

**Response to San Diego County Water Authority's Negative and Inaccurate Campaign
to Discredit MWDOC and Other Metropolitan Member Agencies**

Questions & Answers

1. Is there a 'secret society'?

No; there is no secret society and there have been no secret meetings. The Municipal Water District of Orange County (MWDOC) and other agencies do hold meetings to discuss how we can best promote the interests of our customers. Over the past three years, Managers Working Group meetings have been held between general managers and staff of several Metropolitan Water District of Southern California (Metropolitan) member agencies. The purpose of these meetings is to discuss critical regional and statewide water-related issues, strategize on ongoing challenges, and provide a forum for collaboration. This is a professional work group; any reference to this group as anything other than a professional workgroup was a mischaracterization.

2. Why is MWDOC involved in the group?

MWDOC's objective is to further the interests of our customers, including securing a reliable supply of imported water from Metropolitan and maintaining reasonable water rates. Our job is to protect Orange County ratepayers from unjust cost increases, as proposed by San Diego County Water Authority (San Diego). The Managers Working Group provides a forum for Metropolitan member agency managers to share independent opinions and expertise on critical matters such as water rates and water supply reliability.

3. Why was the group started and how long has it been in existence?

The group has met since 2009 to discuss critical regional water issues and common challenges. Participants attend the meetings to freely discuss information affecting the interests of their customers and to collaborate on the implementation of regional policy initiatives with agencies with similar interests and objectives. Metropolitan also holds monthly meetings that are open to all of their member agencies.

4. What types of issues does the group discuss?

The group discusses a wide range of issues including water rates, infrastructure investments, water reliability planning, engineering and operational needs, water quality regulations, financial issues, education, and water awareness. These are issues that all of the agencies face at the local level, so the group strives to collaborate and address common needs in the most cost efficient manner.

5. Why were consultants hired?

Due to the complexity of these issues, outside experts are needed to provide a better understanding and clarification of the issues. The consultants also serve as facilitators in the meetings to ensure that all participants are heard and that information is properly analyzed and reviewed.

6. Why is San Diego County Water Authority making these allegations? What is the real issue here?

San Diego County Water Authority is suing Metropolitan and its member agencies over Metropolitan's water rate structure. Their goal is to change the rate structure in a way that unjustly shift costs from San Diego to all other Metropolitan member agencies. If successful, San Diego would shift more than \$800 million over the next twenty years to other Metropolitan member agencies, including MWDOC, which would be impacted by as much as \$155 million.

In the water rate litigation, San Diego alleged that Metropolitan and its member agencies violated the law by meeting at the staff level to discuss their views in anticipation of Metropolitan Board meetings. The Court dismissed the accusation on the basis of the lack of merits in San Diego's claim. Having been unsuccessful in court, San Diego is now using the media as an outlet to launch their negative and inaccurate campaign to discredit MWDOC and other Metropolitan member agencies. They are misrepresenting the facts and attacking those agencies that disagree with their cost shifting objective. This investment of time and money is a choreographed effort to divert attention from the real issue: their expensive quest for water independence.

7. Are these meeting allowed under the Brown Act?

It is common practice in the water industry among all public agencies to meet with other agencies and address common issues through work groups; such work group meetings are completely legal under the Brown Act. MWDOC has the constitutional right to assemble and petition on behalf of its constituents' interests. The Court recognized that right when it dismissed San Diego's claims on grounds that San Diego had failed to identify any violation of law by the member agencies' meetings and discussions.

8. How are decisions made at Metropolitan?

All policy decisions are made at publically noticed Board Meetings attended by the 37 members of the Board of Directors. The role of staff is to research the issues, gather information, analyze the data, and provide information to the Board members for consideration in making well-informed policy decisions.

9. Were the activities of the working group made public?

MWDOC staff provides regular monthly reports to its Board of Directors regarding the activities of the working group. Information is included in the Board packets and has been ever since the group was formed. This information is presented in public Board meetings and is discussed openly.

10. Who do I contact for more information?

For additional information, please contact MWDOC's General Manager, Kevin Hunt, at (714) 593-5026 (office), (714) 334-6601 (cell), or khunt@mwdoc.com.