

REVISED
WORKSHOP MEETING OF THE
BOARD OF DIRECTORS WITH MET DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
September 7, 2016, 8:30 a.m.

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC PARTICIPATION/COMMENTS

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.

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 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.)

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

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

(NEXT RESOLUTION NO. 203__)

PRESENTATION/DISCUSSION/INFORMATION ITEMS

1. INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS REGARDING MET COMMITTEE PARTICIPATION

Recommendation: Receive input and discuss the information.

2. ORANGE COUNTY'S WATER SUPPLY AND PERFORMANCE REPORT FOR JUNE 2016

Recommendation: Review and discuss the information presented.

3. PRESENTATION BY DEBRA MAN (METROPOLITAN) REGARDING MET'S INTEGRATED RESOURCES PLAN AND THE CARSON REGIONAL RECYCLING PROJECT (Approximate Presentation Time: 20 minutes)

Recommendation: Review and discuss the information presented.

ACTION ITEM**4. LOCATION AND DATE FOR 2017 OC WATER SUMMIT**

Recommendation: Discuss the proposed location and date and decide whether to endorse moving the event to Disney Grand Californian Hotel and the change in date to June 16, 2017.

PRESENTATION/DISCUSSION/INFORMATION ITEMS (continued)

5. MET ITEMS CRITICAL TO ORANGE COUNTY (The following items are for informational purposes only – a write up on each item is included in the packet. Discussion is not necessary unless requested by a Director)

- 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 and in the Huntington Beach Ocean Desalination Project (Poseidon Desalination Project)
- f. Orange County Reliability Projects
- g. East Orange County Feeder No. 2
- h. South County Projects

Recommendation: Discuss and provide input on information relative to the MET items of critical interest to Orange County.

6. METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding August MET Board Meeting
- b. Review items of significance for MET Board and Committee Agendas

Recommendation: Review and discuss the information presented.

CLOSED SESSION

7. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9: (1 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 telephoning 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.



DISCUSSION ITEM

September 7, 2016

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Kevin Hostert/
Harvey De La Torre

**SUBJECT: WATER SUPPLY CONDITION UPDATE AND ORANGE COUNTY
PERFORMANCE REPORT FOR JUNE 2016**

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and discuss this information

REPORT

Attached is an update on state and local water supply conditions, including a status report on Orange County's water saving for June 2016.

For the month of June 2016, Orange County saved 22.90% (compare to historical average of June 2014 and 2013), far exceeding the MWDOC Countywide saving goal of 10%. This saving goal was in response to the State Control Board's Modified Conservation Target that called for water reliability "stress test" for each urban water retail agency.

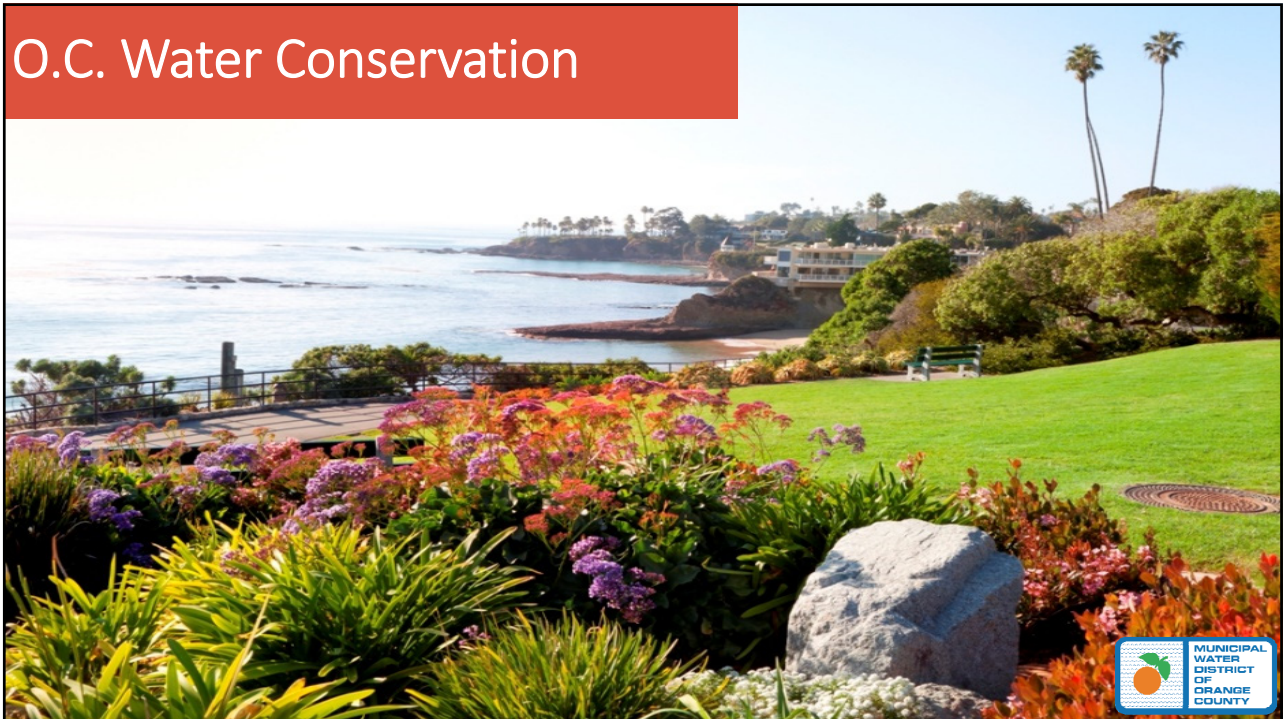


Orange County Drought Performance & Water Supply Report

September 7, 2016

Municipal Water District of Orange County

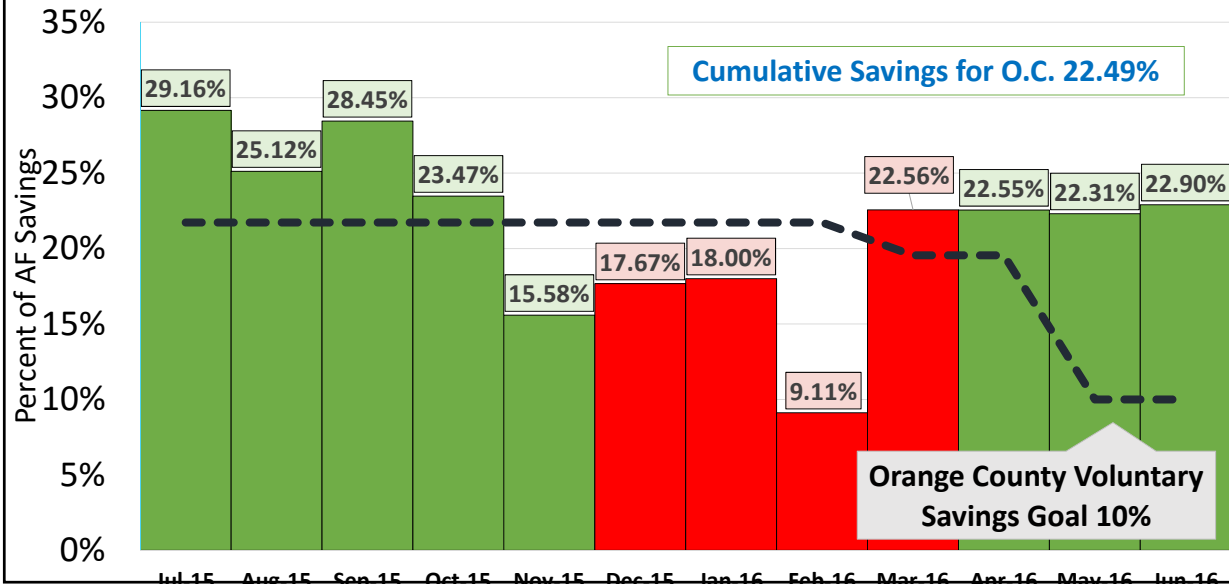
O.C. Water Conservation



O.C. Water Savings Reported to SWRCB

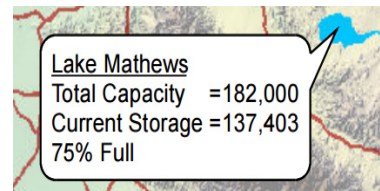
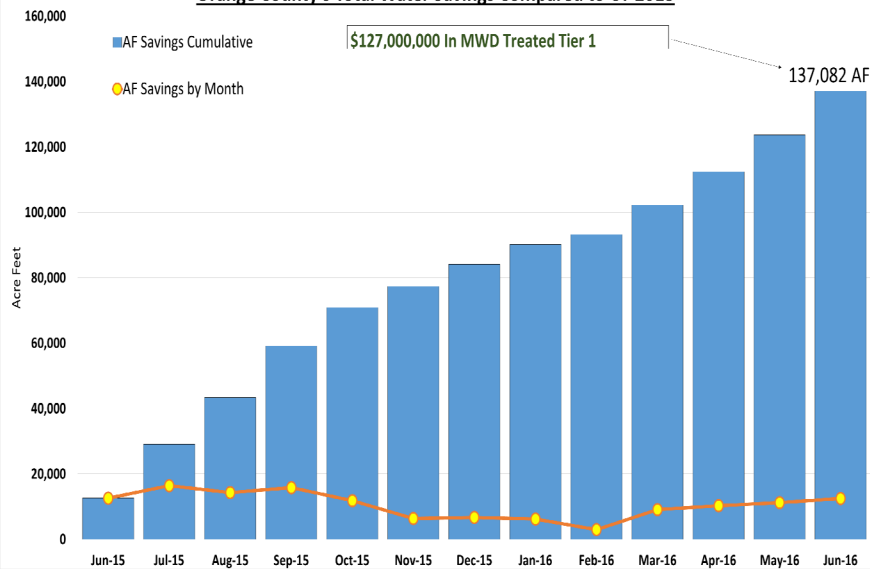


Average Monthly Water Savings for Orange County (2014-15 Vs CY 2013)



O.C. Water Saving (Cumulative)

Orange County's Total Water Savings Compared to CY 2013



= current storage of Lake Mathews

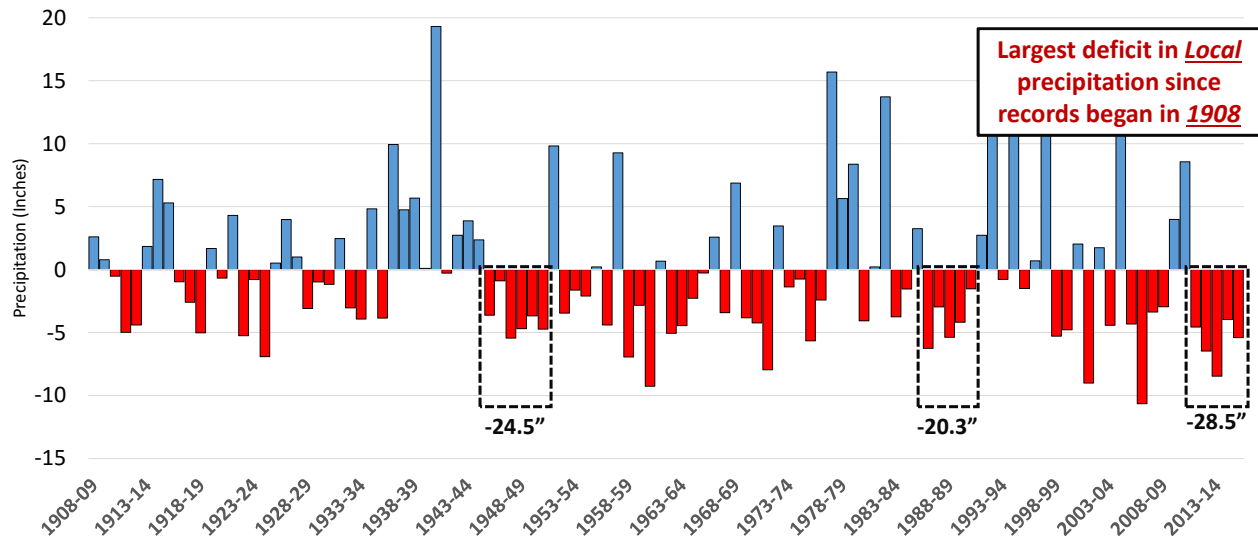
= \$127 Million MWD Treated Imported



Historical Local Precipitation



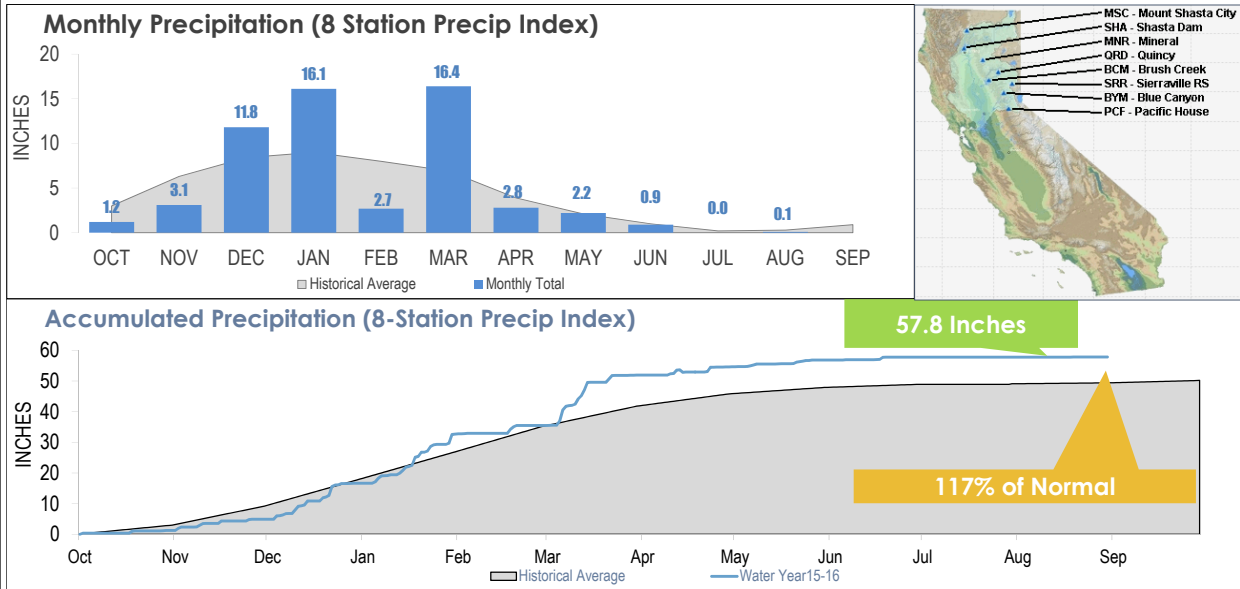
Historical Precipitation Departure from the Average



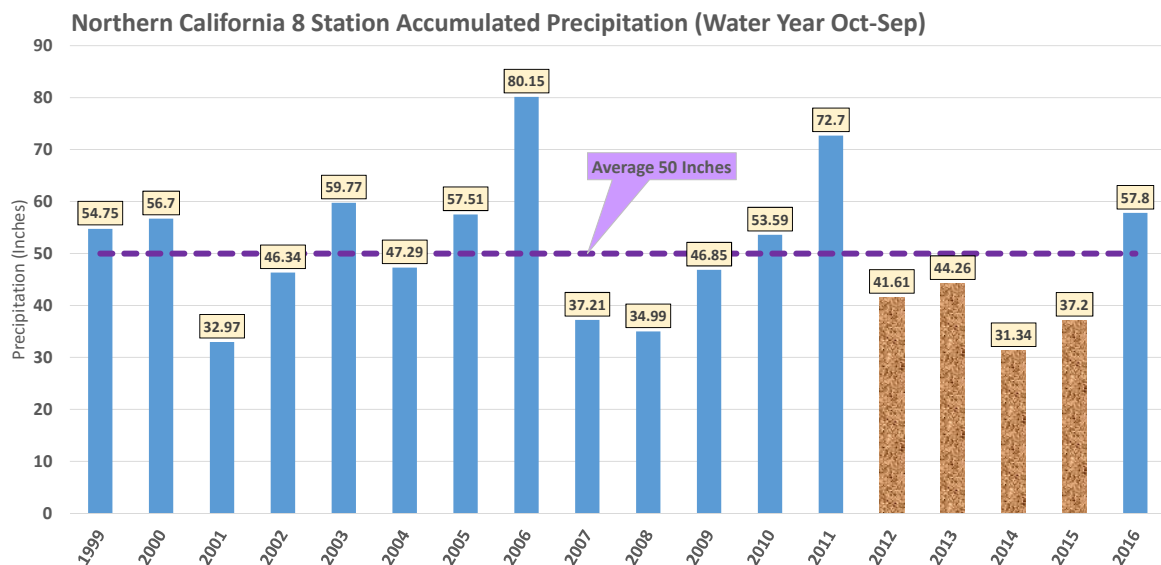
Regional Weather and Water Supply Conditions



Northern California Accumulated Precipitation

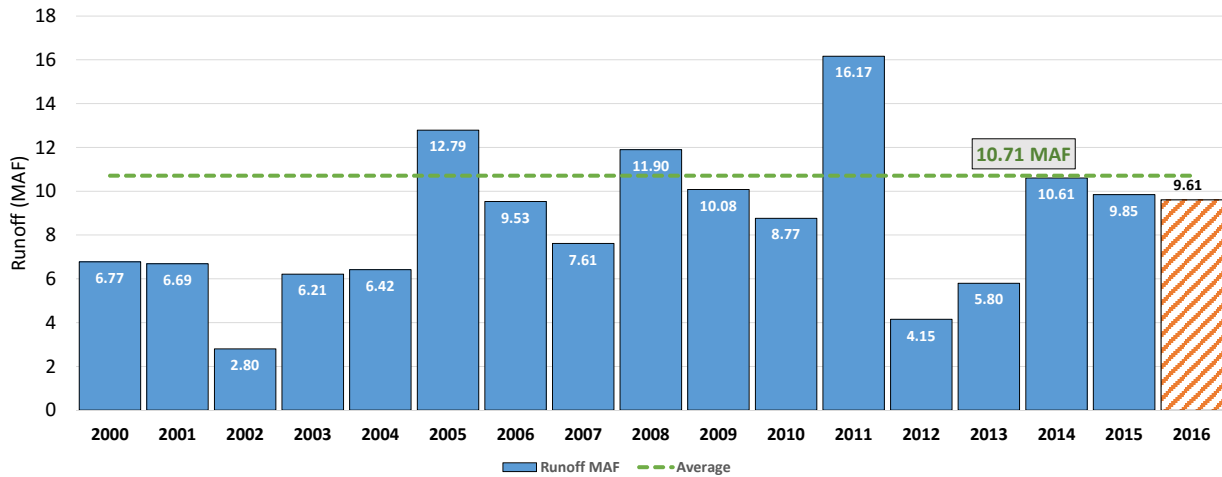


Historical Northern California Accumulated Precipitation



Lake Powell Inflows

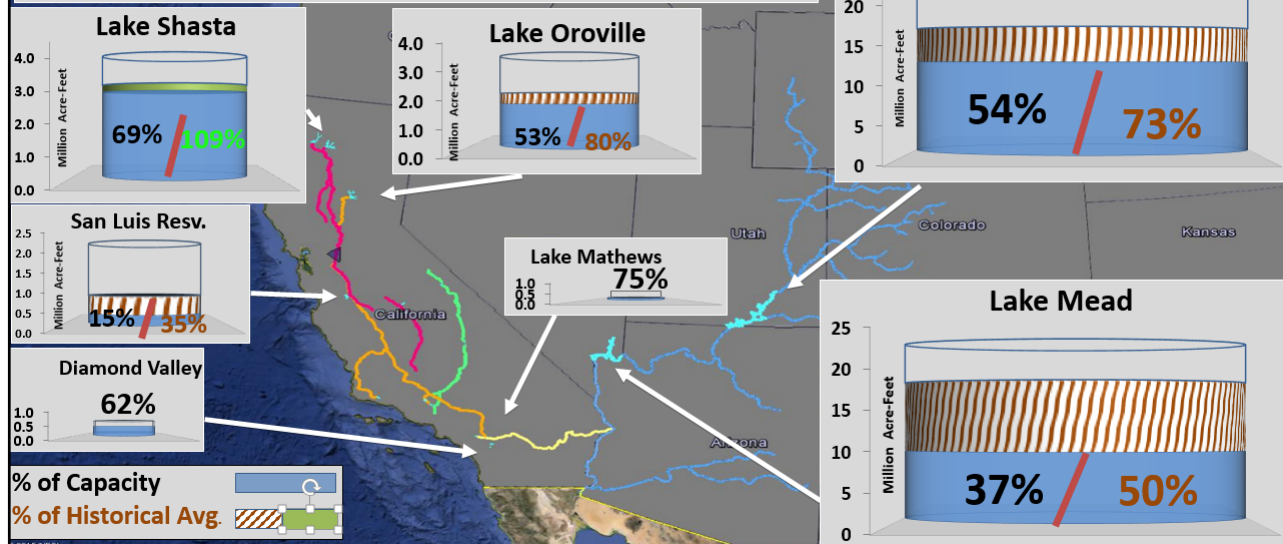
Lake Powell Unregulated Historical Inflow



Water Storage



State Water Project, Colorado River, and MWD Reservoir Storage
as of August, 30th 2016







DISCUSSION ITEM

September 7, 2016

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Harvey De La Torre

**SUBJECT: PRESENTATION BY DEBRA MAN (METROPOLITAN) REGARDING
METROPOLITAN'S INTEGRATED RESOURCES PLAN AND THE
CARSON REGIONAL RECYCLING PROJECT**

STAFF RECOMMENDATION

Staff recommends the Board of Directors review and discuss this information

REPORT

In January 2016, the Metropolitan (MET) Board adopted its long-term Integrated Water Resources Plan (IRP) to assure adequate water supplies for Southern California. The IRP is a comprehensive long-term strategy plan that identifies and evaluates MET's water resources and development needs to ensure the service area's long-term water reliability.

One such project to help meet current and future demands is the Regional Recycled Water Supply Program located in Carson. In November 2015, the Metropolitan Board voted to enter into an agreement with the Sanitation Districts of Los Angeles County, to implement a 1 million gallons per day (MGD) demonstration project and to establish the framework for development of the Regional Recycled Water Supply Program which is anticipated to produce 150 MGD. This project will advance the development of significant water reuse for the recharge of groundwater basins in Southern California, including the Orange County Basin, and would augment regional supplies for Metropolitan's entire service area.

At this month's MWDOC Board Workshop, Debra Man, Metropolitan's Assistant General Manager/Chief Operating Officer, will provide a status update of the Carson Regional Recycled Water Supply Program and how it will assist Metropolitan achieve its IRP targets.

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



ACTION ITEM
September 7, 2016

TO: Board of Directors

FROM: **Water Summit Ad Hoc Committee**
(Directors Thomas, Osborne, Tamaribuchi)

Robert J. Hunter, General Manager

Staff Contact: Jonathan Volzke, Public Affairs Manager

SUBJECT: **Location and Date for 2017 OC Water Summit**

STAFF RECOMMENDATION

Staff recommends the Board of Directors discuss the proposed location and date decide whether to endorse moving the event to Disney Grand Californian Hotel and the change in date to June 16, 2017.

DETAILED REPORT

The Joint OC Water Summit Ad Hoc Committee at its meeting of August 29 voted to hold the 2017 Summit on June 16 at the Disney Grand Californian Hotel. Because the decision involves moving the event out of the MWDOC service area and holding it on June 16, about a month later than the traditional date. The Districts opted to bring the decision to their respective Boards.

MWDOC Director Jeff Thomas and OCWD Directors Stephen Sheldon and Roman Reyna and President Cathy Green supported the venue and date. MWDOC President Wayne Osborne opposed the decision.

President Osborn objected to moving the location outside of the MWDOC service area and also voiced concern that Summit attendance would be negatively impacted by moving the event to mid-June, when families may be on vacation. Schools throughout Orange County have moved start dates to August, and some now begin summer break in May, while others actually have their last day on the proposed Summit date.

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

The OC Water Summit has been co-hosted by MWDOC and OCWD for nine years. The agencies alternate the role as “lead” agency annually. OCWD is the lead agency for the 2017 Summit, which will be the 10th Annual.

Seven of the last nine Summits were held at the Grand Californian Hotel in Anaheim. Two of the past Summits have been held at the Westin Hotel in Costa Mesa, including last year’s event.

The Summit moved to the Westin last year because the Grand Californian was unavailable. By every measure – attendance, sponsorships and post-event surveys – the 2016 Summit at the Westin was as successful as previous events at the Grand Californian.

The majority of the costs of the event are covered by sponsorships and attendance. The venues are comparable in price. Key differences discussed by the committee included:

- Disney provides an in-kind sponsorship through a discounted banquet rate and graphics, artwork, table, room and stage décor, and up lighting.
- The Grand Californian has a more “grand” feeling and look, with higher ceilings, etc.
- The Westin is more centrally located and easier to get to.
- Parking at the Westin is far easier than at the Grand Californian, which requires shuttles from the parking lot to the venue.

The availability of the Grand Californian drove moving the date of the event, traditionally on the third Friday in May, to June 16 – the only day open at the venue for the Summit.

Anaheim Union High School, Fullerton Joint Union High end their school years in May, while Capistrano Unified, Irvine Unified and Los Alamitos Unified end their school year in June, but before the Summit date. Huntington Beach Union High, Brea Olinda, Saddleback Valley and Tustin unified school districts end on June 16 – the proposed Summit date.

Members of the Joint Summit Ad Hoc Committee agreed to share the committee decision on the date and location with their full boards. If the MWDOC board agrees to move the event out of the MWDOC service area, it could be done on condition that MWDOC’s concurrence this year guarantees OCWD’s concurrence with MWDOC’s desires on the location and panel compositions in 2018 (i.e., increased delegation of decision making to one party on an alternate year basis).



Item No. 5

DISCUSSION ITEM

September 7, 2016

TO: Board of Directors & MET Directors

FROM: Robert J. Hunter
General Manager

Staff Contact: Harvey De La Torre

SUBJECT: Metropolitan Water District (MET) Items Critical To Orange County

STAFF RECOMMENDATION

Staff recommends the Board of Directors to review and discuss this information.

SUMMARY

This report provides a brief update on the current status of the following key MET issues that may affect 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 in the Doheny and Huntington Beach Ocean (Poseidon) Desalination Projects
- f) Orange County Reliability Projects
- g) East Orange County Feeder No. 2
- h) South Orange County Projects

ISSUE BRIEF # A

SUBJECT: MET's Water Supply Conditions

RECENT ACTIVITY

Below are key summary points of the water supply conditions for FY 2015-2016:

- Conditions are normal to slightly above normal in Northern California as a result of above average precipitation that has increased reservoirs levels.
- Unfortunately, Water Supply conditions in Southern California are below normal for the **5th** straight year.
- 2016 State Water Project "Table A" Allocation is at **60%**, which is about **1.2 Million Acre-Feet (MAF)** of water to MET. Improvements in northern California reservoir storage levels will likely improve the initial SWP "Table A" allocation for 2017.
- MET water demands for FY2015-16 are expected to total less than 1.6 MAF. This is the lowest deliveries since FY1998-99.
- MET is projecting supplies of **2.1 MAF** for the year resulting in approximately **0.5 MAF** being put into storage.
- Lake Mead levels continue to be in decline and there is a possibility of a shortage declaration in CY 2018.
- **The entire state of California is still in a drought** and these conditions will likely continue until next winter

ISSUE BRIEF # B

SUBJECT: MET's Finance and Rate Issues

RECENT ACTIVITY

MET Financial Report

At Metropolitan (MWD) August's Finance and Insurance Committee, MWD staff report that this fiscal year's first month water sales through the end of July totaled 158,700 Acre-Feet (AF); 37,300 AF (19%) lower than budget estimates. This generated \$121.1 million; \$24.5 million less than budget. This is very similar to last year's water sales for the month of August.

ISSUE BRIEF # C

SUBJECT: Colorado River Issues

RECENT ACTIVITY

California Agencies Refine Drought Contingency Concept

During July, staff from Imperial Irrigation District, Coachella Valley Water District, Palo Verde Irrigation District, and Metropolitan, along with assistance from the Colorado River Board and the Bureau of Reclamation, discussed the development of a California position regarding the Colorado River drought contingency concept.

The focus of the discussion was on developing a contingency plan that would significantly reduce the chance of Lake Mead reaching critically low levels (i.e., levels below 1,025 feet) before 2026. The proposed strategy is for agencies to proportionally share reductions based on diversions, which would result in a 25% reduction for MET.

Metropolitan Issues Annual Palo Verde Valley Fallowing Call

Per the terms of the following agreements with the landowners in the Palo Verde Valley, MET is to issue an annual fallowing call one year in advance of the time when the fallowing is to begin, with the contract year running from August 1 to July 31 of the subsequent year. Ninety percent fallowing is anticipated to provide Metropolitan with about 110,000 acre-feet of conserved water for the year. The 90% fallowing call is a reduction of the current 100% fallowing amount, and was made in consideration of slightly better storage levels within Metropolitan's system and the contractual limits on the number of years a maximum fallowing call can be made. Under the terms of the agreements, Metropolitan may only issue fallowing calls in excess of 90% for 10 years within the 35-year program, and, to date, six maximum fallowing calls have been made.

ISSUE BRIEF # D

SUBJECT: Bay Delta/State Water Project Issues

RECENT ACTIVITY

State Water Resources Control Board (SWRCB)

During part one of the State Water Resources Control Board (SWRCB) public hearing process of the proposed California Water Fix, the SWRCB will determine if the project would change water quality and flow in a way that would negatively affect other legal water right users.

One month into part one of the hearings, policy statements were given by a diverse collection of individuals, groups, organizations and businesses. Additionally, the Department of Water Resources (DWR) and U.S. Bureau of Reclamation (USBR) began presenting their case. The petitioners have organized their case by topic, and the format includes a presentation summarizing written testimony followed by cross-examination of an expert witness panel. Topics covered to date include project overview, engineering and operations, and direct testimony of the modeling panel. Continued cross examination of the modeling panel and testimony/cross-examination of the water rights panel will follow in the coming weeks.

Delta Smelt Resiliency Strategy

On July 12, DWR released the Delta Smelt Resiliency Strategy (Strategy), which is an integrated, multi-pronged effort to improve Delta smelt populations. Recent Delta smelt surveys by the California Department of Fish and Wildlife (CDFW) have found the lowest abundance levels on record, and there is concern the drought has pushed Delta smelt to dangerously low numbers. The objective of the Strategy is to improve survival for Delta smelt.

The Strategy represents a shift in focus for the state and federal agencies to address multiple stressors on Delta smelt in a systematic way and monitor the effectiveness of the actions. The Strategy includes near-term actions to improve conditions for Delta smelt that will be implemented in 2016-2018, and funding for some of the actions was included in the Governor's May 2016 revised budget. The Strategy focuses on creating better habitat, enhancing the food web, creating higher turbidity, and reducing levels of aquatic weeds, predators, and algal blooms that are harmful to Delta smelt.

Metropolitan staff is coordinating with state and federal agencies to provide input regarding Strategy action implementation as well as monitoring design to evaluate their effectiveness. In particular, staff is concerned that the proposed summer outflow augmentation action has not been proposed in an experimental framework, and that the lack of a monitoring and evaluation program will result in little new information generated to help guide future flow actions.

ISSUE BRIEF # E

SUBJECT: MET's Ocean Desalination Policy and Potential Participation in the Doheny and Huntington Beach Ocean (Poseidon) Desalination Projects

RECENT ACTIVITY

MET is working on the Phase 2 of its Integrated Resources Plan for 2015. MET is open to considering alternative ways of participating in local projects, including ocean desalination projects, as part of the on-going discussions.

Doheny Desal

The details of this have been moved to briefing Issue H as it pertains only to South Orange County.

Poseidon Huntington Beach

OCWD is currently working on preparation of the CEQA documentation for the Poseidon Project. Work continues on the project integration into the water supplies for OC. Poseidon is currently working with the Santa Ana Regional Water Quality Control Board on their NPDES permit and has deferred their application at the Coastal Commission until the Regional Board work is completed, sometime in 2017.

ISSUE BRIEF # F

SUBJECT: Orange County Reliability Projects

RECENT ACTIVITY

Central Pool Augmentation Program

There are no updates to report.

Orange County Water Reliability Study

Listed below are the follow-up items being pursued from the OC Water Reliability Study:

1. Incorporate Comments and Publish the Reports

Comments are due from the member agencies by Friday August 26. Comments will be incorporated and a redline version of Technical Memorandum #4 will be circulated prior to publication. CDM Smith is preparing a short “technical” Executive Summary; several easy to digest Executive Summaries will be prepared targeting several audience groups, elected officials, general public, member agencies, etc.

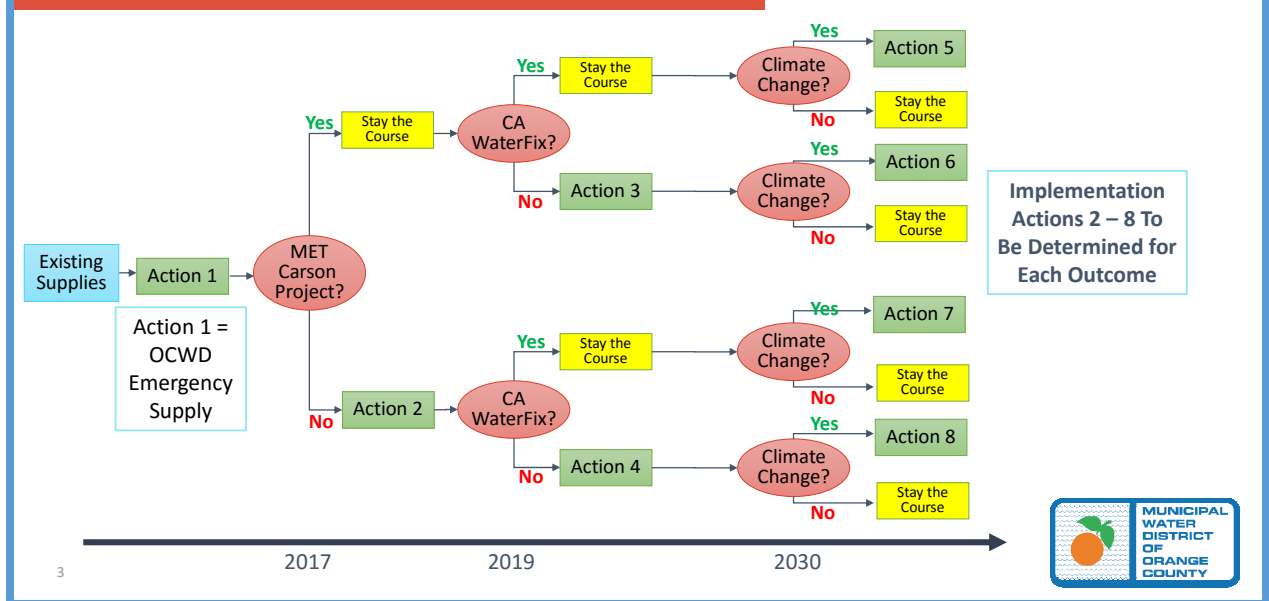
2. Establish Adaptive Management Goals

A key item identified in the study are upcoming “high impact” issues or events that could impact our water supply reliability. These should be monitored and periodic updates to the reliability runs should be developed. The “high impact” issues include the following:

- California WaterFix/Governor Brown’s Term
- MET’s Carson IPR Project, Go/No go
- MET Member Agency Projects, Go/No go
- What happens if/when we reach the Lake Mead Trigger Elevation?
- Policy issues at MET (water rates, LRP funding, groundwater replenishment) – the Phase 2 of MET’s 2015 IRP will consider a number of issues that could improve regional reliability; until those issues are teed up and acted upon, uncertainty exists.
- Biops opinions and Court decisions

Below is a graphic outlining a simple Adaptive Management Process discussed with the member agencies. One of our future efforts should be developing specific definitions for when our modeling assumptions should be revisited and updated. Our gross assumption is that this should be completed every three years, if not sooner.

Example of Adaptive Management



3. Support for California WaterFix

A key project for California and Southern California is the California WaterFix and EcoRestore to help improve the water flow and operations within the Delta and to provide habitat to improve the fisheries. The concept is to stabilize deliveries for the water exporters; without the project it is likely that the water permitted for export will decline dramatically over time.

4. Support for MET Carson IPR Project

We believe this is a key project for MET and OCWD. The project would develop up to 167,000 AF of water for replenishment of groundwater basins within MET. The key decision at MET on the Go/No-go is probably early 2017. Key items are the support from the entire MET family and how the pricing and terms are established for the water.

5. Pursue Emergency Supplies for SOC

A basic proposal is being developed by MWDOC that includes groundwater pumping into the EOCF#2 to allow conveyance of water to SOC during emergency situations. MWDOC is working with MET and OCWD to get concurrence on this concept. IRWD is also evaluating options on expansion of the existing Emergency Services Program with SOC.

6. Provide Support/Assistance with SJBA, Doheny and other projects

These are two key SOC projects MWDOC will continue providing assistance with to help improve supply and system reliability to SOC. MWDOC worked with both agencies on MET Foundational Action Grants and has continued to provide support for these and other projects.

7. Advocate for MET Regional Emergency Storage

MWDOC has alerted MET of a concern that the prior estimates of damage and outage durations for the East Branch of the California Aqueduct and/or the Edmonston Pumping Station from a San Andreas or other fault have been underestimated at 6 months and the outage durations may be significantly longer. We have asked MET to work with DWR to complete an outage assessment and an emergency storage needs evaluation.

8. Conveyance of Poseidon Water to SOC

MWDOC is working on concepts to move Poseidon water to SOC that involve the EOCF#2 and a concept that does not involve the EOCF#2 to provide cost estimates for moving the water South. MWDOC is awaiting the progress of OCWD in moving the overall project forward.

9. Central Valley Water Banking for Drought Protection

This is a drought protection project that can be developed in a fairly short time-frame, if desired by MWDOC agencies. Semi-Tropic Water Bank is looking for customers to store water and retrieve it during drought situations. This type of program can be implemented in the near term and would result in “extraordinary supplies” being available during a water allocation situation; participation can be cancelled in the future if conditions warrant a change. There may also be opportunities for an expansion of the IRWD Strand Ranch Banking Project to allow participation by other agencies.

10. Moving Water Around in the MET System for Drought Protection

There are a number of discussions within the MET family about moving water around the MET system and into and out of storage programs or groundwater basins and to provide “extraordinary supplies” during a water shortage situation. MWDOC is involved in these to both protect the interests we have in MET but also to look for opportunities to bring benefits to OC and to OCWD via the Santa Ana River Conservation and Conjunctive Use Project (SARCCUP).

11. Work with the Local Agencies on Generator and Refueling Needs

One of the evaluations completed in the OC Water Reliability Study was an evaluation of the capabilities of agencies in the event of an outage of the electrical power grid. The analysis indicated the potential need for a number of generators during an outage of the power grid. Some of these generators will be supplied by the agencies, some will be contracted for via commercial outlets during emergencies and others will be sought via mutual aid agreements. MWDOC and WEROC have planned on narrowing down the analysis to determine if the additional purchase of generator units should be pursued in OC. Part of the analysis involves developing refueling plans for our agencies.

ISSUE BRIEF # G

SUBJECT: East Orange County Feeder No. 2

RECENT ACTIVITY

Use of East Orange County Feeder No. 2 for Conveyance of Groundwater and Poseidon Water

Rob Hunter, Karl Seckel, Ed Means, Brian Thomas and our engineering consultant Black & Veatch (Matthew Thomas) met to develop conceptual terms and conditions for the introduction and conveyance of either groundwater or Poseidon water in the EOCF#2. The next step will be for Rob to meet with Debra Man to continue the discussions at that level.

ISSUE BRIEF # H

SUBJECT: South Orange County Projects

RECENT ACTIVITY

August 30 DOHENY WORKSHOP BY SOUTH COAST WATER DISTRICT

On August 30, South Coast Water District held their 4th Workshop on the Doheny Ocean Desalination Project where they discussed the project delivery options and the various “risk” components of the project and their impact on the ultimate cost of water. Presentations were made by their consultant GHD with help from Geoscience Support Services with respect to the slant wells.

At the workshop they reviewed three current other projects that are moving forward and they examined the project delivery alternatives being used and the allocation of risk between the owner and the contractors. The three projects are:

- Monterey Peninsula Water Supply Slantwell Ocean Desalination Project
- City of Santa Barbara Ocean Desal
- Water Replenishment District Groundwater Replenishment Indirect Potable (GRIP) Project
- Carlsbad Ocean Desalination Project

The main “risk” issue identified is the Slantwell Flow and Water Quality. They suggested minimizing the risks by:

- Completing the offshore geophysical work (this is underway)
- Starting with the smaller 4 to 5 mgd project to confirm the operations prior to expansion of the project to the 15 mgd size
- Starting the well pumping and operations as early as possible to achieve the necessary operating experience and to potentially allow for any process treatment design changes prior to plant start-up
- Be prepared for potential well rehabilitation, or under a worst case situation, have to drill additional wells – these type of costs were noted as “not being project killers”

GHD is in the process of completing the Preliminary Design Report for the Project. The next workshop will be held at that time.

Other NEW Information on South County Projects as of August 2016:

- **San Juan Basin Optimization Project** - SMWD is proceeding along with the preliminary design for the project; they have hired a CEQA firm to begin preparation of the environmental documents. They have also asked neighboring agencies about potential interest in the project and recently held a workshop discussion hosted by the South Coast Water District Board. Agencies were asked to respond by Sept 15 regarding interest in the Project. SMWD also developed and released an RFP to solicit proposals from engineering firms interested in providing technical support for the project. SMWD expects to award the contract in September.
- **Trampas Recycled Water Reservoir** – SMWD is continuing to work on the design for this 5,000 AF recycled reservoir project that will allow for expansion of recycled water distribution to SMWD and neighboring agencies.
- **Advanced Purified Water (APW) Facility at Lake Mission Viejo** – SMWD has proceeded with construction of a recycled water treatment facility to provide additional treatment for the SMWD's disinfected, tertiary effluent and produce advanced purified water to maintain water levels in Lake Mission Viejo. The APW will incorporate a collection of treatment processes including ultrafiltration, chemical conditioning, reverse osmosis, and UV disinfection. Effluent will be discharged into Lake Mission Viejo with the remaining effluent distributed in the SMWD's existing recycled water system through additional piping connections. Production capacity of the APW facility is expected to be 600 AFY. The estimated operational date is this fall.
- **Camp Pendleton Seawater Desalination Project** - San Diego County Water Authority (SDCWA) is studying a desalination project to be located at the southwest corner of Camp Pendleton Marine Corps Base adjacent to the Santa Margarita River. The project is currently in the feasibility study stage and SDCWA is conducting geological surveys, analyzing intake options, and studying the effect on ocean life and routes to bring desalinated water to SDCWA's delivery system. MWDOC and the Doheny Desal Participants are working to lease the Doheny Mobile Test Facility to Michael Baker International for use at the SDCWA intake study testing site.
- **Expansion of the Irvine Interconnection Project to SOC** - An agreement completed in 2006 resulted in an investment by SOC agencies in the IRWD system to allow exchanges of water to be delivered by IRWD into SOC under emergency situations. Project capacity was committed by IRWD to move up to 30 cfs of emergency supplies whereas the agreement allows moving up to 50 cfs, not to exceed 3,000 AF per emergency event. In accordance with the Agreement with IRWD, the emergency capabilities declines over time and goes to zero by 2030. IRWD is examining their ability to increase the exchange and

conveyance of water under this arrangement or extend to extend the end date of the agreement and the capacity thereunder. MWDOC is working on other options with OCWD and MET to move groundwater via the EOCF#2 to SOC during emergency events.

- **Baker Water Treatment Plant** - The Baker Water Treatment Plant is a joint regional project by five South Orange County water districts to build a 28.1 million gallon per day (mgd) [43.5 cubic feet per second (cfs)] drinking water treatment plant at the site of the former Baker Filtration Plant in the City of Lake Forest is nearing completion. The project will provide increased water supply reliability to South Orange County by increasing local treatment capability from multiple water supply sources, including imported untreated water from the Metropolitan Water District of Southern California (MET) through the Santiago Lateral and local surface water from Irvine Lake. The project will provide a reliable local drinking water supply during emergencies or extended facility shutdowns on the MET delivery system. It will also increase operational flexibility by creating redundancy within the water conveyance system. The advanced treatment processes - microfiltration treatment and ultraviolet disinfection technologies – will produce water that meets standards stricter than current regulatory requirements, resulting in a consistent, high quality source of drinking water for South Orange County. Plans are underway for the start up in October 2016; MWDOC, IRWD, SMWD and the Project Participants are working on the meter reading and water invoicing as part of the water will be pumped into the South County Pipeline.
- **LBCWD Groundwater Project with Newport Beach** – MWDOC, MET, LBCWD and NB have been working to activate LBCWD's access to 2,025 AF of groundwater from within the Orange County Water District (OCWD) Basin. Deliveries are expected to begin soon.

If any agencies would like to have updates included herein on any projects within your service area, please email the updates to Karl Seckel at kseckel@mwdoc.com

**Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
August 16, 2016**

COMMITTEE ASSIGNMENTS

Director Ramos was assigned to the Audit and Ethics Committee, and Director Galleano was removed from the Audit and Ethics Committee. **(Agenda Item 5C)**

WATER PLANNING AND STEWARDSHIP COMMITTEE

Adopted the CEQA determination that the proposed action is categorically exempt, and authorized entering into Water Savings Incentive Program agreements with Lekos Dye & Finishing, Inc., Daeshin USA, Inc., and Hitex Finishing & Dyeing, Inc. **(Agenda Item 8-1)**

ENGINEERING AND OPERATIONS COMMITTEE

Adopted the CEQA determination that the proposed action has been previously addressed in the 2015 Notice of Exemption, and appropriated \$6.76 million; and awarded \$4,878,635 contract to Sol Construction, Inc. for construction of a solar generating facility at the Jensen plant. **(Agenda Item 8-2)**

COMMUNICATIONS AND LEGISLATION COMMITTEE

Adopt CEQA determination and adopt Policy Principle on Watershed Management. **(Agenda Item 8-3)**
(The item was deferred to September)

CONSENT CALENDAR

In other action, the Board:

Adopted the CEQA determination that the proposed action is categorically exempt, and appropriated \$1.2 million; awarded \$610,925 procurement contract to Autrans Corporation to provide two 48-inch-diameter butterfly valves; and authorized final design for installation of the valves at Service Connections CB-12 and CB-16 on the Rialto Pipeline. (Approp. 15480) **(Agenda Item 7-1)**

Adopted the CEQA determination that the proposed action has been previously addressed in the certified 2013 Final EIR and 2015 Addendum, and appropriated \$350,000 for biological surveys and acquisition of mitigation for erosion protection of the Whitewater Siphons on the Colorado River Aqueduct. (Approp. 15341) **(Agenda Item 7-2)**

Adopted the CEQA determination that the proposed action is categorically exempt, and appropriated \$450,000; and authorized preliminary design to replace storage buildings at the Hinds, Eagle Mountain, and Iron Mountain Pumping Plants. (Approp. 15483) **(Agenda Item 7-3)**

Adopted the CEQA determination that the proposed action is categorically exempt, and appropriated \$1.25 million; and authorized design and construction to relocate the standby generators at six WAN sites across the distribution system. (Approp. 15376) **(Agenda Item 7-4)**

Adopted the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and authorized agreements for aerial photogrammetry and mapping services with Geospatial Professional Solutions, Inc.; Psomas; Towill, Inc.; and Rick Engineering Co., in amounts not to exceed \$1 million each. **(Agenda Item 7-5)**

Adopted the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and adopted the Ticket Distribution Policy Resolution set forth in Attachment 1 of the Board letter, and adopted amendments to the Administrative Code set forth in Attachment 2 reflecting the recommendations in the Board letter. **(Agenda Item 7-6)**

Adopted the CEQA determination that the project is categorically exempt from CEQA, and extended the current lease by 24 months; incorporated a four-tiered rent and expense reimbursement structure; provided a one-time loss recovery payment in the amount of \$122,000 to compensate Urban Park for their 2015 calendar year operating loss; and prepared an RFP to seek interest for continued operation of the Diamond Valley Lake East Marina. **(Agenda Item 7-7)**

Adopted the CEQA determination that the proposed action is not defined as a project and is not subject to CEQA, and adopted resolution requiring Metropolitan to base its maximum medical contributions on the highest cost HMO plan, Anthem Traditional, Sacramento Region, for employees and annuitants under Government Code Section 22892(a). **(Agenda Item 7-8)**

OTHER MATTERS:

In other action, the Board:

Reported on list of certified assessed valuations for fiscal year 2016/17 and tabulation of assessed valuations, percentage participation, and vote entitlement of member public agencies as of August 15, 2016. **(Agenda Item 5E-1)**

Adopted CEQA determination and the resolution establishing the tax rate for fiscal year 2016/17. **(Agenda Item 5E-2)**

Discussed and approved 1.5 percent compensation increase for General Manager, General Counsel, General Auditor, and Ethics Officer. **(Agenda Item 10-3)**

THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.

Board letters related to the items in this summary are generally posted in the Board Letter Archive approximately one week after the board meeting. In order to view them and their attachments, please copy and paste the following into your browser <http://edmsidm.mwdh2o.com/idmweb/home.asp>.

Item 6b



THE METROPOLITAN WATER DISTRICT
OF SOUTHERN CALIFORNIA

MWD MEETING
AGENDA

Board Meeting
Meeting with Board of Directors

September 13, 2016

12:00 p.m. -- Board Room

MWD Headquarters Building

700 N. Alameda Street

Los Angeles, CA 90012

1. Call to Order

- (a) Invocation: Jeannette Correa, Administrative Analyst, Business Technology Group
- (b) Pledge of Allegiance: Director Michael Hogan

2. Roll Call

3. Determination of a Quorum

4. Opportunity for members of the public to address the Board on matters within the Board's jurisdiction. (As required by Gov. Code § 54954.3(a))

5. OTHER MATTERS

- A. Approval of the Minutes of the Meeting for August 16, 2016. (A copy has been mailed to each Director) Any additions, corrections, or omissions

Draft Minutes

- B. Report on Directors' events attended at Metropolitan expense for month of August
- C. Induction of new Director Gloria Cordero, from City of Long Beach

- (a) Receive credentials
- (b) Report on credentials by General Counsel
- (c) File credentials
- (d) Administer Oath of Office
- (e) File Oath

- D. Approve 30-day leave of absence for Director Russell Lefevre, commencing September 23, 2016

- E. Approve committee assignments

- F. Chairman's Monthly Activity Report

6. DEPARTMENT HEADS' REPORTS

- A. General Manager's summary of Metropolitan's activities for the month of August

- B. General Counsel's summary of Legal Department activities for the month of August
- C. General Auditor's summary of activities for the month of August
- D. Ethics Officer's summary of activities for the month of August

7. CONSENT CALENDAR ITEMS — ACTION

- 7-1 Adopt CEQA determination and appropriate \$550,000; and authorize design of electrical upgrades to 14 structures within the Orange County operating region (Approp. 15480). (E&O)

7-1 Board Letter and Attachments

- 7-2 Adopt CEQA determination and appropriate \$290,000; and authorize design of lining repairs for yard piping at the Hiram W. Wadsworth Pumping Plant (Approp. 15480). (E&O)

7-2 Board Letter and Attachments

(END OF CONSENT CALENDAR)

8. OTHER BOARD ITEMS — ACTION

- 8-1 Adopt CEQA determination and resolution authorizing the reimbursement from bond proceeds of capital expenditures for the purchase of the Delta Islands and acquisition costs and costs of issuance of debt. (F&I) (To be mailed separately)

- 8-2 Adopt CEQA determination and appropriate \$2.43 million; award \$1,171,293 contract to Corpro Companies, Inc. for cathodic protection of the Allen-McColloch Pipeline; and authorize design of cathodic protection for the Orange County Feeder (Approp. 15441). (E&O)

8-2 Board Letter and Attachments

- 8-3 Adopt CEQA determination and Policy Principle on Watershed Management. (C&L) (To be mailed separately)

- 8-4 Adopt CEQA determination and authorize renewal of leases for HayDay Farms and River Valley Ranches. (RP&AM) [Conference with real property negotiators; agency negotiators: Lilly Shraibati and Tim Blair; negotiating party: HayDay Farms, Inc., for the real property identified as Imperial County Assessor's Parcel Nos. 006-020-048, -049, 006-210-008, -009, -021, -026, 006-220-012, -013, -018, -019, -020, -021, -022, and -027, and Riverside County Assessor's Parcel Nos. 878-081-001, -002, -004, -005, -006, -012, 878-082-001, -007, 878-111-016, -017, 878-112-010, -014, -015, 878-120-013, -015, 878-130-010, -011, 878-161-014, -015, 878-162-002, -003, 878-191-004, 878-192-001, -002, 878-193-004, -007, -011, -013, -014, 878-201-001, 878-220-005, -014, -015, 878-230-001, -006, -007, -008, -009, 878-240-021, 879-210-026, 879-240-007, -029, -032, -033, 879-261-004, 879-262-005, -011, and -014; and River Valley Ranches, for the real property identified as Imperial County Assessor's Parcel Nos. 006-090-008, -009, -010, -011, -012, -013, -029, 006-120-089, 006-150-065, 006-220-015, and -016; under negotiation: price and terms of payment; to be heard in closed session pursuant to Gov. Code Section 54956.8] (To be mailed separately)

9. BOARD INFORMATION ITEMS

None

10. FUTURE AGENDA ITEMS

11. ADJOURNMENT

NOTE: At the discretion of the committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated and may be subject to action by the committee.

This committee reviews items and makes a recommendation for final action to the full Board of Directors. Final action will be taken by the Board of Directors. Agendas for the meeting of the Board of Directors may be obtained from the Board Executive Secretary. This committee will not take any final action that is binding on the Board, even when a quorum of the Board is present.

Writings relating to open session agenda items distributed to Directors less than 72 hours prior to a regular meeting are available for public inspection at Metropolitan's Headquarters Building and on Metropolitan's Web site <http://www.mwdh2o.com>.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Executive Secretary in advance of the meeting to ensure availability of the requested service or accommodation.