

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
February 19, 2014, 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>.

EMPLOYEE SERVICE AWARDS

NEXT RESOLUTION NO. 1973

CONSENT CALENDAR (Items 1 to 6)

(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. January 1, 2014 Adjourned Workshop Board Meeting
- b. January 15, 2014 Regular Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee: January 6, 2014
- b. Administration & Finance Committee: January 8, 2014
- c. Public Affairs & Legislation Committee: December 16, 2013
- d. Public Affairs & Legislation Committee: January 20, 2014
- e. Executive Committee Meeting: January 16, 2014
- f. MWDOC/OCWD Joint Planning Committee Meeting: January 29, 2014

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of January 31, 2014
- b. MWDOC Disbursement Registers (January/February)

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of December 31, 2013
- 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 December 31, 2013
- b. General Manager's Year-to-Date Budget Report

Recommendation: Receive and file as presented.

5. DISTRICT CONFERENCES

- a. California Special District's Association "How to Become an Effective Board Member," January 23, 2014 at MWDOC

Recommendation: Ratify attendance by Directors.

6. RETURN OF FUNDS TO MEMBER AGENCIES FROM CLOSE-OUT OF CAPACITY CHARGE ACCOUNT

Recommendation: Authorize the General Manager to close out and return funding from the Capacity Charge Account to the member agencies in accordance with the process used in 2007 to close the remainder of the account (approximately \$90,000 would be returned to the member agencies) via either a credit or check.

– End Consent Calendar –

ACTION CALENDAR

7-1 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.

7-2 APPOINTMENT OF SECRETARY, TREASURER(S), AND LEGAL COUNSEL RES. NO. ____

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

7-3 EXTENSION OF WASHINGTON, D.C. COUNSEL CONTRACT WITH JAMES C. BARKER AND FEDERAL LEGISLATIVE PRIORITIES FOR 2014

Recommendation: Authorize one-year extension for the federal advocacy contract with James C. Barker, P.C. at the rate of \$90,000 for calendar year 2014.

7-4 EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH TOWNSEND PUBLIC AFFAIRS, INC.

Recommendation: Authorize one-year extension for the advocacy contract with Townsend Public Affairs at the rate of \$90,000 for calendar year 2014.

7-5 RESOLUTION ON CALLING FOR ENHANCED WATER USE EFFICIENCY EFFORTS TO EXTEND REGIONAL WATER SUPPLIES FOR ORANGE COUNTY RESIDENTS AND BUSINESSES RES. NO. ____

Recommendation: Adopt the proposed Resolution calling for enhanced water use efficiency efforts to extend regional water supplies for Orange County residents and businesses.

7-6 REQUEST FOR QUALIFICATIONS FOR COMMUNICATIONS CONSULTANT

Recommendation: Consider approving the Request for Qualifications (RFQ) and direct staff to release for responses

7-7 CALIFORNIA SPECIAL DISTRICT'S LEGISLATIVE DAYS, MAY 20-21, 2014, SACRAMENTO

Recommendation: The Public Affairs & Legislation Committee will review this item on February 18, 2014 and make a recommendation to the Board.

7-8 DESIGNATION OF MWDOC'S ALTERNATE VOTING REPRESENTATIVE FOR ISDOC

Recommendation: Authorize a Director to vote on behalf of MWDOC at ISDOC, in the absence of the presiding officer.

7-9 ADOPT RESOLUTION HONORING CONGRESSMAN GARY MILLER

Recommendation: Approve an honorary resolution honoring Congressman Gary Miller and direct staff to prepare the resolution for presentation at the upcoming Washington D.C. luncheon.

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

8. GENERAL MANAGER'S REPORT, FEBRUARY 2014 (ORAL AND WRITTEN)

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

9. 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.

CLOSED SESSION ITEMS**10. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 13, 2010, et al.*, former Los Angeles Superior Court, Case No. BS 126888, transferred on October 21, 2010, to San Francisco Superior Court, Case No. CPF-10-510830.

11. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code 54956.9). One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2012 to be Effective January 1, 2013 and January 1, 2014; and Does 1-10, et al.* (Los Angeles Superior Court Case No. BS137830), transferred on August 23, 2012 to San Francisco Superior Court, Case No. CPF-12-512466.

- 12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:
(One Case: Orange County Water District v. Northrop Corporation, et al.; Northrop Grumman Systems Corporation v. Metropolitan Water District of Southern California (Orange County Superior Court, Case No. 04CC00715))
- 13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. One case.
- 14. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
Pursuant to Government Code Section 54957
Title: General Manager

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
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
January 1, 2014

The Workshop Meeting of the Board of Directors of the Municipal Water District of Orange County (MWDOC) scheduled for Wednesday, January 1, 2014 at 8:30 a.m., at the offices of the District, 18700 Ward Street, Fountain Valley, California, was canceled due to lack of a quorum. A Notice of Cancellation was thereon duly posted.

APPROVED:

Maribeth Goldsby, District Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
January 15, 2014**

At 8:30 a.m. President Finnegan 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 Osborne led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre
Wayne A. Clark
Larry Dick (absent)
Joan C. Finnegan
Susan Hinman
Wayne Osborne
Jeffery M. Thomas

STAFF

Rob Hunter, General Manager
Karl Seckel, Assistant General Manager
Russ Behrens, Legal Counsel
Maribeth Goldsby, Board Secretary
Darcy Burke, Director of Public Affairs
Harvey De La Torre, Prin. Water Res. Planner
Joe Berg, Water Use Efficiency Prog. Mgr.

ALSO PRESENT

William Kahn
Bob Hill
Robert Hanford
Steve LaMar
Doug Reinhart
Jim Leach
Bob Moore
Rick Erkeneff
Andrew Brunhart
Gary Melton
Patty Quilizapa
Ed Means
Linda Ackerman
Betsy Eglash

El Toro Water District
El Toro Water District
Golden State Water Company
Irvine Ranch Water District
Irvine Ranch Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Aleshire & Wynder
Means Consulting
MWDOC MET Director
Brady & Associates

PUBLIC PARTICIPATION/PUBLIC COMMENT

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

No public comments were received.

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.)

No items were presented.

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

President Finnegan inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were presented.

EMPLOYEE AWARDS

President Finnegan presented Maribeth Goldsby an award for twenty years of service with the District.

CONSENT CALENDAR

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

Director Hinman inquired on the status of Item 5 (DWR Proposition 50 Grant for Desalination – Application for Doheny Desal Funding). Assistant General Manager Seckel reported that although the Planning & Operations Committee reviewed options for possible DWR Prop 50 grant funding, and concurred with the staff recommendation to seek funding opportunities if there is a good chance of securing funding, due to DWR's neutral/non-committal notification to MWDOC and the fact that there is insufficient time remaining to develop a solid technical proposal and a local funding commitment of \$500,000 (or more), staff now recommends for the Board to simply receive and file the information. Staff will not seek funding from the grant, as options are not in line with the grant offering.

Upon MOTION by Director Hinman, seconded by Director Osborne, and carried (6-0), the Board approved the of Consent Calendar items as follows. Directors Barbre, Clark, Finnegan, Hinman, Osborne and Thomas all voted in favor; Director Dick was absent.

MINUTES

The following minutes were approved.

December 4, 2013 Workshop Board Meeting
December 10, 2013 Special Board Meeting
December 18, 2013 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: December 2, 2013
Administration & Finance Committee Meeting: December 11, 2013
Executive Committee Meeting: December 19, 2013

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of December 31, 2013
MWDOC Disbursement Registers (December/January)

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 November 30, 2013

PARS Monthly Statement (OPEB Trust)

Water Use Efficiency Projects Cash Flow

FINANCIAL REPORT

The following items were received and filed as presented.

Combined Financial Statements and Budget Comparative for the period ending
November 30, 2013

Financial Report for the Year Ending June 30, 2013

DWR PROPOSITION 50 GRANT FOR DESALINATION – APPLICATION FOR DOHENY DESAL FUNDING

The Board received and filed the report as presented. (Staff will not seek funding from this grant).

END CONSENT CALENDAR

ACTION CALENDAR

REORGANIZATION OF THE MWDOC BOARD OF DIRECTORS; ELECTION OF PRESIDENT AND VICE PRESIDENT

Following discussion, and upon MOTION by Director Thomas, seconded by Director Barbre, and carried (6-0), the Board deferred this item until February to allow attendance and consideration by all Directors. Directors Barbre, Clark, Finnegan, Hinman, Osborne & Thomas voted in favor; Director Dick was absent.

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

Following discussion, and upon MOTION by Director Thomas, seconded by Director Barbre, and carried (6-0), the Board deferred this item until February to allow attendance and

consideration by all Directors. Directors Barbre, Clark, Finnegan, Hinman, Osborne & Thomas voted in favor; Director Dick was absent.

BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION

Upon MOTION by Director Hinman, seconded by Director Osborne, and carried (6-0), the Board adopted RESOLUTION NO. 1973, Supporting MWDOC's 2014 WaterSMART: Water and Energy Efficiency grant application to be submitted to the Bureau of Reclamation by January 23, 2014. RESOLUTION NO. 1973 was adopted by the following roll call vote:

AYES:	Directors Barbre, Clark, Finnegan, Hinman, Osborne & Thomas
NOES:	None
ABSENT:	Director Dick
ABSTAIN:	None

FOUNDATIONAL ACTION PROGRAM FUNDING AGREEMENTS FOR CONSIDERATION:

- (1) **Agreement Between MWDOC and MET and Agreement Between MWDOC and South Coast Water District and Laguna Beach County Water District for the Doheny Desal Project**
- (2) **Agreement Between MWDOC and MET and Agreement Between MWDOC and San Juan Basin Authority (SJBA) for the SJBA Project**

Assistant General Manager Karl Seckel advised that as discussed with the Planning & Operations Committee, the Agreements were approved by South Coast Water District (SCWD) and the San Juan Basin Authority (SJBA). SJBA has requested two minor modifications to the Agreements (pertaining to the intellectual property ownership language and the intellectual property license agreement; both modifications are minor in nature, but have been submitted to MWDOC legal counsel for review. Mr. Seckel noted that although the MET provisions require approval in January, the Laguna Beach County Water District (LBCWD) does not meet again until February 4, 2014, thereby requiring a revision reflecting the February date. Mr. Seckel advised that in the meantime, SCWD agreed to provide the full \$300,000 in funding while awaiting approval by the LBCWD.

Upon MOTION by Director Hinman, seconded by Director Thomas, and carried (6-0), the Board authorized staff to execute all four agreements, substantially in the form presented, subject to final review and comment by Legal Counsel. Directors Barbre, Clark, Finnegan, Hinman, Osborne & Thomas voted in favor; Director Dick was absent.

ADOPT RESOLUTION ESTABLISHING THE DISTRICT'S RETIREE HEALTH AND MEDICAL EXPENSE REIMBURSEMENT PLAN

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (6-0), the Board adopted RESOLUTION NO. 1974, adopting the Municipal Water District of Orange County's Retiree Medical Expense Reimbursement Plan. RESOLUTION NO. 1974 was adopted by the following roll call vote:

AYES: Directors Barbre, Clark, Finnegan, Hinman, Osborne & Thomas
NOES: None
ABSENT: Director Dick
ABSTAIN: None

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, JANUARY 2014

General Manager Hunter advised that the General Manager's report was included in the Board packet.

Mr. Hunter reported that (1) 2013 closed with the worst drought on record for California, that State Water Project Table A allocations are currently set at 5%, and that parts of the state are currently under water restrictions, (2) MET had begun its 11-day shutdown of the AMP pipeline; and (3) MWDOC has commenced its budget process.

Director Hinman congratulated Joe Berg, as he is the recent recipient of the Lana Sherman Award, which recognizes local and community innovations in water conservation.

Following a question by Director Hinman, Harvey De La Torre provided a brief overview of Minute Order 319, in particular the agreement between basin agencies such as MET and Mexico regarding Colorado River water.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS

BOARD OF DIRECTORS

In addition to the regular (and special) MWDOC Board and Committee meetings attended by the Directors, the following reports were made on conferences and meetings attended on behalf of the District.

Director Barbre reported on his attendance and participation at MET meetings, as well as his participation with the *Los Angeles Times* Editorial Board, and a recent legislative trip to Washington, DC. Mr. Barbre advised that Dan Grisct (Santa Ana) and Michael Camacho (Inland Empire Utilities Agency) were recently appointed to MET's Executive Committee.

Director Osborne highlighted his attendance at the WACO meeting.

Director Clark reported on attending the WACO meeting and the Urban Water Institute planning meetings.

Director Thomas reported on attending the ACWA conference, the Colorado River Water Users Association conference, and planning meetings for the OC Water Summit.

Director Hinman reported on attending the WACO and WACO Planning Committee meetings, two Orange County Water District Board/Committee meetings, the South Coast Water District Board meeting, the OCBC Infrastructure Committee meeting, and a School Program presentation at Gates Elementary in the El Toro Water District service area.

Director Finnegan reported on attending the ISDOC Executive Committee meeting, Costa Mesa City Council meeting, and the MET Caucus. Ms. Finnegan announced that she was in possession of several ACWA/JPIA pocket calendars for 2014, for anyone interested in receiving one..

CLOSED SESSION ITEMS

At 9:09 a.m., President Finnegan announced that the Board would adjourn to closed session for conferences with Legal Counsel regarding the following:

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9:

(One Case: Orange County Water District v. Northrop Corporation, et al.; Northrop Grumman Systems Corporation v. Metropolitan Water District of Southern California (Orange County Superior Court, Case No. 04CC00715))

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9. One case.

RECONVENE/RETURN TO CLOSED SESSION

At 9:19 a.m., the Board concluded its closed session on the above two-items, and Legal Counsel Behrens announced that no reportable action was taken in closed session.

At 9:20 a.m., the Board returned to closed session for the following:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9.

One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 13, 2010, et al.*, former Los Angeles Superior Court, Case No. BS 126888, transferred on October 21, 2010, to San Francisco Superior Court, Case No. CPF-10-510830.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code 54956.9). One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2012 to be Effective January 1, 2013 and January 1, 2014; and Does 1-10, et al.* (Los Angeles Superior

Court Case No. BS137830), transferred on August 23, 2012 to San Francisco Superior Court, Case No. CPF-12-512466.

(Director Thomas exited the closed session at 9:25 a.m.)

RECONVENE

The Board reconvened at 9:44 a.m. and Legal Counsel Quilizapa announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business to come before the Board, President Finnegan adjourned the meeting at 9:45 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 (P&O) COMMITTEE
January 6, 2014 8:30 a.m. to 8:55 a.m.
MWDOC Conference Room 101

P&O Committee:

Director Wayne Osborne, Chair
Director Brett Barbre
Director Susan Hinman

Staff:

Rob Hunter, Karl Seckel, Joe Berg,
Pat Meszaros

Also Present:

President Joan Finnegan
Director Wayne Clark
Steve LaMar, IRWD

Director Osborne 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 presented.

ACTION ITEMS

BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION

Mr. Seckel discussed the new Brown Act requirements effective January 2014 and the requirement to record votes. The Committee reviewed the Watersmart Grant Resolution and upon MOTION by Director Barbre, seconded by Director Hinman, and carried (3-0), the resolution was referred to the January 15, 2014 Board meeting for approval, by the following vote:

AYES:	Directors Osborne, Barbre and Hinman
NOES:	None
ABSENT:	None
ABSTAIN:	None

MET'S FOUNDATIONAL ACTION PROGRAM AGREEMENTS

- a. Doheny Desalination Project
- b. San Juan Basin

Director Hinman asked that Mr. Seckel provide a quick overview of the San Juan Basin and to go over the details on who is going to manage the Doheny Project. Mr. Seckel reported that San Juan Basin Authority will be managing the work, hiring consultants, managing grant reporting, etc.; they will be meeting on January 14 to consider these matters. Don Bunts (SMWD) has taken the lead on putting the proposal together and coordinating technical work.

With regard to the Doheny Desal Project, Mr. Seckel reported that South Coast Water District (SCWD) will be the managing agency; MWDOC will be assisting them and providing \$37,000 of in kind contribution for which we will be reimbursed. SCWD will meet on January 9 to consider agreements. LBCWD will also meet to consider their agreement but we don't have a date yet. The agreements are in the P& O packet but we are expecting revised agreements from MET. Action today is approval of the agreements substantially in the form presented, subject to review by legal counsel. Director Osborne stated that he'd like to see more detail to which Mr. Seckel directed him to page 43 which shows the breakdown with the bulk (\$252,000) going to Geoscience; then Carollo (\$128,000); NWRI (\$38,000) will be doing a panel for us; SCWD (\$43,000) and MWDOC \$37,000). Director Hinman asked what Geoscience's work involves to which Mr. Seckel responded groundwater modeling; looking at seawater intrusion barrier options; looking at different size projects and their impacts; looking at Woodshole Institute's work done previously; and linking that to groundwater modeling to give us a better estimate of the quality of the water over time. Director Osborne inquired as to the status of negotiations on the lease land to which Mr. Seckel responded that we are having an appraisal prepared which is due January 13. Also, on January 13, Mr. Hunter and Mr. Seckel will meet with the Director of the State Department of Parks and Recreation in Sacramento to discuss a long term lease. Director Osborne inquired what action we'd take if the lease is too high. Mr. Seckel responded that possibly we'd still do the work but not leave the facilities in place or go back in when the ultimate project is constructed and put final facilities in place at that time. That's a decision to be made in the February to March timeframe. Director Osborne inquired what happened to the other three participants to which Mr. Seckel responded that we are leaving the option open. Director Hinman inquired as to who from MWDOC will oversee the project to which Mr. Seckel responded that he is the grant administrator as far as Metropolitan is concerned and that both he and Richard are involved.

Director LaMar inquired whether Poseidon Resources is going to do additional research or geotechnical studies as a result of their Coastal Commission requirements that might be beneficial to this effort to which Mr. Seckel responded that Poseidon is still trying to figure out exactly what they need to do. Director Dick noted that it's been his understanding in recent years that much of Mr. Bell's time has been invested in this project and questioned what he will be working on. Mr. Seckel responded that there would be a reduction in Richard's time on the project with the clean-up of Phase 3 and that the current work in hand, both Doheny and San Juan Basin, will probably take 12 to 18 months to complete. Mr. Bell's time will then transition to other reliability issues in Orange County and at MET.

Director Dick noted that decisions will have to be made at that time whether we'll go forward. Mr. Seckel reported further that alternate sizing is being looked at because SCWD may have to scale back on size and cost if the other agencies are not involved. Mr. Hunter responded to Director Dick's earlier comment about whether we'll move forward with the project by stating that the fundamental issue is financial. Director Barbre stated that this November will be a bell weather to see what happens with the City of San Juan Capistrano – whether there will be a change of council next year-- they could scrap their entire water production program and return to purchasing MET water. And, at that point, discussion needs to be held on what the guaranteed yield out of the San Juan Basin will be.

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (3-0), the agreements were referred to the January 15, 2014 Board meeting for approval, by the following vote:

AYES:	Directors Osborne, Barbre and Hinman
NOES:	None
ABSENT:	None
ABSTAIN:	None

DWR PROPOSITION 50 GRANT FOR DESALINATION—APPLICATION FOR DOHENY DESALINATION FUNDING

Mr. Seckel reported that DWR published a grant solicitation for desalination and since we are always looking for funding, there are two opportunities for the Doheny Desal project which we have submitted to DWR informally to get their input. DWR indicated our first request would not qualify; we drafted a second proposal and are waiting to see if it fits in for grant requirements. If we get positive feedback on the second proposal, it would require additional financial resources or matching funds (50-50) committed by local agencies.

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (3-0), the agreements were referred to the January 15, 2014 Board meeting for approval, by the following vote:

AYES:	Directors Osborne, Barbre and Hinman
NOES:	None
ABSENT:	None
ABSTAIN:	None

INFORMATION ITEMS

STATUS OF ONGOING MWDOC RELIABILITY AND ENGINEERING/PLANNING PROJECTS

With regard to the Baker Treatment Plant, Director Hinman inquired as to the water quality of the water that goes into the South County Pipeline and whether the standards are the same as for MET water. Mr. Seckel responded that the standards are the same although the quality of water from the Baker Plant may be slightly different due to source quality; it will, however, meet all drinking water standards. MET is still part owner of the South

County Pipeline (SCP) and per one of our old agreements, they have certain rights over the quality of water introduced in that facility. MET has to agree to the water quality standards and the Baker Pipeline Participants would like something in writing from MET. Director Osborne stated that IRWD will certify that the water meets all drinking water standards; and then as it goes down the pipeline, it then falls under the jurisdiction of SMWD because they hold the permit.

Director Hinman noted that she hasn't heard much about the AMP shutdown to which Mr. Seckel responded that a coordination meeting was held two weeks ago. He noted further that all of the work done over the last 15 yrs makes shutdowns today much easier to sustain. Mr. Seckel reported that the primary purpose of the shutdown is to monitor the integrity of sections of the pipeline, 33 miles both steel and pre-stressed concrete. Mr. Seckel later noted that his statement was incorrect in that the shutdown only involved inspection of the northern steel portion of the AMP. One of MWDOC's roles is to do the coordination and liaison work.

WATER USE EFFICIENCY REPORTS

- a. Status of Water Use Efficiency Projects
- b. Water Use Efficiency Programs Savings and Implementation Report

With regard to the Public Spaces Program, Director Hinman asked that Mr. Berg email her who the five cities are who have applied for funding.

REVIEW OF ISSUES RELATED TO CONSTRUCTION PROGRAMS, 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 8:55 a.m.

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Jointly with the
ADMINISTRATION & FINANCE (A&F) COMMITTEE
January 8, 2014 – 8:30 a.m. to 8:50 a.m.
MWDOC Conference Room 101

Committee Members:

Director Jeff Thomas, Chair
Director Brett Barbre
Director Wayne Osborne

Staff:

Robert Hunter, Karl Seckel, Cathy Harris,
Judy Pfister, Katie Davanaugh,
Hilary Chumpitazi, Harvey DeLaTorre

Also Present:

Director Susan Hinman
Director Wayne Clark
Director Joan Finnegan
Director Larry Dick
Jessica Anderson,
Vavrinek, Trine, Day & Co

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

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

Mr. Seckel advised that the OPEB Trust Fund monthly statement (Item 1g) was distributed at the meeting and made available to the public.

Mr. Seckel introduced Hilary Chumpitazi as the new Accounting Supervisor and Judy Pfister introduced Jessica Anderson from Vavrinek, Trine, Day & Co. (the auditor) who is available to answer questions regarding the year-end financial report.

PROPOSED BOARD CONSENT CALENDAR ITEMS-ACTION

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – December 2013
- b. Disbursement Approval Report for the month of January 2014
- c. Disbursement Ratification Report for the month of December 2013
- d. GM Approved Disbursement Report for the month of December 2013
- e. Water Use Efficiency Projects Cash Flow – December 31, 2013
- f. Consolidated Summary of Cash and Investment – November 2013
- g. OPEB Trust Fund monthly statement

**FINANCIAL REPORT - Combined Financial Statements and Budget
Comparative for the period ending November 30, 2013**

The Committee reviewed the Treasurer's Report and the Financial Report and upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the reports were referred to the January 15, 2014 Board meeting for approval, by the following vote:

AYES: Directors Thomas, Barbre, Osborne
NOES: None
ABSENT: None
ABSTAIN: None

General Manager Hunter referenced the Financial Report, noting that expenditures and revenue are down, causing a draw on reserve funds. Staff has initiated review of the budget for fiscal year 2014-15 and will work with member agencies throughout the process to keep them informed.

**DISTRICT CONFERENCES – California Special District Association: “How to
Become and Effective Board Member – January 23, 2014 at MWDOC**

The Committee held discussion on the timing, location, cost and program details of the upcoming seminar by CSDA. It was noted that the program includes an Ethics component and would meet the requirements of AB 1234. Staff highlighted the fact that the Fair Political Practices Commission offers a free on-line Ethics Training program as well. The Committee discussed the additional components of the seminar and requested staff provide a detailed program agenda when available.

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the seminar was referred to the January 15, 2014 Board meeting for consideration, by the following vote:

AYES: Directors Thomas, Barbre, Osborne
NOES: None
ABSENT: None
ABSTAIN: None

ACTION ITEMS**ADOPT RESOLUTION ESTABLISHING THE DISTRICT'S RETIREE HEALTH AND
MEDICAL EXPENSE REIMBURSEMENT PLAN**

Upon MOTION by Director Osborne, seconded by Director Barbre, and carried (3-0) the Resolution was referred to the January 15, 2014 Board meeting for approval.

AYES: Directors Thomas, Barbre, Osborne
NOES: None
ABSENT: None
ABSTAIN: None

FULL BOARD TO CONVENE FOR ACTION ON THE FOLLOWING ONE ITEM

Director Thomas temporarily adjourned the meeting and Director Finnegan convened the full Board.

AUTHORIZE GENERAL MANAGER TO EXECUTE CHANGE ORDER FOR ACCO ENGINEERED SYSTEMS, INC. TO INSTALL THREE NEW VARIABLE AIR VALVE BOXES (VAV) FOR THE DISTRICT'S HAVAC SYSTEM

Upon MOTION by Director Osborne, seconded by Director Thomas, and carried (7-0) the Change Order for Acco Engineered Systems was referred to the January 15, 2014 Board meeting for approval.

AYES: Directors Thomas, Barbre, Osborne, Finnegan, Hinman, Dick, Clark
NOES: None
ABSENT: None
ABSTAIN: None

Mr. Hunter reported that the new system has been installed timely and is in the process of being adjusted by the contractor.

The Committee meeting was reconvened.

INFORMATION ITEMS**MONTHLY WATER USAGE DATA, TIER 2 PROJECTION & WATER SUPPLY INFORMATION**

The report was received and filed without comment or discussion.

FY 2014-15 BUDGET SCHEDULE

The Committee reviewed the budget schedule with Mr. Seckel noting that this information has also been shared with the member agency managers.

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

The activities reports were received and filed without comment or discussion.

FINANCIAL REPORT FOR THE YEAR END JUNE 30, 2013

Ms. Anderson reported that the audit has been completed, noting the change in format due to auditing standards. She reviewed each of the 3 deliverables included in the staff report noting that no material weaknesses were found, no problems with management were encountered and that internal controls and processes were found to be sound.

OTHER ITEMS

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

Mr. Hunter reported that telephone interviews are being scheduled for the recruitment of the Director of Finance.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 8:50 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 (PAL) COMMITTEE

December 16, 2013, 8:30 a.m. to 10:24 a.m.

MWDOC Conference Room 101

Committee:

Director Larry Dick, Chair
Director Wayne Clark
Director Susan Hinman

Staff:

Karl Seckel, Katie Davanaugh, Darcy Burke

Ex Officio:

Director J. Finnegan

Also Present:

Director Wayne Osborne
Director Brett Barbre
Director Joan Finnegan
Dick Ackerman
Linda Ackerman,
Director, Metropolitan Water District
Matt Holder, Lewis Consulting
Heather Stratman, Townsend Public Affairs
Chris Townsend, Townsend Public Affairs
Steve LaMar, Irvine Ranch Water District
Jim Leach, Santa Margarita Water District

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 presented.

DISCUSSION ITEMS

LEGISLATIVE ACTIVITIES

Federal Legislative Report (Barker)

Director Barbre reported that he requested clarification through Senator Boxer's office on Section 5039 (WRDA bill) and that the environmental infrastructure accounts have been grandfathered into the authorizations and therefore included.

State Legislative Report (Townsend)

The Townsend Report was reviewed, noting that the “California’s Fiscal Outlook” report, prepared by the Legislative Analyst’s Office, was included in the written packet materials and included information on the state’s budget outlook and spending projections. The Committee held discussion on the potential candidates for 2014 Speaker of the House. Conversation turned to the topic of Board members traveling to Sacramento with Townsend and staff was requested to outline the MWDOC “ask” of our legislators. Topics to be included in discussions are the Bay Delta Conservation Plan, the Water Bond and ocean desalination. Mrs. Stratman stressed the importance of consistent and regular meetings with legislators in Sacramento, noting a January meeting to introduce new MWDOC General Manager, Robert Hunter.

County Legislative Report (Lewis)

Mr. Holder reported that the Great Park audit findings are expected to be released in January. Additionally, Mr. Holder will be providing a presentation to MWDOC member agency managers on the recent polling study conducted by Lewis.

Legal and Regulatory Report (Ackerman)

Mr. Ackerman noted that no significant CEQA reform is expected.

Legislative Matrix

Director Ackerman reported that ACWA has now expressed a position of “in favor” on AB 145, which is a change in posture.

Met Legislative Matrix

The matrix was received and filed without comment.

CALIFORNIA WATER PLAN UPDATE 2013

Mrs. Stratman provided a comprehensive presentation on the California Water Plan update, noting that the original document is 1,000+ pages and will be known as “Update 2013”. Mrs. Stratman noted that 40+ agencies worked together to compile the document, is required by California Water Code, and is considered the state’s long term planning guide for water management and infrastructure, including water quality, flood control, mitigation, and environmental and ecosystem restoration. The complete document covers advanced integrated water management, government agency alignment and investment in innovation and infrastructure. Mrs. Stratman reviewed each of the objectives covered in the plan which include water reduction, improving flood management, increasing water supplies, resource stewardship and others.

It was noted that slides 11-14 were omitted in the packet materials and staff was directed to provide those after the meeting.

ACTION ITEMS**TRAVEL TO WASHINGTON DC IN 2014 TO COVER FEDERAL INITIATIVES**

The Committee concurred with the Washington DC travel in 2014, noting that the report is to be received and filed. It was noted that General Manager Hunter will be accompanying Director Barbre to Washington, DC in 2014.

INFORMATION ITEMS**SOLE SOURCE CONTRACT WITH ALLIANCE RESOURCE CONSULTING, INC.
FOR FINANCE DIRECTOR RECRUITMENT**

This report was presented for information only and had been presented at a previous committee meeting.

MET LEGISLATIVE STRATEGIES FOR 2014**7th ANNUAL ORANGE COUNTY WATER SUMMIT****ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) WASHINGTON,
DC LUNCHEON AND SACRAMENTO RECEPTION****PUBLIC AFFAIRS ACTIVITIES REPORT****WATER EDUCATION SCHOOL PROGRAM – MONTHLY PARTICIPATION DATA**

Director Hinman expressed concern with the low participation numbers in the school program and requested that Mrs. Burke provide a report at a future committee meeting on Discovery Science Center's approach and efforts to increase student participation.

All of the informational reports were received and filed.

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

No information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:24 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 (PAL) COMMITTEE

January 20, 2014, 8:30 a.m. to 9:39 a.m.

MWDOC Conference Room 101

Committee:

Director Larry Dick, Chair
Director Wayne Clark
Director Susan Hinman

Staff:

Robert Hunter, Karl Seckel, Darcy Burke,
Katie Davanaugh, Harvey De La Torre, Joe Berg,
Jessica Ouwerkerk

Ex Officio:

Director J. Finnegan

Also Present:

Director Wayne Osborne
Director Brett Barbre
Director Joan Finnegan
Dick Ackerman
Linda Ackerman,
Director, Metropolitan Water District
John Lewis, Lewis Consulting
Heather Stratman, Townsend Public Affairs
Chris Townsend, Townsend Public Affairs
Steve LaMar, Irvine Ranch Water District
Jim Leach, Santa Margarita Water District

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 presented.

DISCUSSION ITEMS

LEGISLATIVE ACTIVITIES

Federal Legislative Report (Barker)

The Committee reviewed the written Barker report with Director Hinman inquiring whether any funding would be available through the WRDA bill for environmental work at the Doheny site. Director Barbre responded that the funds have not yet been appropriated. Mr. Hunter noted that study and construction activities can be utilized through Section 5039 in the bill.

State Legislative Report (Townsend)

Mrs. Stratman provided an overview of the written Townsend report, noting that the public hearing for the Drinking Water Program was held last week and was informational. The governor also assigned funding to that program.

Mr. Hunter noted that the January 13th trip to Sacramento with General Jackson (Department of Park and Recreation) was very successful and that Department staff determined that an appraisal for the Doheny lease will not be necessary. The current lease will continue at \$24,000 per year, for the next 5 years. The lease has been funded by project participants. The participants are still deciding whether to leave the site intact for potential future work and also for educational purposes.

County Legislative Report (Lewis)

Mr. Lewis called attention to the Anaheim lawsuit settlement as listed in the written Lewis report.

Legal and Regulatory Report (Ackerman)

The Committee held discussion on the water shortage impacts throughout the state and how it may influence the water bond and water policy issues. Further discussion was held on the water bond and whether it would make it to the November ballot. Opinions varied on whether it would, noting that drought conditions and the state-wide impact could have an impact either way.

Legislative Matrix

Director Dick highlighted AB762 (Renewable Energy Resources) and AB 793 (Water Storage) as legislation of interest.

Met Legislative Matrix

The Legislative Activities Reports were received and filed.

ACTION ITEMS**EXTENSION OF WASHINGTON, D.C. COUNSEL CONTRACT WITH JAMES C. BARKER AND FEDERAL LEGISLATIVE PRIORITIES FOR 2014**

The Committee reviewed the extension to the Barker contract and upon MOTION by Director Hinman, seconded by Director Clark, and carried (3-0), the item was referred to the Action calendar (rather than Consent) for the February 19, 2014 Board meeting for approval, by the following vote:

AYES:	Directors Dick, Clark, Hinman
NOES:	None
ABSENT:	None
ABSTAIN:	None

It was noted that this contract is on a calendar year basis.

**EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH
TOWNSEND PUBLIC AFFAIRS, INC.**

The Committee reviewed the extension to the Townsend contract and upon MOTION by Director Clark, seconded by Director Hinman, and carried (3-0), the item was referred to the February 19, 2014 Board meeting for approval, by the following vote:

AYES:	Directors Dick, Clark, Hinman
NOES:	None
ABSENT:	None
ABSTAIN:	None

It was noted that Townsend will be performing only State legislative advocacy services (no federal advocacy services). Ms. Stratman also noted that briefings with OWOW Steering Committee members would only be scheduled if staff decided to pursue another grant in the Integrated Regional Water Management Program.

INFORMATION ITEMS

7th ANNUAL ORANGE COUNTY WATER SUMMIT

It was noted that John Garamendi has been secured as a keynote speaker for this luncheon event. Staff has also contacted Congressman Issa to determine his availability to provide a Southern California perspective.

Ms. Burke thanked John Lewis for the sponsorship from Lewis Consulting Group for this event.

**ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) WASHINGTON,
DC LUNCHEON AND SACRAMENTO RECEPTION**

Director Barbre noted that the Gold Room has been secured for the February 26th briefing. The Committee held discussion on the protocol for member agency participation, noting that all agencies have been invited to be included, noting that they are not required to contribute financially. Staff has prepared a draft outline for time management purposes for the 90 minute briefing/luncheon. In the interest of adhering to the strict time guidelines and to allow time for presentations from all interested parties, no PowerPoint presentations are accepted. Ms. Burke and Director Barbre are coordinating activities for the event. Expenditures for the event will be handled by Western MWD, Eastern MWD, Inland Empire Utilities Agencies and MWDOC.

Staff was directed to research similar legislative events held by CSDA (Special District Legislative Days), NWRI (Federal Water Issues Conference), CASA (Public Policy Forum), and NWRA to determine whether there is interest in attending and to what extent MWDOC should participate or be involved.

PUBLIC AFFAIRS ACTIVITIES REPORT

Director Hinman requested that staff provide information on the workgroup being held by the Bay Delta Conservation Plan, at the end of the comment period (April 14, 2014).

Director Barbre noted the importance of the video series being prepared by Public Affairs and Water Use Efficiency staff.

WATER EDUCATION SCHOOL PROGRAM – MONTHLY PARTICIPATION DATA

Director Hinman noted the low participation numbers in recent months, hoping for better numbers in the coming months.

UPDATE ON UPCOMING WATER POLICY FORUM AND DINNER

The informational reports were received and filed.

Staff was directed to provide information on the upcoming Urban Water conference to be held February 19-21.

OTHER ITEMS

REVIEW ISSUES RELATED TO LEGISLATION, OUTREACH, PUBLIC INFORMATION ISSUES, AND MET

Mr. Hunter acknowledged Martin Luther King (MLK) day, noting that he has revised the staff holiday schedule for 2015 and that staff will observe MLK as a floating holiday, rather than New Years' Eve.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:39 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
January 16, 2014, 8:30 a.m. to 10:05 a.m.
Conference Room 102

Committee:

Director Finnegan, President
Director Thomas, Vice President (absent)
Director Clark

Staff:

R. Hunter, K. Seckel, M. Goldsby

Also Present:

Director Osborne
Director Hinman
Director Dick
West Curry, City of San Juan Capistrano

At 8:30 a.m., President Finnegan called the meeting to order.

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 February Committee meetings.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

General Manager Hunter advised that the District's Personnel Manual states that the General Manager shall appoint floating holiday(s) in December of each year. Historically, the floating holiday has been New Year's Eve, but commencing in 2015 Mr. Hunter plans on appointing Martin Luther King, Jr. Day as the floating holiday.

The Committee then held discussion regarding the progress of the Ad Hoc Committee on Consolidation, noting the next meeting would be held on January 22, 2014.

Responding to an inquiry by Director Hinman, Mr. Hunter advised that the agenda for the Member Agency Manager's meeting would include the budget, water supply report, and updates on AB 850, WIFIA, BDCP, the San Diego Lawsuit with MET, the AMP shutdown, the Water Policy Dinner, and MET's Biennial budget.

Director Hinman reported that South Coast Water District has expressed interest in participating in the Bay Delta Conservation Plan Study Group (Study Group). Mr. Hunter advised that staff would be requesting volunteers for the Study Group (at the Managers meeting).

MEMBER AGENCY RELATIONS

Mr. Hunter advised that he is developing a plan for staff to attend a larger number of Member Agency Board/Council meetings.

Director Hinman commented that several of the agencies within Division 7 have asked for updates on the Ad Hoc Committee on consolidation; she suggested staff develop talking points for her to use when asked. It was noted that discussions were preliminary and that as more information is available, it will be communicated.

The Committee also discussed the Huntington Beach Desalination Project, OCWD's progress with Poseidon, potential cost of the water, and the importance of outreach on the Project.

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. Planning & Operations Committee

Considerable discussion was held regarding the drought, outreach efforts necessary to convey the severity of the drought (and need for conservation), yet highlighting the region's successful efforts over the past many years to build greater storage and local projects which has greatly improved regional reliability. Following discussion, it was suggested that letters to the editor of local newspapers be sent jointly (MWDOC and the agency) outlining MWDOC's message.

b. Workshop Board Meeting

Although considerable discussion was held regarding the contents of the agenda, no new information was added.

c. Administration & Finance Committee

No new information was added.

d. Public Affairs & Legislation (PAL) Committee

Discussion ensued regarding Cal Desal and using MWDOC's advocacy efforts on organizations that are supported by MWDOC. The Board requested that staff note in their monthly reports when our advocacy efforts are utilized.

e. MWDOC/OCWD Joint Planning Committee

No new information was added.

GENERAL MANAGER'S ACTIVITIES

No new information was presented.

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 10:05 a.m.

MEETING REPORT
JOINT PLANNING COMMITTEE
WITH BOARD OF DIRECTORS*
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY AND
ORANGE COUNTY WATER DISTRICT
January 29, 2014, 9:35 a.m.
MWDOC Conference Room 101

MWDOC DIRECTORS

Brett R. Barbre
Wayne A. Clark
Larry Dick
Joan C. Finnegan (Chair)
Susan Hinman (absent)
Wayne Osborne
Jeffery M. Thomas

OCWD DIRECTORS

Shawn Dewane
Phil Anthony
Roger Yoh (absent)
Kathryn Barr
Denis Bilodeau
Vince Sarmiento
Bruce Whitaker (absent)
Harry Sidhu
Steve Sheldon (absent)
Cathy Green

MWDOC STAFF

Rob Hunter
Karl Seckel
Harvey De La Torre
Maribeth Goldsby
Richard Bell
Warren Greco
Joe Berg

OCWD STAFF

John Kennedy
Mike Wehner

ALSO PRESENT

Robert Hanford
Brian Ragland
Doug Reinhart
Peer Swan
Paul Weghorst
Jim Leach
Elizabeth Mendelson
Scott Maloni

Golden State Water Company
City of Huntington Beach
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Santa Margarita Water District
San Diego County Water Authority
Poseidon Resources

President Finnegan Chaired the meeting.

PUBLIC COMMENTS

No public comments were received.

POSEIDON HUNTINGTON BEACH OCEAN DESALINATION PLANT UPDATE

OCWD Assistant Manager, John Kennedy, provided an overview of the Huntington Beach Ocean Desalination Project. The material he provided included information on the reasons for pursuing the project, estimated project unit costs (in comparison to MET costs), supply reliability, and financial impacts to OCWD's retail agencies. Mr. Kennedy also reviewed options for reducing the Project costs, as well as issues that may increase the Project costs. He advised that the OCWD Board approved contacting three hiring consultants to provide input to the Board on February 19th meeting. He advised that the OCWD Board directed staff to update OCWD's Long-Term Facilities Plan to determine where/how desalination would fit their portfolio.

Considerable discussion ensued regarding MET's Local Resources Program, MET's participation and policies regarding desalination, and options for classifying desalinated water as "extraordinary supplies" under MET's Water Supply Allocation Plan.

FEBRUARY 26, 2014 ACWA WASHINGTON, DC LEGISLATIVE TRIP

MWDOC Assistant Manager, Karl Seckel provided an overview of the MWDOC luncheon (scheduled for February 26th at ACWA's DC conference), noting that although MWDOC and OCWD jointly hosted this luncheon in the past, OCWD opted out of hosting the luncheon during the past two years. Responding to various concerns on whether only a few projects would be highlighted at the luncheon, it was reported that all of MWDOC's member agencies have been invited to participate in the event to solicit support for any local project/issue. It was also noted that this year, Eastern Municipal Water District, Western Municipal Water District and Inland Empire Utilities Agencies have been invited to participate.

Mr. Hunter advised that OCWD would have the opportunity to review the draft material for the luncheon prior to finalizing the materials.

MAY 16, 2014 ORANGE COUNTY WATER SUMMIT

MWDOC's Public Affairs Supervisor Jessica Ouwerkerk reported that OC Water Summit planning meetings are going well and progress is ahead of schedule (as far as sponsorships). The theme will be "Bond—Water Bond" and will feature four sessions.

MWD ISSUES

- a. **Proposed MWD rates effective January 2015 and new ten-year projections if available**
- b. **Status on imported water conditions and storage supplies**
- c. **MWDOC February 5th Board Workshop – MWD CFO Gary Breau budget/rate presentation**

With respect to items (a) and (c) above, it was reported that MET's CFO, Gary Breau would present information on MET's proposed biennial budget and water rates at MWDOC's February 5, 2014 Board Workshop.

With respect to (b), MWDOC's Associate Water Resources Analyst, Warren Greco, provided an overview and update on the imported water supply conditions, including statewide reservoir conditions, accumulated precipitation, the Northern Sierra 8 Station Index, Colorado River Aqueduct reservoir conditions, Metropolitan storage levels, as well as MET's State Water Project Table A allocation (currently at 5%). Discussion ensued regarding water shortages, the need to pull water from storage, and the triggers leading to MET calling for water supply allocations,

UPDATE ON AD HOC COMMITTEES CONSOLIDATION DISCUSSIONS

Directors Barbre and Dewane reported that there was no new information to report regarding the discussions between the Ad Hoc Committees on Consolidation.

OCWD PLANNED PURCHASES OF MWD UNTREATED FULL SERVICE WATER

- a. Current Purchases**
- b. FY 2014-15**

OCWD General Manager Mike Markus stated that OCWD budgeted to purchase up to 20,000 acre-feet of MWD Untreated Full Service Water (current fiscal year) and an additional 19,000 acre-feet was recently approved by the OCWD Board (which will most likely be purchased in March or later).

OCWD HALLWAY IMPROVEMENT PROJECT UPDATE

It was reported that 60% of the hallway design has been completed and work on the hallway will commence in the summer of 2014.

RECOMMENDED 2014 MEETINGS

The Committee approved the proposed schedule of meetings for 2014:

April 23, 2014
July 23, 2014
October 22, 2014

OTHER

Mr. Markus announced that OCWD and OCSD were awarded the U.S. Water Prize.

It was noted that Poseidon Resources would be hosting the OCWD Board on a tour of the Carlsbad Desalination facility. The MWDOC Board was invited to join them.

There being no further business to come before the Committee, the meeting adjourned at 9:35 a.m.

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
January 2014

WATER REVENUES

Date	From	Description	Amount
01/06/14	City of La Palma	November 2013 Water deliveries	43,742.01
01/06/14	Santa Margarita Water District	November 2013 Water deliveries	1,765,498.61
01/09/14	City of Fountain Valley	November 2013 Water deliveries	378,992.29
01/09/14	Trabuco Canyon Water District	November 2013 Water deliveries	12,413.17
01/09/14	City of Garden Grove	November 2013 Water deliveries	348,562.20
01/10/14	El Toro Water District	November 2013 Water deliveries	624,022.67
01/10/14	East Orange County Water District	November 2013 Water deliveries	499,891.56
01/10/14	City of San Clemente	November 2013 Water deliveries	613,873.01
01/13/14	City of San Juan Capistrano	November 2013 Water deliveries	245,048.14
01/13/14	Serrano Water District	November 2013 Water deliveries	180,576.61
01/14/14	City of Newport Beach	November 2013 Water deliveries	660,178.01
01/14/14	Yorba Linda Water District	November 2013 Water deliveries	610,970.23
01/14/14	City of Orange	November 2013 Water deliveries	488,182.92
01/14/14	City of Westminster	November 2013 Water deliveries	511,250.20
01/15/14	Laguna Beach County Water District	November 2013 Water deliveries	277,188.90
01/15/14	South Coast Water District	November 2013 Water deliveries	379,923.98
01/15/14	Orange County Water District	November 2013 Water deliveries	4,342,359.69
01/15/14	Irvine Ranch Water District	November 2013 Water deliveries	582,251.56
01/15/14	Santiago Aqueduct Commission	November 2013 Water deliveries	125,258.25
01/15/14	Moulton Niguel Water District	November 2013 Water deliveries	1,993,520.03
01/15/14	Golden State Water Company	November 2013 Water deliveries	369,273.32
01/15/14	City of Seal Beach	November 2013 Water deliveries	7,809.64
01/15/14	Mesa Water	November 2013 Water deliveries	349,621.96
01/22/14	City of Garden Grove	December 2013 Water deliveries	172,135.32
01/24/14	City of Brea	December 2013 Water deliveries	166,559.95
01/29/14	City of San Juan Capistrano	December 2013 Water deliveries	267,128.01
01/31/14	City of La Habra	December 2013 Water deliveries	12,819.05
01/31/14	South Coast Water District	December 2013 Water deliveries	353,807.22
01/31/14	City of San Clemente	December 2013 Water deliveries	587,659.87
01/31/14	City of Huntington Beach	December 2013 Water deliveries	231,005.98

TOTAL REVENUES \$ 17,201,524.36

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
January 2014

MISCELLANEOUS REVENUES

Date	From	Description	Amount
01/17/14	Lewis Consulting	5/16/14 OC Water Summit sponsorship	1,000.00
01/27/14	Santa Margarita Water District	5/16/14 OC Water Summit sponsorship	1,600.00
01/22/14	2 Checks	10/23/13 Water policy dinner	150.00
01/09/14	Serrano WD	2/6/14 Water policy dinner	450.00
01/13/14	Best, Best & Krieger	2/6/14 Water policy dinner	225.00
01/17/14	3 Checks	2/6/14 Water policy dinner	300.00
01/24/14	2 Checks	2/6/14 Water policy dinner	225.00
01/31/14	Paypal	2/6/14 Water policy dinner	5,303.47
01/31/14	Serrano WD	2/6/14 Water policy dinner	450.00
01/09/14	Serrano WD	ISDOC registrations	102.00
01/31/14	Paypal	ISDOC registrations	831.71
01/31/14	Serrano WD	ISDOC registrations	85.00
01/09/14	Susan Hunt	Feb-Mar 2014 COBRA Health premium	720.42
01/09/14	Lorraine Roy	Partial Jan-Mar 2014 Retiree medical premium	7.66
01/22/14	Stan Sprague	February 2014 Retiree medical premium	259.97
01/31/14	Judy Pfister	Jan-Mar 2014 Retiree medical premium	113.88
01/17/14	Susan Hinman	Oct-Dec 2013 Director's Pension and Health reimbursement	856.09
01/22/14	Joan Finnegan	Oct-Dec 2013 Director's Pension and Health reimbursement	431.40
01/09/14	Laura Loewen	Movie tickets	48.00
01/27/14	Katie Davanaugh	Movie tickets	15.50
01/29/14	Grisel Rodriguez	Movie tickets	90.00
01/13/14	PNY Technologies	Rebate for hard drive purchase	10.00
01/31/14	CRWUA	Refund for Conference registration for Director Barbre	425.00
01/22/14	Irvine Ranch Water District	September 2013 Smartimer rebate program	225.00
01/02/14	Yorba Linda Water District	October 2013 Smartimer rebate program	75.00
01/13/14	Moulton Niguel Water District	October 2013 Smartimer rebate program	375.00
01/17/14	City of Fullerton	October 2013 Smartimer rebate program	9.96
01/22/14	Irvine Ranch Water District	August 2013 Smartimer & Turf Removal rebate program	7,326.72
01/22/14	Irvine Ranch Water District	October 2013 Smartimer & Turf Removal rebate program	12,397.17
01/06/14	Golden State Water Company	November 2013 Turf Removal rebate program	105.00
01/17/14	City of Brea	November 2013 Turf Removal rebate program	561.00
01/22/14	Irvine Ranch Water District	November 2013 Turf Removal rebate program	4,255.10
01/28/14	Irvine Ranch Water District	October 2013 So Cal Watersmart rebate program	34,924.00
01/09/14	El Toro Water District	November 2013 So Cal Watersmart rebate program	500.00
01/10/14	Irvine Ranch Water District	November 2013 So Cal Watersmart rebate program	6,979.00
01/24/14	Santa Margarita Water District	November 2013 So Cal Watersmart rebate program	1,258.00
01/28/14	Irvine Ranch Water District	November 2013 Landscape Performance Certification program	750.00
01/31/14	Department of Water Resources	Jul-Sep 2013 Industrial Process Water Use Reduction	3,145.66
01/27/14	Santa Ana Police Department	Jul-Sep 2013 UASI Water trailers grant	298,386.00

TOTAL MISCELLANEOUS REVENUES \$ **384,972.71**

TOTAL REVENUES \$ **17,586,497.07**


 Robert J. Hunter, General Manager


 Hilary Chumbitazi, Deputy Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
715848	ACCO Engineered Systems	
	HVAC Replacement project	155,562.00
	*** Total ***	155,562.00
1024	Richard Ackerman	
	December 2013 Legal consulting on water policy issues	1,050.00
	January 2014 Legal consulting on water policy issues	1,925.00
1026	*** Total ***	2,975.00
26646/26647	Aleshire & Wynder LLP	
	December 2013 Legal services	16,444.49
	*** Total ***	16,444.49
MWDOC-02-03	Alliance Resource Consulting	
	January 2014 Progress billing for recruitment of CFO position	5,500.00
	Final billing for recruitment of CFO position	2,500.00
MWDOC-02-04	*** Total ***	8,000.00
55401-DEC13	Best Best and Krieger LLP	
	November 2013 Legal services	28,004.46
	*** Total ***	28,004.46
INV23357	C3 Office Solutions LLC	
	Staples for Canon copier	169.84
	*** Total ***	169.84
011014	Hunter T. Cook	
	November 2013-January 2014 Coastal retiree health benefit	1,373.30
	*** Total ***	1,373.30
AR162989	CSU Fullerton ASC	
	FY 13/14 3rd Quarter Center for Demographic Research support	9,989.75
	*** Total ***	9,989.75
2132	El Toro Water District	
	2014 Lease for WEROC SEOC space	1,000.00
	*** Total ***	1,000.00
SI-0000058	Finley & Cook PLLC	
	Year-end regulatory update for payroll module	885.00
	Prepayment for upgrade of Navision software for Finance department	10,000.00
012714	*** Total ***	10,885.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>FoodCraft Coffee & Refreshment</i>	
5-538437	1/2/14 Coffee & tea supplies	198.37
	*** Total ***	198.37
	<i>Fry's Electronics</i>	
20050965	1/24/14 Computer supplies	37.56
	*** Total ***	37.56
	<i>Ronald R. Gastelum</i>	
010614	December 2013 Strategic assistance on MET issues	7,500.00
020614	January 2014 Strategic assistance on MET issues	7,500.00
	*** Total ***	15,000.00
	<i>GovConnection, Inc.</i>	
50990953	Replacement part for Ricoh color printer	237.70
	*** Total ***	237.70
	<i>Greenshades Software</i>	
59829	2013 Payroll tax form upload fee	17.05
	*** Total ***	17.05
	<i>Independent Special Districts of Orange County</i>	
2014	2014 Annual membership dues	200.00
013014	Reimbursement of PayPal receipts for 1/30/14 ISDOC meeting	831.71
013014A	1/30/14 ISDOC meeting registration for Directors Barbre, Clark, Finnegan, Hinman & Osborne	88.00
013114	Reimburse ISDOC for 1/30/14 meeting payment SWD made payable to MWDOC	85.00
	*** Total ***	1,204.71
	<i>Irvine Window Cleaning</i>	
2564	Interior and exterior window cleaning	225.00
	*** Total ***	225.00
	<i>James C. Barker, PC</i>	
105-0114	January 2014 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<i>Lewis Consulting Group, LLC</i>	
1304	January 2014 Professional services	4,125.00
	*** Total ***	4,125.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Edward G. Means III</i>	
MWDOC-1014	December 2013 Support on MET issues & strategic guidance to Engineering department	4,500.00
MWDOC-1015	January 2014 Support on MET issues & strategic guidance to Engineering department	4,500.00
	*** Total ***	9,000.00
	<i>Metropolitan Water District of Southern California</i>	
012714	Preliminary deposit for modifications to OC-58 Service Connection	20,000.00
	*** Total ***	20,000.00
	<i>Narco Delivery Services</i>	
565769	12/30/13 Delivery charges for MET	66.77
570198	1/16/14 Delivery charges for Board packets	311.10
	*** Total ***	377.87
	<i>Office Solutions</i>	
I-00558525	1/3/14 Office supplies	980.39
I-00559100	1/6/14 Office supplies	13.72
I-00560771	1/8/14 Office supplies	132.27
I-00573414	2/3/14 Office supplies	641.81
I-00573863	2/4/14 Office supplies	48.59
I-00574488	2/5/14 Office supplies	4.99
	*** Total ***	1,821.77
	<i>Orange County Water District</i>	
13468	December 2013 50% share WACO expense	295.20
13490	December 2013 Office expense & postage	9,181.50
	*** Total ***	9,476.70
	<i>Jessica H. Ouwerkerk</i>	
012714	August-December 2013 Education reimbursement	1,759.45
	*** Total ***	1,759.45
	<i>Patricia Kennedy Inc.</i>	
5374	February 2014 Plant maintenance	214.00
	*** Total ***	214.00
	<i>Petty Cash</i>	
013114	January 2014 Petty Cash reimbursement	162.38
	*** Total ***	162.38
	<i>Lester A. Rosenberg</i>	
14-03	September-December 2013 Consultant fees for Air Handling Unit Basin project	3,325.00
14-04	January 2014 Consultant fees for Air Handling Unit Basin project	650.00
	*** Total ***	3,975.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Serrano Water District</i>	
013114	Reimbursement of duplicate payments for ISDOC 1/30/14 meeting and MWDOC 2/6/14 Water Policy dinner	552.00
	*** Total ***	552.00
	<i>Staples Advantage</i>	
8028530290	1/25/14 Office supplies	73.74
	*** Total ***	73.74
	<i>State Net</i>	
670368-02.14-99	2014 Renewal for web-based legislative tracking service	1,740.00
	*** Total ***	1,740.00
	<i>System One</i>	
0069783-IN	3/1/14-2/28/15 Annual maintenance for binding machine	595.00
	*** Total ***	595.00
	<i>Top Hat Productions</i>	
88372	1/9/14 Lunch for O.C. MET Caucus	171.07
88403	1/16/14 Lunch for Managers' meeting	395.28
	*** Total ***	566.35
	<i>Townsend Public Affairs, Inc.</i>	
9934	January 2014 State and Federal legislative advocacy services	7,500.00
	*** Total ***	7,500.00
	<i>Total Core Expenditures</i>	321,263.49

Choice Expenditures:

	<i>Discovery Science Center</i>	
123113MWDOC	December 2013 School program	10,748.75
	*** Total ***	10,748.75
	<i>Lucho Ortega Design</i>	
0165	January 2014 Graphic design services for California Sprinkler Adjustment Notification System program	165.00
	*** Total ***	165.00
	<i>Total Choice Expenditures</i>	10,913.75

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2014**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Other Funds Expenditures:		
	<i>AquaFicient Consulting</i>	
02-056	December 2013 Landscape Performance Certification program funded by IRWD & MET	1,500.00
	*** Total ***	1,500.00
	<i>CESA</i>	
244862507	2014 Annual membership for K. Hubbard	75.00
	*** Total ***	75.00
	<i>ConserVision Consulting, LLC</i>	
LPCP-214	December 2013 Consulting services for Landscape Performance Certification program	6,132.00
	*** Total ***	6,132.00
	<i>Enterprise Information Sys Inc</i>	
MWDOC-82108	December 2013 Services to Develop the California Sprinkler Adjustment Notification System program	7,200.00
	*** Total ***	7,200.00
	<i>Geoscience Support Services</i>	
1274-11-22	November-December 2013 Hydrogeology studies for San Juan Basin Groundwater Model for Doheny Ocean Desal project	1,130.00
	*** Total ***	1,130.00
	<i>President and Fellows of Harvard College</i>	
565671	Leadership in Crises program - Registration for Kelly Hubbard	6,900.00
	*** Total ***	6,900.00
	<i>Mission RCD</i>	
1608	December 2013 Field verifications for Water Use Efficiency rebate programs	8,883.94
	*** Total ***	8,883.94
	<i>City of Newport Beach</i>	
24375	11/1-11/26/13 Activity for Residential WBIC & Rotating Nozzle installation program	5,964.00
24378	12/1-12/20/13 Activity for Residential WBIC & Rotating Nozzle installation program	2,084.00
24384	12/5/13-1/13/14 Activity for Commercial WBIC & Rotating Nozzle installation program	4,546.00
	*** Total ***	12,594.00
	<i>Noah Gwartney</i>	
012714	January 2014 Bi-monthly cleaning for WEROC EOCs	115.00
	*** Total ***	115.00
	<i>Power Plus!</i>	
S39816-519065	Generator repair and maintenance for WEROC NEOC	2,174.93
S39816-517978	Generator inspection and loadbank test for WEROC NEOC	671.37
	*** Total ***	2,846.30

Municipal Water District of Orange County
Disbursement Approval Report
For the month of February 2014

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Turf Removal Program</i>	
TR4-GSWC-003	M. Slagle	2,641.00
TR4-GSWC-005	L. Post	2,082.00
TR4-HB-002	D. Mullins	659.00
TR4-HB-009	T. Honrath	1,709.00
TR4-HB-010	J. Wells	475.00
TR4-IRWD-004	M. Burns	2,467.50
TR4-IRWD-019	M. Lee	513.00
TR4-IRWD-020	Back Bay Gardens HOA (Costa Mesa)	19,500.00
TR4-IRWD-021	D. Mourer	1,647.00
TR4-IRWD-023	C. Chen	990.00
TR4-IRWD-024	V. Van	759.00
TR4-IRWD-025	M. Blackwood	1,003.50
TR4-MN-002A	Hillcrest Community Association (Mission Viejo)	836.00
TR4-MN-002B	Hillcrest Community Association (Mission Viejo)	599.00
TR4-MN-002C	Hillcrest Community Association (Mission Viejo)	3,714.00
TR4-MN-002D	Hillcrest Community Association (Mission Viejo)	1,909.00
TR4-MN-002E	Hillcrest Community Association (Mission Viejo)	2,530.00
TR4-MN-002F	Hillcrest Community Association (Mission Viejo)	2,788.00
TR4-O-003	R. McGinnis	1,434.00
TR4-SC-006	L. Bard	1,200.00
TR4-SM-002	A. Afzali	184.80
TR4-SM-006	J. Clark	192.40
TR4-SM-008	K. Smead	1,971.60
TR4-SM-013	C. David	524.40
TR4-SOCO-007	J. Hawlish	1,400.00
	*** Total ***	53,729.20
	<i>URS Corporation Americas</i>	
5766144	October 2013 Professional services for Industrial Process Water Use Reduction program	2,135.00
	*** Total ***	2,135.00
	<i>Vavrinek, Trine, Day & Co., LLP</i>	
0102430-IN	December 2013 Professional services for audit of FY 12/13 Financial Statements	2,400.00
	*** Total ***	2,400.00
	<i>Total Other Funds Expenditures</i>	105,640.44
	<i>Total Expenditures</i>	437,817.68

Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2014

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
125502	1/7/14	TIMEWA 5210-JAN14	Time Warner Cable January 2014 Telephone and Internet expense ***Total ***	929.73 929.73
ACH000785	1/14/14	BARBCO DEC2013	Brett Barbre December 2013 MET Director's compensation ***Total ***	2,327.00 2,327.00
ACH000787	1/14/14	DICKCO DEC2013	Larry Dick December 2013 MET Director's compensation ***Total ***	1,396.20 1,396.20
ACH000788	1/14/14	DICKEK 123113	Larry Dick December 2013 Business expense ***Total ***	223.83 223.83
ACH000791	1/14/14	FRAZIE 123113	Leah Frazier December 2013 Business expense ***Total ***	25.99 25.99
ACH000792	1/14/14	HINMAN 123113	Susan Hinman December 2013 Business expense ***Total ***	545.22 545.22
125507	1/15/14	C3OFFI INV22999	C3 Office Solutions LLC January 2014 Copier maintenance ***Total ***	216.72 216.72
125508	1/15/14	CLARKW 123013	Wayne Clark December 2013 Business expense ***Total ***	90.40 90.40
125511	1/15/14	DELAGE 20533365	De Lage Landen Public Finance January 2014 Copier lease ***Total ***	509.00 509.00
125512	1/15/14	FAHLBE 123113	Beth Fahl December 2013 Business expense ***Total ***	36.73 36.73
125513	1/15/14	FINNEG 123113	Joan Finnegan December 2013 Business expense ***Total ***	118.23 118.23

Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2014

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
125516	1/15/14	IRONMO JVX2851	Iron Mountain January 2014 Storage/retrieval of archived documents ***Total ***	823.39 823.39
125521	1/15/14	HUNTER 010714	Robert J. Hunter December 2013-January 2014 Business expense ***Total ***	13.08 13.08
125523	1/15/14	TIMEWA 3564-JAN14	Time Warner Cable January 2014 Telephone expense for 4 analog fax lines ***Total ***	127.67 127.67
125544	1/15/14	VERIZO 9717231974	Verizon Wireless December 2013 4G Mobile broadband unlimited service ***Total ***	38.01 38.01
EFTFSA2014	1/28/14	WAGEWO 125AI0293903	Wageworks 2014 Annual administration for Flexible Spending plan ***Total ***	1,700.00 1,700.00
125546	1/31/14	BURKED 012114	Darcy M. Burke December 2013-January 2014 Business expense ***Total ***	397.11 397.11
125548	1/31/14	FINNEG 113013	Joan Finnegan November 2013 Business expense ***Total ***	36.28 36.28
125550	1/31/14	JACOBI 123113	Lee Jacobi December 2013 Business expense ***Total ***	19.21 19.21
125552	1/31/14	FRANKS 011514	Sarah Franks January 2014 Business expense ***Total ***	21.50 21.50
125556	1/31/14	USBANK DEC2013	U.S. Bank 11/21/13-12/23/13 Cal Card charges ***Total *** (See attached sheet for details)	7,189.87 7,189.87
ACH000801	1/31/14	BARBRE 013114	Brett Barbre January 2014 Business expense ***Total ***	255.95 255.95

Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2014

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH000802	1/31/14	DELATO 010914	Harvey De La Torre January 2014 Business expense ***Total ***	30.00 30.00
ACH000804	1/31/14	OUWERK 123113	Jessica H. Ouwerkerk December 2013 Business expense ***Total ***	106.21 106.21
ACH000806	1/31/14	THOMAS 123113	Jeffery Thomas December 2013 Business expense ***Total ***	1,085.27 1,085.27
Total Core Disbursements				18,262.60

Choice Disbursements:


ACH000804	1/31/14	OUWERK 123113	Jessica H. Ouwerkerk December 2013 Business expense ***Total ***	83.59 83.59
Total Choice Disbursements				83.59


Other Funds Disbursements:

125499	1/7/14	ATTEOC 8200-DEC13 4492-DEC13 0532-DEC13	AT&T December 2013 N. EOC telephone expense December 2013 S. EOC telephone expense December 2013 N. EOC dedicated phone line ***Total ***	154.58 216.34 108.59 479.51
125500	1/7/14	SDG&E 7768-DEC13	SDG&E 11/18/13-12/18/13 Electrical service for Doheny Ocean Desalination project - Phase 3 operation ***Total ***	118.09 118.09
125501	1/7/14	SPRINT 320982721-112	Sprint December 2013 WEROC cell phone expense ***Total ***	41.79 41.79
125547	1/31/14	CATALI 0009707	Catalina Island Conservancy January 2014 WEROC radio repeater site lease ***Total ***	1,413.64 1,413.64

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of January 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
125553	1/31/14	SDG&E 7768-JAN14	SDG&E 12/18/13-1/20/14 Electrical service for Doheny Ocean Desalination project - Phase 3 operation ***Total ***	122.38 122.38
125554	1/31/14	SANTAM NOV2013	Santa Margarita Water District November 2013 SCP Operation surcharge ***Total ***	23,220.98 23,220.98
125556	1/31/14	USBANK DEC2013	U.S. Bank 11/21/13-12/23/13 Cal Card charges ***Total *** (See attached sheet for details)	675.00 675.00
ACH000805	1/31/14	SPRINT 320982721-113	Sprint January 2014 WEROC cell phone expense ***Total ***	41.84 41.84
WIRE-140131	1/31/14	METWAT 7868	Metropolitan Water District November 2013 Water deliveries ***Total ***	16,066,594.09 16,066,594.09
Total Other Funds Disbursements				16,092,707.32
Total Disbursements				16,111,053.51


Robert J. Hunter, General Manager


Hilary Chumpitazi, Deputy Treasurer

Cal Card Statement Detail
Statement Date: December 23, 2013
Payment Date: January 31, 2014

Date	Description	Amount
<u>Karl's Card</u>		
11/22/13	Colorado River Water Users Association 2013 Annual conference in Las Vegas, NV from Dec. 11-13, 2013 - Registration for Director Thomas	\$ 425.00
11/22/13	Colorado River Water Users Association 2013 Annual conference in Las Vegas, NV from Dec. 11-13, 2013 - Accommodations for Director Thomas	393.12
11/22/13	Colorado River Water Users Association 2013 Annual conference in Las Vegas, NV from Dec. 11-13, 2013 - Airfare for Director Thomas	399.80
11/22/13	Prepaid Regal movie tickets for employee purchases	408.00
11/22/13	Prepaid Cinemark movie tickets for employee purchases	458.50
11/24/13	Computer supply	38.87
11/24/13	Prepaid AMC movie tickets for employee purchases	409.95
11/26/13	UPS delivery charges for Board & Committee packets on Nov. 14, 2013	75.29
11/26/13	Christmas tree for office	107.75
11/30/13	1099 Forms & envelopes	72.85
12/03/13	Orange County Water Association annual membership for R. Bell	50.00
12/03/13	Annual subscription for Surveygizmo online application and database tool	675.00
12/04/13	Colorado River Water Users Association 2013 Annual conference in Las Vegas, NV from Dec. 11-13, 2013 - Airfare for R. Hunter	201.80
12/05/13	ACWA Fall conference in Los Angeles, CA from Dec. 3-6, 2013 - Accommodations for Director Hinman	230.10
12/05/13	ACWA Fall conference in Los Angeles, CA from Dec. 3-6, 2013 - Accommodations for R. Hunter	246.87
12/10/13	Lunch for Administrative staff meeting on Dec. 10, 2013	106.13
12/10/13	UPS delivery charges for Board & Committee packets on Dec. 5, 2013	5.89
12/11/13	Office supplies	6.99
12/12/13	Typewriter service and supplies	335.07
12/16/13	CalChamber annual membership renewal	449.00
12/17/13	UPS delivery charges for Board & Committee packets on Nov. 21 & Dec. 11, 2013	136.56
12/17/13	Legislative activities in Sacramento, CA on Jan. 9, 2014 - Airfare for H. De La Torre	153.80
12/18/13	Colorado River Water Users Association 2013 Annual conference in Las Vegas, NV from Dec. 11-13, 2013 - Accommodations for H. De La Torre	131.04
12/19/13	Sympathy flowers for staff member	104.72
12/20/13	California Urban Water Conservation Council meeting in Sacramento, CA on Jan. 16, 2014 - Airfare for J. Berg	461.80
Total		<u><u>\$ 6,083.90</u></u>

Cal Card Statement Detail
Statement Date: December 23, 2013
Payment Date: January 31, 2014

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>Karl's Card</u>		
12/18/13	Staff holiday luncheon	\$ 877.75
	Total	<u><u>\$ 877.75</u></u>
<u>Rob's Card</u>		
11/22/13-12/23/13	Meals for R. Hunter's meetings on various dates	\$ 836.65 ^[1]
12/11/13-12/12/13	Colorado River Water Users Association 2013 Annual conference in Las Vegas, NV from Dec. 11-13, 2013 - Transportation charges for R. Hunter	66.57
	Total	<u><u>\$ 903.22</u></u>

^[1] R. Hunter reimbursed MWDOC \$20.00

**Municipal Water District of Orange County
GM Approved Disbursement Report (1)
For the month of January 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
125549	1/31/14	ISDOC 103113B	<i>Independent Special Districts of OC</i> Reimbursement for 10/31/13 Luncheon receipts received in September 2013 in MWDOC's PayPal account	113.76
			***Total ***	113.76
			Total Core Disbursements	<u>113.76</u>
Choice Disbursements:				
			Total Choice Disbursements	<u>0.00</u>
Other Funds Disbursements:				
			Total Other Funds Disbursements	<u>0.00</u>
			Total Disbursements	<u><u>113.76</u></u>



Robert J. Hunter, General Manager



Hilary Chumplitazi, Deputy 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

December 31, 2013

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.com

Joan C. Finnegan
PresidentJeffery M. Thomas
Vice PresidentBrett R. Barbre
DirectorLarry D. Dick
DirectorWayne A. Clark
DirectorSusan Hinman
DirectorWayne Osborne
DirectorRobert 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	\$1,637,135	16.83%
Grant & Project Cash Flow	1,000,000	10.28%
Building Repair	239,491	2.46%
Total Designated Reserves	2,876,626	29.57%
General Fund	4,544,117	46.73%
Water Fund	2,021,632	20.79%
Conservation Fund	298,488	3.07%
Desalination Feasibility Study Fund	330,563	3.40%
WEROC Fund	114,929	1.18%
Water Trailers Grant	(464,152)	-4.77%
Trustee Activities	2,951	0.03%
Total	\$9,725,154	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	1.03%	\$100,215	\$100,214
Short-term investment			
• LAIF	53.05%	\$5,159,236	\$5,159,236
• OCIP	24.27%	2,360,669	2,360,669
Long-term investment			
• Misc. Securities	20.62%	2,005,034	2,079,488
• Certificates of Deposit	1.03%	100,000	99,417
Total	100.00%	\$9,725,154	\$9,799,024

The average number of days to maturity/call as of December 31, 2013 equaled 135 and the average yield to maturity is 0.888%. During the month, the District's average daily balance was \$21,492,188.37. 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 December 2013.

The \$73,870 difference between the book value and the market value on December 31, 2013 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
Deputy Treasurer

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY



Portfolio Management - Portfolio Summary December 31, 2013

12/31/2013	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Certificates of Deposit - Bank	100,000.00	99,417.00	100,000.00	1.04	1119	1.050
Local Agency Investment Funds	5,159,236.18	5,159,236.18	5,159,236.18	53.63	1	0.264
Miscellaneous Securities - Coupon	2,000,000.00	2,079,487.50	2,005,034.36	20.79	592	3.346
Orange County Investment Pool	2,360,668.92	2,360,668.92	2,360,668.92	24.54	1	0.164
Total Investments	9,619,905.10	9,698,809.60	9,624,939.46	100.00%	135	0.888
Cash						
Passbook Checking	100,214.46	100,214.46	100,214.46		1	0.00
Total Cash and Investments	9,720,119.56	9,799,024.06	9,725,153.92		135	0.888

Total Earnings	Month Ending December	Fiscal Year to Date
Current Year	9,506.47	57,497.63
Average Daily Balance	21,492,188.37	
Effective Rate of Return	0.888%	

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

2.4.14

Date



Hilary Chumipitani, Deputy Treasurer

02/04/2014

Date

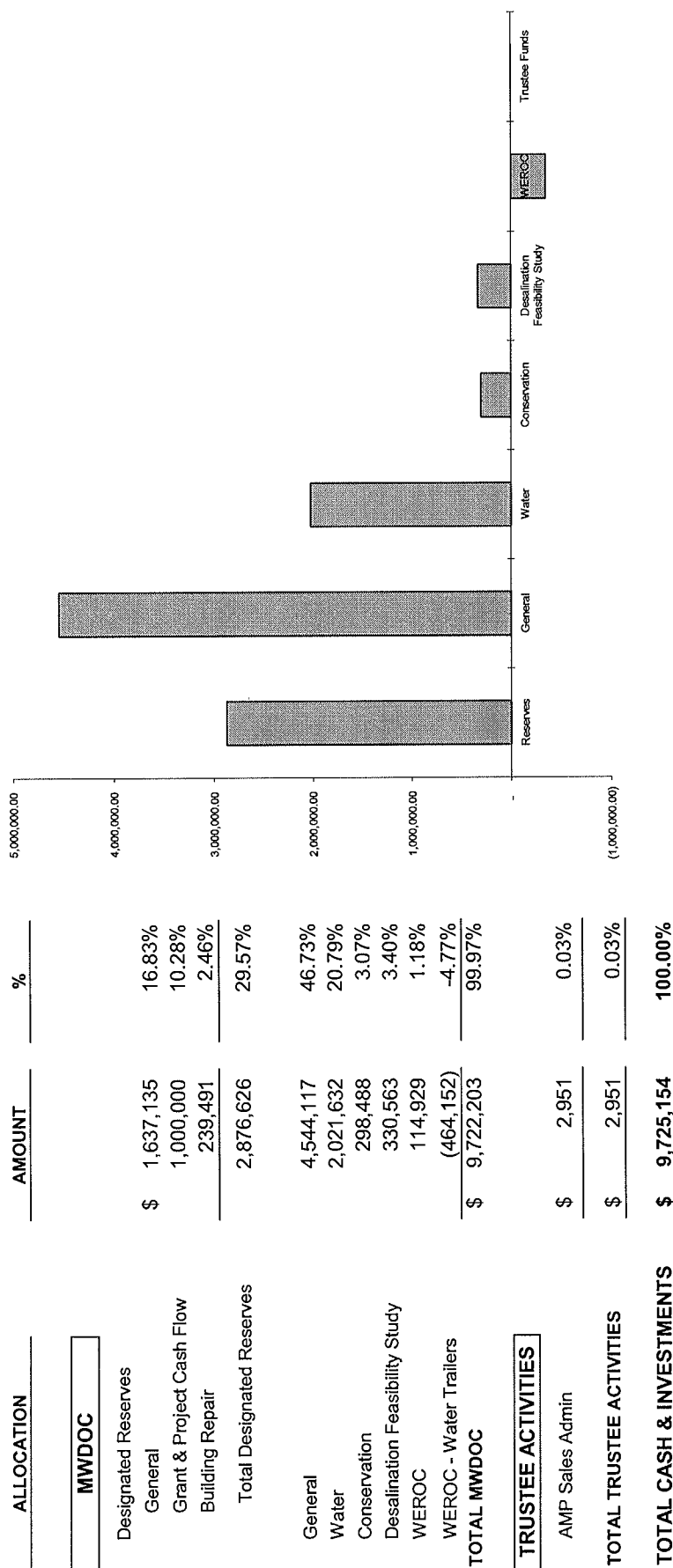
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
December 31, 2013

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Certificate of Deposit - Bank									
Goldman Sachs Bank	38143A4T9	1/23/2013	100,000.00	99,417.00	100,000.00	1.050	1.050	1119	1/23/2017
Sub Total			100,000.00	99,417.00	100,000.00	1.050	1.050	1119	
Miscellaneous Securities - Coupon									
Bank of America	06051GED7	10/14/2010	250,000.00	261,327.50	252,691.49	3.700	3.000	609	9/1/2015
JPMorgan Chase	46625HHR4	11/23/2010	250,000.00	259,610.00	252,419.35	3.400	2.700	540	6/24/2015
MetLife Global	59217GAD1	2/25/2011	500,000.00	521,170.00	501,102.55	3.125	3.007	741	1/11/2016
Morgan Stanley	61747YCT0	3/9/2011	500,000.00	520,455.00	499,506.33	3.450	3.508	671	11/2/2015
UBS Financial Services	90261XFY3	6/10/2010	500,000.00	516,925.00	499,314.64	3.500	4.020	380	1/15/2015
Sub Total			2,000,000.00	2,079,487.50	2,005,034.36	3.500	3.346	592	
Total Investments			2,100,000.00	2,178,904.50	2,105,034.36	3.383	3.237	617	
Total Earnings									
Current Year			5,873.66		34,831.96				

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
December 31, 2013

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	5,159,236.18	5,159,236.18	5,159,236.18	0.264	0.264	1	N/A
Sub Total			5,159,236.18	5,159,236.18	5,159,236.18	0.264	0.264	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	2,360,668.92	2,360,668.92	2,360,668.92	0.164	0.164	1	N/A
Sub Total			2,360,668.92	2,360,668.92	2,360,668.92	0.164	0.164	1	
Total Investments			7,519,905.10	7,519,905.10	7,519,905.10	0.233	0.233		
Passbook Checking									
Bank of America Cash	CASH0547	7/1/2011	99,714.46	99,714.46	99,714.46	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			100,214.46	100,214.46	100,214.46	0.000	0.000	1	
Total Cash and Investments			7,620,119.56	7,620,119.56	7,620,119.56	0.233	0.233	1	
Total Earnings									
Current Year			3,632.81		22,665.67				

**Municipal Water District of Orange County
Cash and Investments at December 31, 2013**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS GASB 45 Program**Monthly Account Report for the Period**
12/1/2013 to 12/31/2013Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 12/1/2013	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 12/31/2013
Employer Contribution	\$847,229.74	\$0.00	\$7,992.80	\$194.10	\$0.00	\$0.00	\$855,028.44
Totals	\$847,229.74	\$0.00	\$7,992.80	\$194.10	\$0.00	\$0.00	\$855,028.44

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			Inception Date
			3-Years	5-Years	10-Years	
0.94%	4.51%	13.83%	N/A	N/A	N/A	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.

Inception Date: Plans inception date

Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS

Cash Flow as of 1/31/14

	Jul 2013	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	TOTALS
Cash - Beginning Balance	\$ (204,195.07)	\$ (120,906.78)	\$ 153,254.44	\$ 203,884.71	\$ 194,437.45	\$ 86,512.97	\$ 298,487.84	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	
REVENUES:													
BUREC						129,236.42							\$ 129,236.42
City of Anaheim, Brea, Buena Park		75.00				75.00	561.00						\$ 711.00
City of Fountain Valley, Fullerton				84.96			9.96						\$ 94.92
City of Garden Grove, Huntington Beach	75.00	105.00	224.28	394.96		75.00							\$ 874.24
City of La Palma, La Habra, Newport Bch			9.96	150.00	150.00								\$ 309.96
City of Santa Ana, San Clemente	300.00	75.00	220.91										\$ 670.91
City of San Juan Capistrano	105.00	315.00		241.92									\$ 661.92
City of Tustin, Westminster	315.00	285.00	75.00	70.91	87.25	150.00							\$ 983.16
City of Orange, CUWCC	945.00	7,842.25	554.85	324.96		180.00							\$ 9,847.06
Department of Water Resources	6,502.95		91,318.70	11,804.40			3,145.66						\$ 112,771.71
East Orange County Water District													\$ -
El Toro Water District	7,198.83		2,743.20	2,796.39	4,569.99		500.00						\$ 17,808.41
Golden State Water Company	525.00		892.84	1,039.99	210.00	2,622.94	105.00						\$ 5,395.77
Irvine Ranch Water District	55,800.00		1,500.00	43,514.14	2,250.00	750.00	66,856.99						\$ 170,671.13
Laguna Beach County Water District			9.96			75.00							\$ 84.96
Mesa Water District	654.96		75.00			75.00							\$ 804.96
Metropolitan Water District	116,677.96	292,381.42	722.05	5,372.28	22,225.79	158,856.54							\$ 596,236.04
Moulton Niguel Water District, NRCS	234.96	75.00	491.97			361.55	375.00						\$ 1,538.48
MWDOC				54,000.00									\$ 54,000.00
Santa Margarita Water District	300.00	534.96	1,106.21	6,402.99	246.99	3,333.94	1,258.00						\$ 13,183.09
Serrano Water District													\$ -
South Coast Water District		143.00											\$ 143.00
State Water Resources Control Board		127,400.00											\$ 127,400.00
Yorba Linda Water District		75.00		159.98			75.00						\$ 309.98
Trabuco Canyon Water District													\$ -
Miscellaneous Revenues													
Interest Revenue	1.20												\$
Total Revenues	189,635.86	429,306.63	99,944.93	126,357.88	29,815.02	295,791.39	72,886.61	-	-	-	-	-	\$ 1,243,738.32
EXPENDITURES:													
Alliance for WUE, A&N Technical	11,070.00	3,295.00	2,170.00	1,143.50									17,678.50
Aquaficient, ABG Mktg,	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00						10,500.00
Bridgecreek landscape, Boeing							37,924.96						37,924.96
CA Lndscope Contractor, Chang's Lndscp													-
Conservation Consulting, LLC, Earthco	7,659.00	7,105.50	6,858.00	7,818.75	7,326.00	7,175.25	7,029.00						50,971.50
City of Buena Park, City of Newport Bch	54,622.00	31,700.00			95,532.00	16,632.00							198,486.00
City of San Clemente, San Juan Cap		105.00											105.00
City of Tustin, City of Westminster		210.00		439.50									649.50
EOCWD, El Toro WD, Fountain Valley													-
Eco friendly landscape, EIS		8,850.00											8,850.00
Federal Express, Glen's Landscaping													-
Garden Grove, Hotel Prog part, IRWD					6,350.00								6,350.00
MED, MESA, MNWD				8,060.72			24,066.44						32,127.16
Mesa on RCD, Oakley, Paradise Designs	10,398.07	8,684.21	7,246.00	22,135.63		21,301.33							69,765.24
Raffell's Fin Consultants, Santa Rosa													-
SCWD, SCWD, Survey Gizmo				3,115.02			675.00						3,790.02
Tequa Firma, Turf Removal, URS Corp	16,118.50	90,345.70	21,493.77	84,789.00	23,521.50	29,412.00	23,781.92						289,462.39
Water Landscaping, Waterwise Consult	4,980.00	3,350.00	2,050.00	1,700.00	3,510.00		6,820.00						22,410.00
YLRD													-
Miscellaneous Expenses													
Interest Expense				41.86									41.86
Salary & Benefit			7,996.89	5,061.16		7,795.94							20,853.99
Total Expenditures													
Cash - Ending Balance	\$ (120,906.78)	\$ 153,254.44	\$ 203,884.71	\$ 194,437.45	\$ 86,512.97	\$ 298,487.84	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	\$ 269,577.13	\$ 769,966.12

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2013 THRU DECEMBER 30, 2013

**Municipal Water District of Orange County
Combined Balance Sheet
As of December 31, 2013**

<u>ASSETS</u>	Amount
Cash in Bank	100,214.46
Investments	9,624,939.46
Accounts Receivable	26,642,297.55
Accounts Receivable - Other	149,592.18
Accrued Interest Receivable	33,331.05
Prepays/Deposits	316,355.79
Leasehold Improvements	2,796,412.08
Furniture, Fixtures & Equipment	536,387.64
Less: Accum Depreciation	(2,367,910.79)
TOTAL ASSETS	<u>\$37,831,619.42</u>
 <u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	27,127,651.32
Accrued Salaries and Benefits Payable	271,777.37
Other Liabilities	499,151.18
Other post employment benefits (OPEB) liabilities	31,956.00
Unearned Revenue	1,185,295.57
Total Liabilities	<u>29,115,831.44</u>
 Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	1,010,646.56
Water Fund - CC	90,303.38
Total Restricted Fund Balances	<u>1,100,949.94</u>
Unrestricted Fund Balances	
Designated Reserves	
General Operations	1,605,179.27
Grant & Project Cash Flow	1,000,000.00
Election Expense	
Building Repair	239,491.00
Total Designated Reserves	<u>2,844,670.27</u>
GENERAL FUND	1,302,401.12
WEROC	49,543.25
Total Unrestricted Fund Balances	<u>4,196,614.64</u>
Excess Revenue over Expenditures	
Operating Fund	3,616,390.22
Other Funds	(198,166.82)
Total Fund Balance	<u>8,715,787.98</u>
 TOTAL LIABILITIES AND FUND BALANCES	<u>\$37,831,619.42</u>

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru December 2013**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	5,129,804.40	5,121,824.00	100.16%	0.00	(7,980.40)
Water Increment	<u>35,775.53</u>	<u>463,879.22</u>	<u>709,840.00</u>	<u>65.35%</u>	<u>0.00</u>	<u>245,960.78</u>
Water rate revenues	35,775.53	5,593,683.62	5,831,664.00	95.92%	0.00	237,980.38
Interest Revenue	<u>9,253.54</u>	<u>55,957.42</u>	<u>138,000.00</u>	<u>40.55%</u>	<u>0.00</u>	<u>82,042.58</u>
Subtotal	45,029.07	5,649,641.04	5,969,664.00	94.64%	0.00	320,022.96
Choice Programs	0.00	907,845.48	907,846.00	100.00%	0.00	0.52
Miscellaneous Income	41.75	1,782.91	3,000.00	59.43%	0.00	1,217.09
School Contracts	<u>8,694.87</u>	<u>22,806.63</u>	<u>70,000.00</u>	<u>32.58%</u>	<u>0.00</u>	<u>47,193.37</u>
Subtotal	<u>8,736.62</u>	<u>932,435.02</u>	<u>980,846.00</u>	<u>95.06%</u>	<u>0.00</u>	<u>48,410.98</u>
TOTAL REVENUES	<u>53,765.69</u>	<u>6,582,076.06</u>	<u>6,950,510.00</u>	<u>94.70%</u>	<u>0.00</u>	<u>368,433.94</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru December 2013

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	270,824.94	1,433,022.62	2,848,711.00	50.30%	8,000.00	1,407,688.38
Salaries & Wages - Grant Recovery	(6,102.94)	(16,142.60)	(20,851.00)	77.42%	0.00	(4,708.40)
Directors' Compensation	14,892.80	82,608.50	200,357.00	41.23%	0.00	117,748.50
MWD Representation	3,723.20	38,395.50	114,490.00	33.54%	0.00	76,094.50
Employee Benefits	65,700.74	399,151.96	962,227.00	41.48%	0.00	563,075.04
OPEB Annual Contribution	0.00	0.00	111,112.00	0.00%	0.00	111,112.00
Employee Benefits - Grant Recovery	(1,693.00)	(4,711.39)	0.00	0.00%	0.00	4,711.39
Director's Benefits	6,072.07	40,420.50	87,592.00	46.15%	0.00	47,171.50
Health Ins \$'s for Retirees	2,761.88	24,483.52	44,463.00	55.06%	0.00	19,979.48
Training Expense	0.00	1,361.00	14,200.00	9.58%	0.00	12,839.00
Tuition Reimbursement	0.00	1,969.15	6,000.00	32.82%	0.00	4,030.85
Personnel Expenses	356,179.69	2,000,558.76	4,368,301.00	45.80%	8,000.00	2,358,986.16
Engineering Expense	4,500.00	34,500.00	170,000.00	20.29%	27,000.00	108,500.00
Legal Expense	44,448.95	199,537.74	304,500.00	65.53%	71,703.76	33,258.50
Audit Expense	2,400.00	17,900.00	23,000.00	77.83%	0.00	5,100.00
Professional Services	36,414.52	292,323.34	797,913.00	36.64%	233,475.25	272,114.41
Professional Fees	87,763.47	544,261.08	1,295,413.00	42.01%	332,179.01	418,972.91
Conference-Staff	0.00	3,640.00	12,520.00	29.07%	0.00	8,880.00
Conference-Directors	425.00	1,970.00	7,960.00	24.75%	0.00	5,990.00
Travel & Accom.-Staff	2,863.55	6,434.41	28,360.00	22.69%	0.00	21,925.59
Travel & Accom.-Directors	1,994.29	3,552.27	15,950.00	22.27%	0.00	12,397.73
Travel & Conference	5,282.84	15,596.68	64,790.00	24.07%	0.00	49,193.32
Membership/Sponsorship	5,793.00	74,418.70	88,087.00	84.48%	0.00	13,668.30
CDR Support	0.00	19,979.50	39,140.00	51.05%	19,979.50	(819.00)
Dues & Memberships	5,793.00	94,398.20	127,227.00	74.20%	19,979.50	12,849.30
Business Expense	494.96	3,477.37	7,000.00	49.68%	0.00	3,522.63
Maintenance Office	4,415.14	46,677.41	104,880.00	44.51%	43,418.22	14,784.37
Building Repair & Maintenance	5,081.75	5,081.75	0.00	0.00%	4,872.62	(9,954.37)
Storage Rental & Equipment Lease	979.07	6,297.23	14,309.00	44.01%	7,010.77	1,001.00
Office Supplies	2,170.79	12,110.08	24,000.00	50.46%	1,919.94	9,969.98
Postage/Mail Delivery	1,690.24	5,268.99	15,100.00	34.89%	2,861.37	6,969.64
Subscriptions & Books	0.00	493.62	2,400.00	20.57%	0.00	1,906.38
Reproduction Expense	28.75	9,215.89	68,587.00	13.44%	9,828.45	49,542.66
Maintenance-Computers	47.50	1,280.79	7,500.00	17.08%	799.12	5,420.09
Software Purchase	0.00	1,769.94	9,500.00	18.63%	649.00	7,081.06
Software Support	0.00	9,015.14	54,400.00	16.57%	0.00	45,384.86
Automotive Expense	1,310.91	6,386.30	14,300.00	44.66%	0.00	7,913.70
Toll Road Charges	145.40	645.85	1,290.00	50.07%	0.00	644.15
Insurance Expense	12,445.68	53,039.08	96,000.00	55.25%	0.00	42,960.92
Utilities - Telephone	1,240.94	7,192.71	16,900.00	42.56%	0.00	9,707.29
Bank Fees	859.74	5,381.61	10,560.00	50.96%	0.00	5,178.39
Miscellaneous Expense	2,870.01	27,918.50	80,550.00	34.66%	2,844.74	49,786.76
MWDOC's Contrb. To WEROC	9,068.00	54,412.00	108,820.00	50.00%	0.00	54,408.00
Depreciation Expense	2,942.02	17,651.94	0.00	0.00%	0.00	(17,651.94)
Other Expenses	45,790.90	273,316.20	636,096.00	42.97%	74,204.23	288,575.57
Building Repair & Maintenance	9,667.20	23,263.20	315,000.00	7.39%	167,083.80	124,653.00
Capital Acquisition	3,961.47	14,291.72	23,500.00	60.82%	0.00	9,208.28
TOTAL EXPENSES	514,438.57	2,965,685.84	6,830,327.00	43.42%	601,446.54	3,263,194.62
NET INCOME (LOSS)	(460,672.88)	3,616,390.22	120,183.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July thru December 2013

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	9,153,683.30	90,117,640.10	145,306,842.00	62.02%	55,189,201.90
Readiness to Serve Charge	885,708.68	5,314,252.08	10,293,552.00	51.63%	4,979,299.92
Capacity Charge CCF	261,066.67	1,566,400.02	3,132,800.00	50.00%	1,566,399.98
SCP Surcharge	23,601.92	181,758.07	354,112.00	51.33%	172,353.93
Interest	216.30	1,459.89	4,630.00	31.53%	3,170.11
TOTAL WATER REVENUES	10,324,276.87	97,181,510.16	159,091,936.00	61.09%	61,910,425.84
<u>WATER PURCHASES</u>					
Water Sales	9,153,683.30	90,117,640.10	145,306,842.00	62.02%	55,189,201.90
Readiness to Serve Charge	885,708.68	5,314,252.08	10,293,552.00	51.63%	4,979,299.92
Capacity Charge CCF	261,066.67	1,566,400.02	3,132,800.00	50.00%	1,566,399.98
SCP Surcharge	23,601.92	181,758.07	354,112.00	51.33%	172,353.93
TOTAL WATER PURCHASES	10,324,060.57	97,180,050.27	159,087,306.00	61.09%	61,907,255.73
EXCESS OF REVENUE OVER EXPENDITURES	216.30	1,459.89	4,630.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July thru December 2013

	Year to Date Actual	Annual Budget	% Used
Landscape Performance Certification			
Revenues	104,262.94	116,000.00	89.88%
Expenses	56,223.75	107,000.00	52.55%
Excess of Revenues over Expenditures	48,039.19	0.00	
SmarTimer Program			
Revenues	36,682.17	125,200.00	29.30%
Expenses	42,648.65	125,200.00	34.06%
Excess of Revenues over Expenditures	(5,966.48)	0.00	
Industrial Water Use Reduction			
Revenues	11,047.50	113,478.00	9.74%
Expenses	59,000.97	113,478.00	51.99%
Excess of Revenues over Expenditures	(47,953.47)	0.00	
Rotating Nozzles Rebate			
Revenues	116,870.41	0.00	0.00%
Expenses	116,937.52	0.00	0.00%
Excess of Revenues over Expenditures	(67.11)	0.00	
Hotel Water Use Reduction Program			
Revenues	7,100.00	189,484.00	3.75%
Expenses	25,457.06	189,484.00	13.43%
Excess of Revenues over Expenditures	(18,357.06)	0.00	
ULFT Rebate Program			
Revenues	25,247.89	40,000.00	63.12%
Expenses	30,529.96	40,000.00	76.32%
Excess of Revenues over Expenditures	(5,282.07)	0.00	
HECW Rebate Program			
Revenues	126,260.26	380,000.00	33.23%
Expenses	142,156.28	380,000.00	37.41%
Excess of Revenues over Expenditures	(15,896.02)	0.00	
Large Landscape Survey			
Revenues	22,792.00	21,600.00	105.52%
Expenses	43,255.40	21,600.00	200.26%
Excess of Revenues over Expenditures	(20,463.40)	0.00	
Indoor-Outdoor Survey			
Revenues	1,757.97	12,150.00	14.47%
Expenses	0.00	12,150.00	0.00%
Excess of Revenues over Expenditures	1,757.97	0.00	
Turf Removal Program			
Revenues	217,141.87	105,000.00	206.80%
Expenses	221,142.97	105,000.00	210.61%
Excess of Revenues over Expenditures	(4,001.10)	0.00	

Municipal Water District of Orange County
WUE & Other Funds Revenues and Expenditures (Actuals vs Budget)
From July thru December 2013

	Year to Date Actual	Annual Budget	% Used
WUE Master Plan			
Revenues	3,313.50	0.00	0.00%
Expenses	3,323.41	0.00	0.00%
Excess of Revenues over Expenditures	(9.91)	0.00	
WEROC			
Revenues	159,319.00	213,577.00	74.60%
Expenses	98,130.92	213,577.00	45.95%
Excess of Revenues over Expenditures	61,188.08	0.00	
WEROC - Water Trailers			
Revenues	265,232.00	0.00	0.00%
Expenses	464,150.00	0.00	0.00%
Excess of Revenues over Expenditures	(198,918.00)	0.00	
WUE Projects			
Revenues	672,476.51	1,102,912.00	60.97%
Expenses	740,675.97	1,093,912.00	67.71%
Excess of Revenues over Expenditures	(68,199.46)	9,000.00	
RPOI Distributions			
Revenues	4,447,821.66	1,619,665.00	274.61%
Expenses	4,447,821.66	1,619,665.00	274.61%
Excess of Revenues over Expenditures	0.00	0.00	
Ocean Desalination			
Revenues	52,620.07	115,459.00	45.57%
Expenses	52,620.07	115,459.00	45.57%
Excess of Revenues over Expenditures	0.00	0.00	



Memorandum

DATE: February 6, 2014
TO: Administrative & Finance Committee
(Directors Thomas, Barbre, Osborne)
FROM: Robert Hunter
SUBJECT: Six months ending December 2013 Financials Actual versus Budget

The following reports are attached:

- Revenues and Expenditures Actual versus Budget for the General Fund
- Revenues and Expenditures Actual versus Budget Detailed Comparative Report for the General Fund
- General Fund Footnotes
- Revenues and Expenditures Actual versus Budget for Other Funds
- Revenues and Expenditures Actual versus Budget for the Water Use Efficiency Funds
- Revenues and Expenditures Actual versus Budget for the Water Fund

(Highlighted portions were revised subsequent to the Committee's review)

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget Summary Report
Six months ending December 2013
(\$000 Omitted)
General Fund

	<u>YTD Actual</u>	<u>Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail connection fees	5,130	5,122	100.2%
Water rate increment	<u>464</u>	<u>710</u>	<u>65.3%</u>
Subtotal	5,594	5,832	95.9%
Other Revenues:			
Interest income	56	138	40.5%
Choice Programs	908	908	100.0%
School Contracts	23	70	32.6%
Other income	<u>2</u>	<u>3</u>	<u>59.4%</u>
Subtotal	988	1,119	88.3%
 TOTAL REVENUES	 6,582	 6,951	 94.7%
<u>EXPENSES</u>			
Personal Expenses (incl. Dir.)	2,001	4,368	45.8%
Professional services	310	821	37.8%
Outside engineering	35	170	20.3%
Legal expense ⁽¹⁾	200	305	65.5%
Travel & Conference ⁽²⁾	16	65	24.1%
Dues and memberships ⁽³⁾	94	127	74.2%
General & Admin expense	273	636	43.0%
Building Repair & Maintenance ⁽⁴⁾	23	315	7.4%
Capital acquisition (not including building costs) ⁽⁵⁾	<u>14</u>	<u>24</u>	<u>60.8%</u>
TOTAL EXPENSES	2,966	6,830	43.4%
 EXCESS OF REVENUES OVER EXPENSES	 3,616	 120	

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Six months ending December 2013
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	5,129,804	5,121,824	100.16%
Water Increment	463,879	709,840	65.35%
Water rate revenues	5,593,684	5,831,664	95.92%
Choice Programs	907,845	907,846	100.00%
Interest Revenue	55,957	138,000	40.55%
Miscellaneous Income	1,783	3,000	59.43%
School Contracts	22,807	70,000	32.58%
Transfer to Reserve	-	-	-
Other revenues	988,392	1,118,846	88.34%
TOTAL REVENUES	6,582,076	6,950,510	94.70%

OPERATING EXPENSES			
Salaries & Wages	1,433,023	2,848,711	50.30%
less Recovery from Grants	(20,854)	(20,851)	100.01%
Directors' Compensation	82,609	200,357	41.23%
MWD Representation	38,396	114,490	33.54%
Employee Benefits	399,152	962,227	41.48%
OPEB Annual Contribution	-	111,112	0.00%
Directors Benefits	40,421	87,592	46.15%
Health Insurances for Retirees	24,484	44,463	55.06%
Training Expense	1,361	14,200	9.58%
Tuition Reimbursement	1,969	6,000	32.82%
Personnel Expenses	2,000,559	4,368,301	45.80%
Engineering Expense	34,500	170,000	20.29%
Legal Expense	199,538	304,500	65.53%
Audit Expense	17,900	23,000	77.83%
Professional Services	292,323	797,913	36.64%
Professional Fees	544,261	1,295,413	42.01%
Conference-Staff	3,640	12,520	29.07%
Conference-Directors	1,970	7,960	24.75%
Travel & Accom.-Staff	6,434	28,360	22.69%
Travel & Accom.-Directors	3,552	15,950	22.27%
Travel & Conference	15,597	64,790	24.07%
Membership/Sponsorship	74,419	88,087	84.48%
CDR Support	19,980	39,140	51.05%
Dues & Memberships	94,398	127,227	74.20%

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Six months ending December 2013
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	3,477	7,000	49.68%
Maintenance Office	46,677	104,880	44.51%
Building Repair & Maintenance	5,082	-	0.00%
Storage Rental & Equipment Lease	6,297	14,309	44.01%
Office Supplies	12,110	24,000	50.46%
Postage/Mail Delivery	5,269	15,100	34.89%
Subscriptions & Books	494	2,400	20.57%
Reproduction Expense	9,216	68,587	13.44%
Maintenance-Computers	1,281	7,500	17.08%
Software Purchase	1,770	9,500	18.63%
Software Support	9,015	54,400	16.57%
Automotive Expense	6,386	14,300	44.66%
Toll Road Charges	646	1,290	50.07%
Insurance Expense	53,039	96,000	55.25%
Utilities - Telephone	7,193	16,900	42.56%
Bank Fees	5,382	10,560	50.96%
Miscellaneous Expense	27,919	80,550	34.66%
MWDOC's Contribution To WEROC	54,412	108,820	50.00%
Depreciation Expense	17,652	-	0.00%
Election Expense	-	-	0.00%
Building Repair and Maintenance	23,263	315,000	7.39%
Capital Acquisition	14,292	23,500	60.82%
Other Expenses	310,871	974,596	31.90%
TOTAL EXPENSES	2,965,686	6,830,327	43.42%
-			
EXCESS OF REVENUES OVER EXPENSES	3,616,390	120,183	

Municipal Water District of Orange County
Actual versus Budget Variance Analysis report
Six months ending December 2013

General Fund Footnotes

- 1 Legal expenses in the first half of the year were high due to SDCWA lawsuit, public record requests, preparation of a number of agreements and legal costs for special projects.
- 2 Travel and conference expenses are generally lower in the first half of the year as well as, due to a number of staff positions being vacant and competing interests.
- 3 Dues and memberships were up in the first half of the year (this is a typical occurrence due to many memberships being due early in the year).
- 4 The building repair and maintenance was low, but the contractor payments for the HVAC are coming due, although for the year, we will probably finish under budget due to the competitive bids.
- 5 Capital acquisition involving computer servers for replacement at MWDOC and for our business resumption system were purchased early in the year resulting in higher expenses in the first part of the year.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Statement of Revenues and Expenditures
Six months ending December 2013
Water Funds

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>Water Revenues</u>			
Water sales	90,117,640	145,306,842	(55,189,202)
Ready to Serve Charge	5,314,252	10,293,552	(4,979,300)
Capacity Charge Flat Rate	1,566,400	3,132,800	(1,566,400)
SCP Surcharge	181,758	354,112	(172,354)
Interest	<u>1,460</u>	<u>4,630</u>	<u>(3,170)</u>
Total Water Revenues	<u>97,181,510</u>	<u>159,091,936</u>	<u>(61,910,426)</u>
 <u>Water Purchases</u>			
Water sales	90,117,640	145,306,842	(55,189,202)
Ready to Serve Charge	5,314,252	10,293,552	(4,979,300)
Capacity Charge	1,566,400	3,132,800	(1,566,400)
Tier 2 Contingency	-	-	-
SCP Surcharge	<u>181,758</u>	<u>354,112</u>	<u>(172,354)</u>
Total Water Purchases	<u>97,180,050</u>	<u>159,087,306</u>	<u>(61,907,256)</u>
 EXCESS OF REVENUES OVER EXPENDITURES	 <u>1,460</u>	 <u>4,630</u>	 <u>(3,170)</u>

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Six months ending December 2013
Other Funds

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<u>WEROC</u>			
Revenues	159,319	213,577	(54,258)
Expenditures	<u>98,131</u>	<u>213,577</u>	<u>(115,446)</u>
Excess of Revenues over Expenditures	61,188	-	61,188
 <u>WUE Projects</u> (details on page 5)			
Revenues	669,163	1,102,912	(433,749)
Expenditures	<u>737,353</u>	<u>1,093,912</u>	<u>(356,559)</u>
Excess of Revenues over Expenditures	(68,190)	9,000	(77,190)
 <u>RPOI Distribution</u>			
Revenues	4,447,822	1,619,665	2,828,157
Expenditures	<u>4,447,822</u>	<u>1,619,665</u>	<u>2,828,157</u>
Excess of Revenues over Expenditures	-	-	-
 <u>Ocean Desalination</u>			
Revenues	52,620	115,459	(62,839)
Expenditures	<u>52,620</u>	<u>115,459</u>	<u>(62,839)</u>
Excess of Revenues over Expenditures	-	-	-

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Six months ending December 2013
Water Use Efficiency Projects

		<u>Actual</u>	<u>Budget</u>	<u>% Used</u>
<u>Landscape Performance Certification</u>				
Revenues		104,263	116,000	90%
Expenditures		<u>56,224</u>	<u>107,000</u>	53%
Excess of Revenues over Expenditures		48,039	9,000	
<u>Smartimer Rebate</u>				
Revenues	1	36,682	125,200	29%
Expenditures		<u>42,649</u>	<u>125,200</u>	34%
Excess of Revenues over Expenditures		(5,966)	-	
<u>Rotating Nozzle Rebate</u>				
Revenues	2	116,870	-	0%
Expenditures		<u>116,938</u>	<u>-</u>	0%
Excess of Revenues over Expenditures		(67)	-	
<u>Industrial Water Use Reduction</u>				
Revenues	3	11,048	113,478	10%
Expenditures		<u>59,001</u>	<u>113,478</u>	52%
Excess of Revenues over Expenditures		(47,953)	-	
<u>Hotel Water Use Reduction Program</u>				
Revenues		7,100	189,484	4%
Expenditures		<u>25,457</u>	<u>189,484</u>	13%
Excess of Revenues over Expenditures		(18,357)	-	
<u>ULFT Rebate Program</u>				
Revenues		25,248	40,000	63%
Expenditures		<u>30,530</u>	<u>40,000</u>	76%
Excess of Revenues over Expenditures		(5,282)	-	
<u>HECW Rebate Program</u>				
Revenues		126,260	380,000	33%
Expenditures		<u>142,156</u>	<u>380,000</u>	37%
Excess of Revenues over Expenditures		(15,896)	-	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Six months ending December 2013
Water Use Efficiency Projects

		<u>Actual</u>	<u>Budget</u>	<u>% Used</u>
<u>Large Landscape Survey</u>				
Revenues	<div style="border: 1px solid black; padding: 0 2px;">4</div>	22,792	21,600	106%
Expenditures		<u>43,255</u>	<u>21,600</u>	200%
Excess of Revenues over Expenditures		(20,463)	-	
<u>Indoor-Outdoor Survey</u>				
Revenues		1,758	12,150	14%
Expenditures		<u>-</u>	<u>12,150</u>	0%
Excess of Revenues over Expenditures		1,758	-	
<u>Turf Removal Program</u>				
Revenues	<div style="border: 1px solid black; padding: 0 2px;">4</div>	217,142	105,000	207%
Expenditures		<u>221,143</u>	<u>105,000</u>	211%
Excess of Revenues over Expenditures		(4,001)	-	

1

 Grant agreement extended for an additional 2 years term. This allowed for the program to be spread out over another 2 years.

2

 Rotating Nozzle grant ended. Did not foresee MET and Newport Beach passthru agreement.

3

 Grant term extended. Weak economy affected businesses ability to obtain financing to do suggested improvements.

4

 Larger participation than expected.



CONSENT CALENDAR ITEM

February 19, 2014

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Barbre, Osborne)

SUBJECT: California Special District's Association "How to Become an Effective Board Member" Seminar to be held at MWDOC on January 23, 2014

STAFF RECOMMENDATION

It is recommended that the Board consider authorizing attendance at CSDA's "How to Become an Effective Board Member" seminar to be held at MWDOC on January 23, 2014.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation. The Seminar was held on January 23, 2014 and Directors Hinman, Osborne and Finnegan attended. Therefore ratification is necessary.

SUMMARY

(Source: Workshop Brochure:)

How to Be An Effective Board Member: January 23, 2014 at the Municipal Water District of Orange County, 18700 Ward Street, Fountain Valley, CA 92708-0895.

Meets AB1234 Training Requirement for District Board Members!

Leading a special district as an experienced or newly elected/appointed official is both exciting and challenging. You have accepted the responsibility of representing your constituents and customers in the most effective and professional manner possible. This will demand that you acquire or maintain the necessary skills to govern a special district.

Attendees will leave this workshop understanding:

- A board member's roles and responsibilities.
- The major legislative issues that affect special districts: property tax funding, public pensions, transparency, consolidations, local control, unfunded mandates, environmental compliance and

Budgeted (Y/N): No	Budgeted amount:	Core __	Choice __
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted): Depending on the number of Directors that choose to attend. Cost is \$225 each, with one complementary attendee.			

public works contracting.

- A comprehensive overview of special districts including their history, structure, organizational differences, funding mechanisms and the role that special districts play in communities.
- Intergovernmental issues and relationships between local agencies and the state.
- Trends in special districts.
- The general laws that govern special districts and their board members including a discussion of the Ralph M. Brown Act, AB1234 and conflict of interest/ethics laws.

Being an elected or appointed official overseeing an independent special district is a significant responsibility. This one-day seminar will assist you in being an effective board member to the benefit of your constituents. [Click here](#) to download a registration flyer. [Click here](#) to register online.

Earn SDRMA Credit Incentive Points

Is your district budget under \$5 million? You may be eligible for scholarship funds through the [Special District Leadership Foundation](#) (SDLF) 2014 Education Allowance Fund. [Click here](#) to download an application.

The cost for attending is \$225 (for members); MWDOC has been awarded one free attendee (due to the location).



ACTION ITEM
February 19, 2014

TO: Board of Directors

FROM: Administration & Finance Committee
(Directors Thomas, Barbre, Osborne)

Rob Hunter, General Manager

SUBJECT: Return of Funds to Member Agencies from Close-Out of Capacity Charge Account

STAFF RECOMMENDATION

Staff recommends the Board authorize the General Manager to close out and return funding from the Capacity Charge Account to the member agencies in accordance with the process used in 2007 to close the remainder of the account (approximately \$90,000 would be returned to the member agencies).

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation however requested staff solicit input from the agencies as to whether a credit on their water bill or check is preferred.

DETAILED REPORT

Between 2003 and 2006, MWDOC's implementation of MET's Capacity Charge was accomplished via a melded per AF charge imposed on our agencies. To ensure sufficient funds were available, the melded rate was initially set to collect additional funds to establish a "contingency fund" to be used in the event additional costs were incurred due to excessive peaking. For several years, the melded rate was set based on expected peaking charges. In 2006, MWDOC changed its capacity charge collection method to the highest peak day flow per cfs per agency over the base three year period and thus no longer needed a fund to manage the collection of the charge. At that time, the majority of the funds, over \$400,000, were returned to the MWDOC agencies based on their contributions; funds were retained in the account to cover the last year of reconciliation with the actual Capacity Charge to be assessed by MET. The amount retained plus interest earnings have grown over the years to about \$90,000. Staff recommends these funds be returned to the member agencies based on the same methodology as was used for the last disbursement in 2007.

Budgeted (Y/N): No	Budgeted amount: \$0	Core <input checked="" type="checkbox"/>	Choice ____
Action item amount: 0	Line item:		
Fiscal Impact (explain if unbudgeted):			

MWDOC's Executive Committee discussed this last month and requested General Manager Hunter to discuss the options for the funds with the member agencies at the Manager's Meeting. Based on that discussion, most agencies supported a refund of the remaining amount, even if MWDOC requires additional funds this coming year to complete the HVAC and other building improvements – the general feeling was that MWDOC should follow through on what was started in 2007.

Attached is the Action taken by MWDOC's Board in October 2007 to return the first portion of the Capacity Charge Funds.

Below is a table indicating the level of the remaining refunds to each agency to take place in February 2014.

February 2014 Refund Of Capacity Charge Reserve Fund			
Allocation Based On Capacity Charges Paid From January 2003 through December 2006			
Refund Amount = \$90,286			
Agency	Total	Percent of Total	Refund Amount
Brea, City of	\$260,373	2.06%	\$1,863
Buena Park, City of	\$347,279	2.75%	\$2,485
East Orange CWD	\$201,162	1.59%	\$1,440
El Toro WD	\$612,871	4.86%	\$4,386
Fountain Valley, City of	\$200,325	1.59%	\$1,434
Garden Grove, City of	\$493,057	3.91%	\$3,528
Golden State Water Co.	\$579,509	4.59%	\$4,147
Huntington Beach, City of	\$544,100	4.31%	\$3,894
Irvine Ranch WD	\$1,103,724	8.75%	\$7,898
La Habra, City of	\$214,285	1.70%	\$1,533
La Palma, City of	\$33,162	0.26%	\$237
Laguna Beach CWD	\$262,113	2.08%	\$1,876
Mesa Consolidated WD	\$147,657	1.17%	\$1,057
Moulton Niguel WD	\$1,929,311	15.29%	\$13,806
Newport Beach, City of	\$342,340	2.71%	\$2,450
OCWD	\$395,712	3.14%	\$2,832
Orange, City of	\$546,465	4.33%	\$3,911
San Clemente, City of	\$575,585	4.56%	\$4,119
San Juan Capistrano, City of	\$354,678	2.81%	\$2,538
Santa Margarita WD	\$1,831,645	14.52%	\$13,108
Seal Beach, City of	\$75,244	0.60%	\$538
Serrano WD	\$37,200	0.29%	\$266
South Coast WD	\$449,676	3.56%	\$3,218
Trabuco Canyon WD	\$136,378	1.08%	\$976
Westminster, City of	\$253,717	2.01%	\$1,816
Yorba Linda WD	\$688,902	5.46%	\$4,930
Total	\$12,616,469	100.00%	\$90,286



ACTION ITEM
February 19, 2014

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. In January, the Board deferred this item to February.

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):	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**

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 February 19, 2014, for a one-year term of office.

Adopted and approved this 19th day of February 2014, 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**

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 15, 2014, for a one-year term of office.

Adopted and approved this 15th day of January 2014, by the following roll call vote:

AYES:
NOES:
ABSENT:
PRESENT:

Maribeth Goldsby, District Secretary
Municipal Water District of Orange County



ACTION ITEM
February 19, 2014

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

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. At the January meeting, the Board deferred this item to February. 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
Vacant	Treasurer
Hilary Chumpitaza	Deputy Treasurer
Judy Pfister	Deputy Treasurer
Robert Hunter	Alternate Deputy Treasurer
Russell G. Behrens	Legal Counsel

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

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

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

§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 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 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 February 19, 2014.

Secretary
Municipal Water District of Orange County



ACTION ITEM
January 20, 2014

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Hinman, Clark)

Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

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

STAFF RECOMMENDATION

Staff recommends the Board of Directors to consider authorizing an extension for the federal advocacy contract with James C. Barker, P. C., at the rate of \$90,000 for calendar year 2014.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

DETAILED REPORT

James C. Barker has provided federal legislative advocacy services to the Municipal Water District of Orange County since 2003. His primary objectives during this time have been to provide strategic direction for our Washington based activities and secure federal funding assistance for the District's water reliability efforts, ocean water desalination and the Smart Irrigation Controller program.

Additionally, Mr. Barker works closely with staff in developing the District's funding request strategies and also serves as its "on the ground" representation in meetings with committee staff, Members of Congress, Congressional personal staff, administration and department

Budgeted (Y/N): Yes	Budgeted amount: \$90,000; Calendar year expenditure + expenses	Core X__	Choice __
Action item amount: \$90,000; \$42,000 for FY 2013/2014 + expenses and \$48,000 for FY 2014/2015 + expenses		Line item: 31-7040	
Fiscal Impact (explain if unbudgeted):			

officials, and others. Mr. Barker is also responsible for recommending and scheduling meetings for District directors/staff with Congressional members and these other Representatives throughout the Congressional session.

Mr. Barker will continue working with MWDOC to identify priorities and opportunities as well as implement strategies for securing funding support in the FY 2015 federal budget, seeking federal grant related opportunities and seek federal authorizations for various MWDOC projects. The priorities outlined below represent the scope of work upon which Mr. Barker's contract with the District would be extended for the 2014 calendar year.

◆ **Seek funding towards the 8 c\ YbmOcean Desalination Project 6 J`Zf
Federal Funding.**

MWDOC has received \$875,000 in federal funding appropriations to date, plus federal grants from the Bureau of Reclamation and Environmental Protection Agency in excess of \$500,000.

In addition to these appropriated funds, Mr. Barker was instrumental in assisting MWDOC to encourage Senator Boxer and Senator Feinstein to include money for California Water Infrastructure Legislative Authorization in the Water Resources and Development Act (WRDA Bill). One of our continued strategies for 2014 will be to seek funds out of this account.

Another strategy for 2014 (FY 2015) will be to seek a specific legislative authorization for the WIFIA Financing Program. Such a loan program offers savings of some \$20-\$50 Million in "interest savings" over the life of the federal loan. As we work with the Congress, we will emphasize the critical nature of California's Water Supply situation and how this project provides a NEW source of water in an environmentally sensitive manner and it could have technology applications in many coastal areas of the United States. There will be coordination between the District and members of the Orange County Congressional Delegation and Senators Boxer and Feinstein to ensure support for the request.

Among the critical strategies to be advanced by Mr. Barker will be to continue to advance the implementation of a competitive grant system by the Army Corps of Engineers, the EPA and the Bureau of Reclamation.

Army Corps Specific:

Importantly, Senator Boxer, the Chairman of the Senate Environment and Public Works Committee, has been working on moving a Water Resources Development Act (WRDA Bill) this year. Mr. Barker, along with Director Barbre, have been instrumental in working with the Senator's staff and the Committee and advancing the inclusion of WIFIA legislative language into the current WRDA Draft Bill.

Bureau of Reclamation Specific:

The Bureau of Reclamation has developed a "Water SMART" Water and Energy Efficiency Grant program and opportunities for funding opportunity are now available. The Bureau of Reclamation is seeking proposals from states, Indian tribes, irrigation districts, water districts and other organizations with water or power delivery authority to partner with Reclamation on projects that increase water conservation or result in other improvements

that address water supply sustainability in the West. MWDOC and the Doheny Ocean Desalination project should qualify.

Mr. Barker will continue to monitor such grant opportunities for which MWDOC may be eligible.

◆ **Provide assistance to other Orange County entities in helping their projects to**

- Poseidon Huntington Beach Ocean Desalination Project
- Title XVI Projects
- North Orange County Water Recycling Project
- Other

◆ **Seek Federal Funds for the Smart Irrigation Controller Program.**

Mr. Barker was instrumental in developing a program to receive funds through the U.S. Department of Agriculture's Natural Resources Conservation Service to support this program. To date, MWDOC has received approximately \$650,000 in federal funding with approximately \$4.6 million being spent on this program. Mr. Barker is significantly involved in trying to develop a competitive grant program so that these funds can continue to flow to MWDOC. Additional funding would allow further expansion of the program and cover ongoing program management expenses.



ACTION ITEM
February 19, 2014

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Hinman, Clark)

Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

SUBJECT: EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH TOWNSEND PUBLIC AFFAIRS, INC.

STAFF RECOMMENDATION

Staff recommends the Board of Directors to consider authorizing a one-year extension for the State advocacy contract with Townsend Public Affairs at the rate of \$90,000 for calendar year 2014.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

DETAILED REPORT

Townsend Public Affairs, Inc. (TPA) has provided state legislative advocacy services to the Municipal Water District of Orange County since 2001. This has included tracking, analysis and advocacy on legislation, assisting with strategy development on policy issues, helping with the coordination and preparation of directors and staff for high-level meetings, serving as a District liaison to legislators and staff, and state administration representatives, and participating in working groups and coalitions on the District's behalf. A proposed scope of services is attached for you

Please note, Legislative Advocacy contracts are on a calendar year basis so as not to interrupt services during a legislative session.

Budgeted (Y/N): Yes	Budgeted amount: \$90,000; Calendar year expenditure	Core X__	Choice __
Action item amount: \$90,000; \$45,000 for FY 2013/2014 and \$45,000 for FY 2014/2015		Line item: 31-7040	
Fiscal Impact (explain if unbudgeted):			

MEMO

To: Municipal Water District of Orange County

From: Townsend Public Affairs, Inc.

Date: January 3, 2014

Subject: 2014 Scope of Services

TPA has enjoyed working with MWDOC at the State level on legislative advocacy and policy issues relevant to the District and its Member Agencies. This scope of work has included tracking, analysis and advocacy on legislation, assisting with strategy development on policy issues, helping with the coordination and preparation of the District's Directors and Staff for high-level meetings, serving as a District liaison to legislators and their staff as well as state and administration representatives, and participating in working groups and coalitions on the District's behalf.

TPA proposes to continue its engagement on behalf of MWDOC with no increase in fees for State advocacy services. The scope of services below serves to provide an outline of areas of interest for MWDOC, however at anytime MWDOC can wish to amend the scope to meet the District's state advocacy needs.

Below is an outline of the scope of services that TPA proposes to work with MWDOC and its Member Agencies.

State Scope of Services

1. TPA will manage Legislative Tracking, Analysis and Advocacy for MWDOC including, but not limited to:
 - a. Monitoring and analyzing state legislation and issues (proactively and as requested)
 - b. Providing strategic guidance and recommendations to assist MWDOC maximize its policy influence and achieve its legislative goals/objectives
 - c. Advocating on legislation and issues in response to formal positions taken by MWDOC
 - d. Assisting with the preparation of written testimony and/or talking points for hearings and other legislative activities involving MWDOC

- e. Preparing monthly written state legislative report and additional items (as requested) for Public Affairs/Legislative (PAL) Committee
 - f. Attending and actively participating in monthly PAL Committee meetings
 - g. Attending and participating in the regular Member Agencies Legislative Coordination meeting hosted by MWDOC
 - h. Attending and actively participating (as requested) as a representative of MWDOC at statewide association meetings/events, state legislative committees meetings, public hearings, legislative working groups, and other groups and submit follow up reports/meeting summaries to MWDOC in a timely manner
 - i. Facilitating and coordinating meetings and events on behalf of MWDOC with members of the Orange County state legislative delegation, administration officials, local governments, and others
2. TPA will identify and provide support to MWDOC and member agencies (as requested by MWDOC) on grant and other state funding opportunities, analysis of funding or legislative criteria, assistance with application preparation, and advocacy.
 3. TPA will provide support to and advocate (as directed) on behalf of MWDOC on regulatory matters of interest to the District.
 4. TPA will continue to provide ongoing communications, education and support related to the Bay Delta Conservation Plan and the Proposed 2014 Water Resources Bond including, but not limited to:
 - a. Advocating and working on potential amendments or changes to the proposed water bond, including but not limited to legislative amendments or amendments to be made through the budget process, which would negatively impact MWDOC and its Member Agencies
 - b. Advocating for State Energy Policies that could be beneficial to MWDOC and its Member Agencies, along with supporting efforts for potential funding opportunities that would assist in helping to offset costs for appropriate MWDOC projects
 - c. Advocating in support of MWDOC in areas such as:
 - i. Ocean Water Desalination;
 - ii. Environmental Permit Streamlining;
 - iii. Water Conservation; and
 - iv. The Bay Delta Conservation Plan.
 5. TPA will continue to support MWDOC on State Legislative Priorities and Issues:
 - a. Regulatory Streamlining;

- b. Local Government Issues, such as finance, governance, and transparency; and
 - c. Other Legislative and/or Administrative efforts
- 6. TPA will provide ongoing support, advocacy and staffing on the Integrated Regional Water Management Program (IRWMP) and other state grant opportunities including, but not limited to:
 - a. Monitoring legislation related to distribution of bond funding, local governance, eligibility/qualifications to receive funding, etc
 - b. Advocating for Orange County projects/plans, facilitate coordination at the local stakeholder level, including scheduling briefings with OWOW Steering Committee Members
- 7. TPA will monitoring and advocate on behalf of MWDOC related to the Bay Delta Conservation Plan and Delta Visioning Process including, but not limited to:
 - a. Monitoring, analyzing and advocating as appropriate on legislation related to the implementation of components of the Bay Delta Conservation Plan and Delta Visioning Council
 - b. Providing updates on the Bay Delta Conservation Plan as directed
 - c. Monitoring, analyzing, and advocating for legislation with a particular focus on bills addressing governance, funding, conveyance, transfers, etc
- 8. TPA will provide ongoing Advocacy for continued support of Ocean Desalination projects including, but not limited to:
 - a. Providing ongoing support to MWDOC and its Member Agencies on legislation that could facilitate or impeded ocean desalination and take position/action as appropriate, including Cal Desal efforts
 - b. Fascillitating tours and briefings of the South Orange Coastal Ocean Desalination Project by key state stakeholders
 - c. Working with MWDOC staff to facilitate meetings and outreach related to the South Orange County Coastal Desalination facility as directed

Timeline & Costs

TPA would propose a total monthly fee of \$7500/month for full service state advocacy focused on capital project funding, legislation, regulatory and policy work. We propose to continue our efforts from January 1, 2014 – December 31, 2014.



ACTION ITEM
February 19, 2014

TO: Board of Directors

FROM: **Administration & Finance Committee**
(Directors Thomas, Barbre, Osborne)

Robert J. Hunter, General Manager

Staff Contact: Harvey De La Torre

**SUBJECT: RESOLUTION ON CALLING FOR ENHANCED WATER USE EFFICIENCY
EFFORTS TO EXTEND REGIONAL WATER SUPPLIES FOR ORANGE
COUNTY RESIDENTS AND BUSINESSES**

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt the proposed resolution calling for enhanced water use efficiency efforts to extend regional water supplies for Orange County residents and businesses

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

REPORT

On January 31, the state's second snowpack survey showed that conditions in northern California had worsened to 12 percent of average water content. This caused the California Department of Water Resources to take the unprecedented step of reducing the State Water Project (SWP) Table "A" Allocation from 5 percent to zero.

With the SWP Allocation currently at zero and Governor Brown's drought declaration, Metropolitan is recommending adoption of a Water Supply Alert Resolution calling for local water agencies and cities to increase their water use efficiency efforts, including adopting and implementing local drought ordinances to sustain their regional storage reserves through this drought.

Budgeted (Y/N): NA	Budgeted amount: NA	Core _x_	Choice __
Action item amount: NA		Line item:	
Fiscal Impact (explain if unbudgeted):			

Although, Metropolitan has approximately 2.4 million acre-feet of dry year storage and does not plan to implement mandatory water delivery reductions in 2014, the Water Supply Alert is a part of Metropolitan's Water Surplus and Drought Management (WSDM) plan.

As a result of the state's water supply conditions and Metropolitan's call for additional water use efficiency efforts, MWDOC staff is recommending to the Board to adopt a similar resolution. As the County's regional imported water provider, this resolution encourages every Orange County water agency, city, resident, and business to do their part in reducing their water usage in order to extend stored water supplies and prepare for a prolonged drought.

RESOLUTION NO. _____
OF THE BOARD OF DIRECTORS OF
THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
CALLING FOR ENHANCED WATER USE EFFICIENCY EFFORTS TO
EXTEND REGIONAL WATER SUPPLIES
FOR ORANGE COUNTY RESIDENTS AND BUSINESSES.

WHEREAS, Orange County depends on imported water from Northern California and the Colorado River to meet approximately half of its supply demand; with the balance of the county's demand being met by local groundwater via a large basin under north and central Orange County, smaller basins in south Orange County, and through local water recycling and water use efficiency; and

WHEREAS, the state of California is experiencing record dry year conditions, with 2014 projected to become the driest year on record; and

WHEREAS, now in its third consecutive year of a drought, the State of California's annual precipitation levels are inadequate to fill the state's key reservoirs; and

WHEREAS, effective January 17, 2014, Governor Edmund G. Brown, Jr. declared a statewide state of emergency due to drought conditions

WHEREAS, on January 31, 2014, the state of California's second snow survey reported statewide snowpack at 12% of normal levels and the California Department of Water Resources (DWR) officially reduced the State Water Project (SWP) Table A Allocation to zero percent of contract amounts; and

WHEREAS, the National Weather Service's most recent *Three-Month Outlook* for California forecasts above normal temperatures and below normal precipitation throughout the entire state; and

WHEREAS, the Colorado River Basin drought has stretched into a 14th year, continuing to negatively impact storage levels on the river's two main reservoirs; and

WHEREAS, over the past 20 years, southern California rate payers have invested more than \$15 billion in regional storage, infrastructure improvements, local resources and water use efficiency programs that are now serving to sustain supplies during this historic dry period; and

WHEREAS, Metropolitan Water District of Southern California (Metropolitan) has indicated that its water storage reserves, committed to meeting regional drought demands, remain relatively healthy at nearly 2.4 million acre-feet and, as such, does not intend to institute mandatory water reductions within its service area for 2014; and

WHEREAS, Metropolitan has declared a Water Supply Alert calling for all cities, counties, member agencies and retail water agencies to implement extraordinary water use efficiency measures, adopt and implement local drought ordinances to preserve regional storage reserves; and

WHEREAS, the cities and water agencies serving Orange County's population of 3.1 million have done an outstanding job working together to develop water-management strategies and implement comprehensive water use efficiency programs to help ensure a reliable supply of high-quality water to meet countywide demand; and

WHEREAS, many cities and water agencies serving Orange County have also invested and continue to invest in research and technology to develop new sources of water such as water recycling and desalination to meet demands; and

WHEREAS, Municipal Water District of Orange County and its member agencies are increasing their public messaging to create a heightened awareness of the state's water supply conditions; and

WHEREAS, increasing and applying efficient water use habits today is the responsible thing to do and will help ensure Orange County has enough water to maintain our quality of life and thriving economy; and

WHEREAS, there are numerous resources and programs to assist us in our countywide water use efficiency efforts, including rebates for water saving devices and information on water-saving strategies at www.bewaterwise.com, and www.mwdoc.com,

NOW, THEREFORE, BE IT RESOLVED that the Municipal Water District of Orange County the regional imported water provider does hereby encourage every Orange County water agency, resident and business to take the necessary actions to reduce their water usage through enhanced water use efficiency measures in an effort to extend stored water supplies and prepare for a prolonged drought; and

BE IT FURTHER RESOLVED that the Municipal Water District of Orange County will coordinate with Metropolitan and its member agencies to develop a unified regional message and significantly accelerate its outreach efforts in order to communicate the need for additional water use efficiency efforts to Orange County public officials, residents and businesses; and

BE IT FURTHER RESOLVED, that the Municipal Water District of Orange County encourages all local water agencies, cities, and the County of Orange to join in this call for enhancing water use efficiency efforts through the adoption of appropriate resolutions or ordinances in their jurisdictions.

Said Resolution was adopted on February 19, 2014, by the following roll call vote:

AYES:	Directors
NOES:	Directors
ABSENT:	None
ABSTAIN:	None

I HEREBY CERTIFY 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 held on February 19, 2014.

Maribeth Goldsby, Secretary
Municipal Water District of Orange County



ACTION ITEM
February 19, 2014

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Hinman, Clark)

Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

SUBJECT: REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL COMMUNICATIONS SERVICES

STAFF RECOMMENDATION

Staff recommends the Board of Directors review consider approving the Request for Qualifications (RFQ) and direct staff to release for responses.

COMMITTEE RECOMMENDATION

Committee will review this item on February 18, 2014 and make a recommendation to the Board.

SUMMARY

As part of the 2013-2014 Budget the Value of Water Communications Plan was funded for development. The Plan includes a number of phases, two of which are scheduled for this fiscal year. The first phase for this year included a comprehensive public survey to establish a benchmark on a number of issues, message preferences and water related issues. That survey was completed in October of 2013 with assistance from John Lewis and Associates.

The Board had approved in the 2013-2014 FY Budget in the second phase the following items:

Budgeted (Y/N): Y	Budgeted amount: \$154,965	Core _X_	Choice __
Action item amount: \$132,465		Line item: 32-7040	
Fiscal Impact (explain if unbudgeted):			

Phase Two FY 2013-14 - \$ 132,465

- Conduct joint PAW & GM Meeting to:
 - Review manager priorities from previous exercise
 - Discuss and segregate regional and local issues
 - Identify which issues are within the purview of this effort
 - Discuss stakeholder groups for focus group element
- Work with professional consultants
 - Includes Subject Matter Expert, 32-7040 - \$38,000
- Discuss stakeholder groups for Focus Groups
- Develop messages (Public Affairs Workgroup)
- Conduct focus groups
 - Six to 8 focus groups, analysis and report , 32-7040 - \$66,100
- Conduct PAW/GM Workshop to share focus group output
- Reformulate messages where required
- Develop appropriate creative materials
- regional campaign branding, visual elements and other creative templates for use by the member agencies
 - Regional campaign branding, visual elements, creative templates and related materials, 32-7040 - \$28,365

Staff has developed a Request for Qualifications (RFQ) to identify and engage a knowledgeable communications professional to assist with these Phase Two tasks. Once a vendor has been selected, staff will work with the consultant to finalize the comprehensive plan for educating the public on the value of water and water reliability projects.

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
(MWDOC)**

**REQUEST FOR QUALIFICATIONS
TO PROVIDE**

CONSULTING SERVICES FOR PROFESSIONAL COMMUNICATION SERVICES

RFQ No 596

FEBRUARY 2014

Requests for clarification are due: **5:00 p.m., March 7, 2014**
Qualifications will be received **until 4:00 p.m., March 21, 2014**
at Municipal Water District of Orange County
18700 Ward Street, Fountain Valley, California 92708

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ATTACHMENTS

Exhibit E - MWDOC Standard Agreement for Consultant Services

REQUEST FOR QUALIFICATIONS

SECTION 1

INFORMATION FOR RESPONDENTS

Description of Services and Requested Qualifications

The Municipal Water District of Orange County (MWDOC) is seeking qualifications from established Consulting firms (Respondent) that are capable of implementing the Professional Communications Services (Services). Responses to this Request for Qualifications (RFQ) will be used to select a Consulting firm for professional communications services.

The Term of the Project shall begin immediately upon the successful execution of an Agreement between MWDOC and Respondent, and will continue until the project is complete which is expected to be September 30, 2014.

The Scope of Services, Section 2 of the RFQ describes the services required. MWDOC reserves the right to modify the Services as necessary after selection of a Consultant.

A brief description of the Professional Communications Services includes:

1. Review and provide meaningful input on the Draft Value of Water Communications Plan, including:
 - Value Investment Matrix
 - Marketing approach
 - Draft messaging
 - Proposed media strategy
 - Goals and objectives
2. Focus Groups
 - Develop a comprehensive question guide (Guide)
 - Meet with MWDOC staff and other stakeholders to review and refine the Guide
 - Conduct a series of 6-10 focus groups throughout MWDOC's service area
 - Provide an update to MWDOC's 28 member agency managers on anticipated results
3. Technical Assistance
 - Provide ongoing subject matter expertise in regards to relevant communication efforts, metrics, business model refinements, appropriate media channels, consumer sentiments and creative materials

4. Creative
 - Develop **appropriate creative materials to support messaging and outreach goals and objectives**
 - Materials will need to be adaptable to electronic and print media
5. Reporting
 - Monthly Progress Reports
 - Final Report

Requests for Clarification

1. Respondents requesting clarification pertaining to this RFQ must e-mail or fax all requests by **5:00 p.m., Friday, March 7, 2014**, to Darcy M. Burke via email at dburke@mwdoc.com or via fax at (714) 964-5930. MWDOC will endeavor to respond fully to all timely requests, but reserves the right not to respond to requests that are duplicative or do not advance the objectives of the RFQ.
2. In lieu of a pre-qualifications meeting, all requests for clarification submitted on time will be reviewed and answered via email by **5:00 p.m., Thursday, March 13, 2014**. The requests for clarification and MWDOC's responses will be distributed to all parties that notified MWDOC of their intent to respond to this RFQ by email by end of business **Thursday, March 13, 2014**. Respondents' names will be removed from the requests prior to distribution.

Confidentiality

1. MWDOC is subject to the Public Records Act, California Government Code Section 6250 et. seq. As such, all required submittal information is subject to disclosure to the general public, except as otherwise provided herein.
2. Respondents may provide MWDOC with records that are exempt from public disclosure under Gov. Code § 6254.15, including "trade secrets" under Evidence Code § 1060, but only as supplemental information. Such supplemental information may not form an essential part of the required submittal information, and MWDOC reserves the right to disregard such supplemental information in its evaluation of a particular qualifications set.
3. All supplemental information that a submitting Respondent intends to remain exempt from disclosure shall be submitted on a different color paper than, and bound separately from, the qualifications themselves and shall be clearly marked "Confidential." Unless other provisions are made in advance by the submitting Respondent, upon completion of its evaluation, MWDOC will destroy any confidential supplemental information. Respondents submitting confidential supplemental information bear all risks of its release, irrespective of the means, and

shall hold MWDOC harmless against any claims related to such release of information.

Indemnification and Insurance

1. The Consultant(s) ultimately awarded a contract in response to this RFQ must execute MWDOC's Standard Agreement for Consultant Services in the form attached hereto as Exhibit E, and all insurance requirements stated therein must be met.
2. As a separate obligation under the Professional Services Agreement, the Consultant(s) must indemnify and hold MWDOC harmless on the terms and conditions set forth in Exhibit E.

Award of Contract

1. After a Respondent is selected, award of a contract is contingent upon the successful negotiation of terms, acceptability of fees, and formal approval by MWDOC.

Financial Capacity

1. Prior to award of a contract, one or more Respondents may be requested to demonstrate past relevant experience, subject matter expertise and financial stability.

MWDOC's Professional Services Agreement

1. Exhibit E is a copy of MWDOC's Standard Agreement for Consultant Services. Before submitting your qualifications, you are requested to carefully review all of the provisions set forth in Exhibit E. MWDOC reserves the right to modify, add or delete any of the provisions of the agreement prior to issuance of an agreement, but in general you should assume this is the primary contract document for the Program.

Definitions

1. Agreement: The contract documents for the Program, including the MWDOC Professional Services Agreement, the attached Scope of Work and/or qualifications, and the required insurance documentation.
2. Project Manager/Agreement Administrator: The MWDOC employee assigned to administer the work to be accomplished by Respondent and the primary point of contact between MWDOC and Respondent.
3. Consultant: The party entering into an Agreement with MWDOC for the performance of the work described in this RFQ.
4. Cost Proposal: A total cost for those items identified in Section 2, Scope of Services.

5. Joint Venture: An association of two or more persons or firms engaged in the cooperative effort of providing services described in the Scope of Services for which qualifications are being submitted.
6. Key Personnel: Lead members of Respondent's team and actual direct participants in the services. Key personnel may include the Respondent's employees or a Subcontractor.
7. MWDOC: MWDOC as used hereinafter shall refer to the Municipal Water District of Orange County.
8. Request for Qualifications (RFQ): This solicitation for qualifications from potential Respondents to perform the work described in the Scope of Services and in accordance with the terms of the Agreement.
9. Respondent: A sole proprietor, partnership, corporation, or joint venture submitting qualifications or response to MWDOC's RFQ.
10. Subcontractor: Any person, firm, or corporation performing work or providing service for the Respondent in support of the Scope of Services for an agreement.

SECTION 2

SCOPE OF SERVICES

Project Background

Price is what you pay; value is what you get. For decades water agencies have informed and assured customers that water is reliable and well managed in Orange County. Throughout this time, residents have come to expect that water is a resource to which they are entitled. Unfortunately, residents take for granted or lack the understanding of the infrastructure, manpower, engineering and resources which are dedicated to making high-quality water more reliable and bringing it to them in sustainable, efficient ways.

The recent economic downturn, slow recovery and drought have made this situation more complex. People have seen their consumption of water decrease while their bills have increased. Although their water bills remain the lowest of utilities, water rate increases in this context have been vexing to many. The need for investment in an aging infrastructure, quality enhancements, new supply development and engineering in order to prepare the region for economic growth is not clear to many. As funding for the BDCP comes before the public in a bond measure, this gap in the public's appreciation for this will is even larger.

In order to strategically approach this gap in understanding, MWDOC is undertaking a well-defined research program with its member agencies to develop trustworthy and impactful messages for a public outreach campaign. The member agencies and their public affairs professionals will utilize these messages as they see the need when informing the various stakeholders. The messages and themes developed will be vetted utilizing communications best practices so that they are most effective for particular audiences (e.g. small businesses, large businesses, older residents, younger homeowners, etc). The messages will be part of outreach efforts crafted with the member agencies to educate the various stakeholders in each community and may include:

- Chambers of commerce meetings
- Rotary and other business or trade association meetings
- Bill stuffers, newsletters, public meetings, town halls
- Internal communications, posters, exhibits

Building value is part of the overall effort to establish trust and credibility. People want to know that you care about their concerns, share their values and are engaged in an ongoing dialogue to keep them informed. The Municipal Water District of Orange County's Board of Directors (MWDOC) recognized the need to engage in a dialogue with the Orange County public in their 2010 Strategic Plan goal: *"MWDOC will engage and understand its member agencies and the communities it serves in order to meet their water needs and ensure that these communities understand the water challenges faced by the region"*. The MWDOC

member agency managers amplified this sentiment in their 2011 priority-setting workshop where improving “credibility with customers” as a work priority received the highest level of support. To instill a meaningful value and understanding for water reliability, ongoing water investments and water use efficiency are needed at the Orange County consumer level.

Regional Objectives

- **Objective 1: Build a public majority consensus for water reliability planning and investments**
- **Objective 2: Build a public majority consensus for local water project investments**
- **Objective 3: Build a public majority consensus for water rate increases**
- **Objective 4: Build a public majority consensus for the value of water and water service at the local level**
- **Objective 5: Build a public majority consensus for restoring the Bay Delta and alternate conveyance**
- **Objective 6: Build a public majority consensus for continued and increased water use efficiency**
- **Objective 7: Build a public majority consensus for supporting the outcomes in Metropolitan’s Market Transformation Plan,**
<http://edmsidm.mwdh2o.com/idmweb/cache/MWD%20EDMS/003721609-1.pdf>

The Value of Water Communications Plan is a long-term effort designed to engage, educate and inform Orange County residents and businesses of the value water service provides. In addition, one of the additional benefits of this plan will be to improve public trust and credibility. Changing public perception and sentiment as well as instilling public trust is a long-term effort. It is not a switch that you turn on and off overnight; rather it is a commitment that the family of Orange County Water Agencies make every day, with each customer and stakeholder interaction. The Value of Water effort will be determined successful if we meet the goal of instilling a meaningful value and understanding for water reliability, ongoing water investments and water use efficiency at the Orange County consumer level. This will be demonstrated on public support of water projects, water rates, water programs, increased water use efficiency and overall public awareness.

Meetings with the MWDOC's Public Affairs staff, Board of Directors, Committee meetings and Member Agencies.

- Consultant will participate in MWDOC meetings that may include, staff, member agencies and other stakeholders to develop a comprehensive question guide for the regional focus group study.
- Consultant will recommend the number, location and target audience for the focus group study based on the regional goals, objectives and available funding.
- Consultant will meet with stakeholder group half way through the focus group study to provide an update, assessment and progress report. Modifications to the question guide may be incorporated depending on anticipated outcomes, lessons learned, new information or other determining factors.
- Consultant will present a finalized report of the focus group study no later than June 30, 2014.

Subject Matter Expertise

- Consultant will provide ongoing subject matter expertise for the Value of Water communications plan, associated metrics, messaging, media strategy, value model and other related activities.

Presentations

- Consultant will provide presentations on the focus groups effort, reporting and question guide as well as other related activities as requested to stakeholders interested in receiving a presentation.

Creative

- Consultant will provide recommended creative elements, messaging and media channels no later than August 15, 2014.

Final Report

Consultant will prepare a final report of the Focus Group study, recommendations to the Value of Water Communication Plan and other related recommendations by **June 30, 2014**. Ten copies of the final report will be submitted to the District within 30 days after the initial review. The final report will include a narrative description of the entire Project, a discussion of any challenges encountered and how they were resolved, findings, participant comments, and recommendations. Illustrative graphs, charts, and

tables should be used to complement the narrative. The report will also include summary data of focus groups as follows:

- Demographics of participants in focus groups
- Number of participants
- Date and location of focus groups
- Name and credentials of facilitator
- Question Guide
- Key findings
- Recommended next steps
- Executive summary

Invoicing

Payment for services will be on a time and materials basis, billed at the hourly rates specified in the proposed budget attached as exhibit B. Consultant will invoice MWDOC, on a monthly basis, in accordance with MWDOC's reporting requirements by the 15th of each month for the services performed in the previous month. Back-up information showing the services performed and the Consultant staff member performing the services will be submitted with each invoice. Total compensation for all services specified in this scope of work shall not exceed \$130,000. Failure to provide the invoice and report within 10 days of the due date will result on late submission fee of a 10% deduction of the invoice amount.

MWDOC shall retain ten percent (10%) of each approved monthly invoice amount as partial security for the fulfillment of the Agreement by Consultant. These retained funds shall not be maintained in a separate account on behalf of Consultant, and no interest shall accrue on the funds. In the event the Agreement terminates at the end of its full term, MWDOC will release the retained funds to Consultant within thirty (30) days of acceptance by MWDOC Staff of Consultant's "Final Report," as described in this Scope of Work. In the event the Agreement terminates, MWDOC will release the retained funds, minus any disputed amounts, either within thirty (30) days after the expiration of the expiration of the 30-day period following termination for Consultant to submit invoices and backup information, or within thirty (30) days of acceptance by MWDOC staff of any report submitted by Consultant after the effective date of termination, whichever occurs later.

SECTION 3

QUALIFICATIONS

General

The following items are the required components of Respondent's response to this RFQ. MWDOC will utilize these components for purposes of evaluating Respondent's response during the review and evaluation period. The order of the listed criteria is not indicative of their priority, weighting or importance.

Approach

1. Narrative discussion of why Respondent is especially qualified to perform services described in this RFQ.
2. Description of how the Respondent will develop the Question Guide.
3. Description of how the Respondent will conduct Focus Groups and what target audiences are recommended.
4. Describe the Respondent's skill set and experience in providing Subject Matter Expertise in communications plan development and implementation, business model development and refinement, consumer insight, media channel strategy, creative development, metrics and evaluation.
5. Description of how the Respondent will develop and provide related creative materials.
6. Project Timeline.
7. Project Budget.

Experience

1. Submit resumes of Respondent key personnel who will work on this Project. Resumes should describe qualifications, education, and relevant previous experience to perform the services described in the Scope of Services.
2. Submit an organizational chart indicating lines of authority and designate the main point of contact and Consultant's project manager for this project.
3. Describe experience that shows demonstrated knowledge in providing the services described in the Scope of Services. Respondent shall have technical expertise in conducting focus groups, developing question guides, developing related creative materials and messages, knowledge and understanding of complex business

models and applications as well as experience with stakeholder engagement in the water industry.

References

1. Provide references from **three to five different sources** that engaged Respondent to perform the services described in the Scope of Services within the last five years similar in size and scope, particularly work performed for a public agency.
2. List the most current projects first by name, title, organization, address, telephone numbers, email addresses, completion dates and total costs of completed projects from projects listed above.

Cost Proposal

1. A cost proposal shall be submitted, using the Budget Table provided in Exhibit C, in a sealed envelope with the qualifications. The cost proposal shall cover all items as part of this RFQ and shall indicate costs and budgeted hours broken down for each task and subtask. Hourly rates for each member of the project team shall be included.

Qualifications Evaluation Process

1. MWDOC will evaluate all responsive qualifications using the criteria provided in Exhibit D and may select a Respondent based solely on their qualifications or MWDOC may select a short listed group of Respondents to participant in an interview session. The interview process may ask Respondent key personnel to present additional information or participate in a question and answer session to further clarify their qualifications.
2. All Respondents will be notified by March 31st of the selection. Formal Notification will be in writing and mailed to the address provided.

SECTION 4

QUALIFICATIONS INSTRUCTIONS

General

Respondents are encouraged to carefully review this RFQ and the Checklist (Exhibit B) in its entirety prior to preparation of the qualifications. MWDOC reserves the right to reject any or all qualifications or select the qualifications most advantageous to MWDOC. MWDOC reserves the right to verify all information submitted in the qualifications packet.

1. MWDOC reserves the right to amend this RFQ or issue to all Respondents a Notice of Amendment to answer questions for clarification.
2. MWDOC reserves the right to reject any or all responses for whatever reason, or select the response most advantageous to MWDOC. MWDOC reserves the right, at any time prior to commencement of the Project, to delay or discontinue this Project.
3. Respondent may modify or amend its qualifications only if MWDOC receives amendment prior to the deadline stated herein for receiving qualifications.
4. If Respondent forms a joint venture, a copy of the joint venture agreement will be requested if Respondent is selected for award. **Do not** submit the joint venture agreement with the qualifications.
5. The submitted qualifications may be considered non-responsive if conditional, incomplete, or if it contains alterations of form, additions not called for, or other irregularities that may constitute a material change to the qualifications.
6. MWDOC will not be responsible for submittals that are delinquent, lost, miss-marked, and sent to an address other than that given herein, or sent by mail or courier service and not signed for by MWDOC.
7. Respondent shall name a Project Manager for these services that will coordinate all activities with MWDOC.

Qualification Format

1. Respondent's qualifications shall be clear, accurate, and comprehensive. Excessive or irrelevant materials will not be favorably received. Please include samples of similar creative work for public sector clients. In order to ensure submission of a complete qualifications packet, Respondents are encouraged to use the Checklist in preparing their qualifications.
2. A cost proposal shall be submitted following Exhibit C in a sealed envelope with the qualifications.

3. Qualifications shall be in an electronic format as well as a printed copy. Qualifications shall be organized, tabbed, and numbered in the order presented below:
 - A. Qualifications Transmittal Cover Letter
 - B. Executive Summary
 - C. Approach (Items 1-6)
 - D. Experience (Items 1-3)
 - E. References (Items 1-2)
 - F. Required Attachments
 - Exhibit A – Business Statement
 - Respondents Participation Form
 - G. Cost Proposal – Submit one cost proposal following Exhibit C in a sealed envelope
4. Qualifications and submittal materials shall be enclosed in a sealed package. Respondent's name and address shall appear in the upper left-hand corner of the package. If more than one package is submitted, each package shall be legibly numbered below the name of Respondent, i.e., Package 1 of 3 through 3 of 3 as required.
5. Qualifications will be received until **4:00 p.m. on March 21, 2014**. Qualifications received after this time and date will be returned unopened.
6. Respondent shall submit **three hard copies** of the qualifications packet as well as an electronic copy to MWDOC at the address listed below. No emails or faxes will be accepted.

By Mail:

Municipal Water District of Orange County
PO Box 20895
Fountain Valley, California 92728

Attn.: Darcy M. Burke
Director of Public Affairs

RE: RFQ 596 – Professional
Communications Services

In Person or by Courier:

Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, California 92708

Attn.: Darcy M. Burke
Director of Public Affairs

RE: RFQ 596 – Professional
Communications Services

BUSINESS STATEMENT

This form must be completed and signed by the Respondent and each subcontractor proposed to participate in this award. Attach additional copies of this form as required.

Company Name: _____

Mailing Address: _____

City: _____ State: _____ Zip: _____

Telephone No.: _____ Fax No.: _____

Email address: _____

Contact Person's Name: _____

Telephone No.: _____ Fax No.: _____

Email address: _____

Business License No.: _____ City: _____

State: _____ Expiration Date: _____

Federal ID no. or Social Security No.: _____

Contract Manager's Name _____

Telephone No.: _____ Fax No.: _____

Mailing address _____

Type of organization: (check all that apply)

- ☐ Corporation, under the laws of the State of: _____
- ☐ Individual
- ☐ Joint Venture
- ☐ Municipal, State, or Federal
- ☐ S Corporation
- ☐ General partnership ☐ Limited partnership
- ☐ Non-profit corporation
- ☐ Small Business Enterprise: A business enterprise that is independently owned and operated; organized for profit; is not dominant in its field; and meets the criteria set forth by the Small Business Administration in Title 13, Code of Federal Regulations, Part 121.

Company representative authorized to sign contracts.

Name	Official Capacity	Telephone

Potential Conflicts of Interests Summary

All Respondents and proposed Sub-Respondents must respond to each of the following questions to determine if any actual or perceived conflict of interests may exist. If any response has a “yes” answer, the supporting questions must also be answered completely and accurately in full detail to identify any potential or actual conflicts of interests, including organizational conflicts, bias, and unfair competitive advantages. MWDOC reserves the right to review and make a final determination regarding whether any actual or potential conflicts of interests would violate MWDOC’s procurement and ethics policies, and thus preclude a respondent’s participation in this award.

1. To the best of your knowledge, have you or any of your team member(s) ever been employed or retained by MWDOC? [Yes] or [No]. If your answer is “Yes,” please provide the following additional information (attach additional sheets as needed):
 - Name of individual: _____
 - Title/position within your company: _____
 - Was the individual a MWDOC full-time employee? [Yes] [No]
 - Part-time employee? [Yes] [No]
 - As-needed employee? [Yes] [No]
 - Retained Respondent? [Yes] [No]
 - Or, other? Please explain: _____
 - Dates of employment/engagement with MWDOC: _____
 - MWDOC department(s)/area(s) worked: _____
 - Name of MWDOC supervisor: _____
 - Description of job duties and responsibilities for each MWDOC position held:

2. To the best of your knowledge, are any present or former MWDOC employees or Board members, or immediate relatives of any present or former MWDOC employees or Board members, currently serving as officers, partners, or shareholders in your company? [Yes] or [No]. If the answer is “Yes,” please provide the following additional information as (attach additional sheets as needed):
 - Name of individual: _____
 - Title/position within your company: _____
 - Percentage of ownership of company shares: _____

3. To the best of your knowledge, are any of your former employees or officers currently employed or retained by MWDOC? [Yes] or [No]. If your answer is "Yes," please provide the following additional information (attach additional sheets as needed):
- Name of individual: _____
 - Title/position within your company: _____
 - Description of job duties within your company: _____
 - Dates of employment/service within your company: _____
4. In the preceding twelve months, have you, your company, or any employee or officer made, arranged, or delivered any gifts (including entertainment) to any MWDOC Board member? [Yes] or [No]. If the answer is "Yes," please provide the following additional information as (attach additional sheets as needed):
- Name of MWDOC Board Member receiving gift: _____
 - Value of the gift: _____
 - Description of the gift: _____
 - Date that gift was delivered: _____
5. In the preceding twelve months, have you, your company, or any employee or officer made, arranged, or delivered any campaign contributions to any MWDOC Board member? [Yes] or [No]. If the answer is "Yes," please provide the following additional information as (attach additional sheets as needed):
- Name of MWDOC Board Member receiving contribution: _____
 - Amount of contribution: _____
 - Form of contribution (i.e., cash, check): _____
 - Date that contribution was delivered: _____
 - To whom was the contribution delivered: _____

I declare under penalty of perjury of the laws of the State of California that the foregoing is true and correct.

Name (Type or print)

Name (Signature)

Title

Date

Municipal Water District of Orange County

RESPONDENTS PARTICIPATION FORM

RFQ No. 596

This form shall include all prime Respondents, partners and sub-Respondents

LIST ALL PARTIES PROVIDING SERVICES			PERCENTAGE OF THE PROPOSED COST
Name, Address, Telephone and E-mail address	Relationship: Prime, Joint Venture, Sub-Respondent	Type of work to be Completed	Percentage of Services
Total:			

**CHECKLIST
RFQ No. 596**

The following checklist is offered as an aid to ensure Respondent has included all RFQ requirements prior to submittal of the qualifications packet. Respondent shall submit **three (3) hard copies** of the qualifications packet.

Qualifications Transmittal Cover Letter

Part I Executive Summary:

- ☐ Summary of Respondent's qualifications and experience to perform the required services.

Part II Approach:

- ☐ Narrative discussion of why Respondent is especially qualified to perform services described in this RFQ.
- ☐ Description of how the Respondent will develop Question Guide.
- ☐ Description of how the Respondent will conduct Focus Groups and what target audiences are recommended.
- ☐ Description of how the Respondent will develop and provide related creative materials.
- ☐ Description of relevant Subject Matter Expertise.
- ☐ Project Timeline.
- ☐ Project Budget.

Part III Experience:

- ☐ Provide resumes and relevant Respondent and team experience.
- ☐ Provide organization chart.
- ☐ Demonstrated knowledge and experience in providing the required services.

Part IV References:

- ☐ Provide three **to five** client references from different sources for work performed within the last five years similar in size and scope.
- ☐ List the most current projects first by name, title, organization, address, telephone numbers, email addresses, completion dates and total costs of completed projects from projects listed above.

Part V Required Attachments:

- ☐ Exhibit A: Business Statement and Respondents Participation Form

Part VI Cost Proposal:

- ☐ Submit one cost proposal, using Exhibit C, in a sealed envelope.

Budget Table RFQ No. 596

Task 1. Project Administration and Management

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
		Total	

Task 2. Develop Question Guide

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
		Total	

Task 3. Conduct Focus Groups

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
		Total	

Task 4 Subject Matter Expertise

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
Total			

Task 5 Creative Materials Development

Staff Member and Title	No. of Hours	Hourly Rate	Cost per Staff Member
Total			

Task 6 Final Report

Total Cost

Total Services Cost

**Evaluation Criteria
RFQ No. 596**

Evaluation Criteria	Weight
1. Experience	20
2. Approach	20
3. Education	20
4. Budget	20
5. Team	10
6. References	10
TOTAL SCORE POSSIBLE	100



ACTION ITEM
February 19, 2014

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Hinman, Clark)

Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

SUBJECT: CALIFORNIA SPECIAL DISTRICTS LEGISLATIVE DAYS, MAY 20-21, 2014, SACRAMENTO

STAFF RECOMMENDATION

Staff recommends the Board of Directors review the information on the California Special District Association's Legislative Days and consider authorizing attendance at the event.

COMMITTEE RECOMMENDATION

The Committee will meet on February 18, 2014 and make a recommendation to the Board.

DETAILED REPORT

The California Special Districts Association is hosting its annual Special Districts Legislative Days in Sacramento on May 20th and 21st. Typically, representatives from all types of special districts from throughout the state attend and participate.

There is time allotted during the two-day event to meet with legislators as well as a private reception for attendees. Currently, the complete schedule of events is not available.

Registration costs, not including travel, accommodations and other related expenses are \$175 per person on or before April 18, 2014 and \$225 after April 18th for members.

Budgeted (Y/N): N	Budgeted amount:	Core X__	Choice __
Action item amount: \$2,350		Line item: 31-7150/7155	
Fiscal Impact (explain if unbudgeted): Proposed amount is for one Director and one staff member and includes registration, transportation, accommodations and other related expenses.			



ACTION ITEM
February 19, 2014

TO: Board of Directors

FROM: Public Affairs & Legislation Committee
(Directors Dick, Clark & Hinman)

Robert Hunter, General Manager

Staff Contact: Jessica Ouwerkerk

SUBJECT: DESIGNATION OF MWDOC'S ALTERNATE VOTING REPRESENTATIVE FOR ISDOC

STAFF RECOMMENDATION

Staff recommends the Public Affairs & Legislation Committee authorize a Director to vote on behalf of MWDOC at ISDOC in the absence of the presiding officer.

COMMITTEE RECOMMENDATION

The Committee will discuss this item on February 18, 2014 and make a recommendation to the Board.

SUMMARY

The ISDOC Bylaws were recently amended and approved by the ISDOC Board of Directors on December 10, 2013. The amended Bylaws state:

Each Regular Member district, in good standing, shall be entitled to one vote on all matters brought before the membership for a vote. The presiding officer of the governing body of each Regular Member district shall be recognized by the Organization as the voting representative for his/her district. Each district shall designate in writing and submit to the Organization's Secretary one alternate governing board member who shall have the right to vote in the absence of the presiding officer.

At this time, MWDOC is requested to authorize and designate in writing to ISDOC Secretary Leslie Keane (l.keane@orccd.com) the name of an alternate director who may vote in the presence of MWDOC's presiding officer. MWDOC may choose to designate a specific director or a specific position (e.g., Vice President).

Budgeted (Y/N): N	Budgeted amount: N/A	Core <u>_X_</u>	Choice <u>__</u>
Action item amount: \$0	Line item:		
Fiscal Impact (explain if unbudgeted):			



Item No. 7-9

ACTION ITEM February 19, 2014

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

SUBJECT: RESOLUTION HONORING CONGRESSMAN GARY MILLER

RECOMMENDATION

Staff recommends the Board of Directors approve honorary resolution honoring Congressman Gary Miller, and direct staff to prepare the resolution for presentation at the upcoming Washington D.C. luncheon.

DETAILED REPORT

On February 12, 2014, Congressman Gary Miller announced he would not seek re-election and will retire from the United States House of Representatives and from public service. Congressman Miller has been a good friend and supporter of the Municipal Water District of Orange County, Orange County Water Projects and a myriad of water reliability efforts. As a token of our thanks for his years of service and his continued support, staff is drafting an honorary resolution recognizing his contributions and support. The resolution will be complete in time to present to Congressman Miller at our annual Washington D. C. luncheon in conjunction with the Associated California Water Agencies Conference on February 26, 2014.

Budgeted (Y/N): Y	Budgeted amount: \$5,000	Core _X_	Choice __
Action item amount: \$150.00	Line item: 32-7040		
Fiscal Impact (explain if unbudgeted):			

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES FEBRUARY 2014

Managers' Meeting	<p>MWDOC held its Member Agency Managers' meeting in Fountain Valley on Thursday, January 16. In attendance were Andy Brunhart (SCWD); Thom Coughran (La Palma); Michael Grisso and Francisco Gutierrez (Buena Park); Lisa Ohlund (EOCWD); Jose Diaz (Orange); Steve Conklin (YLWD); Hector Ruiz (TCWD); Robert Hanford (GSWC); Betsy Eglash (Brady/Mesa); Scott Miller (Westminster); Paul Cook and Paul Weghorst (IRWD); Joone Lopez (MNWD); George Murdoch (Newport Beach); Brian Ragland (Huntington Beach); Bob Hill (ETWD); Mark Sprague (Fountain Valley); Dan Ferons (SMWD); Mike Markus and John Kennedy (OCWD); West Curry (San Juan Capistrano); and Karl Seckel; Harvey De La Torre; Keith Lyon; Richard Bell; Lee Jacobi; and myself of staff.</p> <p>The agenda included the following:</p> <ol style="list-style-type: none"> 1. MWDOC/OCWD Consolidation Update 2. MWDOC's Budget Process – Member Agency Input 3. AB 850 – Securitized Debt Financing for Local Projects 4. WRRDA WIFIA Glitch 5. Water Supply Update 6. SDCWA/MET Lawsuit 7. MET's AMP Shutdown and other planned shutdowns 8. BDCP Workgroup 9. Remaining Capacity Charge Contingency Fund 10. DC Conference Luncheon 11. OCWD Ocean Desalination Update 12. Cadiz Project Update by Dan Ferons <p>The next meeting is scheduled for February 20.</p>
California Department of Parks and Recreation	<p>In Sacramento, Karl, Chris Townsend and I met with the California Department of Parks and Recreation Director, Major General Anthony Jackson, to discuss the appraisal process for the Doheny site and the long term relationship with State Parks, who has been a wonderful partner. Based on the meeting, the need for an appraisal to extend the current lease was eliminated as they agreed to continue at the current rate. Although they are very supportive of what we are trying to accomplish at the site and the way we are approaching the project, State Parks felt it was premature to enter into a long term agreement at this time.</p>

MET ITEMS CRITICAL TO ORANGE COUNTY

MWD's Water Supply Conditions

State Water Project Deliveries

On January 17, Governor Brown declared an official drought state of emergency and called on local water suppliers and municipalities to implement their water shortage contingency plans. California's drought has left the Sierra largely bare of snow and the state's reservoirs low. The state is in need of very wet weather in the coming months in terms of rainfall and snowpack for water supply and reservoir levels to end the year above historic lows.

On January 31, the state's second snowpack survey showed that conditions in northern California had worsened to 12 percent of average water content. This caused the California Department of Water Resources to take the unprecedented step of reducing the State Water Project (SWP) Table "A" Allocation from 5 percent to zero.

With the SWP Allocation currently at zero and Governor Brown's drought declaration, Metropolitan adopted a Water Supply Alert Resolution calling for local water agencies and cities to increase their water use efficiency efforts, including adopting and implementing local drought ordinances to sustain their regional storage reserves through this drought. Although, Metropolitan has approximately 2.4 million acre-feet of dry year storage and does not plan to implement mandatory water delivery reductions in 2014, the Water Supply Alert is a part of MET's Water Surplus and Drought Management (WSDM) plan.

As of February 7, 2014, the SWP's 8-Station index measured the Northern Sierra's accumulated precipitation at 4.9 inches (16 percent of normal for this date). Lake Oroville, the State Water Project's (SWP) principal reservoir, is only at 36 percent of its 3.5 million acre-foot capacity (54 percent of its historical average for the date). San Luis Reservoir, a critical south-of-Delta pool for the SWP, is at 31 percent of its 2 million acre-foot capacity (39 percent of normal for the date).

MWD's Water Supply Conditions (Continued)	<p><u>Colorado River Deliveries</u> Snowpack conditions in the Upper Colorado River Basin have stayed about normal for this time of year. The accumulated precipitation in the Upper Colorado River Basin as of January 28, 2013 was 12 inches (98% of normal for the date). Under the current forecast, total water year 2014 inflows to Lake Powell, which is a good measure of hydrologic conditions in the Colorado River Basin, are expected to be 10.07 MAF (93% of average). In the period from 2000 to 2013, hydrologic conditions in the Colorado River Basin were above average in only 3 out of 14 years. At the beginning of 2014 water year, total system storage in the Colorado River Basin was only 29.9 MAF (50% of 59.6 MAF total system capacity). This is a reduction of 4 MAF from the beginning of 2013 water year. Over the course of 2014, Lake Mead is currently projected to drop by 19 feet to an elevation of 1,090 feet above sea level as determined by scheduled releases established in August 2013. This is 15 feet above the shortage trigger of 1,075 feet.</p> <p><u>Metropolitan Storage</u> Metropolitan began CY 2013 with 2.73 MAF in "dry year storage" (this does not include the ~650,000 AF of emergency storage). Following a water supply and demand imbalance of 358 TAF, dry year storage began CY 2014 at 2.37 MAF. These storage levels put Metropolitan in a good position to manage shortfalls between supplies and demands in CY 2014. The estimated single year take capacity for CY 2014 is 1.44 MAF.</p>
MWD's Finance and Rate Issues	<p>MWD's CFO Gary Breaux reported that water sales through the first six months of the fiscal year are 170,900 AF higher than budgeted and higher than MWD's five year average. As a result, water sale revenues are currently \$126.4 million higher than budgeted, while expenses are \$747.9 million below budget. This is primarily due to lower than expected State Water Project (SWP) energy costs as a result of lower SWP deliveries.</p> <p>Mr. Breaux stated that based on these conditions, MWD forecasts that by the end of the fiscal year, MWD is expected to place an additional \$269.8 million in reserves, bringing their total reserves to \$806 million (\$319 million over the maximum reserve target). However, he also noted that MWD still has large unfunded liabilities totaling \$794.7 million (OPEB and Pension).</p>

MWD's Finance and Rate Issues (Continued)	<p><u>MWD's Biennial Budget Workshop</u></p> <p>On February 10, MWD held its first Biennial Budget Workshop for FY 2014/15 and FY 2015/16. CFO Gary Breaux first identified that the revenue requirements call for its Full Service Treated Tier 1 rate to increase 3.9% in 2015 and 2.3% in 2016. This is based on a water sales assumption of 1.75 MAF and budget projection of 50% SWP Table "A" Allocation. It also assumes freezing the MWD Ad Valorem rate and cover 100% of PAYGo.</p> <p>Mr. Breaux described the increases in O&M Expenditures (additional \$32 million) mainly due to employee salaries and benefits, as well as increases in water supply programs and demand management programs due to the drought. He also covered some of the decreases in power costs on the SWP, and debt services payments.</p> <p>There was a discussion of what to do with the additional revenues MWD is expected to receive by the end of this fiscal year (funds above MWD maximum reserve target). Mr. Breaux recommends using the \$320 million in three key areas: 1) Place \$100 million in the Replacement and Refurbishment Fund to make up for past years PAYGo amounts; 2) Place \$100 million in Other Post Employment Benefits (OPEB) trust to reduce the annual required contribution amount by \$6.5 million; and 3) Place the remaining \$120 million in water transfer and management fund to replenish storage and cover drought related response costs. All in an effort to help keep future rate increases low and provide funding water storage and supply programs should the drought continue.</p> <p>There was also a 10-year rate projection that showed rates to increase 3 to 5 percent per year, which includes expected BDCP costs.</p> <p>A second Budget Workshop is planned for February 25 with a public hearing scheduled for March 11. Based on the Board feedback, MWD expects to consider adoption of the Budget and Rates in April.</p>
Colorado River Issues	<p><u>Colorado River Outlook Improves</u></p> <p>Each month, the U.S. Bureau of Reclamation (Reclamation) updates its two-year outlook for the operation of its Colorado River reservoirs, including Lake Mead and Lake Powell. Back in August 2013, Reclamation's forecast was that Lake Mead would drop 45 feet in the next two years and reach an elevation of 1,061 feet, assuming average snowfall each year. This is well below the 1,075 foot level that would trigger a first-ever shortage declaration on the Colorado River. Since</p>

Colorado River Issues	then, the Colorado River Basin has experienced one of the wetter late summer seasons on record, and the 2014 water year's runoff is currently expected to end the year at 93% of average. Lake Mead is now forecast to reach a low point of 1,084 feet in 2015, a full 23 feet higher than projected back in August 2013. Despite this improved outlook, the risk of shortage still remains.
Bay Delta/State Water Project Issues	<p><u>Governor Declares Drought</u></p> <p>On January 17, 2014 Governor Jerry Brown declared an official drought state of emergency, directed state officials to take all necessary actions to prepare for drought conditions, and launching a statewide water conservation campaign that urges all Californians to conserve water by at least 20 percent.</p> <p>In the State of Emergency declaration, Governor Brown directed state officials to assist farmers and communities that are economically impacted by these dry conditions and to make water transfers more accessible to those areas that are facing drinking water shortages. The Governor also directed state agencies to use less water and hire more firefighters and initiated a greatly expanded water conservation public awareness campaign.</p> <p><u>Bay Delta Conservation Plan</u></p> <p>The state of California and its federal partners, U.S. Bureau of Reclamation, U.S. Fish and Wildlife Service, and National Marine Fisheries Service, have released the Bay Delta Conservation Plan (BDCP) and corresponding Draft Environmental Impact Report/ Environmental Impact Statement (EIR/EIS) for public review. The 120-day public review period runs through April 14, 2014.</p> <p>From mid-January through mid-February 2014, experts will be available at a dozen separate public meetings to facilitate review of the BDCP, and to hear public comments on the BDCP and accompanying environmental documents. The 9,000-page BDCP and its corresponding 25,000-page Draft EIR/EIS reflect significant revisions since the informal release of the second administrative review draft last spring and summer.</p> <p><u>State Finalizes California Water Action Plan</u></p> <p>The California Natural Resources Agency, the California Environmental Protection Agency and the California Department of Food and Agriculture finalized the California Water Action Plan for Water on January 23. This report identifies 10 key actions that, in the next five years, will move California toward more sustainable water management by providing</p>

Bay Delta/State Water Project Issues (Continued)	<p>reliable water supply for our farms and communities, restoring important wildlife habitat and species, and helping the state's water systems and environment become more resilient.</p> <p>Actions identified in the draft plan include:</p> <ul style="list-style-type: none"> • Making conservation a way of life in California; • Increasing local and regional self-reliance; • Achieving the coequal goals for the Delta; • Protecting and restoring important ecosystems; • Managing and preparing for dry periods; • Expanding water storage capacity; • Providing safe drinking water for all communities; • Improving flood protection; • Increasing operational and regulatory efficiency; and • Identifying sustainable and integrated financing opportunities. <p>The final plan includes an expanded focus on the current drought and climate change; new language on the water-energy nexus, including leveraging cap-and-trade auction revenue; more references to the benefits of water use efficiency and conservation; a new section on managing headwaters for multiple benefits, and additional detail in the groundwater section, including support for the California Statewide Groundwater Elevation Monitoring program and increased groundwater recharge.</p>
<h2 style="text-align: center;">ENGINEERING & PLANNING</h2>	
Baker Treatment Plant	<p>On January 29, Karl Seckel attended the Baker Water Treatment Plant Dedication Ceremony. All of the public speeches acknowledged the broad coming-together of agencies, boards, staffs and consultants to make this type of project successful. MWDOC was not only recognized by the Project Participants, but also was provided a Recognition Award from Wendy Bucknam from the South Orange County Regional Economic Forum. The contractor has already been out on the site for the project walk and has begun marking right of ways and facilities and will soon begin the demolition on the old 3 MG clearwell to make room for the new plant.</p> <p>MWDOC has also been asked to help secure MET's concurrence on the quality of water being introduced into the South County Pipeline. Discussions are underway with MET.</p>

Second Lower Cross Feeder	<p>MET provided a written analysis of the Second Lower Cross Feeder Project. Following is a summary excerpt from their analysis:</p> <p>Through a series of cooperative efforts, studies and discussions over a number of years, Metropolitan has concluded that the SLCF project, even when considered as a local project within Orange County, may not represent the best investment for enhancing emergency reliability. The ability of the SLCF to deliver water into Orange County under emergency conditions would be highly dependent upon upstream conditions at the time of an event. As a result, MET could not guarantee a specific delivery capacity for the SLCF during an emergency. Furthermore, MET has invested heavily in improving the resilience of the Diemer plant. MET supports the consensus of Orange County water agencies to consider options that would enable the region to withstand interruptions of MET supplies for up to a 60-day period.</p> <p>Based on this, MWDOC's staff recommendations are:</p> <ol style="list-style-type: none"> 1. Incorporate additional Conjunctive Use Storage for emergency purposes into the existing Emergency Services Program. A review of the IRWD system to convey the additional capacity needs to be undertaken in conjunction with IRWD. 2. Examine new opportunities for a conjunctive use wellfield of up to 50 cfs. This will require close work with OCWD, the groundwater producers and the South County agencies. 3. Discuss with MET options involving the existing MET Conjunctive Use Storage Account and options for backfeeding into the MET system to serve portions of LA County.
WEROC Budget	<p>Karl, Kelly and I participated in discussions with the Three Cities, OCWD, and Orange County Sanitation District regarding WEROC Funding for the coming year.</p>
Doheny Desal Project	<p>Work is underway on:</p> <ul style="list-style-type: none"> • Site discussions with State Parks. • Continuing discussions regarding the Phase 3 Wind-Up Agreement • Execution of Foundational Action Program Agreements for the Doheny Desal Project and the San Juan Basin Authority Project. <p>Both efforts will provide additional information regarding the groundwater basin, the ocean desalination project and the interface between the two.</p> <p>Director Brett Barbre, Karl, Federal Advocate, Jim Barker, and I met via conference call with South Coast Water District Board President, Wayne Rayfield, and General Manager, Andy Brunhart, to discuss plans for a Washington DC trip on funding opportunities for Doheny Desal.</p>

BDCP EIR	Karl, Richard, Harvey, and I and consultants, Ed Means and Heather Dion, convened a volunteer Workgroup to discuss comments on the BDCP EIR. Steve Arakawa and Margie Wheeler provided a superb summary presentation and discussion of the key issues. The Workgroup will be developing a template of responses for the BDCP EIR for Orange County entities to use to develop formal responses prior to the April 14 deadline.
San Juan Basin Authority	Karl attended the San Juan Basin Authority meeting to respond to questions on the Foundational Action Funding Agreement. SJBA approved the form of agreement with several minor changes.
AMP Shutdown Finished Early	MET shut down the Allen-McColloch Pipeline (AMP) for 8 days in January. It was planned as an 11-day shutdown for inspection of the north half only, some minor replacements, and possible repairs. Retail agencies in both the north and south OC areas were affected. The inspection found just a small amount of mortar lining repair was needed, so MET was able to return the line to service early. Lee coordinated with MET and the retail agencies on planning and on status updates.
SLF Shutdown	MET is shutting down portions of the Second Lower Feeder in mid-February for inspection and repair work. The work is divided into segments. Only two Orange County retail agencies are affected –Golden State WC and La Palma – and OCWD was involved in accepting and percolating the dewatering flow. Keith and Lee coordinated with MET and the OC agencies on planning and status updates. The line will be returned to service at different dates for the different segments.
OCF/ICF Shutdown	MET will shut down portions of the Orange County Feeder (OCF) and the Irvine Cross Feeder (ICF) for 6 days in late February for inspection and repair work. This shutdown affects Huntington Beach, IRWD, Laguna Beach CWD, Mesa Water, Newport Beach, OCWD, and Santa Ana. Keith and Lee coordinated with MET and the Orange County agencies on planning for this shutdown.
Irvine Ranch WD Potential LRP	Harvey and Keith hosted a meeting with Andy Hui, Ray Mokhtari and Jose Vergara from MET and Mike Hoolihan, Mark Tettermer and Kellie Welch from IRWD to discuss a potential new Local Resources Project (LRP) that would increase production and use of recycled water by about 620 acre-feet per year. IRWD plans to prepare an LRP Application that would be submitted to MET through MWDOC. Also, additional recycled water production and use was discussed as possible future projects that could qualify for MET's LRP incentives.
OCWD Producers	FY14/15 Replenishment Assessment (RA) & Basin Pumping Percentage (BPP) projection; Economics of purchasing MWD untreated Full service water to increase the BPP; Ocean Desalination update; Consolidation

OCWD Producers (Continued)	<p>discussions with MWDOC update; and a monthly update about the North and South Basin lawsuits were all discussed when Keith attended the <u>January 15</u> OCWD Producers' meeting. OCWD staff provided an initial projection of a 72% BPP with an RA of \$295-\$305/AF for FY14/15. Regarding the Ocean Desal update, copies of OCWD's revised White Paper were distributed for discussion and comment.</p> <p>At OCWD's Forebay Headquarters, Keith attended the <u>February 12</u> OCWD Producers' meeting where agenda items included: Accumulated Overdraft and update about purchasing additional MET water; FY14/15 RA & BPP estimates; Consideration of purchasing additional Panattoni property; Long-term Facilities Plan update including Ocean Desal; RA for Ag uses; Groundwater Management Plan update; and Ocean Desalination update. It was reported that at the Water Issues Committee meeting (immediately preceding the Producers meeting), the Committee approved the staff recommendation to purchase an additional 29,100 AF of MET untreated Full service deliveries to recharge the basin. The additional purchases plus already purchased water would sum to 68,000 AF of total MET deliveries for FY13/14. Final approval will be voted on during the February 19 OCWD Board meeting.</p>
<h2 style="text-align: center;">EMERGENCY PREPAREDNESS</h2>	
WEROC General Activities	<p>Kelly Hubbard traveled to Sacramento for the California Emergency Services Association (CESA) Board meeting, as a State Board Member (travel was paid by the association). While there, Kelly met with Ray Riordan (CalWARN State Steering Committee Chair) and Steve Sellers (Cal OES Assistant Director for Response) regarding CalWARN. The Director agreed to work with Kelly and Ray to ensure that the State works with Cal WARN on water utility impacts during disasters and to ensure proper recognition of the program for mutual aid reimbursement processes. Additionally, Director Sellers requested the assistance of Cal WARN for the current drought response. Kelly will be his lead contact for situational awareness and as a liaison to the water utilities.</p> <p>Kelly attended Emergency Management Mutual Aid (EMMA) Training. EMMA is a mutual aid system to provide emergency managers to other emergency operation centers following a disaster. This is the same</p>

WEROC General Activities (Continued)	program that facilitated Kelly's assistance to Imperial County following the Easter Sunday Earthquake in 2010. The training was important to learn about updates to the system and to understand how our utilities might use it in the future.
Water Trailers	<p>Staff is working on securing Transfer of Equipment agreements with the two agencies who will be receiving the trailers. The Cities of Buena Park and Newport Beach are taking the transfer agreements to their City Councils for approval.</p> <p>Reimbursement packets have been submitted to the City of Santa Ana for all 15 trailers for a total reimbursement request of \$497,308. The first reimbursement check has been received in the amount of \$298,386.</p>
Member Agency Coordination	Many of the WEROC agencies contact staff to verify training provided for various employees over the years. Training verification is important for each agency's National Incident Management System (NIMS) compliance, but has become burdensome after 10 years of federally required training. Brent has developed a WEROC Training Database to allow WEROC to track the total number of hours trained, total member agency employees trained, and their individual training histories. He is working on populating the database from training sign in sheets
Coordination with the County of Orange	<p>Brent Galyon attended the monthly OCEMO and Alert OC meetings. A presentation on Defense Support to Civilian Authorities was provided. Brent is continuing to work with Col. Littman with the Defense Support for Civilian Authorities (DSCA) branch of military assistance to potentially develop a mutual aid contract for some of their equipment, including Reverse Osmosis Water Purification Units (ROWPU's).</p> <p>Brent Galyon attended the Orange County OA EOC Responder Section Training, necessary for anyone who could be called upon to represent WEROC at the Operational Area EOC.</p>
Coordination with Outside Agencies	Kelly attended the Southern California Mutual Aid Regional Advisory Committee (MARAC) in Norwalk as the Region 1 Water Mutual Aid Coordinator for the State. Updates on the Drought and Fire Conditions, Training, Access & Functional Needs Planning Requirements, and the current Flu Season were provided. The impact of the current drought on fire conditions throughout the state has been significant. The State has continued to staff fire assets that normally are not staffed this time of year. Additionally, the Access and Functional needs presentation provided some good information on actions water utilities should consider in their planning.

WEROC Emergency Operations Center (EOC) Readiness	Staff participated in the OA and MARS radio tests successfully. WEROC completed a WEROC radio test from the Fountain Valley office on January 28 with its member agencies.
WATER USE EFFICIENCY	
EPA WaterSense Partnership	On January 27, Melissa spoke with Cena Swisher and Karen Fligger of the EPA WaterSense program to discuss partnering with MWDOC to co-host a training event for WaterSense-labeled smart controllers to promote these rebate-eligible devices.
McKenna Property Management	On January 27, Melissa met with McKenna Property Management to discuss potential large landscape conversions at three industrial business parks located across north and central Orange County. These projects have the potential for up to 5+ acres of turfgrass removal.
Spray to Drip Pilot Program	On January 28, Melissa and Beth Fahl met with Anita Matlock of Rain Bird, Nathan Adams of Irvine Ranch Water District, and Michelle Madriz of Laguna Beach County Water District to discuss facilitation of the Spray to Drip Pilot Program. The Program will provide residential customers with a rebate for purchasing drip irrigation kits to be installed in place of spray irrigation.
SOCWMA	<p>At the City of Laguna Hills on February 3, Joe participated in the South Orange County Watershed Management Area (SOCWMA) Management Committee meeting. The focus of this meeting was to finalize an Executive Committee recommendation on a project scoring framework. This scoring framework will be used to select projects for Proposition 84 Round III funding later this year or early next year.</p> <p>On February 6, Joe attended the SOCWMA Executive Committee meeting. This meeting was attended by Director Hinman and 16 other elected officials who sit on the Executive Committee. Updates were provided on Proposition 50 and 84 projects currently being funded, and a timeline was presented for the final round of Proposition 84 funding. Discussion of the Water Bond Bill AB 1331 focused on moving South Orange County into the Santa Ana funding area. Consensus was that South Orange County should stay in the San Diego region. The next meeting is scheduled for June 5, 2014.</p>

California Sprinkler Adjustment Notification System	The commencement of beta testing for the California Sprinkler Adjustment Notification System was discussed on January 8 when Joe Berg, Melissa Baum-Haley, and Elizabeth Nam met with Carlos Ortega of Enterprise Information Systems, Neil Rambo and Bekele Temesgen of the Department of Water Resources (DWR), Kathy Ramos of MET, and Scott Summerfeld of East Bay MUD.
San Juan Capistrano Utilities Commission	On January 9 and February 4, Joe attended San Juan Capistrano Utilities Commission meetings. The topic of discussion at both meetings was a water and sewer rate study. These meetings provided a forum to discuss policies related to water, recycled water, sewer financial plans, revenue requirements, reserves, and the rate structure. The next Commission meeting is scheduled for February 18, 2014.
Urban Stakeholder Committee	In Riverside on January 14, Joe participated in DWR's Urban Stakeholder Committee meeting hosted by Eastern Municipal Water District and attended by approximately 20 water agency representatives. The agenda included a discussion of the Independent Technical Panel Report, 2014 Drought Assistance, the DWR Landscape Area Measurement Study, and Criteria for Compliance Year Adjustments. The next meeting is scheduled for April 2014 in northern California.
California Urban Water Conservation Council	On January 16, Joe participated in the Executive Director interview panel for the California Urban Water Conservation Council. Three candidates were interviewed, and the Board selected Greg Weber. Greg comes from the University of the Pacific School of Law and the Sacramento State University Center for Collaborative Policy.
MWD Joint Water Use Efficiency and Public Information Officers Meeting	On January 16, Melissa, Jessica Ouwerkerk, and Darcy Burke attended a joint Water Use Efficiency and Public Information Officers meeting at MWD which focused on drought issues and related messaging. Following the joint meeting, the standing monthly water use efficiency coordinators meeting continued and highlighted new programs offering enhanced rebates, such as the Public Sector Program and the Fitness Center Program.
NPDES General Permit Meeting	At the City of Irvine on January 23, Joe attended the Orange County National Pollution Discharge Elimination System (NPDES) General Permit meeting and presented a summary of water use efficiency programs available to Orange County cities. This meeting was attended by more than 40 stormwater managers from throughout the county.

Orange County Probation Department	On January 27, Joe met with Phillip Padilla of the Orange County Probation Department to discuss water use efficiency opportunities at the Juvenile Hall Facility in Orange. Following this meeting, a site survey will be performed on February 13 and 14 to identify specific recommendations for water savings and offer incentives to implement those recommendations.
Orange County Garden Friendly Pilot Program	On February 3, Melissa and Jessica met with the County of Orange and the University of California Cooperative Extension (UCCE) to develop the Orange County Garden Friendly (OCGF) Program. The OCGF Program is a collaborative effort of the Orange County Stormwater Program, MWDOC, and the UCCE. The first pilot event for this program will be held on March 29 at the Home Depot in Huntington Beach.
Water Smart Landscape Public Spaces Program	On February 6, Melissa and Joe met with Nancy Palmer of Laguna Niguel and Joe Ames of Mission Viejo to discuss their project proposals for the Water Smart Landscape Public Spaces Program, which is funded by a Proposition 84 grant to promote landscape conversions in highly visible locations of south Orange County.
Santa Margarita Water District Master Plan	On February 11, Melissa and Warren Greco met with Gary Russell and Martina Trotta of the Santa Margarita Water District to assist them with the program activity input for their Water Use Efficiency Master Plan.
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	<p>Director Brett Barbre, Karl, Joe and I hosted the OC Grand Jury for a Colorado River Aqueduct (CRA) trip on January 31-Feb.1.</p> <p>Director Barbre and Darcy met with Director Fern Steiner and Amy Chen of San Diego County Water Authority in regard to an upcoming shared State Water Project Trip scheduled for March 8-9.</p> <p>Darcy and Jessica are working with Metropolitan staff and our Member Agencies to coordinate outreach efforts regarding drought messaging. Draft talking points have been distributed for comments and consideration.</p> <p>Director Thomas and Darcy attended the City of Tustin Council meeting on February 4 where Darcy presented an update on the Bay Delta Conservation Plan.</p>

Member Agency Relations (Continued)	<p>Darcy presented the results of the Value of Water Survey to El Toro Water District's Board of Directors on January 23 and to Santa Margarita Water District's Board of Directors on February 5.</p> <p>Darcy participated in the City of San Juan Capistrano's Second Water Forum on February 11, 2014. The event was planned as a duplicate of the last event held in early December.</p> <p>The Public Affairs Workgroup meeting was held on January 21 where drought messaging, the Regional Communications Plan, and other topics were discussed.</p> <p>On January 29, Darcy met with Nira Yamachika and Michelle Boyd (OCWD), and Yuen Yap of Stetson Engineering regarding the Consumer Confidence Reports. The kick-off meeting with our member agencies was held on February 3. There are very minimal changes to the report requirements although it is expected that more cities and agencies will transition to the electronic report for ease of use, improved transparency and cost savings.</p> <p>Jessica developed and distributed an email invitation to the February 6 Board Workshop with guest speaker Gary Breaux. MWDOC member agency directors and managers were invited to attend.</p> <p>Jessica distributed water use efficiency marketing materials to Laguna Beach County Water District, City of Cypress, and Mesa Water District.</p> <p>On February 5, Jessica and Sarah Franks participated in the Children's Water Festival Planning meeting. This year's Festival will take place March 26-27. The VIP Luncheon is planned for the second day of the Festival. More than 7,000 elementary students from throughout Orange County are registered. MWDOC is supporting the Festival through a sponsorship of \$3,000 and staff will also be presenting an activity during the Festival.</p> <p>Harvey, Jessica and I participated in a drought messaging coordination meeting with staff of Metropolitan and other MET member agencies on February 6. Participants discussed the tone/content of the messages as well as MET's future outreach efforts. A \$5 million drought awareness outreach campaign will soon be going to the MET Board for approval.</p> <p>Tiffany coordinated registration and guest needs for 2 inspection trips, January 17-18, State Water Project, with Director Dick and Assemblyman Travis Allen, and January 31-February 1, Colorado River Aqueduct, with Director Brett Barbre and the OC Grand Jury. She is also in the process of coordinating registration for a 3rd March 8-9 State Water Project trip with Director Brett Barbre, which is a shared trip with San Diego Water Authority.</p>
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Community Relations	<p>Darcy, Jessica and Tiffany continue to work on the 2013 Annual Report, which will be available on the MWDOC website in both electronic and printable versions. The report should be completed later this month.</p> <p>Tiffany, Jessica, Vivian, and Sarah implemented MWDOC's social media activities through Facebook, Twitter, and Pinterest during this period.</p> <p>Tiffany and Interns, Sarah Franks and Vivian Lam, are contacting all MWDOC member agencies and OC special districts to update the 2014 MWDOC and ISDOC Directories.</p> <p>Darcy staffed the WACO meeting on February 7. The guest speakers were Dr. Christopher Gabelich, Senior Environmental Specialist, Metropolitan Water District of Southern California and Adrian Moore, Vice President of Policy, Reason Foundation.</p> <p>MWDOC hosted a Water Policy Forum & Dinner on Thursday, February 6. The guest speaker was Dr. Christopher Thornberg, esteemed economist and Founding Partner of Beacon Economics, LLC. Jessica took the lead on event planning, marketing, event logistics, and the follow-up survey; Tiffany coordinated registration and the pre-dinner reception décor; Darcy developed speaking points for Director Thomas and facilitated the guest speaker in collaboration with Metropolitan staff.</p> <p>On February 4, Jessica participated in the ISDOC Executive Committee meeting. As the staff administrator for ISDOC, Jessica is currently working to book speakers for the next ISDOC Luncheon, market Associate Membership opportunities to non-independent special districts, distribute membership dues statements, manage registrations and payments for the recent ISDOC Luncheon, and conduct an ISDOC Quarterly Luncheon participant satisfaction survey.</p> <p>The ISDOC Quarterly Luncheon was held on January 30. The guest speaker was OC Register Publisher, Aaron Kushner. Nearly 90 guests participated in this event. Jessica coordinated the speaker, marketed the event, managed registrations and payments, and coordinated event logistics. Tiffany and Mary assisted with on-site registration and payment.</p> <p>Jessica completed and submitted MWDOC's responses to ACWA's Drought Impacts Survey. The survey measures member agencies' water supply impacts, water use efficiency efforts, and other drought-related issues. ACWA is compiling the responses in an interactive statewide map, found here: www.acwa.com/content/drought-map.</p>
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Community Relations (Continued)	<p>Jessica participated in the WACO Planning meeting on January 21.</p> <p>Jessica developed 2014 talking points, with input from MWDOC management staff and the Public Affairs Workgroup. The talking points cover the current drought situation, the BDCP, water use efficiency, water supply reliability, and more. The talking points are continually being updated to reflect current conditions.</p> <p>MWDOC hosted a CSDA Workshop on “Being an Effective Board Member” on January 23. Directors Finnegan, Hinman and Osborne participated.</p> <p>Jessica attended Discovery Science Center’s groundbreaking event on January 29.</p> <p>Tiffany updated several pages on the MWDOC website.</p> <p>Tiffany and Sarah Franks gathered information from all member agencies and special districts to complete the annual MWDOC directory.</p> <p>Tiffany is working on an infographic/handout related to a 20% reduction in water use.</p>
Education	<p>The participation target for the 2013-14 Water Education Assembly Program has increased to 80,356 students. Recently, the following agencies approved funding for additional students to bring the participation total up to its current level: Garden Grove, Huntington Beach, La Habra, Moulton Niguel WD, San Juan Capistrano, and Westminster. To date, 66,729 students have been booked in the program. DSC staff is confident they will be able to book the remaining students in the coming months.</p> <p>During January, 11,229 students participated in the Traditional Assembly Program, 1,035 students participated in the Keypad Program, and 424 students participated in the Water Quality Program.</p> <p>Jessica observed the Water Quality Program at Whittier Elementary School in Costa Mesa on January 23.</p> <p>Jessica worked with staff of Inside the Outdoors to develop and submit a grant application for the EPA’s Environmental Education Program. The project would fund Ricki Raindrop electronic books, the OC Water Hero Program, and other water education programs offered by Discovery Science Center and Inside the Outdoors. The application is a revised and updated version of the application that was submitted last year. The total funding requested was \$200,000.</p>

Media Relations	<p>Pat Brennan, reporter from the <u><i>Orange County Register</i></u>, called Rob regarding the Governor's Emergency Drought Declaration.</p> <p>Laura Olsen, a new Sacramento reporter for the <u><i>Orange County Register</i></u> called Darcy regarding water sources, water supply and water management.</p> <p>Pat Brennan, reporter from the <u><i>Orange County Register</i></u>, called Darcy and Joe Berg regarding water supply, ways to be more efficient and information on current rebates. The article, <u><i>O.C. Rises to Drought's Challenge President Coming to Talk Relief</i></u> appeared online on February 11, 2014.</p> <p>Jessica worked with the Public Affairs interns to develop a press release regarding Joe Berg's recent award from the California Urban Water Conservation Council (CUWCC).</p> <p>Jessica developed a press release regarding the Governor's drought declaration and the call for increased water use efficiency.</p> <p>Jessica developed and distributed a media alert regarding the February 6 Water Policy Forum & Dinner. The press release was picked up by KNX 1070 News radio, and Jessica spoke with the reporter, Austin Cross. The reporter interviewed guest speaker, Dr. Christopher Thornberg, about his upcoming talk at the Water Policy Forum & Dinner. The spot aired on KNX 1070 the afternoon of February 6.</p>
Special Projects	<p>Darcy finished the Value of Water Communications Plan and is making final edits for general manager review. Once finalized, the draft Plan will be provided to the Public Affairs and Legislation Committee and then the Public Affairs Workgroup and Member Agency Managers. Darcy is bringing a Request For Qualifications for the Focus Group and Subject Matter Expert Consultation portions of the plan to the Board for consideration. These activities are included in the current budget.</p> <p>The full OC Water Summit Planning Committee met and reviewed the current draft program, sponsorships and other details for this year's event. Director Thomas, Director Dick, Jessica and Tiffany participated in the meeting. Information on the program, speakers and sponsorships will be provided to the Public Affairs and Legislation Committee.</p>

Special Projects (Continued)	<p>Darcy continues to work on developing the Public Affairs 2014-2015 Budget.</p> <p>Tiffany developed a variety of creative items for the February 26 Washington D.C. briefing and luncheon. These include the briefing book, posters and one-page leave behind.</p> <p>Tiffany created a draft Emergency checklist infographic/handout for WEROC.</p>
Water-Use Efficiency Marketing	<p>Joe Berg filmed a short video for the Orange County Public Works department. The video shoot was part of a series that focused on nine projects that have received funding including The Reserve Project. Darcy assisted with the development of the script and will assist in the distribution of the video and related clips.</p> <p>Jessica and Melissa met with staff of OC Stormwater Program, IRWD, San Clemente, UC Cooperative Extension, and Communications Lab on February 3 to discuss the pilot OC Garden Friendly program. Three pilot program event dates/locations have been selected at Home Depot stores: March 29 in Huntington Beach, May 3 in Laguna Niguel, and May 17 in Brea. Through these events, the partners will promote California Friendly plants and water efficient irrigation systems. Bill inserts and other marketing materials are currently being created to promote the program and related events.</p> <p>Jessica worked with a graphic designer and printer to create and print 353,100 water use efficiency bill inserts, which will be distributed by 18 MWDOC member agencies and cities during the months of February through April.</p> <p>Jessica participated in the OC Stormwater Program's Public Education Committee meeting on January 28.</p> <p>Jessica reviewed a bus stop ad and PSA developed by the OC Stormwater Program to ensure consistency with regional drought/water use efficiency messaging.</p>

Legislative Affairs	<p>Darcy followed up with Ed Laird regarding issues with the Air Quality Management District. Mr. Laird's expertise and guidance has been extremely helpful. Although staff had hoped to have scheduled the initial meeting by this time, Mr. Laird is currently recovering from surgery and the project has been slightly delayed. Staff is continuing to pursue the recommended course of action.</p> <p>President Finnegan, Director Osborne, Heather Dion from Townsend Public Affairs, Darcy and I met with Assemblyman Allen Travis and his staff on the Bay Delta Conservation Plan, proposed Water Bonds and the drought on January 17, 2014. Later that same day, President Finnegan, Director Clark, Heather Dion from Townsend Public Affairs, and Darcy and I met with Assemblyman Allan Mansoor. The topics were similar.</p> <p>Darcy has had follow up meetings with staff from both Assemblyman Mansoor's office and Assemblyman Allen's office in regard to the drought, Bay Delta Conservation Plan, proposed Water Bonds and local reliability projects.</p> <p>Darcy has been meeting with Townsend Public Affairs (TPA) on a bi-weekly basis.</p> <p>Darcy is coordinating with staff of Eastern Municipal Water District (EMWD), Western Municipal Water District (WMD) and Inland Empire Utilities Agency (IEUA) on the upcoming February 28, 2014 ACWA DC Luncheon. The room has been secured and the save-the-dates as well as invitations have been distributed. Staff is now working on leave-behind materials and coordinating messages and the program. In addition, efforts are underway for the shared reception in Sacramento on March 5 in conjunction with ACWA's Symposium. IEUA will take the lead for that event.</p>
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pat meszaros
2/13/14

INFORMATION CALENDAR

**MWDOC GENERAL INFORMATION
ITEMS**

MWDOC BOARD OF DIRECTORS

- Brett R. Barbre
- Larry D. Dick
- Wayne Osborne
- Joan Finnegan
- Wayne A. Clark
- Jeffery M. Thomas
- Susan Hinman