is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the Board's investment in the pool is reported in the accompanying financial statements at an amount based upon the Board's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on an amortized cost basis. The total amount invested by all public agencies in LAIF as of September 30, 2013, was \$19.3 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at September 30, 2013, had a balance of \$56.6 billion, of that amount, 2.25% was invested in medium-term and short-term structured notes and asset-backed securities. The average maturity of PMIA investments was 239 days as of September 30, 2013.

***NOTE 4 – RELATED PARTY TRANSACTIONS***

The City of Huntington Beach, besides being a participant of the Board, performs the duties of manager/engineer, all accounting functions and bills the Board for monthly operation and maintenance costs incurred. Total administrative, operations and maintenance costs billed for the year were \$40,282. As of September 30, 2013, the City of Huntington Beach was owed \$56,562 for cash overdrafts.

**SUPPLEMENTARY INFORMATION**

**WEST ORANGE COUNTY WATER BOARD**

**SCHEDULE OF REVENUES, EXPENSES AND CHANGES  
IN NET POSITION BY PARTICIPANT  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	City of Huntington Beach	City of Garden Grove	City of Seal Beach	City of Westminster	Total
<b>Operating revenues</b>					
Maintenance and operating charges to participants	\$ 117,330	\$ 8,784	\$ 29,908	\$ 53,122	\$ 209,144
<b>Operating expenses</b>					
Maintenance and operating expenses	117,893	8,826	30,051	53,377	210,147
<b>Operating loss</b>	(563)	(42)	(143)	(255)	(1,003)
Nonoperating revenues					
Interest income	563	42	143	255	1,003
Change in net position	-	-	-	-	-
Net Position, Beginning of Year	-	-	-	-	-
Net Position, End of Year	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying note to supplementary information.

**WEST ORANGE COUNTY WATER BOARD**

**BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

	Budget	Actual	Variance Over/(Under)
<b>Revenues</b>			
Operating	\$ 188,677	\$ 209,144	\$ 20,467
Nonoperating	900	1,003	103
Total Revenues	<u>189,577</u>	<u>210,147</u>	<u>20,570</u>
<b>Operating expenses</b>			
Maintenance and operating:			
Board members	2,000	1,400	(600)
Legal	3,000	-	(3,000)
Audit fees	5,000	5,000	-
Insurance	8,000	8,396	396
Power	4,000	4,030	30
Maintenance, repair and operation	60,000	87,135	27,135
Other contract services	2,500	2,966	466
Capital	<u>105,000</u>	<u>101,220</u>	<u>(3,780)</u>
Total Operating Expense	<u>189,500</u>	<u>210,147</u>	<u>20,647</u>
Change in Net Position	<u>\$ 77</u>	<u>\$ -</u>	<u>\$ (77)</u>

See accompanying note to supplementary information.

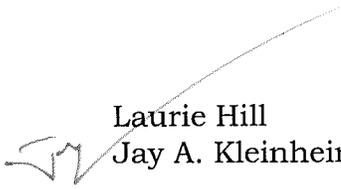
**WEST ORANGE COUNTY WATER BOARD**

**NOTE TO SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED SEPTEMBER 30, 2013**

*Budgetary Comparison Schedule*

Annual budgets are adopted by the West Orange County Water Board's (Board) Board of Directors. The Board prepares its budgets on the accrual basis of accounting. No budget transfers were requested during the year. The legal level of budgetary control (that is, the level at which expenses cannot legally exceed the appropriated amount) for the operating budget is at the entity level.

**OPERATIONS & MAINTENANCE REPORT**

**To:** Laurie Hill  
**From:**  Jay A. Kleinheinz  
**Date:** November 5, 2014  
**Subject:** WOCWB Water Use for October, 2014

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The water use billing allocations for the West Orange County Water Board members supplied by feeder connections OC-9 and OC-35 are as follows:

	<u>Acre Feet</u>	
	<u>OC-9</u>	<u>OC-35</u>
<b>Garden Grove</b>	0.0	0.0
<b>Seal Beach</b>	0.0	0.0
<b>Huntington Beach</b>	601.1	362.9
<b>Westminster</b>	2.9	0.0
<b>WOCWB (flushing)</b>	0.0	0.0

If you have any questions, please contact Jay Kleinheinz at (714) 374-1512

Very truly yours,

Jay A. Kleinheinz  
Water Production Supervisor

JAK:ss

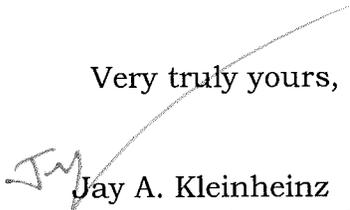
**To:** Laurie Hill  
**From:** Jay A. Kleinheinz  
**Date:** December 9, 2014  
**Subject:** WOCWB Water Use for November, 2014

The water use billing allocations for the West Orange County Water Board members supplied by feeder connections OC-9 and OC-35 are as follows:

	<u>Acre Feet</u>	
	<u>OC-9</u>	<u>OC-35</u>
<b>Garden Grove</b>	0.0	0.0
<b>Seal Beach</b>	0.0	0.0
<b>Huntington Beach</b>	220.6	606.1
<b>Westminster</b>	0.0	0.0
<b>WOCWB (flushing)</b>	0.0	0.0

If you have any questions, please contact Jay Kleinheinz at (714) 374-1512

Very truly yours,

  
Jay A. Kleinheinz  
Water Production Supervisor

JAK:ss

**To:** Laurie Hill  
**From:** Jay A. Kleinheinz  
**Date:** January 7, 2015  
**Subject:** WOCWB Water Use for December, 2015

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The water use billing allocations for the West Orange County Water Board members supplied by feeder connections OC-9 and OC-35 are as follows:

	<u>Acre Feet</u>	
	<u>OC-9</u>	<u>OC-35</u>
<b>Garden Grove</b>	0.0	0.0
<b>Seal Beach</b>	0.0	0.0
<b>Huntington Beach</b>	178.1	444.1
<b>Westminster</b>	0.0	0.0
<b>WOCWB (flushing)</b>	0.0	0.0

If you have any questions, please contact Jay Kleinheinz at (714) 374-1512

Very truly yours,

  
Jay A. Kleinheinz  
Water Production Supervisor

JAK:ss

**MANAGEMENT AND ENGINEERING REPORT**



## **I-405 Improvement Project**

### **Utility Coordination Meeting No. 1 with West Orange County Water Board-WOCWB (City of Huntington Beach - Water)**

**19001 Huntington Street, Huntington Beach, CA 92648  
September 4th, 2014 @ 10:00 am**

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### **Draft Meeting Minutes No.1**

#### **1. Introductions**

Please refer to attached sign-in sheet

#### **2. Project Overview**

J. Toolson provided an overview of the project. He indicated that the project includes the addition of two lanes on each side of the I-405 Freeway, starting at the north where the I-405 Freeway meets the 605 Freeway, and south to the SR-73. He indicated that the purpose of the meeting is to identify and verify existing utilities and locations. He also indicated that the Program Management Consultant (PMC) Team has been retained by OCTA to act as an extension of the Transportation Authority, engineering specific to the I-405 Project. He further provided a brief synopsis of the alternative approach of the project as follows:

- Alternative #1, one lane in each direction is the Agency's preference; however Alternative #3 is the CALTRANS future build-out. Bridge lengths and ROW acquisition is based on Alt #3.
- 20 bridge-crossings to be lengthened to accommodate the I-405 widening.
- OCTA is the lead agency, in the environmental stage of the project.

An RFP for Design Build (DB) Bids is expected in the summer 2015 followed by selection of the DB Contractor in the summer 2016.

#### **3. Impacts & Dispositions**

R. Cruz led the discussion regarding utilities that could be affected by the project.

##### **a. Verify Existing**

WOCWB Staff indicated that the WOCWB is a 4-Cities water agency, including the City of Huntington Beach which acts as the host. WOCWB Staff indicated that WOCWB does not own any sewers, however, the City of Huntington Beach does, but none that crosses the I-405. M. Birchfield will





double check and let us know - the City's entire sewer system outfalls into the Orange County Sanitation District's Sewers. Moreover, there are various storm drains that drain into the City of Huntington Beach watersheds in the area of Huntington Village, and alongside both sides of the freeway, as well as the intersection of Edinger Ave. and Beach Blvd. R. Cruz indicated that there is a separate group dealing with storm drains.

- CN1107: 8" water line. Shown in the Utility Matrix as owned by City of Westminster (water); staff indicated it's owned by the WOCWB. Sheet U-11 shows the alignment incorrectly, record drawing OC-9 provided by WOCWB shows the proper alignment. This line actually cuts in a 90-degree angle and moves along the fill portion of the overpass. The impact appears to be due to the anticipated change of grade of the bridge. WOCWB Staff indicated the portion that was originally on the North-west side (starting at Sta-490.5 and going north) has been abandoned in place.
- CN1106: Shown as a 22" CL line. L. Hernandez indicated that there are two parallel lines (12" & 22"), located after the pressure reducing station (not shown on the plans, located approximately at sta. 494 of the Newland Bridge. She also indicated that the line shown on the plans is likely to be the abandoned line. The 22" line is one of two main feeders for WOCWB. This line is located suspended over the Wintersburg Channel. The PAED does not show a conflict number for that line. The second WOCWD main feeder is at Westminster Blvd/Springdale St., These two feeders cannot be shut down simultaneously.
- CN1087: There is one 10" water line on the Westminster Bridge which connects at Springdale St./Westminster Blvd. to the WOCWB 2<sup>nd</sup> Feeder (33"/27") line.
- No CN#: WOCWB 2<sup>nd</sup> main feeder line; is a 33" line that is reduced to 27" at about 50-ft south of the Westminster/Springdale connection to the 10" Westminster line. This line feeds a couple of cities north of Huntington Beach. Anything that happens to this line, will affect all 4 cities (Westminster, Garden Grove, Seal Beach, Huntington Beach) served by the line. The Utility Matrix only shows the 10" line. City of Seal Beach would be the most affected by any interruptions to this line.

WOCWB staff indicated there is a blow-off with a flange sticking out of the ice-plant, near sta-98 of Westminster Blvd., the widening may expose that blow-off. WOCWB indicated they need to be called when any work is going to take place so that they can reduce the pressure



on that line. The line crossing the channel is located under the channel about 4' below ground.

- City of HB sewer lines will be reviewed by the Sewer Dept. and any findings/discrepancies will be brought up to the PMC Team by M. Birchfield.
- WOCWB identified a conflict on Edinger (U-12) CN1241. PMC to make sure we show this line properly. If more record drawings are needed, WOCWB staff can provide. This could be just a protect in place.

b. Planned improvements?

There is a new well site being design by WOCWB in the area of Sugar Ave/Shasta Ln. which will connect to CN1103. If the corner at Shasta Ln and Sugar Ave. is being modified, then this line could be impacted. Preliminary information indicates the new well site on the north side of the freeway, in an opened undeveloped piece of land, between the railroad easement and the SCE easement, and would probably not interfere with the freeway; however, we will need to touch bases again to see if there would be any impacts. PMC will request some lay-outs from WOCWB to determine if the new well site will be impacted.

c. Abandoned facilities

Discussed above; there is a piece of a line on Newland that was abandoned. It was determine that perhaps needs to be positively identified through potholing.

d. Shared facilities

WOCWB is a multi-agency organization and the water lines are owned by all 4- agencies; City of Huntington Beach, Westminster, Garden Grove and Seal Beach.

e. Protect, Remove, Relocate, Modify, etc.

These items will be discussed further in future meetings once the U-sheets are updated and the roadway/ROW reference is more finalized.

AWWA standards can be referenced in lieu of WOCWB Standards as the Board does not have any; any equipment or materials will need to be Green Book approved. The Design-builder can provide standards for the Board if needed for their review. We can include this type of requirements in the technical provisions.



#### **4. Relocation Responsibilities (Consider Caltrans)**

##### **a. Easements and Rights**

S. Lees asked if the WOCWB can provide easement information so that we can determine prior rights.

##### **b. Utility Owner or Design Build Contractor**

WOCWB prefers the DB to do the work. Once actual projects are selected, we can decide further if there are any relocation that can be handled by the WOCWB consultants/contractors as the Agency does not do in-house work.

##### **c. Longitudinal Encroachments**

None identified during the meeting.

#### **5. Design Responsibilities (Utility Owner or OCTA)**

WOCWB will prefer the OCTA DB do the design and the Agency approves any work.

#### **6. Agreements (Future meeting, confirm attendees)**

R. Cruz will coordinate with L. Hernandez who will determine the attendees (WOCWB) to future meetings

#### **7. Open Discussion/Other Items**

S. Lees indicated that if there are any utilities near the abutments, then we will work with other disciplines to make sure we figure a way to protect or relocate if needed. The preference will always be to protect in place. He also noted that our current plans are subject to change by the Design Builder, because they may come up with better ideas in how to mitigate some of the issues we encounter.

In the case of some utilities crossing the freeway, although listed as protect in place, or extend encasement, it may be a bit more difficult to do that, therefore our discussion is to identify if that recommended action is feasible; this also applies to the bridges, where we are raising the grade, and lengthening them.

WOCWB staff indicated that the Agency imports water from Metropolitan Water District (MWD) through various programs, and knowing ahead of time what the schedule, relocations, and any other related work will be is essential to avoid any costly implication due to those programs. J. Toolson indicated we are



considering these issues and will cover those in the contract with the DB to make sure they are done according to the District's needs.

PMC indicated that we have a drainage group that is looking at the storm drains.

WOCWB meets quarterly. Therefore any decision will need to be discussed with the Technical Task Force prior to the quarterly Board Meeting. Anything that requires a resolution or approval, such as utility agreements, legal items, or ROW issues will need to be presented to the Board for approval.

Although it may be a water line owned by WOCWB, any work will be permitted by the City or governing agency with geographical jurisdiction.

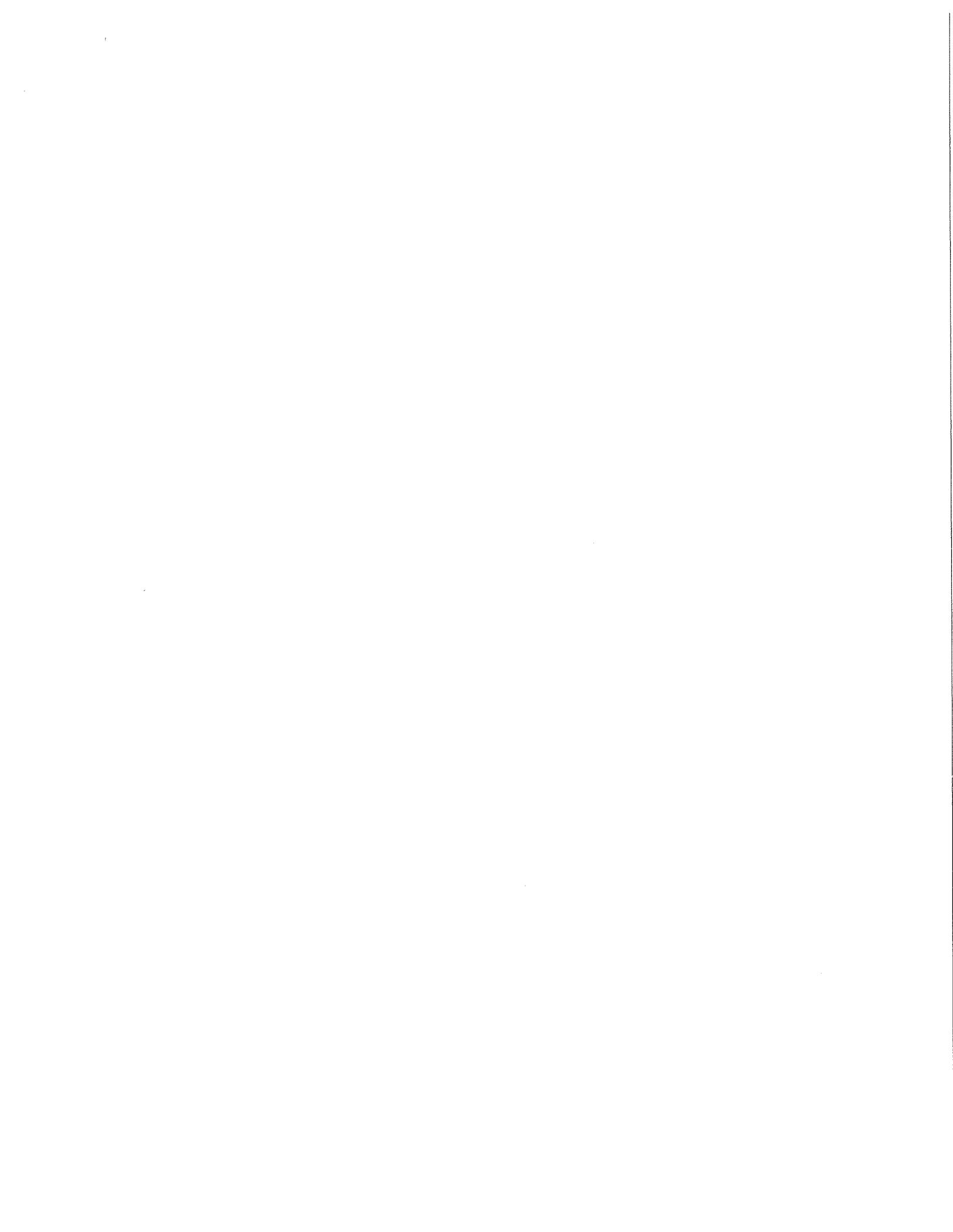
J. Toolson indicated that OCTA has provisions and authority, through mechanisms to affect payments to the DB for liquidated damages, or not performing according through special retentions. WOCWB indicated that their systems can't go down for an undetermined period of time. And if needed, the WOCWB has on-call consultants/contractors that can be brought on board to finish critical work that the DB may be delayed in. OCTA would in a case like this reimburse the WOCWB for any emergency work needed to be performed by their on call contractors.

## 8. Action Items

1. WOCWB/City (L. Hernandez) to provide Sewer as-builts & Standards/Cut sheets to PMC
2. WOCWB to provide exhibits for the proposed new well site at Shasta Ln/Sugar Ave. to PMC for the group to identify any potential impacts.
3. WOCWB (L. Hernandez) to provided easements & rights, and copies of any original agreements to PMC, once it is understood what the impacts will be. PMC needs to get more clarification from the ROW group.
4. WOCWB (L. Hernandez) to send electronic copies of the GIS sheets showing their system.
5. WOCWB to provide a draft set of conditions for PMC to include into the Technical Provisions.
6. PMC to update U-Sheets based on as-builts/record drawings provided by WOCWB and submit a copy back to the Agency for a review prior to the next meeting.

## 9. Next Meeting

TBD.





*West O.C. Water Basin - Woodlands*  
**I-405 Improvement Project**

Meeting: City of Huntington Beach Meeting (Water/Sewer) No. 1  
 Time/ Date: 10:00 P.M. / Thursday, August 21, 2014  
 Location: 19001 Huntington Street, Huntington Beach, CA 92648

**SIGN IN SHEET -**

1	Name	Agency	Phone Number	Email
1	<i>Joe <del>xxxx</del></i>	<i>OCTA</i>	<i>714 562-5806</i>	<i>JoeSawyer@octa.net</i>
2	<i>Lili Hernandez</i>	<i>City of CHB</i>	<i>714 374-5386</i>	<i>L Hernandez @ surtyt-hk.org</i>
3	<i>Tommy KENNEDY</i>	<i>CHB</i>	<i>714-374-1512</i>	<i>KENNEDY@surtyt-hk.org</i>
4	<i>ANDY FERRIGNO</i>	<i>CHB</i>	<i>714-536-5291</i>	<i>A.FERRIGNO@surtyt-hk.org</i>
5	<i>KICK LEGRE</i>	<i>CHB</i>	<i>714-536-5921</i>	<i>LEGRE@surtyt-hk.org</i>
6	<i>Randy Ocampo</i>	<i>CHB</i>	<i>714 536-5753</i>	<i>rocampo@surtyt-hk.org</i>
7	<i>Wald Buckfield</i>	<i>CHB</i>	<i>(714) 536-5521</i>	<i>wald@surtyt-hk.org</i>
8	<i>Dave NIELSEN</i>	<i>PMC - NITES</i>	<i>714, 824, 7024</i>	<i>DNIELS@NITES.COM</i>
9	<i>Rene Carr</i>	<i>PMC - WARS</i>	<i>714-213-8650</i>	<i>Rene@warscorp.com</i>
10	<i>Steven Leers</i>	<i>PMC</i>	<i>949 701 1248</i>	<i>Stavm.leers@parsons.com</i>
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Date: January 21, 2015  
To: West Orange County Water Board  
From: Brian A. Ragland, P.E., General Manager  
Subject: Management and Engineering Report

Poseidon Ocean Desalination Project - Ocean Intake Independent Scientific and Technical Advisory Panel (ISTAP) Draft Report

On September 29 a public meeting was held at the Huntington Beach Main Library to discuss the draft report findings. The Panel evaluated a total of 9 subsurface infiltration alternatives as potential intake alternatives to the proposed utilization of the existing AES power plant ocean intake and discharge pipelines. The Panel rejected 7 of 9 concepts for not being "technically feasible". In this first phase of the study, cost was not a consideration. The two alternatives that will be subjected to further evaluation are the "Surf Zone Infiltration Gallery" and the "Engineered Subsurface Infiltration Gallery".

For Phase II, the panel will analyze the two remaining alternatives to determine if they are feasible from a broader perspective, which will include environmental and economic considerations. The draft report is expected to be released for public review and comment in the second or third quarter of 2015.

January 7, 2015 OCWD Board Meeting – Poseidon Term Sheet and Citizen’s Advisory Committee Action

The OCWD Board:

- Directed staff to begin negotiating a term sheet with Poseidon to purchase the full production of 56,000 acre-feet per year of water created by the HB Ocean Desalination project.
- Directed staff to report back to the Board no later than the March 18 Board meeting on the progress of the negotiations.
- For the citizen’s Advisory Committee (CAC), staff is to solicit resumes from the public for those interested in serving on the committee. The applications will be accepted until the end of January and will be given to board members for their consideration. Applications/resumes already received when this item was originally discussed in late 2013 and early 2014 will be made available to the board members. Board members will select two members and one alternate and will bring their names to the second board meeting in February. The first CAC meeting will be held by the end of February.



December 4, 2014

**JOINT POWERS**  
INSURANCE AUTHORITY

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**President**  
E.G. "Jerry" Gladbach

**Vice President**  
Tom Cuquet

**Chief Executive Officer**  
Walter "Andy" Sells

**Executive Committee**  
Tom Cuquet  
Joseph Dion  
E.G. "Jerry" Gladbach  
David T. Hodgin  
W.D. "Bill" Knutson  
Melody A. McDonald  
Charles W. Muse  
Lou Reinkens  
Kathleen J. Tiegs

Brian Ragland  
West Orange County Water Board  
PO Box 190  
Huntington Beach, CA 92648

Dear Brian:

Each year at Fall Conference, the JPIA recognizes members that have a Loss Ratio of 20% or less in either of the Liability, Property, or Workers' Compensation programs (loss ratio = total losses / total premiums).

The members with this distinction receive the "**President's Special Recognition Award**" certificate for each Program that they qualify in.

The JPIA is extremely pleased to present West Orange County Water Board with this special recognition and commends the District on the hard work in reducing claims.

Congratulations to you, your staff, Board, and District. Keep up the good work!

The JPIA wishes you the best in 2015.

Sincerely,

Walter "Andy" Sells  
Chief Executive Officer

Enclosure: President's Special Recognition Award(s)

# *President's Special Recognition Award*

*The President of the  
ACWA Joint Powers Insurance Authority  
hereby gives Special Recognition to*

## *West Orange County Water Board*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Liability Program for the period 10/01/10 – 09/30/13  
announced at the Board of Directors' Meeting in San Diego.*

*E. G. "Jerry" Gladbach*

**E. G. "Jerry" Gladbach, President**



December 01, 2014

# *President's Special Recognition Award*

*The President of the  
ACWA Joint Powers Insurance Authority  
hereby gives Special Recognition to*

## *West Orange County Water Board*

*for achieving a low ratio of "Paid Claims and Case Reserves" to "Deposit Premiums"  
in the Property Program for the period 04/01/10 – 03/31/13  
announced at the Board of Directors' Meeting in San Diego.*

*E. G. "Jerry" Gladbach*

*E. G. "Jerry" Gladbach, President*



*December 01, 2014*

**COMMENTS, QUESTIONS OR CONCERNS FROM DIRECTORS**

**ADJOURNMENT**