

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
January 18, 2017, 8:30 a.m.

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENTS/PARTICIPATION

At this time, members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken. If the item is on the Consent Calendar, please inform the Board Secretary before action is taken on the Consent Calendar and the item will be removed for separate consideration.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

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

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

NEXT RESOLUTION NO. 2040

CONSENT CALENDAR (Items 1 to 5)

(All matters under the Consent Calendar will be approved by one motion unless a Board member requests separate action on a specific item)

1. MINUTES

- a. December 7, 2016 Workshop Board Meeting
- b. December 21, 2016 Regular Board Meeting
- c. December 19, 2016 Special Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee: December 5, 2016
- b. Administration & Finance Committee: December 14, 2016
- c. Public Affairs & Legislation Committee: December 19, 2016

- d. Executive Committee Meeting: December 20, 2016

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of December 31, 2017
b. MWDOC Disbursement Registers (December/January)

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of November 30, 2017
d. PARS Monthly Statement (OPEB Trust)
e. Water Use Efficiency Projects Cash Flow

Recommendation: Receive and file as presented.

4. FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the period ending November 30, 2017

Recommendation: Receive and file as presented.

5. NOVEMBER 2016 ELECTION CERTIFICATES

Recommendation: Receive and file Certificates of Election for Joan C. Finnegan (Division 4), Jeffery M. Thomas (Division 6), Megan Yoo Schneider (Division 7), and the Certificate of Appointment In Lieu of Election for Wayne S. Osborne (Division 3).

– End Consent Calendar –

ACTION ITEMS

6-1 REORGANIZATION OF THE MWDOC BOARD OF DIRECTORS; ELECTION OF PRESIDENT AND VICE PRESIDENT RES. NOS. _____ & _____

Recommendation: Nominate, and by Resolution(s), elect the President and Vice President of the Board.

6-2 APPOINTMENT OF SECRETARY, TREASURER(S), AND LEGAL COUNSEL RES. NO. _____

Recommendation: Adopt Resolution(s) appointing the Board Secretary, Treasurer, and Legal Counsel.

6-3 MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE

Recommendation: Adopt the updated legislative policy principles and direct staff as presented.

INFORMATION CALENDAR (All matters under the Information Calendar will be Received/Filed as presented following any discussion that may occur)

7. GENERAL MANAGER'S REPORT, JANUARY 2017 (ORAL AND WRITTEN)

Recommendation: Receive and file report(s) as presented.

8. MWDOC GENERAL INFORMATION ITEMS

- a. Board of Directors - Reports re: Conferences and Meetings and Requests for Future Agenda Topics

Recommendation: Receive and file as presented.

ADJOURNMENT

Note: Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by contacting Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

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

December 7, 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 Yoo Schneider 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

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.
Melissa Baum-Haley, Sr. Water Resource Analyst
Kevin Hostert, Water Resources Analyst
Charles Busslinger, Principal Engineer

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman

OTHERS PRESENT

Mark Monin
William Kahn
Mike Dunbar
Brian Ragland
Peer Swan
Steve LaMar
Paul Cook
Adam Hutchinson
Bill Hunt
Jake Vollebregt
Jim Leach
Rick Erkeneff
Bill Green
Andy Brunhart
Kelly Rowe
Dick Ackerman
Ed Means
Richard Eglash
Catherine Glick
Amy Omae
Lee Yoo
Tokshin Lee
Chung Lee & Amelia Lee

El Toro Water District
El Toro Water District
Emerald Bay Service District
Huntington Beach
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Orange County Water District
Orange County Water District
Moulton Niguel Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
South Coast Water District
Water Resources Consultant
Ackerman Consulting
Means Consulting
Brady & Associates

HDR

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.

No items were presented.

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

No comments were received.

OATHS OF OFFICE

Legal Counsel Byrne administered the Oaths of Office for the recently re-elected Directors Osborne, Finnegan, and Thomas.

Mr. Lee Yoo, OCWD's Laboratory Director and father of newly elected Director Megan Yoo Schneider, administered her Oath of Office.

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.

MET Director McKenney reported on MET activities with respect to the Finance & Insurance Committee, including a presentation they received regarding the Fixed Treatment Surcharge.

Director Barbre highlighted MET's efforts with respect to reducing MET's unfunded liability (through an irrevocable trust) with respect to OPEB costs. He also reported on his legislative activities, including updates on the WRDA and WIFIA legislation.

MET Director Ackerman reported on the Fixed Treatment Charge, a new communications platform "Water Tomorrow", and the California WaterFix (information on both is included on MET's website).

Director Dick reported on MET's Real Property Committee activities.

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.

Discussion ensued regarding possible changes in the MET Board due to the recent elections, MET's desalination activities (including land acquisition), the California WaterFix, reliability planning, and the focus of the IRP. It was mentioned that Dennis Majors should be invited to speak at an upcoming meeting regarding Delta issues.

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

Water Resources Analyst Kevin Hostert reported on Orange County's water supply conditions and conservation performance for September 2016, noting that for the month of September Orange County saved 16.75%, 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 2017 (initially set at 20% for 2017).

The Board received and filed the report.

PROPOSED LOWER COLORADO RIVER BASIN DROUGHT CONTINGENCY PLAN

Associate General Manager Harvey De La Torre updated the Board with respect to the proposed Lower Colorado River Basin Drought Contingency Plan. He noted that it includes increasing, but manageable, reductions in water deliveries to each state within the Lower Basin in the event that Lake Mead continues to decline. He advised that it also includes provisions to help MET fill its Colorado River Aqueduct when needed, to meet demands in its service area.

The Board received and filed the report as presented.

ADOPT SUPPORT POSITION ON THE CALIFORNIA WATER FIX AND CALIFORNIA ECO RESTORE

President Osborne advised that the proposed Resolution supporting the California WaterFix and Eco Restore was before the Board for consideration.

The Board discussed the Resolution and suggested revisions to page 1, paragraph 2 reflecting that the Delta was never intended to be a conveyance facility, and page 2, paragraph 5 (clarifying that there were two tunnels, totaling 9,000 cfs). Following this discussion, and upon MOTION by Director Dick, seconded by Director Thomas, and carried (7-0), RESOLUTION NO. 2039, supporting the California WaterFix and California Eco Restore, was adopted (as amended above) by the following roll call vote:

AYES:	Directors Barbre, Dick, Finnegan, Osborne, Tamaribuchi, Thomas & Yoo Schneider
NOES:	None
ABSENT:	None
ABSTAIN:	None

The Board asked staff to issue a press release regarding this Resolution.

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 November MET Board Meeting
- b. Review Items of significance for the Upcoming MET Board and Committee Agendas

No new information was presented; the information was received and filed.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:07 a.m.

Maribeth Goldsby
Board Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
December 21, 2016**

At 8:30 a.m., President Osborne called to order the Regular Meeting of the Municipal Water District of Orange County in the Board Room at the District facilities located in Fountain Valley. Director Jeff Thomas led the Pledge of Allegiance and Recording Secretary Meszaros called the roll.

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick
Joan Finnegan
Wayne Osborne
Sat Tamaribuchi
Jeffery M. Thomas
Megan Yoo Schneider (via teleconf.)
Joan Finnegan (absent)

ALSO PRESENT

Larry McKenney
William Kahn
Jim Leach
Dennis Erdman
Andy Brunhart
Gary Melton
Marc Marcantonio
Richard Eglash
Kelly Rowe

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Pat Meszaros, Executive Assistant
Harvey De La Torre, Associate General Manager
Joe Berg, Director of Water Use Efficiency
Jonathan Volzke, Public Affairs Manager
Kevin Hostert, Water Resources Analyst
Andrew Kanzler, Water Use Efficiency Coordinator

MWDOC MET Director
El Toro Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Brady & Associates
Water Resources Consultant

TELECONFERENCE SITE

Director Yoo Schneider attended the meeting via telephone from Cabo San Lucas, Mexico. All agenda requirements pursuant to the Ralph M. Brown Act were complied with.

EMPLOYEE SERVICE AWARD

President Osborne presented an award to Joe Berg (Director of Water Use Efficiency) for thirty years of service to the District.

PUBLIC PARTICIPATION/PUBLIC COMMENT

President Osborne 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. Osborne asked whether there were any comments on other items which would be heard at this time.

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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.

No items were presented.

CONSENT CALENDAR

President Osborne stated all matters under the Consent Calendar would be approved by one MOTION unless a Director wished to consider an item separately.

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (6-0), the Board approved the Consent Calendar items as follows. A roll call vote was taken, and Directors Barbre, Dick, Osborne, Tamaribuchi, Thomas and Yoo Schneider all voted in favor; Director Finnegan was absent.

MINUTES

The following minutes were approved.

October 5, 2016 Workshop Board Meeting (revised)
November 2, 2016 Workshop Board Meeting
November 16, 2016 Regular Board Meeting

COMMITTEE MEETING REPORTS

The following Committee Meeting reports were received and filed as presented.

Planning & Operations Committee Meeting: November 14, 2016
Administration & Finance Committee Meeting: November 9, 2016
Public Affairs & Legislation Committee Meeting: November 21, 2016
Executive Committee Meeting: November 17, 2016

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of November 30, 2016
MWDOC Disbursement Registers (November/December)

The following items were received and filed as presented.

MWDOC Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of October 31, 2016

PARS Monthly Statement (OPEB Trust)

Water Use Efficiency Projects Cash Flow

FINANCIAL REPORT

The following item was received and filed as presented.

Combined Financial Statements and Budget Comparative for the period ending October 31, 2016

RATIFY RESOLUTION ACKNOWLEDGING DAWN CHIN ON THE OCCASION OF HER RETIREMENT FROM THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

The Board ratified the Resolution presented to Dawn Chin on the occasion of her retirement from the Metropolitan Water District of Southern California.

TRAVEL TO WASHINGTON, DC TO COVER FEDERAL INITIATIVES

The Board received and filed the report.

TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES

The Board received and filed the report.

AWARD CONTRACT FOR DESALINATION SLANT WELL DECOMMISSIONING PROJECT

The Board approved entering into the following agreements for removal of the desalination test well at Doheny Beach: (1) awarded Jensen Drilling Company "MWDOC Desalination Slant Well Decommissioning Project" construction contract in the amount of \$297,777.00, contingent upon receiving concurrence from the Doheny Participants in moving forward with the Project; (2) authorized a one-time donation to California State Parks as an in-lieu payment for the cost of site restoration in the amount of \$45,000; and (3) authorized the General Manager to enter into an agreement with Michael Baker International to lease the Mobile Test Facility. The work is being funded from the 2008 Doheny Desal Project funds, plus additional funds that will be requested from the Participants.

END CONSENT CALENDAR

ACTION CALENDAR**SELECTION OF A FIRM FOR COUNTY ADVOCACY SERVICES**

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board authorized the General Manager to enter into a professional services contract with Lewis Consulting Group to provide county advocacy services, by the following roll call vote:

AYES: Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, Osborne & Thomas
NOES: None
ABSENT: Director Finnegan.
ABSTAIN: None

EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH BEST, BEST & KRIEGER

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (6-0), the Board extended the state advocacy contract with Best, Best & Krieger, by the following roll call vote:

AYES: Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, Osborne & Thomas
NOES: None
ABSENT: Director Finnegan.
ABSTAIN: None

EXTENSION OF FEDERAL LEGISLATIVE ADVOCACY CONTRACT WITH JAMES C. BARKER, P.C.

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board extended the federal advocacy contract with James C. Barker, P.C. for 2017 by the following roll call vote:

AYES: Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, Osborne & Thomas
NOES: None
ABSENT: Director Finnegan.
ABSTAIN: None

AUTHORIZATION TO CONTRACT FOR WEBSITE REDESIGN

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board authorized entering into a contract with LA Design Studios to redesign the Municipal Water District of Orange County (MWDOC) website at a base cost of \$42,600 with a contingency of \$7,400 to allow for enhanced/special features (i.e. photography, animation, fillable forms) if such features are deemed necessary and appropriate. Said item was approved by the following roll call vote:

AYES: Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, Osborne & Thomas
NOES: None
ABSENT: Director Finnegan.
ABSTAIN: None

MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE

The Board opted to defer this item to January.

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, DECEMBER 2016**

General Manager Hunter advised that the General Manager's report was included in the Board packet. He also announced that the Elected Officials' Forum is scheduled for 6:00 pm on January 5, 2017 and the Water Policy Dinner will be held at the Great Wolf Lodge in Garden Grove with Jeff Kightlinger as the featured speaker.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS**BOARD OF DIRECTORS**

The Board members each reported on their attendance at the regular (and special) MWDOC Board and Committee meetings. In addition to these meetings, the following reports were made on conferences and meetings attended on behalf of the District.

Director Dick reported that he attended a meeting with Randy Record, the Executive (November and December), Administration & Finance, Planning & Operations, and Public Affairs & Legislation (November and December) Committee meetings, the MWDOC Board and Board Workshop meetings, the ISDOC Executive Committee meeting, two Urban Water Institute planning meetings, the Orange County Business Council meeting, the Orange County Taxpayers Association meeting, the MWDOC MET Directors meeting, the MET Caucus, the MET Committee and Board meetings, a Poseidon meeting and the WACO meeting.

Director Thomas reported on attending the Board meeting, Planning & Operations, Administration & Finance, and Executive Committee meetings, OCBC event, Mayor's changeover in Tustin; Poseidon Resources on desalination issues, the WACO meeting, and the OC Water Summit planning meetings (11/28 and 12/12).

Director Barbre reported that he attended the following meetings in his capacity as MET Director: MET Committee Day; Al Mendez of MET (also with Tiffany Baca) regarding a February Infrastructure tour; MET/MWDOC Director Caucus; MET Caucus; MET/Palo Verde Joint Dinner at CRWUA conference.; Patrick Scanlon of Golden State Water Company; and the AB 1234 Ethics Training. For MWDOC, he attended the Buena Park City Council; traveled to San Francisco and testified before the Public Utilities Commission in support of the reliability project for SDG&E; P&O; Joint Board; PAL and Executive committee meetings; and the CRWUA Conference. In DC, met with Jessica Roxburgh, Office of Congressman Dana Rohrabacher; Chris Tudor, Office of Congressman Tom McClintock; Sam Oh and Alexander Lee, Office of Congresswoman Mimi Walters; Kiel Weaver & Bryson Wong, Subcommittee on Water, Power & Oceans; Chuck Podolak, Office of Senator Jeff Flake; Shaun Parkin, Senate Committee on Rules and Administration; Nicholas Wyatt, Senate Committee on Finance; John Watts, Office of

Senator Dianne Feinstein; Kyle Lombardi, Office of Majority Leader Congressman Kevin McCarthy; Ian Foley, Office of Congressman Ken Calvert; and Jim Barker and Brad Hiltcher on MWDOC/MET Coordination.

Director Tamaribuchi attended all scheduled MWDOC board and committee meetings in December, the WACO meeting, ACWA Fall Conference, OCBC Infrastructure meeting, pre-Environmental Leaders meeting, and the Environmental Leaders meeting on December 8. Director Tamaribuchi stated that slow progress is being made with the environmental leaders and that we all have a better understanding of the complexities of the Delta. He reiterated that we need to get on with the tunnel project, both from a water supply perspective and the Delta ecosystem.

Director Yoo Schneider reported that she attended the ACWA Fall Conference, board and committee meetings, WACO, and is scheduling meetings with some of our member agencies.

President Osborne reported that he attended the Workshop and Regular Board meetings, the Planning & Operations Committee, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the OC Water Summit Ad Hoc Committee meetings (11/28 and 12/12), the WACO meeting (12/9); and Ethics Training on 12-19.

CLOSED SESSION

At 9:06 a.m., Legal Counsel Byrne announced that the Board would adjourn to closed session pursuant to Government Code Section 54956.9(D)(4) (one case)

RECONVENE

The Board reconvened at 9:33 a.m., and Legal Counsel Byrne announced that, by unanimous vote (6-0), the Board voted to file an amicus brief in support of the Defendants in Williams et al., v. Moulton Nigel Water District et al. (G053002) by the flowing vote. Directors Barbre, Dick, Osborne, Tamaribuchi, Thomas, and Yoo Schneider all voted in favor. Director Finnegan was absent.

ADJOURNMENT

There being no further business to come before the Board, President Osborne adjourned the meeting at 9:34 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
December 19, 2016

At 10:30 a.m., President Osborne called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors in Conference Room 101 at the District facilities, 18700 Ward Street, Fountain Valley, California.

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick
Joan Finnegan (absent)
Megan Yoo Schneider (absent)
Wayne Osborne
Sat Tamaribuchi
Jeffery M. Thomas

STAFF PRESENT

Robert Hunter, General Manager (absent)
Karl Seckel, Assistant General Manager
Hilary Chumpitzi, Accounting Manager
Harvey De La Torre, Prin. Water Res. Planner
Joe Byrne, Legal Counsel
William Priest, Legal Counsel

ALSO PRESENT

No further attendees were present.

PUBLIC COMMENTS

No public comments were received.

WORKSHOP ITEM

ETHICS TRAINING CONDUCTED BY LEGAL COUNSEL (BEST, BEST & KRIGER)

Mr. William Priest and Mr. Joe Byrne (both of Best, Best & Krieger) conducted an Ethics Training course as required under AB 1234.

ADJOURNMENT

There being no further business to come before the Board, President Osborne adjourned the meeting at 11:30 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
PLANNING & OPERATIONS COMMITTEE
December 5, 2016 – 8:30 am to 9:30 am
MWDOC Conference Room 101

P&O Committee:

Director Larry Dick
Director Joan Finnegan
Director Wayne Osborne

Staff:

Robert Hunter, Karl Seckel, Joe Berg,
Harvey De La Torre, Pat Meszaros,
Charles Busslinger, Jonathan Volzke,
Kelly Hubbard, Melissa Baum-Haley

Also Present:

Director Brett Barbre
Director Sat Tamaribuchi
Director Jeff Thomas
Larry McKenney, MWDOC MET Director
Paul Weghorst, Irvine Ranch Water District
Paul Cook, Irvine Ranch Water District
Adam Hutchinson, Orange County Water District
William Kahn, El Toro Water District
Scott Maloni, Poseidon Resources
Liz Mendelson, SDCWA

Director Dick called the meeting to order at 8:30 a.m.

PUBLIC PARTICIPATION

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

No items were distributed.

Director Dick invited Director Osborne to sit on the P&O Committee. Director Dick noted the Committee would recess to allow action by the full Board (as noticed on the agenda) for the following item:

President Osborne convened the full Board to consider the following item.

BOARD ACTION ITEM

ENVIRONMENTAL LEADERS DELTA MEETING

President Osborne advised that the proposal to authorize an expenditure of funds up to \$3000 for non-budgeted transportation and meeting expenses for speakers and participants at the December 8, 2016 Environmental Leaders Delta Workshop was before the Board for consideration.

Director Dick commended Director Tamaribuchi for his engagement with the environmental community and for organizing this endeavor and inquired whether we anticipate further activities would generate additional expenses. Director Barbre recommended that staff come back to the A & F Committee in January and establish a line item for this project in the budget.

Director Finnegan asked if we knew about these expenses, to which Mr. Hunter responded that it was not clear until just recently, whether we would carry the full burden or if MET would be contributing. It's now been decided that MWDOC and MET will share expenses. Director Barbre remarked that he's not in favor of meeting at IRWD's Duck Club because of the appearance that it's IRWD sponsored. Director Tamaribuchi stated that the environmental group is very interested in wetlands so it reinforces that idea of wetlands being available for wildlife in the middle of Orange County. Director Barbre stated that, in the future, we have facilities and we should host it here where we can show them the world class GWRS facility.

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (5-0), the Board approved the expenditure of funds up to \$3000 for non-budgeted transportation and meeting expenses for speakers and participants at the December 8, 2016 Environmental Leaders Delta Workshop. Directors Dick, Osborne, Tamaribuchi, Thomas and Finnegan all voted in favor; Director Barbre abstained, and Director Yoo Schneider was absent.

Director Osborne then adjourned the full Board meeting and Director Dick reconvened the Planning and Operations Committee meeting.

ACTION ITEM

AWARD CONTRACT FOR DESALINATION SLANT WELL DECOMMISSIONING PROJECT

Director Dick stated that this is a choice item and came in slightly over the budget. Mr. Seckel stated that all participants are aware of the issue and the overage. They were notified as soon as bids came in on Monday and we don't anticipate a problem.

Upon MOTION by Director Osborne, seconded by Director Finnegan, and carried (3-0), the Committee recommended approval of the contract award for the desalination slant well decommissioning project at the December 21, 2016 Board meeting. Directors Dick, Osborne, and Finnegan all voted in favor.

DISCUSSION ITEMS**STATUS REPORT ON THE POSEIDON HUNTINGTON BEACH PROJECT**

Director Thomas asked if Mr. Maloni of Poseidon would update us on the project and Director Finnegan asked about permit approval and when it will occur. Mr. Maloni stated that permits should be wrapped up in late 2017. There was some discussion about a MWDOC/OCWD Joint Resolution. Director Osborne stated that Ms. Cathy Green, OCWD President, requested that MWDOC adopt a joint resolution. Director Barbre suggested that this be agendaized for discussion at the upcoming Executive Committee meeting.

Mr. Cook discussed the retail agency workgroup which stopped and he suggested that the workgroup be reconvened as agencies were well served by the working group. Mr. Hunter pointed out that although the workgroup was discontinued, we continue to work on water quality, distribution, analyses and technical issues. Director Barbre would like to see this as a core project. Mr. Cook expressed strongly that those agencies who are getting the water should be paying for it.

HIGH LEVEL DRAFT BRIEFING DOCUMENT FOR THE OC WATER RELIABILITY STUDY

Mr. Seckel stated that we're looking for comments from our Board first and then our member agencies. The high level briefing document is intended for elected board and city council members, legislative offices, Board of Supervisors and other general public audiences.

MWDOC TURF REMOVAL REBATE PROGRAM AUDIT

Mr. Berg reported that this is a work in progress and MWDOC is happy to meet with each agency to go over results. Mr. Hunter thanked IRWD and reported that measurement accuracy of about 10% variance in the field is about the best you can do. Since more turf was removed than was paid for, the program was successful. Just a greater degree of variance than we'd like. Of the 20 agencies listed, 16 of those are under \$10,000. There are only 4 that are over \$10,000. It will be the member agencies' decision whether to collect monies from participants.

INFORMATION ITEMS**OC FLOOD CONTROL DISTRICT PROPOSAL ON ENCROACHMENT PERMITS**

Mr. Seckel reported that this issue is scheduled to come up again on January 10 at the Board of Supervisors.

WATER LOSS CONTROL YEAR TWO TECHNICAL ASSISTANCE CONTRACT WITH WATER SYSTEMS OPTIMIZATION, INC.

STATUS REPORTS

- a. Ongoing MWDOC Reliability and Engineering/Planning Projects
- b. WEROC
- c. Water Use Efficiency Projects
- d. Water Use Efficiency Programs Savings and Implementation Report

The status reports were received and filed.

REVIEW OF ISSUES RELATED TO CONSTRUCTION PROGRAMS, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, DISTRICT FACILITIES, and MEMBER-AGENCY RELATIONS

No information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:30 a.m.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF
THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

Jointly with the **ADMINISTRATION & FINANCE (A&F) COMMITTEE**

December 14, 2016 – 8:35 a.m. to 9:50 a.m.

MWDOC Conference Room 101

Committee Members:

Director Jeff Thomas, Chair (8:35)
Director Joan Finnegan (absent)
Director Brett Barbre

Staff:

Robert Hunter, Karl Seckel, Harvey DeLaTorre,
Katie Davanaugh, Cathy Harris,
Hilary Chumpitazi, Jonathan Volzke,
Heather Baez, Melissa Baum-Haley

Also Present:

Director Megan Yoo-Schneider
Director Wayne Osborne
Director Larry Dick
Director Sat Tamaribuchi
Larry McKenney, MWDOC MET Director
Andrew Hamilton, Mesa Water
Doug Reinhardt, Irvine Ranch Water District
Bill Kahn, El Toro Water District

Director Thomas called the meeting to order at 8:35 a.m. In the absence of Director Finnegan, Director Osborne sat on the committee.

PUBLIC COMMENTS

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

A presentation was distributed on the Update on Executive Order B-37-16.

PROPOSED BOARD CONSENT CALENDAR ITEMS

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – November 2016
- b. Disbursement Approval Report for the month of December 2016
- c. Disbursement Ratification Report for the month of November 2016
- d. GM Approved Disbursement Report for the month of November 2016
- e. Water Use Efficiency Projects Cash Flow – November 30, 2016
- f. Consolidated Summary of Cash and Investment – October 2016
- g. OPEB Trust Fund monthly statement

The Committee reviewed the Treasurer's report. Director Osborne inquired on a disbursement to CDM Smith with Karl Seckel responding that the consultant is publishing a final report and one more payment for their services is anticipated.

Additionally, an update was provided on the delivery of the fuel trailers with Mr. Seckel noting that the remaining trailers will be delivered within the next 2-3 months. Mr. Hunter also noted that MWDOC will pay for the trailers as they arrived.

Director Barbre requested that the OC Treasurer attend a future Admin & Finance meeting to explain their future investment strategies with the Orange County Investment Pool (OCIP).

Discussion was held on the PARS OPEB Trust Program and the investment earnings and investment selection so that the District can measure the performance of the fund. It was noted that the actuarial study is completed every 2 years and the next study will be conducted in 2018.

Following review of the Treasurer's Report and upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the Committee recommended the Treasurer's Report for approval at the December 21, 2016 Board meeting. Directors Thomas, Barbre and Osborne all voted in favor.

FINANCIAL REPORT - Combined Financial Statements and Budget Comparative for the Period ending October 31, 2016

Following review of the Financial Report and upon MOTION by Director Osborne, seconded by Director Thomas, and carried (3-0), the Committee recommended the Financial Report for approval at the December 21, 2016 Board meeting. Directors Thomas, Barbre and Osborne all voted in favor.

DISCUSSION ITEMS

UPDATE ON EXECUTIVE ORDER B-37-16

Melissa Baum-Haley provided a presentation on the objectives of the Executive Order B-37-16, most notably pertaining to urban water within the orange county region and include using water more wisely, eliminating water waste and strengthening local drought resilience. The revised comment period to the Executive Order has been extended several times, with the new report anticipated to be submitted to the governor in late January.

Areas of encouragement with the executive order include new conservation targets to the replace the existing 20x2020 framework, 5-year drought planning remains a component of the urban water management plan, annual drought risk assessment was adjusted from annual 5-year assessment to a current year plus one additional year assessment and will allow water agencies to define their own shortage levels in practice.

Areas of concern include an extension of the current drought emergency regulations, limited flexibility to choose alternative compliance methods, recycled water should receive a credit when measuring indoor efficiency calculations, including a phased implementation,

eliminating waste and strengthening local drought resilience to provide exceptions for smaller water agencies, noting that the emergency drought order has been extended by another 270 days.

Next steps include the preparation of a comment letter to the draft report, noting that member agencies are encouraged to submit their own comment letters, as well as participation in local technical working groups to develop guidance documents for commercial, industrial, institutional and landscape purveyors.

Considerable discussion was held on the various perspectives held by the committee members and staff on the positives and negatives within the Executive Order and ways to address concerns with the drought, noting that a cookie-cutter approach across the entire state tends to be problematic, i.e., agricultural versus southern California. It was noted that many of the MWDOC retail agencies and Metropolitan Water District have been attending various meetings addressing their concerns.

INFORMATION ITEMS

SOLE SOURCE CONTRACT FOR TEMPORARY STAFFING

The sole source procurement for temporary staffing was received and filed.

SOLE SOURCE CONTRACT WITH PFM FINANCIAL MANAGEMENT

The sole source procurement for Public Financial Management was received and filed.

Discussion was held on the process for utilizing sole source procurement justification, with Directors Barbre and Dick noting that their preference is to limit the number of sole source contracts and provide the information in a timelier manner. Mr. Hunter noted that this item was discussed previously at a committee meeting and was a matter of housekeeping.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CONJUNCTIVE USE PROGRAM (CUP) FUNDING AGREEMENT

The report was received and filed.

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

The reports were received and filed.

MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFORMATION

The informational reports and charts were filed.

OTHER ITEMS

**REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL
MATTERS, EMPLOYEE BENEFITS FINANCE AND INSURANCE**

No information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:50 a.m.

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

**Jointly with the
PUBLIC AFFAIRS AND LEGISLATION COMMITTEE**

December 19, 2016 - 8:30 a.m. to 10:00 a.m.

MWDOC Conference Room 101

Committee:

Director Brett Barbre
Director Sat Tamaribuchi

Staff:

Robert Hunter, Karl Seckel, Heather Baez,
Jonathan Volzke, Katie Davanaugh,
Tiffany Baca, Harvey De La Torre,
Bryce Roberto, Melissa Baum-Haley,
Kevin Hostert, Charles Busslinger,
Joe Berg

Also Present:

Larry Dick, MWDOC Director
Wayne Osborne, MWDOC Director
Larry McKenney, MWDOC MET Director
John Lewis, Lewis Consulting
Linda Ackerman, MWDOC MET Director
Dick Ackerman
Jim Leach, Santa Margarita W.D.
Tony Solorzano, Discovery Cube
Syrus Devers, MWDOC legal counsel

Chair Tamaribuchi called the meeting to order at 8:30 a.m. and appointed Director Osborne as a committee member.

Director Megan Yoo-Schneider attended the meeting via teleconference and all agenda requirements pursuant to the Ralph M. Brown Act were complied with.

PUBLIC PARTICIPATION

Tony Solorzano, Discovery Cube, reported that Sean Fitzgerald will no longer be working for Discovery Cube on a full time basis but will still be consulting for them; Mr. Solorzano reported that he will be the District's new point of contact.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

A comment letter to the governor's executive order was distributed and would be discussed under issues related to legislation.

DISCUSSION ITEMS**LEGISLATIVE ACTIVITIES****a. Federal Legislative Report (Barker)**

It was noted that the 800 page WRDA/WIIN legislation has passed. The Committee held discussion on provisions in the legislation pertaining to fish hatcheries (more specifically relating to the Delta smelt) and the controversy surrounding genetic modifications of species from hatcheries. Discussion was also held on some of the other highlights listed in Mr. Barker's written report.

b. State Legislative Report (BBK)

Mr. Syrus Devers reported quite a bit of turn-over is anticipated with policy committee chairpersons within the legislature, mostly due to the recent election.

Director Barbre inquired whether BBK has met with legislative members so that the face of MWDOC can heard regarding water issues. Mr. Devers indicated that he has been initiating those contact meetings.

c. County Legislative Report (Lewis)

Mr. Lewis reviewed the recent Orange County election results and noted the troubles that continue to tarnish the reputation of Orange County law enforcement regarding lost or hidden records and the jailhouse "snitch" program. He also noted that recent winter storms have increased water levels in major reservoirs within the state.

d. Legal and Regulatory Report (Ackerman)

Mr. Dick Ackerman noted optimism with the Trump administration and their influence on water within California.

e. MWDOC Legislative Matrix**f. Metropolitan Legislative Matrix**

The legislative activities reports were received and filed.

**SOUTHERN CALIFORNIA WATER ISSUES CONGRESSIONAL DELEGATION
BRIEFING LUNCHEON (DC) MARCH 1ST)**

Ms. Baez noted that partner agencies are working with MWDOC and all activities for the March 1st event are on schedule.

The agenda was reorganized as noted below.

ACTION ITEMS**MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE**

Mr. Hunter suggested that this item be delayed one month due to the fact that Metropolitan Water District has not yet updated their policy principles. The Committee held discussion on the redlines presented in the written staff report. Modifications included adding "and eco restore" on number 2 (page 46 of 69); and removing number 6 (page 48 of 69).

Other suggested revisions should be directed to Ms. Baez prior to the Board meeting for consideration.

SELECTION OF A FIRM FOR COUNTY ADVOCACY SERVICES

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the Committee recommended approval of the selection of Lewis Consulting Group for County Advocacy Services at the December 21, 2016 Board meeting. Directors Barbre, Osborne and Tamaribuchi all voted in favor.

EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH BEST, BEST, AND KRIEGER (BBK)

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the Committee recommended approval of the extension of state legislative advocacy contract with BBK at the December 21, 2016 Board meeting. Directors Barbre, Osborne and Tamaribuchi all voted in favor.

EXTENSION OF FEDERAL LEGISLATIVE ADVOCACY CONTRACT WITH JAMES C. BARKER, PC.

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the Committee recommended approval of the federal legislative advocacy contract with James Barker at the December 21, 2016 Board meeting. Directors Barbre, Osborne and Tamaribuchi all voted in favor.

AUTHORIZATION FOR CONTRACT WITH WEBSITE REDESIGN

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the Committee recommended authorizing the contract with the website redesign at the December 21, 2016 Board meeting. Directors Barbre, Osborne and Tamaribuchi all voted in favor.

Director Barbre requested that the new features of the website include compatibility with i-pad and i-phone as well as being able to use a split screen with Microsoft Windows 7. Ms. Baca noted that those features would absolutely be included as new features. A secure login for MWDOC member agency representatives and Directors will also be included for a variety of items, including drop-box and file sharing.

INFORMATION ITEMS**EDUCATION REPORT**

The report was received and filed without comment.

UPDATE ON POTENTIAL SAN JUAN CAPISTRANO UTILITIES CONSOLIDATION

The report was received and filed without comment.

UPDATE ON WATER POLICY DINNER

Mr. Hunter noted that Mark Cowin, Director for the California Department of Water Resources, will be resigning and therefore not available to speak at the January 26th dinner. Discussion was held on whether there was enough time to reschedule a speaker due to the upcoming holidays, and held discussion on other viable speakers. It was suggested that MWDOC advocacy consultants might brainstorm and present possible speakers for future events. It was determined that the dinner should be rescheduled to a future date to allow the public affairs staff sufficient time for planning purposes.

UPDATE ON 2017 OC WATER SUMMIT

Discussion was held on potential speakers for this event as well as the "Wyland National Mayor's Challenge for Water Conservation" program that was promoted at the 2016 O.C. Water Summit. The program is designed by the Wyland Foundation to encourage water conservation by cities and water utilities. The winner of the MWDOC Orange County break out challenge would receive a pocket park landscape make-over within their city or agency. The requested contribution for this promotion by MWDOC is \$10,000. All professional landscape, irrigation, permits, plants and hardscape would be included by the Foundation, and design, installation and implementation would be completed by professional partners such as RainBird and local OC nurseries to name a few. It was noted that the City of Laguna Beach was the National Winner last year for their population category.

The Committee requested that Ms. Baca provide a detailed report of the Mayor's challenge, including what the winning agency/city is responsible for pertaining to landscape maintenance, upkeep, criteria for pledging, etc.

It was noted that Fritz Coleman, weathercaster, will be the emcee for the June 16, 2017 Water Summit.

PUBLIC AFFAIRS ACTIVITIES REPORT

The report was received and filed.

OTHER ITEMS**REVIEW ISSUES RELATED TO LEGISLATION, OUTREACH, PUBLIC INFORMATION ISSUES, AND MET**

The Committee reviewed the draft comment letter to the State Water Resources Control Board and California Department of Water Resources regarding "Making Conservation a California Way of Life" and made minor typographical changes to the letter. Additional discussion was held on which MWDOC member agencies would be sending their own respective letters.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:00 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
December 20, 2016, 8:30 a.m. to 10:30 a.m.
Conference Room 102

Committee:

Director Osborne, President
Director Barbre, Vice President
Director Dick

Staff:

R. Hunter, M. Goldsby, J. Berg

Also Present:

Director Tamaribuchi
Director Thomas
Cathy Green, OCWD
Shawn DeWane, OCWD
Liz Mendelson-Goossens, SDCWA
Paul Weghorst, IRWD
Scott Maloni, Poseidon
Gerry Riss, MET

At 8:30 a.m., President Osborne called the meeting to order. In order to accommodate schedules, the agenda was reorganized as follows.

PUBLIC PARTICIPATION

No public comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

At the beginning of the meeting, Staff distributed the draft agendas for the January Committee meetings.

MET AUDIT REPORT

Mr. Gerry Riss, MET's General Auditor, presented information on MET's Turf Program audit. He reviewed issues relating to the differentials in measuring property (between all parties), the lessons learned, and problem areas with respect to Home Owner's Associations and how these issues were resolved. Discussion was held regarding outcome of the audit, lessons learned, and how these issues can be avoided in the future. President Osborne thanked Mr. Riss for his report.

DISCUSSION CONCERNING MWDOC/OCWD JOINT RESOLUTION REGARDING HUNTINGTON BEACH DESALINATION PROJECT

President Osborne advised that a proposed Resolution regarding the Huntington Beach Desalination Project was presented to him by OCWD. He expressed concern with the Resolution, advising that he did not see a reason/urgency for adopting the Resolution at this time. President Osborne advised that he fully supported the concept, but was concerned and opposed to the Resolution at this time due to the phrasing which could lead to some funding requirements by MWDOC; Directors Barbre and Green suggested the Resolution be revised to ease these types of concerns.

Considerable discussion ensued, with Director Barbre providing an overview of the Huntington Beach Desalination Project, how it came about, including actions/discussions between Poseidon and MWDOC's previous Board (prior to 2001). Director Barbre commented that the only way for this desalination project to be successful is for MWDOC to be involved, noting that the Resolution does not commit MWDOC to spending any money. He commented this project would assist with long term reliability for the entire County, and was not a threat to strand assets because it is a new source of water.

Director Thomas commented that the process has been awkward, but he believes discussions are moving in the right direction. He commented that Orange County should not rely on the California WaterFix for its water shortage solution, but should attempt to secure additional supplies. Noting the absence of some of the MWDOC Board members, he suggested the Board appoint a Joint Ad Hoc Desalination Committee to review and discuss this item.

Director Tamaribuchi did not see the need for the Resolution, suggesting the two agencies continue to work together, and review supply alternatives. He advised that he was not prepared to support the Huntington Beach Desalination Project at this time, because there were too many issues to resolve with this and other matters. He advised that he may support it in the future, but was not prepared to at this time.

OCWD Director Dewane advised that OCWD authorized funds to study the distribution system and what to do with the potential water from the project (before the permitting process can be completed, Poseidon must describe the distribution system). He commented that the Project would improve reliability throughout all of Orange County, not just the OCWD service area. He encouraged the two Boards to work together and develop a vision for the future, as well as consider other reliability options, including storage in the groundwater basin. Director Dewane then commented that if MET does not approve this project in its Local Resources Program (LRP) subsidy, the project would not exist. He commented that it may be prudent for MET to hold a 50% equity in the project. Director Dewane noted that the Resolution simply states the two agencies will work together.

OCWD Director Green weighed in, noting that changes to the Resolution could be made, but that timing is important due to the CEQA process, as well as would provide an opportunity to work together on emergency supplies for South Orange County (by opening up possibilities for moving emergency water, and potentially groundwater to South Orange County). She advised that the project would help the entire County in the event of a water shortage/outage, stating that MWDOC and OCWD working on this together would open the boundaries for the entire County. Ms. Green then provided an overview of OCWD's legislative efforts on desalination and she expressed her belief that nobody in Orange County should have problems with

accessing water, and that she wants to make sure to leave the region in better shape than when she started.

Scott Maloni provided a brief history of MET's desalination funding, advising that in 2010 MET approved a subsidy for the Carlsbad project (which was never implemented due to the MET/SDCWD litigation). He reported that MET's seawater subsidy program has since been eliminated, however the LRP program was reformatted to include desalination (up to \$475/af).

Director Dick stated that although he was hesitant in adopting the Resolution, he would be happy to continue to work with OCWD. He referenced MWDOC's history in working with Poseidon, noting he was reluctant to be too formalized when more flexibility may be needed. He stated he would be happy to support at MET, but that money may be an issue; he also highlighted potential opposition from SDCWA and Los Angeles (at the MET level).

Director Barbre expressed his understanding that SDCWA would demand a wheeling charge be implemented should any desalination water flow through a MET pipeline, which demonstrates the importance of both MET and MWDOC's involvement in this Project (to limit or eliminate excess costs).

Upon MOTION by Director Barbre, seconded by Director Dick, and carried (3-0), the Executive Committee referred this matter to the Planning & Operations Committee (in January) for further discussion and/or action. Directors Osborne, Barbre and Dick voted in favor.

Mr. Paul Weghorst (IRWD) stated that the big challenge with the Project would be finding a way to distribute the benefits and cost in a proportional way. He suggested MWDOC re-establish a working group to review the issues and make recommendations.

Director Green encouraged any changes to the Resolution; she also asked whether MWDOC was interested in including an option for non-basin deliveries in the CEQA documents, and, if so, now is the time. It was noted these issues would be addressed at the January Planning & Operations Committee.

Staff was asked to include information regarding a potential Desalination Committee and/or working group in its write up to the Planning & Operations Committee.

Mr. Hunter commented on the positive discussions held at the meeting, highlighting the new ideas mentioned, including the alternative that MET hold a 50% equity, as well as MWDOC being more involved in emergency supply distribution and storage in the basin. Mr. Hunter stated that there are many staff-to-staff meaty issues to be addressed (e.g., reduction in Diemer production which would affect water quality). The Committee recommended Mr. Hunter revise the Resolution and present this revised Resolution to the Planning & Operations Committee.

EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS

The Committee reviewed and discussed the draft agendas for each of the Committee meetings and made revisions/additions as noted below.

a. Workshop Board Meeting

No new items were added to the agenda.

b. Planning & Operations Committee Meeting

No new items were added to the agenda.

c. Administration & Finance Committee

No new items were added to the agenda.

d. Public Affairs & Legislation Committee

No new items were added to the agenda.

e. Executive Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

No items were presented.

MEMBER AGENCY RELATIONS

No new information was presented.

GENERAL MANAGER'S REPORTS

General Manager Hunter advised that Mr. Bill Steele (BUREC) was retiring; the Committee recommended the District provide a bottle of wine and a Proclamation.

Mr. Hunter also advised that he would be moving funds between cost centers (from Engineering to Administration) to accommodate the costs for recruiting for the Director of Public Affairs position.

It was noted that a report from the Environmental Leaders meeting would be made to the Board and/or Committee.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

No new information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:30 a.m.

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
December 2016**

WATER REVENUES

Date	From	Description	Amount
12/01/16	City of Garden Grove	October 2016 Water deliveries	270,610.79
12/02/16	City of Brea	October 2016 Water deliveries	108,411.01
12/05/16	City of La Palma	October 2016 Water deliveries	86,918.93
12/05/16	City of Seal Beach	October 2016 Water deliveries	35,433.74
12/05/16	City of Fountain Valley	October 2016 Water deliveries	16,526.07
12/08/16	City of La Habra	October 2016 Water deliveries	10,075.67
12/08/16	Trabuco Canyon Water District	October 2016 Water deliveries	17,891.48
12/09/16	El Toro Water District	October 2016 Water deliveries	587,478.78
12/09/16	City of Huntington Beach	October 2016 Water deliveries	801,228.91
12/12/16	City of Buena Park	October 2016 Water deliveries	289,613.23
12/12/16	South Coast Water District	October 2016 Water deliveries	476,410.83
12/12/16	Santa Margarita Water District	October 2016 Water deliveries	2,122,468.65
12/12/16	City of Newport Beach	October 2016 Water deliveries	73,797.02
12/12/16	City of San Juan Capistrano	October 2016 Water deliveries	627,865.43
12/14/16	East Orange County Water District	October 2016 Water deliveries	336,581.57
12/14/16	City of Orange	October 2016 Water deliveries	188,059.11
12/14/16	City of Westminster	October 2016 Water deliveries	368,154.22
12/15/16	Laguna Beach County Water District	October 2016 Water deliveries	153,382.58
12/15/16	Orange County Water District	October 2016 Water deliveries	3,026,232.23
12/15/16	Mesa Water	October 2016 Water deliveries	329.73
12/15/16	Irvine Ranch Water District	October 2016 Water deliveries	1,107,737.77
12/15/16	Santiago Aqueduct Commission	October 2016 Water deliveries	272,586.60
12/15/16	Moulton Niguel Water District	October 2016 Water deliveries	2,048,556.04
12/15/16	Yorba Linda Water District	October 2016 Water deliveries	550,051.92
12/15/16	Golden State Water Company	October 2016 Water deliveries	308,201.10
12/22/16	Serrano Water District	November 2016 Water deliveries	126,242.82
12/23/16	City of Huntington Beach	November 2016 Water deliveries	879,791.71
12/27/16	City of Buena Park	November 2016 Water deliveries	239,687.23
12/27/16	City of Seal Beach	November 2016 Water deliveries	9,246.14
12/27/16	City of Fountain Valley	November 2016 Water deliveries	16,526.07
12/27/16	City of La Habra	November 2016 Water deliveries	9,604.67
12/27/16	City of La Palma	November 2016 Water deliveries	82,303.13
12/29/16	City of Newport Beach	November 2016 Water deliveries	207,090.02

TOTAL REVENUES \$ 15,455,095.20

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
December 2016

MISCELLANEOUS REVENUES

Date	From	Description	Amount
12/15/16	Stan Sprague	Dec 2016-Jan 2017 Retiree Health insurance	422.82
12/29/16	Lee Jacobi	Jan-Dec 2017 Retiree Health insurance	517.56
12/29/16	Judy Pfister	Jan-Mar 2017 Retiree Health insurance	119.43
12/01/16	Trung Pham	Movie tickets	170.00
12/08/16	Maribeth Goldsby	Movie tickets	17.00
12/12/16	2 Checks	Movie tickets	93.50
12/15/16	4 Checks	Movie tickets	408.00
12/21/16	Janice Kovacevic	Movie tickets	34.00
12/22/16	Lee Yoo	Movie tickets	170.00
12/01/16	Robert Berg	OCEMO Holiday luncheon	32.00
12/05/16	OCEMO Holiday Luncheon	OCEMO Holiday luncheon	32.00
12/15/16	Orange County Water District	5/20/16 OC Water Summit cost share	3,748.08
12/05/16	US Bank	CAL Card rebate check	552.94
12/12/16	City of Dana Point	Refund for Coastal permit fee for Doheny Ocean Desal project	1,633.00
12/29/16	ACWA	Partial refund for Director Yoo Schneider 2016 ACWA Fall conference registration	55.00
12/29/16	Sarah Sherman	Payment for supplemental insurance	17.82
12/08/16	Santa Margarita Water District	September 2016 Smartimer rebate program	3,960.84
12/01/16	City of Garden Grove	September 2016 Turf Removal rebate program	555.00
12/12/16	City of Orange	October 2016 Turf Removal rebate program	111.00
12/20/16	City of Buena Park	October 2016 Turf Removal rebate program	111.00
12/21/16	Irvine Ranch Water District	October 2016 Turf Removal rebate program	18,913.98
12/27/16	City of Garden Grove	October 2016 Turf Removal rebate program	222.00
12/29/16	City of Newport Beach	October 2016 Turf Removal rebate program	111.00
12/20/16	Trabuco Canyon Water District	October 2016 So Cal Watersmart Residential rebate program	100.00
12/20/16	Moulton Niguel Water District	October 2016 So Cal Watersmart Residential rebate program	4,400.00
12/21/16	Irvine Ranch Water District	October 2016 So Cal Watersmart Residential rebate program	7,697.00
12/27/16	Santa Margarita Water District	October 2016 So Cal Watersmart Residential rebate program	255.00
12/05/16	Department of Water Resources	Jan-Mar 2016 Comprehensive Landscape WUE	2,157.44
12/05/16	Department of Water Resources	Apr-Jun 2016 Comprehensive Landscape WUE	1,620.31
12/12/16	Irvine Ranch Water District	Jul-Sep 2016 Landscape Performance Certification program	5,400.00
12/30/16	Bureau of Reclamation	Apr-Sep 2016 Industrial Process Water Use phase 2	95,010.00
12/21/16	City of Newport Beach	Reimbursement of rebates paid in excess of eligibility	7,405.00
12/27/16	Yorba Linda Water District	Reimbursement of rebates paid in excess of eligibility	596.00
12/12/16	Moulton Niguel Water District	FY 16-17 Choice Programs Billing Invoice	176,444.39
12/20/16	City of Buena Park	FY 16-17 Choice Programs Billing Invoice	14,709.02

TOTAL MISCELLANEOUS REVENUES \$ **347,802.13**

TOTAL REVENUES \$ **15,802,897.33**


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of January 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard Ackerman	
1124	December 2016 Consulting for legal & regulatory matters	1,900.00
	*** Total ***	1,900.00
	ALTA FoodCraft	
516120853	12/7/16 Coffee & tea supplies	285.31
	*** Total ***	285.31
	ARC Document Solutions, LLC	
8974904	December 2016 Services for online invitation-to-bid on proposal for Doheny Ocean Desal decommission project	40.00
	*** Total ***	40.00
	California State Land Commission	
A6446	Additional fee for application processing for Doheny Ocean Desal project	1,759.19
	*** Total ***	1,759.19
	CDM Smith	
90006030	10/1/16-11/26/16 Engineering services for O.C. Water Reliability Investigation	10,817.50
	*** Total ***	10,817.50
	Consolidated Office Systems	
28763	Local delivery and set up for WEROC office furniture	899.00
28764	3 Utility Carts for WEROC emergency radio batteries	320.76
	*** Total ***	1,219.76
	Hunter T. Cook	
NOV16-JAN17	November 2016-January 2017 Coastal retiree health insurance	1,505.52
	*** Total ***	1,505.52
	CSU Fullerton ASC	
AR165999	FY 16/17 2nd Quarter Center for Demographic Research support	9,992.88
	*** Total ***	9,992.88
	CV Strategies	
3826	November 2016 Recruiting assistance for Director of Public Affairs position	2,087.50
	*** Total ***	2,087.50
	Deluxe	
2038745264	5,000 Envelopes for Turf Removal program 1099s	469.34
	*** Total ***	469.34
	Fry's Electronics	
21726862	12/9/16 Computer supplies	97.19
	*** Total ***	97.19

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of January 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Gladwell Governmental Services, Inc.</i>	
3581	12/16/16 Records management services	1,200.00
	*** Total ***	1,200.00
	<i>International Public Management Assoc</i>	
24392-W9Y2F5	3/1/17-2/28/18 Annual membership renewal	109.00
	*** Total ***	109.00
	<i>James C. Barker, P.C.</i>	
105-1216	December 2016 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<i>Karen's Detail Custom Frames</i>	
2865	Custom framing of resolution for D. Chin	120.96
2870	Custom framing of resolution for R. Collett	120.96
	*** Total ***	241.92
	<i>Lewis Consulting Group, LLC</i>	
2016-166	December 2016 Consulting services	3,125.00
	*** Total ***	3,125.00
	<i>Maydwell Mascots Inc.</i>	
2735	Ricki Raindrop costume travel bag	200.00
	*** Total ***	200.00
	<i>Edward G. Means III</i>	
MWDOC-1044	December 2016 Support for MET issues & guidance to Engineering staff	2,636.88
	*** Total ***	2,636.88
	<i>National Water Research Institute</i>	
2017	2017 Children's Water Education Festival sponsorship	2,500.00
	*** Total ***	2,500.00
	<i>Norco Delivery Services</i>	
707559	12/1/16 Delivery charges for Board packets	169.36
	*** Total ***	169.36
	<i>Office Solutions</i>	
I-01078978	Name badge for Director Yoo Schneider	6.48
I-01079292	12/19/16 Office supplies	204.37
I-01081039	Office furniture for Engineering office	3,157.11
	*** Total ***	3,367.96
	<i>Orange County Fast Print, Inc.</i>	
53898	Business cards for Director Tamaribuchi	59.00
	*** Total ***	59.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of January 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Orange County Water District	
16902	November 2016 50% share of WACO expense	230.47
16910	November 2016 Postage, shared office & maintenance expense	6,731.05
16911	Final shared costs for HVAC remodel and upgrade	40,498.00
	*** Total ***	47,459.52
	Patricia Kennedy Inc.	
21123	December 2016 Plant maintenance	214.00
	*** Total ***	214.00
	Petty Cash	
123116	October-December 2016 Petty Cash reimbursement	83.11
	*** Total ***	83.11
	Staffing Network LLC	
95689838	12/12/16-12/18/16 Temporary help for Administration	974.61
95690350	12/19/16-12/25/16 Temporary help for Administration	702.78
	*** Total ***	1,677.39
	Staples Advantage	
8042391738	12/24/16 Office supplies	65.43
	*** Total ***	65.43
	Talent Assessment and Development, LLC	
2287	December 2016 Interview assessments for new hire applicants	2,200.00
	*** Total ***	2,200.00
	Trendway Corporation	
2949428-BL	WEROC office furniture	6,373.30
	*** Total ***	6,373.30
	Union Bank, N.A.	
1013453	September-November 2016 Custodial Bank fees	625.00
	*** Total ***	625.00
	U. S. Healthworks	
3040176-CA	12/14/16 Pre-employment exam	160.00
	*** Total ***	160.00
	USAFact, Inc.	
6122309	12/13/16 Pre-employment background check	16.44
6123103	12/22/16 Pre-employment background check	103.19
	*** Total ***	119.63

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of January 2017**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Water Systems Optimization, Inc.	
1090AA	October 2016 Water Loss Control program additional expenses	693.95
	*** Total ***	693.95
	Pauline D. Wennerstrom	
JAN-MAR2017	January-March 2017 Retiree medical premium	318.00
	*** Total ***	318.00
	Total Core Expenditures	<hr/> 111,772.64
Choice Expenditures:		
	Orange County Water District	
16910	November 2016 Postage for Water Use Efficiency rebate programs	21.02
	*** Total ***	21.02
	Spotlight Video	
JV-1134	Down payment for 3 animated videos for Public Affairs Choice program	11,675.00
	*** Total ***	11,675.00
	Total Choice Expenditures	<hr/> 11,696.02
Other Funds Expenditures:		
	Quality Fuel Trailer & Tank, Inc.	
524506	Diesel fuel trailer for Yorba Linda Water District	17,727.60
524507	Diesel fuel trailer for El Toro Water District	18,267.60
524508	Diesel fuel trailer for Irvine Ranch Water District	18,267.60
	*** Total ***	54,262.80
	Total Other Funds Expenditures	<hr/> 54,262.80
	Total Expenditures	<hr/> <hr/> 177,731.46

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of December 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
136258	12/8/16	TIMEWA 5210-DEC16	Time Warner Cable December 2016 Telephone and internet expense ***Total ***	 1,276.71 1,276.71
136259	12/8/16	VERIZO 9775884248	Verizon Wireless November 2016 4G Mobile broadband unlimited service ***Total ***	 114.03 114.03
136302	12/15/16	RICOHMA 5045850497	Ricoh USA, Inc. September-November 2016 Reproduction costs ***Total ***	 774.62 774.62
136303	12/15/16	IRONMO NFC1982	Iron Mountain December 2016 Archived document storage and withdrawal fees ***Total ***	 517.82 517.82
136307	12/15/16	TAMARI 113016	Satoru Tamaribuchi November 2016 Business expense ***Total ***	 181.94 181.94
136308	12/15/16	TIMEWA 3564-DEC16	Time Warner Cable December 2016 Telephone expense for 3 analog fax lines ***Total ***	 107.13 107.13
136311	12/15/16	VOLZKE 112916	Jonathan Volzke October-November 2016 Business expense ***Total ***	 91.54 91.54
ACH002279	12/15/16	ACKEEX 113016	Linda Ackerman November 2016 Business expense ***Total ***	 30.24 30.24
ACH002284	12/15/16	BACATI 120516	Tiffany Baca October-November 2016 Business expense ***Total ***	 382.12 382.12
ACH002285	12/15/16	BAEZHE 113016	Heather Baez November 2016 Business expense ***Total ***	 257.37 257.37
ACH002286	12/15/16	BARBRE 113016	Brett Barbre November 2016 Business expense ***Total ***	 36.94 36.94

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of December 2016**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH002287	12/15/16	BERGJO	Joseph Berg	
		113016	November 2016 Business expense	510.31
			***Total ***	510.31
ACH002290	12/15/16	BUSSLI	Charles Busslinger	
		113016	November 2016 Business expense	178.51
			***Total ***	178.51
ACH002293	12/15/16	CHUMPI	Hilary Chumpitazi	
		113016	November 2016 Business expense	116.57
			***Total ***	116.57
ACH002297	12/15/16	DICKEK	Larry Dick	
		113016	November 2016 Business expense	132.30
			***Total ***	132.30
ACH002299	12/15/16	DOUGLA	Ryan Douglass	
		113016	November 2016 Business expense	58.32
			***Total ***	58.32
ACH002300	12/15/16	FINNEG	Joan Finnegan	
		113016	November 2016 Business expense	109.64
			***Total ***	109.64
ACH002302	12/15/16	HINMAN	Susan Hinman	
		113016	November 2016 Business expense	325.87
			***Total ***	325.87
ACH002303	12/15/16	HUNTER	Robert J. Hunter	
		101616	October 2016 Business expense	17.27
			***Total ***	17.27
ACH002304	12/15/16	LIEUWJ	Jessica Lieu	
		120116	November-December 2016 Business expense	33.92
			***Total ***	33.92
ACH002306	12/15/16	LOEWEN	Laura Loewen	
		113016	November 2016 Business expense	94.17
			***Total ***	94.17
ACH002307	12/15/16	MCKEEK	Larry B. McKenney	
		113016	November 2016 Business expense	445.74
			***Total ***	445.74
		ROBERT	Bryce Roberto	
ACH002320	12/15/16	103116	October 2016 Business expense	11.34
ACH002321	12/15/16	113016	November 2016 Business expense	55.40
			***Total ***	11.34

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of December 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH002322	12/15/16	SECKEL	Karl Seckel	
		120116	November-December 2016 Business expense	853.70
			***Total ***	853.70
ACH002323	12/15/16	THOMAS	Jeffery Thomas	
		113016	November 2016 Business expense	547.40
			***Total ***	547.40
136328	12/30/16	RAESAR	Sarah Rae	
		120116	December 2016 Business expense	58.10
			***Total ***	58.10
136331	12/30/16	USBANK	U.S. Bank	
		4140/5443-NOV16	10/24/16-11/22/16 Cal Card charges	11,296.37
			***Total ***	11,296.37
			(See attached sheet for details)	
ACH002328	12/30/16	DELATO	Harvey De La Torre	
		121616	November-December 2016 Business expense	262.32
			***Total ***	262.32
Total Core Disbursements				18,850.01

Choice Disbursements:


ACH002287	12/15/16	BERGIO	Joseph Berg	
		113016	November 2016 Business expense	19.82
			***Total ***	19.82
136329	12/30/16	SDGE	San Diego Gas and Electric	
		7768-DEC16	11/17/16-12/19/16 Electric service for Doheny Ocean Desal project	120.59
			***Total ***	120.59
136331	12/30/16	USBANK	U.S. Bank	
		4140-DEC16	10/24/16-11/22/16 Cal Card charges	1,633.00
			***Total ***	1,633.00
			(See attached sheet for details)	
Total Choice Disbursements				1,773.41

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of December 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Other Funds Disbursements:				
136257	12/8/16	ATTEOC	AT&T	
		4492-NOV16	November 2016 WEROC S. EOC telephone expense	253.62
		8200-NOV16	November 2016 WEROC N. EOC telephone expense	188.62
		0532-NOV16	November 2016 WEROC N. EOC dedicated phone line	64.73
			***Total ***	506.97
136259	12/8/16	VERIZO	Verizon Wireless	
		9775884248	November 2016 4G Mobile broadband unlimited service	38.01
			***Total ***	38.01
		TURFRP	Turf Removal Program	
136260	12/15/16	TR7-R-MNT-3156-3093	F. Yoo	783.34
136261	12/15/16	TR9-R-MNT-7727-7685	B. Wakefield	1,418.00
136262	12/15/16	TR7-SWD-11149-10162	T. Kishi	5,078.00
136263	12/15/16	TR9-R-MNT-7791-7748	R. Carter	1,306.00
136264	12/15/16	TR9-R-MNT-7961-7926	S. Olson	2,238.00
136265	12/15/16	TR7-C-SM-172-4276	Belflora Maintenance Corporation (Rancho Santa Margarita)	2,182.00
136266	12/15/16	TR7-R-BREA-3159-4491	C. Moulin	920.00
136268	12/15/16	TR7-R-HB-4489-4412	L. Rosen	2,659.03
136269	12/15/16	TR7-R-SC-737-688	A. Soltani	1,444.00
136270	12/15/16	TR9-R-MNT-7750-7708	A. Mazzarini	848.00
136271	12/15/16	TR9-R-MNT-7475-7438	V. West	1,020.00
136272	12/15/16	TR7-R-O-4827-4746	P. Del Rosario	3,952.00
136273	12/15/16	TR8-R-MNT-4985-4914	K. Somogyi	1,956.00
136275	12/15/16	TR9-R-MNT-7444-7403	M. Zand	330.00
136276	12/15/16	TR9-R-MNT-7364-7318	T. Yapp	1,362.00
136277	12/15/16	TR9-R-MNT-7430-7380	K. Smith	1,000.00
136278	12/15/16	TR9-R-MNT-7391-7346	M. Khazeni	1,640.00
136279	12/15/16	TR9-R-MNT-7453-7413	D. Abell	908.00
136280	12/15/16	TR9-R-MNT-7624-7586	C. Wanamaker	2,042.00
136281	12/15/16	TR9-R-MNT-7573-7534	A. Maurillo	908.00
136282	12/15/16	TR9-R-MNT-7522-7483	S. Olesiak	1,212.00
136283	12/15/16	TR9-R-MNT-7708-7666	R. Caron	2,082.00
136284	12/15/16	TR9-R-MNT-7674-7653	K. Brillhart	1,184.00
136285	12/15/16	TR9-R-MNT-7700-7659	D. Montone	1,555.00
136286	12/15/16	TR9-R-MNT-4569-7683	S. Galloway	2,784.00
136287	12/15/16	TR9-R-MNT-7764-7717	K. Logan	1,050.00
136288	12/15/16	TR9-R-MNT-7911-7875	P. Delke	840.00
136289	12/15/16	TR9-R-MNT-7925-7890	J. Lee	834.00
136290	12/15/16	TR9-R-MNT-8080-8046	J. Hobbs	1,096.00
136291	12/15/16	TR9-R-MNT-7988-7951	A. Halverson	1,796.00
136292	12/15/16	TR9-R-MNT-7998-7965	C. Lee	516.00
136293	12/15/16	TR7-MNT-10654-27002B	K. Myette	2,604.00
			***Total ***	51,547.37

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of December 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
136295	12/15/16	ATTUVEOC	AT&T	
		8599-DEC16	December 2016 U-verse internet service for WEROC N. EOC	55.00
			***Total ***	55.00
ACH002287	12/15/16	BERGJO	Joseph Berg	
		113016	November 2016 Business expense	4.50
			***Total ***	4.50
136316	12/22/16	TURFRP	Turf Removal Program	
		TR7-R-IRWD-4537-4458B	M. Hoppen	6,000.00
			***Total ***	6,000.00
WIRE-161229	12/29/16	METWAT	Metropolitan Water District	
		8848	October 2016 Water deliveries	14,481,622.66
			***Total ***	14,481,622.66
136319	12/30/16	ATTEOC	AT&T	
		4492-DEC16	December 2016 WEROC S. EOC telephone expense	253.02
		8200-DEC16	December 2016 WEROC N. EOC telephone expense	188.07
		0532-DEC16	December 2016 WEROC N. EOC dedicated phone line	64.50
			***Total ***	505.59
136320	12/30/16	CATALI	Catalina Island Conservancy	
		0013577	December 2016 WEROC radio repeater site lease	1,636.47
			***Total ***	1,636.47
136331	12/30/16	USBANK	U.S. Bank	
		4140-DEC16	10/24/16-11/22/16 Cal Card charges	75.00
			***Total ***	75.00
			(See attached sheet for details)	
ACH002337	12/30/16	SANTAM	Santa Margarita Water District	
		OCT2016	October 2016 SCP Operation surcharge	26,427.33
			***Total ***	26,427.33
Total Other Funds Disbursements				14,568,418.90
Total Disbursements				14,589,042.32


Robert J. Hunter, General Manager


Hilary Chumpitazi, Treasurer

Cal Card Statement Detail
Statement Date: November 22, 2016
Payment Date: December 30, 2016

Date	Description	Amount
<u>K. Seckel Card</u>		
10/24/16	UPS delivery charges for Board packets on Oct. 14, 2016	\$ 7.29
10/24/16	Lunch for MET Directors' meeting	190.03
10/25/16	Your Membership employment ad for Emergency Programs Coordinator position	325.00
10/25/16	Water District Jobs employment ad for Emergency Programs Coordinator position	145.00
10/25/16	California Urban Water Conservation Council meeting in Sacramento, CA on Nov. 2, 2016 - Airfare for J. Berg	462.47
10/25/16	California Urban Water Conservation Council meeting in Sacramento, CA from Nov. 15-16, 2016 - Airfare for J. Berg	326.46
10/27/16	FedEx delivery charges for Best Best & Krieger on Oct. 25, 2016	16.43
10/27/16	American Water Works Association California-Nevada Section conference in San Diego, CA from Oct. 24-26, 2016 - Accommodations refund for J. Berg	(102.41)
10/28/16	Coastal development permit for Doheny Ocean Desal project	1,633.00 ^[1]
10/31/16	UPS delivery charges for Board packets on Oct. 28, 2016	5.93
11/01/16	ACWA Fall conference in Anaheim, CA from Nov. 29-Dec. 2, 2016 - Registration for Director Thomas	695.00
11/01/16	California Society of Municipal Finance Officers annual membership dues for H. Chumpitazi	110.00
11/02/16	Christmas tree for MWDOC office	133.95
11/03/16	Lunch for Records Management meeting	138.50
11/04/16	Water Advisory Committee of Orange County meeting on Nov. 4, 2016 - Accommodations for guest speaker J. Kingsbury	175.38 ^[2]
11/04/16	Food for Staff development meeting	21.98
11/04/16	American Water Works Association California-Nevada Section Water Use Efficiency Grade workshop in Rancho Cucamonga, CA from Nov. 30-Dec. 1, 2016 - Registration for R. Douglass	375.00
11/07/16	American Water Works Association California-Nevada Section Water Use Efficiency Grade workshop in Rancho Cucamonga, CA from Nov. 30-Dec. 1, 2016 - Registration for R. Waite	375.00
11/07/16	American Water Works Association California-Nevada Section Water Use Efficiency Grade workshop in Rancho Cucamonga, CA from Nov. 30-Dec. 1, 2016 - Registration for S. Rae	375.00
11/07/16	UPS delivery charges for Board packets on Oct. 28, 2016	76.40
11/08/16	Office supplies from Costco	278.49
11/09/16	ACWA DC 2017 conference in Washington, DC from Feb. 28-Mar. 2, 2017 - Registration for H. Baez	645.00

Cal Card Statement Detail
Statement Date: November 22, 2016
Payment Date: December 30, 2016

Date	Description	Amount
11/10/16	American Water Works Association California-Nevada Section Water Use Efficiency Grade workshop in Rancho Cucamonga, CA from Nov. 30-Dec. 1, 2016 - Registration for J. Lieu	375.00
11/10/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Registration for Director Thomas	475.00
11/10/16	Lunch for Public Affairs workshop	537.85
11/11/16	Annual digital subscription for The Sacramento Bee	99.99
11/11/16	100 Regal movie tickets for employee purchase	858.00
11/12/16	80 Cinemark movie tickets for employee purchase	690.00
11/14/16	California Society of Municipal Finance Officers meeting in Aliso Viejo, CA on Dec. 15, 2016 - Registration H. Chumpitazi	30.00
11/14/16	UPS delivery charges for Board packets on Nov. 4, 2016	51.59
11/14/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Accommodations for Director Thomas	538.24 ^[3]
11/16/16	Computer supplies	73.59
11/16/16	Legislative activities in Washington, DC from Nov. 16-19, 2016 - Accommodations for Director Barbre	845.37 ^[4]
11/16/16	Lunch for Records Management meeting	96.76
11/17/16	California Emergency Services Association membership renewal for K. Hubbard	75.00
11/17/16	Legislative activities in Washington, DC from Nov. 16-18, 2016 - Airfare for H. Baez	631.61
11/19/16	Annual subscription for Adobe PDF to Word converter	23.88
11/19/16	Legislative activities in Washington, DC from Nov. 16-18, 2016 - Accommodations for H. Baez	520.98
11/20/16	FedEx delivery charges for Best Best & Krieger on Nov. 16, 2016	16.47
Total		12,348.23


- ^[1] City of Dana Point refunded MWDOC on Dec. 12, 2016
- ^[2] OCWD to reimburse MWDOC for \$87.69
- ^[3] Caesars Palace refunded MWDOC \$192.43 on Dec. 16, 2016
- ^[4] Director Barbre reimbursed MWDOC for \$72.49

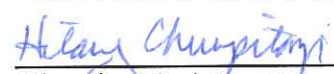
Cal Card Statement Detail
Statement Date: November 22, 2016
Payment Date: December 30, 2016

Date	Description	Amount
<u>R. Hunter Card</u>		
10/24/16-11/22/16	Meals for R. Hunter's meetings	266.14
11/03/16	MWDOC Special Board meeting in Costa Mesa, CA on Jan. 28, 2017 - Meeting room deposit	550.00
11/03/16	Retirement gift for Director Hinman partial refund	(160.00)
	Total	<u>656.14</u>

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of December 2016

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
136324	12/30/16	MISCEL	Jon Burau	
		120916	12/8/16 Environmental Leader's Tour airfare reimbursement	490.68
			***Total ***	490.68
136325	12/30/16	MISCEL	Gerald H. Meral	
		121316	12/8/16 Environmental Leader's Tour airfare reimbursement	296.84
			***Total ***	296.84
136326	12/30/16	MISCEL	Peter Moyle	
		121016	12/8/16 Environmental Leader's Tour airfare reimbursement	472.20
			***Total ***	472.20
136327	12/30/16	MISCEL	Sean Bothwell	
		122816	12/8/16 Environmental Leader's Tour airfare reimbursement	412.96
			***Total ***	412.96
136330	12/30/16	STAFFI	Staffing Network, LLC	
		95688372	11/28/16-12/4/16 Temporary help for Administration	994.50
		95689283	12/5/16-12/11/16 Temporary help for Administration	1,034.28
			***Total ***	2,028.78
			Total Core Disbursements	3,701.46
Choice Disbursements:				
			Total Choice Disbursements	0.00
Other Funds Disbursements:				
			Total Other Funds Disbursements	0.00
			Total Disbursements	3,701.46


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

(1) For disbursements that did not make the cut-off of previous month's Disbursement Approval report.
 Disbursements are approved by GM for payment and need A & F Committee ratification.



Municipal Water District of Orange County Consolidated Summary of Cash and Investment

November 30, 2016

Street Address:18700 Ward Street
Fountain Valley, California 92708**Mailing Address:**P.O. Box 20895
Fountain Valley, CA 92728-0895

(714) 963-3058

Fax: (714) 964-9389

www.mwdoc.comWayne S. Osborne
*President*Brett R. Barbre
*Vice President*Larry D. Dick
*Director*Joan C. Finnegan
*Director*Megan Yoo Schneider
*Director*Sat Tamaribuchi
*Director*Jeffery M. Thomas
*Director*Robert J. Hunter
*General Manager***MEMBER AGENCIES**

City of Brea

City of Buena Park

East Orange County Water District

El Toro Water District

Emerald Bay Service District

City of Fountain Valley

City of Garden Grove

Golden State Water Co.

City of Huntington Beach

Irvine Ranch Water District

Laguna Beach County Water District

City of La Habra

City of La Palma

Mesa Water District

Moulton Niguel Water District

City of Newport Beach

City of Orange

Orange County Water District

City of San Clemente

City of San Juan Capistrano

Santa Margarita Water District

City of Seal Beach

Serrano Water District

South Coast Water District

Trabuco Canyon Water District

City of Tustin

City of Westminster

Yorba Linda Water District

District investments and cash balances are held in various funds designated for certain purposes as follows:

Fund	Book Value	% of Portfolio
Designated Reserves		
General Operations	\$2,924,636	20.91%
Grant & Project Cash Flow	1,500,000	10.73%
Election Expense	475,000	3.40%
Building Repair	350,407	2.51%
Total Designated Reserves	5,250,043	37.55%
General Fund	6,721,987	48.06%
Water Fund	1,658,285	11.85%
Conservation Fund	(95,714)	(0.68%)
Desalination Feasibility Study Fund	222,385	1.59%
WEROC Fund	202,505	1.45%
Trustee Activities	25,297	0.18%
Total	\$13,984,788	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.71%	\$99,502	\$99,502
Short-term investment			
• LAIF	0.84%	\$118,017	\$118,017
• OCIP	76.26%	10,664,483	10,664,483
Long-term investment			
• Corporate Bond	5.38%	752,786	748,932
• Certificates of Deposit	16.81%	2,350,000	2,378,810
Total	100.00%	\$13,984,788	\$14,009,744

The average number of days to maturity/call as of November 30, 2016 equaled 168 and the average yield to maturity is 0.967%. During the month, the District's average daily balance was \$25,316,728.06. Funds were invested in Federal Agency Issues, Certificates of Deposit, Negotiable CD's, Miscellaneous Securities, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of November 2016.

The \$24,956 difference between the book value and the market value on November 30, 2016 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.

Robert J. Hunter
*General Manager*Hilary Chumpitazi
Treasurer

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY




Portfolio Management - Portfolio Summary November 30, 2016

11/30/2016	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	2,350,000.00	2,378,809.50	2,350,000.00	16.93	591	1.697
Corporate Bond	750,000.00	748,932.50	752,785.67	5.40	1,235	2.238
Local Agency Investment Funds	118,017.11	118,017.11	118,017.11	0.85	1	0.678
Orange County Investment Pool	10,664,482.78	10,664,482.78	10,664,482.78	76.82	1	0.720
Total Investments	13,882,499.89	13,910,241.89	13,885,285.56	100.00	168	0.967
Cash						
Cash	99,502.35	99,502.35	99,502.35		1	0.00
Total Cash and Investments	13,982,002.24	14,009,744.24	13,984,787.91		168	0.967

Total Earnings	Month Ending November	Fiscal Year to Date
Current Year	17,247.08	88,100.91
Average Daily Balance	25,316,728.06	
Effective Rate of Return	0.967%	

We certify that this report reflects the cash and investments of the Municipal Water District of Orange County and is in conformity with the Government Code requirements and the District Investment Policy and Guidelines in effect at the time of investment. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six month's estimated expenditure. The source for the market values are from Union Bank.


Robert J. Hunter, General Manager
Date 1-5-17


Hilary Chumpitazi, Treasurer
Date 01/05/2017

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
November 30, 2016

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Ally Bank	02006LFV0	7/23/2014	250,000.00	250,727.50	250,000.00	1.150	1.150	236	7/24/2017
American Express Bank	02587CEA4	7/29/2015	250,000.00	251,755.00	250,000.00	1.450	1.450	425	1/29/2018
Barclays Bank	06740KJP3	9/24/2015	250,000.00	256,060.00	250,000.00	1.900	1.900	1,027	9/23/2019
Capital One Bank	140420TY6	8/5/2015	250,000.00	252,560.00	250,000.00	1.700	1.700	614	8/6/2018
Capital One Natl Assn	14042E6C9	9/2/2015	250,000.00	256,325.00	250,000.00	1.950	1.950	1,007	9/3/2019
Discover Bank	2546712Y5	7/23/2014	250,000.00	252,420.00	250,000.00	1.600	1.600	600	7/23/2018
Goldman Sachs Bank	38143A4T9	1/23/2013	100,000.00	100,087.00	100,000.00	1.050	1.050	54	1/23/2017
Goldman Sachs Bank	36163FJC8	7/25/2014	250,000.00	250,730.00	250,000.00	1.200	1.200	237	7/25/2017
HSBC Bank	40434AK65	1/21/2018	250,000.00	252,175.00	250,000.00	1.550	2.534	417	1/21/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	255,970.00	250,000.00	2.050	2.050	972	7/30/2019
Sub Total			2,350,000.00	2,378,809.50	2,350,000.00	1.593	1.697	591	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	498,450.00	501,463.24	2.250	2.152	1,118	1/23/2020
Wells Fargo	94974BGR5	1/13/2016	250,000.00	250,482.50	251,322.43	2.550	2.409	1,468	12/7/2020
Sub Total			750,000.00	748,932.50	752,785.67	2.350	2.238	1,235	
Total Investments			3,100,000.00	3,127,742.00	3,102,785.67	1.776	1.828	747	

Total Earnings	Month Ending September	Fiscal Year To Date
Current Year	4,430.58	22,698.78

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
November 30, 2016

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	118,017.11	118,017.11	118,017.11	0.678	0.678	1	N/A
Sub Total			118,017.11	118,017.11	118,017.11	0.678	0.678	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	10,664,482.78	10,664,482.78	10,664,482.78	0.720	0.720	1	N/A
Sub Total			10,664,482.78	10,664,482.78	10,664,482.78	0.720	0.720	1	
Total Investments			10,782,499.89	10,782,499.89	10,782,499.89	0.720	0.720		
Cash									
Bank of America Cash	CASH0547	7/1/2011	99,002.35	99,002.35	99,002.35	0.000	0.000	1	N/A
Petty Cash Cash	CASH	7/1/2011	500.00	500.00	500.00	0.000	0.000	1	N/A
Total Cash			99,502.35	99,502.35	99,502.35	0.000	0.000	1	
Total Cash and Investments			10,882,002.24	10,882,002.24	10,882,002.24	0.720	0.720	1	
Total Earnings									
Current Year		Month Ending September	12,816.50	Fiscal Year To Date	65,402.13				

**Municipal Water District of Orange County
Cash and Investments at November 30, 2016**

ALLOCATION	AMOUNT	%
MWDOC		
Designated Reserves		
General	\$ 2,924,636	20.91%
Grant & Project Cash Flow	1,500,000	10.73%
Election Expense	475,000	3.40%
Building Repair	350,407	2.51%
Total Designated Reserves	5,250,043	37.55%
General	6,721,987	48.06%
Water	1,658,285	11.85%
Conservation	(95,714)	-0.68%
Desalination Feasibility Study	222,385	1.59%
WEROC	202,505	1.45%
TOTAL MWDOC	\$ 13,959,491	99.82%
TRUSTEE ACTIVITIES		
AMP Sales Admin	\$ 25,297	0.18%
TOTAL TRUSTEE ACTIVITIES	\$ 25,297	0.18%
TOTAL CASH & INVESTMENTS	\$ 13,984,788	100.00%



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS OPEB Trust Program**Monthly Account Report for the Period**
11/1/2016 to 11/30/2016Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 11/1/2016	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 11/30/2016
Employer Contribution	\$1,819,107.32	\$0.00	\$9,119.06	\$692.49	\$0.00	\$0.00	\$1,827,533.89
Totals	\$1,819,107.32	\$0.00	\$9,119.06	\$692.49	\$0.00	\$0.00	\$1,827,533.89

Investment Selection

Moderate HighMark PLUS

Investment Objective

The dual goals of the Moderate Strategy are growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important. The portfolio will be allocated between equity and fixed income investments.

Investment Return

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
0.50%	-0.30%	3.79%	3.74%	7.30%	-	10/26/2011

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration (unless invoiced), Trustee and Investment Management fees

PARS DIVERSIFIED PORTFOLIOS MODERATE

Q3 2016

WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

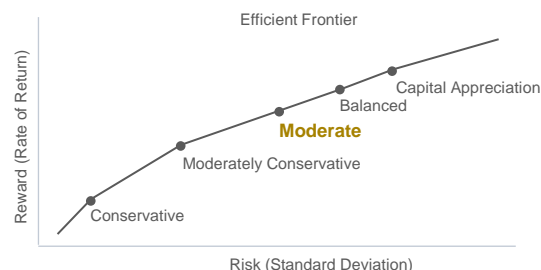
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide growth of principal and income. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	49%
Fixed Income	40 - 60%	45%	47%
Cash	0 - 20%	5%	4%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus (Active)

Current Quarter*	3.44%
Blended Benchmark**	2.81%
Year To Date*	6.23%
Blended Benchmark*	6.73%
1 Year	8.60%
Blended Benchmark	9.42%
3 Year	5.17%
Blended Benchmark	5.91%
5 Year	8.51%
Blended Benchmark	8.53%
10 Year	5.18%
Blended Benchmark	5.44%

Index Plus (Passive)

Current Quarter*	2.69%
Blended Benchmark**	2.81%
Year To Date*	6.77%
Blended Benchmark*	6.73%
1 Year	9.02%
Blended Benchmark	9.42%
3 Year	5.45%
Blended Benchmark	5.91%
5 Year	8.35%
Blended Benchmark	8.53%
10 Year	5.35%
Blended Benchmark	5.44%

* Returns less than 1-year are not annualized. **Breakdown for Blended Benchmark: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM FREE, 6% MSCI EAFE, 33.50% BC US Agg, 10% ML 1-3 Yr US Corp/Gov't, 1.50% US High Yield Master II, 1.75% Wilshire REIT, and 5% Citi 1 Mth T-Bill. Prior to October 2012, the blended benchmarks were 43% S&P 500; 2% Russell 2000, 5% MSCI EAFE, 15% ML 1-3 Year Corp./Govt, 30% BC Agg, 5% Citi 1 Mth T-Bill. Prior to April 2007, the blended benchmarks were 50% S&P 500, 15% ML 1-3Yr Corp/Govt, 30% BC Agg, and 5% Citi 1 Mth T-Bill.

ANNUAL RETURNS

HighMark Plus (Active)

2008	-22.88%
2009	21.47%
2010	12.42%
2011	0.55%
2012	12.25%
2013	13.06%
2014	4.84%
2015	0.14%

Index Plus (Passive)

2008	-18.14%
2009	16.05%
2010	11.77%
2011	2.29%
2012	10.91%
2013	12.79%
2014	5.72%
2015	-0.52%

PORTFOLIO FACTS

HighMark Plus (Active)

Inception Data	10/2004
No of Funds in Portfolio	19

Index Plus (Passive)

Inception Data	05/2006
No of Funds in Portfolio	13

A newly funded account enters a composite after three full months of management and is removed from a composite at the end of the last full month that the account is consistent with the criteria of the composite. Terminated accounts are included in the historical results of a composite through the last full month prior to closing. Composites may include domestic (U.S.) or international (non-U.S.) individual securities, funds, or a combination thereof. Account exclusions based on equity security concentrations are applied quarterly. Employing a construction methodology different from the above could lead to different results.

SAMPLE HOLDINGS

HighMark Plus (Active)

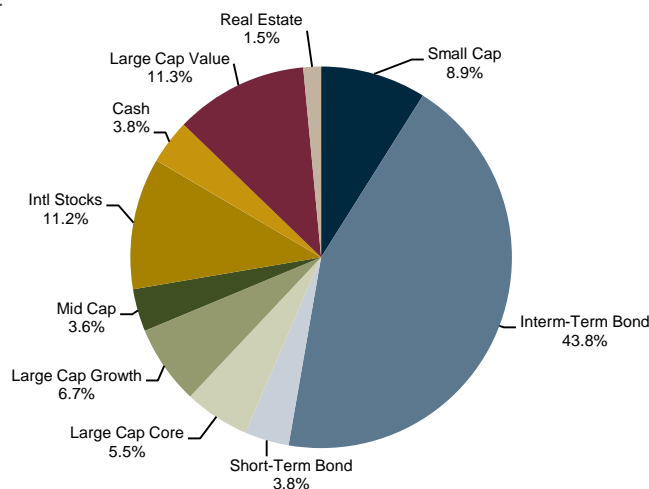
Columbia Contrarian Core Z
T. Rowe Price Growth Stock
T. Rowe Price New Horizons
Nationwide Bailard International Equities
Nationwide HighMark Bond
Vanguard Short-Term Invest-Grade Adm
Loomis Sayles Value Y
PIMCO Total Return
Dodge & Cox International Stock
MFS International Growth I
First American Government Obligations Z
Prudential Total Return
iShares Russell Mid-Cap ETF
iShares Russell Mid-Cap Value
Harbor Capital Appreciation
Schroder Emerging Market Equity
Dodge & Cox Stock
Nuveen Real Estate Securities I
Undiscovered Managers Behavioral Value

Index Plus (Passive)

iShares S&P 500
iShares S&P 500/Value
iShares S&P 500/Growth
iShares Russell 2000 Value
iShares Russell 2000 Growth
iShares MSCI EAFE
iShares Russell Mid-Cap ETF
iShares Russell Mid-Cap Value
iShares Barclays Aggregate Bond
Vanguard Short-Term Invest-Grade Adm
First American Government Obligations Z
Vanguard FTSE Emerging Markets ETF
Vanguard REIT ETF

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Composites are managed by HighMark's HighMark Capital Advisors (HCA) with full investment authority according to the PARS Moderate active and passive objectives and do not have equity concentration of 25% or more in one common stock security.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. As of September 30, 2016, the blended rate is 0.58%. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 36 basis points paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a 10 million initial value would grow to \$12.54 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. In Q1 2010, the PARS Composite definition was changed from \$750,000 minimum to no minimum. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Free Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Barclays Capital (BC) U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The Merrill Lynch (ML) 1-3 Year U.S. Corporate & Government Index tracks the bond performance of The ML U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged Citigroup 1-Month Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, public and private retirement plans, and personal trusts of all sizes. It may also serve as sub-adviser for mutual funds, common trust funds, and collective investment funds. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

HIGHMARK CAPITAL MANAGEMENT

350 California Street
Suite 1600
San Francisco, CA 94104
800-582-4734

www.highmarkcapital.com

ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has over 90 years (including predecessor organizations) of institutional money management experience with more than \$15.4 billion in assets under management. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®

Senior Portfolio Manager
Investment Experience: since 1994
HighMark Tenure: since 1997
Education: MBA, University of Southern California; BA, University of Southern California

Andrew Bates, CFA®

Portfolio Manager
Investment Experience: since 2008
HighMark Tenure: since 2015
Education: BS, University of Colorado

Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager
Investment Experience: since 2004
HighMark Tenure: since 2014
Education: BA, Colgate University

J. Keith Stribling, CFA®

Senior Portfolio Manager
Investment Experience: since 1985
HighMark Tenure: since 1995
Education: BA, Stetson University

Christiane Tsuda

Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2010
Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®

Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2007
Education: BA, University of California, Santa Barbara

Asset Allocation Committee

Number of Members: 16
Average Years of Experience: 25
Average Tenure (Years): 12

Manager Review Group

Number of Members: 8
Average Years of Experience: 18
Average Tenure (Years): 6

**Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS
Cash Flow as of 12/31/16**

	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	TOTALS
Cash - Beginning Balance	\$ (2,257,237.25)	\$ (3,224,747.37)	\$ (2,270,840.96)	\$ (400,006.46)	\$ (100,016.28)	\$ (85,713.95)	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	
REVENUES:													
BUREC				36,748.36		95,010.00							\$ 131,758.36
City of Brea	339.97		144.99		294.99								779.95
City of Buena Park	332.10		111.00	222.00	111.00	111.00							887.10
City of Fountain Valley													-
City of Fullerton		75.00											75.00
City of Garden Grove			222.00	666.00		777.00							1,665.00
City of Huntington Beach	640.85	49.99	519.99	117.96	557.99								1,886.78
City of La Habra	111.00		111.00										222.00
City of San Clemente		111.00			1,110.00								1,221.00
City of San Juan Capistrano	111.00		111.00	402.70	424.88								1,049.58
City of Santa Ana													-
City of Tustin	11,583.00	25,459.59											37,042.59
City of Newport Beach		450.00	238.99		375.99	7,516.00							8,580.98
City of Orange	2,869.43	333.00		291.00		111.00							3,604.43
City of Westminster													-
County of Orange				25,297.04									25,297.04
Department of Water Resources													44,257.42
East Orange County Water District													-
El Toro Water District	75.00	75.00		2,552.00	366.99								3,143.99
East Orange County Water Company													-
Golden State Water Company	1,980.00		75.00	50.00									2,105.00
Irvine Ranch Water District	93,764.10	542,331.88	132,095.59	309,490.34	45,597.19	32,010.98							1,155,290.08
Laguna Beach County Water District	1,110.00	1,041.00		396.00									2,547.00
Mesa Water District	1,127.37		80.00	209.99	149.99								1,567.35
Metropolitan Water District			1,934,765.85	28,195.82		70,484.98							2,033,446.65
Moulton Miguel Water District	459,396.32	683,295.61	17,279.42	102,026.49	96,834.06	4,400.00							1,363,231.90
MWD/DOC													-
Santa Margarita Water District	6,821.55	3,703.49	10,737.34	8,062.96		4,215.84							33,541.18
Serrano Water District	75.00												75.00
South Coast Water District													-
Trabuco Canyon Water District	475.00	150.00	200.00	100.00	100.00	100.00							1,125.00
Yorba Linda Water District						596.00							596.00
Miscellaneous Revenues													
Miscellaneous		103.68		884.00									987.68
Interest Revenue													-
Total Revenues	580,811.69	1,297,325.91	2,097,100.17	515,712.66	145,923.08	219,110.55	-	-	-	-	-	-	\$ 4,855,984.06
EXPENDITURES:													
Aquaficient	5,400.00					5,400.00							\$ 10,800.00
Autumn Print Group													-
Bryton Printing					2,500.00								2,500.00
Conservation Consulting, LLC				28,894.25									28,894.25
City of Newport Beach													-
El Toro WD					100.00								100.00
Enterprise Information Systems					100.00								100.00
Golden State Water Company													-
Hotel Program													-
Industrial Program													-
Irvine Ranch Water District													-
Karen's Detail Custom Frames													-
Laguna Beach CWD						240.00							240.00
Metropolitan Water District	229,162.49	111,028.73			19,364.33								359,555.55
MESA													-
Mission RCD	18,300.13	14,225.68	38,367.35		8,770.78	24,081.46							103,745.40
Public Spaces program													-
Santa Margarita Water District													-
South Coast Water District													-
Spray to Drip program													-
Survey Gismo					675.00								675.00
Turf Removal	1,287,489.27	214,655.09	175,796.98	179,854.83	110,111.64	57,547.37							2,025,445.18
US Bank													-
URS													-
Waterwise Consulting													-
Miscellaneous Expenses													
Interest Expense	7,579.92			5,087.40									12,667.32
Salary & Benefit	390.00	3,510.00	12,111.34	1,885.00									17,896.34
Total Expenditures	\$ 1,548,321.81	\$ 343,419.50	\$ 228,265.67	\$ 215,721.48	\$ 141,621.75	\$ 87,268.83	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 2,562,619.04
Cash - Ending Balance	\$ (3,224,747.37)	\$ (2,270,840.96)	\$ (400,006.46)	\$ (100,016.28)	\$ (95,713.95)	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	\$ 36,127.77	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2016 THRU NOVEMBER 30, 2016

**Municipal Water District of Orange County
Combined Balance Sheet
As of November 30, 2016**

<u>ASSETS</u>	Amount
Cash in Bank	96,131.35
Investments	13,885,285.56
Accounts Receivable	28,845,031.89
Accounts Receivable - Other	33,837.73
Accrued Interest Receivable	32,966.20
Prepays/Deposits	565,507.87
Leasehold Improvements	3,415,059.92
Furniture, Fixtures & Equipment	447,719.37
Less: Accum Depreciation	(2,656,695.76)
Net OPEB Asset	117,085.00
	<hr/>
TOTAL ASSETS	\$44,781,929.13
	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	27,903,741.66
Accounts Payable - Other	622.71
Accrued Salaries and Benefits Payable	374,414.53
Other Liabilities	840,190.52
Unearned Revenue	2,076,778.49
Total Liabilities	<hr/> 31,195,747.91 <hr/>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	965,758.58
Total Restricted Fund Balances	<hr/> 965,758.58 <hr/>
Unrestricted Fund Balances	
Designated Reserves	
General Operations	3,041,720.74
Grant & Project Cash Flow	1,500,000.00
Election Expense	475,000.00
Building Repair	350,407.45
Total Designated Reserves	<hr/> 5,367,128.19 <hr/>
GENERAL FUND	2,244,103.41
WEROC	101,241.62
Total Unrestricted Fund Balances	<hr/> 7,712,473.22 <hr/>
Excess Revenue over Expenditures	
Operating Fund	5,144,819.50
Other Funds	(236,870.08)
Total Fund Balance	<hr/> 13,586,181.22 <hr/>
TOTAL LIABILITIES AND FUND BALANCES	<hr/> \$44,781,929.13 <hr/>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru November 2016

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	6,786,864.75	6,786,865.00	100.00%	0.00	0.25
Ground Water Customer Charge	<u>0.00</u>	<u>392,666.00</u>	<u>392,666.00</u>	<u>100.00%</u>	<u>0.00</u>	<u>0.00</u>
Water rate revenues	0.00	7,179,530.75	7,179,531.00	100.00%	0.00	0.25
Interest Revenue	<u>16,465.40</u>	<u>89,918.14</u>	<u>123,000.00</u>	<u>73.10%</u>	<u>0.00</u>	<u>33,081.86</u>
Subtotal	<u>16,465.40</u>	<u>7,269,448.89</u>	<u>7,302,531.00</u>	<u>99.55%</u>	<u>0.00</u>	<u>33,082.11</u>
Choice Programs	0.00	1,217,338.08	1,494,789.00	81.44%	0.00	277,450.92
Choice Prior Year Carry Over	0.00	0.00	44,416.00	0.00%	0.00	44,416.00
Miscellaneous Income	0.00	625.82	3,000.00	20.86%	0.00	2,374.18
School Contracts	0.00	0.00	70,000.00	0.00%	0.00	70,000.00
Transfer-In From Reserve	<u>0.00</u>	<u>0.00</u>	<u>535,873.00</u>	<u>0.00%</u>	<u>0.00</u>	<u>535,873.00</u>
Subtotal	<u>0.00</u>	<u>1,217,963.90</u>	<u>2,148,078.00</u>	<u>56.70%</u>	<u>0.00</u>	<u>930,114.10</u>
TOTAL REVENUES	<u>16,465.40</u>	<u>8,487,412.79</u>	<u>9,450,609.00</u>	<u>89.81%</u>	<u>0.00</u>	<u>963,196.21</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru November 2016

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	263,157.66	1,267,004.66	3,444,620.00	36.78%	0.00	2,177,615.34
Salaries & Wages - Grant Recovery	0.00	(7,299.50)	(31,600.00)	23.10%	0.00	(24,300.50)
Salaries & Wages - Recovery	0.00	(7,261.80)	0.00	0.00%	0.00	7,261.80
Directors' Compensation	16,970.94	87,817.88	231,937.00	37.86%	0.00	144,119.12
MWD Representation	10,775.20	51,182.20	132,535.00	38.62%	0.00	81,352.80
Employee Benefits	69,443.44	352,229.06	968,160.00	36.38%	0.00	615,930.94
OPEB Annual Contribution	0.00	400,000.00	105,249.00	380.05%	0.00	(294,751.00)
Employee Benefits - Grant Recovery	0.00	(1,951.84)	0.00	0.00%	0.00	1,951.84
Employee Benefits - Recovery	0.00	(1,383.20)	0.00	0.00%	0.00	1,383.20
Director's Benefits	5,305.78	26,228.37	66,297.00	39.56%	0.00	40,068.63
Health Ins \$'s for Retirees	3,100.30	14,330.88	50,326.00	28.48%	0.00	35,995.12
Training Expense	1,500.00	3,054.00	12,000.00	25.45%	575.00	8,371.00
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	3,049.80	4,044.30	0.00	0.00%	7,955.70	(12,000.00)
Personnel Expenses	373,303.12	2,187,995.01	4,984,524.00	43.90%	8,530.70	2,787,998.29
Engineering Expense	11,954.38	64,382.00	405,000.00	15.90%	96,517.56	244,100.44
Legal Expense	17,233.48	81,992.11	320,000.00	25.62%	238,007.89	0.00
Audit Expense	0.00	16,900.00	24,000.00	70.42%	1,537.00	5,563.00
Professional Services	90,381.03	299,745.87	1,496,997.00	20.02%	574,010.38	623,240.75
Professional Fees	119,568.89	463,019.98	2,245,997.00	20.62%	910,072.83	872,904.19
Conference-Staff	1,085.00	7,644.10	22,125.00	34.55%	0.00	14,480.90
Conference-Directors	1,550.00	3,490.00	10,725.00	32.54%	0.00	7,235.00
Travel & Accom.-Staff	2,424.74	12,966.85	71,130.00	18.23%	0.00	58,163.15
Travel & Accom.-Directors	2,356.41	7,010.11	38,250.00	18.33%	0.00	31,239.89
Travel & Conference	7,416.15	31,111.06	142,230.00	21.87%	0.00	111,118.94
Membership/Sponsorship	7,158.00	105,773.78	134,458.00	78.67%	0.00	28,684.22
CDR Support	9,992.88	19,985.76	39,972.00	50.00%	19,985.74	0.50
Dues & Memberships	17,150.88	125,759.54	174,430.00	72.10%	19,985.74	28,684.72
Business Expense	324.98	2,012.65	6,000.00	33.54%	0.00	3,987.35
Maintenance Office	6,007.02	36,944.11	123,185.00	29.99%	83,730.89	2,510.00
Building Repair & Maintenance	939.47	4,134.03	11,000.00	37.58%	3,865.97	3,000.00
Storage Rental & Equipment Lease	375.63	27,153.64	7,000.00	387.91%	4,046.36	(24,200.00)
Office Supplies	1,819.05	11,095.69	38,280.00	28.99%	2,296.75	24,887.56
Postage/Mail Delivery	510.58	3,309.25	11,400.00	29.03%	3,548.42	4,542.33
Subscriptions & Books	99.99	305.46	2,000.00	15.27%	0.00	1,694.54
Reproduction Expense	774.62	2,645.36	36,225.00	7.30%	7,485.17	26,094.47
Maintenance-Computers	116.74	2,416.11	10,000.00	24.16%	1,638.29	5,945.60
Software Purchase	2,273.65	21,463.93	31,300.00	68.57%	0.00	9,836.07
Software Support	1,300.78	27,153.98	46,000.00	59.03%	0.00	18,846.02
Computers and Equipment	0.00	14,161.84	32,500.00	43.57%	3,519.00	14,819.16
Automotive Expense	1,451.97	6,843.65	13,828.00	49.49%	0.00	6,984.35
Toll Road Charges	64.55	300.80	1,100.00	27.35%	0.00	799.20
Insurance Expense	8,786.21	45,418.53	90,000.00	50.47%	0.00	44,581.47
Utilities - Telephone	1,578.28	8,136.25	19,200.00	42.38%	0.00	11,063.75
Bank Fees	1,003.12	5,241.36	10,500.00	49.92%	0.00	5,258.64
Miscellaneous Expense	6,149.74	27,962.72	114,020.00	24.52%	2.40	86,054.88
MWDOC's Contrb. To WEROC	12,532.50	62,662.50	150,390.00	41.67%	0.00	87,727.50
Depreciation Expense	425.35	2,855.61	0.00	0.00%	0.00	(2,855.61)
Other Expenses	46,534.23	312,217.47	753,928.00	41.41%	110,133.25	331,577.28
Election Expense	0.00	0.00	592,000.00	0.00%	0.00	592,000.00
MWDOC's Building Expense	3,786.22	199,691.18	495,000.00	40.34%	11,371.58	283,937.24
Capital Acquisition	0.00	22,799.05	62,500.00	36.48%	0.00	39,700.95
TOTAL EXPENSES	567,759.49	3,342,593.29	9,450,609.00	35.37%	1,060,094.10	5,047,921.61
NET INCOME (LOSS)	(551,294.09)	5,144,819.50	0.00			

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July thru November 2016**

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	11,421,456.30	75,492,021.70	121,881,702.00	61.94%	46,389,680.30
Readiness to Serve Charge	1,055,607.64	5,278,038.20	12,674,093.00	41.64%	7,396,054.80
Capacity Charge CCF	402,482.50	2,012,412.50	4,829,790.00	41.67%	2,817,377.50
SCP Surcharge	23,802.99	146,528.13	365,000.00	40.14%	218,471.87
Interest	764.72	3,346.95	4,800.00	69.73%	1,453.05
TOTAL WATER REVENUES	12,904,114.15	82,932,347.48	139,755,385.00	59.34%	56,823,037.52
<u>WATER PURCHASES</u>					
Water Sales	11,421,456.30	75,492,021.70	121,881,702.00	61.94%	46,389,680.30
Readiness to Serve Charge	1,055,607.64	5,278,038.20	12,674,093.00	41.64%	7,396,054.80
Capacity Charge CCF	402,482.50	2,012,412.50	4,829,790.00	41.67%	2,817,377.50
SCP Surcharge	23,802.99	146,528.13	365,000.00	40.14%	218,471.87
TOTAL WATER PURCHASES	12,903,349.43	82,929,000.53	139,750,585.00	59.34%	56,821,584.47
EXCESS OF REVENUE OVER EXPENDITURES	764.72	3,346.95	4,800.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July thru November 2016

	Year to Date Actual	Annual Budget	% Used
Landscape Performance Certification			
Revenues	5,509.36	118,900.00	4.63%
Expenses	5,400.00	118,900.00	4.54%
Excess of Revenues over Expenditures	109.36	0.00	
Industrial Water Use Reduction			
Revenues	(0.02)	91,236.00	0.00%
Expenses	95,010.00	91,236.00	104.14%
Excess of Revenues over Expenditures	(95,010.02)	0.00	
Spray To Drip Conversion			
Revenues	675.00	468,552.34	0.14%
Expenses	681.52	468,552.34	0.15%
Excess of Revenues over Expenditures	(6.52)	0.00	
Water Smart Landscape for Public Property			
Revenues	0.00	168,588.80	0.00%
Expenses	0.00	168,588.80	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Member Agency Administered Passthru			
Revenues	240.00	150,000.00	0.16%
Expenses	240.00	150,000.00	0.16%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	27,990.20	205,000.00	13.65%
Expenses	27,990.20	205,000.00	13.65%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	130,364.22	432,000.00	30.18%
Expenses	130,391.52	432,000.00	30.18%
Excess of Revenues over Expenditures	(27.30)	0.00	
CII Rebate Program			
Revenues	225,690.00	325,000.00	69.44%
Expenses	263,290.00	325,000.00	81.01%
Excess of Revenues over Expenditures	(37,600.00)	0.00	
Large Landscape Survey			
Revenues	418.06	30,000.00	1.39%
Expenses	130.00	30,000.00	0.43%
Excess of Revenues over Expenditures	288.06	0.00	

Municipal Water District of Orange County
WUE & Other Funds Revenues and Expenditures (Actuals vs Budget)
From July thru November 2016

	Year to Date Actual	Annual Budget	% Used
Indoor-Outdoor Survey			
Revenues	0.00	3,500.00	0.00%
Expenses	14.06	3,500.00	0.40%
Excess of Revenues over Expenditures	(14.06)	0.00	
Turf Removal Program			
Revenues	662,454.40	1,750,000.00	37.85%
Expenses	788,316.54	1,750,000.00	45.05%
Excess of Revenues over Expenditures	(125,862.14)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	114,972.82	399,751.00	28.76%
Expenses	100,906.20	399,751.00	25.24%
Excess of Revenues over Expenditures	14,066.62	0.00	
CII, Large Landscape, Performance (OWOW)			
Revenues	3,052.05	121,210.00	2.52%
Expenses	29,375.99	121,210.00	24.24%
Excess of Revenues over Expenditures	(26,323.94)	0.00	
WUE Projects			
Revenues	1,171,366.09	4,263,738.14	27.47%
Expenses	1,441,746.03	4,263,738.14	33.81%
Excess of Revenues over Expenditures	(270,379.94)	0.00	
WEROC			
Revenues	213,052.50	300,780.00	70.83%
Expenses	119,434.02	293,780.00	40.65%
Excess of Revenues over Expenditures	93,618.48	7,000.00	



CONSENT CALENDAR ITEM

January 18, 2017

TO: Board of Directors

FROM: Robert Hunter
General Manager

**SUBJECT: NOVEMBER 2016 ELECTION CERTIFICATES AND
CERTIFICATE OF APPOINTMENT IN LIEU OF ELECTION**

RECOMMENDATION

Staff recommends the Board of Directors: Receive and file Certificates of Election for Joan Finnegan (Division 4), Jeffery M. Thomas (Division 6), and Megan Yoo Schneider (Division 7), and the Certificate of Appointment In Lieu of Election for Wayne S. Osborne (Division 3).

SUMMARY

The County of Orange Registrar of Voters has submitted the Certificates of Election for Directors Finnegan, Thomas, and Yoo Schneider, along with the Certificate of Appointment in Lieu of Election for Director Osborne.

It is customary for the Board to receive and file the certificates.

Budgeted (Y/N): N/A	Budgeted amount: N/A	Core ____	Choice ____
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			

Certificate of Election

State of California, County of Orange

This is to certify that *Joan Finnegan* was elected to the office of **Director, Municipal Water District of Orange County, Division 4**, at the election held **November 8, 2016**. The official returns of said election and statement of votes cast are on file in the office of the Board of Supervisors, County of Orange.

Witness my hand and official seal this

6th day of **December, 2016**



Neal Kelley
Registrar of Voters



Certificate of Election

State of California, County of Orange

This is to certify that *Jeff Thomas* was elected to the office of *Director, Municipal Water District of Orange County, Division 6*, at the election held *November 8, 2016*. The official returns of said election and statement of votes cast are on file in the office of the Board of Supervisors, County of Orange.

Witness my hand and official seal this

6th day of *December, 2016*



Neal Kelley
Registrar of Voters



Certificate of Election

State of California, County of Orange

This is to certify that **Megan Yoo Schneider** was elected to the office of **Director, Municipal Water District of Orange County, Division 7**, at the election held **November 8, 2016**. The official returns of said election and statement of votes cast are on file in the office of the Board of Supervisors, County of Orange.

Witness my hand and official seal this

6th day of **December, 2016**



Neal Kelley
Registrar of Voters



STATE OF CALIFORNIA)
COUNTY OF ORANGE)ss.

WITNESS my hand and Official Seal this 6th day of December, 2016.



Van Klee

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ACTION ITEM
January 18, 2017

TO: Board of Directors

FROM: Robert Hunter
General Manager

**SUBJECT: REORGANIZATION OF THE MWDOC BOARD OF DIRECTORS;
ELECTION OF PRESIDENT AND VICE PRESIDENT**

RECOMMENDATION

It is recommended the Board of Directors nominate and by resolution(s) elect the President and Vice President of the Board.

Res. Nos. ____ & ____

SUMMARY

In accordance with MWDOC's Administrative Code, the President and Vice President of the Board of Directors shall serve a one-year term and shall be elected to such term by the members of the Board at its first regular meeting in January of each year. Nominations will be taken from the floor and a roll call vote shall be taken.

Attached are the proposed resolutions for the election of the President and Vice President of the Board.

Administrative Code Sections 1303-1304 outline the duties of the President and Vice President (as follows):

§1303 DUTIES AND POWERS OF PRESIDENT

The President of the Board of Directors shall be the presiding officer and shall preserve order and decorum at all MWDOC meetings. In the absence of the President, Vice President shall act as President. In the absence of the President and Vice President, the Secretary acts as President until the Board selects one of its members President Pro Tempore, who shall have all of the powers of the President during the continuance of the meeting as well as during the absence of the President.

§1304 DUTIES AND POWERS OF VICE PRESIDENT

In the absence or disability of the President, the Vice President shall perform all of the duties of the President.

Budgeted (Y/N): N/A	Budgeted amount:	Core ____	Choice ____
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			

RESOLUTION NO. _____
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

**RE: ELECTION OF THE PRESIDENT
OF THE BOARD
2017**

BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County, in accordance with Resolution No. 1231 and Administrative Code Section 1301, that at its first meeting in the month of January of each year, the Board shall elect one of its members President; and

BE IT FURTHER RESOLVED that the Board of Directors has prescribed the use of nominations from the floor and a roll call vote as its method of electing the President of the Board, as set forth in Roberts Rules of Order (newly revised).

THEREFORE BE IT RESOLVED by the Board of Directors of Municipal Water District of Orange County that in accordance with the procedures set forth above, _____ **be and is hereby elected President** of the Board of Directors of Municipal Water District of Orange County, effective January 18, 2017, for a one-year term of office.

Adopted and approved this 18th of January 2017, by the following roll call vote:

AYES:
NOES:
ABSENT:
PRESENT:

Maribeth Goldsby, District Secretary
Municipal Water District of Orange County

RESOLUTION NO. _____
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

**RE: ELECTION OF THE VICE PRESIDENT
OF THE BOARD
2017**

BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County, in accordance with Resolution Nos. 1231 and 1756 and Administrative Code Section 1301, that at its first meeting in the month of January of each year, the Board shall elect a member of the Board to the office of Vice President, to serve a one year term, until a successor is elected; and

BE IT FURTHER RESOLVED that the Board of Directors has prescribed the use of nominations from the floor and a roll call vote as its method of electing the President and Vice President of the Board, as set forth in Roberts Rules of Order (newly revised).

THEREFORE BE IT FURTHER RESOLVED by the Board of Directors of Municipal Water District of Orange County that in accordance with the procedures set forth above, _____ **be and is hereby elected Vice President** of the Board of Directors of Municipal Water District of Orange County, effective January 18, 2017, for a one-year term of office.

Adopted and approved this 18th day of January 2017, by the following roll call vote:

AYES:
NOES:
ABSENT:
PRESENT:

Maribeth Goldsby, District Secretary
Municipal Water District of Orange County



ACTION ITEM
January 18, 2017

TO: Board of Directors

FROM: Robert Hunter, General Manager

SUBJECT: APPOINTMENT OF SECRETARY, TREASURER(S), AND LEGAL COUNSEL

STAFF RECOMMENDATION

It is recommended the Board of Directors: Adopt Resolution(s) appointing the Board Secretary, Treasurer(s), and Legal Counsel.

SUMMARY

In May 2005, the MWDOC Board of Directors adopted a policy which states that at its first regular meeting in January, the Board shall appoint the Secretary, Treasurer and Legal Counsel. An excerpt from Administrative Code Section 1301 is as follows:

The Board shall appoint, by majority vote, at its pleasure, a Secretary, Treasurer, Legal Counsel, General Manager and Auditor and shall define their duties and fix their compensation. At its first regular meeting in January of each year, the Board shall appoint the Secretary, Treasurer, and Legal Counsel. The Board may also appoint a Deputy Secretary and Deputy Treasurer.

The current incumbents are:

Maribeth Goldsby	Board Secretary
Hilary Chumpitazi	Treasurer
Robert Hunter	Deputy Treasurer
Mary Snow	Alternate Deputy Treasurer
Jeff Stalvey	Alternate Deputy Treasurer
Lina Gunawan	Alternate Deputy Treasurer
Best, Best & Krieger & Joseph Byrne	Legal Counsel

Attached is a copy of the proposed Resolution. Note that separate resolutions may also be adopted.

Budgeted (Y/N): N/A	Budgeted amount:	Core ____	Choice ____
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			

Following are the Administrative Code Sections outlining the duties of the Secretary, Treasurer, and Legal Counsel.

§1305 DUTIES OF SECRETARY

The Secretary shall post all notices and agendas required by law, shall keep a record of all proceedings had at meetings of the Board, and shall be custodian of the MWDOC Seal and all documents pertaining to MWDOC affairs. In accordance with California Code of Regulations, Title 2, Section 18227, the Secretary shall serve as filing officer or filing official, responsible for receiving, forwarding or retaining statements of economic interest or campaign statements. The Secretary, in addition to the duties imposed by law, shall perform such duties as may be assigned by the Board. The Board may appoint one or more Deputy Secretaries. Under the direction of the Board and the Secretary, each such Deputy Secretary shall assist the Secretary in performance of the Secretary's duties, and shall perform such other duties as provided by the Board.

§1306 DUTIES OF TREASURER

The Treasurer and/or such other persons as may be authorized by the Board, shall invest and monitor MWDOC funds and draw checks or warrants to pay demands when such demands have been audited and approved in the manner prescribed by the Board. The Board may appoint one or more Deputy Treasurers or Alternate Deputy Treasurers who shall perform the duties of the Treasurer in the absence of the Treasurer.

§1308 DUTIES OF LEGAL COUNSEL

The Legal Counsel shall be the legal adviser of MWDOC and shall perform such duties as may be prescribed by the Board. The Legal Counsel shall serve at the pleasure of the Board, and shall be compensated for services as determined by the Board.

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
APPOINTING DISTRICT SECRETARY, TREASURER,
DEPUTY TREASURERS, ALTERNATE DEPUTY TREASURER,
AND LEGAL COUNSEL**

WHEREAS, pursuant to Administrative Code Section 1031, the Board shall appoint the Secretary, Treasurer, Deputy Treasurer, and Legal Counsel on an annual basis (at the first regular meeting in January); and

WHEREAS, the Director of Finance has historically served as Treasurer, and, due to the vacancy in that position, a Treasurer will be appointed at a later date; and

NOW, THEREFORE, BE IT RESOLVED as follows:

_____ is hereby appointed as Secretary of the Board of the Municipal Water District of Orange County effective immediately; the term of office to be at the pleasure of the Board;

_____ is hereby appointed as Treasurer of the Municipal Water District of Orange County effective immediately; the term of office to be at the pleasure of the Board;

_____ is hereby appointed as Deputy Treasurer of the Municipal Water District of Orange County effective immediately; the term of office to be at the pleasure of the Board;

_____ is hereby appointed as Alternate Deputy Treasurer of the Municipal Water District of Orange County effective immediately; the term of office to be at the pleasure of the Board;

_____ is hereby appointed as Alternate Deputy Treasurer of the Municipal Water District of Orange County effective immediately; the term of office to be at the pleasure of the Board;

_____ is hereby appointed as Alternate Deputy Treasurer of the Municipal Water District of Orange County effective immediately; the term of office to be at the pleasure of the Board; and

_____ of _____, is hereby appointed as Legal Counsel of the Municipal Water District of Orange County effective immediately, the term of office to be at the pleasure of the Board.

Said Resolution was adopted, on roll call, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution No. _____, adopted by the Board of Directors of Municipal Water District of Orange County at its meeting of January 18, 2017.

Secretary
Municipal Water District of Orange County



ACTION ITEM
January 18, 2017

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Barbre and Tamaribuchi)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: MWDOC Legislative Policy Principles Annual Update

STAFF RECOMMENDATION

Staff recommends the Board adopt the updated legislative policy principles and provide direction to staff on the 2017 Legislative Priorities.

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on January 16, 2016 and make a recommendation to the Board.

DETAILED REPORT

MWDOC maintains a set of legislative policy principles that serve as guidelines for staff and our legislative advocates on issues that are of importance to the District. The policy principles attached are a culmination of current policies and initial changes recommended by staff and directors.

These principles assist District staff and its legislative advocates in the evaluation of legislation that may impact the District, its member agencies, the interests of Orange County, the Metropolitan Water District of Southern California and/ or its member agencies. Having such principles in place allow the District to respond to certain types of legislation in a timely manner; however in cases where issues are not clear or have complicated implications will be presented to the Board for further guidance.

Budgeted (Y/N): n/a	Budgeted amount:	Core x	Choice __
Fiscal Impact (explain if unbudgeted):			

At the November PAL meeting, the Committee directed staff to clean up some of the language that wasn't clear, place the 2017 Legislative Priorities on a separate page and include action items for the priorities. Those changes have been made and are attached for your review and action.

Changes are shown as follows:

Additions are *italicized*

Deletions are ~~crossed through~~

Member Agency suggested changes are underlined

In October 2016, staff began soliciting input from the member agencies through the general managers and other participating city staff via the MWDOC Member Agencies Managers and Legislative Coordinators group. Additional follow-up was made by staff encouraging participation, however, only Irvine Ranch Water District provided feedback.

At the November PAL Committee meeting staff was directed to place the 2017 Legislative Priorities on a separate page with action items supporting how the priorities would be achieved.

Based on this direction, staff with the assistance of MWDOC's Sacramento advocate Syrus Devers, further developed the 2017 Legislative Priorities with action items. Staff convened a meeting with the directors on the PAL Committee, however there was not consensus on the 2017 priorities and action items. There was agreement on the top two priorities: California WaterFix and the implementation of the permanent drought regulations – some felt those two were enough, while others felt we needed additional priorities.

At the December PAL Committee meeting, further direction was provided and the appropriate changes have been made and brought back for action this month as directed. This includes moving the 2017 Legislative Priorities to a separate action item, not to be bundled with the Policy Principles.

Attached: Municipal Water District of Orange County Legislative and Regulatory Policy Principles

NOTE: Additions are in *italics*, deletions are in ~~striketrough~~ font, member agency suggestions are underlined, Director suggestions are notated with an asterick (**).

Municipal Water District of Orange County **Legislative and Regulatory Policy Principles**

IMPORTED WATER SUPPLY

It is MWDOC's policy to support legislation *and regulation* that:

- 1) Ensures the implementation of a state water plan that balances California's competing water needs and results in a reliable supply of high- quality water for Orange County.
- 2) Facilitates the implementation of the California WaterFix *and EcoRestore*, the co- equal goals of reliable water supply and ecosystem restoration, and related policies that provide long term, comprehensive solutions for the San Francisco Bay/Sacramento-San Joaquin River Delta that:
 - a) Provides reliable water supplies to meet California's short- and long- term needs;
 - b) Improves the ability to transport water across the Delta either for, or in supplement to, State Water Project deliveries;
 - c) Improves the quality of water delivered from the Delta;
 - d) Enhances the Bay-Delta's ecological health in a balanced manner that takes into account all factors that have contributed to its degradation;
 - e) Employs sound scientific research and evaluation to advance the co-equal goals of improved water supply and ecosystem sustainability.
- 3) Funds a comprehensive Bay-Delta solution in a manner that equitably apportions costs to all beneficiaries.
- 4) Seeks to expedite the California WaterFix *and EcoRestore* to improve water reliability and security.
- 5) Provides funding for Colorado River water quality and supply management efforts.
- 6) Provides conveyance and storage facilities that are cost-effective for MWDOC and its member agencies, while improving the reliability and quality of the water supply.
- 7) Authorizes and appropriates the federal share of funding for the California WaterFix *and EcoRestore* ~~Bay-Delta solution~~.

8) Authorizes and appropriates the ongoing state share of funding for the California WaterFix and EcoRestore Bay-Delta solution.

It is MWDOC's policy to oppose legislation or regulation that:

- 1) Would make urban water supplies less reliable, or would substantially increase the cost of imported water without also improving the reliability and/ or quality of such water.
- 2) Imposes water user fees to fund ~~Bay-Delta ecosystem restoration and other public purposes~~, non-water supply improvements in the Delta region or user fees that are not proportional to the benefits received from a Delta region water supply improvement.
- 3) *Delays implementation of the California WaterFix.*
- 4) *Would impose conservation mandates that do not account for the unique local water-supply circumstances of each water district.*

LOCAL WATER RESOURCES

It is MWDOC's policy to support legislation and regulation that:

- 1) Supports the development of, provides funding for, and authorizes and/or facilitates the expanded use of, water recycling, potable reuse, conservation, groundwater recovery and recharge, storage, brackish and ocean water desalination and surface water development projects where the beneficiaries of the project pay for the portions of the project not funded by state or federal funds.
- 2) Recognizes that recycled water is a valuable resource that should be evaluated for economic justification, permitted and managed as such.
- 3) ~~Authorizes local governmental agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.**~~
- 4) Reduces and/or streamlines regulatory burdens on water recycling projects and brackish and ocean water desalination projects, *and provides protections for the use of these supplies during water supply shortages by exempting them from state mandated reductions.*
- 5) Supports ecosystem restoration, increased stormwater capture and sediment management activities that are cost-effective and enhance the quality or reliability of water supplies important to Orange County at Prado Dam.
- 6) Authorizes, promotes, and/or provides incentives for indirect and direct potable reuse projects and provides protections for the use of local supply projects during water shortages by exempting them from state mandated reductions.
- 7) Recognizes that the reliability of supplies to the end user is the primary goal of water suppliers.

8) Ensures that decision-making with regard to stormwater management and recapture is kept at the local or regional level through local water agencies, stormwater districts, cities, counties, and regional water management groups.

9) Recognizes that stormwater management and recapture are important tools in a diversified water portfolio that can help to achieve improved water quality in local surface and groundwater supplies, and augment surface and groundwater supplies for local water agencies.

10) Reduces or removes regulatory hurdles that hinder the use of stormwater.

11) Provides incentives for the local or regional use of stormwater management and recapture.

12) Support changes that allow local water agencies to request and require federal agencies to evaluate the reoperation of reservoirs to provide an enhancement in water supplies.

13) Support changes in the Water Reform and Development Act (WRDA) to include environmental infrastructure projects as projects the Army Corps of Engineers must consider in its Report to Congress.

14) *Allows Investor Owned Utilities to invest in redundancy and reliability projects. ***

It is MWDOC's policy to oppose legislation or regulation that:

1) Restricts a local governmental agency's ability to develop their local resources in a manner that is cost-effective, environmentally sensitive, and protective of public health.

2) Imposes barriers to the safe application of recycled water and continues to define recycled water as a waste.

3) Would make urban water supplies less reliable, or would substantially increase the cost of imported water without also improving the reliability and/ or quality of such water.

4) Restricts or limits a local governmental agency's ability to establish local priorities for water resources planning decisions.

5) Reduces a local agency's ability to fully benefit from local investments in drought-proof or emergency water supplies during water shortages.

~~6) Requires a local agency to investment in water supplies that are not cost effective, given it other supply options, or that it determines are not needed to enhance water supply reliability for its customers.~~

~~6) Threatens investments in local water supplies and water supply reliability by limiting agency discretion and local decision making authority by requiring investments in certain types of supply above others, or by Providing Provides state or federal funding to water supply or reliably projects which would have a negative impact on local water supplies.~~

~~7) Allocations of federal or state funding for water supply projects where water reliability improvements are achieved in a geographic region at the expense or detriment of local Orange County supplies.~~

WATER USE EFFICIENCY

It is MWDOC's policy to support legislation *and regulation* that:

- 1) Furthers the statewide goal of a 20% reduction in per capita water use by 2020 as set forth in SBx7-7, enacted in November 2009.
- 2) Would allow flexibility and options for compliance in achieving statewide water reduction goals.
- 3) Seeks to cost-effectively improve water efficiency standards for water-using devices.
- 4) Provides loans and grants to fund incentives for water conserving devices or practices.
- 5) Advances and ensures accurate reporting of the implementation of water efficiency measures of the Best Management Practices (BMPs) for the California Urban Water Conservation Council's Memorandum of Understanding.
- 6) Reasonably improves landscape water use efficiency and Commercial, Institutional and Industrial (CII) water use efficiency programs while preserving community choice and the local economy.
- ~~7) Requires individual or sub-metering to be built in new construction of multiple unit residential buildings.~~
- 8) Encourages stakeholders to investigate and develop regionally appropriate statewide landscape water conservation standards and regulations that incorporate local land use and climate factors.
- 9) Provides incentives, funding, and other assistance where needed to facilitate market transformation and gain wider implementation of water-efficient indoor and outdoor technologies and practices.
- 10) Provides incentives, funding, and other assistance where needed to facilitate water use efficiency partnerships with the energy efficiency sector.
- 11) Recognizes past investments in water use efficiency measures, especially from the demand hardening perspective.

It is MWDOC's policy to oppose legislation *or regulations* that:

- 1) Fails to ensure balance in the implementation of water efficiency practices and requirements for both urban and agricultural use.
- 2) Would repeal cost-effective efficiency standards for water-using devices.
- 3) *Diminishes local agency control or flexibility in implementing water efficiency practices or standards.*
- 4) Places unreasonable conservation measures on commercial, industrial and institutional customers that would negatively impact or limit the potential for economic growth.
- 5) Fails to recognize the importance of both water use efficiency and water supply development.

WATER QUALITY

It is MWDOC's policy to support:

- 1) Legislation that protects the quality of surface water and groundwater including the reduction of salt loading to groundwater basins.
- 2) Funding that helps agencies meet state and federal water quality standards.
- 3) The establishment and/ or implementation of standards for water-borne contaminants based on sound science and with consideration for cost-effectiveness.

It is MWDOC's policy to oppose:

- 1) Legislation that could compromise the quality of surface water and groundwater supplies.
- 2) Legislation that establishes and/ or implements standards for water-borne contaminants without regard for sound science or consideration for cost effectiveness.
- 3) Projects that negatively impact the water quality of existing local supplies.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

It is MWDOC's policy to oppose legislation that:

- 1) Compromises the existing governance structure and the representation of member agencies on the Metropolitan Water District Board of Directors.
- 2) Would restrict MET's rate-making ability.

WATER TRANSFERS

It is MWDOC's policy to support legislation *and regulation* that:

- 1) Encourages and facilitates voluntary water transfers.
- 2) Provides appropriate protection or mitigation for impacts on the environment, aquifers, water-rights holders and third-parties to the transfer including those with interests in the facilities being used.
- 3) Legislation that encourages transfers which augment existing water supplies, especially in dry years.

It is MWDOC's policy to oppose legislation *or regulation* that:

- 1) Undermines the operations and maintenance of the conveyance system conveying the water.
- 2) Interferes with the financial integrity of a water utility and compromises water quality.
- 3) Increases regulatory or procedural barriers to water transfers at the local or state level.

WATER INFRASTRUCTURE FINANCING

It is MWDOC's policy to support legislation *and regulation* that:

- 1) Employs a "beneficiary pays" principle that establishes a clear nexus between the cost paid to the direct benefit received. Likewise, those who do not benefit from a particular project or program should not be required to pay for them.
- 2) Establishes grants or other funding opportunities for local and regional water infrastructure projects.
- 3) Considers local investments made in infrastructure, programs, mitigation and restoration in determining appropriate cost shares for water infrastructure investments.
- 4) Would reduce the cost of financing water infrastructure planning and construction, such as tax-credit financing, tax-exempt municipal bonds, Water Resources Development Act (WRDA), Water Infrastructure Finance Innovation Act (WIFIA), the Environmental Infrastructure Accounts and other funding mechanisms.

It is MWDOC's policy to oppose legislation *or regulation* that:

- 1) Establishes a fee or tax that does not result in a clear benefit to the District, its member agencies, and their customers.
- 2) Would reduce the total available water infrastructure financing measures such as WIFIA, state-revolving funds, and others.

ENERGY

It is MWDOC's policy to support legislation *or regulation* that:

- 1) Facilitates the development and expansion of clean, renewable energy in California, including hydropower.
- 2) Supports water supply reliability as the primary focus of water agencies and energy intensity of water supplies as a secondary factor.
- 3) Recognizes the role and value of the water industry investment in water use efficiency and therefore recognizes WUE efforts towards greenhouse gas reduction, including funding such activities.
- 4) Recognizes hydroelectric power as a clean, renewable energy source and that its generation and use meets the greenhouse gas emission reduction compliance requirements called for in the Global Warming Solutions Act of 2006 (AB 32).
- 5) Facilitates voluntary and cost effective local investments in renewable energy, energy management and storage, and energy efficiency which improve the water-energy nexus and reduce local agency costs.

FISCAL POLICY

It is MWDOC's policy to support legislation *or regulation* that:

- 1) Requires the federal and state governments to provide a subvention to reimburse local governments for all mandated costs or regulatory actions.

It is MWDOC's policy to oppose legislation *or regulation* that:

- 1) Is inconsistent with the District's current investment policies and practices.
- 2) Pre-empts the District's ability to impose or change water rates, fees, or assessments.
- 3) Impairs the District's ability to maintain levels of reserve funds that it deems necessary and appropriate.
- 4) Impairs the District's ability to provide services to its member agencies and ensure full cost recovery.
- 5) Makes any unilateral reallocation of District revenues, or those of its member agencies, by the state unless the state takes compensatory measures to restore those funds.
- 6) Would impose mandated costs or regulatory constraints on the District or its member agencies without reimbursement.
- 7) Mandates a specific rate structure for retail water agencies.

8) Imposes a “public goods charge” or “water tax” on public water agencies or their ratepayers.

GOVERNANCE

It is MWDOC's policy to support legislation *or regulation* that:

1) Advances good government practices and public transparency measures in a manner that does not take a "one-size fits all" approach, respects local government control, and facilitates technological efficiencies to meet state reporting and disclosure requirements.

It is MWDOC's policy to oppose legislation *or regulation* that:

1) Advances local government reform measures by imposing unnecessarily broad burdens upon all local governments, particularly when there is no demonstration of rampant and wide-spread violations of the public trust.

2) Shifts state programs, responsibilities and costs to local governments without first considering funding to support the shift.

3) Seeks to limit or rescind local control.

4) Reduces or diminishes the authority of the District to govern its affairs.

5) Imposes new costs on the District and the ratepayers absent a clear and necessary benefit.

6) Resolves state budget shortfalls through shifts in the allocation of property tax revenue or through fees for which there is no direct nexus to benefits received.

PUBLIC EMPLOYEE PENSION REFORM

It is MWDOC's policy to support legislation that:

1) Seeks to contain or reform public employee pension and other post-employment benefit (OPEB) cost obligations that are borne by public agencies via taxpayers and ratepayers.

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES JANUARY 2017

Managers' Meeting	<p>MWDOC held its Managers' meeting on December 17, 2016 at its office in Fountain Valley. In attendance were Howard Johnson (Brady); Jonathan Cruz (MNWD); Bob Hill (ETWD); David Spitz (Seal Beach); Steve Conklin (YLWD); Mark Sprague (Fountain Valley); Scott Miller (Westminster); Cel Pasillas (Garden Grove); Hector Ruiz (TCWD); Mike Dunbar (EBSD); Paul Shoenberger (Mesa Water); Dan Ferons (SMWD); Brian Ragland (Huntington Beach); Lisa Ohlund (EOCWD); Ken Vecchiarelli (GSWC); Michael Grisso (Buena Park); John Kennedy and Adam Hutchinson (OCWD); Paul Cook (IRWD); Karl Seckel; Charles Busslinger; Joe Berg; Melissa Baum Haley; Kevin Hostert; Colin Eckerle; Heather Baez; Jonathan Volzke; and Keith Lyon of staff.</p> <p>The agenda included the following:</p> <ol style="list-style-type: none"> 1. SWRCB Permanent Water Use Regulations 2. MWDOC Support Resolution for CA WaterFix 3. Colorado River & Lake Mead Update 4. Water Supply Report and DWR Initial 2017 SWP Allocation of 20% 5. OC Water Reliability Study High-Level Briefing 6. CUWCC Transition Update 7. Energy Efficiency Optimization 8. OC Flood Control License Fees update 9. Alternative Fuel Vehicles <p>The next meeting is scheduled for January 19, 2017.</p>
Environmental Leaders	<p>On December 8, MWDOC and MET hosted a meeting of Environmental Leaders at the San Joaquin Marsh Duck Club. This meeting was a follow-up to a tour of the Delta conducted in September with the same group. The purpose of the meeting was to engage with environmentalists on the benefits of the California WaterFix and to examine issues with habitat restoration to benefit fish. Director Tamaribuchi and Karl and I participated.</p>
Website Development	<p>A discovery document to be completed by each MWDOC department was prepared and distributed by Tiffany who organized and led the kickoff meeting with the new website developer. Representatives from the IT, Public Affairs, Water Use Efficiency, Administration, Government Affairs, WEROC and Engineering Departments participated. I attended all 6 individual discovery sessions.</p>

MET ITEMS CRITICAL TO ORANGE COUNTY

MET's Water Supply Conditions	<p>With reservoirs rising from the December storms, on December 21, DWR increased its early season estimate of calendar year 2017 State Water Project (SWP) "Table A" allocation from 20% to 45%. With the continued rise of snow and precipitation levels in Northern California, it is expected that the Table A allocation will increase from 45%. The calendar year 2016 allocation was eventually increased to a final allocation of 60% as a result of increased reservoir storage levels. The last 100% SWP allocation was in 2006. A full 100% allocation is difficult to achieve even in wet years because of Delta pumping restrictions. As of January 11, Lake Oroville was at 74% of its capacity and 117% of its historical average for the date (normal); Lake Shasta was at 81% capacity and 126% of normal; and San Luis Reservoir has now increased to 67% capacity and 94% of normal. Along the Colorado River Basin, as of January 11, 2017, the water level at Lake Mead was at 1,082 feet with 10.17 MAF of storage, or 39% of capacity. The water level at Lake Powell was at 3,599 feet with 11.6 MAF of storage, or 48% of capacity. As of January 11, 2017, the total combined storage was 21.81 MAF, or 43.5% of capacity. Unregulated Inflows to Lake Powell as of January 4, 2017 are projected to be 9.5 MAF, which is 88% of normal.</p> <p>It is very early in the water year, but MET deliveries can be expected to be at or above 2.1 MAF, with the current weather conditions in Northern California and a delivery of a 80-90% Colorado River Aqueduct (in 2016 we received 2.1 MAF with a 60% Table A allocation and an almost full CRA). MET forecasted demands comprised of 1.5 MAF of local demand and 200 thousand acre-feet (TAF) for local groundwater replenishment, this should result in MET storing 400 TAF of water. MET ended the 2016 calendar year with a total of 1.3 MAF of dry-year storage. If the MET 2017 forecasted demands are 1.7 MAF and deliveries are 2.1 MAF, it is possible to end the 2017 calendar year with 1.7 MAF of dry-year storage (It is still very early in the water year and an increase/decrease in demands or a dramatic increase /decrease in water supply could change this number).</p>
MET's Finance and Rate Issues	<p>At the December MET Finance and Insurance Committee meeting, MET staff presented its financial review for the first five months of FY2016-17. Through November 30, 2016, the cumulative water sales were 23.9 TAF (3%) lower than budgeted and 34.5 TAF lower than the five year average. Comparatively, sales through November 2016 were 112.5 TAF (14%) higher than November 2015. This is due to increased full service groundwater replenishment deliveries. MET untreated water sales have resulted in 37.5% (\$225.6 million) of the \$601.5 million in total water sales.</p>

<p>Colorado River Issues</p>	<p><u>Colorado River Drought Contingency Plan</u></p> <p>While a lot of progress has been made on the Colorado River Drought Contingency Plan (Contingency Plan), it was not brought to the MET Board in December as anticipated. Staff and legal work will continue through mid-January. The remaining three major unresolved issues are: 1) MET's need for clarification on how the Bay-Delta will affect its ability to contribute water within the Contingency Plan, 2) Imperial Irrigation District's need for clarification on the State assistance on the Salton Sea, and 3) State of Arizona inability to execute the Plan without action from their State Legislature.</p> <p>The Colorado River Board also remains in negotiation with Mexico regarding Minute 32x. Within Minute 32x, the three basic provisions are: 1) shortage and surplus triggers, 2) opportunities for Colorado River User e.g. MET continuing to fund conservation programs in Mexico, and 3) Future Mexico Pulse flow. Minute 32x is expected to be brought to the Metropolitan Board for action in early 2017. However, the MET staff's preference is to have the Drought Contingency Plan executed before negotiating with Mexico.</p> <p><u>MET, Coachella Reach Agreement on 2017 Water Deliveries</u></p> <p>On November 16, the general managers of Coachella Valley Water District (Coachella) and MET executed an agreement that governs exchange and delivery of water to Coachella during 2017. As part of the Quantification Settlement Agreement (QSA) and related agreements that were approved in 2003, an exchange agreement was executed between Coachella and Metropolitan in which Coachella could request from MET up to 35,000 acre-feet of State Water Project water per year and exchange that water for Colorado River water for delivery to Coachella at either Imperial Dam or, with concurrence of MET, at the Whitewater Service Connection off of the Colorado River Aqueduct.</p> <p>Earlier in 2016, Coachella requested that MET exchange and deliver 35,000 acre-feet of water to the Whitewater Service Connection. Due to the potential of continued drought, MET instead negotiated terms with Coachella for delivery of that water in 2017. Under the terms of the agreement that was executed, if the 2017 State Water Project final allocation is at least 40 percent of a contractor's Table A amount, MET will deliver the full 35,000 acre-feet to Coachella in 2017. If the final allocation is less than 40 percent, MET will deliver 5,000 acre-feet to Coachella in 2017, and will deliver the remaining 30,000 acre-feet in a later year at MET's discretion, but not later than 2020.</p>
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Colorado River Issues (Continued)	<p><u>MET Submits Comments on Draft EIR for Proposed Palo Verde Solar Project</u></p> <p>On November 10, MET staff submitted comments on a draft Environmental Impact Report for the proposed Palo Verde Mesa Solar Project (Project), a solar photovoltaic electrical generating facility that would generate up to 450 megawatts of energy. The proposed Project would be located within Palo Verde Irrigation District's (PVID) service area, on the mesa lands just above the Palo Verde Valley floor. Any water use by the Project, without mitigation, would directly reduce the amount of water available to MET from the Colorado River. The Project, however, is proposed to replace existing agricultural activities, and MET staff concluded that the solar energy Project would use less water than the existing agricultural uses that would be replaced. If that offset were to occur, MET stated that it would not oppose the use of PVID water for the Project's use; however, MET's letter went on to state that assurance would be needed that the agricultural activities would not move to other locations on the PVID mesa that are currently not being irrigated.</p>
Bay Delta/State Water Project Issues	<p><u>California WaterFix Petition Hearings</u></p> <p>The California Department of Water Resources (DWR) and the U.S. Bureau of Reclamation (USBR) continue to develop the documents required to complete the California WaterFix environmental review process under the California Environmental Quality Act and National Environmental Policy Act.</p> <p>In November, the California Water Fix Petition hearings before the State Water Resources Control Board (SWRCB) continued. Part 1 of the hearings addresses the effects of the project on legal users of water. The first segment (Part 1A), the presentation of the project by DWR and USBR, finished in late September 2016. The second segment (Part 1B), presentation of evidence by project opponents, began in late October 2016 and continued this month. DWR and USBR cross-examined the evidence presented by the project opponents. MET is participating in the hearings in collaboration with other public water agencies. Part 2 of the hearings, which are scheduled to begin no sooner than February 2017, will consider the effects of the project on fish and wildlife and review "appropriate flow" criteria.</p> <p>MET staff continues to review draft environmental documents released by the SWRCB in September 2016 pertaining to Phase 1 of the Bay-Delta Water Quality Control Plan (WQCP) update process.</p>

Bay Delta/State Water Project Issues (Continued)	<p>The Phase 1 update of the Bay-Delta WQCP addresses requirements for salinity in the southern Delta and San Joaquin River flows. Written comments on the Phase 1 document are due in mid-January 2017. MET staff is also reviewing a draft technical document, Working Draft Scientific Basis Report Supporting Potential Changes to the Bay-Delta Plan, pertaining to Phase 2 of the WQCP update process. Phase 2 will address other comprehensive changes to the WQCP, such as requirements for Delta outflows, Sacramento River flows and interior Delta operations. Written comments on the draft technical document were due mid-December 2016.</p> <p><u>Near-Term Delta Actions: Science Activities</u></p> <p>MET staff continued work on the development of Delta Smelt Resiliency Strategy actions. MET staff has been coordinating with other public water agency staff and DWR to actively engage in developing studies and monitoring plans for actions outlined in the Delta Smelt Resiliency Strategy. Early efforts are focused on the North Delta food-web adaptive management projects, outflow augmentation action, Suisun Marsh Salinity Control Gate reoperation, Franks Tract restoration feasibility, and Roaring River redistribution system.</p> <p>MET staff continues to participate in the Collaborative Science and Adaptive Management Program, providing input to the salmon and Delta smelt studies that are underway. MET staff efforts in November focused on developing recommendations for near-term salmon actions and studies based on information developed in a salmon gap analysis report, and developing data sets to be tested in the Delta smelt fall outflow modeling studies. They are also participating in the new Delta Smelt Resiliency Project Work Team as part of the Collaborative Adaptive Management Team, and coordinating with U.S. Fish and Wildlife Service staff to discuss the proposed enhanced monitoring program for Delta smelt.</p>
ENGINEERING & PLANNING	
Doheny Desalination Project	<p>South Coast Water District is continuing to move the project forward and to look for potential partners and grant funding as they initiate the CEQA process.</p> <p>MWDOC has awarded a contract for the decommissioning and removal of the test facilities at Doheny State Park. The work is in progress and scheduled to be completed by month end.</p>

Baker Treatment Plant	The plant went on line on January 4 to begin the 10-day performance test.
Poseidon Resources Ocean Desal Project	OCWD is currently working on preparation of the CEQA documentation for the Poseidon Project. Work continues on the project integration into the water supplies for OC. Poseidon is continuing to work on permitting issues, which are estimated to be completed by the end of 2017.
OC Reliability	Staff is completing the publishing of the study. An upcoming presentation is scheduled for the City of San Juan Capistrano.
OC-28 Flow Metering	MWDOC and OCWD are awaiting MET's analysis of the flow test to examine the metering issue from last summer.
OC Flood Control District	<p>Karl Seckel, Heather Baez and John Lewis have continued to pursue opposition to the terms and conditions proposed by the OC Flood Control District for new encroachment permits for crossing of Flood Control property. Flood Control is proposing a fee based on current market real estate values, a 7% return and 35 year agreements. This is one of a number of County Initiatives to raise revenue.</p> <p>On November 22, the item was continued by the Board of Supervisors to January 10, 2017. It has been reported that an internal Task Force at the County has been established to conduct further work; this may result in the January 10 item being pulled from the agenda. Staff will continue to work on this issue.</p>
Service Connection CM-1 Cost Issues with MET	<p>Since September, Kevin, Karl, and Keith have coordinated between MET, Newport Beach and Laguna Beach County Water District (LBCWD) for periodic "flushing" of the last stretch of the Orange County Feeder every week or two prior to the water quality getting too bad for delivery.</p> <p>Discussions have been initiated with MET on the design and costs of a bypass flow control structure that would allow LBCWD to take low flows of water from MET concurrently with taking flows from the City of Newport Beach. However, the costs of making changes at the CM-1 meter location could reach as high as \$150k to \$200k. Based on the recent discussions with MET, Laguna Beach CWD and Newport Beach are studying another alternative.</p> <p>In addition, LBCWD has had to take one of their reservoirs out of operation which has resulted in an inability to flush the line until the reservoir is put back into operations. The reservoir is being inspected for structural issues as pieces of concrete were noticed within the reservoir.</p>

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Charles Busslinger attended the December meeting of the SJBA. The following chart on groundwater storage was shared at the meeting.

The following table shows the time-history of the spring and fall estimations of groundwater in storage for the period of fall 2012⁴ through fall 2016.

Calendar Year	Spring		Fall	
	Groundwater in Storage (af)	Percentage of Total Capacity	Groundwater in Storage (af)	Percentage of Total Capacity
2012			28,297	68%
2013	28,540	69%	25,855	62%
2014	26,269	63%	24,864	60%
2015	26,555	64%	27,623	67%
2016	29,380	71%	28,327	68%

⁴ The first storage estimation was performed in spring of 2013, which included an analysis of fall 2012 storage.

Adaptive Pumping Management. The Board adopted the 2016 Adaptive Pumping Management (APM) plan to manage groundwater pumping to ensure compliance with the water rights permits held by the SJBA and the South Coast Water District (SCWD), and the private agreements that settled their protests on each other's applications to appropriate water.

Based on the technical work performed in support of the development of the APM plan, the following additional pumping limitations apply with regards to the pumping allocation:

- If storage is less than 33,000 acre-feet (af), the pumping allocation is zero af.
- The SJBA's 80 percent of the pumping allocation can only be produced from the City's five GWRP wells in the Alipaz well field (Kinoshita, SJBA-2, SJBA-4, CVWD-1, and Dance Hall) to ensure that water levels required to support riparian vegetation are maintained.

The Spring estimation of storage was less than 30,000 af and pumping was halted. The recent Fall estimation was even lower than Spring meaning that the pumping allocation continues to be zero.

Wildermuth Environmental created a plot showing the relationship between rainfall and groundwater basin recharge based upon historical data. The data indicates that 10 to 16 inches of rainfall are needed this year for pumping to restart in the basin. (The 24 year average is about 9 inches per year [if 4 wet years of data are excluded which skew the average]).

MET Managers' Meeting	Karl, Kevin, and Melissa attended the MET Managers' meeting where presentations or discussions occurred on the SWRCB Regulations, the Little Hoover Commission (awaiting the final report), quagga mussels in the SWP West Branch, and an update on the California WaterFix Cost Allocations (very preliminary info). It was also announced by Chief of Operations Jim Green that a workgroup would be organized in 2017 on flow metering issues to consider using meter technology beyond a 10:1 turndown and to discuss other changes that might be required in the administrative code to deal with these issues. MWDOC volunteered to be part of the workgroup due to the number of agencies looking for additional flexibility in metering ranges. On the quagga mussel issue, MET is expanding the facilities to be inspected for evidence of infestations. The findings to date indicate only a small number of the quaggas in the West Branch facilities, with none discovered alive. MET will also conduct enhanced inspections of the East Branch facilities. The State Project water does not have a high enough calcium content to allow the mussels to thrive, but the concerns with infestation are still valid.
Santiago Aqueduct Commission	Karl attended the Santiago Aqueduct Commission meeting in December. The contract between the Commission and IRWD for the O&M of the Baker Pipeline was renewed. It was reported that the relation of about 3,000 feet of the Baker Pipeline by the Irvine Company had been delayed. It was also reported that the new Baker Treatment Plant would undergo a 5-day preliminary test in December and would begin the 10-day acceptance testing in January.
IRWD Board	The results of the IRWD Reliability Study were reviewed with the Board when Karl attended the IRWD Board meeting. IRWD and MWDOC coordinated their reliability studies, but IRWD's went into more detail on emergency outage impacts to IRWD and the potential use of their Strand Ranch Banking Program to meet shortages within the IRWD service area. The IRWD analysis indicates a very high degree of reliability for IRWD based on being able to pull "extraordinary" supplies from their Strand Ranch Project.
EMERGENCY PREPAREDNESS	
Coordination with Member Agencies	Four fuel trailers were delivered to MWDOC for El Toro Water District, Irvine Water District, East Orange County Water District and South Coast Water District. Kelly Hubbard coordinated with the DMV registration company and the fuel trailer company to ensure exempt license plates. Two trailers will be picked up by the end of January, thus completing the current order; staff is still hoping for funding for two additional trailers.

Coordination with the County of Orange	Kelly attended the December Orange County Emergency Management Organization (OCEMO) meeting. The meeting included the annual holiday luncheon and awards. Kelly was honored with OCEMO Helping Hands award for her work on Water and Commodity Point of Distribution Plans.
Coordination with the County of Orange	<p>Kelly participated in the California Water and Water Agency Response Network (CalWARN) State Steering Committee conference call. The group is working on updating the CalWARN website to be more efficient for adding additional agencies to the agreement and the website. These updates should make it easier for agencies to find contacts and resources during an emergency response.</p> <p>Kelly participated in the California Office of Emergency Services (Cal OES) Southern Region EOC Point of Distribution (POD) tabletop. This was a small tabletop with just their staff and Kelly. The discussion was regarding on how the CalOES region offices would be involved in a major POD response.</p>
WEROC Emergency Operations Center (EOC) Readiness	<p>Staff participated in the November MARS successfully.</p> <p>Colin Eckerle, WEROC/Engineering Intern, and Kelly met with the staff of the Center for Demographic Research (CDR) to review an update of the WEROC maps and atlases. The maps were last updated in 2005/2006 and require updates. The project will take several months to review the maps, update and re-review before reproduction. The MWDOC engineering staff also met to discuss the maps and ensure that all updates needed will be made.</p>
Filling of WEROC Vacancies	Quite a bit of time was spent in December in interviews for a part-time administrative position that will be shared between Administration and WEROC and in conducting interviews for the WEROC Programs Coordinator position. The administrative assistant was hired and an offer was made for the Coordinator position.
WATER USE EFFICIENCY	
MET Water Conservation Workgroup Meeting	<p>On December 15, Beth Fahl attended MET's Water Conservation Workgroup meeting whose purpose was to preview MET's new Turf Removal Workshop, which will be offered to residential customers as part of the California Friendly Landscape Training program. Workshop topics included:</p> <ul style="list-style-type: none"> • Design Considerations • Removal of Existing Grass • Soil Preparation • Irrigation Systems • Planting • Garden Maintenance

MET's Workgroup	The next regular Workgroup meeting is scheduled for January 19, 2017 at Metropolitan.
United States Bureau of Reclamation	<p>On December 22, Joe Berg spoke via conference call with Brandon House of the Bureau of Reclamation's Denver office to discuss updating the Weather and Soil Moisture Based Landscape Irrigation Scheduling Report. This report documents how all weather- and soil moisture-based smart irrigation timers function. Several new manufacturers have entered the market since the last Report, necessitating a Report update.</p> <p>During this call, Joe also recommended that the Bureau consider developing similar reports for irrigation devices such as sprinkler bodies, nozzles, drip irrigation, and pressure regulation. Developing resources to educate consumers on how to maintain California Friendly landscapes was also recommended. Both of these areas represent emerging needs in furthering landscape water use efficiency.</p> <p>Bureau staff will be conducting similar interviews with other water agency staff to help prioritize where and how the Bureau invests its time and effort.</p>
OC Water Loss Control Workgroup	On January 10, Joe hosted the OC Water Loss Control Workgroup at MWDOC. Seventeen water agencies from throughout Orange County participated in this meeting. Amy McNulty with Irvine Ranch Water District presented on the District's Embedded Energy Plan. The Plan identified the energy intensity of various water and wastewater supplies, water treatment and distribution, and disposal. Reinhardt Strum with Water Systems Optimization then described how the Plan related to water loss control, specifically the connection between pressure management and water loss. Existing and evolving water loss regulations (SB 1420 and SB 555) were also discussed. This discussion helped to frame the need for and timing of the Water Loss Control Workgroup and our desire to lead the water loss control efforts in California. The next Workgroup meeting is scheduled for March 14 at MWDOC.
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	<p>Heather coordinated a meeting with the governmental and legislative affairs staff from IRWD, SMWD, OCWD, Mesa Water, and MNWD to discuss the upcoming legislative year and efforts to coordinate. They have a follow-up meeting later this month.</p> <p>Heather and Jonathan attended the MWDOC Elected Officials Forum on January 5.</p>

Member Agency Relations (Cont'd)	<p>At the request of Golden State Water Company, Jonathan made a presentation to the Cypress Rotary on OC water and the California WaterFix.</p> <p>Jonathan held meetings with Choice program vendors and participating member agencies after executing the contracts.</p> <p>Jonathan wrote articles and issued eCurrents.</p> <p>Bryce worked with YLWD staff to create a resolution for Ric Collett.</p>
Community Relations	<p>Heather and Melissa met with Albert Napoli from MET to discuss and coordinate MET/MWDOC's CA WaterFix outreach efforts.</p> <p>Laura worked with Orange County REALTORS to create and distribute a new water conservation door hanger. More than 90 REALTORS requested the door hanger the first day of sign ups.</p> <p>Jonathan and Laura met with Crystal Nettles and Becky Mudd with OCWD to coordinate and plan the Soil and Water Conservation Merit Clinic on February 11 at OCWD. Additional clinics are also scheduled at Irvine Ranch Water District and Santa Margarita Water District, each with more than 80 Scouts registered.</p> <p>The Public Affairs team attended the Great Wolf Lodge groups and meetings event, sharing a table with executive staff of Boy Scouts of America.</p> <p>Jonathan met with officials from the Ocean Institute in Dana Point to discuss education programs and potential joint efforts.</p> <p>Jonathan worked with Discovery Science Foundation on a student contest at the Cube.</p>
Education	<p>Laura attended the What About Water first visit at Anaheim High School with staff from Anaheim Public Utilities.</p> <p>The Public Affairs department met to begin planning for the 2017 Water Awareness Poster Contest. Tiffany coordinated the discussion. Bryce designed and created the flyer. Laura worked with Inside the Outdoors staff to distribute the flyer to teachers throughout Orange County.</p> <p>Jonathan and Laura coordinated with IRWD staff and SMWD staff to schedule two more Soil and Water Conversation Merit Badge clinics- April 1 and August 26. Laura continued taking Scout registrations for all the clinics.</p>

Special Projects (Continued)	<p>Tiffany and Bryce are preparing graphic materials for WEROC and the agency water trailers.</p> <p>Tiffany and Bryce updated several pages on the website.</p> <p>Heather and Laura coordinated various ISDOC tasks including ordering a plaque for the outgoing President, editing the Quarterly Newsletter, and upcoming agenda items.</p> <p>Laura drafted and sent out the ISDOC Quarterly Luncheon invite scheduled for Thursday, January 26, featuring guest speaker, County Supervisor Michelle Steel.</p> <p>Heather staffed the WACO meeting featuring speakers Susan Kennedy, Advanced Microgrid Solutions and Michael Bushey from SCE who discussed Energy Rates and Reliability in Orange County.</p> <p>Heather attended a meeting with staff from OCWD and the new Chair and Vice Chair of WACO to discuss 2017 WACO events and planning.</p> <p>Heather and Laura staffed the ISDOC Executive Committee Meeting.</p> <p>Laura met with Sandra Jacobs to plan ISDOC Quarterly Luncheon programs for 2017.</p> <p>Laura is working on the Orange County Cities & Water Agencies 2017 Directory.</p> <p>Tiffany coordinated a meeting with a review panel of 7 MWDOC department representatives to discuss and prepare items for a kickoff meeting with the new website developer.</p> <p>Tiffany coordinated and led a discussion with the Public Affairs team to review department specific website items and webpage direction.</p> <p>Jonathan and Laura finished and distributed a request for proposals for an engineering firm to complete the upcoming water quality reports.</p> <p>Bryce prepared graphic materials for the DC Luncheon.</p>
Legislative Affairs	<p>Heather attended Senator John Moorlach's holiday Open House.</p> <p>Jonathan attended an open house for Assemblyman Travis Allen.</p>

Legislative Affairs	<p>Heather and Karl continue to coordinate with MWDOC member agencies and other affected agencies on the Orange County Flood Control District's utility license fee proposal. The item was scheduled for January 10, but has been continued again to January 24.</p> <p>Jonathan attended the OCBC Infrastructure Committee meeting where Karl made a presentation on the Reliability Study and WaterFix. Director Tamaribuchi also attended.</p>
Media Relations	<p>Jonathan wrote news releases on the release of the final environmental documents for the California WaterFix and on MWDOC's role in the approval of two South County projects in MET's LRP program. The South County news release was picked up in the San Clemente Times newspaper.</p> <p>Jonathan posted at least five times weekly to MWDOC's Facebook page, frequently discussing the importance of the California WaterFix.</p>
Water Summit	<p>MWDOC and Orange County Water District staff continue to work on the 2017 OC Water Summit, which will be held at the Grand Californian at the Disney Resort on June 16, 2017.</p> <p>The theme of the event is "Finding Water," playing off the "Finding Dory" Disney film.</p> <p>Confirmed speakers so far include:</p> <ul style="list-style-type: none"> • Fritz Coleman, NBC4 Weathercaster (emcee) • David Sedlak, Malozemoff Professor at UC Berkeley, Co-director of Berkeley Water Center (panelist – water management) • David Stoldt, GM of Monterey Peninsula Water Management District (panelist – desal) • Helene Schneider, Mayor of Santa Barbara (panelist – desal)

INFORMATION CALENDAR

**MWDOC GENERAL INFORMATION
ITEMS**

MWDOC BOARD OF DIRECTORS

- Brett R. Barbre
- Larry D. Dick
- Wayne Osborne
- Joan Finnegan
- Sat Tamaribuchi
- Jeffery M. Thomas
- Megan Yoo Schneider