

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
December 21, 2016, 8:30 a.m.

Teleconference Site:
Club Cascades de Baja
Camino Viejo a San Jose S/N
Playa El Medano
23410 Cabo San Lucas, B.C.S.
Mexico
949/278-5761

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENTS/PARTICIPATION

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

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

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

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

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

EMPLOYEE SERVICE AWARDS

NEXT RESOLUTION NO. 2040

CONSENT CALENDAR (Items 1 to 8)

(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. October 5, 2016 Workshop Board Meeting (revised)
- b. November 2, 2016 Workshop Board Meeting

- c. November 16, 2016 Regular Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee: November 14, 2016
- b. Administration & Finance Committee: November 9, 2016
- c. Public Affairs & Legislation Committee: November 21, 2016
- d. Executive Committee Meeting: November 17, 2016

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of November 30, 2016
- 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, 2016
- 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, 2016

Recommendation: Receive and file as presented.

5. RATIFY RESOLUTION ACKNOWLEDGING DAWN CHIN ON THE OCCASION OF HER RETIREMENT FROM THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Recommendation: Ratify the Resolution presented to Dawn Chin on the occasion of her retirement from the Metropolitan Water District of Southern California.

6. TRAVEL TO WASHINGTON, DC TO COVER FEDERAL INITIATIVES

Recommendation: Receive and file report.

7. TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES

Recommendation: Receive and file report.

8. AWARD CONTRACT FOR DESALINATION SLANT WELL DECOMMISSIONING PROJECT

Recommendation: Approve entering into the subject agreements for removal of the desalination test well at Doheny Beach:

- Award Jensen Drilling Company "MWDOC Desalination Slant Well Decommissioning Project" construction contract in the amount of \$297,777.00, contingent upon receiving concurrence from the Doheny Participants in moving forward with the Project.
- Authorize a one-time donation to California State Parks as an in-lieu payment for the cost of site restoration in the amount of \$45,000.
- Authorize the General Manager to enter into an agreement with Michael Baker International to lease the Mobile Test Facility.

The work is being funded from the 2008 Doheny Desal Project funds, plus additional funds that will be requested from the Participants.

– End Consent Calendar –

ACTION ITEMS**9-1 SELECTION OF A FIRM FOR COUNTY ADVOCACY SERVICES**

Recommendation: Authorize the General Manager to enter into a professional services contract with Lewis Consulting Group to provide county advocacy services.

9-2 EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH BEST, BEST & KRIEGER

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

9-3 EXTENSION OF FEDERAL LEGISLATIVE ADVOCACY CONTRACT WITH JAMES C. BARKER, P.C.

Recommendation: Extend the federal advocacy contract with James C. Barker, P.C. for 2017.

9-4 AUTHORIZATION TO CONTRACT FOR WEBSITE REDESIGN

Recommendation: Authorize entering into a contract with LA Design Studios to redesign the Municipal Water District of Orange County (MWDOC) website at a base cost of \$42,600 with a contingency of \$7,400 to allow for enhanced/special features (i.e. photography, animation, fillable forms) if such features are deemed necessary and appropriate.

9-5 MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE

Recommendation: Adopt the updated legislative policy principles and direct staff as presented.

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

10. GENERAL MANAGER'S REPORT, DECEMBER 2016 (ORAL AND WRITTEN)

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

11. MWDOC GENERAL INFORMATION ITEMS

- a. Board of Directors - Reports re: Conferences and Meetings and Requests for Future Agenda Topics

Recommendation: Receive and file as presented.

CLOSED SESSION**12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION. INITIATION OF LITIGATION PURSUANT TO PARAGRAPH (4) OF SUBDIVISION (D) OF SECTION 54956.9 (1 CASE)****ADJOURNMENT**

Note: Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by 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.

REVISED
MINUTES OF THE WORKSHOP BOARD MEETING
OF THE BOARD OF DIRECTORS OF
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)
WITH THE MWDOC MET DIRECTORS
 October 5, 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. Director McKenney 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
 Jeffrey M. Thomas (absent)

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
 Charles Busslinger, Principal Engineer
 Andrew Kanzler, WUE Coordinator
 Colin Eckerle, Intern
 Kevin Hostert, Water Resources Analyst
 Heather Baez, Government Affairs Manager

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
 Linda Ackerman (absent)

OTHERS PRESENT

Deven Upadhyay
 Mark Monin
 William Kahn
 Bob Hill
 Katie Victoria
 Doug Reinhart
 Steve LaMar
 Paul Weghorst
 Paul Shoenberger
 Don Froelich
 Joone Lopez
 Jake Vollebregt
 John Kennedy
 Adam Hutchinson
 Ray Miller
 Chuck Gibson
 Dan Ferons

Metropolitan Water District of So. Cal.
 El Toro Water District
 El Toro Water District
 El Toro Water District
 City of Garden Grove
 Irvine Ranch Water District
 Irvine Ranch Water District
 Irvine Ranch Water District
 Mesa Water
 Moulton Niguel Water District
 Moulton Niguel Water District
 Moulton Niguel Water District
 Orange County Water District
 Orange County Water District
 San Juan Capistrano
 Santa Margarita Water District
 Santa Margarita Water District

Jim Leach
Dennis Erdman
Bill Green
Gary Melton
Ed Means
Kelly Rowe
Richard Eglash
Cathrene Glick
Bob Denver

Santa Margarita Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Means Consulting
Water Resources Consultant
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.

Mr. Chuck Gibson (Santa Margarita Water District) announced that the next ACWA Region 10 meeting would be held in Vista, CA and would include a tour of the Carlsbad Desalination Project.

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 Dennis Erdman (South Coast Water District) mentioned that Karl Seckel gave an excellent presentation on the OC Reliability Study at South Coast Water District, and that a slide from that presentation indicated that it would be prudent for all agencies to officially support the Water Fix. He asked what MWDOC's course of action for gaining regional support for the Water Fix would be (e.g., adopt resolutions).

Director Dick commented that a first step would be for agencies to reach out to local organizations (Rotary, Kiwanis, etc.) regarding the Water Fix. Director Hinman commented she would highlight this issue at the next Women in Water meeting.

General Manager Hunter noted that it is imperative for legislators (at the National level) to be educated on this issue.

Director McKenney highlighted his MET activities, with emphasis the MET Finance & Insurance Committee activities, legislative issues, and the ACWA Board support of the Amicus Brief ~~in the San Diego County Water Authority/MET litigation~~.

Director Barbre mentioned that the election of the MET Chair is an important issue that will go before the MET Board in October, noting that Director Randy Record is seeking his second term (unopposed).

Director Dick highlighted his activities with respect to the MET Agriculture and Industry Relations Committee.

President Osborne reminded the audience that the purpose of this item is to provide the opportunity for MWDOC's Member Agencies to ask questions and communicate with the MWDOC MET Directors and he encouraged those in attendance to do so.

Mr. Osborne also announced that the Member Agency Elected Officials Forum is currently scheduled for November 3rd. He commented that due to the election (November 8th) it may be prudent to move the meeting to January. Following considerable discussion regarding January dates, it was decided that the next Elected Officials Forum would be held on Thursday, January 5, 2017 at 6:00 p.m.

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

Water Resources Analyst Kevin Hostert reported on Orange County's water supply conditions and conservation performance for August 2016, noting that for the month of August, Orange County saved 16.33% 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%).

Discussion ensued regarding the severe restrictions on the Delta (causing the loss of approximately 990,000 acre-feet of water to the ocean) and how the Water Fix would help decrease losses to the ocean.

The Board received and filed the report.

UPDATE ON IMPLEMENTING GOVERNOR'S EXECUTIVE ORDER B-37-16 MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE

Director of Water Use Efficiency, Joe Berg, advised that Governor Brown signed Executive Order B-37-16 "Making Water Conservation A California Way of Life," which directed state agencies to update temporary emergency water restrictions, strengthen local drought contingency plans, and develop new permanent, long-term water use targets. He noted that to aid in the development of the recommendations to implement the Governor's Executive Order actions, the state agencies convened an Urban Advisory Group (UAG) comprised of water agencies, cities, environmental organizations, and stakeholders. To date, two UAG meetings have taken place (one in Northern California and one at MET). To provide insight on the conceptual proposals presented by the states agencies and the UAG discussions, MWDOC

asked UAG members Joe Berg, Deven Upadhyay (MET), and Joone Lopez (MNWD) to give their perspective of the process and proposals thus far.

Mr. Berg presented information regarding the State's implementing of the Executive Order, highlighting the four main areas of focus for the updated Order (out of 13), which included: (1) use water more wisely, (2) eliminate water waste, (3) strengthen local drought resilience, and (4) improve agricultural water use efficiency and drought planning. He also provided an overview of the process which includes meetings with the UAG and Technical Advisory Workgroup, the State Board, and DWR staff, as well as an overview of the long-term efficiency targets. One area of particular concern is the State's intention to impose water budgets upon local agencies.

Following his presentation, a panel discussion with Joe Berg, Joone Lopez, and Deven Upadhyay ensued. Topics covered in the discussion included outdoor irrigation areas, the need to preserve local agency investments and local decision making rather than the State, the legality of imposing water budgets, the need to put additional focus on supply (rather than just demand), the need to not discourage local investments in developing water supplies, the economic impacts of increased regulations, and the need to expand our circle of advocates statewide to provide meaningful input in the process.

The Board thanked the panelists and received and filed the report.

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project
- f. 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 September MET Board Meeting
- b. Review Items of significance for the Upcoming MET Board and Committee Agendas

No new information was presented.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:47 a.m.

Maribeth Goldsby
Board Secretary

**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 2, 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. Director Hinman 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
Jeffrey M. Thomas (absent)

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.
Jonathan Volzke, Public Affairs Manager
Melissa Baum-Haley, Sr. Water Resource Analyst
Kevin Hostert, Water Resources Analyst

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman

OTHERS PRESENT

Richard Bell
Lisa Ohlund
Mark Monin
William Kahn
Fred Adjarian
Bob Hill
Mike Dunbar
Brian Ragland
Peer Swan
Doug Reinhart
Steve LaMar
Mary Aileen Mathias
Paul Weghorst
Paul Cook
Jim Fisler
Jim Atkinson
Don Froelich
Richard Fiore
Brian Probolsky
Joone Lopez
Jake Vollebregt
John Kennedy
Mike Markus

East Orange County Water District
East Orange County Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
Emerald Bay Service District
Huntington Beach
Irvine Ranch Water District
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
Mesa Water
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

Adam Hutchinson
Ray Miller
Chuck Gibson
Dan Ferons
Jim Leach
Kelly Radvansky
Dennis Erdman
Bill Green
Wayne Rayfield
Steve Dopudja
Gary Melton
Ed Means
Richard Eglash
Liz Mendelson
Richard Gardner
Catherine Glick
Senator Patricia Bates

Orange County Water District
San Juan Capistrano
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
South Coast Water District
Trabuco Canyon Water District
Yorba Linda Water District
Means Consulting
Brady & Associates
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 with General Manager Hunter responding no items were distributed.

No items were presented.

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

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

MET Director Ackerman highlighted the MET discussions regarding the California WaterFix, noting that cost allocations/estimates are anticipated to be presented to the MET Board in the coming months. She also commented on the MET Board item with respect to the Lower

Colorado River Drought Contingency Plan, noting that the Board submittal addresses the three main areas of focus (storage access, future conflict, and dam protection/power generation).

Director Dick highlighted his activities with respect to recent inspection trips (including an agricultural inspection trip).

Director Barbre commented on the efforts MET has taken to ensure the Diemer Plant is fully functional and operational by replacing and updating equipment.

President Osborne reminded the audience that the purpose of this item is to provide the opportunity for MWDOC's Member Agencies to ask questions and communicate with the MWDOC MET Directors and he encouraged those in attendance to do so.

Considerable discussion ensued regarding the WaterFix cost allocations (MET's contributions and user pays), as well as the negotiations on the Colorado River.

ORANGE COUNTY'S WATER SUPPLY AND PERFORMANCE REPORT FOR AUGUST 2016

Water Resources Analyst Kevin Hostert reported on Orange County's water supply conditions and conservation performance for August 2016, noting that for the month of August Orange County saved 16.33%, 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% for 2016).

The Board received and filed the report.

UPDATE ON IMPLEMENTING GOVERNOR'S EXECUTIVE ORDER B-37-16 MAKING WATER CONSERVATION A CALIFORNIA WAY OF LIFE

Sr. Water Resources Analyst, Melissa Baum-Haley, provided an update on the activities surrounding implementing the Governor's Executive Order B-37-16 (making water conservation a California way of life). Ms. Baum-Haley advised that to aid in the development of recommendations to implement this Order, the state agencies convened an Urban Advisory Group (UAG) comprised of approximately 35 water agencies, cities, environmental organizations, and stakeholders from across California (including representation from MET, MWDOC, and MNWD). She reviewed the four main areas of the Order, namely, use water more wisely, eliminate water waste, strengthen local drought resilience, and improve agricultural water use efficiency. With respect to urban water use, the main focus is on using water more wisely, eliminating water waste, and strengthening local drought resistance.

Discussion ensued regarding the state's authority with respect to urban landscaping (plant selection, etc.), potential penalties, and MWDOC's outreach efforts with the MWDOC agencies, as well as the ACCOC and others. Following discussion, it was noted that MWDOC staff would develop a template letter for others to use for commenting to the State on the draft report.

The Board received and filed the report.

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET's Water Supply Conditions
- b. MET's Finance and Rate Issues
- c. Colorado River Issues
- d. Bay Delta/State Water Project Issues
- e. MET's Ocean Desalination Policy and Potential Participation by MET in the Doheny Desalination Project
- f. 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 Meeting
- b. Review Items of significance for the Upcoming MET Board and Committee Agendas

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

RECOGNITION OF DIRECTOR SUSAN HINMAN FOR HER SERVICE ON THE MWDOC BOARD OF DIRECTORS (ON THE OCCASION OF HER RETIREMENT)

At 9:45 a.m., President Osborne, as well as Directors Finnegan, Dick, and Barbre commended Director Hinman on her exemplary service, and presented her with a commendation Resolution honoring her on the occasion of her retirement.

This presentation was followed by presentations and comments from MWDOC's General Manager and member agencies, Senator Bates, and a representative from Supervisor Bartlett's office.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 11:00 a.m.

Maribeth Goldsby
Board Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
November 16, 2016**

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. Administrative Services Manager Cathy Harris 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 (absent)
Jeffery M. Thomas

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Cathy Harris, Admin. Services Manager

ALSO PRESENT

Larry McKenney
William Kahn
Saundra Jacobs
Charley Wilson
Dan Ferons
Jim Leach
Dennis Erdman
Andy Brunhart
Gary Melton
Marc Marcantonio
Richard Eglash
Kelly Rowe

MWDOC MET Director
El Toro Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Brady & Associates
Water Resources Consultant

EMPLOYEE SERVICE AWARD

President Osborne presented an award to Cathy Harris (Administrative Services Manager) for thirty years of service to the District.

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.

Santa Margarita Water District Director Saundra Jacobs noted that she was out of town on the date the District celebrated Susan Hinman's retirement. She thanked and commended Director

Hinman on her years of dedicated service to the District. Ms. Jacobs also congratulated Director Thomas on winning the election in Division 6.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

No items were 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.

No information was presented.

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.

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (6-0), the Board approved the Consent Calendar items as follows. A roll call vote was taken, and Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Thomas all voted in favor. Director Tamaribuchi was absent.

MINUTES

The following minutes were approved.

October 5, 2016 Workshop Board Meeting
October 19, 2016 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: October 3, 2016
Administration & Finance Committee Meeting: October 12, 2016
Public Affairs & Legislation Committee Meeting: October 17, 2016
Executive Committee Meeting: October 20, 2016

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of October 31, 2016
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, 2016

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, 2016

END CONSENT CALENDAR

ACTION CALENDAR

ADOPT RESOLUTION AMENDING DISTRICT PENSION PLAN TO ALLOW CONTRIBUTIONS TO GENERAL MANAGER'S 401 ACCOUNT

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (6-0), the Board adopted RESOLUTION NO. 2038, approving Amendment No. 1 to the Municipal Water District of Orange County Pension Plan, as presented.

AYES: Directors Barbre, Dick, Finnegan, Hinman, Osborne & Thomas
NOES: None
ABSENT: Director Tamaribuchi
ABSTAIN: None

VENDOR SELECTION FOR PRODUCTION OF CHOICE WHITEBOARD VIDEOS

Upon MOTION by Director Finnegan, seconded by Director Hinman, and carried (6-0), the Board approved Spotlight Video as the CHOICE whiteboard vendor. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Thomas voted in favor; Director Tamaribuchi was absent.

VENDOR SELECTION FOR PRODUCTION OF CHOICE OC WATER MAGAZINE

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (5-1), the Board approved the *OC Register* as the vendor for *OC Water Magazine* CHOICE program. Directors, Dick, Finnegan, Hinman, Osborne, and Thomas voted in favor; Director Barbre voted against, and Director Tamaribuchi was absent.

APPROVE RECOMMENDATIONS IN THE EMERGENCY OPERATIONS CENTER (EOC) ASSESSMENT STUDY AND STAFF ACTIONS

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (6-0), the Board accepted the recommendations of the WEROC EOC Assessment Report submitted by Claris Strategies and authorized staff to move forward as follows: (1) Reduce primary WEROC EOC's from two to one in accordance with the study; and (2) Complete the following work at the South EOC: life safety recommendations, electrical study, and seismic assessment. Staff will utilize the FY2016/2017 budget and WEROC reserves for this work and will bring any items requiring board approval back for authorization. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Thomas voted in favor; Director Tamaribuchi was absent.

EXECUTION AND IMPLEMENTATION OF WATER USE EFFICIENCY GRANT AGREEMENTS

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (6-0), the Board authorized the General Manager to sign grant agreements and for staff to implement: (1) the US Bureau of Reclamation Agreement for implementation of the Comprehensive Landscape Water Use Efficiency Program - Phase II, and (2) the South Orange County Integrated Regional Water Management Implementation Grant for Strategic Turfgrass Removal and Design Assistance Program. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Thomas voted in favor; Director Tamaribuchi was absent.

LRP AGREEMENT BETWEEN METROPOLITAN, MWDOC, AND EL TORO WATER DISTRICT FOR THE EL TORO RECYCLED WATER SYSTEM EXPANSION PHASE II PROJECT

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board authorized the General Manager to execute the final Local Resources Program agreement with Metropolitan Water District of Southern California and El Toro Water District substantially in the form presented for the El Toro Recycled Water System Expansion Phase II Project, subject to review and approval by Legal Counsel of any agreement changes. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Thomas voted in favor; Director Tamaribuchi was absent.

LRP AGREEMENT BETWEEN METROPOLITAN, MWDOC, AND SANTA MARGARITA WATER DISTRICT FOR THE LAKE MISSION VIEJO ADVANCED PURIFICATION WATER TREATMENT FACILITIES PROJECT

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (6-0), the Board authorized the General Manager to execute the final Local Resources Program agreement with Metropolitan Water District of Southern California and Santa Margarita Water District substantially

in the form presented, for the Lake Mission Viejo Advanced Purification Water Treatment Facilities Project, subject to review and approval by Legal Counsel of any final agreement changes. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Thomas voted in favor; Director Tamaribuchi was absent.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, NOVEMBER 2016

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

Director Barbre commented on the General Manager's and Director Tamaribuchi's activities with respect to CCEEB and various meetings with environmental groups; he asked that a report on these activities be provided to the Board.

General Manager Hunter reported that the Elected Officials Forum would be held on January 5th, and that the next Water Policy Forum dinner (featuring Mark Cowin) would be held January 26th.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS

BOARD OF DIRECTORS

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

Director Thomas reported on attending the Board meeting, Planning & Operations, Public Affairs & Legislation, Administration & Finance, and Executive Committee meetings, as well as the State of the Schools event in Tustin, the WACO meeting, the Lake Mission Viejo opening, the MET meetings, the Southern California Marketing Association Infrastructure meeting, the MWDOC/OCWD Joint Planning Committee meeting, the Southern California Water Committee meeting, and OC Water Summit planning meeting(s). Mr. Thomas acknowledged the public service provided by Gary Melton (YLWD) (as a result of the recent election loss), and thanked Susan Hinman for her service on the MWDOC Board.

Director Hinman advised that she attended all of the MWDOC Board and Committee meetings, as well as the Moulton Niguel Water District Board meeting, a State Water Project inspection trip, the MWDOC/OCWD Joint Planning Committee meeting, and the South County Watershed Management Executive Committee meeting. She thanked staff for all of their assistance to her over the years.

Director Barbre reported that he attended the following meetings in his capacity of MET Director: MET Director luncheon, MET Committees (1st Monday and 4th Tuesday), Southern California Water Committee annual dinner, the WACO meeting, a meeting with Senator Moorlach regarding Delta issues, a meeting with Jeff Kightlinger and OCWD Board members regarding the Local

Resources Program and desalination issues, as well as a meeting with Debra Man, Gordon Johnson, and Larry Verne regarding MET bidding issues. He also reported on attending the following meetings in his capacity of MWDOC Director: the MWDOC Board and Board Workshop meetings, Executive, Administration & Finance, and Planning & Operations Committee meetings, as well as the YLWD Citizen's Advisory Committee meeting, the MWDOC/OCWD Joint Planning Committee meeting, the YLWD Board meeting, the SMWD Board meeting, and a tour of the Great Wolf Lodge. Mr. Barbre commented on the recent election and his disappointment with the recall vote and its effect on YLWD; he commended Gary Melton for his service to the YLWD Board.

Director Finnegan stated that she attended MWDOC's two Board meetings, the Planning & Operations, Public Affairs & Legislation, Administration & Finance, and Executive Committee meetings, the ISDOC Executive Committee meeting, and the Mesa Water board meeting.

Director Dick reported that he attended the following meetings: The Executive, Administration & Finance, Planning & Operations, and Public Affairs & Legislation Committee meetings, the MWDOC Board and Board Workshop meetings, the MWDOC/OCWD Joint Planning Committee meeting, the Southern California Water Committee meeting, the South Orange County Economic Coalition meeting, the ISDOC Executive Committee meeting, the MWDOC MET Directors meeting, the MET Caucus, the MET Committee and Board meetings, the WACO Planning meeting, and the Urban Water Institute meetings. He commented on the positive effect of MET's contracting with Disabled American Veterans.

Legal Counsel Byrne announced that Director Tamaribuchi submitted a written report on meetings he attended and that these meetings included the Workshop Board meeting (11/2), the Administration & Finance (11/8), Planning & Operations (11/14), and Executive Committee (10/20) meetings, a meeting with MWDOC and MET staff regarding the California WaterFix (10/21), the Southern California Water Committee annual dinner (10/27), the CCEEB meeting (11/3), and the Baker Treatment Plant dedication.

President Osborne advised that he attended the Workshop and Regular Board meetings, the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the MWDOC/OCWD Joint Planning Committee meeting, the OC Water Summit Ad Hoc Committee meeting (10/31), and the WACO meeting (11/4).

ADJOURNMENT

There being no further business to come before the Board, President Osborne adjourned the meeting at 9:06 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
PLANNING & OPERATIONS COMMITTEE
November 14, 2016 - 8:30 a.m. to 10:15 a.m.
MWDOC Conference Room 101

P&O Committee:

Director Larry Dick
Director Susan Hinman
Director Joan Finnegan

Staff:

Robert Hunter, Karl Seckel, Joe Berg,
Harvey De La Torre, Katie Davanaugh,
Charles Busslinger, Kelly Hubbard,
Keith Lyon, Laura Loewen

Also Present:

Director Wayne Osborne
Director Brett Barbre
Director Sat Tamaribuchi
Director Jeff Thomas
Larry McKenney, MWDOC MET Director
Paul Weghorst, Irvine Ranch Water District
Paul Cook, Irvine Ranch Water District
Dan Ferons

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

PUBLIC PARTICIPATION

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

No items were distributed.

ACTION ITEMS

**APPROVE RECOMMENDATIONS IN THE EMERGENCY OPERATIONS CENTER
(EOC) ASSESSMENT STUDY AND STAFF ACTIONS**

Kelly Hubbard reported that two stand-alone Emergency Operations Centers have been operated by MWDOC for many years with the MWDOC office as a third site. A consultant was retained to evaluate all of the facilities to determine whether WEROC should continue with all of its EOC sites in a state of readiness or if a priority determination can be made. It was noted that significant capital expenditures will be needed in the near future to make

sure that the facilities are able to support the MWDOC member agencies in the event of an emergency.

Claris Strategy, William Lim, provided an overview of the WEROC Emergency Operations Center Facility Assessment that was recently completed. Mr. Lim reviewed the project scope and process, findings and recommendations. The report prepared by Claris reviewed site descriptions, an overview of their analysis, including evaluation criteria, hazards and risks, seismic reinforcement, life safety and information on a dedicated EOC, space functionality, cost and expense factors and infrastructure. Each of the criteria was analyzed and ranked to determine which facility or facilities would be most viable as a resource to MWDOC.

Based on national best practices, Claris determined that only 1 primary dedicated facility, with 1 alternate EOC is necessary versus the 3 that are currently operational. They believe that it is more effective to focus on one primary location and recommended maintaining the South EOC that is located in Mission Viejo. They do, however, believe that it would be important to retain the North EOC facility/property in the event something changed in the future, but not maintain it as an active facility. The 2nd location would be the MWDOC administration building as an alternate.

Discussion was held by the Committee, particularly on consideration of whether the North EOC would be a more suitable location. Ms. Hubbard noted that the North EOC is a 2-story structure, square footage is limited, it is not handicapped accessible, there are fire safety considerations, and the garage would need to be expanded for a more ideal location.

Relative to expenses to maintain radios, generators, utilities, supplies, etc. at the 2 current facilities, it will be most cost effective in the future to maintain one fully operational site that has better accessibility.

Mr. Lim thanked Kelly Hubbard and Karl Seckel for their thorough and cooperative efforts in completing the assessment.

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (3-0), the Committee recommended approval of the Recommendations in the Emergency Operations Center (EOD) Assessment Study and Staff Actions at the November 16, 2016 Board meeting. Directors Dick, Hinman and Finnegan all voted in favor.

EXECUTION AND IMPLEMENTATION OF WATER USE EFFICIENCY GRANT AGREEMENTS

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (3-0), the Committee recommended approval of the Execution and Implementation of Water Use Efficiency Grant Agreement at the November 16, 2016 Board meeting. Directors Dick, Hinman and Finnegan all voted in favor.

LRP AGREEMENT BETWEEN METROPOLITAN, MWDOC AND EL TORO WATER DISTRICT FOR THE EL TORO RECYCLED WATER SYSTEM EXPANSION PHASE II PROJECT

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (3-0), the Committee recommended approval of the LRP Agreement between MWD, MWDOC and El Toro Water District Recycled Water System Expansion Phase II Project at the November 16, 2016 Board meeting. Directors Dick, Hinman and Finnegan all voted in favor.

The Committee held discussion on the LRP approval process. Mr. Hunter noted that the current practice has been as follows:

- LRP application is received and processed by MWDOC and submitted to MET.
- MET reviews the application and seeks additional info.
- Once environmental review has been completed and application perfected, the item is scheduled for a future MET Board meeting.
- MET staff prepares a funding agreement. Action by both the local agency and MWDOC are required before the MET Board will take action.
- MET Board takes action.
- Agreements are executed.

The Committee requested that staff prepare a list of LRP projects so that the MWDOC Board has more advanced notice and can be fully informed on projects in the LRP program at the start of the application process, rather than upon completion.

LRP AGREEMENT BETWEEN METROPOLITAN, MWDOC AND SANTA MARGARITA WATER DISTRICT FOR THE LAKE MISSION VIEJO ADVANCED PURIFICATION WATER TREATMENT FACILITIES PROJECT

Upon MOTION by Director Finnegan, seconded by Director Hinman, and carried (3-0), the Committee recommended approval of the LRP Agreement between MWD, MWDOC and Santa Margarita Water District for the Lake Mission Viejo Advanced Purification Water Treatment Facilities Project at the November 16, 2016 Board meeting. Directors Dick, Hinman and Finnegan all voted in favor.

VENDOR SELECTION FOR PRODUCTION OF CHOICE WHITEBOARD VIDEOS

Mr. Hunter explained that whiteboard videos are a way to communicate a story via creative cartoon-like messaging. MWDOC is offering this as a choice program to allow many of MWDOC agencies to participate. The services of Spotlight Video are being recommended.

Upon MOTION by Director Finnegan, seconded by Director Hinman, and carried (3-0), the Committee recommended approval of the Vendor Selection for Production of Choice Whiteboard Videos at the November 16, 2016 Board meeting. Directors Dick, Hinman and Finnegan all voted in favor.

VENDOR SELECTION FOR PRODUCTION OF CHOICE OC WATER MAGAZINE

Upon MOTION by Director Finnegan, seconded by Director Dick, and carried (3-0), the Committee recommended approval of the Vendor Selection for Production of Choice OC Water Magazine at the November 16, 2016 Board meeting. Directors Dick, Hinman and

Finnegan all voted in favor.

DISCUSSION

AGREEMENTS FOR SHARED PROGRAMS AND SERVICES WITH ANAHEIM, SANTA ANA AND FULLERTON

The Committee inquired whether additional costs would be incurred by MWDOC as well as whether legal counsel had reviewed the item. Mr. Hunter responded that legal counsel has reviewed and concurred with the process. This allows the 3 cities to participate in the choice programs at a cost to their respective agency, as they participate.

PRESENTATION BY IRWD REGARDING THE PALO VERDE IRRIGATION DISTRICT (PVID) LAND PROJECT

Paul Cook was invited to MWDOC to provide a presentation about IRWD's Palo Verde Irrigation District land acquisition. Paul Weghorst and Paul Cook, IRWD, provided an overview of the IRWD Land within Palo Verde Irrigation District, noting that the land is located at the border of California and Arizona and that it is used for primarily alfalfa, cotton, melons and vegetables. The service area of PVID is 131,000 acres. Water use priorities and amounts from the Colorado River are broken down into 5 agencies, including Yuma Project, Imperial Irrigation and Coachella Valley Water Districts as well as Metropolitan Water District (MWD). The MWD and PVID fallowing program began in 2005 and yields 5 acre-feet per acre which yields an annual maximum benefit to MWD of 133,000 acre-feet per year. A location map of the area was shown, illustrating the actual location of the land as well as property boundaries of various farm properties.

Short term plans indicate that the land will continue to be leased to farmers to generate income, allowing the farmers to choose which crops are grown and to allow MWD to continue fallowing. IRWD will receive fallowing payments directly from MWD. Long term plans are similar to the short terms plans but will allow IRWD, MWD and MWDOC to continue to develop additional programs which would allow IRWD to receive an increased water supply to support reliability.

INFORMATION ITEMS

SOLE SOURCE CONTRACT WITH CV STRATEGIES

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 status 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.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:15 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 9, 2016 – 8:30 a.m. to 8:50 a.m.
MWDOC Conference Room 101

Committee Members:

Director Jeff Thomas, Chair (8:35)
Director Joan Finnegan
Director Brett Barbre

Staff:

Robert Hunter, Karl Seckel, Harvey DeLaTorre,
Katie Davanaugh, Cathy Harris,
Hilary Chumpitazi, Jonathan Volzke,
Charles Busslinger

Also Present:

Director Susan Hinman
Director Wayne Osborne
Director Larry Dick
Director Sat Tamaribuchi
Larry McKenney, MWDOC MET Director
Andrew Hamilton, Mesa Water
Doug Reinhardt, Irvine Ranch Water District
Bill Kahn, El Toro Water District

Director Barbre called the meeting to order at 8:30 a.m. and Director Osborne sat as Committee member, noting the Director Thomas had not yet arrived.

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 PARS report (Item 1g) and revised Item 3 were distributed.

PROPOSED BOARD CONSENT CALENDAR ITEMS

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – October 2016
- b. Disbursement Approval Report for the month of November 2016
- c. Disbursement Ratification Report for the month of October 2016
- d. GM Approved Disbursement Report for the month of October 2016
- e. Water Use Efficiency Projects Cash Flow – October 31, 2016
- f. Consolidated Summary of Cash and Investment – September 2016
- g. OPEB Trust Fund monthly statement

Following review of the Treasurer's Report and upon MOTION by Director Finnegan, seconded by Director Osborne, and carried (3-0), the Committee recommended the Treasurer's Report for approval at the November 16, 2016 Board meeting. Directors Barbre, Osborne and Finnegan all voted in favor.

Director Dick inquired on the expense to the Great Wolf Lodge on the Disbursement Register, with General Manager Hunter responding that staff is looking at the venue for future events. Director Osborne inquired about the disbursement to the San Juan Basin Authority with Mr. Seckel responding that the expense was for a report required under the program. Director Barbre inquired on the expense to the OC Business Council with Mr. Hunter responding that it was a budgeted item.

Mr. Hunter noted at the OCWD CUP balance payable will be paid at the end of the audit and the amount is slightly over \$3 million.

FINANCIAL REPORT

- a. Combined Financial Statements And Budget Comparative For The Period Ending September 30, 2016
- b. Quarterly Budget Review
- c. Audit Report FY 2015/16

Upon MOTION by Director Finnegan, seconded by Director Osborne, and carried (3-0), the Committee recommended the Financial Reports for approval at the November 16, 2016 Board meeting. Directors Barbre, Osborne and Finnegan all voted in favor.

Director Thomas resumed the meeting as chair of the Committee.

ACTION ITEMS

ADOPT RESOLUTION AMENDING DISTRICT PENSION PLAN TO ALLOW CONTRIBUTIONS TO GENERAL MANAGER'S 401 ACCOUNT

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (3-0), the Committee recommended approval of the item at the November 16, 2016 Board meeting. Directors Barbre, Thomas and Finnegan all voted in favor.

INFORMATION ITEMS

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

Discussion was held on the recruitment activities for the Administrative Assistant, noting that the position is open due to an employee on a leave of absence.

MONTHLY WATER USAGE DATA, TIER 2 PROJECTION, AND WATER SUPPLY INFO.

It was noted that the San Luis Reservoir levels are very low.

OTHER ITEMS

REVIEW ISSUES REGARDING DISTRICT ORGANIZATION, PERSONNEL MATTER, EMPLOYEE BENEFITS, FINANCE AND INSURANCE

No information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 8:50 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 21, 2016 - 8:30 a.m. to 10:00 a.m.

MWDOC Conference Room 101

Committee:

Director Brett Barbre (absent)
Director Susan Hinman
Director Sat Tamaribuchi

Staff:

Karl Seckel, Heather Baez, Laura Loewen,
Jonathan Volzke, Pat Meszaros,
Tiffany Baca, Harvey De La Torre,
Bryce Roberto, Melissa Baum-Haley

Also Present:

Larry Dick, MWDOC Director
Jeff Thomas, MWDOC Director
Joan Finnegan, MWDOC Director
Wayne Osborne, MWDOC Director
Larry McKenney, MWDOC MET Director
Dick Ackerman, Ackerman Consulting
John Lewis, Lewis Consulting
Steve Lamar, Irvine Ranch Water District
Paul Weghorst, Irvine Ranch Water District
Jim Leach, Santa Margarita W.D.
Tony Solorzano, Discovery Cube
Stacy Taylor, Mesa Water District
Christine Compton, IRWD
Jim Leach, Santa Margarita WD
Tim Jemal, Jemal Public Affairs
Patty Conover, OCBC
Sherry Seitz, El Toro Water District
Mark Gaughan

Chair Tamaribuchi called the meeting to order at 8:30 a.m. and appointed Director Osborne as a committee member in Director Barbre's absence.

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)**

Ms. Baez reported that she and Director Barbre traveled to DC last week and had a lot of good meetings with members. She commented that everyone seems to be cautiously optimistic about having a Republican majority in Congress and a Republican administration.

b. State Legislative Report (BBK)

Mr. Syrus Devers reported that this is about the quietest possible time in Sacramento, following the election. He reported that if all results hold, the political division will be: Assembly: 55 Democrats/25 Republicans and Senate: 26 Democrats/14 Republicans. Mr. Devers stated that he anticipated covering the proposed framework for the permanent conservation regulations pursuant to Exec. Order B-37-16, but the draft was delayed. He reported that the veto of SB 554 (Wolk) by the Governor is good news for Southern California. Since it would have extended the 75% state match for levee maintenance, new attention has been focused on the Delta Protection Commissions' effort to look at how maintenance should be funded. A draft report, due out on December 8, looks at beneficiaries in a comprehensive manner and identifies 6 tiers of interests that receive some benefit from the levee maintenance program. Delta communities receive the greatest benefit, however, infrastructure interests, such as railroads and utility power lines, came in ahead of Delta agricultural interests. These were followed by water importers South-of-the-Delta such as agriculture and Southern California.

There was some discussion on the narrow defeat of Proposition 53, the measure designed to require statewide voter approval on any California Revenue bond greater than \$2 billion, which was sponsored by Delta farmer, Dean Cortopassi, because of his opposition to Governor Brown's proposed \$17 billion Delta Tunnel Plan.

c. County Legislative Report (Lewis)

Mr. Lewis discussed Hilary Clinton's nearly 6% margin in formerly rock solid Republican Orange County and that last week was fascinating at the OC Registrar of Voters (ROV) because the stakes were so high, particularly the Ling Ling Chang race. There were 174 observers from the various campaigns with the poor ROV workers at their terminals with observers leaning over their shoulders. Republicans were largely challenging Hispanic ballots. The races of interest were Darrell Issa closing 95% certainty that he'll keep his seat and Andrew Do is out of the woods. At 5 pm today, ocvote.com will have the latest numbers.

Discussion ensued on the future of voting in California with Director Dick inquiring whether voters will continue to go to polling places. Mr. Lewis responded that there are concerns over old polling equipment. Mr. Devers added that both parties are leaning toward mail-in only which is more accurate than polling.

d. Legal and Regulatory Report (Ackerman)

Mr. Dick Ackerman noted that he traveled to Northern California over the weekend and "Trump's

administration will destroy the Delta” was a headline he read. While a lot of the north vs. south divide has been lessened over the years, there is still that thinking in some of the Bay area which is why we must continue to educate people about what’s going on.

e. MWDOC Legislative Matrix

f. Metropolitan Legislative Matrix

The reports were received and filed.

DISCUSSION ITEMS

WEBSITE DISCUSSION

Ms. Baca reported that Mr. Hunter requested that the website design be brought to the Board for discussion. She stated that there is a budget of \$50,000 and the RFP process generated 3 firms to interview on November 28. Ms. Baca stated further that MWDOC has a staff review panel which includes a representative from each department since the website impacts all departments. The 3 firms selected are all local, two in Orange County and one in Los Angeles. Ms. Baca noted that one of our primary changes is our search bar and it needs to search across our microsites.

Director Tamaribuchi stated that he’d like MWDOC to have a video on our website that explains the Delta fix and what we’re proposing. Further, that there should be like 3 major things that people can see immediately and pick off. Ms. Baca noted that MET produced a CA Water Fix video which is excellent and Director Tamaribuchi asked that it be sent to him.

Director Hinman inquired how we’re going to be adept at educating the public. Per Ms. Baca, another issue to be worked on is navigation and that there’s a lot of opportunity for education on a website that navigates well.

ACTION ITEMS

MWDOC’S POLICY PRINCIPLES

Mr. Seckel announced that this is an annual update and will not cover all details but the intent is to give general direction. Ms. Baez noted that there were not a lot of changes and there was no feedback from the Board and, of the member agencies, only IRWD commented. So, what we have listed are recommendations from legal staff and our Sacramento advocate and any additional input we received. Director Hinman stated that items 6 and 7 under Local Water Resources (oppose) are not clear and Ms. Baez agreed to rewrite 6 and 7 and possibly combine the two. Since 6 and 7 came from IRWD, Ms. Compton stated that the intent is that we consider what’s good for Orange County and not be forced to spend money when it’s not efficient. Ms. Baez added that it concerns local control--we don’t want DC or Sacramento telling us how to spend our money. Ms. Compton stated further that there have been ongoing discussions about how funding within this watershed should occur and ongoing concerns that Federal or State funds are being invested, for example, upriver which would impact flows to this region and GWRs. Further that while we understand the need to invest outside this region, we want to be sure the supplies we depend on are protected.

Ms. Baez reported that items 12 and 13 under Local Water Resources (support) also came from IRWD and she asked Mr. Lamar to address those. Mr. Lamar stated that with the passage of the WRDA bill, we thought we were getting additional funding for a variety of things, including storage, but IRWD received a letter from the Assistant Secretary of the Army Corps of Engineers that no, that was never their intent. So IRWD worked with Congresswoman Walters on legislation for WRDA funding. Walters clarified that funding for additional projects is possible to increase supply and so IRWD is still pushing very hard for that. Ms. Baez reminded the Board that they did support the Walters bill. Mr. Lamar stated that the other big issue is that Army Corps and Bureau of Reclamation are operating using 50's historical data and we have new technology that we'd like them to utilize to get a fresh look at how they operate Prado because we'd like to get better conservation behind Prado.

Director Tamaribuchi stated that he would like to see a page with our top priorities listed and a separate page on how we're going to accomplish these priorities, i.e. identify what actions we're going to take to move our priorities along. Our priority is to get the California Fix moving forward. Drought regulations should also be a priority.

The Committee decided to defer this item to the December PAL Committee.

ADOPT SUPPORT POSITION ON THE CALIFORNIA WATER FIX AS CURRENTLY PROPOSED AND DISCUSS EDUCATION AND OUTREACH EFFORTS

Mr. Seckel stated that staff put together a multi-page resolution where we incorporated comments from BDCP and enhanced environmental documentation. He noted that staff added a lot in the resolution on eco-restore and we explained in quite a bit of detail why they both need to be done.

Director Tamaribuchi stated that he really likes what staff's done on this and he particularly likes the action listed for how we're going to move forward after passing the resolution. Director Osborne inquired whether MET took a position to which Mr. De La Torre stated they did not but that we did talk with MET staff on our resolution. Mr. De La Torre stated that it's a very serious position by the MET Board and they want to be sure they have consensus. Director McKenney stated that MET is supportive of the project but that MET has a strong environmental constituency in Los Angeles and they are moving along slowly to be sure there's a large consensus before they take a position.

Upon MOTION by Director Hinman, seconded by Director Osborne, and carried (3-0), the Committee recommended taking a support position on the California Water Fix at the December 7, 2016 Joint Board meeting. Directors Hinman, Tamaribuchi and Osborne all voted in favor.

TRAVEL TO WASHINGTON, DC TO COVER FEDERAL INITIATIVES

TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES

Director Osborne stated that when Director Barbre and Ms. Baez travel to DC in the future, he would like to hear who they met with and what was discussed and this would apply to State trips as well.

Upon MOTION by Director Osborne, seconded by Director Hinman, and carried (3-0), the Committee recommended approving travel to DC and Sacramento to cover Federal/State

initiatives at the December 7, 2016 Board meeting. Directors Hinman, Tamaribuchi and Osborne all voted in favor.

INFORMATION ITEMS

SCHOOL PROGRAM PARTICIPATION REPORT

Director Hinman inquired why LBCWD isn't on the list this year to which Mr. Volzke replied that they are exploring employing an education coordinator themselves rather than being a part of our Choice program. Mr. Volzke reported further that we had a great meeting with the Board of Mesa Water who made some suggestions for our program. Also, he announced that we have the first 2 dates set for the Boy Scout Program. ETWD will host the first event on December 3 and we have 55 scouts signed up. OCWD will host the 2nd event and there are 73 scouts signed up.

Director Tamaribuchi stated that there is a wealth of information about the Bay/Delta ecosystem and understanding the role that the CA Water Fix would play. Director Tamaribuchi's goal is to have this program in every high school in OC.

UPDATE ON POTENTIAL SAN JUAN CAPISTRANO UTILITIES CONSOLIDATION

UPDATE ON WATER POLICY DINNER

PUBLIC AFFAIRS ACTIVITIES REPORT

The reports were received and filed.

OTHER ITEMS

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

Director Dick asked that staff invite Mr. Phil Rosentrater, Executive Director, Salton Sea, to speak at an upcoming WACO meeting.

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
EXECUTIVE COMMITTEE
November 17, 2016, 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 Hinman
Director Thomas
Director Finnegan

At 8:30 a.m., President Osborne called the meeting to order.

PUBLIC PARTICIPATION

No public comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No comments were received.

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 November Committee meetings.

EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS

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

a. Workshop Board Meeting

No new items were added to the agenda, however Committee suggested Mr. Lee Yoo conduct the Oath of Office for Director-Elect Yoo Schneider.

b. Planning & Operations Committee Meeting

No new items were added to the agenda.

c. Administration & Finance Committee

No new items were added to the agenda. Considerable discussion ensued regarding the District's Reserve Policy.

d. Public Affairs & Legislation Committee

The Committee discussed the Water Policy dinner and suggested Ms. Marcie Edwards speak at a future meeting (regarding power issues).

Mr. Hunter advised that the District received an invitation from a Public Relations firm to testify before the PUC; he advised that staff would be sending a letter in lieu of attendance.

Committee also discussed the District's legislative activities, what the District is focusing on ("asks"), and suggested Mr. Barker provide a written report regarding lobbying activities in DC, and Mr. Devers report on Sacramento activities. Mr. Osborne suggested the entire Board be more involved in determining the focus for the District's legislative activities

Discussion also was held regarding the Washington, DC luncheon, with Committee suggesting a well thought approach to the luncheon.

e. Executive Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

Staff presented a late Business Expense Report from Karl Seckel; following discussion, the Committee approved the Business Expense Report.

MEMBER AGENCY RELATIONS

No new information was presented.

GENERAL MANAGER'S REPORTS

It was noted that the Board requested a status report from the Executive Committee members who met with the OCWD Executive Committee.

Committee discussed the process for approval of MET's Local Resources Program (LRP) projects, with staff noting that although status updates are regularly reported in the department reports to Committees, staff will provide detailed updates for projects under consideration (to include costs, length of contract, etc.). President Osborne commented that the process should not create more red tape and should not slow funding. Director Dick suggested Melissa Baum-Haley evaluate the LRP program, to include information on the status of developed v. approved projects, funding, etc. The Committee mentioned developing a policy statement for its MET Directors to use; it was suggested this issue be discussed in January.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

No new information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:15 a.m.

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
November 2016**

WATER REVENUES

Date	From	Description	Amount
11/02/16	City of La Palma	September 2016 Water deliveries	94,975.41
11/04/16	City of Buena Park	September 2016 Water deliveries	142,415.93
11/07/16	City of Newport Beach	September 2016 Water deliveries	61,278.80
11/09/16	City of Westminster	September 2016 Water deliveries	225,781.35
11/10/16	Laguna Beach County Water District	September 2016 Water deliveries	190,753.20
11/10/16	City of Huntington Beach	September 2016 Water deliveries	918,188.12
11/14/16	El Toro Water District	September 2016 Water deliveries	646,806.25
11/14/16	South Coast Water District	September 2016 Water deliveries	480,473.97
11/14/16	Santa Margarita Water District	September 2016 Water deliveries	2,378,977.93
11/14/16	East Orange County Water District	September 2016 Water deliveries	304,969.66
11/14/16	City of Orange	September 2016 Water deliveries	515,633.00
11/15/16	Orange County Water District	September 2016 Water deliveries	3,562,156.54
11/15/16	Irvine Ranch Water District	September 2016 Water deliveries	1,213,261.56
11/15/16	Santiago Aqueduct Commission	September 2016 Water deliveries	300,385.80
11/15/16	Moulton Niguel Water District	September 2016 Water deliveries	2,100,648.12
11/15/16	Yorba Linda Water District	September 2016 Water deliveries	594,277.52
11/15/16	Golden State Water Company	September 2016 Water deliveries	319,748.09
11/23/16	Serrano Water District	October 2016 Water deliveries	84,128.22
11/25/16	City of San Clemente	October 2016 Water deliveries	609,803.34
TOTAL REVENUES			\$ 14,744,662.81

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
November 2016

MISCELLANEOUS REVENUES

Date	From	Description	Amount
11/07/16	Christina Fuller	Movie tickets	25.50
11/07/16	Stephen J Rhyner	OCOMO Holiday luncheon	32.00
11/15/16	City of Aliso Viejo	OCOMO Holiday luncheon	32.00
11/30/16	Paypal	OCOMO Holiday luncheon	1,294.45
11/01/16	Mesa Water	FY 16-17 Choice Programs Billing Invoice	28,704.96
11/02/16	City of La Palma	FY 16-17 Choice Programs Billing Invoice	9,236.55
11/02/16	Irvine Ranch Water District	FY 16-17 Choice Programs Billing Invoice	215,038.19
11/04/16	City of Fullerton	FY 16-17 Choice Programs Billing Invoice	234.22
11/04/16	City of Tustin	FY 16-17 Choice Programs Billing Invoice	27,565.51
11/07/16	City of Newport Beach	FY 16-17 Choice Programs Billing Invoice	39,090.84
11/07/16	City of Seal Beach	FY 16-17 Choice Programs Billing Invoice	2,425.98
11/10/16	City of San Clemente	FY 16-17 Choice Programs Billing Invoice	43,927.12
11/15/16	City of San Juan Capistrano	FY 16-17 Choice Programs Billing Invoice	23,828.51
11/23/16	El Toro Water District	September 2016 Smartimer and Rotating Nozzle rebate program	366.99
11/04/16	Mesa Water	September 2016 Smartimer rebate program	149.99
11/09/16	Irvine Ranch Water District	September 2016 Smartimer rebate program	189.00
11/18/16	City of Huntington Beach	September 2016 Smartimer rebate program	557.99
11/23/16	City of Newport Beach	September 2016 Smartimer rebate program	150.99
11/25/16	City of Brea	September 2016 Smartimer rebate program	294.99
11/10/16	City of San Clemente	July 2016 Turf Removal rebate program	222.00
11/10/16	City of San Clemente	August-September 2016 Turf Removal rebate program	888.00
11/09/16	Irvine Ranch Water District	September 2016 Turf Removal rebate program	20,466.00
11/15/16	City of San Juan Capistrano	September 2016 Turf Removal rebate program	424.88
11/23/16	City of Buena Park	September 2016 Turf Removal rebate program	111.00
11/02/16	City of Newport Beach	August 2016 Smartimer and Turf Removal rebate program	225.00
11/07/16	Moulton Niguel Water District	September 2016 Smartimer, Rotating Nozzle & Turf Removal rebate program	96,834.06
11/14/16	Trabuco Canyon Water District	September 2016 So Cal Watersmart Residential rebate program	100.00
11/16/16	Irvine Ranch Water District	September 2016 So Cal Watersmart Residential rebate program	24,942.19
11/07/16	City of Seal Beach	Water Loss Control technical assistance - WSO, Inc	39,892.00

TOTAL MISCELLANEOUS REVENUES \$ **577,250.91**

TOTAL REVENUES \$ **15,321,913.72**



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of December 2016**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard Ackerman	
1122	November 2016 Consulting for legal & regulatory matters	1,525.00
	*** Total ***	1,525.00
	Aleshire & Wynder LLP	
39702	October 2016 Legal services	4,220.00
39991-2	November 2016 Legal services	1,945.00
	*** Total ***	6,165.00
	ALTA FoodCraft	
516110884	11/7/16 Coffee & tea supplies	299.02
	*** Total ***	299.02
	Best Best and Krieger LLP	
783722	October 2016 State legislative advocacy services	7,500.00
55401-OCT16	October 2016 Legal services	17,250.59
784870	November 2016 State legislative advocacy services	7,500.00
54401-NOV16	November 2016 Legal services	15,288.48
	*** Total ***	47,539.07
	California Chamber of Commerce	
22525-2017	2017 Annual membership renewal	459.00
	*** Total ***	459.00
	California Newspaper Partnership	
0061990003-OCT16	October 2016 Employment ad for Emergency Programs Coordinator position	1,177.50
0061990003-NOV16A	October 2016 Employment ad for Emergency Programs Coordinator position	100.00
	*** Total ***	1,277.50
	California Special Districts Association	
352-2017	2017 Annual membership renewal	6,485.00
	*** Total ***	6,485.00
	Carl Markham Signs & Graphics	
14-197	Rework 2 plaques for Director Yoo Schneider	40.00
	*** Total ***	40.00
	CDM Smith	
90002191	8/14/16-9/30/16 Engineering services for Water Reliability Investigation	15,701.41
	*** Total ***	15,701.41
	CDW Government	
FWM9270	11/23/16-11/24/17 service for Zscaler internet security software	1,846.15
	*** Total ***	1,846.15

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of December 2016**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	CSU Fullerton ASC	
AR165841	Customized data for OC Assessor parcel numbers by MWDOC retailers' service boundaries	255.21
AR165842	Updated Historic population estimates for retail water agencies	1,037.81
	*** Total ***	1,293.02
	CV Strategies	
3770	October 2016 Assistance for the recruitment of the Director of Public Affairs position	887.50
	*** Total ***	887.50
	Dissinger Associates	
AP-MWD010/31/16	October 2016 Pension plan distribution processing fee	50.00
	*** Total ***	50.00
	Fry's Electronics	
21675104	11/7/16 Computer supplies	43.15
	*** Total ***	43.15
	Gladwell Governmental Services, Inc.	
3565	11/3/16 Records management services	1,500.00
3577	11/29/16 Records management services	525.00
	*** Total ***	2,025.00
	GovConnection, Inc.	
54331299	1/6/17-1/5/18 Service for e-mail security software	427.50
	*** Total ***	427.50
	James C. Barker, P.C.	
105-1116	November 2016 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	Jarvis Restoration	
26510	November 2016 Restoration services for water damage to hallway	3,016.22
26510-T	Asbestos and lead testing for damaged wall	770.00
	*** Total ***	3,786.22
	Karen's Detail Custom Frames	
2860	Custom framing for 1 resolution	120.96
	*** Total ***	120.96
	Lewis Consulting Group, LLC	
2016-162	November 2016 Consulting services	4,062.50
	*** Total ***	4,062.50
	McCall's Meter Sales & Service	
28790	October 2016 Services for Water Loss Control meeting	100.00
	*** Total ***	100.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of December 2016**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Edward G. Means III	
MWDOC-1043	November 2016 Support for MET issues & guidance to Engineering staff	1,136.88
	*** Total ***	1,136.88
	Mission RCD	
2119	October 2016 Turf Removal program surveys and audits	5,307.70
	*** Total ***	5,307.70
	Office Solutions	
I-01057667	11/8/16 Office supplies	443.03
I-01062562	11/17/16 Office supplies	643.25
I-01069466	12/1/16 Office supplies	634.68
	*** Total ***	1,720.96
	Orange County Business Council	
110716	11/8/16 Election Day Luncheon registration for J. Volzke	85.00
	*** Total ***	85.00
	Orange County Fast Print, Inc.	
53791	Business cards for Director Yoo Schneider	59.00
	*** Total ***	59.00
	Orange County Water District	
16855	October 2016 Postage, shared office & maintenance expense	11,643.46
	*** Total ***	11,643.46
	Norco Delivery Services	
707269	11/13/16 Delivery for Board packets	138.09
707342	11/20/16 Delivery for Board packets	25.80
	*** Total ***	163.89
	Patricia Kennedy Inc.	
21083	December 2016 Plant maintenance	214.00
	*** Total ***	214.00
	Judy Pfister	
111416	January-October 2016 Retiree medical premium	1,058.00
	*** Total ***	1,058.00
	Staffing Network LLC	
95686253	11/7/16-11/13/16 Temporary help for Administration	782.34
95686910	11/14/16-11/20/16 Temporary help for Administration	914.94
95687845	11/21/16-11/27/16 Temporary help for Administration	503.88
	*** Total ***	2,201.16
	U.S. Postal Service	
2017-Box 20895	2017 P.O. Box annual fee	1,174.00
	*** Total ***	1,174.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of December 2016**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Vavrinek, Trine, Day & Co., LLP</i>	
0129703-IN	October 2016 Services for FY 15-16 audit	3,500.00
	*** Total ***	3,500.00
	<i>Water Systems Optimization, Inc.</i>	
1090	October 2016 Water Loss Control program	6,170.03
1105	November 2016 Water Loss Control program	2,260.00
	*** Total ***	8,430.03
	<i>Total Core Expenditures</i>	138,827.08

Choice Expenditures:

	<i>ARC Document Solutions, LLC</i>	
8903981R	Services for online invitation-to-bid on proposal for Doheny Ocean Desal Decommission project	50.18
8923788	Services for online invitation-to-bid on amended proposal for Doheny Ocean Desal Decommissioning project	24.15
	*** Total ***	74.33
	<i>California Newspaper Partnership</i>	
0061990003-NOV16B	November 2016 Ad for bids for Doheny Ocean Desal Decommission project	1,596.00
	*** Total ***	1,596.00
	<i>California State Land Commission</i>	
A6363	Additional fee for application processing for Doheny Ocean Desal project	371.84
	*** Total ***	371.84
	<i>Geoscience Support Services</i>	
15025-16-06	October 2016 Doheny Ocean Desal Slant Well decommissioning	18,977.75
15025-16-07	November 2016 Doheny Ocean Desal Slant Well decommissioning	31,725.60
	*** Total ***	50,703.35
	<i>Orange County Water District</i>	
16855	October 2016 Postage for Water Use Efficiency rebate programs	44.42
	*** Total ***	44.42
	<i>Total Choice Expenditures</i>	52,789.94

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of December 2016**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Other Funds Expenditures:		
	<i>AquaFicient Consulting</i>	
04-001	July 2016 Landscape Performance Certificate program funded by IRWD	1,800.00
04-002	August 2016 Landscape Performance Certificate program funded by IRWD	1,800.00
04-003	September 2016 Landscape Performance Certificate program funded by IRWD	1,800.00
	*** Total ***	5,400.00
	<i>Claris Strategy</i>	
10160100-03	November 2016 WEROC EOC site facility assessment	5,210.00
	*** Total ***	5,210.00
	<i>Laguna Beach County Water District</i>	
1000012188	September-November 2016 Smart Timer Distribution program	240.00
	*** Total ***	240.00
	<i>Mission RCD</i>	
2121	October 2016 Field verifications for Water Use Efficiency rebate programs	8,843.05
2138	November 2016 Field verifications for Water Use Efficiency rebate programs	15,238.41
	*** Total ***	24,081.46
	<i>Quality Fuel Trailer and Tank, Inc.</i>	
524495	500 Gallon diesel fuel trailer for Moulton Niguel Water District	18,267.60
	*** Total ***	18,267.60
	<i>Water Systems Optimization, Inc.</i>	
1090	October 2016 Water Loss Control program	3,915.00
1105	November 2016 Water Loss Control program	2,355.00
	*** Total ***	6,270.00
	<i>Total Other Funds Expenditures</i>	<hr/> 59,469.06
	<i>Total Expenditures</i>	<hr/> <hr/> 251,086.08

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of November 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
136186	11/4/16	TIMEWA 5210-NOV16	Time Warner Cable November 2016 Telephone and internet expense ***Total ***	 1,280.57 1,280.57
136187	11/4/16	VERIZO 9774215333	Verizon Wireless October 2016 4G Mobile broadband unlimited service ***Total ***	 147.78 147.78
136198	11/15/16	IRONMO NDD2061	Iron Mountain November 2016 Archived document storage fees ***Total ***	 375.63 375.63
136204	11/15/16	TAMARI 103116	Satoru Tamaribuchi October 2016 Business expense ***Total ***	 181.65 181.65
136205	11/15/16	TIMEWA 3564-NOV16	Time Warner Cable November 2016 Telephone expense for 3 analog fax lines ***Total ***	 85.15 85.15
ACH002239	11/15/16	BAEZHE 103116	Heather Baez September-October 2016 Business expense ***Total ***	 247.78 247.78
ACH002240	11/15/16	BARBRE 103116	Brett Barbre October 2016 Business expense ***Total ***	 211.14 211.14
ACH002241	11/15/16	BERGJO 10/28/16	Joseph Berg October 2016 Business expense ***Total ***	 486.21 486.21
ACH002246	11/15/16	BUSSLJ 103116	Charles Busslinger September-October 2016 Business expense ***Total ***	 43.20 43.20
ACH002248	11/15/16	DELATO 102916	Harvey De La Torre October 2016 Business expense ***Total ***	 80.02 80.02
ACH002249	11/15/16	DICKEX 103116	Larry Dick October 2016 Business expense ***Total ***	 170.10 170.10

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of November 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH002251	11/15/16	FINNEG	Joan Finnegan	
		103116	October 2016 Business expense	130.16
			***Total ***	130.16
ACH002253	11/15/16	HINMAN	Susan Hinman	
		103116	October 2016 Business expense	442.75
			***Total ***	442.75
ACH002258	11/15/16	HOSTER	Kevin Hostert	
		103116	September-October 2016 Business expense	177.53
			***Total ***	177.53
ACH002259	11/15/16	LOEWEN	Laura Loewen	
		103116	October 2016 Business expense	37.59
			***Total ***	37.59
ACH002267	11/15/16	THOMAS	Jeffery Thomas	
		103116	October 2016 Business expense	251.72
			***Total ***	251.72
136224	11/30/16	USBANK	U.S. Bank	
		4140/5443-OCT16	9/22/16-10/24/16 Cal Card charges	14,949.45
			***Total ***	14,949.45
			(See attached sheet for details)	
ACH002269	11/30/16	ACKEEX	Linda Ackerman	
		103116	October 2016 Business expense	60.48
			***Total ***	60.48
ACH002277	11/30/16	SECKEL	Karl Seckel	
		101816	August-October 2016 Business expense	220.38
			***Total ***	220.38
Total Core Disbursements				19,579.29

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of November 2016**

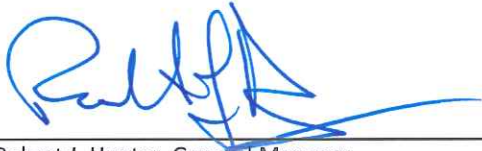
<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Choice Disbursements:				
ACH002241	11/15/16	BERGIO	Joseph Berg	
		10/28/16	October 2016 Business expense	110.55
			***Total ***	110.55
136221	11/30/16	SDGE	San Diego Gas and Electric	
		7768-NOV16	10/19/16-11/17/16 Electric service for Doheny Ocean Desal project	126.06
			***Total ***	126.06
136224	11/30/16	USBANK	U.S. Bank	
		4140-OCT16A	9/22/16-10/24/16 Cal Card charges	3,025.00
			***Total ***	3,025.00
			(See attached sheet for details)	
Total Choice Disbursements				3,261.61
Other Funds Disbursements:				
136185	11/4/16	ATTEOC	AT&T	
		4492-OCT16	October 2016 S. EOC telephone expense	273.82
		8200-OCT16	October 2016 N. EOC telephone expense	189.00
		0532-OCT16	October 2016 WEROC N. EOC dedicated phone line	65.07
			***Total ***	527.89
136187	11/4/16	VERIZO	Verizon Wireless	
		9774215333	October 2016 4G Mobile broadband unlimited service	38.01
			***Total ***	38.01
136189	11/15/16	ATTUVEOC	AT&T	
		8599-NOV16	November 2016 U-verse internet service for WEROC N. EOC	55.00
			***Total ***	55.00
ACH002241	11/15/16	BERGIO	Joseph Berg	
		10/28/16	October 2016 Business expense	4.50
			***Total ***	4.50
		HUBBAR	Kelly Hubbard	
ACH002254	11/15/16	110116	October 2016 Business expense	93.14
ACH002255	11/15/16	100716	October 2016 Business expense-CESA Conference	148.77
ACH002256	11/15/16	102316	October 2016 Business expense-IAEM Conference	267.13
			***Total ***	509.04

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of November 2016**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH002260	11/15/16	MESAWA 9001	Mesa Water September 2016 Credit for Local Resources program ***Total ***	76,070.72 76,070.72
136217	11/30/16	CATALI 0013459	Catalina Island Conservancy November 2016 WEROC radio repeater site lease ***Total ***	1,636.47 1,636.47
136224	11/30/16	USBANK 4140-OCT16A	U.S. Bank 9/22/16-10/24/16 Cal Card charges ***Total *** (See attached sheet for details)	1,381.67 1,381.67
		TURFRP	Turf Removal Program	
136226	11/30/16	TR8-R-IRWD-4946-4872	R. Rochelle	2,126.00
136227	11/30/16	TR7-R-MNT-4564-4485	C. Chirico	1,322.64
136228	11/30/16	TR8-R-MNT-7280-7207	T. Lange	1,217.92
136229	11/30/16	TR7-R-NWPT-4693-4610	C. Atkinson	1,906.00
136230	11/30/16	TR7-R-BP-4404-4322	F. Farukhi	2,006.00
136231	11/30/16	TR7-C-MESA-11016-600	San Michel HOA (Costa Mesa)	3,102.00
136232	11/30/16	TR7-R-IRWD-2004-1945	S. Wu	842.00
136233	11/30/16	TR7-R-IRWD-4215-4142	D. Bartlett	2,124.00
136234	11/30/16	TR7-R-IRWD-2067-2012	P. Nordquist	1,758.00
136235	11/30/16	TR7-MNT-24927-25321	E. Oakes	864.00
136236	11/30/16	TR7-R-SC-4351-4277	N. Crawley	2,572.00
136237	11/30/16	TR7-R-BP-4480-4403	J. Wang	1,932.00
136238	11/30/16	TR7-R-SC-4627-4545	R. Fitzgerald	1,742.00
136239	11/30/16	TR7-R-TUST-4411-4331	A. Avendano	2,500.00
136240	11/30/16	TR7-C-SJC-4463-4503	Sunhollow HOA (San Juan Capistrano)	18,827.00
136241	11/30/16	TR7-R-GG-4585-4504	A. Dao	4,242.00
136242	11/30/16	TR7-C-SJC-4647-4565	Costco (San Juan Capistrano)	21,921.00
136243	11/30/16	TR7-R-YLWD-4665-4582	E. Urbano	6,000.00
136244	11/30/16	TR8-R-IRWD-4667-4585	W. Apple	536.00
136245	11/30/16	TR7-R-IRWD-4704-4620	J. Malek	3,847.67
136246	11/30/16	TR8-C-IRWD-5222-5152	Fairbanks Business Park (Irvine)	15,267.00
136247	11/30/16	TR7-BP-10632-6623	G. Miyoshi	1,822.00
136248	11/30/16	TR7-HB-10655-6521	A. Soto	1,326.00
136249	11/30/16	TR7-SC-10683-2128	M. Castle	1,288.00
136250	11/30/16	TR8-R-MNT-7322-7273	Z. Safavi	2,246.50
136251	11/30/16	TR7-SM-10691-11	S. Pope	598.00
136252	11/30/16	TR9-R-MNT-7762-7715	S. McGill	1,842.00
136253	11/30/16	TR8-R-IRWD-6279-6205	D. Hendricks	1,594.00
136254	11/30/16	TR8-R-IRWD-5245-5176	N. Nester	1,012.41
136255	11/30/16	TR8-R-IRWD-7316-7256	A. Fong	822.00
136256	11/30/16	TR8-R-MNT-7308-7248	G. Hines ***Total ***	3,031.50 112,237.64

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of November 2016**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH002278	11/30/16	SANTAM SEP2016	<i>Santa Margarita Water District</i> September 2016 SCP Operation Surcharge ***Total ***	28,297.89 28,297.89
WIRE-113016	11/30/16	METWAT 8820	<i>Metropolitan Water District</i> September 2016 Water deliveries ***Total ***	16,678,539.09 16,678,539.09
Total Other Funds Disbursements				<u>16,899,297.92</u>
Total Disbursements				<u><u>16,922,138.82</u></u>



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Statement Detail
Statement Date: October 24, 2016
Payment Date: November 30, 2016

Date	Description	Amount
<u>K. Seckel Card</u>		
09/21/16	Staff development lunch	\$ 215.99
09/22/16	Lunch for Orange County Water Association Human Resources meeting	310.40
09/22/16	Computer supplies	27.98
09/22/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Registration for Director Barbre	475.00
09/22/16	Lunch for meeting with Boy Scouts for Water Conservation Merit badge	91.99
09/22/16	Colorado River Water Users Association Annual conference in Las Vegas, NV from Dec. 14-16, 2016 - Accommodations for Director Barbre	605.44
09/22/16	Water Smart Innovations conference in Las Vegas, NV from Oct. 5-7, 2016 - Airfare change for J. Berg	108.00
09/23/16	3 Toner cartridges	92.74
09/24/16	Computer supplies	71.54
09/26/16	UPS delivery charges for Board packets on Sep. 16, 2016	61.13
09/26/16	MET Directors' lunch - Charged in error by Corner Bakery	261.71 ¹
09/26/16	MET Directors' lunch	195.03
09/27/16	California Council for Environmental & Economic Balance meeting in San Francisco, CA on Oct. 7, 2016 - Airfare for R. Hunter	370.96
09/27/16	California Council for Environmental & Economic Balance meeting in San Francisco, CA on Oct. 7, 2016 - Airfare for Director Tamaribuchi	370.96
09/28/16	Government Jobs employment ad for Water Use Efficiency Program Specialist position	175.00
09/28/16	Office supplies from Costco	347.59
09/28/16	Lunch for Orange County MET Managers' meeting	167.18
09/29/16	American Water Works Association California-Nevada Section conference in San Diego, CA from Oct. 24-27, 2016 - Accommodations for J. Berg	536.88
09/30/16	Breakfast for WEROC training	174.28
09/30/16	California Special Districts Association conference in San Diego, CA from Oct. 11-13, 2016 - Accommodations for H. Baez	611.70
09/30/16	Facebook posts for Coastal Cleanup Day event	5.00
10/03/16	Office supplies from Costco refunded	(14.43)
10/03/16	UPS delivery charges for Board packets on Sep. 28, 2016	61.95
10/03/16	Legislative activities in Washington, DC from Feb. 8-10, 2017 - Airfare for Director Barbre	936.20 ²
10/03/16	Legislative activities in Washington, DC from Feb. 28- Mar. 2, 2017 - Airfare for Director Barbre	1,009.20 ³

Cal Card Statement Detail
Statement Date: October 24, 2016
Payment Date: November 30, 2016

Date	Description	Amount
10/04/16	3 Toner cartridges	204.00
10/04/16	California Urban Water Conservation Council meeting in Sacramento, CA on Oct. 20, 2016 - Airfare for J. Berg	333.96
10/05/16	The Sacramento Bee subscription Jun. 28-Sep. 26, 2016	38.54
10/05/16	Brown and Caldwell employment ad for Administrative Assistant position	200.00
10/05/16	Dropbox annual subscription for secure file sharing and storage	99.00
10/05/16	Water Districts Jobs employment ad for Administrative Assistant position	145.00
10/05/16	Water Districts Jobs employment ad for Director of Public of Affairs position	175.00
10/06/16	Government Finance Officers Association Annual Governmental GAAP Update webinar on Nov. 3, 2016 - Registration for H. Chumpitazi	135.00
10/06/16	Legislative activities in Washington, DC from Nov. 16-18, 2016 - Airfare for H. Baez	810.30
10/07/16	Association of California Cities-Orange County Advocacy trip in Sacramento, CA from Mar. 13-14, 2017 - Registration for H. Baez	652.00
10/08/16	Labor to move office furniture during office refurbishment	189.00
10/08/16	California Emergency Services Association Annual Training and Conference in San Diego, CA from Oct. 4-7, 2016 - Balance for accommodations for K. Hubbard	92.47
10/10/16	UPS delivery charges for Board packets on Sep. 30, 2016	66.72
10/11/16	California Society of Municipal Finance Officers meeting in Irvine, CA on Oct. 20, 2016 - Registration for H. Chumpitazi and L. Gunawan	60.00
10/12/16	Flowers for staff member	62.62
10/12/16	Water Smart Innovations conference in Las Vegas, NV from Oct. 5-7, 2016 - Accommodations for J. Berg refunded	(89.60)
10/14/16	Water Districts Jobs employment ad for Director of Public of Affairs position	175.00
10/14/16	Orange County Business Council Election Day lunch in Anaheim, CA on Nov. 8, 2016 - Registration for H. Baez	85.00
10/14/16	2 Freedom task chairs	1,197.99
10/17/16	Food for Staff development meeting	29.98
10/17/16	UPS delivery charges for Board packets on Oct. 7, 2016	56.02
10/18/16	ACWA Fall conference in Anaheim, CA on Nov. 30, 2016 - Registration for C. Busslinger	300.00
10/20/16	Lunch for Managers' meeting	460.30
10/20/16	Brown and Caldwell employment ad for Emergency Programs Coordinator position	200.00
10/21/16	State Lands Commission permit for Doheny Ocean Desal project	3,025.00
10/21/16	Table and linens rental for Director Hinman's retirement brunch	341.74
10/21/16	Lunch for Records Management training	148.50

Cal Card Statement Detail
Statement Date: October 24, 2016
Payment Date: November 30, 2016

Date	Description	Amount
10/21/16	10/21/16-10/21/17 Prezi presentation software subscription	59.00
10/21/16	International Association of Emergency Managers Annual conference in Savannah, GA from Oct. 15-20, 2016 - Accommodations for K. Hubbard	1,071.49 4
10/22/16	Legislative activities in Washington, DC from Nov. 16-18, 2016 - Accommodations deposit for Director Barbre	520.98
Total		<u>18,114.43</u>

- 1 Corner Bakery to credit MWDOC for erroneous charge
- 2 Director Barbre to reimburse MWDOC for \$301.00
- 3 Director Barbre to reimburse MWDOC for \$249.00
- 4 K. Hubbard reimbursed MWDOC for \$11.00

R. Hunter Card

09/22/16-10/24/16	Meals for R. Hunter's meetings	93.27
09/29/16	Lunch for California Water Fix workgroup meeting	97.18
10/04/16	Excel 2016 Tips, Tricks & Techniques class - Registration for M. Goldsby	19.00
10/04/16	Retirement gift for Director Hinman	450.00 1
10/07/16	California Council for Environmental & Economic Balance meeting in San Francisco, CA on Oct. 7, 2016 - Parking for R. Hunter	20.00
10/12/16	Lunch for Coastkeepers meeting	54.25
10/16/16	Association of Metropolitan Water Agencies Executive Management conference in Scottsdale, AZ from Oct. 16-18, 2016 - Accommodations, transportation and parking for R. Hunter	507.99
Total		<u>1,241.69</u>

- 1 \$160.00 was refunded to MWDOC on 11/3/16 for misquoted size

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of November 2016

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
136190	11/15/16	AYALAS 110416	Sam Ayala November 2016 Atrium landscape maintenance	135.00
			***Total ***	135.00
136210	11/21/16	OCCHOR 2016ORDER	OCC Horticulture Account 8 Poinsettias for office	104.00
			***Total ***	104.00
136211	11/21/16	ACWA ACWA 11-30-16	ACWA 2016 Fall conference registration for Director Yoo Schneider	380.00
			***Total ***	380.00
136212	11/29/16	ACWA 2016FALL	ACWA 2016 Fall conference registration for M. Baum-Haley	325.00
			***Total ***	325.00
136222	11/30/16	STAFFI 95685495 95685992	Staffing Network, LLC 10/24/16-10/30/16 Temporary help for Administration 10/31/16-11/6/16 Temporary help for Administration	994.50 848.64
			***Total ***	1,843.14
			Total Core Disbursements	<u>2,787.14</u>
Choice Disbursements:				
136184	11/3/16	PARKSR 010616	State of California February 2016-January 2017 Lease for Doheny Ocean Desal project	25,200.00
			***Total ***	25,200.00
			Total Choice Disbursements	<u>25,200.00</u>

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of November 2016

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Other Funds Disbursements:				
136201	11/15/16	OCWD 110816	Orange County Water District October 2015-August 2016 MET Groundwater Storage Program (CUP) Fund	3,117,524.80
			***Total ***	3,117,524.80
			Total Other Funds Disbursements	3,117,524.80
			Total Disbursements	3,145,511.94

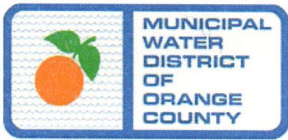


Robert J. Hunter, General Manager



Hilary Chumpitazi, 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, 2016

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

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
Designated Reserves		
General Operations	\$2,494,603	12.96%
Grant & Project Cash Flow	1,480,000	7.69%
Election Expense	215,463	1.12%
Building Repair	500,407	2.60%
Total Designated Reserves	4,690,473	24.37%
General Fund	7,410,876	38.50%
Water Fund	6,794,691	35.30%
Conservation Fund	(100,015)	(0.52%)
Desalination Feasibility Study Fund	222,385	1.16%
WEROC Fund	211,649	1.10%
Trustee Activities	17,303	0.09%
Total	\$19,247,362	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	5.20%	\$1,001,663	\$1,001,663
Short-term investment			
• LAIF	0.82%	\$158,017	\$158,017
• OCIP	77.85%	14,984,831	14,984,831
Long-term investment			
• Corporate Bond	3.91%	752,851	757,840
• Certificates of Deposit	12.22%	2,350,000	2,382,392
Total	100.00%	\$19,247,362	\$19,284,743

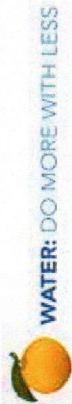
The average number of days to maturity/call as of October 31, 2016 equaled 133 and the average yield to maturity is 0.904%. During the month, the District's average daily balance was \$28,276,275.44. Funds were invested in Federal Agency Issues, Certificates of Deposit, Negotiable CD's, Miscellaneous Securities, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of October 2016.

The \$37,381 difference between the book value and the market value on October 31, 2016 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.

Robert J. Hunter
General Manager

Hilary Chumpitazi
Treasurer

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY




Portfolio Management - Portfolio Summary October 31, 2016

10/31/2016	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	2,350,000.00	2,382,392.50	2,350,000.00	12.88	621	1.697
Corporate Bond	750,000.00	757,840.00	752,850.91	4.11	1,265	2.238
Local Agency Investment Funds	158,017.11	158,017.11	158,017.11	0.87	1	0.654
Orange County Investment Pool	14,984,830.88	14,984,830.88	14,984,830.88	82.14	1	0.716
Total Investments	18,242,847.99	18,283,080.49	18,245,698.90	100.00	133	0.904
Cash						
Cash	1,001,662.60	1,001,662.60	1,001,662.60		1	0.00
Total Cash and Investments	19,244,510.59	19,284,743.09	19,247,361.50		133	0.904

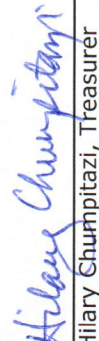
Total Earnings	Month Ending October	Fiscal Year to Date
Current Year	19,472.60	70,853.83
Average Daily Balance	28,276,275.44	
Effective Rate of Return	0.904%	

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


Robert J. Hunter, General Manager

Date

12-6-16


Hilary Chumtipitani, Treasurer

Date

12/6/2016

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
October 31, 2016

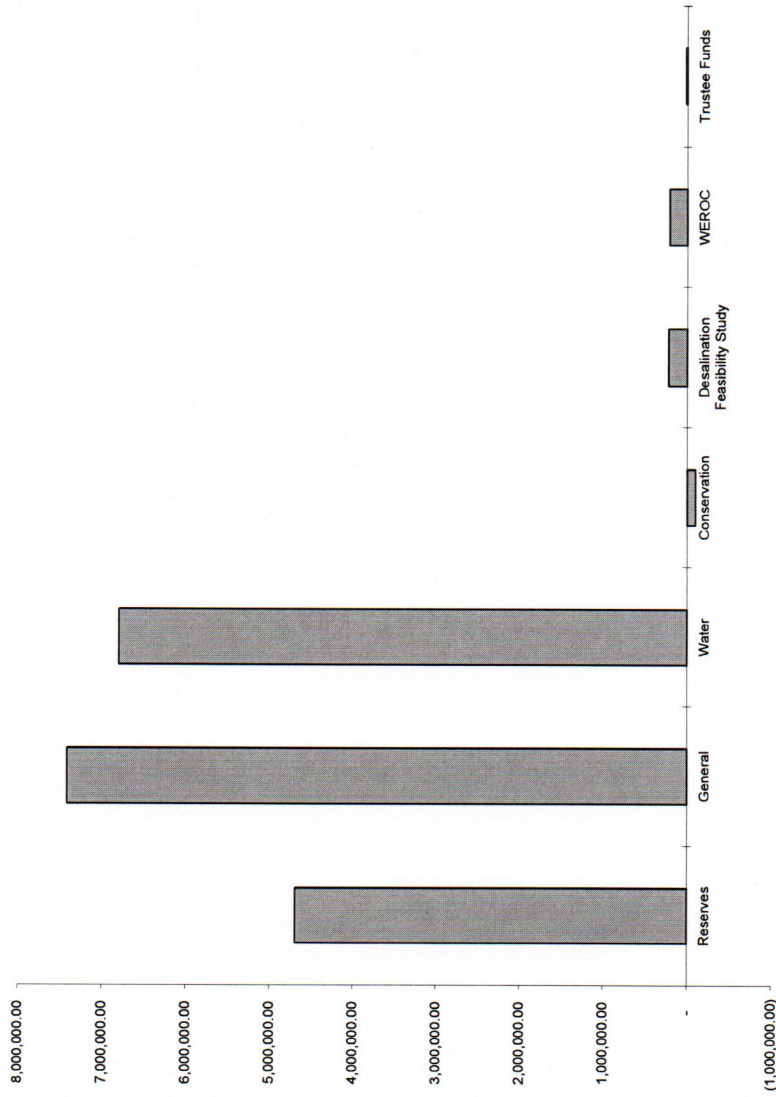
Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Ally Bank	02006LFV0	7/23/2014	250,000.00	250,925.00	250,000.00	1.150	1.150	266	7/24/2017
American Express Bank	02587CEA4	7/29/2015	250,000.00	252,000.00	250,000.00	1.450	1.450	455	1/29/2018
Barclays Bank	06740KJP3	9/24/2015	250,000.00	256,670.00	250,000.00	1.900	1.900	1,057	9/23/2019
Capital One Bank	140420TY6	8/5/2015	250,000.00	252,990.00	250,000.00	1.700	1.700	644	8/6/2018
Capital One Natl Assn	14042EGC9	9/2/2015	250,000.00	256,932.50	250,000.00	1.950	1.950	1,037	9/3/2019
Discover Bank	2546712Y5	7/23/2014	250,000.00	252,832.50	250,000.00	1.600	1.600	630	7/23/2018
Goldman Sachs Bank	38143A4T9	1/23/2013	100,000.00	100,125.00	100,000.00	1.050	1.050	84	1/23/2017
Goldman Sachs Bank	36163FJC8	7/25/2014	250,000.00	250,927.50	250,000.00	1.200	1.200	267	7/25/2017
HSBC Bank	40434AK65	1/21/2016	250,000.00	252,442.50	250,000.00	1.550	2.534	447	1/21/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	256,547.50	250,000.00	2.050	2.050	1,002	7/30/2019
Sub Total			2,350,000.00	2,382,392.50	2,350,000.00	1.593	1.697	621	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	503,475.00	501,501.45	2.250	2.152	1,148	1/23/2020
Wells Fargo	94974BGR5	1/13/2016	250,000.00	254,365.00	251,349.46	2.550	2.409	1,498	12/7/2020
Sub Total			750,000.00	757,840.00	752,850.91	2.350	2.238	1,265	
Total Investments			3,100,000.00	3,140,232.50	3,102,850.91	1.776	1.828	777	
Total Earnings									
Current Year		Month Ending September	4,628.89	Fiscal Year To Date					
				18,268.20					

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
October 31, 2016

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	158,017.11	158,017.11	158,017.11	0.654	0.654	1	N/A
Sub Total			158,017.11	158,017.11	158,017.11	0.654	0.654	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	14,984,830.88	14,984,830.88	14,984,830.88	0.716	0.716	1	N/A
Sub Total			14,984,830.88	14,984,830.88	14,984,830.88	0.716	0.716	1	
Total Investments			15,142,847.99	15,142,847.99	15,142,847.99	0.715	0.715		
Cash									
Bank of America Cash	CASH0547	7/1/2011	1,001,162.60	1,001,162.60	1,001,162.60	0.000	0.000	1	N/A
Petty Cash Cash	CASH	7/1/2011	500.00	500.00	500.00	0.000	0.000	1	N/A
Total Cash			1,001,662.60	1,001,662.60	1,001,662.60	0.000	0.000	1	
Total Cash and Investments			16,144,510.59	16,144,510.59	16,144,510.59	0.715	0.715	1	
Total Earnings									
Current Year			14,843.71		Fiscal Year To Date	52,585.63			

**Municipal Water District of Orange County
Cash and Investments at October 31, 2016**

ALLOCATION	AMOUNT	%	
MWDOC			
Designated Reserves			
General	\$ 2,494,603	12.96%	
Grant & Project Cash Flow	1,480,000	7.69%	
Election Expense	215,463	1.12%	
Building Repair	500,407	2.60%	
Total Designated Reserves	4,690,473	24.37%	
General			
Water	7,410,876	38.50%	
Conservation	6,794,691	35.30%	
Desalination Feasibility Study	(100,015)	-0.52%	
WEROC	222,385	1.16%	
TOTAL MWDOC	211,649	1.10%	
TOTAL MWDOC	\$ 19,230,059	99.91%	
TRUSTEE ACTIVITIES			
AMP Sales Admin	\$ 17,303	0.09%	
TOTAL TRUSTEE ACTIVITIES	\$ 17,303	0.09%	
TOTAL CASH & INVESTMENTS	\$ 19,247,362	100.00%	



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS OPEB Trust Program**Monthly Account Report for the Period**
10/1/2016 to 10/31/2016Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 10/1/2016	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 10/31/2016
Employer Contribution	\$1,840,590.77	\$0.00	-\$21,099.99	\$383.46	\$0.00	\$0.00	\$1,819,107.32
Totals	\$1,840,590.77	\$0.00	-\$21,099.99	\$383.46	\$0.00	\$0.00	\$1,819,107.32

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	
-1.15%	-0.40%	3.28%	3.99%	7.01%	-	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 (unless invoiced), Trustee and Investment Management fees

Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS
Cash Flow as of 11/30/16

	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016	Jan 2017	Feb 2017	Mar 2017	Apr 2017	May 2017	Jun 2017	TOTALS
Cash - Beginning Balance	\$ (2,257,237.25)	\$ (3,224,747.37)	\$ (2,270,840.96)	\$ (400,006.46)	\$ (100,016.28)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	
REVENUES:													
BUREC				36,748.36									\$ 36,748.36
City of Brea	339.97		144.99		294.99								779.95
City of Buena Park	332.10		111.00	222.00	111.00								776.10
City of Fountain Valley													-
City of Fullerton		75.00											75.00
City of Garden Grove			222.00	666.00									888.00
City of Huntington Beach	640.85	49.99	519.99	117.96	557.99								1,886.78
City of La Habra	111.00		111.00										222.00
City of San Clemente		111.00			1,110.00								1,221.00
City of San Juan Capistrano	111.00		111.00	402.70	424.88								1,049.58
City of Santa Ana													-
City of Tustin	11,583.00	25,459.59											37,042.59
City of Newport Beach		450.00	238.99		375.99								1,064.98
City of Orange	2,869.43	333.00		291.00									3,493.43
City of Westminster													-
County of Orange				25,297.04									25,297.04
Department of Water Resources		40,479.67											40,479.67
East Orange County Water District													-
El Toro Water District	75.00	75.00	75.00	2,552.00	366.99								3,143.99
East Orange County Water District													-
Golden State Water Company	1,980.00		75.00	50.00									2,105.00
Irvine Ranch Water District	93,764.10	542,331.88	132,095.59	309,490.34	45,597.19								1,123,279.10
Laguna Beach County Water District	1,110.00	1,041.00		396.00									2,547.00
Mesa Water District	1,127.37		80.00	209.99	149.99								1,567.35
Metropolitan Water District			1,934,765.85	28,195.82									1,962,961.67
Moulton Niguel Water District	459,396.32	683,295.61	17,279.42	102,026.49	96,834.06								1,358,831.90
MWD/DOC													-
Santa Margarita Water District	6,821.55	3,703.49	10,737.34	8,062.96									29,325.34
Serrano Water District	75.00												75.00
South Coast Water District													-
Trabuco Canyon Water District	475.00	150.00	200.00	100.00	100.00								1,025.00
Yorba Linda Water District													-
Miscellaneous Revenues													-
Miscellaneous		103.68		884.00									987.68
Interest Revenue													-
Total Revenues	580,811.69	1,297,325.91	2,097,100.17	515,712.66	145,923.08	-	-	-	-	-	-	-	\$ 4,636,873.51
EXPENDITURES:													
Aquaficient													\$ 5,400.00
Autumn Print Group	5,400.00												-
Bytown Printing					2,500.00								2,500.00
Conservation Consulting, LLC				28,894.25									28,894.25
City of Newport Beach													-
El Toro WD					100.00								100.00
Enterprise Information Systems													-
Golden State Water Company					100.00								100.00
Hotel Program													-
Industrial Program													-
Irvine Ranch Water District													-
Karen's Detail Custom Frames													-
Laguna Beach CWD													-
Metropolitan Water District	229,162.49	111,028.73			19,364.33								359,555.55
MESA													-
Mission RCD	18,300.13	14,225.68	38,367.35		8,770.78								79,663.94
Public Spaces program													-
Santa Margarita Water District													-
South Coast Water District													-
Spray to Drip program													-
Survey GIZMO					675.00								675.00
Turf Removal	1,287,489.27	214,655.09	175,786.98	179,854.83	110,111.64								1,967,897.81
US Bank													-
URS													-
Waterwise Consulting													-
Miscellaneous Expenses	7,579.92			5,087.40									12,667.32
Interest Expense	390.00	3,510.00	12,111.34	1,885.00									17,896.34
Salary & Benefit													-
Total Expenditures	1,548,321.81	343,419.50	226,265.67	215,721.48	141,621.75	-	-	-	-	-	-	-	\$ 2,475,350.21
Cash - Ending Balance	\$ (3,224,747.37)	\$ (2,270,840.96)	\$ (400,006.46)	\$ (100,016.28)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	\$ (95,713.95)	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2016 THRU OCTOBER 31, 2016

**Municipal Water District of Orange County
Combined Balance Sheet
As of October 31, 2016**

<u>ASSETS</u>	Amount
Cash in Bank	1,001,662.60
Investments	18,245,698.90
Accounts Receivable	31,119,336.13
Accounts Receivable - Other	77,524.85
Accrued Interest Receivable	30,305.78
Prepays/Deposits	597,013.95
Leasehold Improvements	3,415,059.92
Furniture, Fixtures & Equipment	447,719.37
Less: Accum Depreciation	(2,656,270.41)
Net OPEB Asset	117,085.00
	<hr/>
TOTAL ASSETS	\$52,395,136.09
	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	31,734,605.39
Accounts Payable - Other	622.71
Accrued Salaries and Benefits Payable	350,314.02
OCWD CUP Balance Payable	3,117,524.80
Other Liabilities	842,545.52
Unearned Revenue	2,076,778.49
Total Liabilities	<hr/> 38,122,390.93 <hr/>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	964,993.86
Total Restricted Fund Balances	<hr/> 964,993.86 <hr/>
Unrestricted Fund Balances	
Designated Reserves	
General Operations	2,611,687.51
Grant & Project Cash Flow	1,480,000.00
Election Expense	215,463.03
Building Repair	500,407.45
Total Designated Reserves	<hr/> 4,807,557.99 <hr/>
GENERAL FUND	2,803,673.61
WERO	101,241.62
Total Unrestricted Fund Balances	<hr/> 7,712,473.22 <hr/>
Excess Revenue over Expenditures	
Operating Fund	5,696,113.47
Other Funds	(100,835.39)
Total Fund Balance	<hr/> 14,272,745.16 <hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$52,395,136.09
	<hr/>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru October 2016

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	6,786,864.75	6,786,865.00	100.00%	0.00	0.25
Ground Water Customer Charge	0.00	392,666.00	392,666.00	100.00%	0.00	0.00
Water rate revenues	0.00	7,179,530.75	7,179,531.00	100.00%	0.00	0.25
Interest Revenue	18,941.95	73,452.74	123,000.00	59.72%	0.00	49,547.26
Subtotal	18,941.95	7,252,983.49	7,302,531.00	99.32%	0.00	49,547.51
Choice Programs	0.00	1,217,338.08	1,494,789.00	81.44%	0.00	277,450.92
Choice Prior Year Carry Over	0.00	0.00	44,416.00	0.00%	0.00	44,416.00
Miscellaneous Income	25.37	625.82	3,000.00	20.86%	0.00	2,374.18
School Contracts	0.00	0.00	70,000.00	0.00%	0.00	70,000.00
Transfer-In From Reserve	0.00	0.00	535,873.00	0.00%	0.00	535,873.00
Subtotal	25.37	1,217,963.90	2,148,078.00	56.70%	0.00	930,114.10
TOTAL REVENUES	18,967.32	8,470,947.39	9,450,609.00	89.63%	0.00	979,661.61

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July thru October 2016

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	250,689.91	1,003,847.12	3,444,620.00	29.14%	0.00	2,440,772.88
Salaries & Wages - Grant Recovery	0.00	(7,299.50)	(31,600.00)	23.10%	0.00	(24,300.50)
Salaries & Wages - Recovery	(1,583.40)	(7,261.80)	0.00	0.00%	0.00	7,261.80
Directors' Compensation	18,587.22	70,846.94	231,937.00	30.55%	0.00	161,090.06
MWD Representation	10,505.82	40,407.00	132,535.00	30.49%	0.00	92,128.00
Employee Benefits	68,443.91	282,785.62	968,160.00	29.21%	0.00	685,374.38
OPEB Annual Contribution	0.00	400,000.00	105,249.00	380.05%	0.00	(294,751.00)
Employee Benefits - Grant Recovery	0.00	(1,951.84)	0.00	0.00%	0.00	1,951.84
Employee Benefits - Recovery	(301.60)	(1,383.20)	0.00	0.00%	0.00	1,383.20
Director's Benefits	5,267.43	20,922.59	66,297.00	31.56%	0.00	45,374.41
Health Ins \$'s for Retirees	3,547.55	11,230.58	50,326.00	22.32%	0.00	39,095.42
Training Expense	594.00	1,554.00	12,000.00	12.95%	575.00	9,871.00
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	994.50	994.50	0.00	0.00%	11,005.50	(12,000.00)
Personnel Expenses	356,745.34	1,814,692.01	4,984,524.00	36.41%	11,580.50	3,158,251.49
Engineering Expense	16,963.29	52,427.62	405,000.00	12.95%	108,471.94	244,100.44
Legal Expense	21,470.59	64,758.63	320,000.00	20.24%	255,241.37	0.00
Audit Expense	9,900.00	16,900.00	24,000.00	70.42%	1,537.00	5,563.00
Professional Services	90,360.40	209,364.84	1,496,997.00	13.99%	619,044.22	668,587.94
Professional Fees	138,694.28	343,451.09	2,245,997.00	15.29%	984,294.53	918,251.38
Conference-Staff	1,282.00	6,559.10	22,125.00	29.65%	0.00	15,565.90
Conference-Directors	555.00	1,940.00	10,725.00	18.09%	0.00	8,785.00
Travel & Accom.-Staff	4,077.32	10,542.11	71,130.00	14.82%	0.00	60,587.89
Travel & Accom.-Directors	2,961.53	4,653.70	38,250.00	12.17%	0.00	33,596.30
Travel & Conference	8,875.85	23,694.91	142,230.00	16.66%	0.00	118,535.09
Membership/Sponsorship	35,129.00	98,615.78	134,458.00	73.34%	0.00	35,842.22
CDR Support	0.00	9,992.88	39,972.00	25.00%	29,978.62	0.50
Dues & Memberships	35,129.00	108,608.66	174,430.00	62.26%	29,978.62	35,842.72
Business Expense	570.76	1,687.67	6,000.00	28.13%	0.00	4,312.33
Maintenance Office	10,740.65	30,937.09	123,185.00	25.11%	89,602.91	2,645.00
Building Repair & Maintenance	902.61	3,194.56	11,000.00	29.04%	4,805.44	3,000.00
Storage Rental & Equipment Lease	25,660.68	26,778.01	7,000.00	382.54%	4,421.99	(24,200.00)
Office Supplies	3,584.53	9,276.64	38,280.00	24.23%	2,595.77	26,407.59
Postage/Mail Delivery	646.63	2,798.67	11,400.00	24.55%	3,703.00	4,898.33
Subscriptions & Books	110.00	205.47	2,000.00	10.27%	0.00	1,794.53
Reproduction Expense	0.00	1,870.74	36,225.00	5.16%	8,259.79	26,094.47
Maintenance-Computers	1,768.16	2,299.37	10,000.00	22.99%	1,681.44	6,019.19
Software Purchase	1,385.08	19,190.28	31,300.00	61.31%	1,846.15	10,263.57
Software Support	8,910.78	25,853.20	46,000.00	56.20%	0.00	20,146.80
Computers and Equipment	0.00	14,161.84	32,500.00	43.57%	0.00	18,338.16
Automotive Expense	1,630.61	5,391.68	13,828.00	38.99%	0.00	8,436.32
Toll Road Charges	143.17	236.25	1,100.00	21.48%	0.00	863.75
Insurance Expense	8,786.17	36,632.32	90,000.00	40.70%	0.00	53,367.68
Utilities - Telephone	1,693.23	6,557.97	19,200.00	34.16%	0.00	12,642.03
Bank Fees	1,053.99	4,238.24	10,500.00	40.36%	0.00	6,261.76
Miscellaneous Expense	6,709.75	21,812.98	114,020.00	19.13%	2.40	92,204.62
MWDOC's Contrb. To WEROC	12,532.50	50,130.00	150,390.00	33.33%	0.00	100,260.00
Depreciation Expense	607.56	2,430.26	0.00	0.00%	0.00	(2,430.26)
Other Expenses	87,436.86	265,683.24	753,928.00	35.24%	116,918.89	371,325.87
Election Expense	0.00	0.00	592,000.00	0.00%	0.00	592,000.00
MWDOC's Building Expense	8,964.96	195,904.96	495,000.00	39.58%	11,371.58	287,723.46
Capital Acquisition	0.00	22,799.05	62,500.00	36.48%	0.00	39,700.95
TOTAL EXPENSES	635,846.29	2,774,833.92	9,450,609.00	29.36%	1,154,144.12	5,521,630.96
NET INCOME (LOSS)	(616,878.97)	5,696,113.47	0.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July thru October 2016

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	13,094,017.50	64,070,565.40	121,881,702.00	52.57%	57,811,136.60
Readiness to Serve Charge	1,055,607.64	4,222,430.56	12,674,093.00	33.32%	8,451,662.44
Capacity Charge CCF	402,482.50	1,609,930.00	4,829,790.00	33.33%	3,219,860.00
SCP Surcharge	26,427.33	122,725.14	365,000.00	33.62%	242,274.86
Interest	640.14	2,582.23	4,800.00	53.80%	2,217.77
TOTAL WATER REVENUES	14,579,175.11	70,028,233.33	139,755,385.00	50.11%	69,727,151.67
<u>WATER PURCHASES</u>					
Water Sales	13,094,017.50	64,070,565.40	121,881,702.00	52.57%	57,811,136.60
Readiness to Serve Charge	1,055,607.64	4,222,430.56	12,674,093.00	33.32%	8,451,662.44
Capacity Charge CCF	402,482.50	1,609,930.00	4,829,790.00	33.33%	3,219,860.00
SCP Surcharge	26,427.33	122,725.14	365,000.00	33.62%	242,274.86
TOTAL WATER PURCHASES	14,578,534.97	70,025,651.10	139,750,585.00	50.11%	69,724,933.90
EXCESS OF REVENUE OVER EXPENDITURES	640.14	2,582.23	4,800.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July thru October 2016

	Year to Date Actual	Annual Budget	% Used
Landscape Performance Certification			
Revenues	109.36	118,900.00	0.09%
Expenses	5,400.00	118,900.00	4.54%
Excess of Revenues over Expenditures	(5,290.64)	0.00	
Industrial Water Use Reduction			
Revenues	(0.02)	91,236.00	0.00%
Expenses	95,010.00	91,236.00	104.14%
Excess of Revenues over Expenditures	(95,010.02)	0.00	
Spray To Drip Conversion			
Revenues	675.00	468,552.34	0.14%
Expenses	681.52	468,552.34	0.15%
Excess of Revenues over Expenditures	(6.52)	0.00	
Water Smart Landscape for Public Property			
Revenues	0.00	168,588.80	0.00%
Expenses	0.00	168,588.80	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Member Agency Administered Passthru			
Revenues	0.00	150,000.00	0.00%
Expenses	0.00	150,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	24,152.20	205,000.00	11.78%
Expenses	24,152.20	205,000.00	11.78%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	95,134.22	432,000.00	22.02%
Expenses	95,161.52	432,000.00	22.03%
Excess of Revenues over Expenditures	(27.30)	0.00	
CII Rebate Program			
Revenues	212,190.00	325,000.00	65.29%
Expenses	249,790.00	325,000.00	76.86%
Excess of Revenues over Expenditures	(37,600.00)	0.00	
Large Landscape Survey			
Revenues	416.61	30,000.00	1.39%
Expenses	65.00	30,000.00	0.22%
Excess of Revenues over Expenditures	351.61	0.00	

Municipal Water District of Orange County
WUE & Other Funds Revenues and Expenditures (Actuals vs Budget)
From July thru October 2016

	Year to Date Actual	Annual Budget	% Used
Indoor-Outdoor Survey			
Revenues	0.00	3,500.00	0.00%
Expenses	14.06	3,500.00	0.40%
Excess of Revenues over Expenditures	<u>(14.06)</u>	<u>0.00</u>	
Turf Removal Program			
Revenues	635,582.07	1,750,000.00	36.32%
Expenses	677,424.93	1,750,000.00	38.71%
Excess of Revenues over Expenditures	<u>(41,842.86)</u>	<u>0.00</u>	
Comprehensive Landscape (CLWUE)			
Revenues	113,207.49	399,751.00	28.32%
Expenses	86,876.32	399,751.00	21.73%
Excess of Revenues over Expenditures	<u>26,331.17</u>	<u>0.00</u>	
CII, Large Landscape, Performance (OWOW)			
Revenues	3,052.05	121,210.00	2.52%
Expenses	24,605.55	121,210.00	20.30%
Excess of Revenues over Expenditures	<u>(21,553.50)</u>	<u>0.00</u>	
WUE Projects			
Revenues	1,084,518.98	4,263,738.14	25.44%
Expenses	1,259,181.10	4,263,738.14	29.53%
Excess of Revenues over Expenditures	<u>(174,662.12)</u>	<u>0.00</u>	
WEROC			
Revenues	200,520.00	300,780.00	66.67%
Expenses	100,330.40	293,780.00	34.15%
Excess of Revenues over Expenditures	<u>100,189.60</u>	<u>7,000.00</u>	



CONSENT CALENDAR ITEM

December 21, 2016

TO: Board of Directors

FROM: Wayne S. Osborne, President

Rob Hunter, General Manager

**SUBJECT: RATIFY RESOLUTION ACKNOWLEDGING DAWN CHIN ON THE
OCCASION OF HER RETIREMENT FROM THE METROPOLITAN WATER
DISTRICT OF SOUTHERN CALIFORNIA**

RECOMMENDATION

Staff recommends the Board of Directors ratify the Resolution presented to Dawn Chin on the occasion of her retirement from the Metropolitan Water District of Southern California.

SUMMARY

The attached Resolution was prepared and presented to Dawn Chin, Board Executive Secretary of the Metropolitan Water District of Southern California (MET), at her retirement event held on December 12, 2016 at MET.

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

Municipal Water District of Orange County

RESOLUTION

A RESOLUTION OF THE BOARD OF DIRECTORS HONORING

DAWN CHIN

ON THE OCCASION OF HER RETIREMENT FROM THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

WHEREAS, Dawn Chin began her career with the Metropolitan Water District of Southern California in 1974, working as a Secretary I for the Office of the Executive Secretary at MET’s Sunset Facility; and

WHEREAS, Ms. Chin was promoted to Secretary II in 1976, then reclassified an Administrative Assistant in 1977; and

WHEREAS, Her professionalism and capabilities allowed her to advance quickly; and

WHEREAS, In March 1986, Ms. Chin was promoted to Assistant to the Executive Secretary; and

WHEREAS, Ms. Chin was named Executive Secretary in 1998, then promoted to Board Executive Secretary in 2006 reporting to MET General Manager Jeffrey Kightlinger ; and

WHEREAS, In her position as Board Executive Secretary, Ms. Chin often worked with members of the MET Board of Directors, ensuring requests for information and other accommodations were quickly and efficiently fulfilled; and

WHEREAS, Ms. Chin was always knowledgeable, friendly and a pleasure to work with, devoting long hours and working tirelessly for the Board; and

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Municipal Water District of Orange County offers its deepest thanks to Ms. Chin for her 42 years of service to the Metropolitan Water District of Southern California and wishes her the best in her retirement.

Presented on the occasion of her retirement, December 12th, Two Thousand and Sixteen.

Brett R. Barbre, Vice President

Larry D. Dick, Director

Linda Ackerman, MET Director

Larry McKenny, MET Director

Wayne Osborne, President

Megan Yoo Schneider, Director

Sat Tamaribuchi, Director

Joan C. Finnegan, Director

Jeffery M. Thomas, Director

Board of Directors of the Municipal Water District of Orange County

**CONSENT CALENDAR ITEM**

December 21, 2016

TO: Board of Directors

FROM: Public Affairs & Legislation Committee
 (Directors Barbre, Tamaribuchi, and prior Director Hinman)

Robert Hunter
 General Manager

Staff Contact: Heather Baez

SUBJECT: TRAVEL TO WASHINGTON D.C. TO COVER FEDERAL INITIATIVES**STAFF RECOMMENDATION**

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

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

REPORT

For the first quarter of fiscal year 2016-2017, no trips were taken.

The following is budgeted for fiscal year 2016/2017 for **staff**:

Washington Legislative Travel - \$11,000

- Total cost for this quarter: \$0 (no trips)

The following is budgeted for fiscal year 2016/2017 for **directors**:

Washington Legislative Travel - \$11,000

Budgeted (Y/N): Yes	Budgeted amount: Washington Legislative Advocacy - \$11,000/each for staff and directors.	Core <u>X</u>	Choice ____
Action item amount: n/a		Line item:	
Fiscal Impact (explain if unbudgeted): Within projected budget			

- Total cost for this quarter: \$0 (no trips)

Projecting out for the 2nd Quarter of fiscal year 2016/2017

- Upcoming trips:

November 16-18 – Director Barbre + 1 staff, \$2,500 estimated total costs

This advocacy trip will focused on our continued concern about the passing of California drought legislation, funding Section 5039 of WRDA, visits to representative offices to discuss long term conservation and tax parity water rebate issues (turf removal program, et al), and impacts from the recent elections.



CONSENT CALENDAR ITEM

December 21, 2016

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Barbre, Tamaribuchi, and prior Director Hinman)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES

STAFF RECOMMENDATION

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

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

REPORT

For the first quarter of fiscal year 2016-2017, two trips were taken.

- July – Heather Baez
- August – Heather Baez

The purpose of these trips were to attend ACWA's State Legislative Committee meetings and legislative advocacy meetings.

Budgeted (Y/N): Yes	Budgeted amount: Sacramento Legislative Advocacy - \$9,500/staff; \$4,000/directors.	Core <u>X</u>	Choice ____
Action item amount: n/a		Line item:	
Fiscal Impact (explain if unbudgeted): Within projected budget			

The following is budgeted for fiscal year 2016/2017 for **staff**:

Sacramento Legislative Travel - \$9,500

- Total cost for this quarter: \$1,000 (2 trips)

The following is budgeted for fiscal year 2016/2017 for **directors**:

Sacramento Legislative Travel - \$4,000

- Total cost for this quarter: \$0 (no trips)

Projecting out for the 2nd Quarter of fiscal year 2016/2017

- Upcoming trips:

None planned as the Legislature is in recess until January.



CONSENT CALENDAR ITEM

December 21, 2016

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Dick, Finnegan)

Robert Hunter
General Manager

Staff Contacts: Karl Seckel
Charles Busslinger

SUBJECT: Award Contract for Desalination Slant Well Decommissioning Project

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve entering into the subject agreements for removal of the desalination test well at Doheny Beach:

- Award Jensen Drilling Company "MWDOC Desalination Slant Well Decommissioning Project" construction contract in the amount of \$297,777.00, contingent upon receiving concurrence from the Doheny Participants in moving forward with the Project.
- Authorize a one-time donation to California State Parks as an in-lieu payment for the cost of site restoration in the amount of \$45,000.
- Authorize the General Manager to enter into an agreement with Michael Baker International to lease the Mobile Test Facility.

The work is being funded from the 2008 Doheny Desal Project funds, plus additional funds that will be requested from the Participants.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

Budgeted (Y/N): Y	Budgeted amount: \$358,000 less \$185,122 previously awarded = \$172,878 of funds available.	Core ____	Choice ✓
Action item amount: \$356,878		Line item: 2008 Doheny Desal	
Fiscal Impact (explain if unbudgeted): Excess funds needed in the amount of \$184,000 to be reimbursed by Project Participating Agencies (approximately \$37,000 each). This does not account for any potential salvage value.			

SUMMARY

Staff is seeking Board authorization to proceed with desalination test well decommissioning work at Doheny Beach through award of the construction contract to the low bidder, authorization of a one-time donation to State Parks in-lieu of the lease site restoration requirements, and authorization for the General Manager to enter into an agreement with Michael Baker International to lease the Mobile Test Facility to help offset project costs.

DETAILED REPORT

Decommissioning Work

MWDOC staff met with the five Doheny Desal participants (South Coast WD, City of San Clemente, Laguna Beach CWD, City of San Juan Capistrano and Moulton Niguel WD) in December 2015 and obtained concurrence to close out the Doheny Desal Project which MWDOC has been managing since 2008 under the Project Participation Agreement. Funding for decommissioning the slant well and Mobile Test Facility (MTF) would come from existing retained Project funding. Staff completed an estimate of the costs for the decommissioning work and arrived at a retention amount of \$356,000 to complete the work. MWDOC agreed to notify the five Doheny Desal agencies of proposed contract costs prior to initiating or awarding any contracts because they are paying for the work through the retained deposit. MWDOC advised the agencies that we would attempt to secure the work for \$356,000, but that if the costs came in higher than the retention amount, a request for additional contributions from the agencies would be made. Approximately \$2,000 in additional funds remain from the Doheny project, bringing the total current retention to \$358,000.

In March 2016, MWDOC conducted several meetings with the Doheny Participants to plan out the decommissioning work and discuss the award of a contract to Geoscience Support Services for preparation of plans and specifications for the construction contract to be bid at a later date. In these discussions, it was noted that the retention of \$358,000 was intended to cover:

- Engineering/Geotechnical services (typically we have considered well destruction as Geotechnical and Engineering as everything else)
- Permitting (MWDOC's estimates did not include a full time environmental monitor during construction on the beach)
- Construction Inspection (periodic)
- Construction & construction inspection for the well destruction, monitoring well destruction, relocation of the mobile test facility, park site restoration, beach piping & diffuser removal, and beach site restoration
- Project Management

With Richard Bell's retirement, MWDOC elected to put all the work out for professional proposals, including the permitting and project management work which had typically been completed by Richard on prior project phases while he was working at MWDOC.

On April 20, 2016 the Board authorized the General Manager to contract with Geoscience Support Services in the amount of \$185,122 for the Doheny Desalination Slant Well and MTF decommissioning work. In discussions with the Participants, estimates of the breakdown provided below were developed prior to the completion of plans and specifications and bidding of the work. MWDOC indicated to the Participants that the \$358,000 in retention set aside for this work, including engineering, permitting, observation, and construction did not appear sufficient to cover the estimated costs.

Project Bidding

The plans and specifications were completed by Geoscience Support Services for the Doheny Decommissioning work. The job was advertised for bidding, a pre-bid meeting was held at the site, and formal bids were received from two bidders on November 28. The apparent low bidder was Jensen Drilling Company. Staff is in the process of checking references and paperwork for the bid packages and should be fully completed by the time of the P&O Committee.

Project Financing

Now that the bids have been received, it appears the amount of additional funds needed beyond the original retention amount is approximately \$184,000 (excluding consideration of any potential future revenue from salvage or lease of equipment). The shortfall will be divided between each of the five Participants equally as part of the close-out of the Doheny Desal Pilot Plant Project. The table below provides a summary of the financial position of the Project.

Financial Summary

- The overall Project Cost is estimated at \$542,000.
- The amount of funds available from the Doheny Participants is \$358,000 (assumes MWDOC receives the \$150,000 in retention owed by DWR).
- The net additional amount to be collected from the Participants is \$184,000 (about \$37,000 per agency).
- The details are provided below.

Doheny Decommissioning Project Cost Estimate		
Cost Item	Prior Estimate for Developing the Retention Amount⁽¹⁾	Actual bids plus Geoscience Cost Proposal
1. Professional Services – Well Destruction + Inspection	\$29k	\$77k
2. Professional Services – Removal of Mobile Test Facility (MTF), Beach Vault piping and Diffuser + Inspection	\$25k	
3. Site Restoration & Relocation of MTF	\$40k	\$89.5k ⁽⁵⁾
4. Beach Facilities Removal and Site Restoration (vault, piping and diffuser removal) ⁽⁵⁾	\$125k	\$172.1k
5. Test Slant Well Pump Removal and Well Destruction	\$57k	\$81k
6. Monitoring Well Destruction	\$11k	---
Subtotal	\$287	---
Contingency 10%	\$29	---
Project Management & Permitting	\$42k ⁽²⁾	\$107k ^(3,6)
Well Destruction & Salvage Report	Salvage Report Not Anticipated	\$15k
Total	\$358k	\$542k
<p>(1) Put together over a number of years from different proposals and discussions; last estimate in 2013; \$2k in other funds added to the retention.</p> <p>(2) Assumed MWDOC permitting & management at reduced costs; permitting & related support work now required by consultants with Richard Bell's retirement.</p> <p>(3) Permitting delegated to consultant & includes providing a field biomonitor for 160 hrs</p> <p>(4) Beach diffuser not to be removed; South Coast will assume responsibility</p> <p>(5) Includes \$45,000 in-lieu payment to State Parks</p> <p>(6) Includes MWDOC Project Management charges</p>		

Comments on Decommissioning Costs

The actual projected costs, based on the bids and professional services as estimated, are about \$184,000 higher than the decommissioning costs estimated several years ago. Suggested impacts causing higher costs included:

- The prior estimate is at least three years old and was not necessarily based on bid conditions
- The permitting work was originally estimated to be done by MWDOC staff at reduced rates and now is being done by a consultant

- The costs for removing the slant well increased due to the requirements of having the blank portion of the casing perforated prior to filling with a cement slurry. This resulted in a change in design for the project to cut-off the blank casing and remove it from the ground.
- The salvage value report was not originally anticipated, but based on its usefulness in securing a lease of the facility, these extra costs should be covered via the lease revenue.
- The budget includes a biomonitor on-site for up to 160 hours; this level of work on the beach was not anticipated and may not be entirely needed.
- Based on the cost estimate above, MWDOC will seek concurrence from the Doheny Participants to move forward with the project.

Salvage Value of Equipment

While planning the decommissioning work, MWDOC received a request from Michael Baker International (MBI) to lease the Mobile Test Facility (MTF) for a year. Based on the assessment of the MTF completed by Geoscience and the original manufacturer of the facility, Intuitech, MWDOC negotiated a 12-month operational lease with MBI. MWDOC was in the process of completing the lease agreement when MBI notified us that their project had been delayed by permitting issues and their need for the MTF would be postponed for about a year, but they are still interested in leasing the facility at the terms negotiated. Under the terms of the lease, MBI is responsible for transport of the facility, but with the delay they have nowhere to store the facility so now MWDOC's contractor will have to move the MTF to a South Coast WD site to store it until the lease can start. The lease is estimated to generate \$30,000 to \$40,000 in revenue. The staff recommendation includes an authorization to enter into a lease with MBI in accordance with the terms of the lease agreement that have been negotiated.

Once the lease has ended, South Coast Water District indicated a willingness to purchase the residual equipment at the salvage value of about \$25,000.

The other salvage value to be considered is for the high performance submersible pump used in the slant well. The decommissioning work will remove the pump. At South Coast Water District's cost, the pump is to be shipped to the manufacturer's representative and inspected, disassembled for detailed inspection in preparation of a materials analysis for the future design of the project pumps. The manufacturer's representative will recondition and reassemble the pump and it will be offered for salvage. The Monterey Project is potentially interested in the pump. A salvage value has not been developed at this time.

Assuming a salvage value of \$15,000 for the pump, total salvage or lease revenue could amount to \$70,000. This would ultimately reduce the costs to the Doheny Participants, but the actual value of the pump will not be known for some time.

Other Financing Issues

Part of the \$358,000 retained by MWDOC includes the 10% retention from a State Department of Water Resources (DWR) grant of \$1.5 M for the operation of the pilot plant. The work was completed several years ago and submitted to DWR. DWR complimented the reports and did not request any revisions; however, they have been sitting on the request for retention release for about a year now. Repeated calls and emails have not resulted in a release of the funds. Other grant recipients have reported the same issues. This means that \$150,000 of the actual funds on hand are in the form of accounts receivable rather than cash on hand. From a cash-flow perspective, MWDOC should not have any problems fronting the costs. Staff will keep the Board informed on the progress of recovering the costs.

One of the lease requirements from State Parks was that the site occupied by the Mobile Test Facility had to be restored to its previous condition. Discussions with State Parks indicated that they would prefer that the site restoration be provided in the form of a concrete pad for siting of a future building to be constructed by State Parks. The SDG&E power supply would also be transferred over to State Parks. Staff considered the request and estimated that the costs of the site restoration, grading, replacement of turf, replacement of the irrigation system and getting the site reestablished, along with other considerations provided by State Parks was a reasonable trade-off. However, during the permitting of the decommissioning work through the City of Dana Point, issues arose with the construction of the concrete pad. In lieu of actually constructing the concrete pad, staff and State Parks have agreed to a "one-time donation" of \$45,000 based on the engineer's cost estimate for the concrete pad. This will allow State Parks to permit construction of the pad and the building at a later date when they are ready to proceed. The staff recommendation includes authorization to enter into such an agreement with State Parks.



ACTION ITEM
December 21, 2016

TO: Board of Directors

FROM: Public Affairs & Legislation Committee
(Directors Barbre & Tamaribuchi)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: Selection of a Firm for County Advocacy Services

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into a professional services contract with Lewis Consulting Group to provide county advocacy services.

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on December 19, and make a recommendation to the Board.

DETAILED REPORT

In June 2015, the MWDOC Board approved updates to the Administrative Code. Pursuant to section 8000 of the Administrative Code, "It is MWDOC's policy that purchasing and contracting shall be conducted in a fair, open, and transparent manner so as to maximize benefits to MWDOC. All contracts should be reviewed and re-bid at least every five (5) years, except in situations with documented significant benefits to MWDOC." The county advocacy services contract has not been re-bid within the past five years, therefore a competitive RFP process was implemented.

With this in mind, staff prepared and issued a Request for Proposals (RFP) for county advocacy services under the schedule below:

Budgeted (Y/N): Yes	Budgeted amount: \$48,000	Core X	Choice
Action item amount: \$42,000. Hourly fee billed at \$250/hour with an annual cap not to exceed \$42,000	Line item: 31-7040		
Fiscal Impact (explain if unbudgeted):			

COUNTY RFP PROJECT TIMELINE 2016	
Task Item	Date
1. Release RFP to Potential Consultants (issued to 12 firms)	October 19
2. Deadline for Written Questions Regarding RFP	November 18
3. Proposals Due (2 proposals were received)	November 22 5:00 PM
4. Ad-Hoc Committee reviewed proposals	November 28
5. Ad-Hoc Committee rankings due	November 30
6. Recommendation to the Public Affairs & Legislation Committee	December 19
7. Authorization by MWDOC Board	December 21
8. Contract start	January 1, 2017

Proposals and Proposal Evaluation

MWDOC received two proposals by the closing date:

- Genesee Group
- Lewis Consulting Group

Both proposals received met the initial qualifying criteria and were reviewed by the Ad-Hoc Committee consisting of: Directors Barbre, Osborne and Thomas, Rob Hunter, and Heather Baez.

The Ad-Hoc Committee was given copies of both proposals, the RFP itself, and a scoring sheet. The committee provided their individual rankings to determine if interviews were necessary. Due to the fact that only two proposals were received, and both were thorough in their approach, the group felt comfortable making their selection without interviews. The members of the committee ranked the firms, and based on the rankings, Lewis Consulting Group was selected.

Recommendation

Based on the deliberations of the Ad-Hoc Committee, Staff's recommendation is to proceed with a contract with Lewis Consulting Group (LCG) to provide county advocacy services. Both proposals received were well written and both firms are well qualified to represent MWDOC throughout the county. Ultimately LGC was chosen by the majority of the committee to continue as MWDOC's advocate in Orange County.

Lewis Consulting Group has represented MWDOC at the county level for several years and knows our agency well. In addition to representation at the county and Board of Supervisors, LCG will also attend OCLAFCO meetings, monitor local government agendas, and identify issues that affect or are important to MWDOC and its member agencies. With

these duties, they will provide expertise on local priorities, strategy and policies to maximize MWDOC's presence and leadership on water policy and issues throughout the county. For these reasons, the committee felt that continuing with LGC as our county advocate was appropriate.



ACTION ITEM
December 21, 2016

TO: Board of Directors

FROM: Public Affairs & Legislation Committee
(Directors Barbre and Tamaribuchi)

Robert Hunter
General Manager

Staff Contact: Heather Baez

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

STAFF RECOMMENDATION

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

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on December 19 and make a recommendation to the Board.

DETAILED REPORT

Best, Best and Krieger (BBK) is completing their first 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 staff; and building strategic relationships that benefit MWDOC and its member agencies.

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

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

Budgeted (Y/N): Yes	Budgeted amount: \$90,000; Calendar year expenditure	Core X__	Choice __
Action item amount: \$90,000; \$45,000 for FY 2016/2017 and \$45,000 for FY 2017/2018		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 LLP
ATTORNEYS AT LAW

500 Capitol Mall, Suite 1700, Sacramento, CA 95814
Phone: (916) 325-4000 | Fax: (916) 325-4010 | www.bbklaw.com

Riverside
(951) 686-1450

San Diego
(619) 525-1300

Walnut Creek
(925) 977-3300

Washington, DC
(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 19, 2016

RE: Request for contract extension and strategic planning for 2017

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, 2016 was a successful year, but BB&K believes that its services will improve in 2017. We have added new resources and new programs that will have a significant impact on the Governmental Affairs office in Sacramento.

Highlights of 2016

Defeat of legislation to stop CA WaterFix.: AB 1713 (Eggman) and AB 2583 (Fraizer). Never bill live long enough see a floor vote in the first house.

Support for principle of local control: Defeated or amended bills that would have imposed rigid mandates on water district. SB 814 (Hill) on penalties for excessive water use was amended to remove mandates for water budgets, Ad SB 163 (Hertzberg) was defeated that would have mandated waste water reuse.



Passage of Metropolitan Water District sponsored legislation: BB&K worked closely with MWD to pass AB 2488 (Dababneh) to allow for required maintenance for infrastructure.

Significantly improved MWDOC's visibility in Sacramento: Working on behalf of MWDOC, BB&K was often the only lobbyist not employed by MWD who responded to requests for support from MWD, and met with over a dozen legislators and key staff during session to familiarize them with MWDOC. BB&K and MWDOC were the first government affairs representatives to meet with the new committee staff for Assembly Water, Parks, & Wildlife.

Improved coordination with member agencies: BB&K worked successfully with OCWD on their bottle water bill, and the Santa Margarita Water District on budget appropriations for bond funds.

Planning for 2017

Increase MWDOC's involvement with legislation: BB&K identified new ways in 2016 to facilitate MWDOC's process for taking positions on legislation. Resources have been added to speed up bill tracking and analysis. 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..

Outreach to members of the legislature: MWDOC and BB&K were successful in 2016 in meeting with members of the Orange County delegation. The emphasis in 2017 will be greater outreach to an expanded sphere of key members relevant to MWDOC's agenda, including leadership, committee chairs, and key members of policy committees beyond the traditional water committees. For example, a number of bills important to MWDOC's interest went through committees with jurisdiction over local government and business and profession issues. BB&K instituted new programs to significantly improve its legislative presence in 2016 that will begin to produce results in 2017. BB&K will continue to offer to handle every aspect of the outreach effort from scheduling to follow up.

Advance California WaterFix: Once the respective houses of the legislature announce committee memberships, BB&K will draft a list of key members to lobby on behalf of the WaterFix. Part of the lobbying effort will include identifying new allies, perhaps from within the Delta region, to help with advocacy and outreach.

Continue the effort to be a voice for all of Orange County: Strides were made in 2016 in outreach efforts to member agencies. This year BB&K will seek to add cities and other special districts to



the effort while continuing to improve coordination with member agencies. This goal includes ongoing efforts to improve MWDOC's standing inside of MWD and ACWA.

Improve MWDOC's access to state agencies: BB&K is pleased to announce adding Deb Kollars to its governmental affairs program. Deb is an attorney and former reporter who covered water issues at the agency level before coming to BB&K. She brings a wealth of agency relationships and knowledge to the effort.

Continue and improve tracking, monitoring, and analysis of legislation: Legislative tracking is one of the core functions BB&K will continue to provide to MWDOC. For 2017, BB&K has tasked more attorneys to analyzing legislation, and will begin offering regular email alerts on key issues for its clients.

Water conservation advocacy: The record drought that California has suffered through, and the emergency drought regulations that were adopted as a result, revealed a lack of appreciation for the variety of water supply projects and conservation measures being pursued in Orange County. Conservation was narrowly defined, and important projects such as reuse and ground water recharge were not appropriately valued as means of achieving water supply security. Board members have indicated that advocacy needs to include outreach within the legislature and state agencies to give equal consideration to a greater range of conservation methods. BB&K will include this as part of its advocacy in 2017.

Conclusion

As in 2016, 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 2017 and we look forward to a continuing productive relationship with MWDOC.

Thank you.



ACTION ITEM
December 21, 2016

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Barbre and Tamaribuchi)

Robert Hunter
General Manager

Staff Contact: Heather Baez

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

STAFF RECOMMENDATION

Staff recommends the Board of Directors extend the federal advocacy contract with James C. Barker, P.C. for 2017.

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on December 19 and make a recommendation to the Board.

DETAILED REPORT

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.

Budgeted (Y/N): Yes	Budgeted amount: \$96,000; Calendar year expenditure + expenses	Core X__	Choice __
Action item amount: \$96,000; \$48,000 for FY 2016/2017 + expenses and \$48,000 for FY 2017/2018 + expenses		Line item: 31-7040	
Fiscal Impact (explain if unbudgeted):			

SCOPE OF WORK

The following has been provided by Mr. Barker:

Mr. Barker's primary objectives have been to provide strategic direction for MWDOC's Washington based activities and secure federal funding assistance for the District's water reliability efforts, water use efficiency, and ocean water desalination.

In carrying out these objectives, Mr. Barker works closely with staff in developing the District's funding request strategies to the various congressional offices, and also serves as its "on the ground" representation in meetings with Congressional Committee staff, Members of Congress, Congressional personal staff, administration and department officials, and others. Mr. Barker is also responsible for recommending and scheduling meetings for District directors/staff with Congressional members and other Representatives throughout the Congressional session.

Mr. Barker will continue working with MWDOC to identify priorities and opportunities as well as implement strategies for securing funding support in the FY 2017 and FY2018 federal budgets, seeking federal grant related opportunities and seek federal authorizations for MWDOC projects as appropriate. He has alerted us to grant opportunities for staff and member agencies to explore that are provided to our local area General Managers.

The priorities outlined below represent the scope of work upon which Mr. Barker's contract with the District would be extended for the 2017 calendar year.

SOUTH ORANGE COUNTY COASTAL DESALINATION PROJECT

MWDOC has received \$875,000 in federal funding appropriations to date, plus federal grants from the Bureau of Reclamation and Environmental Protection Agency in excess of \$500,000.

In addition to these appropriated funds, Mr. Barker was instrumental in assisting MWDOC to encourage Senator Boxer and Senator Feinstein to include money for California Water Infrastructure Legislative Authorization in the Water Resources and Development Act (WRDA Bill). One of our continued strategies for 2017 will be to seek funds out of this account.

WIFIA PROGRAM

MWDOC was significantly involved in helping pass the WIFIA loan provision in the 2014 WRRDA Legislation. As a result of this legislation, with the assistance of a WIFIA Loan, MWDOC, or its Member Agencies, could save approximately \$18 million in interest charges on a \$200 Million Dollar water project.

As MWDOC continues its work with Congress, we will emphasize the critical nature of California's Water Supply situation and how this Ocean Water Desalination Project will provide a NEW source of water in an environmentally sensitive manner and it could have technology applications in many coastal areas of the United States. There will be

coordination between the District and members of the Orange County Congressional Delegation and Senators Feinstein and Harris to ensure support for the request.

FEDERAL FUNDING AND COMPETITIVE GRANTS

Among the critical strategies to be advanced by Mr. Barker will be to continue to advance the implementation of a competitive grant system by the Army Corps of Engineers, the EPA and the Bureau of Reclamation.

Army Corps Specific:

Mr. Barker worked to make sure that the Section 5039 California Water Infrastructure Authorization was not de-authorized in the 2016 WRDA bill. In addition, Mr. Barker will continue to work with the California Congressional Delegation to open the WRDA Section 5039 Account so that California entities can receive portions of the \$40 Million authorization.

Bureau of Reclamation Specific:

The Bureau of Reclamation has developed a “Water SMART” Water and Energy Efficiency Grant program and opportunities for funding opportunity are now available. The Bureau of Reclamation is seeking proposals from states, Indian tribes, irrigation districts, water districts and other organizations with water or power delivery authority to partner with Reclamation on projects that increase water conservation or result in other improvements that address water supply sustainability in the West. MWDOC and its member agencies may qualify.

Mr. Barker will continue to monitor such grant opportunities for which MWDOC may be eligible.

- ◆ **Provide assistance to other Orange County entities in helping their projects to**
 - Poseidon Huntington Beach Ocean Desalination Project
 - Title XVI Projects
 - Other projects as directed

LEGISLATIVE ACTIVITIES

Mr. Barker will continue to monitor efforts and provide assistance in Washington to provide drought relief legislation to the State of California and the Western United States. As the 2016 session was ending, the California Drought Legislation was attached to the 2016 Water Infrastructure Improvements for the Nation Legislation (WIIN), which includes the Water Resources Development Act (WRDA) of 2016. Assuming that becomes law, Mr. Barker will provide assistance in monitoring the implementation of the extensive drought related provisions.

Other Duties as Specified:

Mr. Barker has been very helpful in assisting in the coordination of the annual Southern California Water Issues Briefing luncheon that is held yearly during the ACWA DC Conference. This luncheon garners the attendance of the majority of the Orange County and regional delegation members plus numerous key personal and committee staff members.



ACTION ITEM
December 21, 2016

TO: Board of Directors

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

Robert Hunter
General Manager

Staff Contact: Tiffany Baca

SUBJECT: Authorization to Contract for Website Redesign

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize entering into a contract with LA Design Studios to redesign the Municipal Water District of Orange County (MWDOC) website at a base cost of \$42,600 with a contingency of \$7,400 to allow for enhanced/special features (i.e. photography, animation, fillable forms) if such features are deemed necessary and appropriate.

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on December 19 and make a recommendation to the Board.

SUMMARY

On October 6, 2016, MWDOC issued a RFP requesting proposals from experienced vendors to redesign the agency's website, mwdoc.com. Three website design firms were interviewed on November 28. Based on these interviews, and following several in-depth meetings with a review panel comprised of MWDOC representatives, staff recommends that the District retain the services of LA Design Studios.

DETAILED REPORT

On October 6, 2016, MWDOC issued an RFP requesting proposals from experienced vendors who have demonstrated proficiency in successful website design to refresh the

Budgeted (Y/N): Yes	Budgeted amount: \$50,000	Core X	Choice __
Action item amount: \$50,000		Line item: 32-7040	
Fiscal Impact (explain if unbudgeted):			

agency's website, mwdoc.com. 12 proposals were received, three vendors were interviewed.

The interview panel included five MWDOC representatives from the Public Affairs, Water Use Efficiency, Administrative, and Information Technology (IT) and Finance departments. This panel was selected based on criteria such as the amount of information provided to the public by each department, the amount of traffic driven to the website from both inside and outside of the District by each department, and the staff time dedicated to website updates from within the District office. IT was selected to identify and explain the technical issues and requirements of completing the project.

Tiffany Baca is the project manager. As directed by the project manager, each MWDOC department manager has assigned a designated representative to continue to provide department specific recommendations throughout the course of the project.

The Project

As reported last month, the website today is outdated and disjointed and many standard features, such as the search bar and flash graphics, are no longer functional. Also, because the website and associated microsites are not built with, or supported by modern code, much of the website is not viewable on standard internet browsers or accessible on many mobile devices. This project will address and resolve each of these major issues as well as bring the overall design up-to-date. Once completed, mwdoc.com will be a uniform, consistent, visually appealing and user friendly tool for MWDOC staff, and members of the public who rely on the website for current, reliable information.

Recommendation

Based on interviews conducted with three final vendors, on multiple discussions with the interview panel, and over a thorough comparison of proposal components, staff recommends that the Board of Directors authorize entering into a contract with LA Design Studios to redesign the District's website, mwdoc.com.

Project Schedule

After discussing the project timeline in detail with each of the vendors interviewed (originally estimated at 14 weeks), it became clear that while feasible, to accomplish our objectives with a realistic pace, the original timeline would need to be extended by a few weeks. LA Design Studio's recommended project schedule has been provided below. Pending any project interruptions or calendar obstacles, this timeline should be attainable.

<u>Task Description</u>	<u>Date</u>
Discovery: Initial Meeting, Primary Goals & Objectives, Evaluation Criteria, Measurable Goals, Gather Assets (logos, photos, text)	Kickoff meeting week of January 9 2 week phase
Planning: Research, Needs Assessment, Requirements	Begin week of January 30 2 week phase

(Technical, Features, Creative), Specify Deliverables, Project Schedule, Site Map	
Design: Wireframes, Landing Page Artwork, Inner Pages Artwork, Revisions	Begin week of February 13 4 week phase
Development: Develop Server, Slicing Graphics, Coding HTML, CSS, JS, Database Integration, CMS Integration, Content Population	Begin week of March 13 5 week phase
Testing & Revisions: Validation, Platform and Cross Browser Testing, Initial Review	Begin week of April 17 2 week phase
Refinement: Final Touches, CMS Guide Creation, Final Review	Begin week of May 1 2 week phase
Launch: Launch, Search Engine Submission, CMS Training, CMS Support, Follow-up & Maintenance	Week of May 15
Total Estimated Timeline:	17 weeks

A proposed scope of work has been attached for your review.

Features and Functionality

1. Mobile Responsive

We will build a responsive website that will automatically change to fit the user's device (desktop, laptop, tablet and mobile). As the screen gets smaller, the content shifts and changes to the best display for each screen.

2. Open Source CMS

We recommend a PHP front-end with responsive design, MySQL database, and WordPress CMS. WordPress powers more than 24% of the web - a figure that rises every day. With proper maintenance, it is a very secure system and can be easily customized on both the front and back-ends. We can customize the admin to make things even easier to update than the off-the-shelf WordPress solutions. In case anything dramatic happens to us (like winning the lottery), you'll easily be able to find other WordPress developers.

3. SEO

We know search engine optimization is important so we build in the tools that help achieve success:

- All pages and posts are built with friendly urls.
- Meta titles and descriptions are automatically populated and can be customized.
- Coding is done with H1 tag priority.
- We'll make recommendations on internal linking labels and strategies.
- We'll integrate social media and social sharing tools.
- Google analytics for tracking and future enhancements.
- Google Webmaster Tools and sitemap submission.

4. Video

While we recommend utilizing third-party services (YouTube and Vimeo) for streaming video, WordPress can easily accommodate mp4 files, as well as simple cut and paste urls for embedding YouTube and Vimeo.

5. Informational Pages

There are plenty of informational pages, mostly static content and we will explore ways to make some of these items more engaging to the user. For example, the History could integrate an interactive timeline with key dates and photos (or videos). Another example, Our Water Resources could be a compelling infographic.

“ The team at L.A. Design Studio is extremely responsive and customer focused, work fast and on time, understand industry best practices and best of breed technology and deliver high quality work at a very reasonable price. We have no better business partner.”

Duncan Ferguson
CEO
Renmark Pacific

Features and Functionality (continued)

6. Employment

Consider integrating job postings as html pages and pdf files. The html pages will be more user and SEO-friendly. The option to download the pdf is a nice alternative. In addition, we can develop an online application that allows for document uploads. The applications can be stored on the server for retrieval later, or we can submit the information via email in real-time.

7. RFPs

The system will easily allow for adding, updating and removing RFPs. Consider an electronic submission system with automatic notifications that will save time, energy and the planet.

8. Newsletter

If this is active, we recommend making it more prominent. If this is just for archiving, we would suggest using accordions to allow users to easily toggle through the items.

9. Board of Directors

The interactive map is a nice feature, obviously we want to replace the flash version with a jQuery solution that will function on all devices without a plugin. We would also explore lightbox functionality, as opposed to having to go to a page and browsing back. We suggest putting Terms on a page versus a pdf.

10. Calendars

There are a lot of options for calendars and we can help guide you. One approach is to utilize and embed google calendars. WordPress offers a host of other options, many of which can be more visual, but still have the functionality to sort / filter by type. We would also explore direct integration with the meeting packets and minutes. We envision developing a system that would allow you to post an item on the calendar (with pdf agenda). As that date passes, the items is automatically placed into the archive area where the packets and minutes could be uploaded / added. The system could show all items by date, then allow the user to filter by meeting type.

“ The L.A. Design Studio approach resonated with us when we were going through the selection process. We felt more comfortable knowing T.C. cares about our business and how the website will be used to serve our clients. He and his team also provided excellent technical support after the launch of the website. I can whole-heartily recommend the L.A. Design Studio company.”

Mingder Yang
Director & Investigator Coordinator
University of Florida, College of Medicine

Features and Functionality (continued)

11. Press Releases

We'd like to see these as pages and not pdfs. We suggest re-organizing the Public Affairs section, as it seems to be great resources from a variety of sources, including the OC Water Smart Resources.

12. School Program

We recommend utilizing pictures and video for this section to help build upon it's success.

13. Poster Contest

WordPress has many options for showcasing galleries (cascading and slideshows).

14. User Interface

We'll explore consolidating and re-organizing the menu system. Current analytics will be helpful in determining most used pages and paths. We may consider heat mapping to gage user interaction. We feel Engineering gets lost among all of the Public Affairs and Education items. We believe you may want to put more emphasis on this section.

15. Rebates

Consider a sortable, searchable rebates section where users can select residential or commercial, then indoor or outdoor, then category and item. We envision an accordion style system that allows the user to easily drill down to retrieve an item.

16. Emergency Notice

We recommend a feature that will allow you to put up an emergency notice, or important news item that can be a lightbox over the home page, or just a banner that can simply be turned on or off.

17. Open Government

Migrate and organize content, eliminate redundancy.

“Excellent listeners and creative professionals... L.A. Design Studio seeks solutions that are cost effective rather than push an agenda geared towards their bottom line - a refreshing approach to customer service.”

Jonathan Levy
Principal, Owner
Beezley Management

18. Secure Member Access

WordPress has built-in tools for adding login areas and managed user accounts. We can create an area with resources, document sharing and downloading.

19. Security

We recommend putting public and private portal on SSL (security certificate).

20. Usability

We'll take a closer look at best user practices, including having pdfs open in a new tab or window.

21. 508 Compliance

We build with the techniques and tools to be compliant, you will need to provide transcripts for video.

22. Training

We provide a comprehensive guide to administer the website, as well phone and screen sharing training. We know you'll need reminders after launch, and we'll be there via phone or email.

23. Warranty

The website is guaranteed to function on all modern browsers for a period of one year.

24. Support

Just one more thing – we know you'll need occasional assistance or guidance as you wade through updating your new website, we'll be there for the long haul. We love developing long-term relationships and know that the easiest way to do that is by providing outstanding post-launch support.

“We've had the good fortune of working with T.C. and his team for more than five years. He not only helped us build our website from the ground up but also helped us redesign it when we underwent a complete rebranding. He utilizes his extensive knowledge and experience to help us identify technology that's best suited for our agency needs. It is truly a pleasure to work with him.”

Lorraine Lyou
Development Director
The Guidance Center



ACTION ITEM
December 21, 2016

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Barbre and Tamaribuchi)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: MWDOC Legislative Policy Principles Annual Update

STAFF RECOMMENDATION

Staff recommends the Board adopt the updated legislative policy principles and provide direction to staff on the 2017 Legislative Priorities.

COMMITTEE RECOMMENDATION

The Public Affairs & Legislation Committee will review this item on December 19, 2016 and make a recommendation to the Board.

DETAILED REPORT

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 staff and directors.

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.

At the November PAL meeting, the Committee directed staff to clean up some of the language that wasn't clear, place the 2017 Legislative Priorities on a separate page and

Budgeted (Y/N): n/a	Budgeted amount:	Core x	Choice __
Fiscal Impact (explain if unbudgeted):			

include action items for the priorities. Those changes have been made and are attached for your review and action.

Changes are shown as follows:

Additions are *italicized*

Deletions are ~~crossed through~~

Member Agency suggested changes are underlined

In October 2016, staff began soliciting input from the member agencies through the general managers and other participating city staff via the MWDOC Member Agencies Managers and Legislative Coordinators group. Additional follow-up was made by staff encouraging participation, however, only Irvine Ranch Water District provided feedback.

At the November PAL Committee meeting staff was directed to place the 2017 Legislative Priorities on a separate page with action items supporting how the priorities would be achieved.

Based on this direction, staff with the assistance of MWDOC's Sacramento advocate Syrus Devers, further developed the 2017 Legislative Priorities with action items. Staff convened a meeting with the directors on the PAL Committee, however there was not consensus on the 2017 priorities and action items. There was agreement on the top two priorities: California WaterFix and the implementation of the permanent drought regulations – some felt those two were enough, while others felt we needed additional priorities.

The goal for this item today is to have a general discussion with the Committee and Board members to provide direction and clarification to staff on MWDOC's legislative priorities and how detailed our action plan should be.

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

NOTE: Additions are in *italics*, deletions are in ~~striketrough~~ font, member agency suggestions are underlined, Director suggestions are notated with an asterick (**).

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.
- 2) Facilitates the implementation of the California WaterFix, 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 the Delta either for, or in supplement to, State Water Project deliveries;
 - 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;
 - e) Employs sound scientific research and evaluation to advance the co-equal goals of improved water supply and ecosystem sustainability.
- 3) Funds a comprehensive Bay-Delta solution in a manner that equitably apportions costs to all beneficiaries.
- 4) Seeks to expedite the California WaterFix to improve water reliability and security.
- 5) Provides funding for Colorado River water quality and supply management efforts.
- 6) 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.
- 7) Authorizes and appropriates the federal share of funding for the California WaterFix *and EcoRestore Bay-Delta solution*.

8) Authorizes and appropriates the ongoing state share of funding for the California WaterFix *and EcoRestore Bay-Delta solution.*

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 ~~Bay-Delta ecosystem restoration and other public purposes,~~ 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 implementation of the California WaterFix.*

4) *Would impose conservation mandates that do not account for the unique local water-supply circumstances of each water district.*

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, 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.

2) Recognizes that recycled water is a valuable resource that should be evaluated for economic justification, permitted and managed as such.

3) ~~Authorizes local governmental agencies to regulate the discharge of contaminants to the sewer collection system that may adversely affect water recycling and reuse.**~~

4) Reduces and/or streamlines regulatory burdens on water recycling projects and brackish and ocean water desalination projects, *and provides protections for the use of these supplies during water supply shortages by exempting them from state mandated reductions.*

5) 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 at Prado Dam.

6) 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.

7) Recognizes that the reliability of supplies to the end user is the primary goal of water suppliers.

8) Ensures that 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.

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

10) Reduces or removes regulatory hurdles that hinder the use of stormwater.

11) Provides incentives for the local or regional use of stormwater management and recapture.

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

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

14) *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 to the safe application of recycled water and continues to define recycled water as a waste.

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.

~~6) Requires a local agency to investment in water supplies that are not cost effective, given it other supply options, or that it determines are not needed to enhance water supply reliability for its customers.~~

~~6) Threatens investments in local water supplies and water supply reliability by limiting agency discretion and local decision making authority by requiring investments in certain types of supply above others, or by Providing Provides state or federal funding to water supply or reliably projects which would have a negative impact on local water supplies.~~

~~7) Allocations of federal or state funding for water supply projects where water reliability improvements are achieved in a geographic region at the expense or detriment of local Orange County supplies.~~

WATER USE EFFICIENCY

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

- 1) Furthers the statewide goal of a 20% reduction in per capita water use by 2020 as set forth in SBx7-7, enacted in November 2009.
- 2) Would allow flexibility and options for compliance in achieving statewide water reduction goals.
- 3) Seeks to cost-effectively improve water efficiency standards for water-using devices.
- 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.
- 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) Requires individual or sub-metering to be built in new construction of multiple unit residential buildings.~~
- 8) Encourages stakeholders to investigate and develop regionally appropriate statewide landscape water conservation standards and regulations that incorporate local land use and climate factors.
- 9) Provides incentives, funding, and other assistance where needed to facilitate market transformation and gain wider implementation of water-efficient indoor and outdoor technologies and practices.
- 10) Provides incentives, funding, and other assistance where needed to facilitate water use efficiency partnerships with the energy efficiency sector.
- 11) Recognizes past investments in water use efficiency measures, especially from the demand hardening perspective.

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.

WATER QUALITY

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.

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.

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

WATER INFRASTRUCTURE FINANCING

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 reduce 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.

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

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

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 unnecessarily broad burdens upon all local governments, particularly when there is no demonstration of rampant and wide-spread violations of the public trust.

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.

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES DECEMBER 2016

Managers' Meeting	<p>MWDOC held its Managers' meeting on November 17, 2016 at its office in Fountain Valley. In attendance were Howard Johnson (Brady); Bob Hill (ETWD); Jose Diaz (Orange); Steve Conklin (YLWD); Mark Sprague (Fountain Valley); Andy Brunhart (SCWD); Steffen Catron (Newport Beach); David Spitz (Seal Beach); Matt Collings (MNWD); Marc Marcantonio (YLWD); Paul Shoenberger (Mesa); Brian Ragland (Huntington Beach); Dan Ferons (SMWD); Scott Miller (Westminster); Hector Ruiz (TCWD); Paul Weghorst (IRWD); John Kennedy (OCWD); and Karl Seckel; Keith Lyon; Melissa Baum-Haley; Kevin Hostert; Tiffany Baca and myself of staff.</p> <p>The agenda included the following:</p> <ol style="list-style-type: none"> 1. WEROC EOC Assessment 2. State Water Use Regulations 3. OC Flood Control District Encroachment Process 4. MWDOC 2017 Capacity Charge <p>The next meeting is scheduled for December 15, 2016.</p>
County Advocacy Services	<p>Directors Osborne, Thomas and Barbre and Heather and I reviewed the proposals received for county advocacy services. The group mutually agreed that both proposals met MWDOC's requests, and determined Lewis Consulting Group should retain the contract.</p>
California Water Fix	<p>In Anaheim during the ACWA Conference, Director Tamaribuchi, Karl, Steve Arakawa (MET) and I met with Mr. Ken Weinberg, who is seated on the Bay Delta Stewardship Council, to gain his perspective on progression of the plan. The Delta Reform Act charges the Council with creating a legally enforceable long-term management plan for the Delta that is based on the best available science and includes adaptive management strategies for ecosystem restoration and water management decisions. The Council is also directed to ensure implementation of the Delta Plan by facilitating, coordinating, and providing oversight of State and local agencies' activities in the Delta.</p>

MET ITEMS CRITICAL TO ORANGE COUNTY	
MET's Water Supply Conditions	<p>October 1, 2016 marked the beginning of the Water Year 2017, and as of November 28, 2016, the 2017 Water Year has begun with 18 inches of accumulated precipitation at the 8-station index, resulting in 200% of normal. Reservoir levels resulted in increased storage, with Lake Shasta at 64% capacity, which is 107% of normal, and Lake Orville at 42% capacity, which is 70% of normal; San Luis Reservoir has also increased to 41% of capacity.</p> <p>Along the Colorado River Basin, as of October 31, 2016, the water level at Lake Mead was at 1,076 feet with 9.70 million acre-feet of storage, or 37% of capacity. The water level at Lake Powell was at 3,609 feet with 12.68 million acre-feet of storage, or 52% of capacity. As of October 30, 2016, the total system storage was 29.87 million acre-feet, or 50% of capacity, which is about 315,000 acre-feet less than where system storage was at this time last year.</p> <p>With expected State Water Project and Colorado River deliveries reaching 2.11 Million AF for 2016 and MET demands totaling 1.75 MAF, MET anticipates it will increase its dry-year storage from 900 TAF to 1.3 MAF.</p>
MET's Finance and Rate Issues	<p><u>MET Financial Report</u></p> <p>At the November MET Finance and Insurance Committee, MET staff presented its financial review for the first four months of FY2016-17. Through October 31, 2016, the cumulative water sales were 76.1 thousand acre-feet (TAF) (10%) lower than budgeted and 65.4 TAF (7%) lower than the five year average.</p> <p>While the monthly sales are tracking under budget, they are higher than this point last year due to full service groundwater replenishment deliveries. MET staff anticipates sales to be closer to the budget by the end of the year.</p>
Colorado River Issues	<p><u>MET Completes Delivery of 35,000 Acre-feet to Coachella</u></p> <p>During October, in response to Coachella Valley Water District's (Coachella) request to take delivery of 35,000 acre-feet of State Water Project (SWP) water at the Whitewater River connection, MET completed</p>

Colorado River Issues (Continued)	<p>the exchange water to Coachella. The exchange agreement was one of a suite of agreements related to the Quantification Settlement Agreement, which was executed in 2003. Under the terms of the exchange agreement, Coachella may take delivery of up to 35,000 acre-feet of SWP water exchanged with Metropolitan at either the Coachella Canal turnouts or, if capacity is available, off of the Colorado River Aqueduct at the Whitewater River. This is the first year since 2011 that MET has had sufficient capacity in its aqueduct to make the full delivery to the Whitewater River.</p> <p><u>Salinity Control Forum Views Options to Replace Paradox Well</u></p> <p>On October 25, the Colorado River Salinity Control Forum, including representatives from MET, attended an event hosted by the U.S. Bureau of Reclamation (Reclamation) recognizing the 20-year anniversary of the Paradox Valley Unit, which includes a well that captures brine water and injects it more than 10,000 feet below the surface. The aging well is nearing the end of its useful life, but has been one of the most successful of the salinity control projects, preventing 110,000 tons of salt from reaching the Colorado River each year. The event included viewing a potential site for an evaporation pond or an alternative well. Reclamation is nearing completion of a draft EIS that will analyze the options available to replace the existing well, which is estimated to have no more than five more years of operation. Three options include: 1) a new well, 2) evaporation ponds, and 3) a brine crystallization project.</p> <p><u>Colorado River System Conservation Agreement</u></p> <p>In October, MET approved two additional agreements to conserve water in the Lower Basin: one with Southern Nevada Water Authority and one with the Gila River Indian Tribe. The agreements are part of the larger System Conservation Agreement, in which Denver Water, Southern Nevada Water Authority, Central Arizona Project, the Colorado River Board of California, Reclamation, and MET fund water conservation projects throughout the Colorado River basin to add water to Lake Powell and Lake Mead.</p>
Bay Delta/State Water Project Issues	<p><u>California WaterFix Petition Hearings</u></p> <p>In October, the California Water Fix Petition hearings before the State Water Resources Control Board (SWRCB) continued. Part 1 of the hearings addresses the effects of the project on legal users of water. The first segment (Part 1A), which includes the presentation of the project by DWR and Reclamation, finished early in the month. The second segment (Part 1B), which began on October 20, 2016, includes the presentation of</p>

Bay Delta/State Water Project Issues (Continued)	<p>evidence by all opponents where they describe their potential alleged injury resulting from the proposed project. DWR and Reclamation will have the opportunity to cross-examine the evidence presented by the project opponents. Metropolitan is participating in the hearings in collaboration with the State Water Contractors.</p> <p>The Biological Opinions will not be complete this calendar year as expected and Part 2 of the State Board hearings is set to now begin in early 2017. However, good progress is being made on the EIR/EIS. Part 2 of the hearings will consider the effects of the project on fish and wildlife and review “appropriate flow” criteria.</p> <p>MET staff continues to review environmental documents released last month by the SWRCB pertaining to Phase 1 of the Bay-Delta Water Quality Control Plan (WQCP) update process. Written comments on the Phase 1 document are due in mid-January 2017. On October 19, the SWRCB released the Working Draft Scientific Basis Report Supporting Potential Changes to the Bay-Delta Plan pertaining to Phase 2 of the WQCP update process. Written comments on the report are due to the SWRCB on December 16, 2016, and a public workshop occurred on December 7, 2016.</p> <p><u>Near-Term Delta Actions: Science Activities</u></p> <p>MET staff is managing and obtaining permits and access for a Salmon Predation study. The study is proposed to be conducted at Little Holland Tract, a site currently managed by the U.S. Army Corps of Engineers. Access is currently being obtained and a pilot study which commenced implementation in November 2016.</p> <p>MET staff continues to participate in the Collaborative Science and Adaptive Management Program, providing input to the salmon and Delta smelt studies that are underway. Efforts in October focused on developing recommendations for near-term salmon actions and studies based on information developed in a salmon gap analysis report, and developing data sets to be tested in the Delta smelt fall outflow modeling studies.</p>
ENGINEERING & PLANNING	
Baker Treatment Plant	<p>The plant is scheduled to go on line in December.</p>

Doheny Desalination Project	<p>South Coast Water District is continuing to move the project forward and to look for potential partners and grant funding as they initiate the CEQA process.</p> <p>MWDOC is working on the decommissioning and removal of the test facilities at Doheny State Park. Plans, specifications, permitting and coordination with State Parks for the decommissioning work have been completed, plans and specifications have been prepared. Bids were received on November 28.</p>
Poseidon Resources Ocean Desalination Project in Huntington Beach	<p>OCWD is currently working on preparation of the CEQA documentation for the Poseidon Project. Work continues on the project integration into the water supplies for OC. Poseidon is continuing to work on permitting issues which are estimated to be completed by the end of 2017. Staff is recommending that MWDOC award Jensen Drilling Company the construction contract and enter into an agreement with Michael Baker International to lease the Mobile Test Facility. Staff is also recommending a one-time donation to California State Parks as in in-lieu payment for the cost of site restoration in the amount of \$45,000.</p>
Orange County Reliability Study	<p>Staff is working on drafting a short Elected Officials briefing summary for review by the MWDOC Board.</p>
OC-28 Flow Metering Issue with MET	<p>MWDOC and OCWD are awaiting MET's analysis of the metering issue. A plan to re-test the meter under a controlled delivery is anticipated for early December to help evaluate the issues.</p>
Service Connection CM-1 Cost Issues with MET	<p>In September, Laguna Beach CWD began receiving groundwater from Newport Beach; this operation necessitated a shutdown of service connection CM-1 which is at the end of MET's Orange County Feeder. Shutting off the flows results in water getting stagnant and losing its chlorine residual making it undeliverable to customers. Since September, Kevin, Karl, and Keith have coordinated between MET, Newport Beach and Laguna Beach CWD for periodic "flushing" of the line prior to the water quality getting too bad for delivery.</p> <p>Discussions have been initiated with MET on the level of the proposed costs and the responsibility for such. Based on the November 28 meeting, the costs of making changes at the CM-1 meter location could reach as high as \$150k to \$200k. Based on the discussions, Laguna Beach CWD and Newport Beach are studying another alternative.</p>
OC Flood Control District	<p>Karl, Heather and John Lewis have continued to pursue opposition to the terms and conditions proposed by the OC Flood Control District for new encroachment permits for crossing of Flood Control</p>

OC Flood Control District (Continued)	<p>property. Flood control is proposing a fee based on current market real estate values, a 7% return and 35 year agreements. This is one of a number of County Initiatives to raise revenue.</p> <p>On November 22, the issue was continued by the Board of Supervisors to January 10, 2017. Staff will continue to work on this issue.</p>
South Coast Water District	Director Susan Hinman and Karl attended the South Coast Water District Board meeting to honor retiring director Richard Dietmeier.
Buena Park Council	Director Brett Barbre and Karl attended the City of Buena Park Council meeting where Director Barbre provided an update on the California WaterFix and the Colorado River Shortage negotiations. The Council was appreciative of the update.
Southern CA Salinity Management	Charles Busslinger attended the Southern California Salinity Management Summit on November 17.
Direct Potable Reuse Stakeholder	At West Basin Municipal Water District on November 18, Charles attended the Direct Potable Reuse Stakeholder Workshop #4.
OCWD Producers Meeting	Keith, Charles and Melissa attended the November Producers' meeting where the agenda included: a Water Quality report; Results of GWRS Pipeline Inspection; OCWD's Alternative Plan for the Sustainable GW Act; City of Orange Well#27 Petition; and the OCSD/OCWD Operating Agreement. The December Producers meeting was cancelled.
MNWD Electrical Connection at OC-79	A meeting was held at the OC-79 connection facility to consider how an electrical hook-up could be run from MET's OC-79 facility to MNWD's new meter to ETWD. The new meter is currently operating on solar power with battery back-up, and a more reliable power supply is needed. Attendance included: Keith, Kevin and Colin from MWDOC; Pat Bonaparte, Von Stewart, and Wes Wiggs from MET; Dennis Cafferty from ETWD; and Ronin Goodall and Greg McDowell from MNWD. The MET group is producing a work plan with estimated costs that should be available in January.
EMERGENCY PREPAREDNESS	
Coordination with Member Agencies	Kelly Hubbard provided 4 sessions of the National Incident Management System (NIMS), Standardized Emergency Management System SEMS), and Incident Command System (ICS) combined training on November 15 and 30 at Irvine Ranch Water District (IRWD). Besides providing homeland security grant required training to approx. 100 water utility staff, Kelly trained 2 individuals to also

Coordination with Member Agencies (Continued)	teach the class. Sunny Lee (IRWD) and Thomas Marcoux (South Coast Water District) both observed the morning sessions of each day and then provided the afternoon sessions on each day. Having additional water utility staff trained in providing this training should assist WEROC and its member agencies in meeting this grant requirement when new staff is hired.
Coordination with the County of Orange	<p>Kelly attended the October Orange County Emergency Management Organization (OCEMO) meeting. The primary topic was a presentation on the Christchurch, New Zealand earthquake from 2011. One of the major lessons learned was how to handle the loss of wastewater systems for months following the earthquake. Fun fact, Christchurch held a “porta-potty decorating” contest to rally the community around the plan. Kelly will be working on incorporating some of these lessons learned into WEROC planning.</p> <p>In Anaheim, Kelly attended the Urban Area Security Initiative meeting where the group reviewed grant proposals for 2017 grant funding. Kelly presented a new grant proposal for \$1,668.00 for equipment to conduct a multi-agency water quality field exercise that would include multiple water utilities, law enforcement, OC Fire Hazardous Materials (HAZMAT) Response Teams and the WEROC EOC. The project was approved and will be funded with unspent available grant funds from current open grant years. Additionally, Kelly will meet with the OC fire agencies Training Committee in January to propose the project and work on timelines.</p> <p>Kelly attended the OC Operational Area Executive Board meeting on November 9 in Santa Ana as the voting representative of ISDOC. Of interest to the water districts was a new county-wide policy for “Rain Event Homeless Notification Procedure.” Since a large homeless population has taken residence in the Santa Ana River and other water ways throughout the county, the procedure includes a threshold to notify the homeless population of flood risk due to a potential rain event. Since many of the WEROC member agencies work within these channels and often come across homeless populations during their daily work, Kelly provided the water utilities this information and some available resources to keep their message on point with the County. Additionally, it was reported that most of the OC cities conducted the first live test of the new AlertOC reverse notification system on September 29. The test was very successful with many lessons learned that will enhance the system for when the water utilities may need the system for notification.</p>

Coordination with Outside Agencies	<p>Kelly attended an “iREV Workshop for Fleet and Emergency Managers” hosted by the US Department of Energy’s Clean Cities Program. iREV stands for Initiative for Resiliency in Energy through Vehicles. The workshop’s focus was on the use of alternative fuel vehicles during a disaster. The group’s primary research had been conducted on the East Coast to date and had shown significant benefits to a diverse fleet with different types of fuel/energy sources during disaster response. This meeting and several throughout the US were intended to expand the group’s research of fuel diverse fleets, disaster response, and planning/ response barriers with various types of vehicles. The information provided will be incorporated into a national report of lessons learned and focus future research into policy and response needs for alternative fuels. This is very important research as WEROC Member Agencies continue to diversify their fleets and in many cases, as required, to purchase alternative fuel vehicles due to AQMD requirements.</p> <p>The California National Guard in coordination with the Orange County Emergency Management Bureau, Orange County Fire Authority, Orange County Sheriff’s Department and the City of Irvine conducted the Vigilant Guard Exercise on November 17. The Vigilant Guard Exercise was a Point of Distribution (POD) exercise that was conducted at the Great Park based on a large earthquake scenario. It involved over 100 National Guardsmen (50 of them drove rental cars through the POD to test the system), 100 Community Emergency Response Team (CERT) volunteers, dozens of staff of the involved agencies, heavy equipment, pallets of food and water, chinook helicopter, additional air support, and the Incident Command Vehicles of 3 agencies. Kelly was able to attend as an observer. Once an After-Action Report is made available, Kelly will utilize those lessons learned to update the current OC water and commodity POD plans and planning process.</p>
WEROC Emergency Operations Center (EOC) Readiness	<p>Staff participated in the November MARS and Operational Area radio tests successfully.</p> <p>The WEROC radio test was conducted from MWDOC’s office. Due to some previously noted interference issues with the WEROC radio system, Kelly asked radio technicians to listen to the test from different locations and provide some input on possible solutions. They were able to identify that one issue is the WEROC radio at MWDOC’s office; this, hopefully, will be resolved when the WEROC staff completes its move into their new office. Additionally, it was noted that there was some interference being generated at the Pleasants Peak repeater. Kelly has requested that MET radio staff check the repeater at that site. WEROC has an informal agreement with MET Communications staff to provide service to this site while they are onsite to ensure the 2 radio systems are working and not interfering with each other.</p>

WATER USE EFFICIENCY

Executive Order B-37-16 – Making Conservation a California Way of Life	<p>On November 8, Joe Berg participated in a workshop sponsored by Department of Water Resources and State Water Resources Control Board staff to provide a summary of the proposal to implement the Executive Order (EO). The workshop was hosted by the City of Santa Ana at their Corporate Yard offices, and more than 50 Orange County and Inland Empire agency representatives attended. The workshop included a healthy exchange of questions and answers between state agency staff and workshop participants.</p> <p>On December 5, Joe participated in the Association of California Water Agencies Leadership Group meeting that has been focusing on the EO. The meeting centered on developing recommended edits to the proposed framework provided by state agency staff. This Leadership Group has been instrumental in developing a common understanding of the proposed framework and, more importantly, a consistent set of recommended changes to the framework from the water industry. Many of these recommendations have been adopted by state agencies and are now included in the final proposed framework.</p> <p>On December 7, Joe participated in the joint Urban Advisory and Agricultural Advisory Workgroup meeting at the Department of Food and Agriculture office in Sacramento. This meeting provided a summary of the proposed Urban and Agricultural frameworks. It also provided another opportunity for stakeholders to request clarification on the proposal and to provide additional comment to state agencies.</p> <p>On December 8, MWDOC hosted a webinar to provide a summary of the proposed EO framework to member agencies and to solicit ideas for a template comment letter for use by agencies. Approximately 20 agencies participated in the webinar. Staff incorporated the ideas into a template letter and distributed it to member agencies on December 14. Comment letters are due on December 19.</p>
California Urban Water Conservation Council (CUWCC)	<p>On November 16, Joe chaired the Board of Directors meeting of the CUWCC. This meeting focused on the final negotiations to a significant evolution of the organization to better assist agencies in meeting their mandated efficiency standards defined in the Water Conservation Act of 2009 and Executive Order B-37-16. The CUWCC was originally formed in 1991 to voluntarily develop and implement Best Management</p>

CUWCC (Continued)0	<p>Practices. Since the state agencies have now mandated efficiency standards for all agencies, the original voluntary framework between water agencies and environmental advocacy groups is outdated. A vote of the membership to make this change to the organization is scheduled for December 2016. The next meeting will be held in January.</p> <p>On December 13, Joe chaired the Plenary meeting of the CUWCC hosted by the Los Angeles Department of Water and Power, with more than 35 members participating. The focus of the meeting was to present the final recommendations on the evolution of the organization, adopt the 2017 budget, and solicit priorities for 2017 and 2018. The next meeting is scheduled for March 2017.</p>
Metropolitan Water Conservation Work Group Meeting	<p>On November 17, Joe attended MET's Water Use Efficiency Workgroup meeting where approximately 30 member agencies participated. Agenda items included:</p> <ul style="list-style-type: none"> • California Urban Water Conservation Update • Metropolitan Conservation Board Presentations <ul style="list-style-type: none"> ○ Integrated Resources Planning Committee Meeting Presentation ○ Overview of Existing Approaches to Conservation ○ Alliance For Water Efficiency – “Peer to Peer” ○ Water Planning and Stewardship Presentations ○ Conservation Update ○ Water Savings Incentive Program Update • San Diego QWEL Program Overview • Member Agency Roundtable • Metropolitan Update <ul style="list-style-type: none"> ○ Region-wide Program ○ Request for Proposals ○ Rain Barrel Rebate in January <p>The next meeting is scheduled for December 15, 2016 at MET.</p>
Orange County Water Use Efficiency Coordinators Workgroup	<p>On December 1, Beth Fahl, Steve Hedges, Melissa Baum-Haley, Laura Loewen, and Joe attended the WUE Coordinators Workgroup meeting hosted by the City of Newport Beach where about 20 agencies participated. Highlights on the agenda included:</p> <ul style="list-style-type: none"> • MWDOC Updates • Agency Roundtable/Problem Solving Roundtable • Executive Order B-37-16 Update • Public Affairs/Marketing Update <ul style="list-style-type: none"> ○ OC Water Summit Save the Date

WUE Coordinators Workgroup (Continued)	<ul style="list-style-type: none"> ○ Boy Scout Soil and Water Conservation Merit Badge Clinics ○ Orange County Association of Realtors Door Hangers ○ MWDOC Website Update ● Metropolitan Update <ul style="list-style-type: none"> ○ Conservation Update ○ Water Savings Incentive Program ○ MWD Programs Update <ul style="list-style-type: none"> ▪ Region-wide Request for Proposals ▪ Rain Barrel Rebate January Changes ▪ Member Agency Administered Program ● Water Use Efficiency Programs Update <ul style="list-style-type: none"> ○ Umbrella Agreement <ul style="list-style-type: none"> ▪ Amendment 1 and Turf and Drip Addendums ○ Turf Removal Program Audit ○ Recycled Water Conversions ○ Design Assistance Program ● CUWCC Update <p>The next meeting is scheduled for February 2, 2017 at the County of Orange Public Works.</p>
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	<p>Tiffany participated in the Met PIO meeting.</p> <p>PA staff and Heather hosted and attended a joint MWDOC member agency Legislative and Public Affairs Workgroup.</p> <p>Heather met with Christine Compton from Irvine Ranch Water District to discuss the Orange County Flood Control District's utility license fee proposal.</p>
Community Relations	<p>Laura attended the Water Use Efficiency Workgroup Meeting and provided an update of MWDOC activities.</p> <p>Laura worked with Administrative staff to send out the invitations and registration for the Elected Officials Forum on January 5.</p> <p>Jonathan attended the OC Forum meeting at which Supervisor Lisa Bartlett gave a year in review as Chairwoman.</p>

Community Relations (Continued)	<p>Jonathan attended the OCBC Infrastructure Committee meeting.</p> <p>Bryce, Jonathan and Laura worked on resolutions for Dawn Chin of MET, as well as retiring Yorba Linda Water District Directors.</p> <p>Heather attended Senator Pat Bates' Open House and the OCBC/OC-BIA/OCAR Holiday Party.</p>
Education	<p>Director Tamaribuchi and Jonathan and Laura met with Inside the Outdoors staff to discuss how to improve the program. Topics discussed include teaching the students about the WaterFix and jobs in water.</p> <p>Laura coordinated the planning of the Water Quality teachers' workshop with MET staff and Inside the Outdoors staff held in Orange County on December 10.</p> <p>Jonathan and Laura organized the Soil and Water Conservation Merit Badge clinic on December 3 at El Toro Water District. Jonathan hosted the event with Sherri Seitz, El Toro Water District. Ivan Flores also staffed. More than 70 Scouts and many parents attended.</p> <p>Laura sent out a survey to all the Scout attendees following the first merit badge clinic and helped organize a third clinic.</p> <p>Bryce, Ivan and Laura attended the 2017 Students' Art Contest Awards Ceremony at MET.</p> <p>Laura attended a school visit at Foothill High School with Director Dulebohn and Lisa Ohlund, East Orange County Water District.</p> <p>Bryce is preparing graphic materials for the 2017 Water Awareness Poster-Slogan contest.</p>
Media Relations	<p>Jonathan wrote and issued news releases on:</p> <ul style="list-style-type: none"> • Directors supporting the California WaterFix • Results of the 2016 election • The Scout merit badge clinic <p>The news releases were posted to ACWA and local websites, as well as the MWDOC website. The information about Director Yoo-Schneider's election was picked up in the printed ACWA publication.</p> <p>Jonathan wrote talking points on the turf-removal audit in anticipation of potential media coverage.</p>

Media Relations (Continued)	Bryce and Jonathan met with the new science/water reporter from the OC Register and introduced her to other MWDOC staff.
Special Projects	<p>Bryce and Jonathan assisted Karl with preparation for an off-site meeting with environmental experts from the Delta. Jonathon supported Director Tamaribuchi and Karl at the event.</p> <p>Tiffany and Bryce are currently working on itineraries, trip logistics, guest and Director requirements for the following inspection trips:</p> <ol style="list-style-type: none"> 1. January 20-21, Director McKenney, CRA 2. February 3, Director Barbre, Infrastructure 3. February 24, Director Barbre & Director Beard- Fullerton, SWP 4. TBD- Director McKenney, DVL <p>Bryce staffed Director Dick's Diemer/JPL Trip.</p> <p>Tiffany met with Director Barbre and Al Mendez of MET to discuss tour options and logistics for the February 3rd infrastructure inspection trip.</p> <p>Directors Barbre and Thomas and Tiffany, Bryce and Laura attended a tour of the backend operations and filtration system of the Great Wolf Lodge.</p> <p>Tiffany and Bryce met with Shannon Cervantes of the Great Wolf Lodge to prepare a MWDOC events checklist for future event opportunities. Directors Barbre and Thomas received a tour of the available conference rooms.</p> <p>Jonathan and Laura prepared the December edition of eCurrents.</p> <p>Jonathan met with, or held conference calls with, vendors selected for the Choice Communications projects to finalize contracts and develop timelines.</p> <p>Jonathan assisted education contractor Discovery Science Cube by judging an annual contest at the Cube.</p> <p>Tiffany met with Zeshann Younus of Curt Pringle and Associates to discuss MWDOC projects and partnerships.</p>

Special Projects (Continued)	<p>Tiffany met with Steve Creech and Tammy Glossip of Wyland Foundation to discuss the 2017 Mayors Challenge.</p> <p>Tiffany coordinated a review panel of 5 MWDOC representatives to review proposals for the redesign of the agency's website, www.mwdoc.com. Tiffany and Bryce prepared a comprehensive comparison of vendors for the review panel. The panel reviewed samples of work from each vendor, developed interview questions and determined a process for conducting interviews. Tiffany prepared and led the interview process for the 3 finalists, and led two follow up meetings of the review panel to determine which vendor should be awarded the contract.</p> <p>Tiffany and Bryce are preparing graphic materials for WEROC and the agency water trailers.</p> <p>PA staff participated in the WEROC SEMS, ICS 100 & 700 Training.</p> <p>Tiffany and Bryce met with WUE staff to discuss how to incorporate the new program for Landscape Design Assistance into both the current, and new website.</p> <p>Tiffany and Bryce updated several pages on the website.</p> <p>Laura coordinated with Orange County REALTORS for the next distribution run for Water Conservation door hangers. The door hangers will be available in January.</p> <p>Laura sent out the weekly California Sprinkler Adjustment Notification emails.</p> <p>Heather and Laura staffed the ISDOC Executive Committee Meeting. Director Finnegan was also in attendance.</p> <p>Heather attended the November WACO Planning meeting and staffed the December WACO meeting with speaker Tom Pagano of JPL. Directors Dick, Osborne, Tamaribuchi, and Yoo-Schneider also attended.</p>
---	---

ACWA Fall Conference	In Anaheim, Heather attended the ACWA Fall Conference and participated in the following sessions: Corporate California – Conservation & Sustainability, Creating an Agency Brand, State & Federal Cooperation Forum, Water Transfers, and the Long Term Conservation Framework Policy Forum. Directors Tamaribuchi, Thomas and Yoo Schneider and Karl and Charles also attended the conference.
Legislative Affairs	<p>Director Barbre and Heather traveled to Washington D.C. and met with many offices with the focus being on drought legislation in the WRDA bill, the importance of the CA WaterFix, tax exemptions for water rebates, and Section 5039 of the WRDA bill which authorizes \$60M for water infrastructure projects. They met with the following staff: Jessica Roxburgh (Congressman Dana Rohrabacher), Chris Tudor (Congressman Tom McClintock), Sam Oh (Congresswoman Mimi Walters), Bryson Wong & Kiel Weaver (House Natural Resources Committee), Chuck Podolak (Senator Jeff Flake – AZ), Shaun Parkin (Senate Rules Committee), Nick Wyatt (Senate Finance Committee), and John Watts (Senator Dianne Feinstein – CA).</p> <p>Heather attended the Southern California Water Committee's Legislative Taskforce planning meeting at Long Beach Water Department.</p>
Water Summit	<p>Jonathan and Tiffany met with OCWD staff to review the artwork from the Disney staff for the 2017 OC Water Summit.</p> <p>Directors Osborne and Thomas and Tiffany and Jonathan met with the OC Water Summit ad hoc committee.</p>

pat meszaros
12/15/16

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