

**MINUTES OF THE WORKSHOP BOARD MEETING
OF THE BOARD OF DIRECTORS OF
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)
WITH THE MWDOC MET DIRECTORS**

October 5, 2016

At 8:30 a.m. President Osborne called to order the Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. Director McKenney led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre*
Larry Dick*
Joan Finnegan
Susan Hinman
Wayne Osborne
Sat Tamaribuchi
Jeffrey M. Thomas (absent)

MWDOC STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Mgr.
Joe Berg, Dir. of Water Use Efficiency
Jonathan Volzke, Public Affairs Manager
Melissa Baum-Haley, Sr. Water Resource Analyst
Charles Busslinger, Principal Engineer
Andrew Kanzler, WUE Coordinator
Colin Eckerle, Intern
Kevin Hostert, Water Resources Analyst
Heather Baez, Government Affairs Manager

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman (absent)

OTHERS PRESENT

Deven Upadhyay
Mark Monin
William Kahn
Bob Hill
Katie Victoria
Doug Reinhart
Steve LaMar
Paul Weghorst
Paul Shoenberger
Don Froelich
Joone Lopez
Jake Vollebregt
John Kennedy
Adam Hutchinson
Ray Miller
Chuck Gibson
Dan Ferons
Jim Leach
Dennis Erdman

Metropolitan Water District of So. Cal.
El Toro Water District
El Toro Water District
El Toro Water District
City of Garden Grove
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water
Moulton Niguel Water District
Moulton Niguel Water District
Moulton Niguel Water District
Orange County Water District
Orange County Water District
San Juan Capistrano
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
South Coast Water District

Bill Green
Gary Melton
Ed Means
Kelly Rowe
Richard Eglash
Cathrene Glick
Bob Denver

South Coast Water District
Yorba Linda Water District
Means Consulting
Water Resources Consultant
Brady & Associates

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - Determine need and take action to agendize item(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were presented.

ITEMS DISTRIBUTED TO THE BOARD LESS THAN 72 HOURS PRIOR TO MEETING

President Osborne inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting with General Manager Hunter responding no items were distributed.

PUBLIC PARTICIPATION/PUBLIC COMMENTS

President Osborne inquired whether any members of the public wished to comment on agenda items.

Mr. Chuck Gibson (Santa Margarita Water District) announced that the next ACWA Region 10 meeting would be held in Vista, CA and would include a tour of the Carlsbad Desalination Project.

PRESENTATION/DISCUSSION/INFORMATION ITEMS

INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS

President Osborne requested reports from the MET Directors and comments, questions, or input from the audience.

Director Dennis Erdman (South Coast Water District) mentioned that Karl Seckel gave an excellent presentation on the OC Reliability Study at South Coast Water District, and that a slide from that presentation indicated that it would be prudent for all agencies to officially support the Water Fix. He asked what MWDOC's course of action for gaining regional support for the Water Fix would be (e.g., adopt resolutions).

Director Dick commented that a first step would be for agencies to reach out to local organizations (Rotary, Kiwanis, etc.) regarding the Water Fix. Director Hinman commented she would highlight this issue at the next Women in Water meeting.

General Manager Hunter noted that it is imperative for legislators (at the National level) to be educated on this issue.

Director McKenney highlighted his MET activities, with emphasis the MET Finance & Insurance Committee activities, legislative issues, and the ACWA Board support of the Amicus Brief.

Director Barbre mentioned that the election of the MET Chair is an important issue that will go before the MET Board in October, noting that Director Randy Record is seeking his second term (unopposed).

Director Dick highlighted his activities with respect to the MET Agriculture and Industry Relations Committee.

President Osborne reminded the audience that the purpose of this item is to provide the opportunity for MWDOC's Member Agencies to ask questions and communicate with the MWDOC MET Directors and he encouraged those in attendance to do so.

Mr. Osborne also announced that the Member Agency Elected Officials Forum is currently scheduled for November 3rd. He commented that due to the election (November 8th) it may be prudent to move the meeting to January. Following considerable discussion regarding January dates, it was decided that the next Elected Officials Forum would be held on Thursday, January 5, 2017 at 6:00 p.m.

ORANGE COUNTY'S WATER SUPPLY AND PERFORMANCE REPORT FOR JUNE 2016

Water Resources Analyst Kevin Hostert reported on Orange County's water supply conditions and conservation performance for August 2016, noting that for the month of August, Orange County saved 16.33% far exceeding the MWDOC Countywide saving goal of 10%. He also reviewed supply conditions, reservoir storage, snowpack levels, and the "Table A" State Water Project Allocations for 2016 (currently set at 60%).

Discussion ensued regarding the severe restrictions on the Delta (causing the loss of approximately 990,000 acre-feet of water to the ocean) and how the Water Fix would help decrease losses to the ocean.

The Board received and filed the report.

UPDATE ON IMPLEMENTING GOVERNOR'S EXECUTIVE ORDER B-37-16 MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE

Director of Water Use Efficiency, Joe Berg, advised that Governor Brown signed Executive Order B-37-16 "Making Water Conservation A California Way of Life," which directed state agencies to update temporary emergency water restrictions, strengthen local drought contingency plans, and develop new permanent, long-term water use targets. He noted that to aid in the development of the recommendations to implement the Governor's Executive Order actions, the state agencies convened an Urban Advisory Group (UAG) comprised of water agencies, cities, environmental organizations, and stakeholders. To date, two UAG meetings have taken place (one in Northern California and one at MET). To provide insight on the conceptual proposals presented by the state agencies and the UAG discussions, MWDOC asked UAG members Joe Berg, Deven Upadhyay (MET), and Joone Lopez (MNWD) to give their perspective of the process and proposals thus far.

Mr. Berg presented information regarding the State's implementing of the Executive Order, highlighting the four main areas of focus for the updated Order (out of 13), which included: (1) use water more wisely, (2) eliminate water waste, (3) strengthen local drought resilience, and (4) improve agricultural water use efficiency and drought planning. He also provided an overview of the process which includes meetings with the UAG and Technical Advisory Workgroup, the State Board, and DWR staff, as well as an overview of the long-term efficiency targets. One area of particular concern is the State's intention to impose water budgets upon local agencies.

Following his presentation, a panel discussion with Joe Berg, Joone Lopez, and Deven Upadhyay ensued. Topics covered in the discussion included outdoor irrigation areas, the need to preserve local agency investments and local decision making rather than the State, the legality of imposing water budgets, the need to put additional focus on supply (rather than just demand), the need to not discourage local investments in developing water supplies, the economic impacts of increased regulations, and the need to expand our circle of advocates statewide to provide meaningful input in the process.

The Board thanked the panelists and received and filed the report.

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project
- f. Orange County Reliability Projects
- g. East Orange County Feeder No. 2
- h. South County Projects

The Board received and filed the information as presented.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding September MET Board Meeting
- b. Review Items of significance for the Upcoming MET Board and Committee Agendas

No new information was presented.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:47 a.m.

Maribeth Goldsby
Board Secretary