

**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 4, 2015

At 8:30 a.m. President Dick called to order the Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. OCWD General Manager Mike Markus led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre*
Larry Dick*
Joan Finnegan (absent)
Susan Hinman
Wayne Osborne
Sat Tamaribuchi
Jeffrey M. Thomas

MWDOC STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Harvey De La Torre, Associate General Mgr.
Maribeth Goldsby, Secretary
Jonathan Volzke, Public Affairs Manager
Kevin Hostert, Water Resources Analyst
Richard Bell, Principal Engineer

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman (absent)

OTHERS PRESENT

Mark Monin
William Kahn
Ken Vecchiarelli
Steve LaMar
Doug Reinhart
Peer Swan
Paul Weghorst
Patrick Shields
Paul Shoenberger
Don Froelich
Mike Markus
John Kennedy
Ray Miller
Dennis Erdman
Andy Brunhart
Gary Melton
Liz Mendelson
Ed Means
Richard Eglash
Catherine Glick
Debra Man

El Toro Water District
El Toro Water District
Golden State Water Company
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water District
Moulton Niguel Water District
Orange County Water District
Orange County Water District
City of San Juan Capistrano
South Coast Water District
South Coast Water District
Yorba Linda Water District
San Diego County Water Authority
Means Consulting
Brady & Associates
San Juan Basin Authority
Metropolitan Water District of So. California

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

No items were presented.

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

President Dick inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting with General Manager Hunter responding no items were distributed.

No items were distributed.

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

No comments were received.

PRESENTATION/DISCUSSION/INFORMATION ITEMS

ORANGE COUNTY'S DROUGHT PERFORMANCE

Mr. Harvey De La Torre reported on Orange County's performance under the State Board's mandatory reduction, highlighting that Orange County retail water agencies reported an aggregated water savings of approximately 28% for the month of September 2015 (compared to September 2013 water usage), which exceeded Orange County's conservation target of 22%. Mr. De La Torre also provided information on MET's water storage levels, precipitation levels and forecasts of a possible wet "El Nino" year.

Following a brief discussion regarding MET's budget compared to water sales, the Board received and filed the report.

STATUS ON METROPOLITAN'S 2015 INTEGRATED RESOURCES PLAN (IRP) – MET'S PUBLIC OUTREACH WORKSHOP HELD ON OCTOBER 2, 2015

Mr. De La Torre reported that MET held its public outreach workshop on updating its Integrated Water Resources Plan (IRP) on October 22, 2015. He noted that the workshop was broken in two parts, with the morning session focusing on the general description and purpose of the IRP, the process, and current situation regarding water supplies and demands; followed by an afternoon session on participant dialogue on four key areas, namely, (1) future water conservation, (2) building local resources, (3) sustainable groundwater management, and (4) stabilizing imported supplies. Following his report, the Board received and filed the information as presented.

**METROPOLITAN WATER DISTRICT'S POTENTIAL AGREEMENT WITH THE
SANITATION DISTRICTS OF LOS ANGELES COUNTY FOR DEVELOPMENT OF A
DEMONSTRATION-SCALE RECYCLED WATER TREATMENT PLANT --
PRESENTATION BY DEBRA MAN (MET)**

Ms. Debra Man (MET), provided an overview of MET's potential agreement with the Sanitation Districts of Los Angeles County for developing a regional recycling water project for the recharge of groundwater basins and augmentation of water supplies within the Southern California region, and, in particular, delivering such recycled water to the Orange County basin. Ms. Man's presentation included an overview of the need for resource development, MET's 2010 IRP goals, the projected drop in groundwater production, and the importance for a diverse resource mix for reliability. Ms. Man highlighted the proposed terms of the Agreement, including the division of responsibilities and timeline for completion, as well as potential State funding opportunities, and the potential for CEQA compliance for a full scale Phase 1 operation. She advised that the proposed Agreement is subject to the MET Board's approval.

Considerable discussion ensued regarding whether such a project would be in MET's regional best interest (vs. localized interests), regulatory acceptance, OCWD's Groundwater Replenishment Project, and the need to fully review how OCWD has developed the successful GWRS Project, the formation of a technical group to review the issues, the possibility for unforeseen costs, and timing for completing the project (if approved).

The Board thanked Ms. Man for her presentation, and received and filed the presentation.

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

The Board received and filed the information as presented.

OTHER INPUT OR QUESTIONS ON MET ISSUES FROM MEMBER AGENCIES

ETWD Director William Kahn, requested MWDOC staff obtain and distribute a copy of MET's regulatory engineering report on why the Two Gates project (Bay Delta) was not feasible; Ms. Man indicated she would follow up on this item.

Director Hinman commented that it would be prudent for MET to not only explore recycled water projects (as presented above), but to also explore secondary sources (such as desalination) for those agencies almost entirely dependent on imported MET water.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

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

It was noted that information regarding MET agenda item number 8-8 (authorize the General Manager to enter into a conditional purchase and sale agreement to acquire property from Delta Wetlands Properties in Contra Costa, San Joaquin, and Solano Counties) could not be discussed, as it was a closed session item.

Director McKenney advised that he was invited to Chair ACWA's advisory committee on exploring an initiative to amend the State's Constitution for a more feasible approach to setting water rates by incentivizing conservation, and to address the issue of "lifeline" rates (which public agencies are prohibited in establishing). The Board generally supported his participation.

President Dick announced that MWDOC would hold its Elected Officials Forum on November 5, 2015 and encouraged all to attend.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 9:52 a.m.

Maribeth Goldsby
Board Secretary