

REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Board Room, Fountain Valley, California  
December 20, 2017, 8:30 a.m.

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**AGENDA**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**PUBLIC COMMENTS/PARTICIPATION**

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

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

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

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

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

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

**NEXT RESOLUTION NO. 2060**

**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. November 1, 2017 Workshop Board Meeting
- b. November 2, 2017 Special Board Meeting
- c. November 4, 2017 Special Board Meeting
- d. November 15, 2017 Regular Board Meeting

*Recommendation: Approve as presented.*

**2. COMMITTEE MEETING REPORTS**

- a. Planning & Operations Committee Meeting: November 6, 2017
- b. Administration & Finance Committee: November 8, 2017

- c. Public Affairs & Legislation Committee: November 20, 2017
- d. Executive Committee Meeting: November 16, 2017

*Recommendation: Receive and file as presented.*

**3. TREASURER'S REPORTS**

- a. MWDOC Revenue/Cash Receipt Register as of November 30, 2017
- b. MWDOC Disbursement Registers (November/December)

*Recommendation: Ratify and approve as presented.*

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of October 31, 2017
- d. PARS Monthly Statement (OPEB Trust)
- e. Water Use Efficiency Projects Cash Flow

*Recommendation: Receive and file as presented.*

**4. FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the period ending October 31, 2017

*Recommendation: Receive and file as presented.*

**5. TRAVEL TO WASHINGTON, DC TO COVER FEDERAL INITIATIVES**

*Recommendation: Receive and file report.*

**6. TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES**

*Recommendation: Receive and file report.*

**7. OPTIONS FOR FUNDING CALPERS UNFUNDED LIABILITY**

*Recommendation: Establish PRSP with PARS, moving the OPEB Reserve balance to the PRSP and go with the 10-year payment plan to accelerate our funding. The target is to be 90% funded (both accounts combined) with the minimum at 85% and the maximum at 95%.*

**– End Consent Calendar –**

**ACTION ITEMS**

**8-1 REORGANIZATION OF THE MWDOC BOARD OF DIRECTORS; ELECTION OF PRESIDENT AND VICE PRESIDENT RES. NOS. \_\_\_\_\_ & \_\_\_\_\_**

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

**8-2 APPOINTMENT OF SECRETARY, TREASURER(S), AND LEGAL COUNSEL  
RES. NO. \_\_\_\_\_**

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

**8-3 MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE**

*Recommendation: Adopt the legislative policy principles as amended.*

**8-4 MWDOC.COM PRIVACY POLICY**

*Recommendation: Adopt the Privacy Policy for Municipal Water District of Orange County Website.*

**8-5 EXTENSION OF LOCAL ADVOCACY CONTRACT WITH LEWIS CONSULTING GROUP**

*Recommendation: Extend the local advocacy contract Lewis and Associates for 2018.*

**8-6 EXTENSION OF FEDERAL LEGISLATIVE ADVOCACY CONTRACT WITH JAMES C. BARKER, PC**

*Recommendation: Extend the federal advocacy contract with James C. Barker, PC for 2018.*

**8-7 EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH BEST, BEST & KRIEGER**

*Recommendation: Extend the state advocacy contract with Best, Best and Krieger.*

**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, DECEMBER 2017 (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
- b. Requests for Future Agenda Topics

*Recommendation: Receive and file as presented.*

**ADJOURNMENT**

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



**MINUTES OF THE WORKSHOP BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)  
WITH THE MWDOC MET DIRECTORS  
November 1, 2017**

At 8:30 a.m. President Osborne called to order the Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. MWDOC MET Director Larry McKenney led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**MWDOC STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Mgr.  
Melissa Baum-Haley, Sr. Water Resource Analyst  
Kevin Hostert, Water Resources Analyst  
Charles Busslinger, Principal Engineer  
Damon Micalizzi, Dir. Of Public Affairs

\*Also MWDOC MET Directors

**OTHER MWDOC MET DIRECTORS**

Larry McKenney  
Linda Ackerman

**OTHERS PRESENT**

Brandon Goshi  
Fred Adjarian  
Mark Monin  
Doug Reinhart  
Steve LaMar  
Paul Weghorst  
Jim Atkinson  
Don Froelich  
John Kennedy  
Adam Hutchinson  
Dennis Erdman  
Andy Brunhart  
Brooke Jones  
Al Nederhood  
Ed Means  
Liz Mendelson-Goossens  
Stephanie Pacheco

Metropolitan Water District of Southern Cal.  
El Toro Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Mesa Water  
Moulton Niguel Water District  
Orange County Water District  
Orange County Water District  
South Coast Water District  
South Coast Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Means Consulting  
San Diego County Water Authority

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

No items were presented.

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

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

It was noted that a copy of the presentation materials was distributed to the Board and made available to the public.

**PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

No comments were received.

**PRESENTATION/DISCUSSION/INFORMATION ITEMS**

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

Director Ackerman noted that the main topic at MET continues to be the CA WaterFix (Fix) and that the MET Board received a presentation on the EcoRestore portion of the Fix. She provided an overview of the Fix, the contractors, and availability of Article 21 water.

Director Barbre highlighted the Finance & Insurance Committee activities noting that the two-year budget process will begin in January, MET's OPEB and CalPERS liability will be discussed in December, and that MET is in the process of paying off its line of credit with the funds that were set aside for the MET/SDCWA litigation. He also noted that most of the State Water Contractors have expressed support for the WaterFix (twin tunnels) and that the recently introduced single tunnel option is not viable and will most likely "kill" the WaterFix.

Director McKenney provided an update on the Water Supply Demand Management (WSDM) Plan, and the water supply status.

Mr. Steve LaMar (Irvine Ranch Water District) commended the MWDOC MET Directors for their efforts relating to the support for the WaterFix.

Discussion ensued regarding the California WaterFix, the need for public outreach on the importance of the Water Fix, and the current relationship MET has with the SDCWA.

**PRESENTATION BY BRANDON GOSHI OF METROPOLITAN REGARDING THE CENTRAL VALLEY PROJECT**

Mr. Brandon Goshi presented an overview and history of the Central Valley Project (CVP), noting it is the largest single water project in California, it is operated by the Bureau of Reclamation for water supply, flood control, water quality improvement, power generation, and recreation; and that it is the largest generator of electrical power in California. His presentation included information on the history of the CVP, an overview of the facilities, water supply and contracts, and cost allocations.

A question/answer period followed the presentation with specific emphasis on cost allocations, who benefits from the project, and comparisons (cost) to the California WaterFix.

The Board thanked Mr. Goshi for his presentation and received and filed his report.

**DISCUSSION OF ACTIVITIES RELATIVE TO THE SAN DIEGO COUNTY WATER AUTHORITY AND A REQUEST TO AGENDIZE A RESOLUTION**

President Osborne advised that at the last Workshop Board meeting, a discussion was held regarding the MET/SDCWA litigation and MWDOC's letter encouraging a more collaborative working relationship going forward. Director Barbre made several observations regarding the general process and requested the Board continue discussions and possibly adopt a Board resolution on the situation. It was noted that MET Chairman Record, along with his two Vice Chairs will be meeting with representatives from the SDCWA.

Discussion was held regarding this issue, and the Board generally concurred to take no action at this time.

**MWD ITEMS CRITICAL TO ORANGE COUNTY**

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project
- f. Orange County Reliability Projects
- g. East Orange County Feeder No. 2
- h. South County Projects

The Board received and filed the information as presented.

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

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

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

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 9:57 a.m.

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Maribeth Goldsby  
Board Secretary

MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
November 2, 2017

At 6:00 p.m., President Osborne called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors Board Room at the District facilities, 18700 Ward Street, Fountain Valley, California. Mr. Mark Lewis (representing both Fountain Valley and Laguna Beach County Water District) led the Pledge of Allegiance.

**MWDOC DIRECTORS**

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

**STAFF PRESENT**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Prin. Water Res. Planner  
Joe Berg, Water Use Eff. Programs Mgr.  
Damon Micalizzi, Dir. of Public Affairs  
Heather Baez, Government Affairs Manager

**ALSO PRESENT**

Larry McKenney  
Linda Ackerman  
Doug Davert  
John Sears  
Lisa Ohlund  
Cheryl Brothers  
Scott Goldman  
Jose Vergara  
Brian Ragland  
Doug Reinhart  
Paul Weghorst  
Mark Lewis  
Jim Atkinson  
Duane Cave  
Matt Collings  
Scott Colton  
Richard Fiore  
Don Froelich  
Gary Kurtz  
Brian Probolsky  
Drew Atwater  
Bruce Whittaker  
John Kennedy  
Chuck Gibson  
Saundra Jacobs  
Robert Grantham  
Schelly Sustarsic  
Greg Mills  
Brad Reese  
Jerry Vilander  
Dennis Erdman

MWDOC MET Director  
MWDOC/MET Director  
East Orange County Water District  
East Orange County Water District  
East Orange County Water District  
City of Fountain Valley  
El Toro Water District  
El Toro Water District  
City of Huntington Beach  
Irvine Ranch Water District  
Irvine Ranch Water District  
Laguna Beach CWD/City of Fountain Valley  
Mesa Water  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
City of Seal Beach  
Serrano Water District  
Serrano Water District  
Serrano Water District  
South Coast Water District

Rick Erkeneff	South Coast Water District
Bill Green	South Coast Water District
Stephen Dopudja	Trabuco Canyon Water District
Mike Safranski	Trabuco Canyon Water District
Hector Ruiz	Trabuco Canyon Water District
Al Nederhood	Yorba Linda Water District
J. Wayne Miller	Yorba Linda Water District
Marc Marcantonio	Yorba Linda Water District
Linda Whittaker	
Dick Ackerman	Ackerman Consulting
Brian Lochrie	
Liz Mendelson-Goossens	San Diego County Water Authority
Chris Palmer	California Special Districts Association

## **PUBLIC COMMENTS**

No public comments were received.

Following a brief introduction, President Osborne invited introductions around the room.

## **PRESENTATION OF SPECIAL DISTRICT LEADERSHIP FOUNDATION'S DISTRICT OF DISTINCTION AWARD**

Mr. Chris Palmer of California Special Districts Association presented the Board with the Special District Leadership Foundation's District of Distinction award.

## **DISCUSSION ITEMS**

### **DISCUSSION WITH REPRESENTATIVES FROM MWDOC'S MEMBER AGENCIES REGARDING KEY REGIONAL ISSUES AND KEY ORANGE COUNTY ISSUES, INCLUDING THE CALIFORNIA WATERFIX, THE MET/SDCWA LITIGATION (APPEAL), CHANGES TO MWDOC'S BUDGET PROCESS, AND REGIONAL AND LOCAL STORAGE**

President Osborne stated that the evening would consist of a short presentation by General Manager Robert Hunter, and the remainder of the meeting would consist of open dialogue/questions between the Board and audience. The following topics were covered:

- California WaterFix
- Regional and Local Storage.
- San Diego County Water Authority/MET Litigation Status
- MWDOC's Budget Process

Mr. Hunter began the evening with a presentation and overview of the California WaterFix (Fix) and discussion ensued regarding the current percentage of agencies supporting/opposing the Fix, the importance of the Fix to State's water supply and infrastructure, and next steps toward approval of the Fix.

Mr. Hunter then provided an overview of the regional water supply, including MET storage levels, and an update on the Oroville Spillway repairs. Discussion was held regarding the

importance of local projects (desalination, recycling, and conservation) as well as Governor Brown's Conservation is a Way of Life legislation, its effects on Orange County, and again, the importance of the WaterFix to improve the region's water supplies.

An overview of the five lawsuits filed against MET by SDCWA was presented by Mr. Hunter. He advised that the Supreme Court recently denied the SDCWA appeal on the Capacity and RTS charges and that MWDOC sent a letter to the SDCWA Board and member agencies highlighting the opportunity for a more collaborative working relationship with SDCWA, and that although MWDOC has not received a response, representatives from both MET and SDCWA will meet in an attempt to resolve some issues.

Mr. Hunter concluded his presentations with an overview of MWDOC's budget process, noting that as a result of discussions last year, MWDOC has opted to start the budget process one month earlier (December rather than January) and anticipates adopting a final budget in April (rather than May). He advised that those in attendance would have the opportunity to comment/review the budget at the Administration & Finance Committee meetings, and that the draft final budget will be presented at the April 2018 Elected Officials Forum.

SMWD Director Chuck Gibson referenced a letter he submitted to General Manager Hunter regarding a legislative policy statement on water conservation and efficiency; President Osborne advised it would be addressed at the next Public Affairs & Legislation Committee meeting.

## **ADJOURNMENT**

There being no further business to come before the Board, President Osborne adjourned the meeting at 8:00 p.m.

**Respectfully submitted,**

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Maribeth Goldsby, Secretary

MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
November 4, 2017

At 9:15 a.m., President Osborne called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors at the Great Wolf Lodge, 12681 Harbor Blvd., Garden Grove, California (Eagles Landing Board Room).

**MWDOC DIRECTORS**

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

**STAFF PRESENT**

Robert Hunter, General Manager

**ALSO PRESENT**

No members of the public were present.

**PUBLIC COMMENTS**

No public comments were received.

**CLOSED SESSIONS ITEM**

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

At 9:15 a.m., the Board adjourned to closed session pursuant to Government Code Section 54957, to conduct the performance evaluation of the General Manager.

**RECONVENE**

**ANNOUNCEMENTS FROM CLOSED SESSION**

The Board reconvened from closed session at 2:58 p.m., and President Osborne announced that no reportable action was taken in closed session.

**ADJOURNMENT**

At 3:06 p.m., President Osborne adjourned the special meeting.

**Respectfully submitted,**

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Maribeth Goldsby, Secretary



**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
November 15, 2017**

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

**MWDOC DIRECTORS**

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

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Kelly Hubbard, WEROC Programs Mgr.  
Damon Micalizzi, Director of Public Affairs  
Cathy Harris, Admin. Services Manager

**ALSO PRESENT**

Larry McKenney  
Jose Vergara  
Jim Atkinson  
Dennis Erdman  
Brooke Jones  
Al Nederhood  
Stephanie Pacheco

MWDOC/MET Director  
El Toro Water District  
Mesa Water  
South Coast Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Sierra Club

**PUBLIC PARTICIPATION/PUBLIC COMMENT**

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

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were received.

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

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

It was noted that revised minutes for the October 18, 2017 Board meeting were distributed to the Board and made available to the public.

**CONSENT CALENDAR**

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

President Osborne advised that the October 18, 2017 Board meeting minutes were revised to reflect correct salary amounts of the General Manager.

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

**MINUTES**

The following minutes were approved.

October 4, 2017 Workshop Board Meeting  
October 18, 2017 Regular Board Meeting (as revised)

**COMMITTEE MEETING REPORTS**

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

Planning & Operations Committee Meeting: September 5, 2017  
Planning & Operations Committee Meeting: October 2, 2017  
Administration & Finance Committee Meeting: October 11, 2017  
Public Affairs & Legislation Committee Meeting: October 16, 2017  
Executive Committee Meeting: October 19, 2017  
MWDOC/OCWD Joint Planning Committee Meeting: October 25, 2017

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of October 31, 2017  
MWDOC Disbursement Registers (October/November)

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 September 30, 2017

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 September 30, 2017

Quarter Ending September 2017 YTD Financials Actual versus Budget

Audit Report FY 2016/17

### **SELECTION OF CONSULTANT FOR ARCHITECTURAL DESIGN AND SPACE PLANNING**

The Board authorized the General Manager to enter into a contract with IDS Group for architectural, space planning, interior design and construction administration services in the amount of \$29,236; and approve a contingency amount of \$15,000 for city permit fees, possible ADA compliance costs that may arise and interior design services that may be required as the project moves forward, for a total Board authorization of \$44,236.

### **LIFE AND LONG TERM DISABILITY INSURANCE RENEWALS**

The Board approved the recommended change in insurers for long term disability insurance from Lincoln Financial to Sun Life and the proposed change to the life insurance age reduction formula; approved life insurance benefits for all Directors, and approved continued participation in the Employee Assistance Program.

### **ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) PRESIDENT AND VICE PRESIDENT ELECTION**

The Board authorized Director Wayne Osborne, or his designee, to cast the District's ballot for the ACWA President, Vice President, and bylaws update, at ACWA's Fall Conference on November 29, 2017.

### **END CONSENT CALENDAR**

### **ACTION CALENDAR**

#### **CALPERS UNFUNDED LIABILITY OPTIONS**

Due to Director Barbre's absence, the Board voted to defer this item until the December meeting.

**ORANGE COUNTY REDEVELOPMENT AGENCY OVERSIGHT COMMITTEE – CALL FOR NOMINATIONS**

Secretary Goldsby reported that although staff was in the process of inviting the candidates to the Board meeting to address the Board, it appears only one person (Brian Probolsky) submitted his nomination, and therefore, Mr. Probolsky was deemed selected, with no further proceedings. No further action was necessary; the Board received and filed the report.

**INFORMATION CALENDAR****GENERAL MANAGER'S REPORT, NOVEMBER 2017**

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

General Manager Hunter highlighted the change to the budget process (starting one month early), noting that he would be notifying the agencies in the coming week.

The Board received and filed the report as presented.

**MWDOC GENERAL INFORMATION ITEMS****a. 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 Yoo Schneider reported on her attendance at the following meetings: the Board meeting, the Administration & Finance, Public Affairs & Legislation, the MWDOC/OCWD Joint Planning, and Executive Committee meetings, the San Juan Basin Authority meeting, the WACO meeting, a meeting with Jim Leach (SMWD), the South Coast Water District Water Reliability Working Group meeting, a meeting with Betty Olson and Chuck Gibson, the ISDOC luncheon, the Southern California Water Committee meeting, meetings with Rob Hunter and Karl Seckel, a meeting with Wayne Rayfield, and the SCWD Special Board meeting.

In addition to an oral report, Director Thomas provided a written list of meetings attended. These included the October Planning & Operations, Administration & Finance, and Public Affairs & Legislation Committee meetings, as well as the October MET meetings, a meeting with Mayor Bernstein (City of Tustin), a MET inspection trip, and a meeting with Rob Hunter. In November he attended the Workshop Board meeting, the Elected Officials Forum, the Special Board meeting to conduct the General Manager's performance evaluation, the Planning & Operations and Administration & Finance Committee meetings, as the meeting with the South County agencies.

Director Tamaribuchi noted his attendance at the Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the Workshop and Regular Board meetings, the Special meeting to conduct the General Manager's performance evaluation, the Coalition for Environmental Protection and Restoration Development meeting, the South County agencies

meeting, a meeting with CoastKeepers, and the Water UCI meeting regarding hydraulic fracturing.

Director Finnegan advised that she attended the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the ISDOC Executive Committee meeting, the Elected Officials Forum, and the Special Board meeting to conduct the General Manager's performance evaluation.

Director Dick reported he attended the following meetings: Planning & Operations, Administration & Finance, Executive, and MWDOC/OCWD Joint Planning Committee meetings, the MET pre-caucus meeting, the MET Executive Committee meeting, the ISDOC luncheon, the ISDOC Executive Committee meeting, the Urban Water Institute planning meeting, the MET Caucus, the MET Board and Committee meetings, and the Special Board meeting to conduct the General Manager's performance evaluation. He noted that while vacationing, he attended the Water Tech meeting in Toronto, Canada.

Director Osborne noted his attendance at the Planning & Operations, Administration & Finance, Public Affairs & Legislation, Executive, and MWDOC/OCWD Joint Planning Committee meetings, the ISDOC luncheon, the Elected Officials Forum, and the Special Board meeting to conduct the General Manager's performance evaluation.

General Manager Hunter advised that Director Barbre submitted a written report regarding his meeting attendance. He attended the following meetings in his capacity as MWDOC Director: Workshop and Regular Board meetings, Planning & Operations, Administration & Finance, and MWDOC/OCWD Joint Planning Committee meetings, a tour of the Diemer Filtration Plant with Assemblywoman Quirk-Silva, the ISDOC luncheon, a meeting with Paul Jones (Eastern MWD), the Elected Officials Forum, and the Special Board meeting to conduct the General Manager's performance evaluation. In his capacity as MET Director he attended the State Lands Commission hearing, the MWDOC/MET Director meeting, the MET Committees (fourth Tuesday), a meeting with Gary Breaux and June Skillman, the MET Caucus (pre-San Diego County Water Authority meeting), the MET Caucus (post SDCWA meeting), the Inland Empire MET Caucus, and the MET Board and Committee meetings (second Monday and Tuesday).

Responding to an inquiry by President Osborne, Karl Seckel provided an update on the Doheny Desalination activities, noting that workshops are being held to discuss funding options, the EIR process, and technical permitting and cost estimates.

Director Dennis Erdman (SCWD) advised that although there is much work to be done, the workshop later in the day will focus on funding options. He provided a brief overview of past workshop discussions

## **B. REQUESTS FOR FUTURE AGENDA TOPICS**

No requests were received.

## **ADJOURNMENT**

There being no further business to come before the Board, President Osborne adjourned the meeting at 10:39 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**PLANNING & OPERATIONS COMMITTEE**  
November 6, 2017 – 8:30 am to 9:30 am  
MWDOC Conference Room 101

**P&O Committee:**

Director Larry Dick  
Director Sat Tamaribuchi (absent)  
Director Yoo Schneider (8:35)

**Staff:**

Rob Hunter, Karl Seckel, Harvey De La Torre,  
Katie Davanaugh, Joe Berg, Chris Lingad,  
Melissa Baum-Haley, Charles Busslinger,  
Damon Micalizzi, Francisco Soto,  
Kevin Hostert

**Also Present:**

Director Osborne  
Director Barbre  
Don Froelich, Moulton Niguel Water District  
Sherri Seitz, El Toro Water District

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Director Dick called the meeting to order at 8:30 a.m., noting that Director Tamaribuchi was absent and Director Yoo Schneider was running late. Directors Osborne and Barbre sat on the Committee.

Mr. Hunter noted that the presenter for the Cyber Security Policy presentation, Cheryl Auger, was running late and therefore the agenda was reorganized.

**PUBLIC COMMENTS**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

No items were distributed.

8:35 a.m. Director Yoo Schneider arrived and replaced Director Barbre on the Committee.

**DISCUSSION ITEMS**

**CANYON 2 FIRE WEROC RESPONSE SUMMARY**

Director Barbre noted problems with the Orange County Fire Authority's response time during the Canyon 2 fire because that the fire station nearest to the fire did not have an engine driver available because staffing resources had been sent to northern California to

assist with those fires. The Committee held discussion on having WEROC staff, Kelly Hubbard, and/or Joan Finnegan discuss those concerns at the November 7<sup>th</sup> ISDOC meeting.

Mr. Hunter also noted that staff will be speaking with Metropolitan Water District staff about clearing brush and vegetation close to the North Emergency Operation Center structure as the recent fire was extremely close to the building. Additionally, Mr. Seckel noted that staff will review the fire hydrant in that area with MET and the local agencies to make sure that it is adequately sized and operational, and to determine whether other similar MET facilities may also need fire hydrants.

### **INFORMATION ITEMS**

#### **NWRI CLARKE PRIZE & ANNUAL CONFERENCE ON URBAN WATER SUSTAINABILITY – MAINLY ON TREATMENT OF WASTEWATER FOR DRINKING WATER PURPOSES**

Director Yoo Schneider thanked Mr. Seckel for the staff report. Mr. Seckel noted that he attended this event and found it highly informational and interesting.

#### **METROPOLITAN WATER DISTRICT (MET) METER WORKGROUP**

Mr. Seckel noted that this workgroup will reconvene in early 2018, and that MET staff Cash Stradling, Sergio Escanante, and Jim Green are part of the MET staff group.

### **STATUS REPORTS**

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

The informational reports were received and filed.

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

No information was presented.

9:00 – Cheryl Augers arrived and the Committee took a 5-minute break.

### **PRESENTATION**

#### **PRESENTATION ON CYBER SECURITY POLICIES FOR BOARDS TO CONSIDER**

Cheryl Auger, Metropolitan Water District Cyber Security team manager, provided a brief



presentation on the metrics used to track cyber security.

**ADJOURNMENT**

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

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

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

November 8, 2017 – 8:30 a.m. to 10:00 a.m.

MWDOC Conference Room 101

**Committee Members:**

Director Jeff Thomas, Chair  
Director Joan Finnegan  
Director Brett Barbre

**Staff:**

Robert Hunter, Karl Seckel, Christina Hernandez,  
Cathy Harris, Michelle DeCasas, Heather Baez,  
Damon Micalizzi, Hilary Chumpitazi,  
Katie Davanaugh, Charles Busslinger,  
Harvey DeLaTorre, Melissa Baum Haley

**Also Present:**

Director Wayne Osborne  
Director Larry Dick  
Director Sat Tamaribuchi  
Director Megan Yoo Schneider  
MWDOC MET Director, Linda Ackerman  
Marwan Khalifa, Mesa Water  
Neely Shahbakhti, El Toro Water District  
Mark Monin, El Toro Water District  
Saundra Jacobs, Santa Margarita Water District  
Steve LaMar, Irvine Ranch Water District  
Jim Atkinson, Irvine Ranch Water District  
Doug Reinhart, Irvine Ranch Water District  
Peggy McBride, Vasquez & Company

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

**PUBLIC COMMENTS**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

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

**PROPOSED BOARD CONSENT CALENDAR ITEMS**

**TREASURER'S REPORT**

- a. Revenue/Cash Receipt Report – October 2017
- b. Disbursement Approval Report for the month of November 2017
- c. Disbursement Ratification Report for the month of October 2017

- d. GM Approved Disbursement Report for the month of October 2017
- e. Water Use Efficiency Projects Cash Flow – October 31, 2017
- f. Consolidated Summary of Cash and Investment – September 2017
- g. OPEB Trust Fund monthly statement

Upon MOTION by Director Barbre, seconded by Director Finnegan and carried (3-0), the Committee recommended the Treasurer's Report for approval at the November 15, 2017 Board meeting. Directors Thomas, Finnegan and Barbre all voted in favor.

### **FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period ending September 30, 2017.
- b. Quarter ending September 2017 YTD Financials Actual versus Budget
- c. Audit Report FY 2016/17

Peggy McBride provided an overview of the recent audit conducted by Vasquez & Company, LLP and common practices that were reviewed. The presentation summarized the audit results, including the audit strategy, potential risks, data analytics to test disbursements and general ledger transactions for unusual disbursements, best practices, new accounting pronouncements effective this year and plans for next year. The complete audit report was included in the staff report.

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (3-0), the Committee recommended the Financial Report for approval at the November 15, 2017 Board meeting. Directors Finnegan, Barbre and Thomas all voted in favor.

### **ACTION ITEMS**

#### **OPTIONS FOR FUNDING CALPERS UNFUNDED LIABILITY**

Mr. Hunter noted that the District has approximately \$2.2 million in unfunded liability for CalPERS. The committee held discussion on options for funding that liability. Director Barbre noted the effectiveness of the District's efforts in funding the OPEB (Other Post-Employment Benefits) liability and expressed support for doing the same for the CalPERS liability.

Director Barbre made a MOTION for the Board to establish a 10-year pay down similar to the PARS (Public Agency Retirement Services) structure with a target of achieving 90% funding. The District is to establish a 115 trust account, move the OPEB Reserve balance to the trust and the review annually to determine the appropriate funding amount. Director Finnegan seconded the MOTION, which was carried by a vote of 3-0. This item will be presented to the Board on November 15, 2017. Directors Thomas, Finnegan and Barbre all voted in favor.

#### **LONG TERM DISABILITY INSURANCE, LIFE INSURANCE AND EMPLOYEE ASSISTANCE PLANS**

Upon MOTION by Director Finnegan, seconded by Director Thomas, and carried (3-0), the Committee recommended the Long Term Disability Insurance, Life Insurance And Employee Assistance Plans for approval at the November 15, 2017 Board meeting. Directors Finnegan, Barbre and Thomas all voted in favor.

Upon MOTION by Director Finnegan, seconded by Director Thomas, and carried (3-0), the Committee recommended approving life insurance benefits for the Directors. Directors Finnegan, Barbre and Thomas all voted in favor. It was noted that the benefit does not offer optional participation and that self-payment is not permitted.

It was also noted that the vendor for the long term disability insurance would change from Lincoln to Sun Life.

### **SELECTION OF CONSULTANT FOR ARCHITECTURAL, SPACE PLANNING, INTERIOR DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES**

Mr. Hunter reported that staff intends to embark on space planning efforts to maximize work efficiency within the building and conduct a seismic review of the building. The staff report included information on previous remodeling projects, seismic retrofits and improvements completed since 1992.

It was noted that MWDOC owns the structure, but leases the land from Orange County Water District. Discussion ensued regarding MWDOC's ownership in the building and the building footprint and whether it includes the roof overhang. Staff was directed to inquire whether MWDOC is able to extend the building structure on the patio area behind the existing OCWD reception area.

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (3-0), the Committee recommended the Selection of Consultant for Architectural, Space Planning, Interior Design and Construction Administration Services for approval at the November 15, 2017 Board meeting. Directors Finnegan, Barbre and Thomas all voted in favor.

### **AUTHORIZATION TO VOTE ON BEHALF OF MWDOC IN ASSOCIATION OF CALIFORNIA WATER AGENCY'S (ACWA'S) ELECTION OF PRESIDENT, VICE PRESIDENT AND BYLAW AMENDMENTS**

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (3-0), the Committee recommended the Authorization to Vote on Behalf of MWDOC in ACWA's Election of President, Vice President And Bylaw Amendments for approval at the November 15, 2017 Board meeting. Directors Finnegan, Barbre and Thomas all voted in favor.

The Committee noted support for Steve LaMar, Irvine Ranch Water District, as ACWA President. It was noted that the MWDOC Board President, or designee, may cast the appropriate vote.

## **INFORMATION ITEMS**

### **FY 2018-19 BUDGET SCHEDULE**

The Committee reviewed the schedule and encouraged input from MWDOC member agencies.

### **DEPARTMENT ACTIVITIES REPORTS**

- a. Administration
- b. Finance and Information Technology

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

The informational reports were received and filed.

## **OTHER ITEMS**

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

Ms. Harris introduced two new administrative staff members, Michelle DeCasas and Christina Hernandez.

## **ADJOURNMENT**

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

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

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

November 20, 2017 - 8:30 a.m. to 10:50 a.m.

MWDOC/OCWD Joint Boardroom

**Committee:**

Director Sat Tamaribuchi, Chairman  
Director Larry Dick  
Director Megan Yoo Schneider

**Staff:**

Robert Hunter, Karl Seckel,  
Pat Meszaros, Harvey De La Torre,  
Damon Micalizzi, Melissa Baum-Haley,  
Joe Berg, Bryce Roberto, Kevin Hostert,  
Heather Baez, Tiffany Baca, Bryce Roberto

**Also Present:**

Wayne Osborne, MWDOC Director  
Jeff Thomas, MWDOC Director  
Joan Finnegan, MWDOC Director  
Larry McKenney, MWDOC MET Director  
Linda Ackerman, MWDOC MET Director  
Dick Ackerman, Ackerman Consulting  
Syrus Devers, BBK  
John Lewis, Lewis Consulting  
Sherri Seitz, ETWD  
Tony Solorzano, Discovery Cube  
Kevin Perkins, HashtagPinpoint Corp.  
Tim Kearns, HashtagPinpoint Corp.

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Chair Tamaribuchi called the meeting to order at 8:30 a.m.

**PUBLIC PARTICIPATION**

No items were presented.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

No items were presented.

**DISCUSSION ITEMS**

**LEGISLATIVE ACTIVITIES**

**a. Federal Legislative Report (Barker)**

Mr. Jim Barker joined the meeting via teleconference and reported that Brenda Burman, President Trump's nominee for Commissioner of the Bureau of Reclamation, passed the House and is awaiting consideration in the Senate. Mr. Barker discussed the Tax Reform Bill and touched on the differences between the House and Senate versions. He also discussed municipal bond provisions specifically the elimination of financing tools utilized by water districts, state and local governments, schools, hospitals and special districts to provide investments in infrastructure and save taxpayer money. Mr. Barker noted that Directors Yoo Schneider and Barbre were in D.C. last week and met with most of the Orange County delegation on the CA WaterFix and almost all offices were in favor.

**b. State Legislative Report (BBK)**

Mr. Syrus Devers noted that his entire focus today would be on the water conservation bills, SB 606/AB 1668, implementing the Governor's, *Making Conservation a California Way of Life*. He noted that on page 21 are the Senate Policy Committee's List of Potential Amendments.

**c. County Legislative Report (Lewis)**

Mr. Lewis reviewed the written Orange County report.

**d. Legal and Regulatory Report (Ackerman)**

The report was received and filed.

**e. MWD OC Legislative Matrix**

No comments were received.

**f. Metropolitan Legislative Matrix**

The legislative activities reports were received and filed.

**MWD OC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE**

Director Tamaribuchi requested that the principle submitted by OCWD regarding Metropolitan taking policy positions that may have adverse impacts to member agencies be deleted.

Upon MOTION by Director Yoo Schneider, seconded by Director Dick, and carried (3-0), the Committee recommended the Board adopt the updated legislative policy principles and provide direction to staff on the 2018 Legislative Priorities at the December 15, 2017 Board meeting. Directors Tamaribuchi, Dick, and Yoo Schneider voted in favor.

**ACTION ITEMS****TRAVEL TO WASHINGTON, DC TO COVER FEDERAL ADVOCACY ISSUES**

Upon MOTION by Director Dick, seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended the Board receive and file the report at the December 15, 2017 Board meeting. Directors Tamaribuchi, Dick, and Yoo Schneider voted in favor.

**TRAVEL TO SACRAMENTO TO COVER STATE ADVOCACY ISSUES**

Upon MOTION by Director Dick, seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended the Board receive and file the report at the December 15, 2017 Board meeting. Directors Tamaribuchi, Dick, and Yoo Schneider voted in favor.

**INFORMATION ITEMS****UPDATE ON 2018 OC WATER SUMMIT (JUNE 1, 2018)**

Mr. Micalizzi reported that due to a light agenda, the Summit Planning meeting was canceled. At the January Summit Planning meeting, sponsorship guidelines will be reviewed. Directors Osborne, Thomas and Barbre sit on the MWDOC/OCWD Summit Planning committee.

**UPDATE ON SOCIAL MEDIA PROGRESS**

Mr. Micalizzi reported that since HashtagPinpoint came on board in September, we've grown our reach to over 4300 Facebook followers. Staff has met with the consultants several times this period as they are currently drafting an overall Social Media Strategy incorporating and integrating all of the District's Social Media into one comprehensive plan. Mr. Micalizzi introduced Mr. Kevin Perkins who discussed the statistics for engagement and audience insights for Facebook and Twitter. Director Yoo Schneider voiced some concerns, especially with regard to quality.

**EDUCATION REPORT**

- a. Elementary
- b. High School

**PUBLIC AFFAIRS ACTIVITIES REPORT**

The informational reports were received and filed.

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

No information was presented.



**ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 10:50 a.m.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
jointly with the  
**EXECUTIVE COMMITTEE**  
November 16, 2017, 8:30 a.m. to 9:55 a.m.  
Conference Room 102

**Committee:**

Director Osborne, President  
Director Barbre, Vice President (absent)  
Director Dick

**Staff:**

R. Hunter, M. Goldsby

**Also Present:**

Director Tamaribuchi  
Director Thomas

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At 8:30 a.m., President Osborne called the meeting to order. Due to Director Barbre's absence, Director Tamaribuchi sat on the Committee.

**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 upcoming month.

**EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS**

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

a. Planning & Operations Committee meeting

A presentation by South Coast Water District General Manager Andy Brunhart regarding the Doheny Desalination Project was added to the agenda.

b. Workshop Board meeting

Considerable discussion ensued regarding the MET's IRP conservation targets (which was included on the draft agenda), as well as other topics including desalination, California WaterFix, the Carson Recycling Project, and the Groundwater Replenishment System.

Discussion was also held regarding MET's financial role in projects and the Local Resources Program.

c. Administration & Finance Committee

Although no new items were added to the agenda, Director Osborne expressed his preference for staff to list the potential additions to the draft budget separate from the budget document (instead of adding them to the draft budget), noting that he would prefer to add to the budget, rather than remove items.

d. Public Affairs & Legislation Committee

Discussion ensued regarding the OC Redevelopment Agency Oversight Committee and the fact that there was only one candidate nominated for the position.

e. Executive Committee

No new items were added to the agenda.

## **DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE**

Mr. Hunter advised that the budget process will start in December, that the next Elected Officials Forum will be held in April and will feature the FY 2018-19 budget, and that the Water Policy dinners will commence after the first of the year (Committee suggested Larry Forster, Brenda Burman, or Deven Upadhyay as potential featured speakers).

## **MEMBER AGENCY RELATIONS**

No new information was presented.

## **GENERAL MANAGER'S REPORTS**

Mr. Hunter referenced the Doheny Desalination project, noting workshops are being held. Discussion was held regarding cost estimates, and other factors surrounding the potential project. The Committee suggested South Coast Water District General Manager Andy Brunhart present an update at the next Planning & Operations Committee meeting.

## **REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

### **ADJOURNMENT**

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

**Municipal Water District of Orange County  
REVENUE / CASH RECEIPT REPORT  
November 2017**

**WATER REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
11/06/17	City of Seal Beach	September 2017 Water deliveries	259,291.76
11/06/17	City of Fountain Valley	September 2017 Water deliveries	174,437.95
11/06/17	City of La Palma	September 2017 Water deliveries	3,254.37
11/08/17	City of Garden Grove	September 2017 Water deliveries	667,951.68
11/10/17	City of San Clemente	September 2017 Water deliveries	729,034.57
11/13/17	El Toro Water District	September 2017 Water deliveries	457,503.58
11/13/17	City of Newport Beach	September 2017 Water deliveries	261,634.21
11/14/17	Laguna Beach County Water District	September 2017 Water deliveries	158,728.80
11/14/17	City of San Juan Capistrano	September 2017 Water deliveries	531,873.09
11/14/17	City of Orange	September 2017 Water deliveries	877,808.67
11/15/17	South Coast Water District	September 2017 Water deliveries	482,864.62
11/15/17	Santa Margarita Water District	September 2017 Water deliveries	2,202,069.34
11/15/17	City of Westminster	September 2017 Water deliveries	241,807.27
11/15/17	Orange County Water District	September 2017 Water deliveries	4,544,212.87
11/15/17	Moulton Niguel Water District	September 2017 Water deliveries	2,305,359.57
11/15/17	Yorba Linda Water District	September 2017 Water deliveries	559,334.12
11/15/17	Golden State Water Company	September 2017 Water deliveries	494,002.34
11/27/17	Serrano Water District	October 2017 Water deliveries	9,486.94
11/27/17	City of La Habra	October 2017 Water deliveries	5,995.75
11/27/17	Trabuco Canyon Water District	October 2017 Water deliveries	155,388.75

TOTAL REVENUES \$ 15,122,040.25

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**November 2017**

**MISCELLANEOUS REVENUES**

<b>Date</b>	<b>From</b>	<b>Description</b>	<b>Amount</b>
11/07/17	Bureau of Reclamation	Apr-Sep 2017 Comprehensive Landscape WUE	81,310.89
11/07/17	Bureau of Reclamation	Apr-Sep 2017 Comprehensive Landscape WUE Phase 2	59,124.93
11/07/17	Bureau of Reclamation	Apr-Sep 2017 CA Friendly Technical Design Assistance	41,555.46
11/08/17	Bureau of Reclamation	Apr-Sep 2017 Spray to Drip Conversion Pilot project	18,766.37
11/13/17	City of Newport Beach	August 2017 Turf Removal rebate program	222.00
11/13/17	City of Orange	September 2017 Turf Removal rebate program	555.00
11/17/17	City of San Clemente	September 2017 Turf Removal rebate program	1,869.79
11/24/17	City of San Clemente	Sep-Oct 2017 So Cal Watersmart rebate program	1,550.00
11/09/17	City of Westminster	September 2017 Turf Removal rebate program	444.00
11/30/17	Stan Sprague	December 2017 Retiree Health insurance	234.00
11/17/17	El Toro Water District	September 2017 Turf Removal rebate program	2,355.00
11/17/17	El Toro Water District	Sep-Oct 2017 So Cal Watersmart rebate program	275.00
11/13/17	Rockaway Recycling	Proceeds from the sale of a WEROC EOC Generator	500.00
11/30/17	International Association of Emergency Managers	Conference cancellation refund for Kelly Hubbard	555.00
11/22/17	Irvine Ranch Water District	September 2017 Turf Removal rebate program	3,705.30
11/22/17	Irvine Ranch Water District	Sep-Oct 2017 So Cal Watersmart rebate program	33,392.47
11/30/17	Laguna Beach County Water District	October 2017 So Cal Watersmart rebate program	30.00
11/13/17	Moulton Niguel Water District	September 2017 Smartimer and Turf Removal rebate program	15,116.79
11/27/17	Moulton Niguel Water District	Sep-Oct 2017 So Cal Watersmart rebate program	12,400.00
11/30/17	Diana Russo	OCMO Luncheon registration	34.00
11/13/17	City of Aliso Viejo	OCMO Luncheon registration	34.00
11/06/17	Costa Mesa Sanitary District	WEROC Disaster Finance training	160.00

TOTAL MISCELLANEOUS REVENUES	<u>\$ 274,190.00</u>
<b>TOTAL REVENUES</b>	<b><u>\$ 15,396,230.25</u></b>



Robert J. Hunter, General Manager



Hilary Chumplitazi, Treasurer

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
<b>Core Expenditures:</b>		
	<b>Richard C. Ackerman</b>	
1156	November 2017 Consulting on legal and regulatory matters	2,500.00
	*** Total ***	2,500.00
	<b>Aleshire &amp; Wynder LLP</b>	
44095	October 2017 Legal services	820.12
44478	11/1/17-11/16/17 Legal services	135.00
	*** Total ***	955.12
	<b>ALTA FoodCraft</b>	
517087843	10/20/17 Coffee & tea supplies	301.92
	*** Total ***	301.92
	<b>Awards &amp; Trophies Co., Inc.</b>	
17273	5 Name plate holders and 1 name plate for M. Decasas	69.62
	*** Total ***	69.62
	<b>Bang! Creative Inc.</b>	
INV16014.2	November 2017 Services to design and construct entryway displays	830.00
	*** Total ***	830.00
	<b>Best Best and Krieger LLP</b>	
808431	October 2017 State legislative advocacy services	7,500.00
55401-OCT17	October 2017 Legal services	11,059.83
810136	November 2017 State legislative advocacy services	8,120.92
55401-NOV17	November 2017 Legal services	7,463.70
	*** Total ***	34,144.45
	<b>Black &amp; Veatch</b>	
1258972	8/5/17-11/3/17 Technical assistance on metering options	4,480.63
	*** Total ***	4,480.63
	<b>California Special Districts Assn</b>	
352-2018	2018 Annual membership renewal	6,842.00
	*** Total ***	6,842.00
	<b>CDM Smith</b>	
90030646	September 2017 Engineering services for O.C. Water Reliability Investigation	6,880.00
90032627	10/1/17-10/28/17 Engineering services for O.C. Water Reliability Investigation	14,874.25
	*** Total ***	21,754.25

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>CSU Fullerton ASC</b>	
AR167255	2nd Quarter FY 17/18 CDR Support	10,950.64
AR167357	Map of So. California Edison electric sub-stations and MWDOC service areas	166.65
AR167358	Data set of MWDOC service area's land and water use characteristics	465.13
AR167359	Updated historic population estimates for MWDOC service area from 2010-2017 and population estimates for South Orange County for proposed Doheny Ocean Desalination plant	566.80
	*** Total ***	12,149.22
	<b>Demsey, Filliger &amp; Associates, LLC</b>	
110317	Services to provide projections for Pension Stabilization Trust study	750.00
	*** Total ***	750.00
	<b>GovConnection, Inc.</b>	
55359146	Equipment upgrade for Cisco network switch and router	4,754.57
55363264	Support for Cisco network switch and router	613.76
	*** Total ***	5,368.33
	<b>Great Wolf Lodge</b>	
120617	11/4/17 Food and room for Special Board meeting	677.34
	*** Total ***	677.34
	<b>HashtagPinpoint Corporation</b>	
1129	November 2017 Social media consultation and services	9,500.00
	*** Total ***	9,500.00
	<b>IDS Group</b>	
17S020.01-1	10/18/17-11/23/17 Seismic assessment of MWDOC administration building	7,800.00
17S020.03-1	10/18/17-11/23/17 Structural Engineering for support and bracing for MWDOC administrative building	2,175.00
	*** Total ***	9,975.00
	<b>James C. Barker, P.C.</b>	
105-1117	November 2017 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<b>Lawnscape Systems, Inc.</b>	
392192	November 2017 Gardening service for atrium	295.00
	*** Total ***	295.00
	<b>Lewis Consulting Group, LLC</b>	
2017-168	November 2017 Consulting services	3,187.50
	*** Total ***	3,187.50
	<b>Edward G. Means III</b>	
MWDOC-1054	November 2017 MET issues and guidance to Engineering staff	1,761.77
	*** Total ***	1,761.77



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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b>Michael Moldofsky</b>	
121217	12/12/2017 Act! software training session for C. Hernandez	350.00
	*** Total ***	350.00
	<b>Norco Delivery Services</b>	
711669	11/9/17 Delivery charges for Board packets	169.36
711750	11/16/17 Delivery charges for Board packets	120.19
	*** Total ***	289.55
	<b>Office Solutions</b>	
I-01268069	11/16/17 Office supplies	31.54
I-01270062	11/20/17 Office supplies	333.60
I-01274458	11/30/17 Office supplies	164.46
I-01275061	12/1/2017 Office supplies	10.85
	*** Total ***	540.45
	<b>Orange County Water District</b>	
18220	October 2017 50% share of WACO expense	216.25
18223	October 2017 Postage, shared office & maintenance expense	9,660.90
2018CWEF	2018 Sponsorship for Children's Water Education Festival	2,500.00
	*** Total ***	12,377.15
	<b>Patricia Kennedy Inc.</b>	
21590	December 2017 Plant maintenance	214.00
	*** Total ***	214.00
	<b>Petrusse-Norris Painting, Inc.</b>	
17273	Painting services for atrium trellis	5,833.00
17291	Painting services for atrium window mullions	8,982.00
	*** Total ***	14,815.00
	<b>Petty Cash</b>	
SEP-NOV17	September-November 2017 Petty Cash reimbursement	244.85
	*** Total ***	244.85
	<b>Santa Ana Watershed Project Authority</b>	
9172	NAICS codes for OC businesses for efficiency standards compliance	1,431.85
	*** Total ***	1,431.85
	<b>Tetra Tech, Inc.</b>	
51243641	October 2017 Services for Hydraulics and Interconnections calculations for CM-1 connection	620.00
	*** Total ***	620.00
	<b>Top Hat Productions</b>	
93266	9/21/17 Lunch for Managers' meeting	434.77
	*** Total ***	434.77



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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>US Postal Service</i></b>	
20895-2018	2018 P.O. Box annual fee	1,190.00
	*** Total ***	1,190.00
	<b><i>Water Systems Optimization, Inc.</i></b>	
1234	November 2017 Services for Water Loss Control program	2,453.05
	*** Total ***	2,453.05
	<b><i>Total Core Expenditures</i></b>	<hr/> 158,502.82

***Choice Expenditures:***

	<b><i>Orange County Water District</i></b>	
18223	October 2017 Postage Water Use Efficiency rebate programs	43.94
	*** Total ***	43.94
	<b><i>Top Hat Productions</i></b>	
93467	11/14/17 Lunch for Water Loss Control workgroup	321.90
	*** Total ***	321.90
	<b><i>Total Choice Expenditures</i></b>	<hr/> 365.84

***Other Funds Expenditures:***

	<b><i>EcoTech Services, Inc.</i></b>	
1019	10/26/17-11/25/17 One-on-One design assistance for Landscape Design program	10,350.00
1020	10/26/17-11/25/17 Backyard area measurements for Turf Removal program	150.00
	*** Total ***	10,500.00
	<b><i>IDS Group</i></b>	
17S020.02-1	10/18/17-11/23/17 Architectural and Structural services for support and bracing for WEROC S. EOC	4,300.00
	*** Total ***	4,300.00
	<b><i>International Assoc. of Emergency Managers</i></b>	
2017LB-1679	11/10-15/17 Conference registration for F. Soto	850.00
	*** Total ***	850.00
	<b><i>McCall's Meter Sales &amp; Service</i></b>	
29961	November 2017 Meter Accuracy Testing program for La Habra	700.00
	*** Total ***	700.00
	<b><i>Mega Maids Cleaning Service</i></b>	
9142	November 2017 WEROC N. EOC cleaning services	75.00
9196	November 2017 WEROC S. EOC cleaning services	85.00
	*** Total ***	160.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<b><i>Michael Baker International</i></b>	
995820	October 2017 Orange County Regional Water & Wastewater Multijurisdictional Hazard Mitigation Plan update	2,575.00
	*** Total ***	2,575.00
	<b><i>Mission RCD</i></b>	
2363	October 2017 Field verifications for Water Use Efficiency rebate programs	17,525.35
	*** Total ***	17,525.35
	<b><i>Raftelis Financial Consultants</i></b>	
OCCA1709-01	October 2017 Five year monitoring services for Budget Based Tiered Rate grant	1,893.75
	*** Total ***	1,893.75
	<b><i>Water Systems Optimization, Inc.</i></b>	
1234	November 2017 Services for Water Loss Control program	15,250.00
	*** Total ***	15,250.00
	<b><i>Total Other Funds Expenditures</i></b>	<hr/> 53,754.10
	<b><i>Total Expenditures</i></b>	<hr/> <hr/> 212,622.76

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of November 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Disbursements:</b>				
137402	11/8/17	SPECTB 0375210102017	<b>Spectrum Business</b> November 2017 Telephone and internet expense ***Total ***	1,098.04  1,098.04
137403	11/8/17	VERIZO 9795084893	<b>Verizon Wireless</b> October 2017 4G Mobile broadband unlimited service ***Total ***	114.03  114.03
137413	11/15/17	IRONMO PKN9260	<b>Iron Mountain</b> November 2017 Archived document storage fees ***Total ***	195.29  195.29
137418	11/15/17	SPECTB 0343564110117	<b>Spectrum Business</b> November 2017 Telephone expense for 3 analog fax line ***Total ***	107.26  107.26
137421	11/15/17	USBANK 4140/5443-OCT17	<b>U.S. Bank</b> 9/23/17-10/23/17 Cal Card charges ***Total ***	6,143.95  6,143.95
ACH002857	11/15/17	BARBRE 103117	<b>Brett Barbre</b> October 2017 Business expense ***Total ***	212.93  212.93
ACH002858	11/15/17	BERGJO 103117	<b>Joseph Berg</b> October 2017 Business expense ***Total ***	615.58  615.58
ACH002863	11/15/17	DELATO 101017	<b>Harvey De La Torre</b> October 2017 Business expense ***Total ***	58.26  58.26
ACH002864	11/15/17	DICKEX 103117	<b>Larry Dick</b> October 2017 Business expense ***Total ***	125.76  125.76
ACH002865	11/15/17	DINHPA 103117A	<b>Patrick Dinh</b> October 2017 Business expense ***Total ***	21.40  21.40

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of November 2017**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>ACH002866</b>	<b>11/15/17</b>	<b>FINNEG</b>	<b>Joan Finnegan</b>	
		103117	October 2017 Business expense	91.94
			***Total ***	91.94
<b>ACH002882</b>	<b>11/15/17</b>	<b>THOMAS</b>	<b>Jeffery Thomas</b>	
		103117	October 2017 Business expense	107.00
			***Total ***	107.00
<b>137425</b>	<b>11/16/17</b>	<b>CONWAY</b>	<b>Matthew Conway</b>	
		111417	November 2017 Business expense	186.47
			***Total ***	186.47
<b>EFT-171124</b>	<b>11/24/17</b>	<b>WAGEWO</b>	<b>Wageworks</b>	
		INV358231	October 2017 Cafeteria plan administration	181.25
			***Total ***	181.25
<b>137494</b>	<b>11/30/17</b>	<b>WAITER</b>	<b>Rachel Waite</b>	
		112017	September-November 2017 Business expense	52.40
			***Total ***	52.40
<b>ACH002888</b>	<b>11/30/17</b>	<b>ACKEEX</b>	<b>Linda Ackerman</b>	
		103117	October 2017 Business expense	100.58
			***Total ***	100.58
<b>ACH002889</b>	<b>11/30/17</b>	<b>BUSSLI</b>	<b>Charles Busslinger</b>	
		093017	September 2017 Business expense	75.32
			***Total ***	75.32
<b>ACH002890</b>	<b>11/30/17</b>	<b>BUSSLI</b>	<b>Charles Busslinger</b>	
		10/31/17	October 2017 Business expense	76.18
			***Total ***	76.18
<b>ACH002891</b>	<b>11/30/17</b>	<b>LINGAD</b>	<b>Christopher S. Lingad</b>	
		100417	September 2017 Business expense	50.87
			***Total ***	50.87
<b>ACH002892</b>	<b>11/30/17</b>	<b>DELATO</b>	<b>Harvey De La Torre</b>	
		110117	November 2017 Business expense	40.35
			***Total ***	40.35
<b>ACH002893</b>	<b>11/30/17</b>	<b>HOSTER</b>	<b>Kevin Hostert</b>	
		111117	September-November 2017 Business expense	207.00
			***Total ***	207.00

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of November 2017**

<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>137411</b>	<b>11/15/17</b>	<b>EASTOR</b> 9323	<b>East Orange Co Water District</b> September 2017 Credit for "In-Lieu" water purchases ***Total ***	329,502.97 329,502.97
<b>137415</b>	<b>11/15/17</b>	<b>IRWD</b> 9328	<b>Irvine Ranch Water District</b> September 2017 Credit for Local Resources Programs & In-Lieu water purchases ***Total ***	268,772.19 268,772.19
<b>137423</b>	<b>11/15/17</b>	<b>TURFRP</b> TR10-R-SC-13503-13450	<b>Turf Removal Program</b> S. Coffey (Re-issue) ***Total ***	742.00 742.00
<b>ACH002858</b>	<b>11/15/17</b>	<b>BERGJO</b> 103117	<b>Joseph Berg</b> October 2017 Business expense ***Total ***	4.50 4.50
<b>ACH002874</b>	<b>11/15/17</b>	<b>MESAWA</b> 9332	<b>Mesa Water</b> September 2017 Credit for Local Resources Program &"In-Lieu" water purchases ***Total ***	10,375.15 10,375.15
<b>137424</b>	<b>11/16/17</b>	<b>ATTUVEOC</b> 8599-NOV17	<b>AT&amp;T</b> Nov. 2017 U-verse internet service for WEROC N.EOC ***Total ***	60.00 60.00
		<b>DRIPPR</b>	<b>Spray to Drip Program</b>	
<b>137428</b>	<b>11/27/17</b>	<b>S2D1-R-SC-17862-10025</b>	S. Newkirk	463.73
<b>137429</b>	<b>11/27/17</b>	<b>S2D1-R-SM-17863-10027</b>	D. Mack	175.00
<b>137430</b>	<b>11/27/17</b>	<b>S2D1-C-MNT-4463-1004</b>	Lake Park Community Association (Laguna Niguel) ***Total ***	33,891.80 34,530.53
		<b>TURFRP</b>	<b>Turf Removal Program</b>	
<b>137431</b>	<b>11/27/17</b>	<b>TR10-R-YLWD-12284-12236</b>	T. ODonnell	1,000.00
<b>137432</b>	<b>11/27/17</b>	<b>TR10-R-TUST-13481-13428</b>	C. Batley	400.00
<b>137433</b>	<b>11/27/17</b>	<b>TR10-R-IRWD-13493-13442</b>	S. Scheumann	1,058.00
<b>137434</b>	<b>11/27/17</b>	<b>TR10-R-SM-14595-14544</b>	G. Freitas	625.00
<b>137435</b>	<b>11/27/17</b>	<b>TR10-R-IRWD-17579-17525</b>	Y. Cai	598.00
<b>137436</b>	<b>11/27/17</b>	<b>TR10-R-MNT-17587-17534</b>	T. Carmer	4,904.00
<b>137437</b>	<b>11/27/17</b>	<b>TR10-R-MNT-17617-17565</b>	A. Hedayat	441.46
<b>137438</b>	<b>11/27/17</b>	<b>TR10-R-SM-17644-17593</b>	C. Hill	645.00
<b>137439</b>	<b>11/27/17</b>	<b>TR10-R-SB-17656-17607</b>	S. Parkinson	752.00
<b>137440</b>	<b>11/27/17</b>	<b>TR11-R-SOCO-17660-17612</b>	G. Walters	2,000.00
<b>137441</b>	<b>11/27/17</b>	<b>TR11-R-IRWD-17661-17613</b>	J. Leibfreid	2,098.00
<b>137442</b>	<b>11/27/17</b>	<b>TR10-R-MNT-17693-17646</b>	M. Weber	3,334.00
<b>137443</b>	<b>11/27/17</b>	<b>TR10-R-MNT-17713-17663</b>	J. Moshe	1,386.00



**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the month of November 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>ACH002900</b>	<b>11/30/17</b>	<b>ROBERT 111517</b>	<b>Bryce Roberto</b> October-November 2017 Business expense ***Total ***	 71.68 71.68
<b>ACH002901</b>	<b>11/30/17</b>	<b>SCHNEI 103117</b>	<b>Megan Yoo Schneider</b> October 2017 Business expense ***Total ***	 314.73 314.73
<b>ACH002902</b>	<b>11/30/17</b>	<b>SECKEL 100917</b>	<b>Karl Seckel</b> September-October 2017 Business expense ***Total ***	 106.03 106.03
<b>ACH002905</b>	<b>11/30/17</b>	<b>TAMARI 103117</b>	<b>Satoru Tamaribuchi</b> October 2017 Business expense ***Total ***	 96.84 96.84
<b>Total Core Disbursements</b>				<hr/> 10,451.14

**Choice Disbursements:**

<b>Total Choice Disbursements</b>	<hr/> 0.00
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**Other Funds Disbursements:**

<b>137400</b>	<b>11/7/17</b>	<b>TURFRP TR10-C-HB-4800-4800A</b>	<b>Turf Removal Program</b> B. DeBoe/Main Place Apartments (Huntington Beach) (Re-issue) ***Total ***	 7,841.60 7,841.60
<b>137401</b>	<b>11/8/17</b>	<b>ATTEOC 0532-OCT17</b>	<b>AT&amp;T</b> October 2017 WEROC N. EOC telephone expense ***Total ***	 69.71 69.71
<b>137403</b>	<b>11/8/17</b>	<b>VERIZO 9795084893</b>	<b>Verizon Wireless</b> October 2017 4G Mobile broadband unlimited service ***Total ***	 38.01 38.01
<b>137409</b>	<b>11/15/17</b>	<b>HUNTIN WSIP-HB</b>	<b>City of Huntington Beach</b> Incentive for Industrial Process Water Savings Incentive program ***Total ***	 46,172.00 46,172.00

**Municipal Water District of Orange County  
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For the month of November 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
137444	11/27/17	TR11-R-IRWD-17755-17703	L. Panopio	2,332.00
137445	11/27/17	TR11-R-SC-17763-17711	T. Graham	1,570.41
137446	11/27/17	TR11-R-SOCO-17789-17734	T. Linzmeier	1,122.00
137447	11/27/17	TR11-R-SC-17826-17737	E. Eshraghi	344.00
137448	11/27/17	TR11-R-NWPT-17828-17739	P. Wexler	861.00
137449	11/27/17	TR11-R-MNT-17841-17752	H. Cai	1,228.00
137450	11/27/17	TR11-R-MNT-17901-17816	S. McCoy	672.00
137451	11/27/17	TR11-R-SOCO-18916-18832	F. Alikhani	261.00
137452	11/27/17	TR11-R-SC-65-19836	P. Cary	816.81
137453	11/27/17	TR11-R-IRWD-20921-20838	J. Pennell	1,326.00
137454	11/27/17	TR11-R-IRWD-20933-20851	B. Justice	1,610.00
137455	11/27/17	TR11-R-WEST-17775-20854	S. Martin	472.00
137456	11/27/17	TR11-R-MNT-20953-20873	A. Felix	716.00
137457	11/27/17	TR11-R-SM-20954-20874	V. Hughes	364.00
137458	11/27/17	TR11-R-IRWD-20957-20876	J. Preston	2,120.00
137459	11/27/17	TR11-R-MNT-20962-20881	D. Thalken	1,732.00
137460	11/27/17	TR11-R-MNT-16577-20889	L. Baker	1,770.00
137461	11/27/17	TR11-R-SM-20974-20893	C. Simpson	444.00
137462	11/27/17	TR11-R-MNT-20990-20905	K. Achak	1,272.00
137463	11/27/17	TR11-R-MNT-20995-20910	S. Sampaga	742.00
137464	11/27/17	TR11-R-SM-21002-20916	R. MacLean	542.00
137465	11/27/17	TR11-R-SM-21003-20917	P. Sandoval	923.00
137466	11/27/17	TR11-R-SM-21011-20924	D. Browne	464.00
137467	11/27/17	TR11-R-IRWD-21021-20934	D. Rumney	1,766.00
137468	11/27/17	TR11-R-SC-21034-20947	K. Wood	808.00
137469	11/27/17	TR11-R-SM-21039-20951	R. Neufeld	651.00
137470	11/27/17	TR11-R-MNT-21040-20952	J. Baltierra	3,190.00
137471	11/27/17	TR11-R-SM-21062-20975	K. Brownfield	412.00
137472	11/27/17	TR11-R-SM-21064-20977	J. Streit	827.00
137473	11/27/17	TR11-R-SM-21070-20984	C. Colombana	519.00
137474	11/27/17	TR11-R-SC-21072-20986	J. Bevington	584.00
137475	11/27/17	TR11-R-IRWD-21073-20989	K. Oldoerp	1,576.00
137476	11/27/17	TR11-R-IRWD-21074-20990	A. Easton	1,390.00
137477	11/27/17	TR11-R-YLWD-21081-20997	W. Legacy	2,000.00
137478	11/27/17	TR11-R-MNT-21093-21009	I. Chu	1,610.00
137479	11/27/17	TR11-R-SOCO-21094-21010	T. Gritzmacher	899.00
137480	11/27/17	TR11-R-HB-21107-21021	M. Shors	867.00
137481	11/27/17	TR11-R-IRWD-21096-21022	M. Sniff	818.00
137482	11/27/17	TR11-R-MNT-21139-21051	C. Langner	1,144.00
137483	11/27/17	TR11-R-MNT-21149-21063	J. Schlosser	246.00
137484	11/27/17	TR11-R-SM-21163-21076	J. McGlinn	714.00
137485	11/27/17	TR11-R-SM-21166-21079	T. MacDonald	461.00
137486	11/27/17	TR10-R-TUST-4607-4526	G. Tran	1,000.00
			***Total ***	64,427.68

**Municipal Water District of Orange County  
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<b>Check #</b>	<b>Date</b>	<b>Vendor # Invoice/CM #</b>	<b>Name / Description</b>	<b>Net Amount</b>
<b>137489</b>	<b>11/30/17</b>	<b>CATALI</b>	<b>Catalina Island Conservancy</b>	
		0014895	November 2017 WEROC radio repeater site lease	1,718.29
			***Total ***	1,718.29
<b>137493</b>	<b>11/30/17</b>	<b>SANTI1</b>	<b>Santiago Aqueduct Commission</b>	
		SEP2017	September 2017 SAC Pipeline operation surcharge	3,387.72
			***Total ***	3,387.72
		<b>RWOSRP</b>	<b>Recycled Water Program</b>	
<b>137495</b>	<b>11/30/17</b>	RFT4006	Aliso Viejo Community Association rebate incentive	1,170.00
<b>137496</b>	<b>11/30/17</b>	RFT3992	South Peak Community Association (Laguna Niguel) rebate incentive	1,101.75
<b>137497</b>	<b>11/30/17</b>	RFT3972	City of Mission Viejo rebate incentive	1,283.75
<b>137498</b>	<b>11/30/17</b>	RFT3999	City of Mission Viejo rebate incentive	1,101.75
<b>137499</b>	<b>11/30/17</b>	RFT3983	San Marin Association (Laguna Niguel) rebate incentive	2,860.00
<b>137500</b>	<b>11/30/17</b>	RFT3984	San Marin Association (Aliso Viejo) rebate incentive	799.50
<b>137501</b>	<b>11/30/17</b>	RFT4024	City of Laguna Hills rebate incentive	1,680.25
			***Total ***	9,997.00
<b>137502</b>	<b>11/30/17</b>	<b>TURFRP</b>	<b>Turf Removal Program</b>	
		TR10-R-MNT-13403-13354B	M. Palencia (Re-issue)	1,296.00
			***Total ***	1,296.00
<b>ACH002894</b>	<b>11/30/17</b>	<b>HUBBAR</b>	<b>Kelly Hubbard</b>	
		093017	September 2017 Business expense	93.03
			***Total ***	93.03
<b>ACH002895</b>	<b>11/30/17</b>	<b>HUBBAR</b>	<b>Kelly Hubbard</b>	
		101217	October 2017 Business expense-CESA conference	126.40
			***Total ***	126.40
<b>ACH002896</b>	<b>11/30/17</b>	<b>HUBBAR</b>	<b>Kelly Hubbard</b>	
		103117	October 2017 Business expense	102.15
			***Total ***	102.15
<b>ACH002903</b>	<b>11/30/17</b>	<b>SANTAM</b>	<b>Santa Margarita Water District</b>	
		SEP2017	September 2017 SCP Pipeline operation surcharge	27,991.02
			***Total ***	27,991.02
<b>ACH002904</b>	<b>11/30/17</b>	<b>SOTOFR</b>	<b>Francisco Soto</b>	
		093017	September 2017 Business expense	220.97
			***Total ***	220.97



**Municipal Water District of Orange County  
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<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>WIRE-171130</b>	<b>11/30/17</b>	<b>METWAT</b>	<b>Metropolitan Water District</b>	
		9157	September 2017 Water deliveries	16,589,510.82
			***Total ***	16,589,510.82
<b>Total Other Funds Disbursements</b>				<u>17,396,979.74</u>
<b>Total Disbursements</b>				<u><u>17,407,430.88</u></u>

  
Robert J. Hunter, General Manager

  
Hilary Chumipitazi, Treasurer

**Cal Card Statement Detail**  
**Statement Date: October 23, 2017**  
**Payment Date: November 15, 2017**

Date	Description	Amount
<b><u>K. Seckel Card</u></b>		
09/24/17	8/25/17-9/24/17 Monthly web hosting service for new MWDOC website	\$ 15.65
09/25/17	Lunch for MET Managers' meeting	196.77
09/26/17	California Emergency Services Association Training and Annual conference in Fish Camp, CA from Oct. 9-12, 2017 - Canceled reservation for F. Soto refunded	(725.00) <sup>[1]</sup>
09/27/17	California Society of Municipal Finance Officers meeting in Orange, CA on Oct. 19, 2017 - Registration for H. Chumpitazi	30.00
09/26/17	ACWA Regulatory summit in Sacramento, CA from Oct. 16-17, 2017 - Airfare for J. Berg	177.96
09/26/17	WaterSmart Innovations conference in Las Vegas, NV from Oct. 3-6, 2017 - Accommodations for J. Berg	243.79
09/26/17	WaterSmart Innovations conference in Las Vegas, NV from Oct. 3-6, 2017 - Accommodations for M. Conway	192.10
09/28/17	Flowers for Marcia Scully at MET	177.77
10/02/17	UPS delivery charges for Board packets on Sep. 27 & 29, 2017	71.42
10/03/17	Association of California Cities, Orange County Sacramento Advocacy trip in Sacramento, CA from Mar. 5-6, 2017 - Registration for Director Yoo Schneider	1,075.00
10/04/17	Replacement filter kit for vacuum	17.95
10/05/17	10/6/17-11/5/17 SurveyMonkey subscription	35.00
10/05/17	10/5/17-10/5/18 Dropbox annual subscription for secure file sharing and storage	99.00
10/07/17	American Water Works Association Annual Fall conference in Reno, NV from Oct. 23-26, 2017 - Accommodations for J. Berg	320.24
10/09/17	UPS delivery charges for Board packets on Sep. 29 and Oct. 6, 2017	64.11
10/12/17	Office supplies from Costco	286.94
10/13/17	California Emergency Services Association Training and Annual conference in Fish Camp, CA from Oct. 9-12, 2017 - Accommodations deposit for K. Hubbard refunded	(139.07) <sup>[2]</sup>
10/13/17	Food for staff development meeting	30.98
10/13/17	California Emergency Services Association Training and Annual conference in Fish Camp, CA from Oct. 8-13, 2017 - Accommodations for F. Soto	752.20
10/16/17	Christmas tree for MWDOC office	146.95
10/16/17	UPS delivery charges for Board packets on Oct. 6, 2017	56.80
10/17/17	ACWA Regulatory summit in Sacramento, CA from Oct. 16-17, 2017 - Accommodations for J. Berg	139.42
10/17/17	Association of Metropolitan Water Agencies Executive Management conference in Saint Simons Island, GA from Oct. 14-17, 2017 - Accommodations for R. Hunter	748.18

**Cal Card Statement Detail**  
**Statement Date: October 23, 2017**  
**Payment Date: November 15, 2017**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
10/21/17	10/21/17-10/21/18 Prezi presentation software subscription	59.00
10/23/17	Microsoft Surface Pro for J. Berg	932.52
10/20/17	Carpet repair for accounting office	300.00
<b>Total</b>		<b>\$ 5,305.68</b>

- 1 Registration reinstated and paid by check on 11/15/17
- 2 CESA paid for K. Hubbard's room, refund received for room deposit less meal

**R. Hunter Card**

09/22/17-10/23/17	Meals for R. Hunter's meetings	\$ 300.27	
09/27/17	Association of Metropolitan Water Agencies Executive Management conference in Saint Simons Island, GA from Oct. 13-17, 2017 - Airfare change for R. Hunter	438.00	<span style="border: 1px solid black; padding: 0 2px;">1</span>
10/17/17	Association of Metropolitan Water Agencies Executive Management conference in Saint Simons Island, GA from Oct. 13-17, 2017 - Parking for R. Hunter	100.00	
<b>Total</b>		<b>\$ 838.27</b>	

- 1 R. Hunter reimbursed MWDOC \$200.00 for airfare change fee

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the month of November 2017**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
<b>Core Disbursements:</b>				
137426	11/17/17	ACWA 2017FALL-TAMARIBUCHI	ACWA 2017 Fall conference registration for Director Tamaribuchi ***Total ***	575.00  575.00
137427	11/17/17	OCCHOR 2017	OCC Horticulture Account 8 Poinsettia plants for office ***Total ***	96.00 96.00
<b>Total Core Disbursements</b>				<hr/> 671.00
<b>Choice Disbursements:</b>				
<b>Total Choice Disbursements</b>				<hr/> 0.00
<b>Other Funds Disbursements:</b>				
<b>Total Other Funds Disbursements</b>				<hr/> 0.00
<b>Total Disbursements</b>				<hr/> <hr/> 671.00



Robert J. Hunter, General Manager



Hilary Chumtazi, 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**  
 October 31, 2017

*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](http://www.mwdoc.com)

Wayne S. Osborne  
*President*

Brett R. Barbre  
*Vice President*

Larry D. Dick  
*Director*

Joan C. Finnegan  
*Director*

Megan Yoo Schneider  
*Director*

Sat Tamaribuchi  
*Director*

Jeffery M. Thomas  
*Director*

Robert J. Hunter  
*General Manager*

**MEMBER AGENCIES**

City of Brea  
 City of Buena Park  
 East Orange County Water District  
 El Toro Water District  
 Emerald Bay Service District  
 City of Fountain Valley  
 City of Garden Grove  
 Golden State Water Co.  
 City of Huntington Beach  
 Irvine Ranch Water District  
 Laguna Beach County Water District  
 City of La Habra  
 City of La Palma  
 Mesa Water District  
 Moulton Niguel Water District  
 City of Newport Beach  
 City of Orange  
 Orange County Water District  
 City of San Clemente  
 City of San Juan Capistrano  
 Santa Margarita Water District  
 City of Seal Beach  
 Serrano Water District  
 South Coast Water District  
 Trabuco Canyon Water District  
 City of Tustin  
 City of Westminster  
 Yorba Linda Water District

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

Fund	Book Value	% of Portfolio
<b>Designated Reserves</b>		
General Operations	\$3,156,569	17.48%
Grant & Project Cash Flow	1,500,000	8.31%
Election Expense	304,000	1.68%
Building Repair	350,407	1.94%
OPEB	209,006	1.16%
<b>Total Designated Reserves</b>	<b>5,519,982</b>	<b>30.57%</b>
<b>General Fund</b>	<b>8,081,170</b>	<b>44.76%</b>
<b>Water Fund</b>	<b>3,225,367</b>	<b>17.87%</b>
<b>Conservation Fund</b>	<b>801,457</b>	<b>4.44%</b>
<b>Desalination Feasibility Study Fund</b>	<b>(145,165)</b>	<b>(0.80%)</b>
<b>WEROC Fund</b>	<b>542,495</b>	<b>3.00%</b>
<b>Trustee Activities</b>	<b>28,470</b>	<b>0.16%</b>
<b>Total</b>	<b>\$18,053,776</b>	<b>100.00%</b>

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	7.46%	\$1,346,771	\$1,346,771
Short-term investment			
• LAIF	53.67%	\$9,688,878	\$9,688,878
• OCIP	21.68%	3,914,122	3,914,122
Long-term investment			
• Corporate Bond	6.39%	1,154,005	1,149,491
• Certificates of Deposit	10.80%	1,950,000	1,953,748
<b>Total</b>	<b>100.00%</b>	<b>\$18,053,776</b>	<b>\$18,053,010</b>

The average number of days to maturity/call as of October 31, 2017 equaled 155 and the average yield to maturity is 1.289%. During the month, the District's average daily balance was \$31,970,741.87. 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 October 2017.

The (\$766) difference between the book value and the market value on October 31, 2017 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 Chumpitaji  
 Treasurer



# MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

## Portfolio Management - Portfolio Summary

October 31, 2017

10/31/2017	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,953,747.50	1,950,000.00	11.67	628	1.940
Corporate Bond	1,150,000.00	1,149,491.00	1,154,005.05	6.88	1,181	2.290
Local Agency Investment Funds	9,688,878.12	9,688,878.12	9,688,878.12	58.01	1	1.136
Orange County Investment Pool	3,914,122.49	3,914,122.49	3,914,122.49	23.43	1	1.049
<b>Total Investments</b>	<b>16,703,000.61</b>	<b>16,706,239.11</b>	<b>16,707,005.66</b>	<b>99.99</b>	<b>155</b>	<b>1.289</b>
<b>Cash</b>						
Cash	1,346,770.70	1,346,770.70	1,346,770.70		1	0.00
<b>Total Cash and Investments</b>	<b>18,049,771.31</b>	<b>18,053,009.81</b>	<b>18,053,776.36</b>		<b>155</b>	<b>1.289</b>

<b>Total Earnings</b>	<b>Month Ending October</b>	<b>Fiscal Year to Date</b>
<b>Current Year</b>	<b>30,639.48</b>	<b>99,428.92</b>
<b>Average Daily Balance</b>	<b>31,970,741.87</b>	
<b>Effective Rate of Return</b>	<b>1.289%</b>	

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. Per Resolution 2059 there are no compliance exceptions to report.

Robert J. Hunter, General Manager

Date

12-7-17

Hilary Chumtazi, Treasurer

Date

12/7/2017

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**October 31, 2017**

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Negotiable Certificate Of Deposit</b>									
American Express Bank	02587CEA4	7/29/2015	250,000.00	250,182.50	250,000.00	1.450	1.450	90	1/29/2018
Barclays Bank	06740KKY2	9/27/2017	250,000.00	249,357.50	250,000.00	2.250	2.250	1,792	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	251,797.50	250,000.00	1.950	1.950	672	9/3/2019
Capital One Natl Assn	140420TY6	8/5/2015	250,000.00	250,425.00	250,000.00	1.700	1.700	279	8/6/2018
Comenity Capital Bank	20033AUX2	7/25/2017	200,000.00	199,690.00	200,000.00	2.000	2.000	1,354	7/16/2021
Discover Bank	2546712Y5	7/23/2014	250,000.00	250,382.50	250,000.00	1.600	1.600	265	7/23/2018
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,250.00	250,000.00	1.550	2.534	82	1/21/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	251,662.50	250,000.00	2.050	2.050	637	7/30/2019
<b>Sub Total</b>			<b>1,950,000.00</b>	<b>1,953,747.50</b>	<b>1,950,000.00</b>	<b>1.814</b>	<b>1.940</b>	<b>628</b>	
<b>Corporate Bond</b>									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	502,475.00	501,036.62	2.250	2.152	783	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	194,646.00	200,000.00	2.500	2.500	1,718	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	252,150.00	251,020.65	2.550	2.409	1,133	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	200,220.00	201,947.78	2.500	2.278	1,701	6/28/2022
<b>Sub Total</b>			<b>1,150,000.00</b>	<b>1,149,491.00</b>	<b>1,154,005.05</b>	<b>2.402</b>	<b>2.290</b>	<b>1,181</b>	
<b>Total Investments</b>			<b>3,100,000.00</b>	<b>3,103,238.50</b>	<b>3,104,005.05</b>	<b>2.032</b>	<b>2.070</b>	<b>833</b>	
<b>Total Earnings</b>									
<b>Current Year</b>			<b>Month Ending October</b>		<b>Fiscal Year To Date</b>				
			5,280.37		20,011.25				



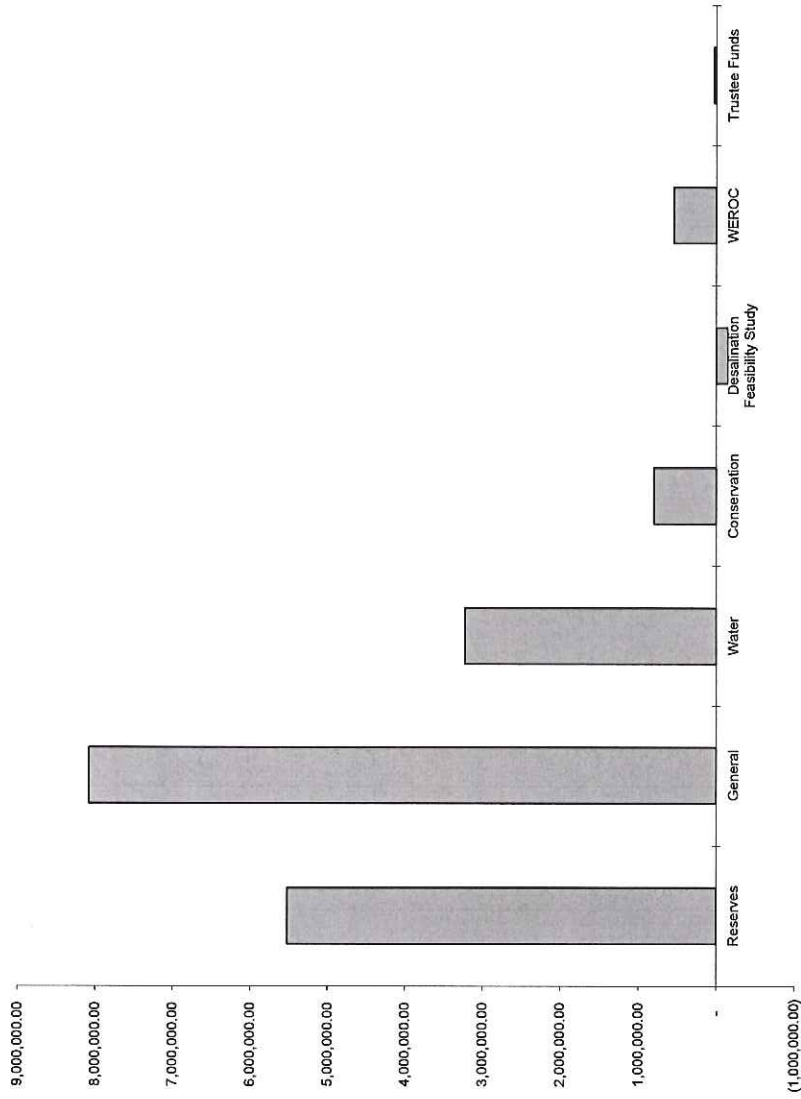
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**October 31, 2017**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	9,688,878.12	9,688,878.12	9,688,878.12	1.136	1.136	1	N/A
<b>Sub Total</b>			<b>9,688,878.12</b>	<b>9,688,878.12</b>	<b>9,688,878.12</b>	<b>1.136</b>	<b>1.136</b>	<b>1</b>	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	3,914,122.49	3,914,122.49	3,914,122.49	1.049	1.049	1	N/A
<b>Sub Total</b>			<b>3,914,122.49</b>	<b>3,914,122.49</b>	<b>3,914,122.49</b>	<b>1.049</b>	<b>1.049</b>	<b>1</b>	
<b>Total Investments</b>			<b>13,603,000.61</b>	<b>13,603,000.61</b>	<b>13,603,000.61</b>	<b>1.111</b>	<b>1.111</b>		
<b>Cash</b>									
Bank of America Cash	CASH0547	7/1/2011	1,346,270.70	1,346,270.70	1,346,270.70	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
<b>Total Cash</b>			<b>1,346,770.70</b>	<b>1,346,770.70</b>	<b>1,346,770.70</b>	<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Total Cash and Investments</b>			<b>14,949,771.31</b>	<b>14,949,771.31</b>	<b>14,949,771.31</b>	<b>1.111</b>	<b>1.111</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year			25,359.11		Fiscal Year To Date	79,417.67			



**Municipal Water District of Orange County  
Cash and Investments at October 31, 2017**

ALLOCATION	AMOUNT	%	
<b>MWDOC</b>			
Designated Reserves			
General	\$ 3,156,569	17.48%	
Grant & Project Cash Flow	1,500,000	8.31%	
Election Expense	304,000	1.68%	
Building Repair	350,407	1.94%	
OPEB	209,006	1.16%	
Total Designated Reserves	5,519,982	30.57%	
General	8,081,170	44.76%	
Water	3,225,367	17.87%	
Conservation	801,457	4.44%	
Desalination Feasibility Study	(145,165)	-0.80%	
WEROC	542,495	3.00%	
<b>TOTAL MWDOC</b>	<b>\$ 18,025,306</b>	<b>99.84%</b>	
<b>TRUSTEE ACTIVITIES</b>			
AMP Sales Admin	\$ 28,470	0.16%	
<b>TOTAL TRUSTEE ACTIVITIES</b>	<b>\$ 28,470</b>	<b>0.16%</b>	
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>\$ 18,053,776</b>	<b>100.00%</b>	



**MUNICIPAL WATER DIST OF ORANGE COUNTY**  
**PARS OPEB Trust Program****Account Report for the Period**  
**10/1/2017 to 10/31/2017**Rob Hunter  
General Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 10/1/2017	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 10/31/2017
OPEB	\$2,020,668.84	\$0.00	\$19,152.37	\$899.08	\$0.00	\$0.00	\$2,038,922.13
<b>Totals</b>	<b>\$2,020,668.84</b>	<b>\$0.00</b>	<b>\$19,152.37</b>	<b>\$899.08</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$2,038,922.13</b>

**Investment Selection****Moderate HighMark PLUS****Investment Objective**

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

**Investment Return**

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
0.95%	2.64%	12.68%	5.98%	7.56%	-	10/26/2011

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

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

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

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

# Item No. 3e

## Municipal Water District of Orange County WATER USE EFFICIENCY PROJECTS Cash Flow as of 1/30/17

	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	TOTALS
<b>Cash - Beginning Balance</b>	\$ (72,844.08)	\$ (133,020.86)	\$ (151,184.71)	\$ (326,302.43)	\$ 801,456.49	\$ 865,340.16	\$ 865,340.16	\$ 865,340.16	\$ 865,340.16	\$ 865,340.16	\$ 865,340.16	\$ 865,340.16	
<b>REVENUES:</b>													
BUREC					200,757.65								\$ 200,757.65
City of Brea													-
City of Buena Park		222.00		111.00									333.00
City of Fountain Valley	333.00	444.00	424.05	222.00									1,423.05
City of Fullerton													-
City of Garden Grove		888.00	222.00	444.00									1,554.00
City of Huntington Beach	264.00	379.00	427.19										1,070.19
City of La Habra		555.00		111.00									666.00
City of San Clemente	1,304.96	233.00	6,460.97	6,044.00	3,419.79								17,462.72
City of San Juan Capistrano													-
City of Tustin													-
City of Newport Beach	406.31	222.00			222.00								850.31
City of Orange	444.00	555.00	333.00		555.00								1,887.00
City of Westminster		888.00	333.00	444.00	444.00								2,109.00
County of Orange		1,444.63	15,468.35	1,096,511.49									1,096,511.49
Department of Water Resources		50.00	1,137.96	9,716.20	2,630.00								26,629.18
El Toro Water District	3,093.98			1,000.00									7,911.94
Golden State Water Company													-
Irvine Ranch Water District	38,717.96	129,174.28	12,348.45	184,823.79	37,097.77								402,162.25
Laguna Beach County Water District	85.00	90.00		110.00	30.00								315.00
Mesa Water District		500.00											500.00
Metropolitan Water District		25,735.53											25,735.53
Moulton Niguel Water District	37,634.08	3,800.00	14,408.25	38,738.51	27,516.79								122,097.63
Orange County Water District		5,510.86	776.06	32,475.75									38,762.67
Santa Margarita Water District	57.32	197.95		924.98									1,180.25
Serrano Water District													-
Trabuco Canyon Water District	201.00	39.00	219.99	400.00									859.99
Yorba Linda Water District													-
<b>Miscellaneous Revenues</b>													-
Miscellaneous				810.82									810.82
Interest Revenue	417.16												417.16
<b>Total Revenues</b>	<b>82,968.77</b>	<b>170,928.25</b>	<b>52,559.27</b>	<b>1,372,887.54</b>	<b>272,673.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 1,952,006.83</b>
<b>EXPENDITURES:</b>													
Budget Based Tiered Rates, Raftelis		59,356.00		7,271.08									66,627.08
DeLorenzo International		5,050.50											5,050.50
Ecotech	900.00	10,275.00	6,750.00	13,500.00	13,500.00								44,925.00
Golden State Water Company	80.00												80.00
City of Huntington Beach					46,172.00								46,172.00
Laguna Beach CWD	480.00				13,676.40								14,156.40
Metropolitan Water District	29,129.40		118,745.58	70,931.38	26,485.72								245,292.08
Mission RCD		17,627.75	33,812.14	17,041.96									68,481.85
Recycled Water On Site Retrofit program					9,997.00								9,997.00
Spill to Drip program			1,155.58	525.00	34,530.53								36,211.11
Turf Removal	60,861.15	96,782.85	63,442.87	135,566.22	64,427.68								421,080.77
Vulco, Inc			500.00										500.00
Western National Property Management	51,300.00												51,300.00
<b>Miscellaneous Expenses</b>													-
Interest Expense				292.98									292.98
Salary & Benefit	130.00		3,270.82										3,400.82
<b>Total Expenditures</b>	<b>143,135.55</b>	<b>189,092.10</b>	<b>227,676.99</b>	<b>245,128.62</b>	<b>208,789.33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 1,013,822.59</b>
<b>Cash - Ending Balance</b>	<b>\$ (133,020.86)</b>	<b>\$ (151,184.71)</b>	<b>\$ (326,302.43)</b>	<b>\$ 801,456.49</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	<b>\$ 865,340.16</b>	

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**COMBINED FINANCIAL STATEMENTS**  
**AND**  
**BUDGET COMPARATIVE**  
**JULY 1, 2017 THRU OCTOBER 31, 2017**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of October 31, 2017**

<b><u>ASSETS</u></b>	<b>Amount</b>
Cash in Bank	1,346,770.70
Investments	16,707,005.66
Accounts Receivable	34,399,450.98
Accounts Receivable - Other	163,312.56
Accrued Interest Receivable	40,061.78
Prepays/Deposits	314,446.82
Leasehold Improvements	3,695,600.68
Furniture, Fixtures & Equipment	457,309.71
Less: Accum Depreciation	(2,792,484.53)
Net OPEB Asset	483,546.00
<b>TOTAL ASSETS</b>	<b><u>\$54,815,020.36</u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>Liabilities</b>	
Accounts Payable	36,102,488.35
Accounts Payable - Other	480.77
Accrued Salaries and Benefits Payable	379,516.95
Other Liabilities	162,951.76
Unearned Revenue	1,714,185.93
Total Liabilities	<u>38,359,623.76</u>
<b>Fund Balances</b>	
Restricted Fund Balances	
Water Fund - T2C	974,383.90
Total Restricted Fund Balances	<u>974,383.90</u>
Unrestricted Fund Balances	
OPEB Related Asset Fund	483,546.00
Designated Reserves	
General Operations	3,156,569.42
Grant & Project Cash Flow	1,500,000.00
Election Expense	304,000.00
Building Repair	350,407.45
OPEB	209,006.00
Total Designated Reserves	<u>5,519,982.87</u>
GENERAL FUND	2,410,999.97
WEROC Capital	281,657.00
WEROC	144,717.31
Total Unrestricted Fund Balances	<u>8,840,903.15</u>
Excess Revenue over Expenditures	
Operating Fund	6,487,994.91
Other Funds	152,114.64
Total Fund Balance	<u>16,455,396.60</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u>\$54,815,020.36</u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July thru October 2017**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>REVENUES</u></b>						
Retail Connection Charge	0.00	7,435,834.00	7,435,834.00	100.00%	0.00	0.00
Ground Water Customer Charge	0.00	468,565.00	468,565.00	100.00%	0.00	0.00
Water rate revenues	0.00	7,904,399.00	7,904,399.00	100.00%	0.00	0.00
Interest Revenue	29,832.93	96,306.86	150,000.00	64.20%	0.00	53,693.14
Subtotal	29,832.93	8,000,705.86	8,054,399.00	99.33%	0.00	53,693.14
Choice Programs	0.00	1,094,256.07	1,176,618.00	93.00%	0.00	82,361.93
Miscellaneous Income	73.06	1,445.52	3,000.00	48.18%	0.00	1,554.48
School Contracts	26,356.20	26,356.20	70,000.00	37.65%	0.00	43,643.80
Transfer-In From Reserve	0.00	0.00	138,470.00	0.00%	0.00	138,470.00
Subtotal	26,429.26	1,122,057.79	1,388,088.00	80.83%	0.00	266,030.21
<b>TOTAL REVENUES</b>	<b>56,262.19</b>	<b>9,122,763.65</b>	<b>9,442,487.00</b>	<b>96.61%</b>	<b>0.00</b>	<b>319,723.35</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**From July thru October 2017**

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<b><u>EXPENSES</u></b>						
Salaries & Wages	276,604.34	1,117,913.03	3,571,210.00	31.30%	0.00	2,453,296.97
Salaries & Wages - Grant Recovery	0.00	(2,403.18)	(23,279.00)	10.32%	0.00	(20,875.82)
Salaries & Wages - Recovery	0.00	(436.80)	0.00	0.00%	0.00	436.80
Directors' Compensation	16,122.45	68,732.55	243,197.00	28.26%	0.00	174,464.45
MWD Representation	10,465.45	41,296.10	138,969.00	29.72%	0.00	97,672.90
Employee Benefits	76,621.21	322,046.97	1,056,766.00	30.47%	0.00	734,719.03
Employee Benefits - Grant Recovery	0.00	(477.64)	0.00	0.00%	0.00	477.64
Employee Benefits - Recovery	0.00	(83.20)	0.00	0.00%	0.00	83.20
Director's Benefits	6,825.26	27,061.40	81,728.00	33.11%	0.00	54,666.60
Health Ins \$'s for Retirees	5,522.28	18,227.08	59,554.00	30.61%	0.00	41,326.92
Training Expense	395.00	395.00	10,000.00	3.95%	0.00	9,605.00
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	4,775.18	5,000.00	95.50%	0.00	224.82
Personnel Expenses	392,555.99	1,597,046.49	5,148,145.00	31.02%	0.00	3,551,098.51
Engineering Expense	24,531.35	55,482.44	360,000.00	15.41%	92,056.08	212,461.48
Legal Expense	11,879.95	73,395.12	250,000.00	29.36%	176,604.88	0.00
Audit Expense	9,000.00	19,000.00	40,000.00	47.50%	0.00	21,000.00
Professional Services	67,299.47	195,359.29	1,539,809.00	12.69%	606,225.58	738,224.13
Professional Fees	112,710.77	343,236.85	2,189,809.00	15.67%	874,886.54	971,685.61
Conference-Staff	1,395.00	6,402.46	38,945.00	16.44%	0.00	32,542.54
Conference-Directors	1,393.00	4,826.00	23,700.00	20.36%	0.00	18,874.00
Travel & Accom.-Staff	3,012.71	11,871.11	95,600.00	12.42%	0.00	83,728.89
Travel & Accom.-Directors	9.30	3,252.26	49,850.00	6.52%	0.00	46,597.74
Travel & Conference	5,810.01	26,351.83	208,095.00	12.66%	0.00	181,743.17
Membership/Sponsorship	42,921.00	108,081.60	142,102.00	76.06%	0.00	34,020.40
CDR Support	0.00	10,950.64	48,803.00	22.44%	32,851.93	5,000.43
Dues & Memberships	42,921.00	119,032.24	190,905.00	62.35%	32,851.93	39,020.83
Business Expense	422.54	1,868.39	5,200.00	35.93%	0.00	3,331.61
Maintenance Office	4,177.90	26,560.98	123,500.00	21.51%	95,979.02	960.00
Building Repair & Maintenance	6,636.06	12,524.64	11,000.00	113.86%	2,603.36	(4,128.00)
Storage Rental & Equipment Lease	195.29	779.21	8,400.00	9.28%	4,220.79	3,400.00
Office Supplies	1,849.49	5,807.55	35,580.00	16.32%	3,044.31	26,728.14
Postage/Mail Delivery	565.16	2,333.36	10,500.00	22.22%	2,875.70	5,290.94
Subscriptions & Books	0.00	423.59	1,500.00	28.24%	0.00	1,076.41
Reproduction Expense	0.00	4,124.40	27,275.00	15.12%	2,734.88	20,415.72
Maintenance-Computers	0.00	878.08	10,000.00	8.78%	1,754.27	7,367.65
Software Purchase	1,839.72	7,486.01	44,260.00	16.91%	0.00	36,773.99
Software Support	2,861.66	20,628.07	48,894.00	42.19%	0.00	28,265.93
Computers and Equipment	932.52	9,638.88	33,050.00	29.16%	0.00	23,411.12
Automotive Expense	1,296.30	5,411.36	16,400.00	33.00%	0.00	10,988.64
Toll Road Charges	109.42	282.12	1,000.00	28.21%	0.00	717.88
Insurance Expense	9,138.18	35,710.91	110,250.00	32.39%	0.00	74,539.09
Utilities - Telephone	1,513.92	5,263.40	21,300.00	24.71%	0.00	16,036.60
Bank Fees	1,404.38	4,418.97	11,000.00	40.17%	0.00	6,581.03
Miscellaneous Expense	3,627.46	24,853.70	119,650.00	20.77%	0.00	94,796.30
MWDOC's Contrb. To WEROC	14,934.75	341,396.00	460,874.00	74.08%	0.00	119,478.00
Depreciation Expense	794.40	3,177.62	0.00	0.00%	0.00	(3,177.62)
Other Expenses	52,299.15	513,567.24	1,099,633.00	46.70%	113,212.33	472,853.43
MWDOC's Building Expense	7,800.00	22,627.00	356,400.00	6.35%	62,294.85	271,478.15
Capital Acquisition	0.00	12,907.09	249,500.00	5.17%	830.00	235,762.91
TOTAL EXPENSES	614,096.92	2,634,768.74	9,442,487.00	27.90%	1,084,075.65	5,723,642.61
NET INCOME (LOSS)	(557,834.73)	6,487,994.91	0.00			

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**From July thru October 2017**

	<b>Month to Date</b>	<b>Year to Date</b>	<b>Annual Budget</b>	<b>% Used</b>	<b>Budget Remaining</b>
<b><u>WATER REVENUES</u></b>					
Water Sales	16,960,557.00	79,864,840.60	154,733,881.00	51.61%	74,869,040.40
Readiness to Serve Charge	863,419.18	3,453,676.72	10,397,278.00	33.22%	6,943,601.28
Capacity Charge CCF	295,400.00	1,181,600.00	3,544,800.00	33.33%	2,363,200.00
SCP/SAC Pipeline Surcharge	30,978.18	127,324.20	423,000.00	30.10%	295,675.80
Interest	902.79	3,437.58	9,400.00	36.57%	5,962.42
<b>TOTAL WATER REVENUES</b>	<b>18,151,257.15</b>	<b>84,630,879.10</b>	<b>169,108,359.00</b>	<b>50.05%</b>	<b>84,477,479.90</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	16,960,557.00	79,864,840.60	154,733,881.00	51.61%	74,869,040.40
Readiness to Serve Charge	863,419.18	3,453,676.72	10,397,278.00	33.22%	6,943,601.28
Capacity Charge CCF	295,400.00	1,181,600.00	3,544,800.00	33.33%	2,363,200.00
SCP/SAC Pipeline Surcharge	30,978.18	127,324.20	423,000.00	30.10%	295,675.80
<b>TOTAL WATER PURCHASES</b>	<b>18,150,354.36</b>	<b>84,627,441.52</b>	<b>169,098,959.00</b>	<b>50.05%</b>	<b>84,471,517.48</b>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	<b>902.79</b>	<b>3,437.58</b>	<b>9,400.00</b>		



**Municipal Water District of Orange County**  
**WUE Revenues and Expenditures (Actuals vs Budget)**  
**From July thru October 2017**

	Year to Date Actual	Annual Budget	% Used
<b>Spray To Drip Conversion</b>			
Revenues	16,666.37	257,371.00	6.48%
Expenses	17,264.04	257,371.00	6.71%
Excess of Revenues over Expenditures	(597.67)	0.00	
<b>Member Agency Administered Passthru</b>			
Revenues	0.00	7,200.00	0.00%
Expenses	0.00	7,200.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	11,333.11	95,000.00	11.93%
Expenses	11,333.11	95,000.00	11.93%
Excess of Revenues over Expenditures	0.00	0.00	
<b>HECW Rebate Program</b>			
Revenues	113,087.85	340,000.00	33.26%
Expenses	113,090.39	340,000.00	33.26%
Excess of Revenues over Expenditures	(2.54)	0.00	
<b>CII Rebate Program</b>			
Revenues	109,230.00	345,000.00	31.66%
Expenses	109,230.00	345,000.00	31.66%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Turf Removal Program</b>			
Revenues	261,874.44	2,552,302.00	10.26%
Expenses	355,381.15	2,552,302.00	13.92%
Excess of Revenues over Expenditures	(93,506.71)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	18,450.64	520,000.00	3.55%
Expenses	68,739.15	520,000.00	13.22%
Excess of Revenues over Expenditures	(50,288.51)	0.00	
<b>CII, Large Landscape, Performance (OWOW)</b>			
Revenues	0.00	62,722.00	0.00%
Expenses	2,147.00	62,722.00	3.42%
Excess of Revenues over Expenditures	(2,147.00)	0.00	
<b>WUE Projects</b>			
Revenues	530,642.41	4,179,595.00	12.70%
Expenses	677,184.84	4,179,595.00	16.20%
Excess of Revenues over Expenditures	(146,542.43)	0.00	
<b>WEROC</b>			
Revenues	520,612.00	640,933.00	81.23%
Expenses	129,599.19	640,933.00	20.22%
Excess of Revenues over Expenditures	391,012.81	0.00	



**CONSENT CALENDAR ITEM**  
December 20, 2017

**TO: Public Affairs and Legislation Committee**  
(Directors Tamaribuchi, Dick, and Yoo Schneider)

**FROM: Robert Hunter, General Manager**      Staff Contact: Heather Baez

**SUBJECT: TRAVEL TO WASHINGTON D.C. TO COVER FEDERAL ADVOCACY ISSUES**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors receive and file the report.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**REPORT**

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**DIRECTORS**

For the first quarter (Jul-Sept. 2017) of fiscal year 2017-2018, no trips were taken. One trip was scheduled and canceled (September) which leaves a credit for future travel, and one trip was booked for travel in the second quarter.

The following is budgeted for fiscal year 2017/2018 for **directors**:

Washington D.C. Legislative Budget Travel - \$10,800, 6 trips

- Total cost for this quarter: \$908.41 (airline credit), \$230.70 (November trip)
- Year-to-date spent: \$1,139.11
- Budget remaining: \$9,660.89

<b>Budgeted (Y/N): Y</b>	Budgeted amount: Directors - \$10,800 Staff - \$10,800	Core X	Choice ____
<b>Action item amount: None</b>	Line item: 11-7155 12-7150		
<b>Fiscal Impact (explain if unbudgeted):</b>			

Projecting for the second quarter one trip is scheduled

- November 15-17 – Director Barbre

## **STAFF**

For the first quarter (Jul.-Sept. 2017) of fiscal year 2017-2018, no trips were taken

The following is budgeted for fiscal year 2017/2018 for **staff**:

Washington D.C. Legislative Travel - \$10,800, 6 trips

- Total cost for this quarter: \$193.58
- Year-to-date spent: \$193.58 (unavailable for future credit – American Airlines charges a \$200 change fee)
- Budget remaining: \$6,570.47

The focus of upcoming trips will be on the importance of the CA WaterFix (federal permits and funding), long term conservation and tax parity water rebate issues (turf removal program, et al)., and visits to representative's offices to invite them to our February 2018 luncheon that is scheduled once again in the Gold Room.



**CONSENT CALENDAR ITEM**  
December 20, 2017

**TO: Public Affairs and Legislation Committee**  
(Directors Tamaribuchi, Dick, and Yoo Schneider)

**FROM: Robert Hunter, General Manager**

Staff Contact: Heather Baez

**SUBJECT: TRAVEL TO SACRAMENTO TO COVER STATE ADVOCACY ISSUES**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors receive and file the report.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**REPORT**

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**DIRECTORS**

For the first quarter (Jul-Sept. 2017) of fiscal year 2017-2018, no trips were taken.

The following is budgeted for fiscal year 2017/2018 for **directors**:

Sacramento Legislative Budget Travel - \$4,600, 8 trips

- Total cost for this quarter: \$0
- Year-to-date spent: \$0
- Budget remaining: \$4,600

<b>Budgeted (Y/N):</b> Yes	Budgeted amount: \$4,600 – Directors \$10,500 – Staff	Core X	Choice ____
<b>Action item amount:</b> None	Line item: 11-7155 12-7150		
<b>Fiscal Impact (explain if unbudgeted):</b>			

Projecting for the second quarter no trips are scheduled.

For the first quarter (Jul.-Sept. 2017) of fiscal year 2017-2018, one trip was taken.

The following is budgeted for fiscal year 2017/2018 for **staff**:

Sacramento Legislative Travel - \$10,500, 18 trips

- Total cost for this quarter: \$20 (Airfare was paid in fourth quarter of the last fiscal year)
- Year-to-date spent: \$20
- Budget remaining: \$10,480

Projecting out for the second quarter, 2 trips have been taken/scheduled

- October 22 – Heather Baez
- November 21 – Heather Baez and Joe Berg

The focus of trips is “Making Conservation a California Way of Life” legislation, public goods charge, low income rate assistance implementation, and State Water Resources Control Board meetings.



**CONSENT CALENDAR ITEM**  
December 20, 2017

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

Staff Contacts: Hilary Chumpitazi, Accounting Manager

**SUBJECT: Options for Funding CalPERS Unfunded Liability**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors: Review options and direct staff on how to fund the CalPERS unfunded liability; Committee recommendation is below.

**COMMITTEE RECOMMENDATION**

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Committee recommends establishing the PRSP with PARS, moving the OPEB Reserve balance to the PRSP and go with the 10-year payment plan to accelerate our funding. The target is to be 90% funded (both accounts combined) with the minimum at 85% and the maximum at 95%.

**DETAILED REPORT**

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As previously reported MWDOC's unfunded liability for CalPERS Classic Members is \$2,193,187 as of June 30, 2016. At the October A&F Committee meeting, staff was requested to evaluate options in prefunding the PERS liability and to return with information. Below are two options along with the pros and cons to prefund this liability.

1. Public Agency Retirement Services (PARS) offers a 115 Trust through their Pension Rate Stabilization Program (PRSP).

Pros:

- Access funds at any time to be used for pension only
- Earn higher yields through active management
- Balances are aggregated for our OPEB and Pension assets for fees on a tiered schedule
- No setup costs or termination fees

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

## Cons:

- Restricted to using funds for only pension related costs

2. MWDOC contracts with a third party to manage these separately held funds.

## Pros:

- Access funds at any time to be used for anything the Board deems appropriate
- Earn higher yields through active management
- Choose how we want the funds invested

## Cons:

- To be determined

Both options would require a separate Investment Policy statement.

I requested information from other agencies on what they are doing and here are their responses:

Agency	Response
Irvine Ranch Water District	Set up its own separately managed 115 Trust in 2013. Hired an outside advisor to manage the investment portfolio. Currently 90-95% funded with a target to remain over 90%.
Three Valleys MWD	Using the PARS trust and budgeted an additional \$50,000 annually. Also contracted with GovInvest.
City of Newport Beach	Reamortized payment schedule to CalPERS to shorten the period and increased the mandatory minimum payment. Payments made monthly to CalPERS.

Eastern MWD advised that under present GASB standards we cannot count the balance in a 115 Trust in our net pension liability/asset calculation.

Please see the following report from Demsey, Filliger & Associates showing accelerated payment options to fully fund our liability in five and ten year plans, per the Committee's request at the October A&F Meeting.

Per the Administration and Finance Committee recommendation, staff is to establish the PRSP with PARS, move the OPEB Reserve balance to the PRSP and go with the 10-year payment plan to accelerate our funding. The target is to be 90% funded (both accounts combined) with the minimum at 85% and the maximum at 95%.

Per PARS, we are not able to combine the balances in these accounts. They will be sub-accounted for separately. OPEB is for OPEB and pension is for pension.

Staff recommends we begin contributing to PRSP in FY 2018-19 with the 10-year payment plan of \$207,000 per year, subject to change due to CalPERS unfunded liability changes and will be reviewed annually.

Miscellaneous Plan of the Municipal Water District of Orange County  
Pension Stabilization Trust Projections



	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>	<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>
Discount Rate <sup>1</sup>	7.375%	7.250%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%	7.000%
<b>CalPERS Trust</b>												
Estimated Unfunded Liability under CalPERS - beginning of fiscal year <sup>2,3</sup>	\$2,193,000	\$2,440,000	\$2,880,000	\$2,965,000	\$3,020,000	\$3,051,000	\$3,047,000	\$3,011,000	\$2,952,000	\$2,871,000	\$2,776,000	\$2,665,000
Estimated minimum CalPERS contribution for fiscal year												
Normal Cost <sup>4</sup>	\$193,000	\$204,000	\$223,000	\$245,000	\$280,000	\$293,000	\$306,000	\$320,000	\$334,000	\$349,000	\$365,000	\$382,000
Amortization of unfunded liability <sup>5</sup>	64,000	83,000	113,000	147,000	175,000	210,000	241,000	261,000	278,000	286,000	295,000	304,000
Minimum required contribution	257,000	287,000	336,000	392,000	455,000	503,000	547,000	581,000	612,000	635,000	660,000	686,000
<b>Pension Stabilization Trust</b>												
Five-year Payment Plan												
Accumulated Funds - beginning of fiscal year <sup>6</sup>		\$0	\$530,000	\$1,097,000	\$1,704,000	\$2,353,000	\$3,047,000					
Annual Contributions - middle of year		512,000	512,000	512,000	512,000	512,000						
10-year Payment Plan												
Accumulated Funds - beginning of fiscal year <sup>6</sup>		\$0	\$193,000	\$400,000	\$620,000	\$857,000	\$1,110,000	\$1,380,000	\$1,670,000	\$1,979,000	\$2,311,000	\$2,665,000
Annual Contributions - middle of year		186,000	186,000	186,000	186,000	186,000	186,000	186,000	186,000	186,000	186,000	
<b>Pension Stabilization Trust</b>												
Five-year Payment Plan												
Accumulated Funds - beginning of fiscal year <sup>6</sup>		\$0	\$551,000	\$1,131,000	\$1,739,000	\$2,377,000	\$3,047,000					
Annual Contributions - middle of year		538,000	538,000	538,000	538,000	538,000						
10-year Payment Plan												
Accumulated Funds - beginning of fiscal year <sup>6</sup>		\$0	\$212,000	\$434,000	\$668,000	\$913,000	\$1,171,000	\$1,441,000	\$1,725,000	\$2,024,000	\$2,337,000	\$2,665,000
Annual Contributions - middle of year		207,000	207,000	207,000	207,000	207,000	207,000	207,000	207,000	207,000	207,000	

Notes:

1. See Page 6 of the Actuarial Valuation Report as of June 30, 2016.
2. Report Page 5. Does not reflect gain/losses due to census updates or additional changes in assumptions (set by CalPERS).
3. Assumed investment return for CalPERS trust equal to discount rate.
4. Projected payroll multiplied by normal cost rates calculated by CalPERS; Report Pages 4, 5, 12, & 18.
5. Report Pages 5 & 12.
6. Based on assumed investment return. Does not reflect potential market volatility.

Of  
**Disclaimer**

Future actuarial measurements may differ significantly from the measurements presented due to factors such as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; changes in actuarial policies; and changes in plan provisions or applicable law. The measurements and information presented may not be applicable for other purposes. The District should contact Demsey Filliger before disseminating any portion of this presentation for any reason that is not explicitly described above.





**ACTION ITEM**  
December 20, 2017

**TO:** Board of Directors

**FROM:** Robert J. Hunter, General Manager

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

**RECOMMENDATION**

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

**Res. Nos. \_\_\_\_ & \_\_\_\_**

**SUMMARY**

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In accordance with MWDOC's Administrative Code (as revised in February 2017), the President and Vice President of the Board of Directors shall serve a one-year term and shall be elected to such term by the members of the Board at its first regular meeting in December of each year. Nominations will be taken from the floor and a roll call vote shall be taken.

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

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

**§1303 DUTIES AND POWERS OF PRESIDENT**

The President of the Board of Directors shall be the presiding officer and shall preserve order and decorum at all MWDOC meetings. The President shall appoint (with ratification by the Board) all standing, special, and ad hoc committees (including the Committee Chair persons). In the absence of the President, Vice President shall act as President. In the absence of the President and Vice President, the immediate past President(s) shall act as President, and in the absence of any immediate Past President(s), the Secretary acts as President until the Board selects one of its members President Pro Tempore, who shall have all of the Board powers of the President during the continuance of the meeting as well as during the absence of the President.

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

**§1304 DUTIES AND POWERS OF VICE PRESIDENT**

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

RESOLUTION NO. \_\_\_\_\_

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

**RE: ELECTION OF THE PRESIDENT  
OF THE BOARD  
December 2017-December 2018**

BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County, in accordance with Administrative Code Section 1301, that at its first meeting in the month of December of each year, the Board shall elect one of its members President; and

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

THEREFORE BE IT RESOLVED by the Board of Directors of Municipal Water District of Orange County that in accordance with the procedures set forth above, \_\_\_\_\_ **be and is hereby elected President** of the Board of Directors of Municipal Water District of Orange County, effective December 20, 2017, for a one-year term of office.

Adopted and approved this 20th December 2017, by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
PRESENT:

\_\_\_\_\_  
Maribeth Goldsby, District Secretary  
Municipal Water District of Orange County

RESOLUTION NO. \_\_\_\_\_  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

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

December 2017-December 2018

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

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

THEREFORE BE IT FURTHER RESOLVED by the Board of Directors of Municipal Water District of Orange County that in accordance with the procedures set forth above, \_\_\_\_\_ **be and is hereby elected Vice President** of the Board of Directors of Municipal Water District of Orange County, effective December 20, 2017, for a one-year term of office.

Adopted and approved this 20th day of December 2017, by the following roll call vote:

AYES:  
NOES:  
ABSENT:  
PRESENT:

\_\_\_\_\_  
Maribeth Goldsby, District Secretary  
Municipal Water District of Orange County



**ACTION ITEM**  
December 20, 2017

**TO:** Board of Directors

**FROM:** Robert Hunter, General Manager

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

**STAFF RECOMMENDATION**

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

**SUMMARY**

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In February 2017, the MWD OC Board of Directors adopted a policy which states that at its first regular meeting in December, the Board shall appoint the Secretary, Treasurer and Legal Counsel. An excerpt from Administrative Code Section 1301 is as follows:

The Board shall appoint, by majority vote, at its pleasure, a Secretary, Treasurer, Legal Counsel, General Manager and Auditor and shall define their duties and fix their compensation. At its first regular meeting in December of each year, the Board shall appoint the Secretary, Treasurer, and Legal Counsel. The Board may also appoint a Deputy Secretary and Deputy Treasurer. Each of these officers shall serve at the pleasure of the Board. The Auditor shall serve a term no longer than five (5) years.

The current incumbents are:

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

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

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

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

#### **§1305 DUTIES OF SECRETARY**

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

#### **§1306 DUTIES OF TREASURER**

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

#### **§1308 DUTIES OF LEGAL COUNSEL**

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

**RESOLUTION NO. \_\_\_\_\_**

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

WHEREAS, pursuant to Administrative Code Section 1301, the Board shall appoint the Secretary, Treasurer, Deputy Treasurer, and Legal Counsel on an annual basis (at the first regular meeting in December); and

NOW, THEREFORE, BE IT RESOLVED as follows:

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

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

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

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

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

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

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

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

**AYES:**

**NOES:**

**ABSTAIN:**

**ABSENT:**

**I HEREBY CERTIFY** that the foregoing is a full, true and correct copy of Resolution No. \_\_\_\_\_, adopted by the Board of Directors of Municipal Water District of Orange County at its meeting of December 20, 2017.

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Secretary  
Municipal Water District of Orange County



**ACTION ITEM**  
December 20, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs and Legislation Committee**  
(Directors Tamaribuchi, Dick, and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE**

**STAFF RECOMMENDATION**

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Staff recommends the committee adopt the updated legislative policy principles and provide direction to staff on the 2018 Legislative Priorities.

**COMMITTEE RECOMMENDATION**

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Committee recommends that the MWDOC Legislative Policy Principles be adopted as amended.

**SUMMARY**

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At the September PAL meeting, staff presented this item for discussion, and requested feedback. Staff also began soliciting input from senior staff and the member agencies through the general managers and other participating city staff via the MWDOC Member Agencies Managers and Legislative Coordinators group.

At the October PAL meeting, the committee voted to defer this item for one month to allow additional input from members of the Board. All updates have since been incorporated to the attached document.

<b>Budgeted (Y/N): N/A</b>	Budgeted amount: N/A	Core ____	Choice ____
<b>Action item amount: None</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			



## REPORT

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

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

The goal for this item today is to have the Committee accept or reject the recommended changes to MWDOC's Legislative and Regulatory Policy Principles and provide further changes if necessary for the Board's approval. This will allow and provide direction to staff to draft legislative priorities for 2018 for the Board's consideration and adoption next month.

Changes to the 2018 Policy Principles are shown as follows:

### NEW FOR 2018

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#### Imported Water Supply

Reorganized this section to group State Water Project and Colorado River policies together  
Added two new policies related to the Colorado River

#### Local Water Resources

Added "augmented or alternative water supplies" in numerous areas to ensure all types of water are covered

#### Water Use Efficiency

Reworded 20% by 2020 policy to reflect updated standards  
Removed policy for the California Urban Water Conservation Council's MOU as it is now reflected in the California Water Efficiency Partnership  
Added four (two support, two oppose) new policies suggested by the Irvine Ranch Water District  
Added policy related to tax exemptions for water conservation

#### Water Quality

Expanded the section to include environmental impacts  
Added two policies related to CEQA at the request of the Committee Chair

#### Metropolitan Water District of Southern California

Added new policy to remain neutral when a policy may have adverse effects to our member agencies suggested by Orange County Water District

Water Infrastructure Financing

Expanded the section to include project funding so that it encompasses all types of projects

Emergency Response

Added new section and four new policies suggested by staff

All Sections

General clean-up and streamlining that do not make substantial changes to the policy

**CHANGES FROM LAST MONTH**

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Removed:

Metropolitan Water District of Southern California

Added new policy to remain neutral when a policy may have adverse effects to our member agencies suggested by Orange County Water District (*PAL Committee voted 3-0 to remove*)

Additions are *italicized*

Deletions are ~~crossed through~~

Source of the recommended change is listed at the end of each policy principle

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

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

### **IMPORTED WATER SUPPLY**

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

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

68) Authorizes and appropriates the ongoing state share of funding for the California WaterFix and EcoRestore.

8) *Promotes continued federal funding and coordination between states for the Colorado River Basin Salinity Control Program under the departments of Agriculture and Interior. (Staff)*

9) *Protects and preserves Metropolitan's interest in binational water conservation programs. (Staff)*

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

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

2) Imposes water user fees to fund non-water supply improvements in the Delta region or user fees that are not proportional to the benefits received from a Delta region water supply improvement.

3) Delays *or impedes* implementation of the California WaterFix *and* EcoRestore. *(Melded)*

~~4) Would impose conservation mandates that do not account for the unique local water supply circumstances of each water district. (Moved to Local Water Resources)~~

**LOCAL WATER RESOURCES**

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

1) Supports the development of, provides funding for, and authorizes and/or facilitates the expanded use of, water recycling, potable reuse, conservation, *water use efficiency*, groundwater recovery and recharge, storage, brackish and ocean water desalination and surface water development projects where the beneficiaries of the project pay for the portions of the project not funded by state or federal funds. *(Board)*

2) Recognizes that recycled water *for both potable and non-potable reuse* is a valuable resource that should be ~~evaluated for economic justification, permitted and managed as such~~ *promoted and encouraged, while considering total cost elements, and regulated and permitted in a manner which promotes greater reuse throughout the county and state. (Melded)*

3) Reduces and/or streamlines regulatory burdens on ~~water recycling projects and brackish and ocean water desalination~~ *augmented or alternative water supply* projects, and provides protections for the use of these supplies during water supply shortages, *through exemptions or by exempting them from provisions of credit during state mandated reductions. (Staff)*

4) Supports ecosystem restoration, increased stormwater capture and sediment management activities that are cost-effective and enhance the quality or reliability of water supplies ~~important to Orange County. (Board)~~

5) Authorizes, promotes, and/or provides incentives for indirect and direct potable reuse projects and provides protections for the use of local supply projects during water shortages by exempting them from state mandated reductions.

6) Recognizes that the reliability *and high quality* of supplies to the end user is the primary goal of water suppliers. (IRWD)

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

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

9) Reduces or removes regulatory hurdles that hinder the use of ~~stormwater augmented or alternative water supplies.~~ (Staff)

10) Provides incentives for the local or regional use of ~~stormwater management and recapture augmented or alternative water supplies.~~ (Staff)

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

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

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

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

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

2) Imposes barriers *or increases costs* to the safe application of recycled water and continues to define recycled water as a waste *or resource of lesser value than traditionally defined potable water.* (Melded)

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

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

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

6) *Would impose conservation mandates that do not account for the unique local water-supply circumstances of each water district. (Moved from Imported Water Supply)*

## **WATER USE EFFICIENCY**

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

1) Furthers the statewide goal of *increasing water use efficiency, as opposed to water conservation throughout the state. a 20% reduction in per capita water use by 2020 as set forth in SBx7-7, enacted in November 2009.*—(All)

2) Would allow flexibility and options for compliance in achieving statewide water reduction goals.

3) Seeks to cost-effectively improve water efficiency standards *and policies* for water-using devices. (Staff)

4) Provides loans and grants to fund incentives for water conserving devices or practices.

~~5) Advances and ensures accurate reporting of the implementation of water efficiency measures of the Best Management Practices (BMPs) for the California Urban Water Conservation Council's Memorandum of Understanding.~~ (This no longer exists. It is now CalWEP.)

5) *Legislatively set water efficiency standards provided the standards are reasonable, cost effective for Orange County agencies, and consider unintended consequences, such as impacts to wastewater systems, reductions in recycled water supplies, demand hardening, and impacts to regional reliability and drought preparedness.* (IRWD)

6) Reasonably improves landscape water use efficiency and Commercial, Institutional and Industrial (CII) water use efficiency programs while preserving community choice and the local economy.

7) Encourages ~~stakeholders to investigate and develop~~ regionally appropriate statewide landscape water *efficiency conservation* standards and regulations that *consider* ~~incorporate local~~ land use and climate factors. (Staff)

8) Provides *financially appropriate* incentives, funding, and other assistance where needed to facilitate market transformation and gain wider implementation of water-efficient indoor and outdoor technologies and practices. (Board)

9) Provides incentives, funding, and other assistance where needed to facilitate water use efficiency partnerships with the energy efficiency sector.

10) Recognizes past investments in water use efficiency measures, especially from the demand hardening perspective.

*11) Recognizes community growth and development when developing comparative standards for water use efficiency year-over-year. (IRWD)*

*12) Provides tax exemptions for water conservation or efficiency incentives for measures including, but not limited to, turf removal, devices, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape. (Staff)*

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

1) Fails to ensure balance in the implementation of water efficiency practices and requirements for both urban and agricultural use.

2) Would repeal cost-effective efficiency standards for water-using devices.

3) Diminishes local agency control or flexibility in implementing water efficiency practices or standards.

4) Places unreasonable conservation measures on commercial, industrial and institutional customers that would negatively impact or limit the potential for economic growth.

5) Fails to recognize the importance of both water use efficiency and water supply development.

*6) Fails to recognize augmented or alternative water supplies as an efficient use of water, or that fails to provide an adequate incentive for investments in such water, for potable or non-potable reuse. (Melded)*

*7) Fails to consider regional and local reliability when establishing any reduction targets during water shortages. (IRWD)*

*8) Require water efficiency standards or performance measures that are infeasible, not practical or fail to have a positive cost-benefit ratio when comparing the cost of meeting the standard or implementing the performance measure with the value of the volume of water saved. (IRWD)*

**WATER QUALITY AND ENVIRONMENTAL IMPACTS (Staff)**

**It is MWDOC's policy to support:**

1) Legislation that protects the quality of surface water and groundwater including the reduction of salt loading to groundwater basins.

2) Funding that helps agencies meet state and federal water quality standards.

3) The establishment and/ or implementation of standards for water-borne contaminants

based on sound science and with consideration for cost-effectiveness.

*4) Administrative/legislative actions to improve clarity and workability of CEQA, and eliminate other duplicative state processes. (Staff)*

*5) Streamlining or exempting water, recycled water, wastewater projects, and/or environmental restoration projects, from the California Environmental Quality Act (CEQA). Provides liability protections to public water districts, and related wholesale water providers, seeking to consolidate troubled water systems that cannot consistently demonstrate that they are able to provide safe, clean and reliable water supplies to their customers. (Staff)*

**It is MWDOC's policy to oppose:**

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

**METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA**

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

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

***It is MWDOC's policy:***

~~*1) When the Metropolitan Water District of Southern California takes policy positions that may have adverse impacts to our member agencies, MWDOC will remain neutral to ensure no adverse impacts to local member agencies. (OCWD) (Struck by PAL Committee 11/20/17)*~~

**WATER TRANSFERS**

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

- 1) Encourages and facilitates voluntary water transfers.
- 2) Provides appropriate protection or mitigation for impacts on the environment, aquifers, water-rights holders and third-parties to the transfer including those with interests in the facilities being used.



3) Legislation that encourages transfers which augment existing water supplies, especially in dry years.

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

1) Undermines the operations and maintenance of the conveyance system conveying the water.

2) Interferes with the financial integrity of a water utility ~~and~~ *or* compromises water quality. (Staff)

3) Increases regulatory or procedural barriers to water transfers at the local or state level.

**WATER INFRASTRUCTURE FINANCING AND PROJECT FUNDING (Staff)**

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

1) Employs a "beneficiary pays" principle that establishes a clear nexus between the cost paid to the direct benefit received. Likewise, those who do not benefit from a particular project or program should not be required to pay for them.

2) Establishes grants or other funding opportunities for local and regional water infrastructure projects.

3) Considers local investments made in infrastructure, programs, mitigation and restoration in determining appropriate cost shares for water infrastructure investments.

4) ~~Would~~ Reduces the cost of financing water infrastructure planning and construction, such as tax-credit financing, tax-exempt municipal bonds, Water Resources Development Act (WRDA), Water Infrastructure Finance Innovation Act (WIFIA), the Environmental Infrastructure Accounts and other funding mechanisms. (Board)

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

1) Establishes a fee or tax that does not result in a clear *and proportional* benefit to the District, its member agencies, and their customers. (Staff)

2) Would reduce the total available water infrastructure financing measures such as WIFIA, state-revolving funds, and others.

**ENERGY**

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

1) Facilitates the development and expansion of clean, renewable energy in California, including hydropower.

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

## **FISCAL POLICY**

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

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

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

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

## **GOVERNANCE**

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

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

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

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

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

3) Seeks to limit or rescind local control.

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

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

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

**PUBLIC EMPLOYEE PENSION REFORM**

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

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

**EMERGENCY RESPONSE**

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

*1) Increases coordination on Homeland Security and emergency response efforts among the federal, state, and local governments with clearly defined roles and responsibilities for each. (Staff)*

*2) Provides continued funding to enhance and maintain local Homeland Security infrastructure, including physical and cyber protection of critical infrastructure. (Staff)*

*3) Ensures adequate funding for expenditures related to disaster response and all phases of emergency management; including the earthquake early notification system and efforts to enhance water infrastructure resiliency. (Staff)*

*4) Strengthens intergovernmental planning and preparation coordination for emergency response and drills. (Staff)*

DRAFT



**ACTION ITEM**  
December 20, 2017

**TO: Public Affairs and Legislation Committee**  
(Directors Tamaribuchi, Dick, and Yoo Schneider)

**FROM: Robert Hunter, General Manager**  
Staff Contact: Damon Micalizzi

**SUBJECT: MWDOC.COM PRIVACY POLICY**

**STAFF RECOMMENDATION**

---

Staff recommends the committee adopt the attached Privacy Policy for Municipal Water District of Orange County Website.

**COMMITTEE RECOMMENDATION**

---

Committee will review this item on December 18, 2017 and make a recommendation to the Board.

**REPORT**

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Data privacy laws require that anyone collecting personal information via their website needs to have a statement on how and why they do so. A privacy policy details what personal information an entity collects from its users, how that information is used, and how it is kept private.

The California Online Privacy Protection Act (CalOPPA) went into effect in 2004. The first state law in the nation to require commercial websites and online services to post a privacy policy, CalOPPA was amended in 2013 to require new privacy disclosures regarding tracking of online visits.

With the launch of the new MWDOC.com, staff, with the assistance of legal counsel, prepared the attached Privacy Policy and recommends the Policy be adopted by the Board of Directors.

Attached: Municipal Water District of Orange County Website Privacy Policy

<b>Budgeted (Y/N): N/A</b>	Budgeted amount: N/A	Core __	Choice __
<b>Action item amount: None</b>	Line item:		
<b>Fiscal Impact (explain if unbudgeted):</b>			

## Privacy Policy for Municipal Water District of Orange County Website

Effective xx/xx/17

### 1. Statement of Website Purpose.

In establishing and maintaining an official website, [www.mwdoc.com](http://www.mwdoc.com), the Municipal Water District of Orange County's ("MWDOC") sole and limited purpose is to provide relevant information to the public and to customers about or related to MWDOC's programs, services and facilities, structure, organization, events, public meetings and other state law requirements, Board of Directors, activities, MWDOC initiatives, outreach and educational opportunities that the MWDOC undertakes as an agency and on behalf of its clients.

The MWDOC website is not intended to establish a forum or other means by which public discourse, exchange of opinions, or discussion on issues of any nature may occur.

The MWDOC website comprises all documents, databases, log files, web pages and other information residing on any MWDOC-owned or managed web server for any duration of time temporarily or permanently. This includes but is not limited to information stored in html, asp, word, pdf, or database storage formats.

The MWDOC is committed to protecting, to the best of its ability, the privacy of visitors to and users of its official website, and it is the policy of MWDOC to limit the collection of personal information resulting from visiting the MWDOC website. MWDOC's information management practices conform to the requirements of the California Public Records Act (Government Code § 6250 *et seq.*) and all other applicable laws pertaining to information privacy. This Privacy Policy only applies to the [www.mwdoc.com](http://www.mwdoc.com) website as run by the MWDOC.

### 2. Definitions.

For purposes of the MWDOC official website, [www.mwdoc.com](http://www.mwdoc.com), the following terms shall have the meanings ascribed thereto:

"Electronically collected personal information" is information automatically collected by MWDOC when you visit the MWDOC's website, including your domain name or Internet Protocol address, and statistical information about which web pages you visit. If you voluntarily participate in an activity that asks for specific information (i.e., completing a request for assistance, personalizing the content of the website, sending an e-mail, or participating in a survey) more detailed data will be collected. If you choose not to participate in these activities, your choice will in no way affect your ability to use any other feature of the MWDOC website.

"Personal information" is information about a natural person that identifies or describes an individual, including, but not limited to, his or her name, social security number, physical description, home address, home telephone number, education, financial matters, and medical or employment history, readily identifiable to that specific individual. A domain name or Internet Protocol address is not considered personal information; however, it is considered "electronically collected personal information."

### 3. Privacy Policy.

MWDOC adheres to the following principles in connection with the collection and management of personal information:

1. MWDOC collects personal information on individuals only as allowed by law, and limits the collection of personal information to what is relevant and necessary to accomplish its lawful purpose. For example, MWDOC may need to know an individual's e-mail address or telephone number in order to answer the individual's questions or in order to provide requested assistance.
2. MWDOC does not collect home, business or e-mail addresses, or account information from persons who simply browse the [www.mwdoc.com](http://www.mwdoc.com) website. Personal information about individuals is collected through the MWDOC website only if an individual provides such information voluntarily through electronic mail, registration forms, surveys, or other similar interactive features of the MWDOC website. This information will be used to facilitate the MWDOC's response to that person, improve the content or navigation of the MWDOC website or provide survey information to users.
3. MWDOC uses Google Analytics to help improve the MWDOC website and Google tracking cookies may be used to provide information to Google Analytics. The MWDOC website may use Google Analytics to track website statistics. Google tracking code used by every website or application that employs Google Analytics, stores information that identifies device IP addresses, but our website is anonymizing that information and only part of device IP addresses are being used. Consequently, no information identifying of either you or your device is stored at Google via utilization of Google Analytics on the MWDOC website. You can find out more about Google Analytics anonymized IP addresses by [clicking here](#).
4. MWDOC's use of your e-mail. You may choose to provide MWDOC with personal information, as in e-mail with a comment or question. We use the information to improve our service to you or to respond to your request appropriately. This may be to respond to you, to address issues you identify, to further improve our website, or to forward the e-mail to another agency for appropriate action. Submission of an email to MWDOC, MWDOC staff and/or communication through the MWDOC website does not create any attorney-client relationship or any other privileged or confidential relationship. Accordingly, do not disclose any information to MWDOC, via e-mail or other electronic means that you wish to remain private or confidential.
5. MWDOC uses personal information only as specified within this Privacy Policy, and consistent with the purposes described herein, unless MWDOC obtains the consent of the subject of the information, or as required or allowed by federal or state law. The California Public Records Act exists to ensure that the MWDOC remains open and transparent, and that the public's right to access MWDOC public records is maintained. At the same time, the California Public Records Act includes enumerated exemptions that recognize the public's right to access public records is not unlimited. These exemptions serve various needs, including when necessary to maintain the privacy of individuals. In the event of a conflict between this Privacy Policy and the California Public Records Act or any other law governing the disclosure of records, the applicable law will control.

6. How MWDOC collects and uses your information. We do collect personal information directly from individuals who volunteer to use some of our services. Collection of this information is required to deliver the specific services, but use of these services is voluntary.

7. If any type of personal information is requested by the MWDOC website or volunteered by its users, it is governed by applicable state and federal law, including the California Public Records Act and may be subject to public inspection and copying if not otherwise protected by federal or state law.

The MWDOC reserves the right to revise this policy without prior notice when to doing is so deemed to be in the best interest of MWDOC.

#### **4. Stored Information by MWDOC.**

If you do nothing during your visit to the MWDOC website but browse or download information, we automatically collect and store the following information about your visit:

1. A partial Internet Protocol address and domain name is collected, but not the e-mail address. The partial Internet Protocol address is used to direct Internet traffic to you without identifying you individually and generate statistics used in the management of this website;
2. The type of browser and operating system you used;
3. The city and zip code you used it from;
4. The date and time you visited this website;
5. The web pages or services you accessed at this website;
6. The website you visited prior to coming to this website;
7. The website you visit as you leave this website, and;
8. If you downloaded a form, the form that was downloaded.

The information we automatically collect or store is used to improve the content of our web services and to help us understand how people are using our services. This information does not identify you personally and is used for gathering website statistics. The information we automatically collect and store in our logs about your visit helps us to analyze our website to continually improve the value of the materials available. Our website logs do not identify a visitor by personal information, and we make no attempt to link other websites with the individuals that browse the MWDOC website.

MWDOC may provide or distribute certain lists and statistical reports of regulatory information as provided by law, but no personal information is sold or distributed, and all relevant legal protections still apply to the website.

MWCOC will provide additional explanations of this privacy policy, if requested. If any individuals have any further questions about this privacy policy, they are encouraged to contact Patrick Dinh via email [pdinh@mwdoc.com](mailto:pdinh@mwdoc.com), by phone at (714) 593-5020, or by mail to:

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





**ACTION ITEM**  
December 20, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs and Legislation Committee**  
(Directors Tamaribuchi, Dick, and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

**SUBJECT: EXTENSION OF LOCAL ADVOCACY CONTRACT WITH LEWIS  
CONSULTING GROUP**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors extend the local advocacy contract Lewis and Associates for 2018.

**COMMITTEE RECOMMENDATION**

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Committee will review this item on December 18, 2017 and make a recommendation to the Board.

**REPORT**

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Lewis Consulting Group has provided local advocacy services to the Municipal Water District of Orange County since 2003. This contract was sent out for competitive bid in 2016 for a one-year contract beginning in 2017, with the option to renew annually for four additional years. This is year two of the new contract. A highlight of 2017 and proposed scope of services, provided by Mr. Lewis, is included for your review, input and approval.

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

<b>Budgeted (Y/N): Y</b>	Budgeted amount: 42,000 Calendar year expenditure, time and materials.	Core X	Choice __
<b>Action item amount:</b> \$42,000. Hourly fee billed at \$250/hour with an annual cap not to exceed \$42,000. \$21,000 for FY 2017/2018 and \$21,000 for FY 2018/2019.		Line item: 31-7040	
<b>Fiscal Impact (explain if unbudgeted):</b>			

## SCOPE OF WORK

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The following has been provided by Mr. Lewis:

I once again appreciate the opportunity to work with MWDOC on County issues of concern.

In 2017, in addition to carefully monitoring the actions of the Board of Supervisors, I also began attending and reporting on OC LAFCO meetings as well. The newest responsibility should prove to be valuable as we head into the M.S.R. process.

I believe our two greatest successes this year were convincing the Board Chair to agendize and support a county resolution in favor of the California Water Fix and facilitating meetings which helped derail the most onerous part of O.C. Flood's plan for imposing new access charges for our MWDOC membership.

I hope to be able to continue our partnership in 2018 and beyond. I am certainly open to suggestions on additional ways I can provide benefit to MWDOC. One possible idea would be (if not stepping on toes) to help arrange meetings with our local legislators in a more relaxed, informal and "less hurried" atmosphere at their local offices.



**ACTION ITEM**  
December 20, 2017

**TO:** Board of Directors

**FROM:** **Public Affairs and Legislation Committee**  
(Directors Tamaribuchi, Dick, and Yoo Schneider)

Robert Hunter  
General Manager

Staff Contact: Heather Baez

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

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors extend the federal advocacy contract with James C. Barker, PC for 2018.

**COMMITTEE RECOMMENDATION**

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Committee will review this item on December 18, 2017 and make a recommendation to the Board.

**REPORT**

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James C. Barker has provided federal legislative advocacy services to the Municipal Water District of Orange County since 2003. This contract was sent out for competitive bid in 2015 for a one-year contract beginning in 2016, with the option to renew annually for four additional years. This is year two of the new contract. A proposed scope of services, provided by Mr. Barker, is included for your review, input and approval.

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

**SCOPE OF WORK**

<b>Budgeted (Y/N): Y</b>	Budgeted amount: \$96,000 Calendar year expenditure, plus expenses	Core X	Choice ____
<b>Action item amount:</b> \$96,000; \$48,000 for FY 2017/2018 + expenses and \$48,000 for FY 2018/2019 + expenses		Line item: 31-7040	
<b>Fiscal Impact (explain if unbudgeted):</b>			

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The following has been provided by Mr. Barker:

Barker PC monitored the ongoing implementation of the California Drought Relief Act, including many of its competitive grant programs and provided Funding Grant Scorecards for MWDOC Leadership. Mr. Barker advanced Appropriations Report Language requests with our Orange County Congressional Delegation Members. The Report Language Requests dealt with directing the Army Corps of Engineers to spend some of the \$40 Million dollars of authorized environmental infrastructure funding in the State of California. The following offices were supportive of this effort: Congresswoman Walters, Congressman Rohrabacher, Congressman Issa, Congressman Correa, and Congressman Lowenthal. Mr. Barker continued to provide briefings, materials and information to Congressional Members, Personal Committee staffers in both the House and the Senate on behalf of MWDOC.

Among many issues, Mr. Barker monitored the organization of the Trump Administration's key positions as they related to California Water Issues; the Trump Budget and proposed Infrastructure Program; the implementation of the federal funding program called WIFIA; the Disaster Declaration in California (\$162 Million Grant) as a result of the February 2017 heavy rains and the flooding associated with the Oroville Lake; and, obtaining Congressional support for the California "Waterfix" project—the only district to produce a bi-partisan letter in support of the project. Throughout the year, Mr. Barker also assisted MWDOC Directors and Staff organizing key meetings with Members of Congress and key staffers on a variety of California water related issues.

Mr. Barker also participated extensively with California and other western water groups and associations in Washington, DC on a variety of key water issues affecting water districts.

This work will continue throughout 2018.



**ACTION ITEM**  
December 20, 2017

**TO:** Board of Directors

**FROM:** Public Affairs & Legislation Committee  
(Directors Tamaribuchi, Dick and Yoo Schneider)

Robert Hunter, General Manager

Staff Contact: Heather Baez

**SUBJECT: EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH  
BEST, BEST AND KRIEGER**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors extend the state advocacy contract with Best, Best and Krieger.

**COMMITTEE RECOMMENDATION**

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Committee will review this item on December 18, 2017 and make a recommendation to the Board.

**DETAILED REPORT**

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Best, Best and Krieger (BBK) is completing their second year of state legislative advocacy services to the Municipal Water District of Orange County. This has included assisting with the development of legislative priorities, a strategic plan to help achieve short and long-term goals with objectives and deadlines; identifying bills of interest to MWDOC and its member agencies which involved bill tracking, analysis and advocacy; setting up, attending, and representing MWDOC at meetings with members of the Orange County delegation and other key legislators and staff as well as administration and regulatory staff; and building strategic relationships that benefit MWDOC and its member agencies.

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

A proposed scope of work provided by BBK is attached for your review, input and approval.

Budgeted (Y/N): Yes	Budgeted amount: \$90,000; Calendar year expenditure	Core X__	Choice __
Action item amount: \$90,000; \$45,000 for FY 2017/2018 and \$45,000 for FY 2018/2019		Line item: 31-7040	
Fiscal Impact (explain if unbudgeted):			

Indian Wells  
(760) 568-2611

Irvine  
(949) 263-2600

Los Angeles  
(213) 617-8100

Ontario  
(909) 989-8584



**BEST BEST & KRIEGER**  
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(925) 977-3300

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(202) 785-0600

**Syrus Devers**  
(916) 329-3681  
Syrus.Devers@bbklaw.com

MEMO

TO: Municipal Water District of Orange County

FROM: Best Best & Krieger LLP

DATE: December 18, 2017

RE: Request for contract extension and strategic planning for 2018

**Introduction**

BB&K has been honored to represent MWDOC over the past year and respectfully requests that the contract be extended for another year on the same terms. BB&K has represented MWDOC before the legislature and the SWRCB, and worked to improve MWDOC profile within the water industry. As explained below, 2017 was a highly successful year for MWDOC in terms of recognition and achieving results in Sacramento.

**Highlights of 2017**

Significantly improved MWDOC's standing in Sacramento: It would be difficult to overstate the improvement to MWDOC's political reputation in 2017. This was a difficult year for the water industry, but the challenges created opportunities for MWDOC to establish itself as a significant voice on major water policy issues. As the PAL Committee is well aware, the water conservations bills, SB 606 and AB 1668, were the major issues where BB&K was active on behalf of MWDOC, but there were other times where MWDOC was seen as playing a major role on water policy. Examples include:

- *Opposing the Budget Trailer Bill*—In the effort to stop the administration from advancing a trailer bill on water use efficiency, BB&K, on behalf of MWDOC, used its internal resources to organize a district meeting with the Chair of the Assembly Water, Parks, & Wildlife Committee and several water district general managers from his district. The meeting had a significant impact because the Chair mentioned it in meetings with ACWA on two subsequent occasions.
- *Public testimony*—MWDOC was repeatedly called on to testify on behalf of the WaterFix in front of state agencies, most significantly in front of the Delta Stewardship Commission on two separate occasions.

Support of the WaterFix: MWDOC was the main partner with MWD in opposing legislation to delay the WaterFix and increase state funding for Delta levees. In at least two meetings with



members of the Legislature to oppose AB 732, AB 791, and AB 793, all by Assembly Member Jim Frazier, the only two agencies represented were MWD and MWDOC.

Lead opponent of SB 623 (Monning—public goods charge on water): MWDOC adopted a new position of “Oppose if Amended” on SB 623 if a public goods charge was amended into the bill. This early-adopted position meant MWDOC was one of the first agencies to actively oppose the bill. For this reason, BB&K was called on by ACWA to be part of a small group of lobbyists with primary responsibility for stopping the bill.

Orange County Delegation Outreach: BB&K had multiple contacts in Sacramento with every member of the Orange County delegation on behalf of MWDOC, as well as district visits with Assembly Member Quirk-Silva, and Senators Moorlach and Nguyen during the fall recess. The highlight of the year was when Heather Baez contacted a legislator on a bill and was told, “your lobbyist was just in my office on that issue.”

### **Planning for 2018**

Public Goods Charge on Water: Whether it’s opposing SB 623, or some other bill or administration effort, the issue of dealing with disadvantaged communities without access to adequate water will likely be one of the dominant issues in 2018, and the administration has made it clear that a public goods charge is a central piece of that effort. The issue is highly popular in the press and the Legislature, and there’s no denying the obvious appeal of the issue. For these reasons, it will not be enough to just oppose. BB&K will encourage MWDOC to take an active role in supporting an alternative to a public goods charge that works for the water industry as a whole.

Increase MWDOC’s involvement with legislation: BB&K identified new ways in 2017 to facilitate MWDOC’s process for taking positions on legislation. Examples include presenting bills to the PAL Committee at an earlier stage if amendments are available, and greater use of “support/oppose if amended” positions on a wider variety of topics to allow BB&K to be more active between PAL Committee meetings. In 2018 BB&K will focus on providing more political context and reasoning for its recommendations on bills. One part of this effort will be to provide more details on why legislation is flagged as a priority when there’s no recommendation for a position.

Continue and improve tracking, monitoring, and analysis of legislation: One of BB&K’s goals for 2017 was to improve the process of bill tracking and legislative analysis for MWDOC. In 2016, there were occasions where the PAL Committee was unable to adopt a position on legislation in a timely manner. BB&K added resources and improved its internal processes for analyzing legislation, and as a result can recall no such occurrences in 2017. The PAL Committee can look forward to improvements to the monthly bill matrix, as well as even more comprehensive analyses in 2018.



### **Conclusion**

As in 2017, BB&K will continue to regularly attend the PAL Committee meetings and respond to requests from Board members at any time. While we are proud of the service we offered, we are confident that our performance will improve significantly in 2018 and we look forward to a continuing productive relationship with MWDOC.

Thank you.

Syrus Devers  
Director of Governmental Affairs  
Best Best & Krieger LLP



## GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES DECEMBER 2017

<b>Managers' Meeting</b>	<p>MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on November 16, 2017. In attendance were: Lisa Ohlund (EOCWD); Mark Sprague (Fountain Valley); Paul Cook (IRWD); Paul Shoenberger (Mesa Water); George Murdoch and Steffen Catron (Newport Beach); Jose Diaz (Orange); Lawrence Brotman (San Clemente); Dan Ferons (SMWD); David Spitz (Seal Beach); Andy Brunhart (SCWD); Hector Ruiz (TCWD); Steve Miller (Westminster); Marc Marcantonio and Steve Conklin (YLWD); and Karl Seckel; Harvey De La Torre; Heather Baez; Melissa Baum-Haley; Charles Busslinger; Joe Berg; Chris Lingad; Kevin Hostert; Kelly Hubbard; and myself of staff.</p> <p>The agenda included the following:</p> <ol style="list-style-type: none"> <li>1. MET's Metering Workgroup Issues</li> <li>2. MWDOC's Budget Process</li> <li>3. SWRCB "Wasteful Water Use" Regulations</li> <li>4. Farewell to George Murdoch</li> </ol> <p>The next meeting is scheduled for December 21, 2017.</p>
<b>CCEEB/CED</b>	<p>In Carmel, I attended the Fall Planning Meeting of the California Council for Environmental and Economic Balance's Water, Chemistry and Waste Project session on December 7.</p> <p>On December 14 and 15, Director Tamaribuchi and I attended a California Environmental Dialogue Plenary meeting in Sacramento.</p>
<b>California Water-Fix/EcoRestore</b>	<p>Director Tamaribuchi and Karl and I had several meetings and conference calls with Garry Brown, OC Coastkeeper, Steve Arakawa, MET, and Dr. Peter Moyle, UC Davis Watershed Sciences, to discuss habitat restoration relative to EcoRestore and other efforts.</p>
<b>South O.C. Economic Coalition</b>	<p>Director Dick and Heather attended the South Orange County Economic Coalition meeting on the CA Water Fix where I was a featured speaker.</p>

## MET ITEMS CRITICAL TO ORANGE COUNTY

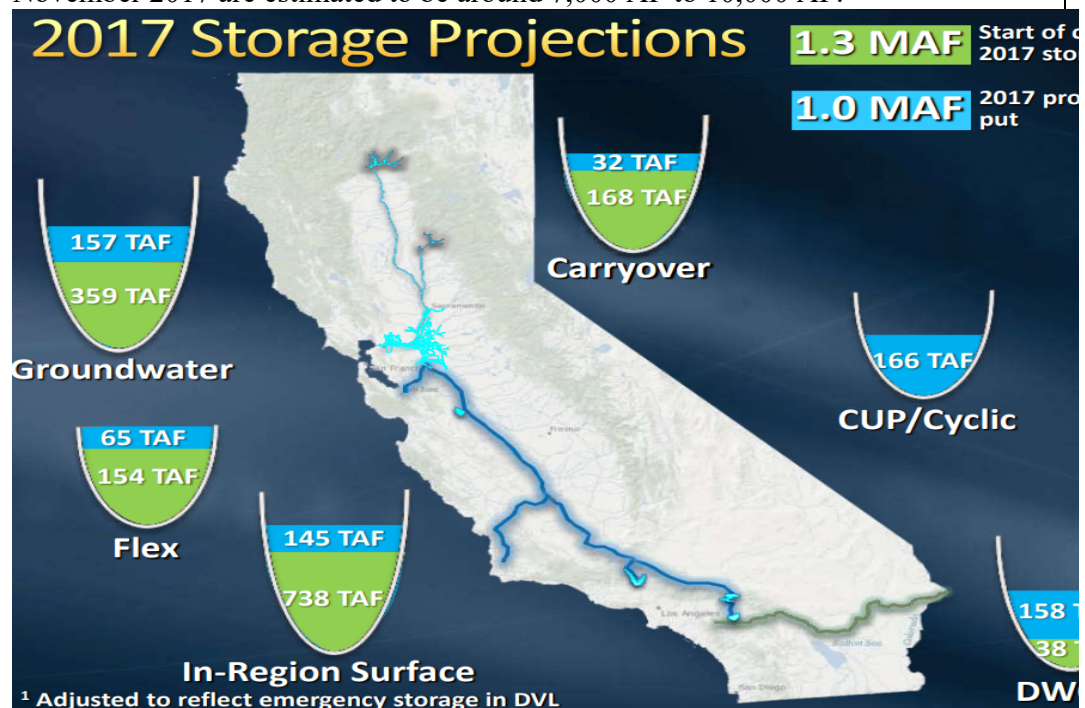
### MET's Water Supply Conditions

#### 2017 Water Supply Balance

With the Department of Water Resources (DWR) setting the State Water Project (SWP) "Table A" allocation at 85%, MET will have approximately 1.624 million acre-feet (MAF) in SWP deliveries this water year. In addition, MET has received approximately 124 TAF of Article 21 supplies through September. On the Colorado River system, MET estimates a total delivery of 960 TAF.

MET is projecting that supplies will exceed demand levels in CY 2017. With a current demand trend of 1.47 MAF, MET is expected to increase its dry-year supplies by 1.04 MAF, which is the highest they have ever stored. Based on this estimated recovery and a beginning dry-year storage balance of 1.3 MAF, this will bring MET's total dry-year storage to 2.3 MAF.

Limitations with recharging groundwater basins due to the "suspect" of quagga mussels and to secure all of the available imported water supplies for 2017, the MET Board approved last month a one-year In-Lieu storage program. The purpose of this program is to store additional imported water locally that would otherwise been lost if no action was taken. For October 2017, MWDOC (along with the three cities of Anaheim, Fullerton and Santa Ana) have requested that MET certify 15,181 AF of imported treated deliveries as In-Lieu. In-Lieu deliveries for November 2017 are estimated to be around 7,000 AF to 10,000 AF.



<b>MET's Water Supply Condition (Cont'd)</b>	<h3>Short-Term Portfolio Balances</h3> <p>\$ In millions</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Balance (\$ in millions)</th> </tr> </thead> <tbody> <tr> <td>8/31/2017</td> <td>\$719.9</td> </tr> <tr> <td>9/30/2017</td> <td>\$779.8</td> </tr> <tr> <td>Increase</td> <td>\$59.9</td> </tr> </tbody> </table>	Date	Balance (\$ in millions)	8/31/2017	\$719.9	9/30/2017	\$779.8	Increase	\$59.9
Date	Balance (\$ in millions)								
8/31/2017	\$719.9								
9/30/2017	\$779.8								
Increase	\$59.9								
<b>MET's Finance and Rate Issues</b>	<h3><u>MET Financial Report</u></h3> <p>The financial portfolio performance report through October 31, 2017 resulted in a short-term portfolio with a market value of \$784.1 million, an increase of \$4.3 million since September 30, 2017. From inception, the short-term portfolio has outperformed the benchmark by 0.57%.</p> <h3>Short-Term Portfolio Balances</h3> <p>(\$ in millions)</p> <table border="1"> <thead> <tr> <th>Date</th> <th>Balance (\$ in millions)</th> </tr> </thead> <tbody> <tr> <td>9/30/2017</td> <td>\$779.8</td> </tr> <tr> <td>10/31/2017</td> <td>\$784.1</td> </tr> <tr> <td>Increase</td> <td>\$4.3</td> </tr> </tbody> </table>	Date	Balance (\$ in millions)	9/30/2017	\$779.8	10/31/2017	\$784.1	Increase	\$4.3
Date	Balance (\$ in millions)								
9/30/2017	\$779.8								
10/31/2017	\$784.1								
Increase	\$4.3								

<b>MET's Finance and Rate Issues (Cont'd.)</b>	<p>For the month of October, the total return of the long-term portfolio resulted in an outperformance of the benchmark by \$0.2 million or 0.06%. However, from inception, the long term portfolio has outperformed the benchmark by 0.30%.</p> <p>Water sales through October 31, 2017 were 124.8 TAF lower than budgeted and 95.9 TAF lower than the 5-year average. Low sales in October remain due to decreased untreated water sales, in comparison to both the budget and prior year actual sales. Sales through October 2017 are \$99.9 million lower than the budget although only \$5.7 million lower than October 2016.</p>
<b>Colorado River Issues</b>	<p><b><u>Modified Intentionally Created Surplus Plan for 2017 Approved</u></b></p> <p>On October 11, the Bureau of Reclamation (Reclamation) approved MET's modified Intentionally Created Surplus plan (ICS) for 2017 to allow MET to store increased water in Lake Mead this year. The Governor's representatives of the seven Colorado Basin States sent a letter of Concurrence Recommendation to the Secretary of the U.S. Department of Interior to modify Metropolitan's ICS plan, as requested.</p> <p>MET originally submitted its 2017 Intentionally Created Surplus (ICS) plan to create 200,000 acre-feet of Extraordinary Conservation ICS for storage in Lake Mead in June of 2016. MET's ICS plan was approved by Reclamation on November 30, 2016. In the intervening time, hydrologic conditions in California have gone from the driest period of historical record to the wettest single year. The extraordinary and unprecedented wet conditions of this water year have provided MET with the unanticipated opportunity to utilize ongoing conservation efforts to create and store additional ICS this year to the benefit of Lake Mead and the Colorado River Basin during an ongoing period of historic drought in the Basin. MET is now permitted to store up to 398,000 acre-feet of ICS in 2017.</p> <p><b><u>Imperial Irrigation District Request Metropolitan to Store Conserved Water</u></b></p> <p>On October 27, Imperial Irrigation District (IID) sent a letter requesting Metropolitan to store up to 89,000 acre-feet of conserved water in 2017. Pursuant to a three-year agreement between IID and MET, MET agreed to store up to 100,000 acre-feet per year of conserved water generated by IID, provided MET has the ability to modify its operations to store the water. MET staff will provide a response to IID's request after it considers its ability to store the additional water this year.</p>

<b>Colorado River Issues (Continued)</b>	<p><b><u>Lower Basin Drought Contingency Plan Development</u></b></p> <p>On October 23, the representatives from the Lower Basin States and Reclamation met in Las Vegas to continue their joint effort to develop a Lower Basin Drought Contingency Plan (DCP). The proposed DCP would create additional voluntary tools for the Lower Basin States to reduce the risk of Lake Mead reaching critically low elevations and enhance storage opportunities through the end of the Shortage Guidelines in 2026. The representatives set a goal of reaching final agreement on a DCP by July of 2018.</p> <p><b><u>Salinity Control Forum</u></b></p> <p>The Colorado River Basin Salinity Control Forum (Forum) met in Sacramento on October 24 and 25. The Forum is an organization of the seven Colorado River Basin states that guides state and federal agency work to implement the Colorado River Basin Salinity Control Program (Program). The Forum also works with Congress on Program reauthorization and funding, as well as promoting efforts to reduce salt loading to the Colorado River. The program keeps 1.33 million tons of salt out of the Colorado River annually. MET currently holds one of the three Governor-appointed positions representing California on the Forum's Board. During the meeting, the Forum approved the 2017 Review of Water Quality Standards for Salinity of the Colorado River System. The review highlighted the need for continued funding for salinity control to reduce the economic damages of high salt levels in the Colorado River. Following the Forum meeting, MET and the Colorado River Authority co-hosted a tour of the Bay-Delta system for Forum members and their technical advisors.</p>
<b>Bay Delta/State Water Project Issues</b>	<p><b><u>California WaterFix</u></b></p> <p>On October 10, the Board of Directors approved MET's participation in the California WaterFix project for its 25.9 percent share. Eleven other State Water Contractors have taken formal board actions to support the California WaterFix project. Further work lies ahead on financing and implementation strategies.</p> <p><b><u>State Water Resources Control Board</u></b></p> <p>On October 4, the State Water Resources Control Board (SWRCB) issued a notice to solicit stakeholder input to the development of the program of implementation for the Phase II Update to the Bay-Delta Water Quality Control Plan. The Phase II update addresses inflows to the Sacramento River and Delta and Delta outflows, and is focused on protection of fish and wildlife beneficial uses. The SWRCB notice includes a series of questions for stakeholders to address regarding possible approaches for the program of implementation.</p>

<b>Bay Delta/State Water Project (Continued)</b>	<p>The SWRCB also released their final Phase II Scientific Basis Report. Metropolitan staff is working with the State Water Contractors to develop comments on the Phase II issues. Comments were due November 9, 2017.</p> <p>The California WaterFix Petition proceedings before the SWRCB are ongoing. Part 1 of the hearings addresses the effects of the proposed project on legal users of water. MET staff is participating in the rebuttal phase of Part 1 in collaboration with the State Water Contractors. Closing briefs for Part 1 were due to the SWRCB on November 8, 2017. Part 2 of the hearings will address the effects of the proposed project on fish and wildlife, including consideration of appropriate Delta flow criteria. Opening briefs for Part 2 were due November 30, 2017, and Part 2 of the California WaterFix hearing is scheduled to commence January 18, 2018.</p> <p><b><u>Science Activities</u></b></p> <p>MET staff continued participation in the Collaborative Science and Adaptive Management Program, including participation in the Delta Smelt Scoping Team Outflow workgroup and the Flow Alteration Project Work Team to develop detailed work plans for the Directed Outflow Project. Field work and sample collection for zooplankton and water quality as part of the Directed Outflow Project started in late-September 2017. MET staff participated in the Delta Smelt Scoping Team discussions on the development of the decision support tool for the Delta smelt Resiliency Strategy. Staff also provided input on potential near-term salmon studies that are being considered for the Collaborative Adaptive Management Team 2018 salmon work plan.</p> <p>In October, Anchor QEA, a consultant to MET, completed a modeling study of salinity throughout the San Francisco Bay and Delta from 1995 – 2015 and for turbidity during the winter and spring of 1997, 1998, 2001, 2006, 2008, and 2011. These years include both wet and dry years. Simulation of temperature for 1995 – 2015 should be complete next month. MET staff is using these results to predict the probability of catching longfin larvae at various locations throughout the Bay. If large areas of the lower San Francisco Bay appear suitable for longfin larvae, the next step would be to sample areas where longfin larvae are predicted to occur in the winter. Ultimately, the study may lead to a better understanding of longfin smelt spawning distribution and the reasons why longfin smelt population responds to wet conditions.</p> <p><b><u>Delta Flood Emergency Management Plan</u></b></p> <p>The California Office of Emergency Services (Cal OES) released its final draft Northern California Catastrophic Flood Response Plan in October with emphasis on impacts to the Sacramento-San Joaquin Delta. The plan provides a framework outlining how local, state, and federal governments will respond and coordinate in anticipation of a catastrophic weather or seismic related flood event in the region. The plan relies on emergency preparedness, response, and recovery strategies of the DWR Delta Flood Emergency Management Plan (DFEMP) for repair of Delta levees damages. MET staff has reviewed and provided</p>
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<b>Bay Delta/State Water Project Issues (Continued)</b>	<p>comprehensive comments on the final draft DWR Delta Flood Emergency Management Plan, which continues to be reviewed by their operations group. The DFEMP contains specific physical actions to respond to emergency flood conditions, including catastrophic failure of levees due to an earthquake. DWR will evaluate final comments to determine the date of issuance of their final DFEMP.</p> <p>DWR initiated a contract process through their Division of Engineering to purchase large sheet pile for purposes of closing major levee breaches subsequent to flood or seismic related levee failures in the Delta. These materials provide flexibility in the choice of materials to close major levee breaches under emergency conditions. This work would include critical and most immediate levee repairs to ensure levee integrity and for water conveyance.</p>																
<b>ENGINEERING &amp; PLANNING</b>																	
<b>Doheny Desal Project</b>	<p>South Coast Water District (SCWD) has held 7 meetings and Project Delivery public workshops since April 2016 looking at the feasibility and costs to complete an ocean desalination plant at Doheny Beach.</p> <p>A Final Technical Studies Update was held on October 31, 2017 to present the findings of various technical studies for the Doheny Ocean Desalination Project that were either requested by SCWD’s Board or necessary to complete an Environmental Impact Report (EIR) for the project.</p> <p>A Project Delivery Methods -Workshop #5 was held on November 15, 2017. The workshop reiterated previous workshop findings that although a Public-Private-Partnership (PPP) could transfer risk from SCWD to a third party, a PPP would not have access to low-cost government financing and the value of the risks transferred do not overcome the higher costs associated with foregoing the lower cost financing mechanisms available through a design-build-operate (DBO) project delivery method.</p> <table><tr><td>Project (per GHD)</td><td>Cost of Water (\$/AF)</td><td>Monthly Impact to Tier 2 Customers</td><td>30 Yr. NPC Delta to Buying Imported Water</td></tr><tr><td>5 MGD DBO – SRF Loan</td><td>\$1,465</td><td>\$5.14</td><td>\$10.7M</td></tr><tr><td>3 MGD DBO – SRF Loan</td><td>\$1,675</td><td>\$5.61</td><td>\$19.2M</td></tr><tr><td>5 MGD DBO – ‘Hybrid Financing’</td><td>\$1,549</td><td>\$7.08</td><td>\$18.9M</td></tr></table>	Project (per GHD)	Cost of Water (\$/AF)	Monthly Impact to Tier 2 Customers	30 Yr. NPC Delta to Buying Imported Water	5 MGD DBO – SRF Loan	\$1,465	\$5.14	\$10.7M	3 MGD DBO – SRF Loan	\$1,675	\$5.61	\$19.2M	5 MGD DBO – ‘Hybrid Financing’	\$1,549	\$7.08	\$18.9M
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<b>Doheny Desal Project (Cont'd)</b>	5 MGD Private Sector Owned	\$2,203	\$22.09	\$71.2M
	15 MGDSRF/Bond Blend	\$1,322	\$1.87	(\$1.8M)
	15 MGD Private Sector Owned	\$1,765	\$12.04	\$93.4M
	<p>The SCWD Board of Directors authorized the General Manager to proceed with planning using the district-owned delivery option and to obtain proposals for specialized legal services to develop documents for a DBO contract to be brought back to the Board for final approval [the estimate cost for developing documents for a DBO contract is \$750,000].</p> <p>Work on the Administrative Draft EIR has continued, with additional technical studies on the Southeast Intake area wrapping up. These include:</p> <ul style="list-style-type: none"> <li>• Air Quality/GHG</li> <li>• Brine Modeling</li> </ul> <p>Stakeholder Briefings have also been conducted with OC Public Works, City of Dana Point, and the Regional Water Board.</p> <p>Future milestones are:</p> <ul style="list-style-type: none"> <li>• December 7, 2017: 2 NOP Scoping Meeting to discuss revised slant well locations and regional project. Meeting at Tennis Center.</li> <li>• Early February: Draft EIR Released for Public Comments</li> </ul>			
<b>Orange County Reliability Study</b>	<p>CDM-Smith submitted partial information on the initial draft update on October 31 which follows-up on the 2016 study. CDM is conducting additional work and a meeting is being scheduled with MET to discuss the Colorado River Drought Contingency Plan. The update includes modeling of more recently available information, updating Colorado River assumptions, assessment of additional scenarios for the Huntington Beach Desalination Plant, Doheny, Carson IPR and an assessment of the value of new storage and evaluation of various project options. MWDOC staff has held several conference calls with CDM Smith and provided feedback on the initial information. CDM is continuing their work; results are expected in January.</p>			
<b>San Juan Basin Authority</b>	<p>The San Juan Basin Authority (SJBA) Board Chair appointed an Ad Hoc Committee in 2016 to review SJBA's current governance structure and mission. The Ad Hoc Committee Final Report was submitted to the SBJA Board on November 14, 2017.</p> <p>The Ad Hoc Committee recommends that a workshop be conducted to share in detail with the SJBA Board and others the Committee's findings and recommendations. The Committee also recommends that the workshop be followed by a strategic planning type initiative to further develop SJBA's</p>			



<b>San Juan Basin Authority (Continued)</b>	purpose and mission in 2018 and beyond. The Committee recognizes that many of the needs for greater coordination and collaboration on water issues in South Orange County may require an organization other than SJBA, with geographical and governance jurisdiction beyond the watershed. So, the Committee recommends that representatives from beyond SJBA's jurisdiction (but limited to South Orange County) be invited to participate in the strategic planning effort. The study also recognized that the planning and coordination could be completed among existing agencies, so a wide range of discussions is expected.
<b>N. and Cen. O.C. Inte. Regional Watershed Management Area</b>	Charles continues to participate in the ad hoc committee to develop the North and Central IRWM Plan. The final draft plan was released for public review on November 8, 2017 and comments will be accepted through December 20, 2017.
<b>Lower Feeder Shutdown</b>	Charles, Kevin, and Chris participated in a conference call with MET to coordinate a scheduled shutdown of the Lower Feeder in order to repair a leak at the Deodar Interconnection Structure and replace a plug valve at OC-6 meter structure. The shutdown, scheduled for December 4 <sup>th</sup> through December 8 <sup>th</sup> , is nearing completion and is progressing as planned and scheduled.
<b>County of Orange OC Environmental Resources</b>	Karl and Charles met with the County of Orange OC Public Works Environmental Resources management team to discuss continued collaboration on projects of common interest. OC Environmental Resources has been undergoing significant personnel changes and reorganization over the past year and this was an opportunity to review past successes in light of future opportunities.
<b>MET Meter Workgroup</b>	The MET Meter Workgroup has concluded a re-evaluation of technology and criteria for measuring and accounting for low system flows to provide member agencies more flexibility. A final report with recommendations is expected to be brought to the MET Board for consideration in the February – March 2018 timeframe. The intent of the recommendations is to provide member agencies options to expand the flow measurement range (at the Member Agency's own cost) to allow for better accounting of low flows than the current metering system provides. The workgroup has also developed design guidance to recognize newer technology (i.e. such as the additional precision provided by mag meters at lower flows) and offer recommendations for MET Administrative Code Section 4504(b) limitation [a.k.a. 10:1 turndown] which currently requires member agencies to pay for flows that are less than 10% of maximum design capacity of a meter as if they received 10% flows.
<b>Prop 50 Grant Funds</b>	MWDOC is coordinating with West Basin and others on the retention release for the Proposition 50 Grant Funds for the Doheny Pilot Plant Treatment and Testing Phase project.

<b>Service Connection CM-1</b>	Tom Epperson from Tetra Tech has been providing hydraulic analyses on the concurrent ability to deliver MET water and groundwater at the same time to LBCWD through Newport Beach's water system. The solution being contemplated at this time by LBCWD will work well and does not require MET to make any changes, but there may be times when water quality issues arise in the MET system. MWDOC has hired Tetra Tech to examine several other options that can eliminate the water quality problems in the MET pipeline. Tetra Tech submitted a preliminary draft report for review to MWDOC staff on December 5 <sup>th</sup> which includes two alternatives. Follow-up discussions with LBCWD and Newport Beach will be scheduled to gain agreement on a final proposed course of action to present to MET.
<b>Poseidon Resources</b>	The State Lands Commission approved the lease amendment for the proposed Huntington Beach Desalination Project on October 19 2017. The Santa Ana Regional Water Quality Control Board will next consider approval of an Ocean Discharge Permit Amendment for the project in the first half of 2018, and finally the California Coastal Commission will then consider approval of a Coastal Development Permit. OCWD is still working on the system integration concepts.
<b>East Orange County Feeder No. 2 for Conveyance</b>	MWDOC has been discussing concepts for pumping groundwater into the EOCF No. 2 for conveyance to South Orange County during an emergency event. Upcoming discussions will be held with MET.
<b>Miller Geospatial</b>	Karl and Joe met with Miller Geospatial to discuss assistance with developing information relative to area measurements on a parcel by parcel basis to help model and understand the implications of the SWRCB initiatives. One of the steps in the process is geocoding of water meters to the parcel database.

## EMERGENCY PREPAREDNESS

<b>Emergency Coordination</b>	<p>Canyon 2 Fire Updates:</p> <ul style="list-style-type: none"> <li>- Staff has finalized the WEROC Canyon 2 Fire after Action/Corrective Action Report for WEROC's response to the Canyon 2 Fire. The AAR includes a summary of WEROC's response to the fire, a list of Member Agencies affected, damage reports, a summary of each hot wash attended, and a list of corrective actions that will be incorporated into WEROC's plans, procedures, and checklists. It is important to note that this report is specific to WEROC's response and corrective actions of significance to response coordination with member agencies. The final report is available upon request.</li> </ul>
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Emergency Co-ordination	<ul style="list-style-type: none"> <li>- that will be incorporated into WEROC's plans, procedures, and checklists. It is important to note that this report is specific to WEROC's response and corrective actions of significance to response coordination with member agencies. The final report is available upon request.</li> </ul> <p>Kelly and Francisco also participated in the Canyon 2 Fire Debris Flow Kickoff Meeting. The purpose of the Debris Flow Planning process is to evaluate how the fire has impacted soils and terrain for possible debris flows in the coming winter seasons. The planning process includes technical evaluation of the burn scar area, possible mitigation actions and triggers for response or protective actions when rain is predicted. Staff attended the first meeting to ensure representation for the impacted water utilities, but due to the technical aspects of this process the impacted agencies are expected to participate in future meetings</p>
<b>Coordination with WEROC Member Agencies</b>	<p><i>Ongoing: WEROC, with Michal Baker as the lead consultant, is facilitating 19 agencies through the process of updating the Orange County Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan. Update: Francisco Soto has been working with each agency to ensure that assignments between meetings are completed on time and the project stays on schedule. Francisco has been conducting meetings over the phone with agencies in order for them to complete their assignments.</i></p> <p>At the WEROC Quarterly Emergency Coordinator meeting on November 7, Ken Robbins, Midway City Sanitation District General Manager, provided a short presentation on his time in Texas responding to Hurricane Harvey. Additional topics included a Member Agency Canyon 2 Fire hot wash, discussion on the new dam emergency plan requirements, and other planning updates.</p> <p>Kelly has been working with the City of Laguna Beach Water Quality Department (wastewater operations) and the City's Emergency Manager to have the City approve and sign the WEROC indemnification agreement. In the past, there have been instances where WEROC signatories have responded to assist the City without any of their legal liabilities covered. This will bring the City into the WEROC program and create a good basis of liability coverage for those responding. The City Council approved their participation on November 14, 2017.</p> <p><i>Ongoing: WEROC will host a series of exercise design meetings for the WEROC Multi-Agency Exercise on May 15, 2018 based on an unknown contamination of drinking water event scenario. Update: Participating agencies continued to refine their exercise objectives and started to</i></p>

<b>Coordination with WEROC Member Agencies (Continued)</b>	<p>develop the details of the scenario. Additionally, the group worked on writing an Orange County specific Response to an Unknown Contaminant Standard Operating Protocol (SOP). This will be a template for each agency to further develop for their specific contacts, systems and policies. It was determined that there are actually three documents needed: a quick guide for field staff, a quick guide for the water sampling process, and a full response guidance for the EOC.</p> <p>Francisco participated in a RFP review panel for the City of Seal Beach to evaluate consultants for the development of their City Hazard Mitigation Plan. As part of this effort, Francisco reviewed seven proposals and ranked each based on a scoring sheet that the city provided.</p> <p>Francisco is developing an After Action Report (AAR) for the series of Emergency Water Quality Sample Kits (EWQSK) trainings and exercises hosted earlier this year. The AAR provides a summary of each training and exercise conducted, a summary of the discussions during each event, and a comprehensive list of suggested planning elements for response to an Unknown Contamination Event. The final report will be distributed to member agencies, the Division of Drinking Water, OC Health Care Agency, and all other entities involved.</p>
<b>Training and Programs</b>	<p>Francisco attended the International Association of Emergency Managers Annual Training and Conference in Long Beach, CA from November 12-16. The conference is the only conference targeted to Emergency Management Professionals nationwide. The conference was pre-approved for Homeland Security Grant reimbursement.</p> <p>Kelly provided a presentation on water supply in orange county and water emergency preparedness to the City of Newport Beach Community Emergency Response Team (CERT) Quarterly Meeting.</p> <p>Kelly provided a presentation to the Orange County Intelligence Assessment Center (OCIAAC) on her perspective as an emergency manager and attendee at the Route 91 Las Vegas Mass Shooting. Her presentation focused on pre-event emergency planning, coordinating partners, training and education needs for staff, and considerations for coordination of recovery for large event venues and the communities around them.</p>
<b>Coordination with the County</b>	<p>Francisco attended the Ready OC and See Something Say Something Steering Committee meeting which took place at the Santa Ana Police Department. The focus of this meeting was to provide an update on the current status of both county-wide campaigns and projections.</p>

<b>Coordination with County (Cont'd.)</b>	<p>Kelly and Francisco attended the November Orange County Emergency Management Organization (OCEMO) meeting that took place in the City of Newport Beach. Captain Kurtz from the Orange County Fire Authority and Sergeant Wyatt from Anaheim Police Department provided an overview on their response to the Canyon 2 Fire from the field perspective. Jeff Duvall and Sagar Patel from Anaheim Fire Department of Emergency Management presented on the City's EOC response to the Canyon 2 Fire and on opening the Local Assistance Center for impacted families and businesses. All presenters shared their lessons learned from the experience and attendees shared additional lessons with the group.</p> <p>Kelly attended the OA Executive Board Meeting as the ISDOC voting representative. Francisco also attended. Two major response plans were reviewed and approved at this meeting, including the Disease Outbreak Response Annex and the Power Outage Annex. Francisco provided the County feedback on the Disease Outbreak Annex and Kelly provided comments on the Power Outage Annex.</p> <p>Kelly was invited to participate in the OC-AHIMT (OC – All Hazard Incident Management Team) quarterly meeting. The OC-AHIMT is a group of individuals trained in the field Incident Command protocols and concepts required to manage a multi-agency, multi-discipline large event. This team was activated for the Canyon 2 Fire, as well as some other recent fires. They can also be activated for earthquakes, winter storms, etc. Kelly has been invited to apply to the team as a Liaison Officer and a representative for water utilities.</p> <p><i>Ongoing: WEROC staff participation in the OA Agreement Revision Working Group and the OCEMO Bylaws Revision Workgroup.</i> Francisco and Kelly attended the OA Agreement meeting which primarily reviewed the responsibilities of signatories to be prepared and to assist in county-wide response. Kelly participated in the bylaws meeting which discussed agency representation, voting authorities and voting procedures.</p>
<b>Coordination with Outside</b>	<p>Kelly participated in the Southern California Emergency Services Association (SCESA) Board Meeting conference call and the California Water/Wastewater Agency Response Network (CalWARN) State Committee conference call.</p>
<b>WEROC EOC Readiness</b>	<p>At the North EOC, MET staff performed their annual inspection of the property and any improvement needs. Kelly used the opportunity to share recommended improvements to harden the facility against urban wildland fire threats. This also includes MWDOC Engineering staff investigating the AMP structures at the property in order to add a hydrant for fire protection.</p> <p>Janine facilitated the cleaning of the North EOC and South EOC; participated successfully in the MARS and OA Radio Tests; and met with IDS Group at the South EOC to continue the seismic study improvement process.</p>

<b>WATER USE EFFICIENCY</b>	
<b>Metropolitan Conservation Program Advisory Committee</b>	<p>On November 14, Joe Berg hosted the Orange County Water Loss Control Workgroup meeting at MWDOC. Twenty-three member agency staff attended this meeting. Dr. Kartiki Naik from the State Water Resources Control Board (SWRCB) shared her thoughts on how the SWRCB might approach setting the water loss water saving standard. Additionally, the meeting focused on:</p> <ul style="list-style-type: none"> <li>• State-wide water audit results and SB 555 Target Setting.</li> <li>• Year III Technical Assistance offering.</li> </ul> <p>The next meeting is scheduled for January 9, 2018 at MWDOC.</p>
<b>Metropolitan Water Use Efficiency Workgroup</b>	<p>On November 16, Rachel Waite attended MET's Water Use Efficiency Workgroup meeting. Approximately 30 member agencies participated in the meeting. Agenda items included:</p> <ul style="list-style-type: none"> <li>• Metropolitan Board Presentation for November on Conservation/IRP and AWE Peer Review</li> <li>• Pasadena Water and Power Smart Controller Direct Install Pilot</li> <li>• Innovative Conservation Program Dipper Well Study</li> <li>• Innovative Conservation Program Update</li> <li>• External Affairs and Outreach Update <ul style="list-style-type: none"> <li>○ MWD's New Three Year Conservation Marketing Campaign</li> <li>○ Be the Voice 4 Water Video Competition</li> </ul> </li> <li>• Future Meeting Items</li> </ul> <p>The next Workgroup meeting is scheduled for January 18 at MET.</p>
<b>SWRCB Workshop on Proposed Water Use Prohibitions</b>	<p>On November 21, Joe and Heather Baez from MWDOC attended the SWRCB Workshop on proposed regulations to permanently prohibit certain wasteful water uses. The purpose of the workshop was to receive comments, objections, and recommendations regarding the proposed action. This was an informational workshop only; no action was taken by the SWRCB. Staff is in the process of composing a comment letter that will be shared with member agencies. Comment letters are due December 26, 2017. It is anticipated that the SWRCB will take action to adopt these regulations at its February 2018 meeting. If adopted, the regulations would become effective in April 2018.</p>

<b>Metropolitan Water Use Efficiency Program Advisory Committee (PAC)</b>	On November 30, Joe participated in Met's Water Use Efficiency PAC. Approximately 15 MET member agency staff attended this meeting. The meeting focused on developing program refinement recommendations to be considered by the Board in spring of 2018.
<b>North American Water Loss Conference</b>	On December 4 and 5, Joe attended the North American Water Loss Conference in San Diego. This international conference was sponsored by the Cal-Nev Chapter of the American Water Works Association. Joe and Lucy Andrews with Water Systems Optimization, Inc. presented Orange County's Water Loss Control Technical Assistance Program and the two years of water audit results. Joe also conducted research on leak detection equipment in preparation for the upcoming equipment purchase.
<b>MWDOC Landscape Education Program Advisory Committee</b>	<p>On December 7, Joe, Rachel, Steve Hedges, Matthew Conway, and Beth Fahl held a Landscape Education PAC meeting at MWDOC. Four member agencies participated in the PAC, the intent of which is to shape a robust education program for commercial landscape maintenance contractors, cities, and water district personnel. Agenda items included:</p> <ul style="list-style-type: none"> <li>• Commercial Contractor Education – QWEL Planning <ul style="list-style-type: none"> <li>○ Metropolitan Update</li> <li>○ Matrix</li> <li>○ RFP/Review Committee Participants</li> <li>○ Updates</li> </ul> </li> </ul> <p>The next meeting will be scheduled in early 2018.</p>
<b>California Water Efficiency Partnership</b>	<p>On December 13, Joe chaired the quarterly membership meeting of the California Water Efficiency Partnership. The meeting was hosted by the Chino Basin Water Conservation District, and approximately 70 water agency representatives from throughout the state attended. Agenda items included:</p> <ul style="list-style-type: none"> <li>• Water Supply and Water Quality Act of 2018</li> <li>• California Data Collaborative Update</li> <li>• Potential Conservation Study</li> <li>• Executive Director Report and Discussion of Strategic Plan</li> <li>• 2018 Member Listening Tour</li> </ul> <p>The next meeting is scheduled for March 2018 in northern California.</p>

<b>Orange County WUE Workgroup</b>	<p>On December 7, Joe, Rachel, Matthew, Steve, Beth, and Damon hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting at MWDOC. Approximately 17 agencies participated in the meeting. Highlights on the agenda included:</p> <ul style="list-style-type: none"> <li>• MWDOC Updates</li> <li>• Agency Roundtable/Problem Solving</li> <li>• Public Affairs Update</li> <li>• Permanent Restrictions and Conservation Legislation Update</li> <li>• Metropolitan Update <ul style="list-style-type: none"> <li>○ Discussion on Conservation Programs and the 2015 IRP Update Conservation Targets</li> <li>○ Follow-Up on AWE Peer Review Recommendations</li> </ul> </li> <li>• Water Use Efficiency Programs Update <ul style="list-style-type: none"> <li>○ Choice Program for FY 2018-19</li> <li>○ MWDOC Education PAC Update</li> <li>○ Smart Timer Rebate Program <ul style="list-style-type: none"> <li>▪ MET Grant Funding</li> </ul> </li> </ul> </li> <li>• CalWEP Update <ul style="list-style-type: none"> <li>○ Bylaws Update</li> <li>○ Calendar</li> </ul> </li> <li>• Future Agenda Items</li> </ul> <p>The next meeting is scheduled for February 1, 2018 at MWDOC.</p>
<b>PUBLIC/GOVERNMENT AFFAIRS</b>	
<b>Member Agency Relations</b>	<p>Public Affairs Staff and Heather prepared, coordinated, and hosted a joint Legislative/Public Affairs Workgroup. Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Designed 2 bill inserts and coordinated print orders for member agencies</li> <li>• Produced a proclamation honoring the retirement of George Murdoch</li> <li>• Coordinated with MET to provide the City of Westminster a MET-produced video for a Council meeting</li> <li>• Attended the monthly Water Use Efficiency Workgroup meeting and provided a communications update to attendees</li> <li>• Assisted the City of Garden Grove with a request to MET for California Friendly outreach materials</li> <li>• Provided a current photo of a rebate device for El Toro Water District's outreach efforts</li> <li>• Upon request, provided the new District logo to IRWD</li> </ul>



<b>Community Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>Solicited quotes for a scaleable Ricki the Raindrop image which can be used across a variety of outreach efforts</li> </ul> <p>Heather attended the Women in Water meeting hosted by IRWD. Melissa Baum-Haley was a featured speaker.</p>
<b>Education</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>Attended the annual MET “Water is Life” Student Art Exhibit and Reception. Staff attended to represent the agency and support student winners from the District. Ricki the Raindrop participated in the mascot raid.</li> <li>Prepared a support letter for Saddleback College Dew and Fog Catchment System grant application to MET</li> <li>Assisted the City of Anaheim with an observation opportunity for the high school program</li> <li>Provided the City of Westminster information related to an education program update for the City Council</li> <li>Provided billing clarification to East Orange County Water District based on their commitment for the high school program</li> <li>Assisted Mesa Water with information regarding upcoming high school program classroom and expo dates</li> <li>Informed the City of Huntington Beach of an observation opportunity for the high school program</li> <li>Upon request, collecting backup for school year 2017-18 from school program contractors to support billing for Moulton Niguel</li> <li>Updated and coordinated a print of Ricki books for the Elementary School Program</li> </ul>
<b>Media Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>Prepared and distributed a news release announcing the District’s new website launch</li> <li>Participated in several meetings to discuss strategy with the social media Consultant</li> </ul>
<b>Special Projects</b>	<p>Public Affairs staff:</p> <ul style="list-style-type: none"> <li>Launched the new District website</li> <li>Created a MWDOC brand and logo style guide</li> <li>Created a new MWDOC branded PowerPoint template</li> </ul>

<b>Special Projects</b> (Continued)	<ul style="list-style-type: none"> <li>• Coordinated a selection of recommended MWDOC apparel items for staff and Board with the new District logo</li> <li>• Created a new MWDOC branded business card template</li> <li>• Coordinated, prepared and sent out an eCurrents newsletter</li> <li>• Working with staff at the Department of Water Resources to secure a date for the next Water Policy Dinner &amp; Forum with keynote speaker Director Grant Davis</li> <li>• Working with MWDOC attorneys to finalize a website privacy policy for the new website</li> <li>• Prepared an “opt-in” survey for MWDOC emails and other correspondence which was sent out through the eCurrents newsletter</li> <li>• Are currently working on itineraries, trip logistics, guest and Director requirements for the following inspection trips:             <ol style="list-style-type: none"> <li>1. January 12-13, 2017, Director McKenney, CRA</li> <li>2. January 26-28, 2017, Director Barbre, CRA/Hoover</li> <li>3. February 23-24, 2017, Director Ackerman, SWP</li> </ol> </li> </ul> <p>Heather staffed the WACO Planning meeting.</p> <p>Heather and Melissa attended the ACWA Conference in Anaheim.</p>
<b>Legislative Affairs</b>	<p>Public Affairs staff worked on collateral for the 2018 DC Luncheon; IEUA is taking the lead on Briefing Book assembly this year</p> <p>Bryce updated the Save the Date cards for the 2018 D.C. luncheon. Heather had them printed and cut for distribution by Directors Barbre and Yoo Schneider in D.C.</p> <p>Heather and Joe attended the State Water Resources Control Board public meeting in Sacramento on water conservation/prohibited uses. Joe provided testimony on MWDOC's behalf.</p> <p>Heather participated in a conference call with the D.C. luncheon partner agencies and set timelines for the briefing book and other goals.</p> <p>Heather participated in an interview panel for West Basin MWD who has solicited proposals for federal advocacy services.</p>
<b>Water Summit</b>	<p>Public Affairs staff:</p> <ul style="list-style-type: none"> <li>• Conducted staff meeting with OCWD to prepare for the 2018 Summit.</li> <li>• Have begun soliciting sponsors and speakers.</li> </ul>

**INFORMATION CALENDAR**

**MWDOC GENERAL INFORMATION  
ITEMS**

**MWDOC BOARD OF DIRECTORS**

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