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

September 7, 2016

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. General Manager Rob Hunter led the Pledge of Allegiance and Secretary Goldsby called the roll.

### MWDOC DIRECTORS

Brett R. Barbre\*
Larry Dick\*
Joan Finnegan
Susan Hinman
Wayne Osborne
Sat Tamaribuchi (

Sat Tamaribuchi (absent) Jeffrey 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. Joe Berg, Dir. of Water Use Efficiency Jonathan Volzke, Public Affairs Manager Melissa Baum-Haley, Sr. Water Resource Analyst

\*Also MWDOC MET Directors

### **OTHER MWDOC MET DIRECTORS**

Larry McKenney Linda Ackerman (absent)

### **OTHERS PRESENT**

Debra Man Metropolitan Water District of So. Cal. Mark Monin El Toro Water District

William Kahn El Toro Water District

Ken Vecchiarelli Golden State Water Company

Paul Shoenberger Mesa Water

Don Froelich Moulton Niguel Water District Doug Reinhart Irvine Ranch Water District Steve LaMar Irvine Ranch Water District Peer Swan Irvine Ranch Water District Paul Cook Irvine Ranch Water District Irvine Ranch Water District Paul Weghorst John Kennedy **Orange County Water District Orange County Water District** Adam Hutchinson

Ray Miller San Juan Capistrano

Saundra Jacobs
Rick Erkeneff
South Coast Water District
South Coast Water District
South Coast Water District
Dennis Erdman
South Coast Water District
South Coast Water District
South Coast Water District
Andy Brunhart
South Coast Water District
Yorba Linda Water District

Ed Means Means Consulting

Kelly Rowe Richard Gardner

Richard Eglash Brady & Associates

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

No items were presented.

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

President Osborne 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.

### PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

No items were received.

### PRESENTATION/DISCUSSION/INFORMATION ITEMS

## INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS

President Osborne requested reports from the MET Directors and comments, questions, or input from the audience.

Director Saundra Jacobs (Santa Margarita Water District) highlighted the Colorado River issues under negotiation currently and suggested the MET Directors provide a report later in the meeting.

In response to a question by Director Swan (Irvine Ranch Water District), it was noted that the Assessed Valuation (AV) numbers were released and that although there were slight changes to the AV, no Directors were added or taken away from the MET Board.

Director Hinman referenced MET's current efforts relative to conducting an earthquake analysis for the Edmonston Pumping Plant (possible impacts in the event of an earthquake). Ms. Debra Man (MET) responded that MET has initiated a dialogue with the Department of Water Resources (DWR) on long-term planning (in the event of a disaster) for the State Water Project (SWP) facilities. Director Dick commended MET and their efforts with respect to planning ahead and caring for its facilities, noting that the condition of the SWP facilities would be in much better condition if MET was responsible for the maintenance.

Director McKenney commented on MET's IRP, how MET is evaluating supplies long-term, defining reliability, and the need and importance of redundant supplies (as well as conservation) for long-term planning.

General Manager Hunter commented on the importance of knowing how long the State Water Project facilities will be out of commission in the event of an earthquake; he suggested a push by the water community to get this analysis done.

Director Bill Green (South Coast Water District) highlighted the Doheny Desalination Project, and the possibility (if any) of partnering with MET on this project. Director Barbre highlighted the importance of developing additional supplies (especially in MWDOC's service area), noting that MET could possibly execute a Local Resources Program agreement with SCWD on this issue. Mr. Barbre also highlighted the need for additional storage (similar to Diamond Valley Lake). Mr. Green noted that SCWD is also open to partnerships other than MET.

Considerable discussion ensued regarding storage, the SMWD Optimization Plan, the Delta Fix (and the need to not lose focus of other projects as a result of the Fix efforts), the need for additional supplies, and the levels in the Orange County groundwater basin, and the need to fill the basin. Mr. Hunter provided a brief overview of MET's activities with respect to storing water in the basin.

YLWD General Manager Marc Marcantonio referenced an Urban Advisory Group (State Water Resources Control Board and Department of Water Resources), wherein they will be reviewing the emergency regulations (drought). He advised that Deven Upadhyay (MET) has been proactive on this issue and is in need of additional help and he encouraged all to get involved.

## PRESENTATION BY DEBRA MAN (METROPOLITAN) REGARDING MET'S INTEGRATED RESOURCES PLAN AND THE CARSON REGIONAL RECYCLING PROJECT

Ms. Debra Man provided information regarding the Carson Regional Recycling Project, which creates the development of a new regional water source and the opportunity for replenishment and storage in the groundwater basins, has a significant favorable impact on future probabilities of regional supply shortages, increases diversity per the IRP, and provides emergency storage benefits. Ms. Man reviewed the background of the Project, IRP targets (including dry-year targets), the benefits of the Demonstration Plant, the feasibility report methodology, and operational scenarios. She also provided an overview of the full-scale Advanced Water Treatment (AWT) base case, noting it would receive unchlorinated, non-nitrified secondary effluent from the Carson Joint Water Pollution Control Plant, would produce high-quality water suitable for groundwater recharge, and would use a tertiary Membrane Bioreaction Treatment process to achieve pathogen log reduction and minimize membrane fouling.

Discussion ensued regarding the information presented, with specific emphasis on the cost of the Project, possible financing scenarios, the distribution of water, indirect potable reuse, treatment options (to make direct potable reuse), the schedule for completion (10 years out), and the percentage of recoverable water (85%).

IRWD Director Swan suggested the Second Lower Cross Feeder be repurposed for the distribution of this type of water which would cut construction time significantly.

The Board received and filed the report.

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

Associate General Manager, Harvey De La Torre, reported on Orange County's water supply conditions and performance report for June 2016, noting that for the month of June, Orange County saved 22.90%, far exceeding the MWDOC Countywide saving goal of 10%. He also reviewed supply conditions, reservoir storage, snowpack levels, and the Table A State Water Project allocations for 2016 (currently set at 60%).

The Board received and filed the report.

### **LOCATION AND DATE FOR 2017 OC WATER SUMMIT**

President Osborne advised that as a result of the Joint OC Water Summit Ad Hoc Committee's vote to hold the 2017 Summit on June 16 at the Disney Grand Californian (which is not in the MWDOC service area and is approximately 1 month later than the traditional date), he would like the Board's input. He advised that he was the lone vote against the location and date in the Ad Hoc Committee discussions, preferring the third Friday in May at the Westin, South Coast Plaza.

Considerable discussion ensued, with Director Hinman sharing Mr. Osborne's belief on date and location, noting parking was difficult at the Grand Californian. Directors Dick and Thomas stated that although they would prefer the location to be in MWDOC's service area, it was OCWD's turn as lead agency and, as such, believed MWDOC should support their efforts and support the date and location they choose. Mr. Thomas suggested a shuttle service be utilized to assist with parking. Mr. Osborne suggested OCWD provide the same support for MWDOC when MWDOC is the lead agency.

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (5-1), the Board supported that the 2017 OC Water Summit be held on June 16, 2017 at the Grand Californian. Directors Barbre, Dick, Finnegan, Osborne, and Thomas voted in favor; Director Hinman opposed; and Director Tamaribuchi was absent.

### 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

SMWD Director Saundra Jacobs highlighted (c) above, Colorado River Issues, asking how the proposed strategy to reduce supplies to MET by 25% to avoid Lake Mead reaching critically low levels would affect deliveries to MWDOC. She asked how the MWDOC MET Directors feel about this strategy. Directors Dick and Barbre commented that Mr. Bill Hasencamp (MET

Colorado River Manager) is involved in these discussions and that their prime goals are to (1) maintain California's senior priority on the Colorado River, (2) increase our flexibility (e.g. use Intentionally Created Surplus), and (3) protect our Hoover power generation.

Discussion was also held regarding the State Water Resources Control Board hearings, and the status of South County Projects.

The Board received and filed the information as presented.

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

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

No new information was presented.

### **CLOSED SESSION**

At 10:46 a.m., Legal Counsel Byrne announced that pursuant to Government Code Section 54956.9(d)(4), the Board would adjourn to closed session for a conference with legal counsel regarding anticipated litigation (one case).

### **RECONVENE**

The Board reconvened at 11:37 a.m., and Legal Counsel Byrne announced that no reportable action was taken in closed session.

### **ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 11:37 a.m.

Maribeth Goldsby Board Secretary