

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

June 4, 2008

At 7:30 a.m., President Clark called to order the Regular Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. President Clark led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Ed Royce, Sr.  
Brett R. Barbre  
Wayne A. Clark  
Larry Dick\* (arr. at 7:50 a.m.)  
Ergun "Eric" Bakall\*  
Joan Finnegan (absent)  
Susan Hinman

**MWDOC STAFF**

Kevin Hunt, General Manager  
Karl Seckel, Assistant General Manager  
Maribeth Goldsby, Board Secretary  
Dan Payne, Legal Counsel  
Matt Stone, Associate General Manager  
Harvey De La Torre, Principal Analyst  
David Cordero, Dir. of Governmental Affairs  
Warren Greco, Limited Term Employee

\*Also MWDOC Met Directors

**OTHER MWDOC MET DIRECTORS**

Jack Foley  
Linda Ackerman

MWDOC Met Director  
MWDOC Met Director

**OTHERS PRESENT**

Deven Upadhyay  
Linda Wade  
Trudy Ohlig-Hall  
Lee Pearl  
Bob McVicker  
Jim Atkinson  
Diana Leach  
Dick Dietmeier  
Mike Dunbar  
Paul Jones  
Peer Swan  
Bob Kellison  
Wes Bannister  
John Kennedy  
Eleanor Torres  
Betty Olson

Metropolitan Water District of So. Cal.  
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Mesa Consolidated Water District  
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Mesa Consolidated Water District  
Golden State Water Company  
South Coast Water District  
South Coast Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
City of Fountain Valley  
Orange County Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District

**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.)

**PUBLIC PARTICIPATION/PUBLIC COMMENTS**

President Clark announced members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Mr. Clark asked whether there were any comments on other items which would also be heard at this time.

No public comments were received, however President Clark requested Agenda Item 1 (MET's Proposed Implementation of Extraordinary Conservation Measures) be delayed to accommodate late-arriving MWDOC Directors.

**DISCUSSION ITEMS****MEMORANDUM OF UNDERSTANDING REGARDING CHANGE IN SOURCE OF WATER SUPPLIED THROUGH THE AMP TO SOUTH ORANGE COUNTY**

General Manager Hunt reported that three water projects are being implemented by the retail agencies in South Orange County to improve supply and system reliability. These projects were (1) Irvine Ranch Water District (IRWD) interconnection to the AMP at OC-72; (2) Baker Water Treatment Plant and connection to the AMP; and (3) connection of the Upper Chiquita Reservoir to the South County Pipeline. He advised that the three projects will be presented to the MET Board in July or August.

The Board discussed with MET would support the projects, with Director Bakall expressing confidence that they would.

IRWD General Manager Paul Jones suggested MWDOC staff work closely with MET staff on developing the write-up for the MET Board to ensure the most relevant points are highlighted.

Following discussion, the Board received and filed the report as presented.

**MET'S PROPOSED IMPLEMENTATION OF EXTRAORDINARY CONSERVATION MEASURES**

MET staff member, Deven Upadhyay, presented information on MET's proposal for Extraordinary Conservation Measures. Mr. Upadhyay reported that MET was proposing both short-term and long-term actions and that two major items on the MET agenda were (1) the Options for the Interim Agricultural Water Program; and (2)

adoption of the Water Supply Alert Resolution. He noted that the short-term actions are immediate reduction measures to help meet the current supply challenges and the long-term actions are measures seeking to permanently decrease water usage to achieve the Governor's 20% reduction target by the year 2020. Mr. Upadhyay provided an overview of the water supply conditions (both present and projections) and storage conditions. He highlighted the importance of raising awareness on the severity of the water supply situation. He also reviewed the elements of the Resolution with the Board.

Considerable discussion ensued by the Board, MET Directors, and audience members present. Directors Barbre and Bakall expressed strong support for adding language to the Resolution outlining the "regulatory drought" reasoning/issues; MET Director Foley concurred. Discussion also ensued regarding the outreach messages and whether they will be effective (or too politically correct), tiered rates, the need to target "water abusers", and wheeling rates.

President Clark suggested the MWDOC Public Affairs & Legislation Committee review this issue in more detail.

The Board received and filed the report as presented.

### **LONG RANGE FINANCE PLAN UPDATE – INTERIM AGRICULTURAL WATER PROGRAM**

Principal Analyst Harvey De La Torre presented information regarding MET's Long Range Finance Plan.

Discussion was held regarding the economic impacts of the Interim Ag Program, and whether to phase out, eliminate, or revise the Program. Director Bakall noted he would vote to allow a six-month process to evaluate the issues.

The Board received and filed the report as presented.

### **AB 885 (CALDERON) – MET ALTERNATE REPRESENTATION**

Mr. De La Torre presented information on the effect AB 885 (Calderon) would have if it is enacted. The legislation would amend the Metropolitan Act to authorize member agencies to appoint alternate board representative(s) to serve in the absence of their primary board representative(s).

MET Director Foley commented that currently there is some inequity for those agencies with a single representative and that some change may be good. Director Barbre commented that the legislation should only apply to those agencies with single representation. Discussion ensued regarding the positions taken by the cities of Anaheim, Santa Ana, and Fullerton on this legislation, the need to have the legislation remain revenue-neutral, whether a proxy-vote system may be more favorable, and

whether the legislation would apply to board meetings only. The Board requested the Public Affairs & Legislation Committee discuss this issues further, and requested staff develop some type of pros and cons evaluation.

**MET ITEMS CRITICAL TO ORANGE COUNTY**

- a. **Water Supply Allocation Plan Development**
- b. **Integrated Resources Plan**
- c. **Long Range Finance Plan**
- d. **Colorado River Issues**
- e. **Bay Delta/State Water Project Issues**
- f. **Central Pool Augmentation Project**
- g. **MET's Desalination Policy**

President Clark stated that the matrix outlining the MET items critical to Orange County was included in the packet.

Mr. De La Torre solicited comments; none were received.

The Board received and filed the information as presented.

**METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS**

- a. **Summary regarding May MET Board Meeting**

No new information was presented.

- b. **Review items of significance for the June MET Board and Committee Agendas**

The Board received and filed the agenda.

**DIRECTORS' REPORTS**

- a. **MET Directors**
- b. **MWDOC Directors**

No comments were made.

**CLOSED SESSION**

President Clark announced that although a closed session was agendized, it was not necessary. The Board opted to cancel the closed session.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 9:30 a.m.

**APPROVED:**

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Wayne A. Clark, President

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Maribeth Goldsby, Board Secretary