

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
August 20, 2014, 8:30 a.m.

Teleconference Sites:
20989 Park Lane
Rollins, MT 59931
(406) 844-2282

10404 Essex Court, Suite 410
Omaha, NE 68114
(714) 357-3007

Members of the Public may attend and participate in the meeting at all locations.

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. 1989**CONSENT CALENDAR (Items 1 to 7)**

(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. July 2 , 2014 Workshop Board Meeting
- b. July 16, 2014 Regular Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee: July 14, 2014
- b. Administration & Finance Committee: July 9, 2014
- c. Public Affairs & Legislation Committee: July 21, 2014
- d. Executive Committee Meeting: July 17, 2014

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

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

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of June 30, 2014
- 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 June 30, 2014

Recommendation: Receive and file as presented.

5. RESOLUTION NO. 1988 HONORING FOOTHILL MUNICIPAL WATER DISTRICT METROPOLITAN DIRECTOR JAMES "JIM" T. EDWARDS

Recommendation: Ratify the adoption of Resolution No. 1988 honoring James "Jim" Edwards on the occasion of his retirement from the MET Board.

6. OC TAX AWARDS DINNER: ROSES, RADISHES AND ROYALTIES AWARDS, SEPTEMBER 4, 2014, NEWPORT BEACH, CA

Recommendation: Authorize attendance by Directors and such members of District staff as approved by the General Manager.

7. ATTENDANCE AT THE CSDA ANNUAL CONFERENCE, SEPTEMBER 29-OCTOBER 2, 2014, PALM SPRINGS, CA

Recommendation: Authorize attendance by Directors and such members of District staff as approved by the General Manager.

– End Consent Calendar –

ACTION CALENDAR

8-1 WATER QUALITY, SUPPLY AND INFRASTRUCTURE IMPROVEMENT ACT OF 2014 - \$7.54B

Recommendation: Adopt a support position on the Water Quality, Supply and Infrastructure Improvement Act of 2014, a \$7.54 billion bond approved by the Legislature and which will be Proposition 1 on the November 2014 ballot for California voters.

8-2 RESPONSE TO THE ORANGE COUNTY GRAND JURY REPORT, "SUSTAINABLE AND RELIABLE ORANGE COUNTY WATER SUPPLY; ANOTHER ENDANGERED SPECIES?"

Recommendation: Approve the draft response to the OC Grand Jury report (as revised by the Public Affairs & Legislation Committee) and direct staff to submit the response letter to the Orange County Grand Jury.

8-3 ISDOC OFFICER ELECTIONS

RES. NO. _____

Recommendation: Adopt Resolution nominating Director Finnegan for the position of Treasurer of ISDOC.

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

9. GENERAL MANAGER'S REPORT, AUGUST 2014 (ORAL AND WRITTEN)

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

10. 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 ITEM

- 11. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9 regarding the MWDOC Settlement Agreement with its Member Agencies on Budget, Activities, Charges, and Other Issues, effective June 1, 2011.
- 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**
Government Code sec 54956.9(d)(2); potential litigation: one case

ADJOURNMENT

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

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

July 2, 2014

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

MWDOC DIRECTORS

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

MWDOC STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Matthew Richardson, Legal Counsel
Pat Meszaros, Recording Secretary
Harvey De La Torre, Principal Water Res. Planner
Joe Berg, Water Use Efficiency Prog. Mgr.
Jessica Ouwerkerk, Public Affairs Supervisor

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Linda Ackerman

OTHERS PRESENT

Matthew (Mal) Richardson
William Kahn
Sherri Seitz
Ken Vecchiarelli
Peer Swan
Steve Lamar
Paul Shoenberger
Ray Miller
Charles Gibson
Bob Moore
Andy Brunhart
Rick Erkenoff
Gary Melton
Donald Froelich
Ed Means
Dee Zinke
Carolyn Schafer
Renee Fraser
Debbie Espe
Howard Johnson

BBK legal counsel
El Toro Water District
El Toro Water District
Golden State Water Company
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water District
City of San Juan Capistrano
Santa Margarita Water District
South Coast Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Moulton Niguel Water District
Means Consulting
Metropolitan Water District of So. California
Metropolitan Water District of So. California
Fraser Communications
San Diego County Water Authority
Brady & Associates

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

No items were presented.

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

President Dick inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting. General Manager Hunter reported that the presentation materials for Items 2 and 3 were distributed to the Board and made available to the public.

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

Mr. Paul Shoenberger commented on two items: 1. Mesa Water District has submitted an Amicus Brief in support of the Capistrano Taxpayers Association in the appeal of the City of San Juan Capistrano's rate case judgment. The reason Mesa's Board did this is that about three years ago, they adopted a Board policy to support the true cost of water in order to send an accurate economic signal to taxpayers. He reported further that the Court determined that the City of San Juan Capistrano's tiered rate structure is clearly illegal and does not comply with Prop 218. Secondly, Mr. Shoenberger, on behalf of Mesa's Board, thanked the MWDOC Board for engaging the Orange County Grand Jury last year and noted that the Grand Jury's report was very positive with regard to the water industry.

Mr. Charles Gibson of SMWD commented that the State Water Resources Control Board is considering emergency regulations during the drought which could curtail water rights and could directly affect retail water users. He added that SMWD is working hard to conserve their water and resources. Secondly, Mr. Gibson offered his input when the time comes for a public hearing.

Mr. Peer Swan of IRWD expressed his disappointment that one water agency (Mesa Water Board) is taking on another water agency on matters that are not their concern.

ACTION ITEM**ADOPT RESOLUTION HONORING AARON GRUNFELD ON THE OCCASION OF HIS RETIREMENT**

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (5-0), the Board adopted RESOLUTION NO. 1986 honoring Aaron Grunfeld on the occasion of his retirement. Said RESOLUTION NO. 1986 was adopted by the following roll call vote:

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

PRESENTATION/DISCUSSION/INFORMATION ITEMS

PRESENTATION BY MET REGARDING FINDINGS OF PUBLIC FOCUS GROUPS

Ms. Dee Zinke, Deputy General Manager of the Metropolitan Water District of Southern California (MET), provided an overview of the findings of the recent public focus groups. Of note was the fact that Northern Californians being restricted on water usage (lawn watering, etc.) turned the light on for some Southern Californians. Also, of the four markets, Los Angeles, Orange County, Inland Empire and San Diego, San Diegans were more water conscious and were more supportive of desalination as well.

Ms. Zinke introduced Renee Fraser of Fraser Communications who was in the audience and is working with Metropolitan on water awareness and a conservation campaign. Ms. Zinke began by presenting the Focus Group objectives noting that historically, focus groups showed a lack of understanding of water issues in the public's eye. Because of the drought, MET shifted gears away from general water issues to concentrate on demands and conservation. One of the challenges was to help the public understand the severity of the drought so this was their emphasis. Ms. Zinke noted that in Southern California, we are victims of our own success. As agencies, we have done a lot with our ratepayers to invest in our water system and, because of that, you don't see some of the consequences that are seen in other parts of the State.

Ms. Zinke reported further that most people have taken steps to reduce water usage: All are aware that they should conserve water and the majority is already doing it. Many respondents felt that the burden of conservation was too heavily placed on the consumer—government must communicate that it is doing its part to modernize the system and also conserve. Regardless of market or background, the negative implications of drought—financial, loss of a way of life—resonated the most deeply with everyone. California lifestyle is very relatable and people do not want to see it go away.

The Board received and filed the report as presented.

REVIEW OF MET'S DROUGHT MESSAGE CAMPAIGN

Ms. Zinke reported that Fraser Communications has been working closely with MET staff to develop a comprehensive drought communications plan with the objectives of generating broad/immediate awareness; driving residents to bewaterwise.com; utilizing appropriate media to convey complex info; and achieving measurable results. The creative strategy again is to tap into the "love" of California living and how critical water conservation is to maintain that—for now and for the future. The campaign theme is Be California Friendly/Show California Love and the tagline, "Don't waste another minute wasting water," depicting an hourglass with water in it, resonated with all groups.

Ms. Zinke then reviewed the media and messaging strategy with all major networks on television and radio and discussed the campaign evaluation metrics. There will be "Be CA Friendly" TV ads; custom TV; "Be CA Friendly" radio ads; "Water is Serious Business" news

radio; "Water Wise Wednesday" TV and radio; and tips & rebates on radio traffic. MET will be utilizing the digital world; special programming and advertising; sponsored news – "native" advertising. Ms. Zinke noted the campaign will run from July through October and then they'll be back out in the field to determine if there's a change in behavior; belief in the seriousness of the drought; awareness of the drought; increases in bewaterwise.com website traffic; increased use of rebates; and an overall decrease in water usage.

Director Barbre inquired how Ms. Zinke defines "California living" to which she responded that everyone defines California living in their own way but there was a strong resonant love for this lifestyle expressed by a number of the focus group attendees. Further that Metropolitan has a mascot, the State of California itself, which will debut next week at the Communications and Legislative Committee. Director Barbre expressed that MET may be sending a conflicting message since to him California living is opportunity; it's a home with a garden and grass for the kids to play on and it seems the campaign is driving folks away from those things. Director Barbre is curious about what was said in the focus groups about the California lifestyle to which Ms. Fraser responded that some of them expressed how lush it is, there are flowers year round; some noted they loved having fruit year round, the weather is warm as compared to their friends in the East, etc. Director Barbre stated that missing from this campaign is to thank the people of Southern California for the investments they have made the last 25 years through their water bills and this is what we've done with it. It's a tremendous story. Ms. Zinke said they are including that in the messaging. President Dick inquired about the cost of the overall media campaign to which Ms. Zinke responded \$5.5 million dollars to be expended over the next four months. To date, they've spent \$ ½ million.

Discussion ensued on storage with President Dick noting that included in the bond is \$3 billion for storage and that Senator Ackerman fought for 14 years for storage and now, finally, we're getting storage. Director Barbre noted that it is our job to provide abundance and in order to do that, we need more storage. MET Director Ackerman noted that last January when there was almost a million acre-feet of water sent out to the bay that if we had had storage, that water could have been saved.

Ms. Zinke played two of the radio ads, one is called the love letter which is about a relationship with the State and the second one is about breaking up with your lawn and planting CA Friendly plants. General Manager Hunter inquired about measurable results of the campaign and asked what success looks like to which Ms. Zinke responded that success would be at least a 15% decrease in usage.

The Board received and filed the report.

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project
- f. Second Lower Cross Feeder Project
- g. Orange County Reliability Projects

Director Osborne commented that due to the drought and, additionally, in trying not to waste an opportunity when there's a crisis, it is time that we request Metropolitan to take a more serious look at desalination. MET's Diamond Valley Lake was a \$2 billion project and based on estimates we've received, that would be the cost of building a desalination plant which would produce 200,000 af per year. Mr. Osborne further inquired at what point is the MWDOC Board going to talk with the MET Board about this. Director Clark concurred with Director Osborne as did South Coast Water District General Manager, Andrew Brunhart. President Dick commented that at MET's next Executive Committee meeting, he'd bring up re-establishing the Ad Hoc Committee on Desal. Director Barbre plugged our July 30 Water Policy Forum and Dinner as an opportunity to engage MET's Chairman, Randy Record, who is our guest speaker. Director Dick reminded all that he is a player on the desal team, however, many will not tolerate a rate increase which would be needed to build a desal plant. Director Barbre added that while desal isn't the panacea for everything, it does need to be part of our resources mix.

The Board received and filed the report as presented.

OTHER INPUT OR QUESTIONS ON MET ISSUES FROM MEMBER AGENCIES

No new information was presented.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

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

The Board received and filed the report as presented.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:25 a.m.

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
July 16, 2014**

At 8:30 a.m. President Dick 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. General Manager Hunter led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Russ Behrens, Legal Counsel
Maribeth Goldsby, Board Secretary
Darcy Burke, Director of Public Affairs
Cathy Harris, Administrative Services Manager
Kelly Hubbard, WEROC Programs Manager

ALSO PRESENT

Linda Ackerman
William Kahn
Ken Vecchiarelli
Steve LaMar
Doug Reinhart
John Kennedy
Ray Miller
Bob Moore
Rick Erkeneff
Andrew Brunhart
Jim Leach
Gary Melton
Betsy Eglash
Miles Hogan

MWDOC MET Director
El Toro Water District
Golden State Water Company
Irvine Ranch Water District
Irvine Ranch Water District
Orange County Water District
City of San Juan Capistrano
South Coast Water District
South Coast Water District
South Coast Water District
Santa Margarita Water District
Yorba Linda Water District
Brady & Associates
Aleshire & Wynder

PUBLIC PARTICIPATION/PUBLIC COMMENT

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

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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 Dick 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 SERVICE AWARD

No service awards were presented.

CONSENT CALENDAR

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

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (5-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Dick, Hinman, Osborne, and Thomas voted in favor. Directors Clark and Finnegan were absent

MINUTES

The following minutes were approved.

June 4, 2014 Workshop Board Meeting
June 18, 2014 Regular Board Meeting
June 26, 2014 Special Board Meeting

COMMITTEE MEETING REPORTS

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

Administration & Finance Committee Meeting: June 11, 2014
Public Affairs & Legislation Committee Meeting: May 19, 2014
Public Affairs & Legislation Committee Meeting: June 16, 2014
Executive Committee Meeting: June 19, 2014

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of June 30, 2014
MWDOC Disbursement Registers (June/July)

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 May 31, 2014

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 May 31, 2014

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION 2014 BOARD OF DIRECTORS ELECTION – REGION 6, “SEAT C”

The Board directed that the District cast the ballot for incumbent, Elaine Sullivan (Leucadia Wastewater District), in the California Special Districts Association (CSDA) Board of Directors election for Region 6, “Seat “C.”

END CONSENT CALENDAR

ACTION CALENDAR

BUILDING/LEASE AGREEMENT BETWEEN MWDOC AND OCWD

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (5-0), the Board authorized the General Manager and Board President to execute Amendment No. 4 to the Agreement and Lease between MWDOC and OCWD regarding Shared Administrative Office Facilities. Directors Barbre, Dick, Hinman, Osborne, and Thomas voted in favor; Directors Clark and Finnegan were absent.

RESOLUTION AUTHORIZING EXECUTION OF THE STATE LANDS COMMISSION AMENDED GENERAL LEASE THAT EXTENDS THE TERM OF THE LEASE TO MAY 31, 2019 FOR THE DOHENY OCEAN DESALINATION PROJECT PILOT PLANT TEST FACILITIES

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (5-0), the Board adopted RESOLUTION NO. 1987 authorizing execution of the State Lands Commission Amended General Lease that extends the term of the Lease to May 31, 2019 for The Doheny Ocean Desalination Project Pilot Plant Test Facilities. Said RESOLUTION NO. 1987 was adopted by the following roll call vote:

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

OC-88 METERING/BILLING MISTAKE

Mr. Seckel reported that as a result of high meter reads and the subsequent overbilling by MET, MWDOC has overbilled the South County Pipeline water purchasers (SMWD, MNWD, TCWD, SCWD, and the Cities of San Juan Capistrano and San Clemente) an estimated amount of \$73,000. He advised that the Planning & Operations Committee recommended the funds be refunded to the agencies.

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (5-0), the Board authorized staff to meet with the affected agencies to review the issues and provide the agencies with their projected refund amounts; the Board also authorized the refunds of the estimated \$73,000 to the affected agencies. Directors Barbre, Dick, Hinman, Osborne, and Thomas voted in favor; Directors Clark and Finnegan were absent.

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, JULY 2014**

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

Mr. Hunter reported that he attended the State Water Resources Control Board (SWRCB) hearing on July 15, 2014, wherein the SWRCB passed their emergency regulations on drought emergency conservation measures. He provided an overview of the emergency regulations, noting that they focus on outdoor potable water use. Mr. Hunter noted that staff would be preparing an outline of the regulations and emailing them to the Board and agencies.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS**BOARD OF DIRECTORS**

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

Director Hinman reported on attending the MWDOC Executive Committee, Special Board meeting, Planning & Operations Committee meeting, the Moulton Niguel Water District Board meeting, the OCWA luncheon, and the WACO Planning Committee meeting.

Director Thomas advised that he attended the Santiago Aqueduct Commission meeting, and the MWDOC Administration & Finance Committee meeting.

Director Barbre reported on attending the MWDOC and MET regular meetings, as well as the MWDOC Special Board meeting, a tour of the Carlsbad Desalination Facility, a meeting

with Dan Ferons, Jim Leach and Dick Ackerman regarding Cadiz, the Yorba Linda Water District Board meeting, and the Yorba Linda Water District Citizen's Advisory Committee.

Director Osborne reported on his attendance at most of the MWDOC Board and Committee meetings, Special Board Workshop, and the WACO meeting.

Director Dick reported on his attendance and participation at MWDOC and MET Board and Committee meetings, the Orange Chamber of Commerce Legislative Committee meeting (as well as an Orange Chamber meeting he was featured speaker), Ad Hoc Committee meetings regarding the Administrative Code review, the MET Director luncheon meeting, the MET Pre-Caucus, the Caucus, a meeting at the City of Tustin, the OC Taxpayers Association meeting, the ISDOC Executive Committee meeting, the Serrano Water District Board meeting, and the WACO and WACO Planning meetings.

CLOSED SESSION ITEMS

At 8:55 a.m., Legal Counsel Behrens announced that pursuant to Government Code Section 54956.9(2)(d), the Board would adjourn to closed session for a conference with legal counsel regarding the MWDOC Settlement Agreement with its Member Agencies on Budget, Activities, Charges, and Other Issues, effective June 1, 2011.

RECONVENE

The Board reconvened at 9:12 a.m., and Legal Counsel Behrens announced that no reportable action was taken in closed session.

RETURN TO CLOSED SESSION

At 9:12 a.m., the Board adjourned to closed session regarding the following three issues:

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.

CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Paragraph (2) 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 of Southern California on April 8, 2014, et al.*, Los Angeles Superior Court, Case No. BC547139

RECONVENE

At 9:26 a.m., the Board reconvened from closed session, and Legal Counsel Hogan announced that by a vote of 5-0, the Board voted to answer the complaint in the *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by MET on April 8, 2014, et al.*, Los Angeles Superior Court, Case No. BC547139. Directors Barbre, Dick, Hinman, Osborne, and Thomas voted in favor; Directors Clark and Finnegan were absent.

ADJOURNMENT

There being no further business to come before the Board, President Dick adjourned the meeting at 9:27 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
July 14, 2014 8:30 a.m. to 9:52 a.m.
MWDOC Conference Room 101

P&O Committee:

Director Wayne Osborne, Chair
Director Brett Barbre
Director Susan Hinman

Staff:

Karl Seckel, Joe Berg, Richard Bell,
Melissa Baum-Haley, Joe Berg,
Pat Meszaros

Also Present:

Director Joan Finnegan
Linda Ackerman, MWDOC MET Director
Steve LaMar, Irvine Ranch Water District
Jim Biery, City of Brea
Ronin Goodall, Moulton Niguel Water District
Chuck Gibson, Santa Margarita Water District
Scott Miller, City of Westminster
Mike McGhee, City of Buena Park
Francie Kennedy, City of San Juan Capistrano
Andrew Kanzler, City of San Clemente
Mark Sprague, City of Fountain Valley
Jeff Henderson, City of Fountain Valley
Renae Hinchey, Laguna Beach County W.D.
Chris Regan, Laguna Beach County W.D.
Steve Conklin, Yorba Linda Water District
Christine Compton, Irvine Ranch Water District
John Kennedy, Orange County Water District

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

Mr. Seckel reported that MWDOC's Draft Comment Letter to the State Water Resources Control Board was distributed at the meeting. He also noted that Mr. Hunter was at Metropolitan this morning for the kick-off Water Supply Allocation Plan meeting.

Director Barbre suggested that Committee proceed to Item No. 6 first since most of the audience was here for that item and we should be good stewards of their time to which Committee members agreed.

INFORMATION ITEMS

STATE WATER RESOURCES CONTROL BOARD'S PROPOSED EMERGENCY REGULATIONS TO PROMOTE WATER CONSERVATION

Mr. Seckel reported that the State Water Resources Control Board (SWRCB) was positioning to declare emergency regulations for everyone in the State to move to mandatory levels of conservation. Comment letters on the proposed regulations must reach the Board by noon today and Mr. Hunter requested that our letter be streamlined from the version distributed at this meeting. Mr. Seckel noted further that our main comments affirm that we've made huge investments in conservation and that regulations not be immediate but rather allow the retail agencies two months to prepare. Comments would include that the "one size fits all" approach does not credit ongoing leadership in water stewardship programs in water use efficiency and local resource development and may create unintended disincentives. Mr. Seckel concluded that although not in the current version of our letter, we are under the MET umbrella and we look to MET to provide us signals as to what our water supplies are shaping up to be and what we need to do to manage within those supplies.

Mr. Osborne expressed his appreciation to all the agencies who attended the meeting to voice their comments. He inquired whether agencies could comment directly to the State Board to which Mr. Seckel responded that they could but that the State Board has asked specifically for input from wholesale agencies. Director Osborne further inquired whether most agencies already have an emergency plan on the books to which Mr. Seckel answered that they do and that each of the agencies in Orange County is to implement their Water Shortage Contingency Plan and relevant ordinances that invoke mandatory restrictions on outdoor irrigation if the SWRCB moves ahead as proposed.

Discussion ensued on the fact that a lot of the agencies have mechanisms in place to conserve water and the State Board's proposals may punish ratepayers who have been conserving water for years. Director Hinman stated that we're not behind the curve in Orange County and to punish ratepayers who have been conscientious is very disturbing. Director Osborne inquired whether the SWRCB mandates these ordinances to which Mr. Berg replied that in 2009-2010, all agencies updated their ordinances due to the water shortage restrictions but they are not mandated to do so by the State Board. Director Barbre questioned the legality of the State Board's authority to do this across the board so quickly and whether we'd consulted with legal counsel to which Mr. Bell stated that we had. Director Barbre commented further that there is nothing in the letter about how Southern California has prepared for droughts and has invested huge sums for storage (\$37 billion) over the past 30 years and is using the same amount of water today that we used in 1990 in spite of a substantial population increase. President Dick remarked that the State Board wants to be the policing authority, there are illegal diverters taking water today. Director Hinman would encourage us not to be combative in our response—we have a good story to tell. Mr. Gibson reported that as a large retail agency, Santa Margarita Water District

(SMWD) worked over the weekend on comments and he is here to coordinate with MWDOC and MET. Further, that SMWD's approach is very positive and about 1/3 of what they have to say is what they've already accomplished. Mr. Gibson distributed a matrix he prepared of all Orange County agencies showing how we look in the state from May to May—how we looked last year and how we look now.

Mr. LaMar commented that IRWD has requests of the State Board that they'd appreciate MWDOC incorporating into the letter: 1) The emergency regulations should allow agencies to use allocation-based tiered rate structures. Since IRWD implemented their rate structure, they've cut landscape water use in half. 2) emergency regulations should only apply to potable water not recycled; 3) on monthly reporting, the Board should use correct performance measurements, focus on gallons of usage for only residential usage so that cities/ agencies are not punished because they have large commercial or industrial users in their areas.

Discussion ensued on direct potable reuse with President Dick inquiring when do we ask OCWD to provide for direct potable reuse from GWRS. Mr. Seckel responded that we don't have in place the ability to move into that arena yet and that it must be implemented carefully. NWRI has pulled together a team of experts to work on this. Mr. Kennedy noted that direct potable reuse would not add any water within OCWD at this time. Mr. Biery stated that we need clarification on whether mandatory restrictions on outdoor watering must be just two days per week or, if you already have a plan in place and it's 3 days week would that suffice to which Mr. Seckel agreed that we needed clarification. Mr. Seckel expressed appreciation for the good input from our Board and our agencies and we'll reflect those comments in the letter.

Director Barbre inquired who we would be sending to Sacramento to make comments and inquired whether our general manager could go as he believes someone needs to be there to which Mr. Seckel responded that our general manager is available as is the President of the Board, should the general manager desire a prudent companion.

ACTION ITEMS

RESOLUTION AUTHORIZING EXECUTION OF THE STATE LANDS COMMISSION AMENDED GENERAL LEASE THAT EXTENDS THE TERM OF THE LEASE TO MAY 31, 2019 FOR THE DOHENY OCEAN DESALINATION PROJECT PILOT PLANT TEST FACILITIES

Director Osborne remarked that nowhere in the agreement does it mention the amount of the lease, \$24,000 per year, to which Mr. Seckel responded that it should and it would be added.

Upon MOTION by Director Hinman, seconded by Director Barbre, and carried (3-0), the item was referred to the July 16, 2014 Board meeting for approval, by the following vote:

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

OC-88 METERING/BILLING MISTAKE

Mr. Seckel reported that MWDOC has determined that due to high meter reads and the subsequent overbilling by MET of \$8.4 million, we, in turn, have overbilled the South County Pipeline water purchasers (SMWD, MNWD, TCWD, SCWD and the Cities of San Juan Capistrano and San Clemente) an estimated amount of \$73,000 and further he is recommending that we reimburse our agencies for this overbilling. It's been worked out in an equitable manner. The \$73,000 does not include an adjustment for RTS and interest amounts. Mr. Seckel reported further that we will set up a meeting with the affected agencies by month end to review the issues and provide agencies with their refund amounts. The estimated \$73,000 would come out of our reserves. Finally, we will provide input to MET to allow them to take this item to their Board in August for resolution.

Discussion ensued on the vehicle for reimbursing the agencies with Director Barbre expressing that we should return the full amount to our agencies and that Directors should deliver the checks to agencies within their respective divisions personally as a symbolic gesture. President Dick thought it should be a decision by individual directors on whether they wanted to present it personally, to which Directors Osborne and Hinman concurred.

Upon MOTION by Director Barbre, seconded by Director Hinman, and carried (3-0), the item was referred to the July 16, 2014 Board meeting for approval, by the following vote:

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

BUILDING/LEASE AGREEMENT BETWEEN MWDOC AND OCWD

Mr. Seckel explained that this agreement covers shared administrative office facilities and that the north-south corridor outside of the Boardroom is now considered OCWD's office space only and not common area.

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (3-0), the item was referred to the July 16, 2014 Board meeting for approval, by the following vote:

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

INFORMATION ITEMS**BDCP – WESTERN DELTA INTAKE CONCEPT**

Mr. Seckel stated that the Western Delta Intake Concept was introduced at the Orange County Summit which is the reason we've provided this report.

STATE WATER PROJECT AND BDCP SCIENCE REPORTS**DRAFT IMPLEMENTING AGREEMENT**

The informational reports were received and filed.

REQUEST FOR PROPOSAL - O.C. WATER RELIABILITY STUDY 2015

Director Osborne inquired how much is budgeted for this study to which Mr. Seckel reported that \$350,000 was budgeted from the core budget. Director Hinman inquired of the projected completion date. Mr. Seckel stated that the Gap Analysis and Supply Alternatives should be completed this year, in advance of the Huntington Beach Desal Project, and the whole study completed by fiscal year end. Director Barbre inquired whether this study is similar to the study we did with Dr. Walrod of OCBC to which Mr. Seckel responded that this technical portion will be done first before the "Value of Water Reliability" aspect which was the topic of the report on which we collaborated with Dr. Walrod in 2003. Mr. Cook inquired how the member agencies will be involved to which Mr. Seckel responded that it would be a workgroup format.

STATUS REPORTS

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

The informational reports were received and filed.

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 items were presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:52 a.m.

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

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

July 9, 2014 – 8:30 a.m. to 9:25 a.m.

MWDOC Conference Room 101

Committee Members:

Director Jeff Thomas, Chair
Director Joan Finnegan
Director Wayne Osborne

Staff:

Robert Hunter, Karl Seckel,
Hilary Chumpitazi, Harvey DeLaTorre,
Tiffany Baca, Katie Davanauagh

Also Present:

Director Wayne Clark
Director Brett Barbre
Director Larry Dick
Andrew Hamilton, Mesa Water

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

Karl Seckel introduced Heather Baez as the District's new Governmental Affairs Manager.

PUBLIC COMMENTS

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

The OPEB Trust Fund monthly statement, item 1g, was distributed.

PROPOSED BOARD CONSENT CALENDAR ITEMS-ACTION

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – June 2014
- b. Disbursement Approval Report for the month of July 2014
- c. Disbursement Ratification Report for the month of June 2014
- d. GM Approved Disbursement Report for the month of June 2014
- e. Water Use Efficiency Projects Cash Flow – June 30, 2014
- f. Consolidated Summary of Cash and Investment – May 2014
- g. OPEB Trust Fund monthly statement

Director Thomas inquired on the \$7,500 expenditure for services for development of an iPhone app for the Water Hero program. Ms. Baca responded that staff, in conjunction with Orange County Water District, has been working with Immerse Media to develop a game

app to engage 3rd - 5th graders to increase their knowledge about water conservation, and may be utilized through the school program and will be used at community events. The integration of the game can be expanded to be used on Facebook to increase the audience to parents, etc.

Director Osborne inquired the reason two payments were listed on Disbursement Register to Best, Best and Krieger with Mr. Hunter responding that billing for core and choice services are invoiced separately. Discussion turned to a question posed to legal counsel recently pertaining to the Levine Act and the upcoming local election for MWDOC Directors, and whether those inquiries are billed by legal counsel, and which inquiries and services are covered under the retainer and which are billed in addition to the monthly retainer. Mr. Hunter responded that legal counsel does bill in 10 minute increments and he will review the annual contract and verify the billing protocol with Best, Best and Krieger.

Director Thomas inquired on the payment to the County of Orange, with Mr. Hunter responding that the amount is for the annual LAFCO membership.

Director Barbre inquired whether funds in the investment pool have been moved from LAIF to OCIF with Mrs. Chumpitazi responding that she is in the process of reviewing the investments with Mr. Hunter.

Upon MOTION by Director Finnegan, seconded by Director Osborne, and carried (3-0), the Committee recommended the Treasurer's reports for approval at the July 16, 2014 Board meeting. Directors Thomas, Osborne, and Finnegan voted in favor.

FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the period ending May 31, 2014

Director Osborne inquired why the water sales have increased by 12%+ in the past 10 months with Mr. Hunter responding that most of that increase has been made by Orange County Water District (OCWD) and staff is discussing with OCWD how this may impact MWDOC's overall rates.

The Committee held brief discussion on the items listed as being depreciated, and it was deduced that they include computer equipment and building depreciation.

Mr. Hunter reported that the budget, as of May 31, 2014, is in very good shape and not anticipated to be over-budget.

Upon MOTION by Director Finnegan, seconded by Director Osborne, and carried (3-0), the Committee recommended the Financial Report for approval at the July 16, 2014 Board meeting. Directors Thomas, Osborne, and Finnegan voted in favor.

ACTION ITEMS**CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2014 BOARD OF DIRECTORS ELECTION- REGION 6, "SEAT C"**

Upon MOTION by Director Osborne, seconded by Director Finnegan, and carried (3-0), the Committee recommended the Board support incumbent Elaine Sullivan, and that this item be recommended for approval at the July 16, 2014 Board meeting. Directors Thomas, Osborne, and Finnegan voted in favor.

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

The information was received and filed; no comments were made.

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

Director Osborne inquired about the turnout at the recent Fountain Valley "fiesta" event and requested a staff report at a future meeting.

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

Mr. Hunter reported that a complete update will be provided at the July 14th Planning & Operations Committee regarding the OC-88 metering issue, its impact and refunds due to member agencies, and any corresponding issues with Metropolitan Water District.

Director Barbre spoke strongly in favor of presenting the refunds directly to the member agencies. Mr. Hunter noted that the refunds are approximately \$73,000.

Mr. Seckel noted that the San Juan Basin Authority has released the short-list of candidates for the new Met Director as Mary-Jane Foley, Betty Olsen and Larry McKenney.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:25 a.m.

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

Jointly with the
PUBLIC AFFAIRS AND LEGISLATION COMMITTEE

July 21, 2014 8:30 a.m. to 10:02 a.m.
MWDOC Conference Room 101

Committee:

Director Brett Barbre, Chair
Director Wayne Clark (absent)
Director Susan Hinman

Staff:

Robert Hunter, Karl, Seckel, Joe Berg,
Katie Davanaugh, Darcy Burke,
Harvey DeLaTorre

Ex Officio:

Director Joan Finnegan

Also Present:

Director Wayne Osborne
Director Larry Dick
Director Joan Finnegan
MET Director Linda Ackerman
Dick Ackerman
Matt Holder, Lewis Consulting
Heather Stratman, Townsend Public Affairs (TPA)
Christopher Townsend, TPA
Steve LaMar, IRWD

Director Barbre called the meeting to order at 8:30 a.m. Director Hinman participated via telephone conference call from Rollins, Montana. All noticing requirements pursuant to the Ralph M. Brown Act were complied with.

In the absence of Director Clark, Director Osborne sat on the Committee.

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

It was noted that Item 2, Value of Water Communications Plan, had been revised and re-distributed.

DISCUSSION ITEMS

LEGISLATIVE ACTIVITIES

Federal Legislative Report

The Committee reviewed the Barker report and received and filed the report.

State Legislative Report (Townsend)

Director Barbre inquired when the updated “history of the water bond” would be distributed with Mrs. Stratman reporting that the information is available and she will distribute it. Additionally, Director Barbre noted that the TPA staff report contains last month’s information and requested that it be updated accordingly.

Director Dick requested that TPA staff continue to monitor any activity in the capital pertaining to any water being illegally diverted within the state. Mr. Hunter noted that the illegal diversions are specifically addressed in the recent emergency drought regulations.

Chris Townsend introduced Ian Delzer as a new Townsend Associate.

Legal and Regulatory Report (Ackerman)

Mr. Ackerman reported that California is the only state within the U.S. that does not have state-regulated groundwater. A lawsuit was recently filed in northern California in which addressed this issue. Mr. Ackerman suggested that this topic should be watched.

Mr. Hunter also called attention to recent media reports pertaining to conservation efforts and water reductions statistics, noting that the stats are somewhat skewed, in part, because of the use of recycled water. Mr. Osborne noted that Caltrans is exclusively using recycled water for freeway landscape watering.

County Legislative Report (Lewis)

Mr. Holder reported that the City of Buena Park will be considering landscape watering regulations at their next City Council meeting, in an effort to assist with the drought. Brief discussion was held about the concerns that come about with this type of regulation, including bursting water mains, the age of the existing infrastructure, and problems relating to regulating water pressure during watering conservation efforts.

Mr. LaMar thanked MWDOC for being supportive of allowing allocation-based tiered rate structures to be considered for exemption from “water police”. IRWD will be applying to the State Board to determine if they can be allowed an alternative approach. IRWD has reduced their per capita indoor usage from 55 gallons per day to 50 in the water budget allocations and will be reaching out to its customers to increase water conservation awareness.

MWDOC Legislative Matrix**Met Legislative Matrix**

The Legislative matrices were received and filed without discussion.

VALUE OF WATER COMMUNICATIONS PLAN; FOCUS GROUP STUDY FINAL REPORT

Ms. Burke introduced Dr. Renee Fraser, Fraser Communications, who conducted the recent public perception study group for MWDOC. Dr. Frazer provided a comprehensive and detailed presentation outlining the study results, including information pertaining to the demographics of the study group participants, background, objectives, a review of the methodology, respondent profiles, and value categories for platforms. From there, Dr. Fraser reviewed a more detailed summary of the overall results, and drought awareness perceptions. Message findings revealed that the respondents welcome honesty, specifics and examples, as well as getting a sense that the water agencies are actively pursuing new ways to provide water for the future.

The study was conducted as an integral part of the Value of Water communications plan which has been designed to engage, inform and educate Orange County residents and businesses on the value that water service provide and is a joint communications message project with MWDOC member agencies.

The study group agreed that innovation, jobs/economy and education are the three key areas that are most important within the survey group. Dr. Fraser also thoroughly reviewed the platform results which were included in her presentation materials. She also pointed out that the general public is not keenly knowledgeable about water and that water agencies and MWDOC can do a better job in getting information out to consumers in layman terms that is readily understood. Dr. Fraser also pointed to the varied demographic groups within Orange County and ways to reach each group.

The overall findings revealed that there is drought awareness, although some feel it is something that they do not need to worry about, there is little familiarity with who and what MWDOC does, messaging is not reaching everyone, and is distributed differently among different demographic groups and that water agencies need to communicate better with their customers. Trust and perception were other areas for growth.

INFORMATION ITEMS**UPDATE ON JULY 30, 2014 WATER POLICY FORUM AND DINNER****DISCUSSIONS WITH SOUTH COAST AQMD STAFF REGARDING POWER GRID RELIABILITY ISSUES****PUBLIC AFFAIRS ACTIVITIES REPORT****WATER EDUCATION SCHOOL PROGRAM – MONTHLY PARTICIPATION DATA**

All of the informational items were received and filed without comment.

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

No items were presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:02 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
July 17, 2014, 8:30 a.m. to 9:45 a.m.
Conference Room 102

Committee:

Director Dick, President
Director Osborne, Vice President
Director Finnegan

Staff:

R. Hunter, M. Goldsby

Also Present:

Director Hinman
Director Barbre
Director Thomas
Andy Brunhart, South Coast W.D

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

PUBLIC PARTICIPATION

No public comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

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

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

No new items were added to the agenda, however Committee discussed desalination and Mr. Hunter's recent discussions with the South County agencies regarding the Doheny desalination project, which included discussions on forming a Joint Powers Authority as a governance and financing vehicle. The Committee requested this topic be agendized at a future meeting.

b. Workshop Board Meeting

No new items were added to the agenda.

c. Administration & Finance Committee

No new items were added to the agenda.

d. Public Affairs & Legislation (PAL) Committee

Committee discussed the advocacy contracts which would be up for renewal soon and the value received from each contract and the effectiveness of each consultant.

Committee also discussed an honorary resolution or commemorative plaque for Jim Edwards recognizing his retirement from the MET Board and directed staff to prepare such a resolution to be presented at the July 30 Water Policy Dinner.

Committee also discussed the upcoming ISDOC officer elections and recommended staff prepare a support resolution for Director Finnegan (as Treasurer of ISDOC).

Discussion then ensued regarding the OC Water Summit and Committee believed it prudent for staff to solicit additional partners for the event.

e. MWDOC/OCWD Joint Planning Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

No new information was presented.

MEMBER AGENCY RELATIONS

No new information was presented.

GENERAL MANAGER'S REPORTS

Director Dick reported that the timeline for the General Manager's performance evaluation was approaching. He advised that Mr. Hunter is to provide his draft appraisal with goals by September 1st, and that he would meet with Mr. Hunter by September 30th (after receiving input from the Board).

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

The Committee referred to the advocacy contracts (as discussed earlier) and legal counsel contracts. Committee believed it prudent to issue RFPs every few years on these contracts and that language should be added to the Administrative Code stating such.

Committee also discussed the process for evaluating the MWDOC MET Directors. Committee believed an appropriate process would be for the President and General Manager to meet with each MET Director and provide a report on the meetings to the Executive Committee.

President Dick advised that once the South County agencies submit a candidate for the MET Director position, he would appoint an Ad Hoc Committee to interview the candidate.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:45 a.m.

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

WATER REVENUES

Date	From	Description	Amount
07/01/14	City of La Palma	May 2014 Water deliveries	5,734.52
07/03/14	South Coast Water District	May 2014 Water deliveries	538,194.96
07/03/14	City of Buena Park	May 2014 Water deliveries	283,395.87
07/07/14	El Toro Water District	May 2014 Water deliveries	941,573.13
07/07/14	Trabuco Canyon Water District	May 2014 Water deliveries	15,599.48
07/08/14	City of Newport Beach	May 2014 Water deliveries	578,462.44
07/09/14	City of Westminster	May 2014 Water deliveries	341,538.23
07/11/14	Serrano Water District	May 2014 Water deliveries	2,013.07
07/11/14	City of La Habra	May 2014 Water deliveries	15,806.87
07/11/14	Laguna Beach County Water District	May 2014 Water deliveries	357,932.52
07/14/14	Santa Margarita Water District	May 2014 Water deliveries	2,843,225.28
07/14/14	City of Orange	May 2014 Water deliveries	475,564.24
07/14/14	Mesa Water	May 2014 Water deliveries	711,474.94
07/14/14	Yorba Linda Water District	May 2014 Water deliveries	849,382.12
07/15/14	Orange County Water District	May 2014 Water deliveries	1,103,538.78
07/15/14	East Orange County Water District	May 2014 Water deliveries	706,409.56
07/15/14	Irvine Ranch Water District	May 2014 Water deliveries	1,693,896.97
07/15/14	Golden State Water Company	May 2014 Water deliveries	726,036.80
07/15/14	Moulton Niguel Water District	May 2014 Water deliveries	2,706,834.57
07/15/14	Santiago Aqueduct Commission	May 2014 Water deliveries	189,354.35
07/23/14	City of Garden Grove	June 2014 Water deliveries	442,190.10
07/25/14	City of San Clemente	June 2014 Water deliveries	967,011.37
07/25/14	City of Brea	June 2014 Water deliveries	451,796.58
07/28/14	City of Seal Beach	June 2014 Water deliveries	269,003.11

TOTAL REVENUES \$ 17,215,969.86

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

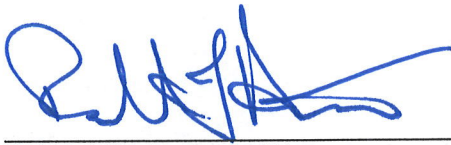
MISCELLANEOUS REVENUES

Date	From	Description	Amount
07/07/14	California Avocado Commission	5/16/14 OC Water Summit - Hotel room reimbursement	313.33
07/21/14	Poseidon Resources	5/16/14 OC Water Summit sponsorship	5,000.00
07/14/14	GEI Consultants/ Rose Walsh	7/30/14 Water policy dinner	750.00
07/18/14	City of Tustin	7/30/14 Water policy dinner	150.00
07/22/14	Cucamonga Valley Water District	7/30/14 Water policy dinner	75.00
07/25/14	Albert A Webb	7/30/14 Water policy dinner	75.00
07/28/14	J.A. King & Assoc	7/30/14 Water policy dinner	75.00
07/31/14	5 Checks	7/30/14 Water policy dinner	375.00
07/31/14	Paypal	7/30/14 Water policy dinner	5,830.23
07/07/14	Cucamonga Valley Water District	7/30/14 Water policy dinner	150.00
07/14/14	Moulton Niguel Water District	7/30/14 Water policy dinner	600.00
07/31/14	Metropolitan Water District	7/30/14 Water policy dinner	750.00
07/31/14	Paypal	ISDOC registrations	702.92
07/03/14	Stan Sprague	July 2014 Retiree medical premium	259.97
07/14/14	Judy Pfister	Jul-Sep 2014 Retiree medical premium	113.88
07/21/14	Susan Hunt	August 2014 COBRA medical premium	669.19
07/29/14	Stan Sprague	August 2014 Retiree medical premium	259.97
07/11/14	Joan Finnegan	Apr-Jun Director's Pension and Health reimbursement	794.91
07/25/14	Susan Hinman	Apr-Jun Director's Pension and Health reimbursement	866.27
07/01/14	Anthony Carreira	Movie tickets	160.00
07/16/14	Movie tickets	Movie tickets	64.00
07/18/14	Elizabeth Nam	Movie tickets	86.50
07/16/14	County of Orange	Harvard Kennedy School of Executive Leadership reimbursement for Kelly Hubbard	7,717.88
07/11/14	Joan Finnegan	Homeowners insurance reimbursement for PC	100.00
07/31/14	Paypal	Reimbursement for Media & Spokesperson training	339.55
07/07/14	Moulton Niguel Water District	OC Distribution map print	45.49
07/11/14	City of Anaheim	Jul-Dec 2013 School billing	4,720.56
07/25/14	City of Fullerton	Jan-Jun 2014 School billing	6,508.32
07/18/14	South Coast Water District	April 2014 Smart Timer rebate program	75.00
07/25/14	City of San Clemente	May 2014 Smart Timer and Turf Removal rebate program	600.00
07/11/14	Irvine Ranch Water District	May 2014 Smart Timer rebate program	69.00
07/25/14	City of Fountain Valley	May 2014 Smart Timer rebate program	75.00
07/21/14	Santa Margarita Water District	March 2014 Turf Removal rebate program	1,092.20
07/07/14	Golden State Water Company	May 2014 Turf Removal rebate program	1,050.00
07/11/14	City of Orange	May 2014 Turf Removal rebate program	630.00
07/11/14	Irvine Ranch Water District	May 2014 Turf Removal rebate program	3,444.50
07/11/14	Laguna Beach County Water District	May 2014 Turf Removal rebate program	328.00
07/25/14	City of Brea	May 2014 Turf Removal rebate program	3,448.00
07/29/14	City of San Juan Capistrano	May 2014 Turf Removal rebate program	105.00
07/01/14	Irvine Ranch Water District	April 2014 So Cal Watersmart Residential rebate program	26,008.97
07/21/14	Golden State Water Company	May 2014 So Cal Watersmart Commercial rebate program	25.00
07/29/14	Irvine Ranch Water District	May 2014 So Cal Watersmart Commercial rebate program	1,329.48
07/21/14	Golden State Water Company	May 2014 So Cal Watersmart Residential rebate program	1,596.00
07/29/14	El Toro Water District	May 2014 So Cal Watersmart Residential rebate program	2,703.99
07/29/14	Irvine Ranch Water District	May 2014 So Cal Watersmart Residential rebate program	33,781.10
07/11/14	Irvine Ranch Water District	May 2014 Landscape Performance Certification program	750.00
07/11/14	Serrano Water District	FY 14-15 Annual Retail Service Connection charge	23,709.00
07/11/14	South Coast Water District	FY 14-15 Annual Retail Service Connection charge	126,357.00
07/16/14	Trabuco Canyon Water District	FY 14-15 Annual Retail Service Connection charge	41,601.00
07/17/14	City of Garden Grove	FY 14-15 Annual Retail Service Connection charge	358,228.50
07/18/14	City of Fountain Valley	FY 14-15 Annual Retail Service Connection charge	176,358.00
07/22/14	City of Newport Beach	FY 14-15 Annual Retail Service Connection charge	273,441.00
07/22/14	El Toro Water District	FY 14-15 Annual Retail Service Connection charge	103,078.50
07/25/14	City of Huntington Beach	FY 14-15 Annual Retail Service Connection charge	552,846.00
07/25/14	Yorba Linda Water District	FY 14-15 Annual Retail Service Connection charge	260,148.00
07/28/14	City of Orange	FY 14-15 Annual Retail Service Connection charge	346,920.00
07/29/14	City of San Juan Capistrano	FY 14-15 Annual Retail Service Connection charge	118,461.00

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

MISCELLANEOUS REVENUES

Date	From	Description	Amount
07/07/14	Inland Empire Utilities Agency	Reimbursement for 25% of cost for 2/26/14 DC Briefing luncheon	454.42
07/17/14	Orange County Water District	FY 14-15 Water Incremental charge	18,797.45
07/14/14	LA Department of Water & Power	Jul 2013-Jun 2014 Strategic Consulting Services on MET & Water Resource Issues - Ron Gastellum	7,500.00
07/28/14	Las Virgenes Municipal Water District	Partial Jul 2014-Jun 2015 Strategic Consulting Services on MET & Water Resources Issues - Ron Gastellum	7,500.00
07/28/14	City of Santa Ana	Jul 2014-Jun 2015 Strategic Consulting Services on MET & Water Resource Issues - Ron Gastellum	8,125.00
07/31/14	Three Valleys Municipal Water District	Jul 2014-Jun 2015 Strategic Consulting Services on MET & Water Resource Issues - Ron Gastellum	8,125.00
TOTAL MISCELLANEOUS REVENUES			<u>\$ 2,546,314.08</u>
TOTAL REVENUES			<u><u>\$ 19,762,283.94</u></u>



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard Ackerman	
1040	July 2014 Legal consulting on water policy issues	1,812.50
	*** Total ***	1,812.50
	Aleshire & Wynder LLP	
29084	June 2014 Legal services	4,741.12
	*** Total ***	4,741.12
	Association of California Cities	
1150	2014 Cabinet sponsorship	5,000.00
	*** Total ***	5,000.00
	Awards & Trophies Co., Inc.	
11174	Desk plate for H. Baez	15.88
11124	Directors' picture plate for Director Foley	15.18
	*** Total ***	31.06
	Best Best and Krieger LLP	
55401-JUN14	June 2014 Legal services	16,291.27
	*** Total ***	16,291.27
	CDW Government	
NH42285	Surface Pro 3 laptop computer with cover	1,167.24
	*** Total ***	1,167.24
	Hunter T. Cook	
070914	May-July 2014 Coastal retiree health benefit	1,412.70
	*** Total ***	1,412.70
	Finley & Cook PLLC	
SI0003245/3601	6/14/14-6/20/14 Navision software upgrade	1,290.00
SI0003563	6/16/14-6/20/14 Reimbursable costs for Navision software upgrade	5,714.48
	*** Total ***	7,004.48
	FoodCraft Coffee & Refreshment	
514071308	7/15/14 Coffee & tea supplies-filter	80.89
	*** Total ***	80.89
	Fraser Communications	
15132	July 2014 Consulting for Water Communication Plan focus groups	30,801.25
	*** Total ***	30,801.25
	Ronald R. Gastelum	
073114	June-July 2014 Strategic assistance on MET issues	15,000.00
	*** Total ***	15,000.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Independent Special Districts of OC</i>	
073114-JUL14	July 2014 PayPal receipts for 7/31/14 ISDOC luncheon	702.92
073114	7/31/14 ISDOC meeting - Registration for Directors Barbre, Dick, Finnegan, Osborne & Thomas	85.00
	*** Total ***	787.92
	<i>James C. Barker, P.C.</i>	
105-0714	July 2014 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<i>Jeff Cole Productions</i>	
MWD073114	Production services for 7/30/14 Water Policy dinner	500.00
	*** Total ***	500.00
	<i>Karen's Detail Custom Frames</i>	
2536	Framed resolutions for Director Edwards & Director Grunfeld	213.84
	*** Total ***	213.84
	<i>Lewis Consulting Group, LLC</i>	
1353	July 2014 Professional services	2,875.00
	*** Total ***	2,875.00
	<i>Edward G. Means III</i>	
MWDOC-1021	July 2014 Support on MET issues & strategic guidance to Engineering department	3,275.76
	*** Total ***	3,275.76
	<i>Norco Delivery Services</i>	
622712	7/13/14 Delivery charges for Board packets	113.20
	*** Total ***	113.20
	<i>Office Solutions</i>	
I-00206874	3/22/11 Office supplies	38.97
I-00644758	7/16/14 Office supplies	48.57
I-00647651	7/22/14 Office supplies	594.04
I-00647664	7/22/14 Office supplies	63.08
I-00654928	8/7/14 Office supplies	32.39
	*** Total ***	777.05
	<i>Orange County Fast Print, Inc.</i>	
49764	Business cards for H. Chumpitazi, T. Baca, H. Baez & J. Ouwerkerk	216.00
49783	Business cards for Director Finnegan	59.00
	*** Total ***	275.00
	<i>Orange County Register</i>	
1836-2014	Annual subscription renewal	146.02
	*** Total ***	146.02

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Orange County Water District</i>	
14042	June 2014 50% share WACO expense	214.23
14109	June 2014 Postage, shared office & maintenance expense	9,201.13
	*** Total ***	9,415.36
	<i>Patricia Kennedy Inc.</i>	
5626	August 2014 Plant maintenance	214.00
	*** Total ***	214.00
	<i>Petty Cash</i>	
073114	July 2014 Petty Cash reimbursement	301.47
	*** Total ***	301.47
	<i>So. Cal. Water Committee</i>	
26333	July 2014-June 2015 Annual membership	850.00
	*** Total ***	850.00
	<i>Staples Advantage</i>	
8030702596	7/26/14 Office supplies	219.66
	*** Total ***	219.66
	<i>Top Hat Productions</i>	
89117	7/17/14 Lunch for Managers' meeting	370.98
	*** Total ***	370.98
	<i>Townsend Public Affairs, Inc.</i>	
10260	July 2014 State legislative advocacy services	7,500.00
	*** Total ***	7,500.00
	<i>Tracker, A Division of C2, LLC</i>	
08-01989	8/1/14-8/1/15 Annual subscription for investment tracking software	2,340.00
	*** Total ***	2,340.00
	<i>Tustin Irvine Medical Group</i>	
00751041	6/27/14 New hire pre-employment exam	160.00
	*** Total ***	160.00
	<i>USA Fact</i>	
2283275-IN	8/6/14 New hire background check	12.49
2283376-IN	8/6/14 New hire background check	123.60
	*** Total ***	136.09
	<i>Total Core Expenditures</i>	<hr/> 121,813.86

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Choice Expenditures:		
	<i>Bryton Printing Inc.</i>	
10905	117,450 Printed Ricki Raindrop books for school program	17,002.06
10967	Water bill inserts for Water Use Efficiency programs	6,467.80
	*** Total ***	23,469.86
	<i>Gilbert Associates, Inc.</i>	
306419	Compliance testing for Federal grant awards	5,500.00
	*** Total ***	5,500.00
	<i>Petty Cash</i>	
073114	July 2014 Petty Cash reimbursement	30.62
	*** Total ***	30.62
	<i>Total Choice Expenditures</i>	29,000.48
Other Funds Expenditures:		
	<i>AquaFicient Consulting</i>	
02-062	June 2014 Landscape Performance Certification program funded by IRWD & MET	1,500.00
	*** Total ***	1,500.00
	<i>Best Best and Krieger LLP</i>	
55401-JUN14	June 2014 Legal services	2,673.46
	*** Total ***	2,673.46
	<i>ConserVision Consulting, LLC</i>	
LPCP-220	June 2014 Consulting services for Landscape Performance Certification program	7,411.50
	*** Total ***	7,411.50
	<i>Mission RCD</i>	
1666	June 2014 Field verifications for Water Use Efficiency rebate programs	12,988.02
	*** Total ***	12,988.02
	<i>Turf Removal Program</i>	
TR4-BREA-007	G. Kenan	800.00
TR4-BREA-008	M. Downs	1,276.00
TR4-BREA-010	J. Her	2,848.00
TR4-EOC-001	s. Geer	665.00
TR4-GSWC-015	R. Mongan	3,217.00
TR4-GSWC-026	C. Liska	466.00
TR4-GSWC-034	L. Pincombe	864.00
TR4-GSWC-037	K. Nguyen	385.00
TR4-GSWC-038	J. Lai	920.00
TR4-HB-018	P. Holland	713.00
TR4-HB-023	R. Gagliano	189.33
TR4-HB-025	D. Arredondo	716.00
TR4-HB-034	Butterfly Trust	1,270.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
TR4-IRWD-046	S. Kobrine	810.00
TR4-IRWD-048	C. Chang	564.00
TR4-IRWD-058	L. Kelly	3,190.00
TR4-IRWD-063	K. Walker	828.00
TR4-IRWD-065	J. Reilly	1,848.00
TR4-IRWD-067	V. Reiser	770.00
TR4-IRWD-068	K. Peterson	926.00
TR4-IRWD-070	J. Pouchet	2,856.00
TR4-IRWD-071	K. Stump	2,292.00
TR4-IRWD-082	R. Dedhia	2,184.00
TR4-IRWD-083	K. Farsani	766.00
TR4-IRWD-093	D. Zhang	536.00
TR4-IRWD-095	P. Hall	1,720.00
TR4-IRWD-102	S. Partridge	1,310.00
TR4-IRWD-104	D. Stone	528.00
TR4-IRWD-112	B. Paydar	590.00
TR4-IRWD-115	P. Benguhe	470.00
TR4-IRWD-117	S. Gehret	552.00
TR4-IRWD-126	K. Mascari	720.00
TR4-LB-004	K. Russell	860.00
TR4-LB-010	M. Lowe	610.00
TR4-MESA-016	T. Doan	1,745.00
TR4-MESA-021	B. Pfeifer	566.00
TR4-MN-004B-C	Ocean Ranch at Bear Brand (Lunguna Niguel)	4,550.00
TR4-MN-007	J. Schindler	1,318.14
TR4-MN-031	V. Berg	879.00
TR4-MN-037	M. DeShane	980.00
TR4-MN-038	G. Tschopp	1,203.25
TR4-MN-044	S. Torrico	467.00
TR4-MN-045	D. Antone	1,882.00
TR4-MN-046	S. Privratsky	781.00
TR4-MN-047	A. Chik	395.00
TR4-NWPT-001	D. Ballard	658.00
TR4-O-031	J. Liddle	552.00
TR4-SB-002	C. Goldenberg	869.00
TR4-SC-013	M. Harris	964.00
TR4-SC-022	A. Lawrence	192.00
TR4-SC-027	J. Grise	962.00
TR4-SC-028	J. Quinn	562.00
TR4-SC-029	J. or A. Abbott	519.00
TR4-SC-031	G. Carrion	1,251.00
TR4-SJC-011	L. Boffardi	1,447.00
TR4-SM-012	CZ Master Association (Trabuco Canyon)	44,115.32
TR4-SM-038A-B	CZ Master Association (Trabuco Canyon)	4,700.00
TR4-SM-039	M. Pawasarat	1,027.20
TR4-SM-041	Belflora Maintenance Corp (Rancho Santa Margarita)	1,378.80
TR4-SM-043	Santa Margarita Landscape & Recreation Corporation (Rancho Santa Margarita)	17,047.50
TR4-SM-046	B. Robertson	632.40
TR4-SM-050	L. Shepard	362.40
TR4-SM-055	J. Carpenter	900.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
TR4-SM-057	A. Greene	1,734.00
TR4-SM-058	G. Cronan	1,116.00
TR4-SM-066	S. Schamel	555.60
TR4-SOCO-019	R. Barbour	576.00
TR4-SOCO-024	S. Lamarr	521.00
TR4-TUST-002	M. Carlson	1,442.00
TR4-YLWD-001	City of Placentia	5,404.00
TR5-BREA-012	K. Lee	825.00
TR5-GSWC-041	B. Chisum	594.00
TR5-IRWD-128	J. Hryniewicki	748.00
TR5-IRWD-132	S. Morenz	2,222.00
TR5-IRWD-142	V. Lohiya	1,784.00
TR5-IRWD-149	J. Du	2,380.00
TR5-IRWD-157	L. Lano	900.00
TR5-IRWD-166	S. Friedman	551.36
TR5-IRWD-167	M. Paunovic	732.00
TR4-MN-049	M. Robins	2,454.00
TR5-MN-058	K. Manning	1,110.00
TR5-MN-060	D. Rudenski	1,430.00
TR5-MN-071	S. Chang	610.00
TR5-MN-073	W. Vandal	2,216.00
TR5-MN-077	S. Larkins	608.00
TR5-MN-078	M. Nowak	2,788.00
TR5-SJC-018	A. Ehlow	990.00
TR5-SM-059	K. Johnson	880.00
TR5-SM-063	R. Calder	2,800.00
TR5-SM-064	M. Baker	600.00
TR5-SM-074	F. Forbeck III	756.00
TR5-SM-078	F. Romagnano	928.00
TR5-SOCO-025	K. Trevino	1,426.00
TR5-SOCO-028	D. Guilfoyle III	780.00
TR5-SOCO-029	S. Holloway	900.00
TR5-SOCO-030	R. & A. Palmer	3,620.00
TR5-SOCO-031	D. Verna	644.00
TR5-SOCO-032	M. Bonando	1,240.00
TR5-SOCO-034	C. Hunyar	3,600.00
	*** Total ***	184,630.30
	<i>Spray to Drip Program</i>	
S2D29528	S. Banwell	800.00
S2D33833	D. Elliott	175.00
	*** Total ***	975.00
	<i>URS Corporation Americas</i>	
5918921	April-May 2014 Professional services for Industrial Process Water Use Reduction program	1,415.00
5953594	June 2014 Professional services for Industrial Process Water Use Reduction program	11,165.00
	*** Total ***	12,580.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
3244	<i>WaterWise Consulting, Inc.</i>	
	July 2014 Professional services for Hotel program	1,250.00
	*** Total ***	1,250.00
	<i>Total Other Funds Expenditures</i>	<u>224,008.28</u>
	<i>Total Expenditures</i>	<u><u>374,822.62</u></u>

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of July 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
125974	7/3/14	TIMEWA	Time Warner Cable	
		5210-JUL2014	July 2014 Telephone and internet expense	930.98
			***Total ***	930.98
125975	7/3/14	VERIZO	Verizon Wireless	
		9727498673	June 2014 4G Mobile broadband unlimited service	38.01
			***Total ***	38.01
	7/15/14	ACKEEX	Linda Ackerman	
125979		063014	June 2014 Business expense	62.72
125980		JUN2014	June 2014 MET Director's compensation	1,954.64
			***Total ***	2,017.36
125984	7/15/14	CLARKW	Wayne Clark	
		063014	June 2014 Business expense	78.40
			***Total ***	78.40
125986	7/15/14	DELAGE	De Lage Landen Public Finance	
		41712334	July 2014 Copier lease	509.00
			***Total ***	509.00
125992	7/15/14	FAHLBE	Beth Fahl	
		063014	June 2014 Business expense	28.56
			***Total ***	28.56
125996	7/15/14	IRONMO	Iron Mountain	
		KMP5184	June-July 2014 Retrieval/Storage of archived documents	834.51
			***Total ***	834.51
126007	7/15/14	FRANKS	Sarah Franks	
		062914	June 2014 Business expense	135.36
			***Total ***	135.36
126009	7/15/14	LAMVIV	Vivian Lam	
		063014	June 2014 Business expense	141.47
			***Total ***	141.47
ACH001003	7/15/14	BARBCO	Brett Barbre	
		JUN2014	June 2014 MET Director's compensation	2,443.30
			***Total ***	2,443.30
	7/15/14	DICKCO	Larry Dick	
ACH001008		JUN2014	June 2014 MET Director's compensation	2,443.30
ACH001009		063014	June 2014 Business expense	196.00
			***Total ***	2,639.30

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of July 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH001014	7/15/14	FINNEG	Joan Finnegan	
		063014	June 2014 Business expense	123.32
			***Total ***	123.32
ACH001016	7/15/14	CHUMPI	Hilary Chumpitazi	
		063014	June 2014 Business expense	96.28
			***Total ***	96.28
ACH001017	7/15/14	HINMAN	Susan Hinman	
		063014	June 2014 Business expense	235.34
			***Total ***	235.34
	7/15/14	OUWERK	Jessica H. Ouwerkerk	
ACH001026		063014	June 2014 Business expense	178.41
ACH001027		061314	June 2014 Business expense	59.95
			***Total ***	238.36
ACH001029	7/15/14	HUNTER	Robert J. Hunter	
		060614	June 2014 Business expense	25.82
			***Total ***	25.82
ACH001033	7/15/14	THOMAS	Jeffery Thomas	
		063014	June 2014 Business expense	115.42
			***Total ***	115.42
126066	7/31/14	BELLRI	Richard Bell	
		063014	June 2014 Business expense	540.32
			***Total ***	540.32
126067	7/31/14	BURKED	Darcy M. Burke	
		062814	June 2014 Business Expense	166.06
		070914	July 2014 Business Expense	119.97
			***Total ***	286.03
126068	7/31/14	C3OFFI	C3 Office Solutions LLC	
		INV27615	July 2014 Cannon copier maintenance	216.72
			***Total ***	216.72
126079	7/31/14	TIMEWA	Time Warner Cable	
		3564-JUL14	July 14 Telephone expense for 4 analog fax lines	138.70
			***Total ***	138.70

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of July 2014**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH001037	7/31/14	BERGJO	Joseph Berg	
		062414	June 2014 Business expense	62.00
			***Total ***	62.00
Total Core Disbursements				11,874.56

Choice Disbursements:

ACH001037	7/31/14	BERGJO	Joseph Berg	
		062414	June 2014 Business expense	120.77
			***Total ***	120.77
Total Choice Disbursements				120.77

Other Funds Disbursements:

125971	7/3/14	ATTEOC	AT&T	
		4492-JUN14	June 2014 S. EOC telephone expense	222.01
		8200-JUN14	June 2014 N. EOC telephone expense	153.01
			***Total ***	375.02
125973	7/3/14	SDG&E	SDG & E	
		7768-JUN14	5/19/14-6/18/14 Electrical service for Doheny Ocean Desal project	196.27
			***Total ***	196.27
125983	7/15/14	ATTEOC	AT&T	
		0532-JUN14	June 2014 N. EOC dedicated phone line	66.00
			***Total ***	66.00
126070	7/31/14	CATALI	Catalina Island Conservancy	
		10285	July 2014 WEROC radio repeater site lease	1,484.32
			***Total ***	1,484.32
ACH001046	7/31/14	SANTAM	Santa Margarita Water District	
		MAY2014	May 2014 SCP Operation surcharge	33,625.54
			***Total ***	33,625.54
ACH001047	7/31/14	SPRINT	Sprint	
		320982721-119	July 2014 WEROC cell phone expense	334.82
			***Total ***	334.82

Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of July 2014

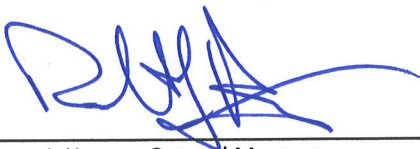
Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
WIRE-073114	7/31/14	METWAT	Metropolitan Water District	
		8036	May 2014 Water Deliveries	17,869,727.15
			Total	17,869,727.15
Total Other Funds Disbursements				<u>17,905,809.12</u>
Total Disbursements				<u><u>17,917,804.45</u></u>


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the Month of July 2014

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
125972	7/3/14	BRINKC JUNE 2014	Cynthia Brink June 2014 Atrium landscape maintenance	87.50
			***Total ***	87.50
125977	7/8/14	EPIPHA 063014	Epiphany Media Group PAW Workshop: Media & Spokesperson Training on 7/8/14	5,000.00
			***Total ***	5,000.00
125978	7/15/14	ACCOEN 715848-0614	ACCO Engineered Systems, Inc. HVAC Replacement project	1,888.00
			***Total ***	1,888.00
			Total Core Disbursements	<u>6,975.50</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>6,975.50</u></u>



Robert J. Hunter, General Manager



Hilary Chumplitazi, 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

June 30, 2014

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

Larry D. Dick
President

Wayne S. Osborne
Vice President

Brett R. Barbre
Director

Wayne A. Clark
Director

Joan C. Finnegan
Director

Susan Hinman
Director

Jeffery M. Thomas
Director

Robert J. Hunter
General Manager

MEMBER AGENCIES

City of Brea

City of Buena Park

East Orange County Water District

El Toro Water District

Emerald Bay Service District

City of Fountain Valley

City of Garden Grove

Golden State Water Co.

City of Huntington Beach

Irvine Ranch Water District

Laguna Beach County Water District

City of La Habra

City of La Palma

Mesa Water District

Moulton Niguel Water District

City of Newport Beach

City of Orange

Orange County Water District

City of San Clemente

City of San Juan Capistrano

Santa Margarita Water District

City of Seal Beach

Serrano Water District

South Coast Water District

Trabuco Canyon Water District

City of Tustin

City of Westminster

Yorba Linda Water District

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

Fund	Book Value	% of Portfolio
Designated Reserves		
General Operations	\$1,687,565	18.36%
Grant & Project Cash Flow	1,000,000	10.88%
Building Repair	239,491	2.61%
Total Designated Reserves	2,927,056	31.85%
General Fund	1,393,430	15.16%
Water Fund	4,256,392	46.30%
Conservation Fund	220,426	2.40%
Desalination Feasibility Study Fund	325,101	3.54%
WEROC Fund	62,879	0.68%
Trustee Activities	6,693	0.07%
Total	\$9,191,977	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	5.10%	\$468,853	\$468,853
Short-term investment			
• LAIF	46.30%	\$4,255,798	\$4,255,798
• OCIP	25.71%	2,363,712	2,363,712
Long-term investment			
• Misc. Securities	21.80%	2,003,614	2,061,150
• Certificates of Deposit	1.09%	100,000	99,975
Total	100.00%	\$9,191,977	\$9,249,488

The average number of days to maturity/call as of June 30, 2014 equaled 106 and the average yield to maturity is 0.980%. During the month, the District's average daily balance was \$19,973,245.16. 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 June 2014.

The \$57,511 difference between the book value and the market value on June 30, 2014 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.

Robert J. Hunter
General Manager

Hilary Chumpitazi
Treasurer



WATER: DO MORE WITH LESS

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary June 30, 2014

6/30/2014	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Certificates of Deposit - Bank	100,000.00	99,975.00	100,000.00	1.15	938	1.050
Local Agency Investment Funds	4,255,797.52	4,255,797.52	4,255,797.52	48.81	1	0.228
Miscellaneous Securities - Coupon	2,000,000.00	2,061,150.00	2,003,613.79	22.94	411	3.346
Orange County Investment Pool	2,363,712.23	2,363,712.23	2,363,712.23	27.11	1	0.328
Total Investments	8,719,509.75	8,780,634.75	8,723,123.54	100.00%	106	0.980

Cash						
Passbook Checking	468,853.38	468,853.38	468,853.38		1	0.00
Total Cash and Investments	9,188,363.13	9,249,488.13	9,191,976.92		106	0.980

Total Earnings	Month Ending June	Fiscal Year to Date
Current Year	8,610.96	108,106.21
Average Daily Balance	19,973,245.16	
Effective Rate of Return	0.980%	

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

Robert J. Hunter, General Manager

Date

8.4.14

Hilary Chumipitazi, Treasurer

8/1/14
Date

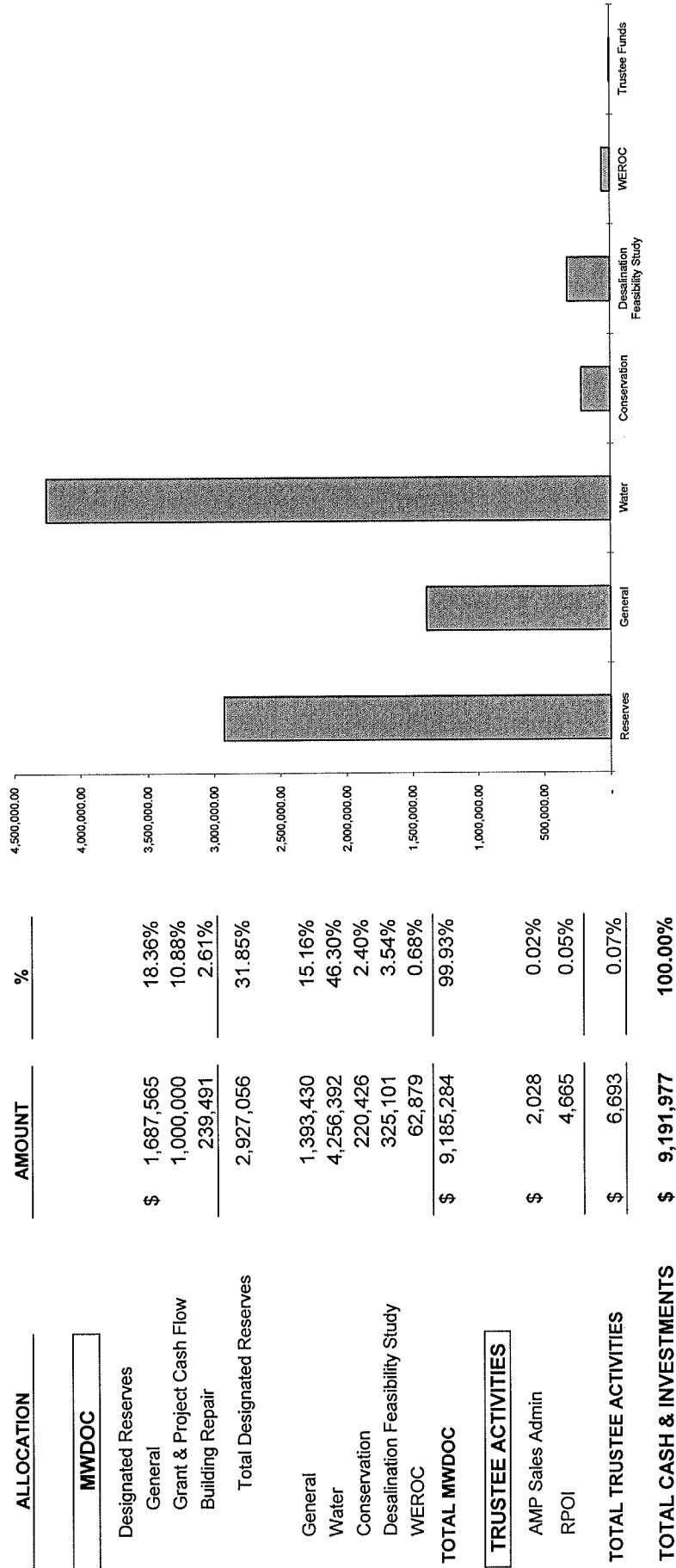
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
June 30, 2014

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	38143AAT9	1/23/2013	100,000.00	99,975.00	100,000.00	1.050	1.050	938	1/23/2017
Sub Total			100,000.00	99,975.00	100,000.00	1.050	1.050	938	
Miscellaneous Securities - Coupon									
Bank of America	06051GED7	10/14/2010	250,000.00	258,457.50	251,891.55	3.700	3.000	428	9/1/2015
JPMorgan Chase	46625HHR4	11/23/2010	250,000.00	257,222.50	251,608.42	3.400	2.700	359	6/24/2015
MetLife Global	59217GAD1	2/25/2011	500,000.00	518,560.00	500,833.24	3.125	3.007	560	1/11/2016
Morgan Stanley	61747YCT0	3/9/2011	500,000.00	517,350.00	499,639.49	3.450	3.508	490	11/2/2015
UBS Financial Services	90261XFY3	6/10/2010	500,000.00	509,560.00	499,641.09	3.875	4.020	199	1/15/2015
Sub Total			2,000,000.00	2,061,150.00	2,003,613.79	3.500	3.346	411	
Total Investments			2,100,000.00	2,161,125.00	2,103,613.79	3.383	3.237	436	
Total Earnings									
Current Year			5,489.71		68,737.60				

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
June 30, 2014

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	4,255,797.52	4,255,797.52	4,255,797.52	0.228	0.228	1	N/A
Sub Total			4,255,797.52	4,255,797.52	4,255,797.52	0.228	0.228	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	2,363,712.23	2,363,712.23	2,363,712.23	0.328	0.328	1	N/A
Sub Total			2,363,712.23	2,363,712.23	2,363,712.23	0.328	0.328	1	
Total Investments			6,619,509.75	6,619,509.75	6,619,509.75	0.264	0.264		
Passbook Checking									
Bank of America Cash	CASH0547	7/1/2011	468,353.38	468,353.38	468,353.38	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			468,853.38	468,853.38	468,853.38	0.000	0.000	1	
Total Cash and Investments			7,088,363.13	7,088,363.13	7,088,363.13	0.264	0.264	1	
Total Earnings									
Current Year			3,121.25		Fiscal Year To Date	39,368.61			

Municipal Water District of Orange County
Cash and Investments at June 30, 2014



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS GASB 45 Program**Monthly Account Report for the Period**
6/1/2014 to 6/30/2014Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 6/1/2014	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 6/30/2014
Employer Contribution	\$875,606.49	\$229,435.86	\$12,043.72	\$696.15	\$0.00	\$0.00	\$1,116,389.92
Totals	\$875,606.49	\$229,435.86	\$12,043.72	\$696.15	\$0.00	\$0.00	\$1,116,389.92

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	
1.22%	2.60%	13.27%	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 7/31/14

Cash - Beginning Balance	Jul 2014	Aug 2014	Sep 2014	Oct 2014	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015	May 2015	Jun 2015	TOTALS
REVENUES:													
City of Brea	3,448.00												\$ 3,448.00
City of Fountain Valley	75.00												\$ 75.00
City of San Clemente	600.00												\$ 600.00
City of San Juan Capistrano	105.00												\$ 105.00
City of Orange	630.00												\$ 630.00
El Toro Water District	2,703.99												\$ 2,703.99
Golden State Water Company	2,671.00												\$ 2,671.00
Irvine Ranch Water District	65,383.05												\$ 65,383.05
Laguna Beach County Water District	328.00												\$ 328.00
Santa Margarita Water District	1,092.20												\$ 1,092.20
South Coast Water District	75.00												\$ 75.00
Miscellaneous Revenues													
Miscellaneous	5,950.50												5,950.50
Interest Revenue													-
Total Revenues	83,061.74	-	-	-	-	-	-	-	-	-	-	-	\$ 83,061.74
EXPENDITURES:													
Aquaficient	1,500.00												1,500.00
Conservation Consulting, LLC	7,544.25												7,544.25
City of Newport Beach	2,968.00												2,968.00
Irvine Ranch Water District	16,250.00												16,250.00
Metropolitan Water District	7,988.20												7,988.20
MESA	2,119.50												2,119.50
Mission RCD	6,485.80												6,485.80
Turf Removal	108,189.95												108,189.95
Miscellaneous Expenses													
Interest Expense													-
Salary & Benefit													-
Total Expenditures	153,045.70	-	-	-	-	-	-	-	-	-	-	-	\$ 153,045.70
Cash - Ending Balance	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	\$ 150,442.63	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2013 THRU JUNE 30, 2014

DEFERRED TO THE AUDITED ANNUAL REPORT
TO BE PRESENTED ON NOVEMBER 12, 2014



CONSENT CALENDAR ITEM

August 20, 2014

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Darcy M. Burke

**SUBJECT: RESOLUTION HONORING FOOTHILL MUNICIPAL WATER DISTRICT
METROPOLITAN DIRECTOR JAMES “JIM” T. EDWARDS**

RECOMMENDATION

Staff recommends the Board of Directors ratifying the adoption of Resolution No. 1988 honoring Metropolitan Director James “Jim” T. Edwards upon his retirement from the MET Board. This Resolution was prepared pursuant to the Executive Committee’s request, and presented to Mr. Edwards at the July 30, 2014 Water Policy Dinner.

DETAILED REPORT

In April, Director James “Jim” T. Edwards retired from the Metropolitan Water District of Southern California’s Board of Directors after serving on behalf of the Foothill Municipal Water District for fifteen years. Director Edwards has been a friend and supporter of the Municipal Water District of Orange County, Orange County issues and a myriad of water reliability and sound financial management efforts. As a token of our thanks for his years of service and his continued support, staff presented an honorary resolution recognizing his contributions and support. The resolution was presented to Director Edwards at MWDOC’s Water Policy Dinner held on July 30th, 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):			

RESOLUTION NO. 1988
A Resolution of the Board of Directors
Recognizing James “Jim” T. Edwards
On the occasion of his retirement from the
Metropolitan Water District of Southern California
Board of Directors

WHEREAS, James “Jim” T. Edwards is retiring from Metropolitan Water District of Southern California’s Board of Directors after fifteen years of faithful service and sound resource stewardship; and

WHEREAS, May 1999, Jim was appointed by his fellow Foothill Municipal Water District Board Members to serve as the representative on the Metropolitan Water District of Southern California’s Board of Directors; and

WHEREAS, Jim served as the Vice Chair of the Personnel and Technology Committee as well as the serving on the Audit and Ethics Committee, the Water Planning and Stewardship Committee and the Legal and Claims Committee; and

WHEREAS, Jim serves as the Chief Executive Officer of BT Insurance Brokers, Inc., an independent insurance brokerage firm specializing in transportation risk.; and

WHEREAS, Jim is a Veteran having served in the United States Army as a Green Beret, Airborne Special Forces with a tour of duty in Vietnam; and

WHEREAS, Jim is retired from the Los Angeles County Sherriff’s Department after 34 years of service including as a member of the sheriff’s Montrose Search And Rescue Team; and

WHEREAS, Jim has distinguished himself for his ongoing public services, including serving on the La Canada Flintridge City County including two terms as mayor as well as a member of the city’s Public Safety Commission; and

WHEREAS, Jim served the water profession in both working to oversee potable and non-potable water sources by serving on the Los Angeles County Sanitation District; and

WHEREAS, Jim graduated from California State University, Long Beach earning his Bachelor’s Degree in Communications and history; and

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Water District of Orange County offers a heartfelt thanks to Jim for his service to the residents of Orange County, Southern California and the California Water Community for his leadership, stewardship and contributions in enhancing southern California’s water reliability and a heartfelt congratulations in his retirement.

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

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

I HEREBY CERTIFY that the foregoing is a full, true and correct copy of Resolution No. 1988 adopted by the Board of Directors of Municipal Water District of Orange County at its Executive Committee meeting of July 17, 2014.

Maribeth Goldsby, Secretary
Municipal Water District of Orange County



CONSENT CALENDAR ITEM

August 20, 2014

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Pat Meszaros

SUBJECT: OC Tax 4th Annual Roses, Radishes and Royalty Awards

STAFF RECOMMENDATION

Staff recommends the Board of Directors consider authorizing attendance by Directors and such members of District staff as approved by the General Manager.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

Known as the Roses, Radishes and Royalty awards dinner, this OCTax gala is an annual event that recognizes the best . . . and worst . . . of individual, business and public agency taxpayer policy. Held at the Island Hotel in Newport Beach and hosting more than 200 guests, including more than 55 elected officials, this event is a who's who of Orange County tax policy. Each year, three types of awards are presented. The Rose Award is given to individuals or organizations that have been friends to taxpayers in the previous year. Radish Awards go to individuals or organizations that have not been friends to the taxpayers. And the Royalty Award is for that individual or organization that has established a legacy of service to the taxpayer.

Thursday, September 4, 2014
The Island Hotel, Newport Beach
5:30 p.m. – Reception ▪ 6:30 p.m. - Dinner and Awards

Cost: \$150 per person

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



CONSENT CALENDAR ITEM

August 20, 2014

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Pat Meszaros

SUBJECT: ATTENDANCE AT THE CSDA ANNUAL CONFERENCE, SEPTEMBER 29-OCTOBER 2, 2014, PALM SPRINGS, CA

STAFF RECOMMENDATION

Staff recommends the Board of Directors consider authorizing attendance by Directors and such members of District staff as approved by the General Manager.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

The CSDA Annual Conference is the one conference special district leaders can't afford to miss! Join 500+ special district professionals and industry experts for a three-day, must-attend education and networking event. Participate in inspiring and motivating keynote sessions. Walk away with strategies, new connections and innovative ideas to move your district forward.

Every year, the Annual Conference offers the highest level of educational opportunities from leading experts and consultants. Whether you are looking to hone your leadership skills, sharpen your understanding of critical laws or learn more about specific, technical issues, you will find what you are looking for at this event.

Cost information is included on attached conference flyer.

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



MONDAY, SEPTEMBER 29, 2014	
Conference & Exhibitor Registration	8:00 a.m. - 5:00 p.m.
Exhibitor Set-Up	10:00 a.m. - 4:00 p.m.
So You Want to Be A General Manager?* (Full day workshop)	8:00 a.m. - 3:45 p.m.
SDLF: Special District Administrator (SDA) Exam	9:00 - 11:00 a.m.
Special District Leadership Academy Module 1: Governance Foundations* (Full day workshop)	9:00 a.m. - 3:00 p.m.
CSDA Annual Golf Tournament*	10:00 a.m. - 3:00 p.m.
Water Awareness Tour: Coachella Valley Water District*	10:00 a.m. - 3:00 p.m.
How to Be A Great Decision Maker* (Half day workshop)	12:00 - 3:00 p.m.
CSDA Network/Region Meetings	4:00 - 5:00 p.m.
President's Reception with the Exhibitors	5:30 - 7:30 p.m.
TUESDAY, SEPTEMBER 30, 2014	
Continental Breakfast with the Exhibitors/Raffle	7:30 - 8:45 a.m.
Registration	7:30 a.m. - 5:00 p.m.
CSDA Board of Directors Meeting	7:30 - 8:30 a.m.
Opening General Session: "Leading at the Speed of Trust" with Stephen M. R. Covey	9:00 - 10:45 a.m.
6 Breakout Session Options	11:00 a.m. - 12:15 p.m.
Exhibit Hall Lunch	12:30 - 1:45 p.m.
6 Breakout Session Options	2:00 - 3:15 p.m.
6 Breakout Session Options	3:30 - 4:30 p.m.
Exhibit Hall Grand Prize Drawing	4:30 - 5:00 p.m.
Exhibit Hall Closes	5:00 p.m.
Optional Off-Site Event: Hangar Party at the Palm Springs Air Museum*	6:00 - 9:00 p.m.
WEDNESDAY, OCTOBER 1, 2014	
Registration	8:00 a.m. - 4:00 p.m.
SDRMA sponsored full plated breakfast	8:15 - 9:00 a.m.
SDRMA General Session/Safety Awards/Keynote: "Experience the Power of Connections" with Bob Gray	9:00 - 10:45 a.m.
CSDA Finance Corporation Board Meeting	11:00 a.m. - 12:15 p.m.
SDRMA Safety Specialist Certificate Program	11:00 a.m. - 4:45 p.m.
6 Breakout Session Options	11:00 a.m. - 12:15 p.m.
Awards Luncheon	12:30 - 2:00 p.m.
6 Breakout Session Options	2:15 - 3:30 p.m.
6 Breakout Session Options	3:45 - 4:45 p.m.
SDLF Taste of the City Reception	6:00 - 8:00 p.m.
THURSDAY, OCTOBER 2, 2014	
Registration	8:00 a.m. - 12:00 p.m.
5 Breakout Session Options	8:30 - 10:00 a.m.
Chapter Roundtable Discussion	8:30 - 10:00 a.m.
Closing Brunch: 2014 Legislative Outcomes	10:15 a.m. - 12:00 p.m.



Attendee Registration Form

ONE FORM PER ATTENDEE, PLEASE PRINT

REGISTER NOW
and **SAVE MONEY**
Early Bird ends August 22, 2014

Three Ways to Register:

1. ONLINE by visiting the CSDA Annual Conference website at conference.csdanet.net
2. FAX your registration form to 916-520-2465. All faxed forms must include payment.
3. MAIL CSDA, 1112 I Street, Suite 200, Sacramento, CA 95814, please include registration form along with payment. Check should be made payable to: California Special Districts Association.

Not sure if you are a member?

Contact the CSDA office at 877-924-2732 to find out if your agency or company is already a member. To learn more about the benefits of membership contact Cathrine Lemaire at cathrine@csda.net or call toll-free 877-924-2732.

Registration fee includes:

- President's Reception with the Exhibitors Monday evening
- Keynote Sessions
- Continental Breakfast with the Exhibitors on Tuesday
- Lunch with the Exhibitors on Tuesday
- SDRMA Full Plated Breakfast on Wednesday
- Awards Luncheon on Wednesday
- All Breakout Sessions on Tuesday, Wednesday, and Thursday
- SDFL "Taste of the City" Reception on Wednesday
- Closing Brunch on Thursday

Name:		Title:	
District:			
Address:			
City:		State:	Zip:
Phone:		Fax:	
Email:		Website:	
Emergency Contact:			
Member status: <input type="checkbox"/> Member <input type="checkbox"/> Non-member		<input type="checkbox"/> Vegetarian <input type="checkbox"/> Any Special Needs:	
Conference Registration Fees		Early Bird (on or before Aug. 22)	Regular (after Aug. 22)
<input type="checkbox"/> CSDA Member - Full Conference		\$550.00	\$600.00
<input type="checkbox"/> Non-member - Full Conference		\$750.00	\$800.00
<input type="checkbox"/> Guest - Full Conference (Cannot be from a district/company) <input type="checkbox"/> Vegetarian		\$260.00	\$300.00
<input type="checkbox"/> CSDA Member - One-day registration <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday <input type="checkbox"/> Thursday		\$260.00 each day	\$275.00 each day
<input type="checkbox"/> Non-member - One-day registration <input type="checkbox"/> Tuesday <input type="checkbox"/> Wednesday <input type="checkbox"/> Thursday		\$375.00 each day	\$435.00 each day
Separate Registration Fees		Member	Non-member
<input type="checkbox"/> Pre-Conference Workshop: SDLA Module 1: Governance Foundations - Sept. 29		\$225.00	\$375.00
<input type="checkbox"/> Pre-Conference Workshop: So You Want to Be A General Manager? - Sept. 29		\$100.00	\$100.00
<input type="checkbox"/> CSDA Golf Tournament - Sept. 29		\$ 60.00 (includes breakfast and lunch)	
<input type="checkbox"/> Coachella Valley Water District Tour - Sept. 29		\$ 45.00 (includes transportation and lunch) (limited seating)	
<input type="checkbox"/> Hangar Party at the Palm Springs Air Museum - Sept 30		\$ 50.00 (includes transportation)	
<input type="checkbox"/> Safety Specialist Certificate Program - Oct. 1		FREE - Must be an SDRMA member	
<input type="checkbox"/> CSDA Awards Luncheon (Guests only) - Oct. 1		\$ 40.00	
<input type="checkbox"/> SDFL "Taste of the City" Reception (Guests only) - Oct. 1		\$ 55.00	
TOTAL			
Payment type: <input type="checkbox"/> Check <input type="checkbox"/> Visa <input type="checkbox"/> MasterCard <input type="checkbox"/> AMEX <input type="checkbox"/> Discover			
Account name:		Account Number:	
Expiration date:		Authorized Signature:	

Cancellations/Substitution Policy: Cancellations must be in writing and received by CSDA not later than September 5, 2014. All cancellations received by this date will be refunded less a \$75 processing fee. There will be no refunds for cancellations made after September 5, 2014. Substitutions are acceptable and must be done in writing no later than September 12, 2014. Please submit any cancellation notice or substitution request to sharonf@csda.net or fax to 916-520-2465.

Consent to Use Photographic Images: Registration and attendance at, or participation in, CSDA meeting and other activities constitutes an agreement by the registrant to CSDA's use and distribution (both now and in the future) of the registrant or attendee's image or voice in photographs, videotapes, electronic reproductions and audiotapes of such events and activities.





ACTION ITEM

August 20, 2014

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: WATER QUALITY, SUPPLY AND INFRASTRUCTURE IMPROVEMENT
ACT OF 2014 - \$7.54B**

RECOMMENDATION

Staff recommends the Board of Directors adopt a support position on the Water Quality, Supply and Infrastructure Improvement Act of 2014, a \$7.54 billion bond approved by the Legislature and which will be Proposition 1 on the November 2014 ballot for California voters.

DETAILED REPORT

In January, Senator Wolk introduced SB 848 (Wolk) as her new water bond vehicle. The bill was introduced as a verbatim version of the September 11, 2013 version of SB 42, a \$6.72 billion water bond (later amended to \$7.5 billion) to replace the \$11.2 billion water bond on the November 2014 ballot that has been carried over since 2010. AB 1331 (Rendon), an \$8.2 billion proposal was introduced as the Assembly version of the water bond. As the session continued, both Assemblymembers Perea and Bigelow introduced their own \$8+ billion proposals. In late July, Governor Brown weighed in on the issue with his own \$6 billion proposal indicating he wanted a “no frills, no pork” water bond that invests in the most critical projects. As negotiations continued into August, Senate Republicans also introduced a working proposal, SB 1013 (Vidak). Finally on August 13, with the deadline looming – a compromise was struck. AB 1471 (Rendon, Atkins & Gomez) and SB 866 (Steinberg & Wolk) were identical bills going through the Senate and Assembly, with AB 1471 being signed by Governor Jerry Brown late in the evening on August 13, 2014. Both bills were approved unanimously by the Senate, and by a vote of 77-2 in the Assembly with Assemblymembers Chesbro and Donnelly voting no. This measure will be Proposition 1 – the Water Quality, Supply and Infrastructure Improvement Act of 2014 going to the voters in November.

Budgeted (Y/N):	Budgeted amount: n/a	Core ____	Choice ____
Action item amount: 0	Line item:		
Fiscal Impact (explain if unbudgeted):			

MWDOC's advocates worked closely with the Orange County delegation with Assemblywoman Harkey taking the lead, to ensure a successful amendment was in both AB 1471 and SB 866 that would place our South Orange County member agencies in the San Diego funding region. By virtue of the nature of its watersheds, south Orange County is more appropriately included in the San Diego funding region, instead of the Santa Ana region as was written in the \$11 billion bond that had already been placed on the ballot in 2009. Projects that may be obtained in south Orange County would be more similar in nature to opportunities in the San Diego region. MWDOC's member agencies in south Orange County currently have working agreements in place with San Diego region agencies pertaining to the allocation of funds for a variety of water projects. Note: The regional boundaries that currently exist pursuant to the Integrated Regional Water Management Plan provisions in Propositions 50 and 84 remain intact.

A breakdown of the bond funding is as follows:

Regional Water Reliability—\$810M

- Integrated regional water management \$510M
- Storm water capture \$200M
- Water Conservation \$100M

Safe Drinking Water – \$520M

- Provide clean, safe and reliable drinking water to all Californians. With minimum to leverage federal funds for safe drinking water and clean water programs and for disadvantaged communities.
- Small Community Wastewater Program \$260M
- Drinking Water Public Infrastructure \$260M

Water Recycling- \$700M

- Statewide water recycling projects and activities.

Groundwater Sustainability – \$900M

- Prevent and reduce groundwater contaminants \$800M
- Provide sustainable groundwater management planning and implementation \$100M

Watershed Protection, Watershed Ecosystem Restoration, State Settlements - \$1.495B

- Conservancies \$327.5M
- Wildlife Conservation Board \$200M (restoration of flows)
- Department of Fish and Wildlife \$285M (out of delta, no mitigation on BDCP)
- Department of Fish and Wildlife \$87.5M (in delta with constraints)
- State settlements and obligations including CVPIA \$475M
- Rivers and creeks \$120M

Storage- \$2.7B

- Continuous appropriation for water storage projects.

Statewide Flood Management – \$395M

- Statewide flood management projects and activities \$100M
- For delta levee subvention programs and delta flood protection projects \$295M

General Provisions

- Funding eligibility requires urban or agricultural water management plans and compliance with 2009 Water Conservation Act.
- Bay Delta Conservation Plan neutral.
- Protects existing water rights and reaffirms area of origin protections.
- Assumes repurposing of \$105M from Prop. 84 and \$95M of Prop. 50, \$81M from Prop. 13, \$25.5M from Prop. 204, \$13.5M from Prop. 44, \$5M from Prop. 82, \$100M from Prop. 1E and \$7.12B of new bond debt.

Below are some of the designated funding areas in the current water bond, as well as potential areas of impact beneficial to Orange County:

- Funding for IRWM program section provides:
 - \$63 million for Santa Ana sub-region
 - \$52.5 million for San Diego sub-region
 - South Orange County is included in the San Diego sub-region
- \$725 million Water Recycling
 - Desalination is an eligible project
- \$810 million Regional Water Reliability
- \$100 million in water conservation will be directed to DWR for competitive grant purposes
- \$200 for storm water management
- \$100.5 million to State Coastal Conservancy
- Santa Ana Watershed is eligible for funding from this source

**ACTION ITEM**

August 11, 2014

TO: Board of Directors**FROM:** **Public Affairs & Legislation Committee**
(Directors Dick, Hinman, Clark)Robert J. Hunter
General ManagerStaff Contact: Karl Seckel
Darcy M. Burke**SUBJECT:** **Response to the Orange County Grand Jury Report, “Sustainable and Reliable Orange County Water Supply; Another Endangered Species?”****STAFF RECOMMENDATION**

Staff recommends the Board of Directors review the draft response, approve it and direct staff to submit response letter to the Orange County Grand Jury.

COMMITTEE RECOMMENDATION

The Committee reviewed the draft letter and suggested a change on the last page of the letter under the merger discussions response, to reflect the MWDOC Board support for “A new organization, **with elected directors selected via a “consolidating election” (no incumbents appointed)**”. The Committee suggested this change be submitted to the entire Board.

SUMMARY

The 2013-2014 Orange County Grand Jury spent significant time investigating Orange County water reliability and sustainability issues. This investigation included a number of meetings with the Municipal Water District of Orange County (MWDOC) Directors, staff and member agencies. In addition to meetings, MWDOC Metropolitan Directors hosted and MWDOC staff accompanied the OC Grand Jury on a State Water Project Inspection Trip and a Colorado River Aqueduct Inspection Trip. Other visits to local facilities and projects were also completed throughout the region. Grand Jurors also attended WACO meetings.

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

At the end of June, the Orange County Grand Jury released its report on Water; **“Sustainable and Reliable Orange County Water Supply; Another Endangered Species?”** MWDOC is required to respond to the findings and recommendations of the Grand Jury Report by September 2, 2014. Staff has drafted a response for the Boards consideration and approval. The draft, annotated response follows.

DETAILED REPORT

August XX, 2014

The Honorable Glenda Sanders
 Presiding Judge
 Orange County Superior Court
 700 Civic Center Drive West
 Santa Ana, CA 92701

Dear Judge Sanders,

The Municipal Water District of Orange County (MWDOC) hereby submits its required responses to the findings and recommendations in the Orange County Grand Jury report, **“Sustainable and Reliable Orange County Water Supply; Another Endangered Species?”**

MWDOC recognizes and appreciates the significant time and effort the Orange County Grand Jury invested in engaging and understanding the complex water issues Orange County is facing, and the diversified and collaborative manner in which Orange County Water Agencies work together. MWDOC staff provided substantial background information, invited the Grand Jury to regional water policy meetings and had individual meetings at their request. In addition, MWDOC escorted the Water Committee of the Grand Jury on water trips to Northern California and to the Colorado River. Overall, the 2014 Grand Jury made a substantial investment in understanding Orange County Water and the issues we are facing.

For over sixty years, MWDOC has been instrumental in the innovation, analysis, planning, coordination, collaboration and facilitation of sound water resource management. The combined efforts of the MWDOC Member Agencies have resulted in a number of local and regional reliability projects including Orange County Water District's (OCWD) Ground Water Replenishment System and Phase One Expansion; the Irvine Regional Interconnection Project, Santa Margarita Water District's Upper Chiquita Reservoir, Irvine Ranch Water District's Strand Ranch Banking and Recovery Project; as well as MWDOC's comprehensive and effective Water Use Efficiency Program. For these projects and many others, it is the integrated planning and coordination among the water agencies that ensures Orange County's water sustainability and reliability while preserving local control and water rights protection.

MWDOC RESPONSE TO THE FOLLOWING GRAND JURY FINDINGS

As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding
- (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

MWDOC RESPONSES TO THE FINDINGS ARE PROVIDED BELOW:

F.1. MWDOC's SOC water reliability study objective of a 30 to 60 day emergency supply from local storage will fall short, requiring between 33 and 48 Mgd of additional capacity. Mitigation of this short fall may require the development of a new water source.

Disagree partially.

We believe the correct statement should have been written as: "MWDOC's South Orange County Reliability study indicates that new emergency supplies of 33 cubic feet per second (cfs) to 51cfs are required to meet either the 30 or 60 day objective of providing emergency supplies without the benefit of the import system. This is equivalent to 22 to 34 million gallons per day (mgd) of new emergency supplies." The Finding Statement seems to imply that Orange County will fall short of meeting that objective. MWDOC believes sufficient alternatives are being evaluated that the 60-day objective will be met. However, it will likely take 3 to 5 years to place these emergency supplies into place.

F.2. The BDCP is an expensive, long-term, (\$25 billion in capital and operations over 50 years) plan yet to be approved or funded project to restore the Bay Delta and improve exported water source reliability. The future effects of climate change on water allocations and the vulnerability of the dual, under delta tunnels have not been well defined and should be developed further before MWDOC allocates significant resources to its implementation.

Disagree.

Characterizing the Bay Delta Conservation Plan (BDCP) as an expensive proposition is not entirely correct. While the program will cost \$25 billion or more, the cost of water reliability secured by the project is reasonable and affordable compared to (1) other feasible alternatives, and (2) the "no project alternative" (i.e., no action). Without substantial investments for a Bay-Delta solution, it is likely that Southern California would be forced to undertake the entire burden of developing more than one million acre feet (AF) of new water in addition to the amount already projected. This would be even more expensive than pursuing the BDCP and would result in large stranded investments by Southern California for the prior State Water Project investments. MWDOC remains concerned about securing strong assurances for the reliability of supplies out of the BDCP system, but realizes this statewide investment of many parties involves balancing, trust and adaptive management in order to meet future water resource needs. We believe The BDCP is the best opportunity we have to implement an effective solution for the delta problems. The cost of water "not lost" from inaction and delay has been estimated at \$800 to \$900 per AF including the cost

for delivery and treatment to Southern California. While the project cost is large, the result would be one of our lowest cost supplies. We believe the opportunity should be strongly endorsed.

F.3. Most of the local and County water sources have been developed and optimized. Some additional capture of ground water and recycling of municipal waste water is in various stages of planning and execution, but these options are progressively more expensive to execute and, by themselves, are not game changers.

NOTE: MWDOC IS NOT REQUIRED TO RESPOND TO THIS FINDING

Disagree.

The statement implies that development of local supply options in Orange County are exhausted. That is not the case. We do not believe there is a “single bullet game-changer” and reliability improvement will require a portfolio of local and regional efforts. Options include projects to expand recycling, improve the flexibility of local supplies and consider other sources of imported water into the region. In addition, new investments will be required in imported water from Metropolitan Water District of Southern California (MET) which contributes heavily to Orange County’s supply reliability. We would note that potential expansions of water recycling by OCWD via its Groundwater Replenishment System could reach 170 mgd (this is 90 mgd over what is being recycled today for replenishment into the groundwater basin. We would also note that the Grand Jury Report did not include the potential for Direct Potable Reuse of water in Orange County that could open up other opportunities.

F.4. OC water quality is widely and frequently monitored by both wholesalers and retailers and, in general, is well within the State standards. Some wells have been contaminated with seawater or industrial chemicals and are either capped or the water is treated on site. All wells and transfer interfaces are frequently monitored for water quality.

Agree

We note that OCWD has provided protection for the groundwater basin from seawater intrusion by management of the basin and injection of Groundwater Replenishment supplies. Water quality reports are distributed annually by the County’s retail water agencies demonstrating compliance with State water quality standards and testing results.

F.5. The largest, yet to be developed source of local water is the Pacific Ocean. Two OC Ocean desalination projects are being evaluated by regulatory agencies and OC water district; Poseidon’s 50 mgd Huntington Beach project and the MWDOC’s Doheny Coastal Ocean Desalination Project rated at 15 mgd potable/15 mgd barrier injection at Doheny Beach.

Agree partially

Supplies from ocean desalination of more than 100 mgd could be developed in the Orange County area. However, we would also note that new water recycling in OC could equal or surpass that level of development.

F.6. The MWDOC imported water supply source and transport infrastructure has been greatly improved, but it is vulnerable to several major events outside of their control. These include flooding or a large earthquake in the Bay Delta which could collapse levees. Quakes could also damage critical infrastructure such as conveyance piping, water treatment plants and pump stations. Contamination of Bay Delta intakes due to the seawater infiltration is a possibility; some say it's likely. Long periods of drought could also result in the depletion of major State reservoir storage which are currently at 50% or less of annual average capacity.

Agree

MWDOC will perform of county-wide reliability study this fiscal year. This study will quantify the improvements in reliability achieved in the past decade, reexamine reliability goals, quantify the risk of potential scenarios and evaluate potential projects and solutions. In addition, as illustrated by the ongoing drought, additional investment in storage projects is necessary on a statewide basis.

F.7. The local OC water supply is less vulnerable to major events because of a number of innovative retail water supplier and OCWD efforts. The primary focus has been on large waste or surface run-off water reclamation, increased winter and emergency storage, conservation and rate pricing strategies, preventative maintenance, back-up and redundant equipment, and a large number of interconnections between district distribution pipelines.

NOTE: MWDOC IS NOT REQUIRED TO RESPOND TO THIS FINDING

Agree

However, the economic health and growth of Orange County will require additional improvements.

F.8. The imported water supply is less vulnerable to earthquakes and long term drought because of a number of recently completed projects such as:

- 1. Increasing southern California reservoir storage about doubled over the last 10 years and is currently at about 5.5 MAF (million acre-feet, an acre under one foot of water).**
- 2. Upgrading the Diemer imported water treatment plant seismic design.**
- 3. Developing the Diamond Valley reservoir and connecting pipeline to store Colorado River (COR) and State water for emergency use-note that transport piping does not cross the San Andreas Fault and should be less vulnerable to quake caused catastrophic failures.**
- 4. Adding ozone treatment at three water treatment plants for disinfecting potable water.**

5. Implementing an extensive conditioned maintenance program for mechanical and electrical equipment including the ability to fabricate, transport and install large diameter pipe spool pieces to repair damaged sections of piping.

6. Negotiating transfer agreements with Imperial and Central Valley agricultural districts for water exchanges and transfers during surplus wet years.

Agree

We would additionally note that much of the water out of MET's storage system still needs to be delivered into Southern California; vulnerability to major earthquakes represents a large exposure for the reliability of the imported supplies. Metropolitan Water District of Southern California is conducting work on alternative delivery options and options to speed recovery efforts in the event of seismic events. Additional work still needs to be completed to examine how best to deliver water either in the absence of certain facilities and/or to examine how best repairs and restoration of partial or full operation can be achieved during emergency operations. The Department of Water Resources is also examining critical facilities for the State Water Project delivery system.

F.9. Permitting large water infrastructure construction projects consumes many years, and cuts across many agencies and jurisdictions. Permitting issues are frequently used by stakeholder special interests to manipulate outcomes that are not always consistent with the public's greater good.

Agree.

F.10. The San Diego County Water Authority (SDCWA) has geological, demographic and water import issues which are similar to SOC. They are pursuing similar conservation and storage projects, but have also committed to water purchases from a large, 50 Mgd desalination plant located in Carlsbad to achieve a more diverse, local water portfolio. Their interest in seawater desalination has primarily been driven by an imported water curtailment of 50% in 1991. It has taken over 10 years and significant public involvement to obtain regulatory approvals. SDCWA has also completed a conceptual engineering study of the feasibility of locating a second large desalination plant at the Camp Pendleton Marine Base. The Grand Jury recognizes that it lacks jurisdiction over the San Diego Water County Water Authority, but makes the finding merely to demonstrate the complexity of desalination projects and length of time needed for regulatory approval is similar to Orange County. The Grand Jury believes that coordination and advocacy between water districts would be beneficial.

Agree

We would also note that there are differences between Orange County and San Diego County, primarily based on the level of local resources available to each (50% in Orange County and approximately 17% in San Diego County, not counting the Carlsbad Project). This results in somewhat of a different approach in decision-making with respect to water

resources. Orange County is watching the development of the Carlsbad Project, especially with respect to any lessons learned that can be applied to Orange County.

MWDOC RESPONSE TO THE GRAND JURY RECOMMENDATIONS

As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. **This time frame shall not exceed six months from the date of publication of the Grand Jury report.**

(NOTE: THIS ESSENTIALLY REQUIRES ALL WORK TO BE COMPLETED BY JANUARY 1, 2015)

MWDOC RESPONSES TO THE RECOMMENDATIONS ARE PROVIDED BELOW:

R.1. MWDOC and OCWD should assemble and finance a strong inter-agency (OCWD, MWDOC, and select retailers) advocacy group to drive the final permitting and construction of several large scale seawater desalination plants with the objective of significantly accelerating the process and shortening project schedules. (F.1. through F.6.), (F.10.)

The recommendation has not yet been implemented

OCWD is working on a financing analysis of the Poseidon Project which will provide useful information by September 17, 2014. A Water Reliability Study is being started in Orange County by MWDOC at this time and should have preliminary information available beginning in January 2015, which will help with upcoming decisions on the Poseidon Project. MWDOC, OCWD and the retailers have been working on the Poseidon Huntington Beach Project which is in the last stage of permitting. Following the permitting phase, the project will be evaluated for implementation; we believe this will occur no later than the first half of 2015 calendar year. At that time, a decision whether to proceed with implementation of the project will occur. We also believe a decision will be made in the next few years with respect to the Doheny desalination project moving forward with a permitting decision several years away.

Proceeding with a number of ocean desalination projects will require successful permitting working in conjunction with State Water Resources Control Board and Coastal Commission. MWDOC is currently working with Association of California Water Agencies, State Water Resources Control Board, CalDesal and other organizations to expedite and resolve intake and brine discharge issues.

We believe the San Diego County Water Authority Ocean Desalination Projects within Camp Pendleton will take longer to mature to a point of decision-making. This could take a number of years. Previous analyses have indicated additional conceptual costs of approximately \$500 per AF to be added to the cost of the San Diego projects to account for the cost of conveying this water back into Orange County. Details are yet to be developed.

With respect to the recommendation, we feel there are more issues to be evaluated with these types of projects rather than simply driving “the final permitting and construction of several large scale seawater desalination plants”. The questions include:

- How the project is developed, financed and implemented?
- Who takes on the risks for the project?
- Who ultimately pays for it?
- The benefits need to be quantified and compared to alternative projects?
- For the San Diego desalination projects, what are the additional costs to be incurred to convey the water north into Orange County?
- Are these the most cost effective projects for Orange County?

For example, it may be more advantageous for the local agencies to take an equity position in the project rather than just purchasing water from Poseidon. It may also be a project that is best developed by Metropolitan Water District of Southern California because of their role as the regional water provider. Until such time as the permitting and costs have been estimated, these decisions remain to be answered. MWDOC is initiating a process to help answer these types of questions (the OC Water Reliability Study). The earliest information would begin to be available is in the first part of 2015.

R.2. MWDOC and OCWD should work with legislators, contractors, other stakeholders, and the regulatory agencies to streamline and accelerate the large infrastructure permitting process. The goal should be the development of a one-stop agency capable of representing and adjudicating conflicting or overlapping agency permit requirements. (F.9.), (F.10.)

The recommendation requires further analysis

MWDOC has had the goal of streamlining the permitting process for some time and has held workshops on the topic to engage community leaders and policy makers. Most recently, MWDOC worked with the Public Works Coalition and the Association of California Water Agencies to draft and submit input for State legislative consideration. In the last year, the legislature considered only relatively minor changes from a number of options submitted, although there were a number of legislative bills proposed. Work on this topic continues, but there is no clear path forward or even agreement on changes that might be considered. The timeline for this is unknown and very unlikely due to environmental opposition to changing CEQA.

(NOTE: DOES NOT MEET THE TIMING NEEDS)

R.3. MWDOC and OCWD should develop an interconnection process flow network diagram connecting all relevant OC agencies (City, County, and MET) and use it to investigate the impact of —what-if scenarios (various emergency outages due to failed wells and pumping stations, damaged piping, etc.) which could impact local district water supplies. Close coordination of resources and plans is necessary to integrate the local OC water infrastructure. (F.7.)

The recommendation has been implemented, but not necessarily in the format suggested

MWDOC and WEROC have completed a significant amount of emergency planning in Orange County as has Metropolitan Water District of Southern California. Combined with the retailers, we have a good collective understanding on the production and movement of water during normal operations and under emergency operations as they have been hypothesized and evaluated. Updates to prior work will be made as part of the OC Water Reliability Study and additional work is always helpful in preparing for emergency situations. Earthquakes and power outages are our biggest risks. MWDOC is in the process of collecting and analyzing the capability of the water system to operate in the absence of the electrical power grid and to develop a refueling plan to keep emergency generators running. The ability to secure fuel at various locations when the grid is out is a recently identified need. The results of this study effort will likely result in additional recommendations for emergency capabilities in Orange County. This effort is expected to be completed prior to January 2015.

R.4. MWDOC should continue to monitor and support the BDCP, but a favorable resolution of water supply allocations and tunnel vulnerability issues is required before significant resources should be expended. (F.2.), (F.8.)

The recommendation has been implemented

MWDOC is on record as supporting the BDCP via adoption of a Resolution of Support for the BDCP in April 2014 and submittal of comments and support for the BDCP Alternative #4 in our BDCP Comment Letter of July 24, 2014 on the EIR/EIS. The BDCP is a critical investment to protect against further water supply losses from the State system. It will be incumbent on MWDOC and those with interests in the BDCP to apply pressure to ensure the project is implemented appropriately, including development of more reliable supplies. We have reviewed several presentations on the tunnel design for the prevalent conditions which indicate a highly reliable system that does not cross any major faults and has short sections that allow some movement without failure. Our understanding is that the tunnel design is the preferred alternative because it is the least risky water delivery route in the event of seismic activity in that region.

We believe the Bay Delta solutions have been researched and studied sufficiently and that the BDCP is the best option we have explored for almost 100 years. It is important to note that in addition to the fifteen alternative options provided for consideration in the BDCP, there have been over seventy other alternative researched, study and considered since the early 1930's. The issues in the Bay Delta are not new, but the urgency to address them in a comprehensive co-equal manner has become critical. The time and resources to study the Bay Delta are over, it is time to build water reliability into the long term solution of the Bay Delta and we believe alternative 4, the tunnels, is the best option.

R.5. MWDOC and OCWD should consider merging into a single wholesale agency to better evaluate, coordinate, and integrate more complex strategies involving the allocation and distribution of ground and imported water under emergency and climate change impacts. This merger would facilitate the implementation of Recommendations 1-4. (F.1.), (F.4.), (F.6.)

The recommendation requires further analysis

Over the past year, MWDOC and OCWD held a number of meetings regarding consolidation of the two agencies. Considerable time and effort was spent on:

- Developing principles for consolidation including that the overriding basis for consolidation decisions is "the best interest of the citizens of Orange County," the best management of regional water resources and the most effective and efficient organizational structure.
- It was also agreed that:
 - The consolidation would not change existing groundwater or surface water rights.
 - Existing financial liabilities would remain with the currently responsible agencies.
 - The rights and representation of the Three Cities (Anaheim, Fullerton and Santa Ana) would not change. They would retain their status, seats and voting power as MET member agencies.
 - The initial and subsequent Board of Directors would be elected from defined geographic divisions (except for the Directors appointed by the Three Cities).
 - Divisions would be independently developed to reflect the "community of interest" being the retail water service boundaries to the maximum extent possible.
 - The total number of Directors would be reduced from existing combined total of the MWDOC and OCWD boards of 18~~7~~. The general preference would be for a Board with 8 elected directors, plus the 3 directors from the Three Cities, for a total of 11 directors. The preference is for all elected directors to vote on all matters.
 - The Three Cities would each retain one Director.
 - The consolidation will require state legislation.
 - The existing legislative powers of both MWDOC and OCWD should be maintained in the new legislation. Powers should not be increased or decreased.
- The MWDOC Board also approved in their Principles of Consolidation that the consolidated entity should be:
 - A new organization, with elected directors selected via a "consolidating election" (no incumbents appointed)
 - Formed under a new legislative act
 - Organized with a new name.
- The OCWD Board did not agree with these final three points.

Several financial issues were identified in the discussions which led to the conclusion that the merger of the two organizations would NOT result in significant cost savings and may actually increase the costs to carry-out the functions of both entities. There would be significant transactional costs to the consolidation and a myriad of consolidation issues which would require resolution and incur costs including the retirement programs, representation, debt structure, benefit programs and salary structure. It was noted that the two organizations generally work well together in carrying out their individual functions and meeting the regional water reliability needs of Orange County and resource share in several areas.

(NOTE: DOES NOT MEET THE TIMING NEEDS)

Sincerely,

Larry D. Dick
President



ACTION ITEM
August 20, 2014

TO: Board of Directors

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

Robert Hunter
General Manager

Staff Contact: Jessica Ouwerkerk

SUBJECT: ISDOC OFFICER ELECTIONS

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt the enclosed resolution nominating Director Finnegan for the position of Treasurer of ISDOC.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

The Independent Special Districts of Orange County (ISDOC) is holding its bi-annual officer elections in Fall 2014. An official Notice of Election & Call for Candidates was recently distributed to all member districts. That letter is attached for your reference.

Director Joan Finnegan has expressed interest in the position of Treasurer of ISDOC. Per the amended ISDOC Bylaws, adopted on December 10, 2013, officials who wish to seek election/appointment as an officer of ISDOC must first secure from his/her district an official endorsement in the form of a board resolution. In accordance with these Bylaws, the MWDOC Board must endorse Director Finnegan's candidacy through Resolution of the Board. A draft Resolution is attached.

Following the August 26 deadline to submit resolutions, the ISDOC nominating committee will evaluate all candidates and release a recommended slate of candidates. The slate of candidates will be announced the week of September 8 along with a formal notice of the October 30 Quarterly Meeting and details of the election procedure.

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

RESOLUTION NO.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

**NOMINATING JOAN C. FINNEGAN
TO THE OFFICE OF TREASURER
OF THE INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY ("ISDOC")**

WHEREAS, this district is a member district of ISDOC; and

WHEREAS, the Bylaws of ISDOC provide that in order for a nomination to be made to ISDOC's **office of Treasurer**, the official must first secure from his/her district an official endorsement of candidacy in the form of a board resolution, and

WHEREAS, the Municipal Water District of Orange County has requested that its board of directors nominate Joan C. Finnegan, its board member, to the **office of Treasurer** of ISDOC;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County that this District hereby nominates **Joan C. Finnegan** to the **office of Treasurer** of ISDOC.

BE IT FURTHER RESOLVED the District Secretary is hereby directed to transmit a certified copy of this resolution to ISDOC at 18700 Ward Street, Fountain Valley California 92708, forthwith.

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

AYES:

NOES:

ABSENT:

ABSTAIN:

I hereby certify the foregoing is a 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 August 20, 2014.

ATTEST:

Maribeth Goldsby
District Secretary



Mailing Address

P.O. Box 20895
Fountain Valley, CA 92728

Meeting Location

MWDOC/OCWD
18700 Ward Street
Fountain Valley, CA 92708

(714) 963-3058
(714) 964-5930 fax

www.mwdoc.com/isdoc

Executive Committee

President
Hon. Rich Freschi
Serrano Water District

1st Vice President
Hon. Bob Moore
South Coast Water District

2nd Vice President
Hon. Mike Scheafer
Costa Mesa Sanitary District

3rd Vice President
Hon. Sandra Jacobs
Santa Margarita Water District

Secretary
Hon. Leslie Keane
Orange County Cemetery District

Treasurer
Hon. Joan C. Finnegan
Municipal Water District of Orange County

Staff Administration

Jessica H. Ouwerkerk
Municipal Water District of Orange County

Eleanor Torres
Orange County Water District

NOTICE OF ELECTION **&** **CALL FOR CANDIDATES**

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY EXECUTIVE COMMITTEE

ELECTION
THURSDAY, OCTOBER 30, 2014

The **Independent Special Districts of Orange County (ISDOC)** will formally **elect** the members of its **Executive Committee** at its Quarterly Meeting on **Thursday, October 30, 2014**. This letter shall serve as an official notice of the election and call for candidates.

The elected **Executive Committee** members will serve a **two-year term that begins January 1, 2015 and ends December 31, 2016**. Meetings of the Executive Committee typically occur on the first Tuesday of each month at 7:30 a.m. at the offices of the Municipal Water District of Orange County (MWDOC) in Fountain Valley.

A nominating committee will evaluate all individuals who wish to be considered for inclusion on its recommended slate of candidates. To be considered by the nominating committee, candidates must first secure from his/her district an **official endorsement of candidacy in the form of a board resolution**. All board resolutions must be sent to Jessica Ouwerkerk at jouwerkerk@mwdoc.com and received by **5:00 p.m. on Tuesday, August 26, 2014**.

The nominating committee's **slate of candidates** will be **announced** the week of **September 8, 2014**. Individuals who are not included on the slate may still seek election and will be included on the election ballot.

The role of each Executive Committee position is as follows:

President – Shall be the chief executive officer of ISDOC; preside at all ISDOC meetings; appoint all committees; serve as an ex-officio member of all committees; serve as official spokesperson for ISDOC.

Continues on next page...

ISDOC Executive Committee Election - Call for Candidates

July 14, 2014

2/2

1st Vice President – Shall, in the absence or disability of the President, perform all the duties of the President; serve as Chair of the Program Committee.

2nd Vice President – Shall, in the absence or disability of the President and First Vice President, perform all the duties of the President; serve as Chair of the Membership Committee.

3rd Vice President – Shall, in the absence or disability of the President, First Vice President, and Second Vice President, perform all the duties of the President; serve as Chair of the Legislative Committee.

Secretary - Shall maintain a written record of all meetings of the Board of Directors and the Executive Committee; be responsible for all correspondence and mailing of information to members.

Treasurer - Shall maintain the complete financial records of ISDOC; establish and maintain bank accounts in the name of ISDOC; pay all bills duly approved by the Executive Committee in accordance with the yearly budget.

*Please note that all positions may be held by elected or appointed officials of a regular member district.

The slate of candidates, announced via email, will be accompanied by a formal notice of the Quarterly Meeting and details of the election procedure. If you have any questions, please contact Jessica Ouwerkerk at (714) 593-5029 or jouwerkerk@mwdoc.com.

Sincerely,

A handwritten signature in black ink, reading "R. A. Freschi". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Richard A. Freschi
ISDOC President

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES AUGUST 2014

Managers' Meeting	<p>MWDOC held its Member Agency Managers' meeting in Fountain Valley on Thursday, July 17. In attendance were Art Kidman, (Legal counsel, Steve Conklin, Andrew Gagen and Damon Micalizzi (YLWD); Joe DeFrancesco and Jose Diaz (Orange); Scott Miller (Westminster); Howard Johnson (Brady & Assoc.); Luis Estevez (Seal Beach); Art Valenzuela and Joe Lozano (Tustin); Cel Pasillas (Garden Grove); Joone Lopez (MNWD); Dave Rebensdorf (San Clemente); Michael Grisso (Buena Park); Brian Ragland (Huntington Beach); Mark Sprague (Fountain Valley); Lisa Ohlund (EOCWD); Bob Hill (ETWD); Don Bunts (SMWD); Ken Vecchiarelli (GSWC); George Murdoch (Newport Beach); Andy Brunhart (SCWD); Mike Markus and John Kennedy (OCWD); Paul Cook and Paul Weghorst (IRWD); Hector Ruiz (TCWD); Newsha Ajami (Stanford University); and Karl Seckel; Harvey De La Torre; Richard Bell; Joe Berg; Keith Lyon; Heather Baez; Lee Jacobi; Jessica Ouwerkerk; and myself of staff.</p> <p>The agenda included:</p> <ol style="list-style-type: none"> 1. Water Agency Liability for Fire Flow Failure – the YLWD Experience: Presentation by Steve Conklin and Art Kidman 2. Factors for Prediction of Water Use in Orange County: Presentation by Newsha Ajami from Stanford University 3. MET Drought Outreach 4. Potential MET Water Supply Allocation 5. Orange County Water Reliability Study 6. MWDOC's MET Director appointment update 7. Introduction of Heather Baez, MWDOC's new Gov. Affairs Manager <p>The next meeting is tentatively scheduled for August 21.</p>
Doheny Desalination Project	<p>I have met with all of the Doheny Desalination Participating agencies with the exception of San Clemente which is scheduled for August 26. There is an August 20 Doheny Desalination meeting scheduled at Moulton Niguel Water District to discuss progress on the Foundational Action efforts and options for moving forward.</p>

MET ITEMS CRITICAL TO ORANGE COUNTY

MET's Water Supply Conditions	<p>With Colorado River and State Water Project supplies expected to deliver only 1.038 MAF this year; MET will need to draw 1.079 MAF from its dry-year storage account to meet an estimated demand of 2.117 MAF for CY 2014. This will result in MWD's dry-year storage totaling 1.2 MAF starting in 2015.</p> <p>Such a significant draw on storage this year has MWD and member agency staffs starting to review MET's Water Supply Allocation Plan (WSAP). The purpose of the review is to prepare the WSAP for possible implementation in mid-2015, if conditions continue to be dry.</p> <p>At this month's Water Planning and Stewardship Committee, MET staff will brief the board on the series of workshops they plan to have with the member agency managers over the next couple of months that will focus on resetting the baseline, identifying needed changes to the formulas, and reviewing the enforcement provisions.</p>
MET's Finance and Rate Issues	<p>At last month's Metropolitan Finance and Insurance Committee, Chief Financial Officer Gary Breaux reported that MWD's water deliveries through June were 358 TAF higher than budgeted. This resulted in water sales through June generating \$252.1 Million (M) higher than budgeted. MWD also estimates that expenses, due to significantly lower than expected State Water Project (SWP) deliveries, will come in roughly \$350M lower than budgeted. It was noted that DWR recently reported to the State Water Contractors of an under collection in the initial 2013 and 2014 SWP Statement of Charge, due to unexpected increases in labor cost and charges from the State. MET estimates this could result in a \$48M increase to their SWP bill. The numbers are not finalized yet, but MET feels this under collection could be handled through its annual SWP credit process.</p> <p>In August, the Committee will consider freezing the Ad Valorem (AV) tax rate for fiscal year 2014/15. During the budget discussions earlier in the year, MET staff described, per their Act (Section 124.5), the AV rate decreases each year to pay off General Obligation (GO) bonds and Burns-Porter Bonds as it relates to the State Water Project. By freezing the AV rate, it maintains a portion of MET's fixed revenue.</p>

MWD's Finance and Rate Issues (Continued)	<p>Currently, the AV represents 5% of MET's total revenue. If MET votes to support freezing the AV rate, the projected revenue will be \$90 million for 2014/2015 and \$92 million for 2015/16. If MET votes not to freeze the AV rate, the projected revenue will drop to \$59.7 million for 2014/15 (loss of \$30 million) and \$55.3 million in 2015/16 (loss of \$35 million). The recovery of this loss fixed revenue would be collected via the water rates. MET Staff reported the long term benefit of maintaining the fixed revenue from the AV will be its application towards fixed State Water Project (SWP) infrastructure needs, current and future SWP debt financing, and future Bay-Delta Conservation Plan (BDCP) funding. All of which are expected to increase in the coming years.</p>
Colorado River Issues	<p><u>Discussion of reducing further declines in Lake Mead</u></p> <p>The Lower Basin States continued discussions on developing a plan to help reduce the impacts of drought conditions on Lake Mead. During June, Lake Mead fell 5 feet, and on July 1 reached a level of 1,083 feet – just 8 feet above the trigger level for a first-ever shortage declaration on the Colorado River. Lake Mead's level has never been this low.</p> <p>Shortages would initially affect the water allocations of Central Arizona Project and Southern Nevada Water Authority; those agencies are prepared to deal with an initial shortage declaration. The more serious concern of the Lower Basin States is the risk that Lake Mead could continue to drop and reach critical levels near 1,000 feet, in which case Southern Nevada's water supply intake would be in jeopardy and additional severe water curtailments would be implemented in the Lower Basin states. Recent modeling conducted by the Bureau of Reclamation indicated that, without implementing additional measures, there is approximately a 5 percent chance that Lake Mead could fall to 1,000 feet by 2020.</p> <p>The discussions are seeking to find appropriate incentives for each state, along with the federal government, to implement new programs to reduce the decline in Lake Mead storage. The potential options include expanding Intentionally Created Surplus (ICS) programs; encouraging existing ICS program creation by providing flexibility of ICS operations in the event a shortage is declared; implementing a plan to operate a portion of the Yuma Desalting Plant within the next five years; and funding voluntary agricultural fallowing programs to conserve water in Lake Mead. The goal of developing these programs is to reduce the likelihood that Lake Mead will fall to critical elevations within the next five years.</p>

Bay Delta/State Water Project Issues	<p><u>Bay Delta Conservation Plan and DEIR/S Public Comment</u></p> <p>The official public comment period on the draft Bay Delta Conservation Plan (BDCP) and Draft Environmental Impact Report/Environmental Impact Statement (DEIR/S) ended on July 29. Metropolitan, MWDOC and number of Orange County agencies submitted their comment letters. MET's letter provided information on their board-adopted criteria for a lasting Delta solution and evaluated the alternatives against their criteria. The letter expresses support for the preferred alternative (No. 4) as a workable platform for a final BDCP and EIR/S.</p> <p>Access to MET's full letter is at the following link: http://www.mwdh2o.com/mwdh2o/pages/yourwater/supply/Delta/pdfs/Metropolitians_EIRS.pdf.</p> <p><u>Delta Stewardship Council</u></p> <p>The Delta Stewardship Council (Council) recently held its first meeting with the new Executive Officer Jessica Pearson, which also included the Governor's latest appointment, Susan Tatayon, Council Member. The Council reviewed proposed staff comments on BDCP and the associated EIR/S and approved submitting the comments. The Council also received an update on the Levee Investment Prioritization Contract and approved moving forward. The Council heard presentations from the Lead Scientist on status of Delta Science program activities, from Caltrans on roads and railway transportation through the Delta, to the U.S. Army Corps of Engineers on the interim policy for levee rehabilitation, and an update on the Corp's Delta Island and Levee Feasibility Study.</p> <p><u>State Water Resources Control Board</u></p> <p>In response to the Governor's State of Emergency proclamation, the State Water Resources Control Board (SWRCB) issued a statewide notice of water shortages and potential for future curtailment of water right diversions, and held a workshop in June whereby they discussed the potential options for curtailing water use. In addition, notices of curtailment were issued in May 2014 to all post-1914 water right holders in the Delta and Sacramento and San Joaquin River watersheds, instructing them to cease diversions. Work continues with DWR and other water contractors regarding the ongoing proceedings at the SWRCB and its staff on the issue of drought curtailment and the diversions.</p>
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ENGINEERING & PLANNING	
Baker Treatment Plant	MWDOC has been asked to help secure MET's concurrence on the quality of water being introduced into the South County Pipeline. Staff is awaiting a draft of an amendment from MET staff and legal counsel. A meeting has been set for September 10.
Poseidon Resources Ocean Desalination Project	Karl Seckel participated in several meetings with OCWD's Financial Consultant, Clean Energy Capital. MWDOC is assisting in the efforts to develop information on MET's future water rates and in helping to evaluate the reliability benefits of the project. The work is scheduled to be completed in September.
OC-88 Metering Issue on the South County Pipeline	MWDOC staff worked with MET to complete the analysis of the refund for the OC-88 metering problem on an agency by agency basis. MET will make corrections due to a metering error and MWDOC will make appropriated related corrections for the SCP agencies.
Orange County Water Reliability Study	MWDOC completed the Request for Proposals and send it out to several consultants. Our hope was to take it to the MWDOC Board in August, however, there was not sufficient time for the consultants to prepare solid proposals. Submittals from consultants are due on August 27; we will discuss the award of the contract at the September 2 P&O Committee. Karl, Harvey and I met with the Reliability Workgroup on August 7 to get input on the Scope of Work.
OC-70	MWDOC and EOCWD had previously requested MET to proceed with installation of a transfer switch at service connection OC-70 to allow a trailer mounted generator to power the pumps at the service connection in the event of a power outage of the local power grid. MET has completed the installation and the transfer switch is ready to be used, if and when needed. This was a high priority for EOCWD.
Ocean Plan Amendments	Richard has been participating in discussions with Cal Desal regarding the recently released Ocean Plan Amendments. He will be attending the State Water Resources Control Board's August 6 hearing. The SWRCB is hoping to complete the new regulations by the end of the year. Richard has continued to monitor the Poseidon Project meetings with the Coastal Commission on the use of a subsurface intake system. This work is also expected prior to the end of the year.
OCWD August 13 Producers' Meeting	OCWD Outreach Program; Groundwater Basin Water Quality Policy; Update on the North and South Basins water quality lawsuits; GWRS Pipeline Inspection Report; Burris Basin Pump Station Replacement Project; Long-Term Facilities Plan update; Groundwater Management Plan update; Response to Grand Jury; and an update about Poseidon Resources

OCWD August 13 Producers' Meeting (Continued)	were discussed when Keith attended the meeting. The Outreach Program is related to the North and South basins water quality lawsuits and related proposed legislation. MWDOC's Reliability Study was added to the agenda, and there appeared to be consensus that the Study should be initiated, but that the scope of the study and what roles MWDOC, OCWD and the agencies should play needs to be determined.
Bay Delta Conservation Plan	<p>MWDOC submitted its Comment letter on the BDCP including the comments on the Implementation Agreement. We will now await the analysis of the input received and the next steps in the process which should be the official response to comments.</p> <p>Karl provided a BDCP presentation to the San Juan Capistrano Utilities Commission. They had quite a few questions on the BDCP plan and ocean desalination issues.</p>
EMERGENCY PREPAREDNESS	
General Activities	<p>Louay Toma participated in the California Emergency Services Association (CESA) Disaster Finance Webinar to learn more about the disaster declaration and reimbursement process.</p> <p>Kelly Hubbard, Karl and Cathy Harris conducted the interview process for the WEROC Coordinator position. An offer has been made and hopefully the finalist will start by August 18.</p> <p>Kelly provided the Riverside Water Utility Task Force a presentation on Water Utility Preparedness and Response.</p>
Member Agency Coordination	<p>Louay and Kelly facilitated a meeting between the City of Laguna Beach, Laguna Beach County W.D. and South Coast W.D. to collaborate how messages will be sent to Laguna Beach residents utilizing the reverse notification system, AlertOC. The purpose of the meeting was to make sure the city understood where the service boundaries of each utility are, what messaging would be used, protocols for courtesy notifications to each agency, etc. The meeting was a great introduction between the coordinating agencies and started a dialog on joint communications and protocols.</p> <p>At SMWD, Kelly provided a short presentation to the Board for a Special Workshop on Emergency Preparedness and Response. Larry Patterson, SMWD Safety Officer, provided a presentation on what SMWD's emergency preparedness and response efforts are. Kelly then provided a presentation on WEROC, coordination during response and upcoming planning and training efforts.</p>

Member Agency Coordination (Continued)	<p>Kelly participated in the June MET Exercise Design meeting to assist in the development of a disaster exercise that will be coordinated between MET, the three MET cities, WEROC and its member agencies. The group approved the exercise objectives and expected outcomes. The exercise will be based on an El Nino type event. MET has recruited the National Weather Services to write the scenario for the exercise. The exercise date was just set as November 5, so Kelly will start working with the WEROC Member Agencies to develop their participation in the exercise. This will be an extensive work effort in a very short time frame.</p> <p>Kelly is participating in a small workgroup for MET to develop the MARS Radio & Member Agency Coordination Standard Operating Procedures. The MARS Radio Guide has not been updated in over a decade and does not reflect the current radio system. Additionally, there is no guidance for member agencies on how MET expects agencies to coordinate with them during disaster response. A couple lessons from the La Habra Earthquake and other recent events are being utilized to develop this document. The goal is to have a draft ready to test for the MET exercise in November, so that the document can be "field tested" and revised before formally presented to their Management and Board for final approval.</p>
Coordination with the County of Orange	<p>Louay attended the County-wide AlertOC Collaboration meeting. The meeting is used to discuss system updates, operating issues and planning. Kelly is working with the Operational Area staff to allow next year's Alert OC Annual Test to be conducted by the water utilities.</p> <p>In Huntington Beach, both Kelly and Louay attended July's Orange County Emergency Managers Organization (OCOMO). Kelly also met with representatives from the Operational Area and the Orange County Fire Authority (OCFA) to discuss water dip locations for fire response and any particular concerns related to the drought.</p>
Coordination with Outside Agencies	<p><i>Ongoing: Kelly was asked to join the California Office of Emergency Services Southern Region Drought Conference Calls as the Region 1 Mutual Aid Coordinator for the California Water and Wastewater Agency Response Network (CalWARN). This is a weekly conference call to provide an update to the Southern Region and the State Operations Center (SOC) on drought impacts, activities and needs. Currently, the group is discussing what costs should be reported to the state as drought response costs. As a declared disaster, the state would like agencies to track their disaster related costs, but this is an atypical event and everyone is unsure how to apply the Stafford Act requirements. Once the group makes some decisions that are reviewed by the State Office of Emergency Services, Kelly will share the information with the WEROC member agencies.</i></p>

Coordination with Outside Agencies (Continued)	<p>In San Luis Obispo, Kelly attended the CESA State Board Meeting as one of the Southern Region Directors. The group was provided an opportunity to hear and provide input into the State Office of Emergency Services' new training and credentialing program proposal. This program will set new best practices for emergency management within California.</p> <p>Also, while in San Luis Obispo, Kelly had the opportunity to participate in the County's Drought Tabletop Exercise. San Luis Obispo has been significantly impacted with the drought and has been working on short and long term solutions for several communities who will run out of water in the next couple of months. Kelly provided insight on the mutual aid systems available for water systems, as well as some standard concepts of response coordination for water utilities. An After-Action Report should be available soon and will be shared with OC agencies.</p> <p>Kelly participated in the Cal WARN State Steering Committee Conference Call. The group is working on enhancing coordination for the water utilities with the State Office of Emergency Services at the regional level and a follow-up Fuel Planning Seminar for the Fall AWWA conference.</p> <p>In Rancho Cucamonga, Kelly attended the Mutual Aid Regional Advisory Committee meeting where presentations were provided on the increase in crude oil deliveries via train in California, as well as the regulations related to Non-Profits assisting with emergency response. The most valuable aspect of these meetings is the ongoing discussions between attendees on response and coordination.</p>
WEROC Emergency Operations Center (EOC) Readiness	<p>Kelly has been working with ATT to get U-Verse internet installed at the EOCs for several months now. This has been a tedious process, as ATT had to evaluate their ability to install the support network offsite to reach both EOC facilities. Since both facilities are in unique locations there were many obstacles and delays. ATT was successful in establishing a connection at the NEOC, but was unable to support the infrastructure for the SEOC at this time. The NEOC is now on U-Verse internet service which provides us a significant increase in speed and actually results in a cost savings. The SEOC will stay with its current internet service. ATT is in the process of phasing out their traditional internet service and moving all customers to U-Verse, so this service will be evaluated again in one year.</p>

EOC Readiness (Continued)	Louay successfully participated in the scheduled OA Radio test this month. Louay and Kelly missed the scheduled MARS radio test due to schedule conflicts, however, conducted a check-in at a later time to ensure the radio is in working order. The WEROC radio test was successful this month. We did have a few less agencies participating, but many of those reported schedule conflicts due to short staffing with vacations this month.
WATER USE EFFICIENCY	
CUWCC Landscape Committee	Melissa Baum-Haley participated in multiple conference calls for the California Urban Water Conservation Council (CUWCC) Landscape Committee. The purpose of these conference calls was to discuss the tools and work plan for implementing the "landscape new norm," which is a holistic approach to landscape design and management to achieve water and resource savings.
MET's Water Use Efficiency Meeting	<p>On July 17, Melissa participated in Metropolitan's monthly Water Use Efficiency meeting. Approximately 45 member and sub-agency representatives participated. Agenda items included:</p> <ul style="list-style-type: none"> • State Water Resources Control Board Emergency Water Conservation Regulations • Update on Recycled Water Hookup Pilot Launch • Water Supply and Drought Actions Updates • Metropolitan Updates • Metropolitan Outreach Updates • Member Agency Roundtable <p>The next meeting is scheduled for August 21, 2014 at Metropolitan.</p>
Tri-City Water Savers	On July 23, Joe Berg attended the Tri-City Water Savers Meeting, which was hosted by the City of Dana Point. Representatives from South Coast Water District and the Cities of Dana Point, San Juan Capistrano, and San Clemente also participated. The meeting focused on a Drought Response H2O for HOA event to be held on September 24. The purpose of this event is to educate HOA Board members on the requirements of the State Water Resources Control Board's Emergency Drought Regulations and to offer tools to help educate the residents in their homeowners associations.
Beautification Awards Dinner	On July 26, Melissa and Beth Fahl attended the annual Beautification Awards Dinner held by the Orange County Chapter of the California Landscape Contractors Association. As part of the recognition for water conservation in the landscape, MWDOC presented two commercial sites with awards within the "Green Design" category. These sites exemplified water smart landscape design, installation, and management.

Orange County Coastal Coalition	On July 24, Joe, Albert Napoli of MET, and Jenna Voss of the Orange County Stormwater Program provided a panel presentation on the current drought conditions. Albert presented a water supply update, Joe provided a summary of water use efficiency programs available in Orange County, and Jenna provided a summary of Stormwater Program activities, such as the “Overwatering is Out” campaign and the OC Garden Friendly partnership. Approximately 25 members of the public, water agencies, and cities attended the meeting. The next meeting is scheduled for later this year.
Get Ahead or Get Parched Workshop	<p>On July 31, Joe, Beth, Sergio Ramirez, and Rachel Waite attended <i>Get Ahead or Get Parched: Six Ways to Survive the Drought</i>, a landscape workshop sponsored by the Department of Water Resources, the California Center for Urban Horticulture at U.C. Davis, and the California Landscape Contractors Association (CLCA). MWDOC and the CLCA also co-sponsored the refreshments. Two sessions were held: an English session in the morning and a Spanish session in the afternoon. Joe presented during the morning session, and Sergio presented during the afternoon. Topics included:</p> <ul style="list-style-type: none"> • California Drought Update • Local Water Supply Update • Irrigation Management <ul style="list-style-type: none"> ○ Precipitation Rates ○ Improving Distribution Uniformity ○ Controller Programming ○ Drip and Micro-Irrigation Precipitation Rates ○ Plant, Soil, and Water Relationships ○ The Water Meter – A Management Tool • Field Exercises • Resource Information • Irrigation Management for Urban Trees
Seal Beach City Council Meeting	On August 11, Joe attended the Council meeting to support City staff in presenting their water conservation ordinance recommending a Level One response. He provided a water supply update and a description of water use efficiency programs available to residents and businesses in Seal Beach. After some discussion, the Council retained the 9:00 am to 5:00 pm irrigation restriction and allowed car washing any time as long as a positive shutoff hose nozzle is used. Ultimately, the Council passed a resolution adopting a Level One drought response.
Serrano Water District Staff Training MWDOC Programs	On August 11, Steve Hedges, Melissa, and Sergio provided a training for Serrano Water District staff on MWDOC's Water Smart Home Certification and Turf Removal Programs, both of which are administered in-house using MWDOC staff. The Water Smart Home Program includes on-site surveys at customers' homes, and the training

SWD Training (Continued)	incorporated aspects of the indoor/outdoor data collection, landscape measurements and evaluation, and customer service recommendations with respect to the Program, the associated report, and the water efficiency recommendations. The Turf Removal training included the pre- and post-inspection data collection and the measurement criteria needed to facilitate the \$2 per square foot rebate.
Orange County Water Use Efficiency Coordinators Workgroup	<p>On August 7, Joe, Melissa, Beth, Jessica Ouwerkerk, and Denise Dos Reis attended the Workgroup meeting hosted by the City of San Clemente, and about 15 agencies participated. Highlights on the agenda included:</p> <ul style="list-style-type: none"> • Host Agency Welcome/Spotlight • MWDOC Updates <ul style="list-style-type: none"> ○ Sbx 7-7 Fiscal Year 2014-2015 Progress Report ○ WUE Implementation Plan Progress Report ○ e-Currents Article on Irrigating Turf Grasses During Drought • Agency Roundtable <ul style="list-style-type: none"> ○ Car Wash Fundraisers ○ Kids' Water Toys • Problem Solving Roundtable • Water Supply Update • SWRCB Emergency Conservation Regulations • OC Stormwater Update • Public Affairs/Marketing Update <ul style="list-style-type: none"> ○ WUE Microsite ○ Drought Messaging and Outreach ○ MWDOC Value of Water Communications Choice Program • Metropolitan Update <ul style="list-style-type: none"> ○ Metropolitan Drought Outreach Campaign ○ Recycled Water Hookup Pilot Program • Water Use Efficiency Programs Update <ul style="list-style-type: none"> ○ Home Certification Program ○ Turf Removal Program ○ Smart Timer Program Evaluation ○ Spray to Drip Application Process <p>The next meeting is scheduled for September 4, 2014 and will be hosted by the City of Santa Ana.</p>
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	Renee Fraser (Fraser Communications) presented the final report of MWDOC's focus group study to the August 5 Public Affairs Workgroup and Legislative Coordinator meeting. Mesa Water District hosted the meeting at their Mesa Water Reliability Facility. Darcy and Jessica

Member Agency Relations (Continued)	<p>participated in the meeting.</p> <p>Darcy and Tiffany have been working with Albert Mendez of MET on the upcoming inspection trip season. The first trip of the season is a Colorado River Aqueduct trip on September 12 and 13 with the new Metropolitan Director. President Dick will be hosting an Ag Trip on September 26 and 27 and his shared business coalition inspection trip on October 9 & 10.</p> <p>To inspect and determine potential meeting room locations at John Wayne Airport for future inspection trips, Darcy and Tiffany met with Jenny Wedge, Public Relations Manager.</p> <p>Darcy and Jessica participated in Metropolitan's PIO meeting on August 14.</p> <p>Jessica hosted a regional drought messaging workshop for the Public Affairs staff of the MWDOC member agencies and the three cities. This was a follow-up to an informational session IRWD hosted and Darcy attended regarding regional drought messaging.</p> <p>Darcy presented a Bay Delta Conservation Plan (BDCP) update and an overview on the drought to Yorba Linda Water District's Citizen's Advisory Committee on July 28.</p> <p>Tiffany is continuing to work with Immersiv Media on the initial development phase of the OC Water Hero Program phone app.</p> <p>A potential Green Business Program in the City of Mission Viejo was discussed when Jessica participated in a meeting with Santa Margarita Water District, El Toro Water District, Moulton Niguel Water District, the OC Stormwater Program, SoCal Edison, and the Gas Company. The City is interested in implementing a sustainability certification program to help businesses reduce their environmental impact.</p> <p>Jessica provided water use efficiency materials, graphics and customized infographics to the following agencies: Garden Grove, La Habra, San Clemente, Trabuco Canyon WD, Laguna Beach CWD.</p>
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Member Agency Relations (Continued)	Jessica is coordinating a Public Affairs Workshop on Business Communications and Presentations on October 21. The previous PAW Workshop on Media and Spokesperson Training was so well received by the member agency participants that they requested MWDOC bring back the same trainer (Epiphany Media) for another workshop.
Community Relations	<p>MWDOC hosted a Water Policy Forum & Dinner on Wednesday, July 30, 2014. The guest speaker was newly elected Metropolitan Chairman, Randy Record. Jessica took the lead on event planning, marketing, event logistics, and the follow-up survey; Tiffany coordinated registration and reserved table details, and assisted marketing efforts by creating several print and e-invitations. PA interns Sarah and Vivian created a new suite of print materials; Darcy developed speaking points for President Dick and facilitated the guest speaker in collaboration with Metropolitan staff.</p> <p>Tiffany, Jessica, Vivian, and Sarah implemented MWDOC's social media activities through Facebook, Twitter, and Pinterest during this period.</p> <p>Tiffany created a drought-specific collage/image used for the cover of eCurrents, Facebook, and the website homepage. She also created a Get the Facts handout on the new SCWRB regulations.</p> <p>Tiffany updated several MWDOC website pages with current information and updated materials and reconfigured the MWDOC Drought Response webpage with current information.</p> <p>Tiffany continues to work on a MWD storage levels visual for Karl.</p> <p>Darcy and Tiffany put together a special drought issue of eCurrents. Articles were focused specifically on drought-related issues and included topics such as 'How You Can Help,' 'Just the Facts,' and 'MWDOC Drought Response.'</p> <p>Tiffany is working on a WUE rebates handout/infographic describing available rebates, rebate amounts, and water saving statistics.</p> <p>Jessica developed and distributed the July issue of eCurrents, which was a special 'Smart Irrigation Month' edition. Melissa Baum-Haley penned a number of the articles.</p> <p>Jessica is coordinating a number of activities with the OC Stormwater Program, including the OC Garden Friendly program, the Overwatering is Out campaign, and other collaborative efforts</p> <p>Darcy met with Nathan Purkiss from MET regarding BDCP outreach efforts.</p>

Community Relations (Continued)	<p>Jessica planned, marketed and staffed the July 31 ISDOC Quarterly Luncheon featuring guest speaker Neal Kelley. Sarah Franks assisted with registration. Jessica is coordinating the 2014 ISDOC Officer Elections. Announcement letters were sent to the agencies and resolutions nominating interested officers were drafted. She also staffed the ISDOC Executive Committee meeting on August 5.</p> <p>Jessica worked with Chris Lingad to develop a briefing paper regarding El Nino conditions. The draft briefing paper is currently being reviewed.</p> <p>Darcy met with Mario Santoyo of Friant Water and Latino Water Coalition regarding drought outreach efforts and coordinating with Agriculture.</p> <p>Darcy is meeting with CA-NV-AWWA staff to develop three new certification programs for the Section: Sampling, Recycled Water Operator and Endorsements for Advanced Treatment Technologies for Water Treatment Operators.</p> <p>Jessica compiled and distributed the August issue of eCurrents newsletter which focused on the drought.</p> <p>Jessica created a Frequently Asked Questions handout that provides residents with info on the new SWRCB regulations. Several member agencies had requested that MWDOC develop such a piece, so they can provide it to their customer service staff.</p> <p>Jessica coordinated with ACWA staff to confirm John Coleman as the keynote speaker for the October 2 Water Policy Dinner. The Westin has been secured as the location and a contract was signed. Jessica is developing and distributing the first round of event invitations.</p>
Education	<p>Jessica drafted and coordinated School Program agreements with the Cities of Anaheim and Santa Ana.</p>
Media Relations	<p><i>Orange County Lawyer</i>, Special Edition, featured an article by Darcy entitled Water Fights and Solutions. Jessica assisted with editing and coordination with the magazine. This was part of a special water rights feature of the publication.</p> <p><i>Daily Pilot</i>, Reporter Hannah Fry interviewed me for an article on the SWRCB regulations and related fines. The article ran July 16.</p> <p><i>Register</i>, Reporter Peter Larsen wrote an article about turf removal which ran July 16. MWDOC's rebate program is referenced.</p>

Media Relations	<p>Orange County Register, Reporter Taylor Hill interviewed me for an article on the new SWRCB regulations. Jessica provided Taylor with additional information. The story ran July 19.</p> <p>Saigon TV, Reporter Lee Le interviewed Joe and me for a tv segment on the SWRBC regulations and related fines. Jessica coordinated and provided Lee with additional information. The segment aired July 19.</p> <p>Orange County Register, Reporter Morgan Cook interviewed me for an article on the LADWP main line break. Jessica coordinated the interview and follow-up information. The story ran on July 30.</p> <p>Orange County Register, Reporter Tomoya Shimura interviewed Darcy for an article on turf removal and MWDOC's rebate program. The story ran on the front page on July 31.</p> <p>Jessica wrote and distributed a press release regarding MWDOC's recent Transparency Certificate of Excellence award. The release was picked up by the OC Register online where it ran on August 12.</p> <p>Orange County Register, Reporter Kendra Ablaza wrote a story about Seal Beach's city council approving new local water restrictions. The article, which ran August 12, mentioned MWDOC's rebate programs and website.</p> <p>Amy Truxen from the Associated Press inquired about the new water regulation, turf removal, and water use efficiency in Orange County. Darcy and Joe provided information to Amy.</p>
Special Projects	<p>Darcy is reviewing the Orange County Grand Jury Report and working with Karl to draft MWDOC's response. A draft was provided to the PAL Committee for review and now awaits Board approval.</p> <p>Darcy conducted a presentation for new-hire orientation.</p> <p>In Sacramento, Darcy participated at the California Nevada Section American Water Works Summer Board meeting. Discussions are in process for the Section to secure a stakeholders seat as part of on-going oversight of the Drinking Water Program at the State Water Resources Control Board.</p> <p>Darcy and Jessica are working with Fraser Communications to finalize the Value of Water campaign and media strategy.</p>

Water-Use Efficiency Marketing	<p>Jessica and Tiffany created “boosted” Facebook posts to market several water use efficiency programs and rebates. The boosted posts promoted smart timers, rotating nozzles, turf removal, the Water Smart Home Program, and high efficiency toilets. Each post reached between 5,000 and 40,000 Orange County residents within MWDOC’s service area.</p> <p>Jessica worked with a graphic designer to create bill inserts promoting the Water Smart Home Survey Program as well as the smart timer and rotating nozzle rebates. The inserts were customized for 17 retail water agencies and cities who will be distributing 325,000 copies of the inserts, in all, to their customers.</p> <p>Jessica and Melissa Baum-Haley updated the Water Smart Home Program flyer.</p> <p>Tiffany worked with the WUE department on two handouts for Home Depot customers, ‘Rebates and Incentives,’ and ‘Turf Removal Program,’ on how to apply for available rebates within MWDOC’s service area.</p> <p>To develop a water use efficiency microsite that would house all water use efficiency rebate and program information Jessica is working with Immersiv Media. The draft site is currently being reviewed and tested.</p> <p>Jessica participated in the August 7 Water Use Efficiency Coordinators meeting hosted by the City of San Clemente. At the meeting, she provided updates on Metropolitan’s drought outreach campaign, MWDOC’s drought messaging, and the Value of Water choice program.</p> <p>A series of three front page notes went out to OC Register subscribers in MWDOC’s service area on July 12, 19, and 26. The ads promoted smart timers, turf removal, and the Home Certification Program. During the months of July and August, online OC Register readers saw digital advertisements at the top of the page. MWDOC has already seen a tremendous increase in the number of applications to the Turf Removal program and other rebates.</p> <p>Jessica, Darcy, Joe, and staff of OC Stormwater Program met with an app developer to discuss a water waster app that is being used by over 100 water agencies. Member agencies have requested a countywide app that would help them identify violations to the new SWRCB regulations. Staff is exploring how the app could function as a resource (with rebate info and tips) rather than just a reporting app.</p>
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Water-Use Efficiency Marketing	To discuss ideas for incorporating Gnorman the Gnome into our drought outreach efforts and cross-promoting the OC Stormwater Program's "Overwatering is out" campaign, Jessica met with the OC Stormwater Program staff. We're looking into short how-to videos on appropriate watering, Gnorman-approved landscape images (for use in social media, etc.), and bill inserts featuring Gnorman promoting the WUE rebates.
Legislative Affairs	<p>Heather Baez, MWDOC's newly-hired Governmental Affairs Manager, participated in the WACO planning meeting.</p> <p>She also participated in the Groundwater Legislative Stakeholder Meeting Conference Call regarding SB 1168, Pavley & AB 1739, Dickinson.</p> <p>Laer Pearce briefed Heather on the Cadiz Project.</p> <p>Heather attended the ACC-OC City Leaders' Reception and was briefed on the ACC-OC Legislative & Regulatory Affairs meeting.</p> <p>To review their scope of work, Heather met with Heather Stratman of Townsend Public Affairs (TPA) and received a briefing on their current MWDOC related projects and priorities.</p> <p>Heather participated in the ISDOC Executive Committee meeting.</p> <p>At MET, Heather attended the Member Agency Legislative Coordinators Meeting (held just before the Public Affairs Working Group) and coordinated with TPA on the content and presentation.</p> <p>Heather participated in the ACWA Region 10 state legislative conference call.</p>

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