

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
May 16, 2018, 8:30 a.m.

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>.

- **STEVE BLOIS (CALLEGUAS MUNICIPAL WATER DISTRICT) COMMENTS REGARDING METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA CHAIRMANSHIP**

NEXT RESOLUTION NO. 2071

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. April 4, 2018 Workshop Board Meeting
- b. April 5, 2018 Special Board Meeting
- c. April 18, 2018 Regular Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee Meeting: April 2, 2018
- b. Administration & Finance Committee Meeting: April 11, 2018
- c. Public Affairs & Legislation Committee Meeting: April 16, 2018
- d. Executive Committee Meeting: April 19, 2018
- e. MWDOC/OCWD Joint Planning Committee Meeting: April 25, 2018

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of April 30, 2018
- b. MWDOC Disbursement Registers (April/May)

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of March 31, 2018
- 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 March 31, 2018
- b. Quarterly Budget Review

Recommendation: Receive and file as presented.

5. ANNUAL REVIEW OF INVESTMENT POLICY AND GUIDELINES

Recommendation: Reaffirm the Investment Policy and Guidelines adopted in August 2017.

6. ELECTION INFORMATION (CANDIDATE'S STATEMENTS)

Recommendation: Authorize staff to submit the Transmittal of Election Information/Special District to the Orange County Registrar of Voters, indicating that the Candidate's Statement of Qualifications will be limited to 200 words, and that the District will not pay for the statements.

7. SELECTION OF GOVERNMENTAL BANKING SERVICES

Recommendation: Authorize the General Manager to contract Governmental Banking Services with U.S. Bank.

8. OFFICE REMODEL & RELOCATION

Recommendation: Authorize staff to proceed with Option 1 (Retrofit to Non-Essential Facility Performance Level), phases 1 and 2 as authorized in both fiscal years 2017-18 and 2018-19 budgets and as identified in the staff write up.

End Consent Calendar**ACTION ITEMS****9-1 LEAK DETECTION EQUIPMENT PURCHASE**

Recommendation: Authorize the purchase of leak detection equipment and training services from Pollardwater in an amount not to exceed \$100,232.76.

9-2 BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION**RES. NO. _____**

Recommendation: Adopt the resolution in support of MWDOC's 2018 WaterSMART Water and Energy Efficiency grant application submitted to the Bureau of Reclamation on May 10, 2018.

9-3 BUREAU OF RECLAMATION CALFED WATER USE EFFICIENCY GRANT RESOLUTION**RES. NO. _____**

Recommendation: Adopt the attached resolution in support of MWDOC's 2018 CALFED Water Use Efficiency grant application submitted to the Bureau of Reclamation on March 14, 2018.

9-4 AWARD OF CONSULTANT CONTRACTS BASED ON THE STATEMENT OF QUALIFICATION (SOQ) SUBMITTALS REGARDING WATER SYSTEM OPERATIONS AND INTEGRATION OF NEW SUPPLIES

Recommendation: Authorize the General Manager to enter into contracts with two of the consultants responding to MWDOC's SOQ, Black & Veatch and Hazen and Sawyer, to secure their participation in a scoping workshop on integration issues, as outlined below, at a cost not to exceed \$30,000.

9-5 AB 3045 (GALLAGHER) – NATURAL RESOURCES AGENCY: STATE WATER PROJECT COMMISSION

Recommendation: Adopt an oppose position on AB 3045 (Gallagher) and join the Metropolitan coalition letter

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, MAY 2018 (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
- b. Requests for Future Agenda Topics

Recommendation: Receive and file as presented.

ADJOURNMENT

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

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

April 4, 2018

At 8:30 a.m. President Barbre 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. Mr. Marc Marcantonio led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

MWDOC STAFF

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

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman

OTHERS PRESENT

Jeff Kightlinger
Brandon Goshi
Lisa Ohlund
Fred Adjarian
Mark Monin
Jose Vergara
Mike Dunbar
Brian Ragland
Steve LaMar
Peer Swan
Paul Weghorst
Jim Atkinson
Don Froelich
Lindsey Stuvick
Adam Hutchinson
Charley Wilson
Chuck Gibson
Dan Ferons
Sandra Massa-Lavitt

Metropolitan Water District of So. Cal.
Metropolitan Water District of So. Cal.
East Orange County Water District
El Toro Water District
El Toro Water District
El Toro Water District
Emerald Bay Service District
City of Huntington Beach
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water
Moulton Niguel Water District
Moulton Niguel Water District
Orange County Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
City of Seal Beach

Dennis Erdman
Al Nederhood
Marc Marcantonio
Michael Thomas
Edward Bilezikjian

South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
San Diego County Water Authority
Stratageyes

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

Mr. Hunter stated that the Resolution for Item No. 3 (Resolution Supporting MET to finance the full project), and presentation material for Item No. 2 (Update on WaterFix) was distributed to the Board and made available to the public.

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

No comments were received.

PRESENTATION/DISCUSSION/INFORMATION ITEMS

PRESENTATION BY METROPOLITAN STAFF REGARDING AN UPDATE ON THE CALIFORNIA WATERFIX

MET General Manager Jeff Kightlinger updated the Board on the status of the California WaterFix. His presentation included an overview of recent developments regarding the WaterFix (DWR announced the option of staged construction and the MET Board directed staff to explore opportunities for financing the full project), and an overview of the benefits of full project implementation along with an in-depth view of implementation issues (allocation of costs/benefits, a supply yield analysis, a water supply improvement comparison, and a rate impact analysis). Mr. Kightlinger also reviewed an alternative financing option to ensure full project implementation (acquiring the Central Valley Project (CVP) Public Water Agencies' (PWA) share and subsequent purchase by CVP PWAs), including benefits and cost impacts.

Mr. Kightlinger concluded his presentation by outlining MET's preferences for a Department of Water Resources (DWR) Master Agreement, along with a review of the Capacity Purchase Agreement, SWP Water Transfer Agreements, and Gap Funding Agreement.

Discussion ensued following the presentation with specific emphasis surrounding the MET staff recommendation for the MET Board to support the staged construction, with Mr. Kightlinger responding that although full project implementation is the best approach for the region, as MET General Manager his job is to present the option with the least financial risk.

He noted that he would encourage the MET Board to make a decision on April 10th (to avoid further delay).

Considerable discussion ensued regarding both options (full project participation v. a staged approach), financial risks/concerns for MET, the importance of the project for both supply and system reliability, how a reduction in the Colorado River water would affect Southern California's dependence on the Delta, and the reasons why there is opposition among some of the MET member agencies to full project implementation (some agencies believe more money should be spent on local projects, while others are worried about cost overruns).

Following discussion, the Board thanked Mr. Kightlinger for his presentation and received and filed the report as presented.

ACTION ITEM

BOARD RESOLUTION SUPPORTING MET FINANCING THE UNSUBSCRIBED PORTION OF THE CALIFORNIA WATERFIX

President Barbre stated that a proposed Resolution supporting MET financing the unsubscribed portion of the California WaterFix was before the Board for consideration; a red-lined version was presented to the Board and made available to the public.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board adopted RESOLUTION NO. 2067, expressing Support for Increasing Metropolitan Water District of Southern California's share of the California Water Fix. RESOLUTION NO. 2067 was adopted by the following roll call vote:

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

PRESENTATION/DISCUSSION/INFORMATION ITEMS (continued)

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

No new information was discussed.

MET BUDGET UPDATE AND POTENTIAL CONSERVATION MODIFICATIONS

President Barbre advised that a report was included in the packet. The Board received and filed the report.

WATER SUPPLY CONDITIONS UPDATE

It was stated that the Water Supply Report was included in the packet; 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 March MET Board Meetings
- b. Review Items of significance for the Upcoming MET Board and Committee Agendas

The Board received and filed the report as presented.

Mr. Hunter announced that MWDOC's Water Policy dinner would be held on April 19, 2018 at the Great Wolf Lodge and would feature DWR's Director Karla Nemeth as the keynote speaker; flyers for the event were included at the meeting.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 9:54 a.m.

Maribeth Goldsby
Board Secretary

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 5, 2018

At 6:00 p.m., President Barbre called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors Board Room at the District facilities, 18700 Ward Street, Fountain Valley, California. Director Yoo Schneider led the Pledge of Allegiance.

MWDOC DIRECTORS

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

STAFF PRESENT

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

ALSO PRESENT

Linda Ackerman
John Sears
Doug Davert
Mark Monin
Jose Vergara
Scott Goldman
Cheryl Brothers
John Collins
Brian Ragland
Mary Aileen Matheis
Peer Swan
Paul Weghorst
Jim Fisler
Marice DePasquale
Duane Cave
Richard Fiore
Scott Colton
Brian Probolsky
Don Froelich
Gary Kurtz
John Kennedy
Kathy Ward
Dave Rebensdorf
Saundra Jacobs
Dan Ferons
Brad Reese
Jerry Vilander
Wayne Rayfield
Dennis Erdman
Doug Erdman

MWDOC/MET Director
East Orange County Water District
East Orange County Water District
El Toro Water District
El Toro Water District
El Toro Water District
City of Fountain Valley
City of Fountain Valley
City of Huntington Beach
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
Moulton Niguel Water District
Orange County Water District
City of San Clemente
City of San Clemente
Santa Margarita Water District
Santa Margarita Water District
Serrano Water District
Serrano Water District
South Coast Water District
South Coast Water District
South Coast Water District

Rick Erkeneff	South Coast Water District
Rick Shintaku	South Coast Water District
Mike Safranski	Trabuco Canyon Water District
Don Chadd	Trabuco Canyon Water District
Glen Acosta	Trabuco Canyon Water District
Brooke Jones	Yorba Linda Water District
Al Nederhood	Yorba Linda Water District
J. Wayne Miller	Yorba Linda Water District
Marc Marcantonio	Yorba Linda Water District
Joseph Velasco	Orchard Dale Water District
Liz Mendelson-Goossens	San Diego County Water Authority
Dick Ackerman	Ackerman Consulting
Jefferson Cha	U.S. Rep. Mimi Walters

PUBLIC COMMENTS

No public comments were received.

Following introductions by the Board, President Barbre invited introductions around the room.

DISCUSSION ITEMS

DISCUSSION WITH REPRESENTATIVES FROM MWDOC'S MEMBER AGENCIES REGARDING KEY REGIONAL ISSUES AND KEY ORANGE COUNTY ISSUES, INCLUDING THE CALIFORNIA WATERFIX, MET'S BIENNIAL BUDGET, MWDOC'S BUDGET AND RATES FOR 2018-19, STATE LEGISLATIVE ISSUES, AND MWDOC'S SCHOOL PROGRAM

President Barbre stated that the evening would consist of short presentations by members of the Board, with the remainder of the meeting consisting of open dialogue/questions between the Board and audience. The following topics were covered:

- California WaterFix (Director Dick)
- MET's Biennial Budget (Director Barbre)
- MWDOC's Budget and Rates for 2018-19 (Director Thomas)
- State Legislative Issues (Director Tamaribuchi)
- MWDOC's School Program (Director Yoo Schneider)

Director Dick began the evening with a presentation and overview of the California WaterFix and discussion ensued regarding the two-tunnel (full project) versus the recently introduced staged approach. Discussion was held regarding the importance of the full project to the region, and Mr. Dick advised that the MET Board would consider financing the second tunnel in addition to funding its share of the staged project at the April 10 Board meeting.

President Barbre then provided an overview of MET's Biennial Budget noting projected rate increases of 3% for each of the next two years.

Director Thomas reviewed MWDOC's proposed budget and rates for fiscal year 2018-19, and discussion was held regarding MWDOC's federal advocacy efforts and budgeted trips to Washington, DC.

Director Tamaribuchi provided an overview of the Governor's Executive Order which directs state agencies to transition to permanent, long-term improvement in water use. His presentation covered AB 1668 (Friedman), SB 606 (Skinner/Hertzberg), SB 623 (Monning) and budget trailing bill language, as well as AB 2050 (Caballero, which is sponsored by Eastern Municipal Water District and the CMUA). Considerable discussion ensued regarding the unintended consequences of AB 1668 and SB 606.

Director Yoo Schneider completed the evening with an overview of MWDOC's School Program (a member agency choice program), including information on MWDOC's Elementary School Program MWDOC (in partnership with the Discovery Science Center), and the High School Program (in partnership with the Orange County Department of Education-Inside the Outdoors).

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 7:53 p.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 18, 2018**

At 8:30 a.m., President Barbre 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. Director Yoo Schneider led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Melissa Baum-Haley, Sr. Water Resources Analyst
Damon Micalizzi, Director of Public Affairs
Joe Berg, Director of Water Use Efficiency
Cathy Harris, Admin. Services Manager
Heather Baez, Director of Gov. Affairs
Kevin Hostert, Water Resources Analyst
Charles Busslinger, Principal Engineer
Kelly Hubbard, WEROC Programs Manager
Francisco Soto, WEROC Emergency Prog. Coord.

ALSO PRESENT

Linda Ackerman
Larry McKenney
Doug Reinhart
Paul Weghorst
Jim Atkinson
John Kennedy
Dan Ferons
Rick Erkeneff
Dennis Erdman
Brooke Jones
Al Nederhood
Marc Marcantonio
Lori Klessner
Stephanie Smith

MWDOC MET Director
MWDOC MET Director
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water
Orange County Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Yorba Linda Water District
OC Department of Education
OC Department of Education

PUBLIC PARTICIPATION/PUBLIC COMMENT

President Barbre 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. Barbre asked whether there were any comments on other items which would be heard at this time.

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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

President Barbre inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting. No items were distributed.

General Manager Hunter advised that clarifications/revisions or additional information were distributed to the Board (and made available to the public) on Item Nos. 8-2 (Approval of Structural Seismic Improvements to the MWDOC Administration Building and Staff Direction for Implementation), 8-7 (AB 2543, Eggman), and 8-8 (Elementary School Program), and 8-9 (High School Program).

CONSENT CALENDAR

President Barbre 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 Finnegan, seconded by Director Dick, and carried (5-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Dick, Finnegan, Yoo Schneider, and Tamaribuchi voted in favor; Directors Osborne and Thomas were absent.

MINUTES

The following minutes were approved.

March 7, 2018 Workshop Board Meeting
March 21, 2018 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: March 5, 2018
Administration & Finance Committee Meeting: March 14, 2018
Public Affairs & Legislation Committee Meeting: March 19, 2018
Executive Committee Meeting: March 22, 2018

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of March 31, 2018
MWDOC Disbursement Registers (March/April)

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 February 28, 2018

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 February 28, 2018

Quarterly Budget Report

AWARD OF CONSULTANT CONTRACT FOR THE SOC INTERCONNECTION STUDY

The Board authorized the General Manager to enter into a contract with Dudek on a time and materials basis not to exceed \$244,250 to work with IRWD, MWDOC, and the SOC Agencies on the potential for expansion or extension of the existing Emergency Services Agreement for the SOC Interconnection.

WATER LOSS AUDIT VALIDATION RESEARCH

The Board authorized the General Manager to enter into a professional services agreement with Water Systems Optimization, Inc. to provide independent water loss audit report validation services for member agencies, using budgeted research funds of \$52,000.

DISTRICT BENCHMARK COMPENSATION AND BENEFITS STUDY

The Board (1) approved the proposed pay structure which includes title, classification and FLSA status changes and a 3.62% pay structure adjustment to the salary ranges only, effective July 1, 2018; and (2) approved revisions to the District's policy regarding Compensation and Benefits Surveys and Pay Structure Adjustments, as presented.

- END CONSENT CALENDAR -

ACTION CALENDAR

WEROC EMERGENCY OPERATIONS PLAN RESOLUTION

Upon MOTION by Director Finnegan, seconded by Director Yoo Schneider, and carried (5-0), the Board adopted RESOLUTION NO. 2068 approving the revised WEROC Emergency Operations Plan, by the following roll call vote:

AYES: Directors Barbre, Dick, Finnegan, Yoo Schneider, & Tamaribuchi
NOES: None
ABSENT: Directors Osborne & Thomas
ABSTAIN: None

(Director Thomas arrived at 8:35 a.m.)

**APPROVAL OF STRUCTURAL SEISMIC IMPROVEMENTS TO THE MWDOC
ADMINISTRATION BUILDING AND STAFF DIRECTION FOR IMPLEMENTATION**

President Barbre advised that the proposal to approve structural seismic improvements to the administration building was before the Board for consideration. He advised that the Administration & Finance Committee recommended the Board at least move forward with the Life Safety option of \$300,000, but also recommended the Board discuss/consider moving forward with the Damage Control option of \$500,000.

Director Dick made a MOTION, which was seconded by Director Finnegan to authorize staff to move forward with the Life Safety option (3-C) of \$300,000. Considerable discussion ensued regarding whether the Board should authorize the full \$500,000 as recommended by staff, with several Board members indicating that \$300,000 would secure the building enough to protect the employees from harm (during an earthquake). Several other Board members expressed support for expending the full \$500,000 to fully support the building improvements, noting the cost savings by doing all the work at once.

Director Barbre suggested the MOTION be amended to authorize \$400,000 which would cover the majority of structural issues (as \$100,000 has already been approved for non-structural work). Director Dick concurred and amended his MOTION to authorize staff to move forward with \$400,000 of seismic improvements as outlined in the write up; Director Finnegan seconded the amended MOTION. By a vote of 3-3 the amended MOTION failed. Directors Finnegan, Barbre and Dick voted in favor; Directors Tamaribuchi, Thomas and Yoo Schneider opposed.

Following discussion, and upon MOTION by Director Yoo Schneider, seconded by Director Thomas, and carried (6-0), the Board authorized staff to move forward with the Damage Control option 2-B in the amount of \$500,000. Directors Barbre, Dick, Finnegan, Yoo Schneider, Tamaribuchi & Thomas voted in favor.

General Manager Hunter referenced the Administration & Finance Committee discussion on moving locations; he suggested the Board discuss the options, as many building improvements and remodel projects are on hold until this discussion is resolved. Mr. Hunter advised that the cost to move and secure a new location would range in cost from \$7 million to \$12 million.

Director Barbre wasn't comfortable with the cost numbers presented and suggested more accurate costs be evaluated.

Following discussion, the Board referred additional discussion on the relocation issue to the Executive Committee in May; staff was directed to compile a list of all improvements made to the building since 1992.

ADOPT BUDGET FOR FISCAL YEAR 2018-19

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (6-0), the Board adopted RESOLUTION NO. 2069 approving the budget for fiscal year 2018-19, which includes a General Fund Budget of \$9,654,208, a Water Purchases Budget of \$204,099,094, a Water Use Efficiency Budget of \$2,972,135, a WEROC budget of \$489,160, for a total Budget of \$217,214,597. Said RESOLUTION NO. 2069 as adopted by the following roll call vote:

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

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2018-19

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (6-0), the Board (1) increased the MWDOC Retail Meter Charge from \$11.90 to \$12.25 per meter, and the Groundwater Customer Charge from \$468,565 to \$499,012, effective July 1, 2018; and (2) adopted RESOLUTION NO. 2070 establishing rates and charges to be effective July 1, 2018 and January 1, 2019 consistent with the budget. Said RESOLUTION NO. 2070 was adopted by the following roll call vote:

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

WATER UCI INDUSTRY-UNIVERSITY COOPERATIVE RESEARCH CENTER

President Barbre advised that the Administration & Finance Committee recommended the full Board discuss potential financial participation (a \$30,000 annual commitment for five years; beginning in the 2019-20 fiscal year).

Directors Yoo Schneider, Tamaribuchi, and Thomas all expressed support for participation, noting it provides an opportunity to leverage funds for research in areas of interest to MWDOC.

Directors Dick and Finnegan suggested deferring further discussion and participation until the next budget process (2019-20).

Director Yoo Schneider made a MOTION, which was seconded by Director Thomas, authorizing an annual commitment of \$30,000 for five years beginning with the 2019-20 fiscal year. Said MOTION failed by a vote of 3-3. Directors Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Directors Barbre, Dick, and Finnegan opposed; Director Osborne was absent.

AB 2241 (RUBIO) – THE OPEN AND TRANSPARENT WATER DATA ACT

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board adopted a support position on AB 2241 (Rubio). Directors Barbre, Dick, Finnegan, Yoo Schneider, Tamaribuchi, and Thomas voted in favor. Director Osborne was absent.

AB 2543 (EGGMAN) – STATE AGENCIES: INFRASTRUCTURE PROJECT BUDGET AND SCHEDULE

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board adopted an oppose unless amended position on AB 2543 (Eggman). Directors Barbre, Dick, Finnegan, Yoo Schneider, Tamaribuchi, and Thomas voted in favor. Director Osborne was absent.

RECOMMENDATION FOR MWDOC SCHOOL PROGRAM GRADES 1-6 FIRST EXTENSION OF AGREEMENT FOR FISCAL YEAR 2018-19

Upon MOTION By Director Dick, seconded by Director Yoo Schneider, and carried (6-0), the Board authorized the General Manager to enter into a First Extension of Agreement with Discovery Science Center (DSC) for a one-year renewal term to implement the Water Education School Program Grades 1-6 for fiscal year 2018-19. Directors Barbre, Dick, Finnegan, Yoo Schneider, Tamaribuchi, and Thomas voted in favor. Director Osborne was absent.

RECOMMENDATION FOR MWDOC SCHOOL PROGRAM GRADES 9-12 FIRST EXTENSION OF AGREEMENT FOR FISCAL YEAR 2018-19

President Barbre advised that the Public Affairs & Legislation Committee held a lengthy discussion on this item and although they recommended approval of the staff recommendation, he would prefer the Board action be split between the portions that are “core” and “choice”.

Director Dick commented that if the program is a “choice” program it should remain as such and not include additional “core” funding, noting, however, that he could support a one-time “core” expenditure.

Director Barbre expressed frustration with the continued “core” funding requests as the program is a “choice” program; he suggested Inside the Outdoors anticipate changes/additions to its funding and work these amounts into the contract (similar to Discovery Science Center).

Following discussion, and upon MOTION by Director Yoo Schneider, seconded by Director Thomas, and carried (6-0), the Board authorized the General Manager to enter into a First Extension of Agreement with Inside the Outdoors (ITO) for a one-year renewal term to implement the Water Education School Program Grades 9-12 for fiscal year 2018-19. Directors Barbre, Dick, Finnegan, Yoo Schneider, Tamaribuchi, and Thomas voted in favor. Director Osborne was absent.

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, APRIL 2018**

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

General Manager Hunter highlighted the upcoming the Water Policy dinner scheduled for April 19, 2018.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS

a. BOARD OF DIRECTORS

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

Director Thomas noted his attendance at the MWDOC regularly scheduled Committee/Board meetings (Planning & Operations, Administration & Finance, and the Public Affairs & Legislation, Committee meetings, and the Regular and Workshop Board meetings), the Santiago Aqueduct Commission meeting, the OC Water Summit planning meeting, and a meeting with the South County agencies.

Director Tamaribuchi stated that he attended all of the regularly scheduled MWDOC meetings except the Administration & Finance Committee (Planning & Operations, Public Affairs & Legislation, and Executive Committee meetings, along with the Workshop and Regular Board meetings), as well as the OCBC Infrastructure Committee meeting, the WACO meeting, the Water UCI seminar on the Colorado River Basin, the El Toro Water District garden dedication, a meeting with the South County agencies, the Ad Hoc Committee on Desalination meeting, and a climate meeting he and Karl Seckel attended with Professor Sorooshian.

Director Finnegan advised that she attended the Planning & Operations and Public Affairs & Legislation Committee meetings, as well as the Workshop and Regular Board meetings, the ISDOC luncheon, and the retirement luncheon for Pat Meszaros. Ms. Finnegan thanked the MWDOC MET Directors for their efforts with the California WaterFix.

Director Dick reported on attending the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the MET Board and Committee meetings, a meeting with Feedy Maris, the MWDOC MET Director meeting prior to the MET Executive Committee, the MET Executive Committee meeting, the Lincoln Club meeting regarding the California Water Fix, the Ad Hoc Committee on Desalination meeting, the Urban Water Institute conference and meeting, the ISDOC meeting, the Serrano Water District meeting, the MET Caucus, the Elected Officials Forum, the WACO meeting, and the OC Taxpayers Association meeting.

Director Dick thanked Director Barbre and staff for their efforts with respect to the recent California WaterFix financing vote at MET.

Director Yoo Schneider reported on attending the MWDOC Planning & Operations and Public Affairs & Legislation Committee meetings, the Workshop Board meeting, the Elected Officials Forum, a meeting in Sacramento to participate in the California Environmental dialogue, a tour of Girl Scouts Center, the Mimi Walters federal grants workshop, the meeting with South County agencies, a speaking engagement at Santa Ana College regarding careers and STEM, the Santa Margarita Water District meeting, the El Toro Water District garden dedication, the P3 Water

Summit conference, the WACO meeting, an interview with KSBR radio (with Director Thomas) regarding water awareness, and South Coast Water District meeting.

Director Barbre reported on attending the following meetings in his capacity as MET Director: the MWDOC/OCWD/YLWD joint committee meeting, the MWDOC MET Directors strategy meeting (fourth Monday), the fourth Tuesday Committee day, the MWDOC MET Caucus, the Western Municipal Water District Board meeting, the MET Caucus (Inland Empire), the WACO meeting, the MET Board and Committee meetings, the Central Basin Municipal Water District Board meeting, and the Santa Ana City Council meeting. He reported on attending the following meetings in his capacity as MWDOC Director: the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the Workshop and Regular Board meetings, the Elected Officials Forum, the Ad Hoc Committee meeting on Desalination, and the retirement event for Pat Meszaros.

B. REQUESTS FOR FUTURE AGENDA TOPICS

President Barbre referenced MET's treated and untreated water rates and suggested an analysis on how these rates are positioned with OCWD's rates, including a forecast on whether rates will cross in the future, and whether/how this would affect sales be conducted. Mr. Hunter advised he would speak with OCWD General Manager Markus regarding OCWD's long-term projections for their rates.

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 9:14 a.m., in memory of former First Lady Barbara Bush.

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

April 2, 2018 – 8:30 am to 9:45 am
MWDOC Conference Room 101

P&O Committee:

Director Wayne Osborne (absent)
Director Sat Tamaribuchi
Director Yoo Schneider

Staff:

Robert Hunter, Karl Seckel, Joe Berg,
Harvey De La Torre, Charles Busslinger,
Damon Micalizzi, Francisco Soto,
Katie Davanaugh

Also Present:

Director Jeff Thomas
Director Brett Barbre
Director Larry Dick
Director Joan Finnegan
Linda Ackerman, MWDOC MET Director
Larry McKenney, MWDOC MET Director
Paul Cook, Irvine Ranch Water District
Paul Weghorst, Irvine Ranch Water District
Dan Ferons, Santa Margarita Water District
John Kennedy, Orange County Water District
Peer Swan, Irvine Ranch Water District
Jose Vergara, El Toro Water District

Director Tamaribuchi chaired the meeting and called it to order at 8:30 a.m. In the absence of Director Osborne, Director Barbre sat on the Committee.

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

A presentation by Irvine Ranch Water District on water banking was distributed.

PRESENTATION / DISCUSSION

UPDATE BY IRWD ON STRAND RANCH RELIABILITY PLANNING

Mr. Paul Cook and Mr. Paul Weghorst (IRWD) presented information on water banking projects that Irvine Ranch Water District is currently operating, as well as potential opportunities for MWDOC to participate in, and noted that the Strand Ranch water banking

project located in Kern County is designed to capture and store water in wet years and utilize during drought or supply interruptions. Mr. Cook and Mr. Weghorst reviewed the components and type of facilities needed for a successful project. Mr. Cook reviewed many benefits of water banking projects, including a review with or without the California Water Fix. Sources of water come from State Water Project (SWP) as well as non-SWP supplies. Conveyance of the water is made possible through various agreements between the participating agencies, and the total amount of water that IRWD has in storage as of March 2018 is over 40,000 acre feet.

Mr. Cook went on to review the Kern Fan Groundwater Storage Project which is anticipated to be online as soon as 2023 through a partnership between Irvine Ranch Water District and Rosedale-Rio Bravo Water Storage District, and has potential for up to 100,000 acre feet of storage capacity. The Kern Fan project has also been submitted for grant funds under the State's Proposition 1 storage investment process. A preliminary location map of the facilities was reviewed, illustrating wells, lift stations, Phases 1 and 2 locations, well pipelines and existing landmarks.

Mr. Cook proposed that MWDOC staff and Board, as well as IRWD, meet to discuss policy issues and how a MWDOC pilot program could benefit the Orange County region by increasing water supply reliability. Mr. Cook suggested that MWDOC could administer the program for its member agencies with IRWD managing the facilities, and MWDOC would have the ability to secure an annual option for the right to call on the water supply from the bank.

Discussion was held on how proposed legislation might impact storage, conveyance and distribution, and also discussed the cost of these projects, and the impact a serious interruption, such as a natural disaster in northern California might have on water supplies to the southern California region and the importance having projects such as water banking.

Director Yoo Schnedier made a motion to form a committee to further discuss; and Director Barbre then suggested that this topic be discussed at a future Executive Committee meeting.

ACTION ITEMS

AWARD OF CONSULTANT CONTRACT FOR THE SOC INTERCONNECTION STUDY

Mr. Seckel provided a summary of the work conducted to date on the south Orange County Interconnection Study and the additional services requested, as outlined in the written staff report.

Upon MOTION by Director Yoo Schneider, seconded by Director Barbre, and carried (3-0), the Committee recommended the Board of Directors authorize the General Manager to enter into a contract with Dudek on a time and materials basis not to exceed \$244,250 to work with IRWD, MWDOC and the SOC Agencies on the potential for expansion or extension of the existing Emergency Services Agreement for the SOC Interconnection; the Board will consider item on April 18, 2018. Directors Tamaribuchi, Yoo Schneider, and Barbre voted in favor.

APPROVAL OF WEROC EMERGENCY OPERATIONS PLAN

Mr. Seckel noted that the WEROC emergency operations plan is brought to the committee every 3-5 years for review. The plan was updated to make it more reader friendly and was condensed for ease in use.

Upon MOTION by Director Yoo Schneider, seconded by Director Barbre, and carried (3-0), the Committee recommended Board of Directors approve the revised WEROC Emergency Operations Plan at the April 18, 2018 Board meeting. Directors Tamaribuchi, Yoo Schneider, and Barbre voted in favor.

Director Barbre departed the meeting at 9:35 and Director Dick sat on the committee.

WATER LOSS AUDIT VALIDATION RESEARCH

Upon MOTION by Director Yoo Schneider, seconded by Director Dick, and carried (3-0), the Committee recommended Board of Directors authorize the General Manager to enter into a professional services agreement with Water Systems Optimization, Inc. to provide independent water loss audit report validation services for member agencies, using budgeted research funds of \$52,000; this item will be presented to the Board on April 18, 2018. Directors Tamaribuchi, Yoo Schneider, and Dick voted in favor.

INFORMATION ITEMS**UPDATE ON SMWD RELIABILITY PLANNING**

Mr. Hunter noted that two workshops were recently held on Santa Margarita Water District's reliability planning efforts and were well attended. Mr. Ferons noted the importance of continuing reliability planning efforts, such as the workshop, on a regular basis.

STATUS REPORTS

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

The informational items were received as 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 9:45 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**
April 11, 2018 – 8:30 a.m. to 10:50 a.m.
MWDOC Conference Room 101

Committee Members:

Director Jeff Thomas, Chair
Director Joan Finnegan (absent)
Director Larry Dick

Staff:

Robert Hunter, Hilary Chumpitazi,
Karl Seckel, Harvey De La Torre,
Joe Berg, Katie Davanaugh,
Damon Micalizzi, Kelly Hubbard,
Charles Busslinger, Heather Baez,
Kevin Hostert

Ex Officio Member: Director Barbre

Also Present:

Director Megan Yoo Schneider
Director Brett Barbre
MWDOC MET Director Linda Ackerman
Marwan Khalifa, Mesa Water
Jim Atkinson, Mesa Water
Mike Markus, OCWD
Randy Fick, OCWD
Doug Johnson, Ralph Andersen & Assoc.
Dr. Shannon Roback, UCI
David Pomerleau, IDS Group

Director Thomas called the meeting to order at 8:30 a.m. Director Barbre sat on the Committee in the absence of Director Finnegan.

PUBLIC COMMENTS

Director Jim Atkinson (Mesa Water) thanked the MWDOC Metropolitan Directors for their efforts in passing the multi-billion dollar twin-tunnels project, as a way of protecting the water supply for more than 25 million Southern California residents. The committee held discussion on those efforts and the historic nature of the vote due to the controversy surrounding the project.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

Mr. Hunter noted that a letter regarding the MWDOC 2018-19 budget was received from Irvine Ranch Water District, as well as an updated exhibit to the budget.

PROPOSED BOARD CONSENT CALENDAR ITEMS**TREASURER'S REPORT**

- a. Revenue/Cash Receipt Report – March 2018
- b. Disbursement Approval Report for the month of April 2018
- c. Disbursement Ratification Report for the month of March 2018
- d. GM Approved Disbursement Report for the month of March 2018
- e. Water Use Efficiency Projects Cash Flow – March 31, 2018
- f. Consolidated Summary of Cash and Investment – February 2018
- g. OPEB Trust Fund monthly statement

Upon MOTION by Director Barbre, seconded by Director Thomas and carried (3-0), the Committee recommended the Treasurer's Report for approval at the April 18, 2018 Board meeting. Directors Barbre, Thomas and Dick all voted in favor.

FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period ending February 28, 2018

Upon MOTION by Director Barbre, seconded by Director Dick and carried (3-0), the Committee recommended the Financial Report for approval at the April 18, 2018 Board meeting. Directors Barbre, Thomas and Dick all voted in favor.

DISCUSSION ITEMS**PROPOSED LAFCO DUES RESTRUCTURING**

The Committee held discussion on the current LAFCO dues structure and whether another formula would be more appropriate. Following discussion, it was determined that no changes would be recommended at this time. It was noted that Director Finnegan will continue as the District's representative in LAFCO matters.

ACTION ITEMS**DISTRICT BENCHMARK COMPENSATION AND BENEFITS STUDY**

Doug Johnson (Ralph Anderson & Associates) provided an overview of the compensation and benefits survey findings that was recently completed by Ralph Andersen & Associates. He noted that surveys are conducted to anticipate and understand labor market conditions and optimize the District's ability to recruit and retain employees by providing competitive wages and benefits. Mr. Johnson reviewed the list of survey agencies utilized, the survey process, the scope of data collected (including base salary, cash benefits, insurance benefits and retirement) and survey findings and recommendations. Only four of the classification titles were recommended for changes and six positions were recommended for pay grade reclassification and those adjustments were listed in the staff report. No changes to benefits were recommended at this time. Discussion was also held of the consumer price index as it relates to cost of living and a proposed 3.62% increase to the

salary schedule, effective July 1, 2018.

Upon MOTION by Director Barbre, seconded by Director Thomas and carried (3-0), the Committee recommended the Board approve 1) the proposed July 1, 2018 pay structure which includes title, classification and FLSA status changes and a 3.62% pay structure adjustment to the salary ranges only, and 2) approve revisions to the District's policy regarding Compensation and Benefits Surveys and Pay Structure Adjustments, as presented. This item will be presented to the Board on April 18, 2018. Directors Barbre, Thomas, and Dick all voted in favor.

APPROVAL OF STRUCTURAL SEISMIC IMPROVEMENTS TO THE MWDOC ADMINISTRATION BUILDING AND STAFF DIRECTION FOR IMPLEMENTATION

Mr. Busslinger provided an overview and presentation of the recent seismic evaluation of the MWDOC building and facilities that IDS consultants was contracted to conduct for the Conceptual Seismic Retrofit Study of the MWDOC Administration Building. Mr. Busslinger provided an extensive review of the assessment, noting that life safety of the employees and the ability of the facility to continue to conduct normal business operations were key factors in the assessment. He provided background information, potential building performance levels following a disaster (i.e., such as an earthquake, depending on the level of damage), and the seismic risk of Orange County based on local fault lines. He also reviewed examples of structural and non-structural items that would need to be retrofitted as well as a matrix of structural improvement options available to reduce vulnerability and liability following an earthquake, including rough cost for those improvements and retrofits.

Considerable discussion was held on the various options and associated costs and benefits for the seismic improvements, as presented in the staff report and presentation materials. Other options discussed included moving the office to either a new location with a brand new building, or one that might also need seismic improvements. Those options are also quite costly.

Upon MOTION by Director Dick, seconded by Director Barbre and carried (2-1), the Committee recommended additional discussion on the structural seismic improvements for the MWDOC building at the April 18, 2018 Board meeting. Directors Barbre and Dick voted in favor; Director Thomas opposed.

OFFICE REMODEL – PHASES 1 AND 2

Mr. Hunter provided a brief overview of options for the office remodel. The Committee determined that due to pending discussions regarding seismic improvements, this item would be placed on hold at this time. It was noted that funds are currently budgeted for a portion of the office remodel efforts and will remain in the budget.

FY 2018-19 THIRD DRAFT BUDGET

Upon MOTION by Director Barbre, seconded by Director Thomas and carried (3-0), the Committee recommended approval of the FY 2018-19 third draft budget at the April 18, 2018 Board meeting. Directors Barbre, Thomas and Dick all voted in favor.

Dr. Shannon Roback, provided an overview of the research, outreach, and education efforts of the Water UCI Center and requested that MWDOC consider membership participation which is for a 3-year commitment. The item was referred to the April 18, 2018 Board meeting for consideration, noting that this item was not previously budgeted.

Mr. Markus, OCWD, reviewed the letter that OCWD previously presented relative to MWDOC's FY 2018-19 budget, expressing concerns with budget levels pertaining to legislative activities and travel related expenses. Director Barbre noted the recent success achieved through legislative efforts and indicated that the tours are very beneficial in reaching the Orange County legislators and recommended that no adjustments be made at this time.

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2018-19

Upon MOTION by Director Thomas, seconded by Director Dick and carried (3-0), the Committee recommended the approval of the following: 1) Increase the MWDOC Retail Meter Charge from \$11.90 to \$12.25 per meter, and the Groundwater Customer Charge from \$468,565 to \$499,012, effective July 1, 2018; and 2) Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2018 and January 1, 2019 as identified in the Water Rate Resolution for Fiscal Year 2018-19 at the April 18, 2018 Board meeting. Directors Barbre, Thomas and Dick all voted in favor.

INFORMATION ITEMS

INDIVIDUAL CHARGES DISCLOSURE FOR THE PERIOD JAN-DEC 2017

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

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

The informational reports were received and filed.

OTHER ITEMS

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

No items were presented.

The informational reports were received and filed.

ADJOURNMENT

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

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

Jointly with the
PUBLIC AFFAIRS AND LEGISLATION COMMITTEE

April 16, 2018 - 8:30 a.m. to 10:30 a.m.
MWDOC Conference Room 101

Committee:

Director Dick, Chairman
Director Jeff Thomas
Director Sat Tamaribuchi

Staff:

Rob Hunter, Karl Seckel, Harvey De La Torre,
Katie Davanaugh, Heather Baez,
Melissa Baum-Haley, Sarah Wilson,
Bryce Roberto, Joe Berg, Traci Muldoon

Also Present:

Director Brett Barbre
Director Joan Finnegan
Director Megan Yoo Schneider
Dick Ackerman, Ackerman Consulting
Cyrus Devers, BBK
John Lewis, Lewis Consulting
Jim Barker (via teleconference)
Stacy Taylor, Mesa Water
Jim Leach, Eastern Municipal Water District

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

PUBLIC PARTICIPATION

No items were presented.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

No items were presented.

The agenda was reorganized to accommodate schedules.

DISCUSSION ITEMS

LEGISLATIVE ACTIVITIES

a. Legal and Regulatory Report (Ackerman)

Mr. Ackerman briefly reviewed his written staff report and called attention to the items pertaining to Water Wars in New Mexico, Sacramento still not recycling, and water in diamonds, as listed in his monthly written report.

b. Federal Legislative Report (Barker)

Mr. James Barker joined the meeting via teleconference and reported that the Omnibus funding bill passed and was signed into law on March 23rd. Mr. Barker noted that the WIFIA financing program is intended to provide lower cost financing instruments to help build water projects such as tunnels or ocean desalination and that it might be beneficial for the tunnel project that was passed last week at Metropolitan Water District.

c. State Legislative Report (BBK)

Mr. Cyrus Devers noted that all fiscal bills are due by the end of April. He reviewed SB 2050 (Caballero) which is the water industry's answer to a water tax as well as dealing with small district consolidation, and then reviewed SB 998 (Dodd) which pertains to water shut off prohibition.

d. County Legislative Report (Lewis)

Mr. Lewis reviewed his monthly report, calling attention to recent LAFCO activities.

e. MWDOC Legislative Matrix

f. Metropolitan Legislative Matrix

The matrices were received and filed without discussion.

ACTION ITEMS

AB 2241 (RUBIO) – The Open and Transparent Water Data Act

Upon MOTION by Director Tamaribuchi, seconded by Director Thomas, and carried (3-0), the Committee recommended the Board adopt a support position on AB 2241 (Rubio) at the April 18, 2018 Board meeting. Directors Dick, Tamaribuchi and Thomas voted in favor.

AB 2543 (EGGMAN) – State Agencies: Infrastructure Project Budget and Schedule

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended the Board adopt an oppose position on AB 2543 (Eggman) at the April 18, 2018 Board meeting. Directors Dick, Tamaribuchi and Thomas voted in favor.

SCHOOL PROGRAM BUDGET CONTRACT RENEWAL**a. Discovery Science Center**

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended that Board of Directors authorize the General Manager to enter into a First Extension of Agreement with Discovery Science Center (DSC) for a one-year renewal term to implement the Water Education School Program Grades 1-6 for fiscal year 2018-19 at the April 18, 2018 Board meeting. Directors Dick, Tamaribuchi and Thomas voted in favor.

b. Inside the Outdoors

The Committee held discussion on the services provided by Inside the Outdoors (ITO) for the MWDOC School Program, grades 9-12, and a requested contract extension to further develop the curriculum of the high school program. It was noted that the Ecology Center was previously involved with this program but withdrew after one year of service.

Considerable discussion was held on making sure that the school program activities be fully covered under choice services for the next budget year with Mr. Micalizzi concurring that he would make sure the program was covered 100% in the choice program, without adding enhancements to the core budget. Additionally, the curriculum does change and evolve over time and is currently adding education materials regarding "waste diversion".

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended that Board of Directors authorize the General Manager to enter into a First Extension of Agreement with Inside the Outdoors (ITO) for a one-year renewal term to implement the Water Education School Program Grades 9-12 for fiscal year 2018-19. Directors Dick, Tamaribuchi and Thomas voted in favor.

INFORMATION ITEMS**WEBSITE AND SOCIAL MEDIA ANALYTICS UPDATE**

Director Barbre commented that the Twitter feed was very active during the Twin Tunnel discussions at Metropolitan and thanked staff for their efforts.

APRIL 19, 2018 WATER POLICY DINNER

Registration for the upcoming event is over 200 attendees.

UPDATE ON 2018 OC WATER SUMMIT (JUNE 1, 2018)**EDUCATION PROGRAM UPDATE****PUBLIC AFFAIRS ACTIVITIES REPORT**

The informational staff reports were received and filed.

OTHER ITEMS

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

Director Dick requested that budget items pertaining to travel for legislative staffers be carefully considered. Discussion was held on the benefits of engaging with legislators and the recent progress made at Metropolitan Water District with the Twin Tunnels item.

ADJOURNMENT

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

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
April 19, 2018, 8:30 a.m. to 10:22 a.m.
Conference Room 102

Committee:

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

Staff:

R. Hunter, M. Goldsby

Also Present:

Director Tamaribuchi
Director Dick
Director Yoo Schneider
Paul Cook, IRWD
Doug Reinhart, IRWD

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

PUBLIC PARTICIPATION

No public comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

At the beginning of the meeting, Staff distributed the draft agendas for the upcoming month.

EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS

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

a. MWDOC/OCWD Joint Planning Committee meeting

The Committee reviewed the agenda and recommended an update on LRP funding (GWRS) be added, as well as a discussion on the frequency of meetings due to the lack of OCWD directors attending the meetings. Discussion was held on how the agenda is created, and Committee suggested items requested by OCWD also be included on the agenda.

b. Workshop Board Meeting

The Committee requested staff include a standing item on the California WaterFix on every Workshop Board meeting agenda. The Committee further requested a presentation on Storm Water Capture be agendized in June; said presentation should include information on the unfunded mandate, an overview of the importance Los Angeles' has placed on this issue.

c. Planning & Operations Committee meeting

No new items were added to the agenda.

d. Administration & Finance Committee meeting

It was recommended that the discussion regarding office relocation be added to the agenda.

e. Public Affairs & Legislation Committee

Committee discussed the social media analytics and suggested information on who is responsible for posting, tweeting, etc. be added to the presentation.

Committee requested that the Water Summit recap and written report include information on the number of planning meetings held, what goals were established and what goals were attained, etc., noting it may be prudent to add information on the working relationship between the two agencies.

f. Executive Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

Mr. Paul Cook of Irvine Ranch Water District (IRWD) highlighted IRWD's Strand Ranch/Banking Program and encouraged MWDOC's Ad Hoc Committee on Basin Member Agency Relations to meet with IRWD's Ad Hoc Committee regarding this project. Staff was directed to arrange such a meeting, and President Barbre appointed Director Tamaribuchi to the Ad Hoc Committee in the place of Director Osborne (during Director Osborne's medical leave of absence).

MEMBER AGENCY RELATIONS

No new information was presented.

GENERAL MANAGER'S REPORTS

General Manager Hunter updated the Committee on staffing issues, and highlighted the upcoming RFP process for specialized services (e.g., Ackerman Consulting). Discussion

ensued regarding whether an RFP process is due for Means Consulting and other contractors. Mr. Hunter advised that the Administrative Code requires RFPs every five years; discussion was held regarding this provision and its effectiveness.

Mr. Hunter updated the Committee on the upcoming 2018 election process.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

Director Tamaribuchi announced that UCI would be hosting a symposium on water in honor of Betty Olson's retirement. He requested the Board's support of staff participation, as well as a \$500 donation from MWDOC to the symposium; Director Yoo Schneider concurred. Following discussion, the Executive Committee approved staff's participation/efforts in the symposium, but not the \$500 donation.

Mr. Hunter highlighted the replenishment service and rate comparison study done 15 years ago noting that to conduct a similar study today the cost could range from \$75,000-\$100,000. Mr. Hunter advised that staff is in the process of preparing a scaled-down study (in-house) for the Board's review/information.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:22 a.m.

MEETING REPORT

**JOINT PLANNING COMMITTEE WITH BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY and
ORANGE COUNTY WATER DISTRICT**

April 25, 2018 - 8:30 a.m. – 10:09 a.m.

MWDOC Conference Room 101

MWDOC DIRECTORS

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

OCWD DIRECTORS

Cathy Green
Phil Anthony (absent)
Roger Yoh (absent)
Dina Nguyen (absent)
Denis Bilodeau
Shawn Dewane (absent)
Vicente Sarmiento (absent)
James Vanderbilt (absent)
Bruce Whitaker (absent)
Steve Sheldon (absent)

MWDOC STAFF

Rob Hunter
Karl Seckel
Maribeth Goldsby
Harvey De La Torre
Melissa Baum-Haley
Damon Micalizzi
Kevin Hostert
Chris Lingad

OCWD STAFF

Mike Markus (absent)
John Kennedy
Eleanor Torres

ALSO PRESENT

Linda Ackerman
Brian Ragland
Peer Swan
Jim Atkinson
Don Froelich
Al Nederhood
Brooke Jones
Liz Mendelson-Goossens

MWDOC MET Director
City of Huntington Beach
Irvine Ranch Water District
Mesa Water
Moulton Niguel Water District
Yorba Linda Water District
Yorba Linda Water District
San Diego County Water Authority

OCWD Director Green chaired the meeting.

PUBLIC COMMENTS

No public comments were received.

UPDATE ON CALIFORNIA WATERFIX ACTIVITIES

MWDOC Associate General Manager Harvey De La Torre provided an update on the California WaterFix, including an overview of MET's recent approval to increase its funding share of the project to 64%. The Committee received and filed the report.

STATUS OF IMPORTED WATER SUPPLIES

MWDOC Water Resources Analyst Kevin Hostert provided an overview of MET's current storage levels, Northern California accumulated precipitation and snow pack levels (which are currently at 87% of normal), as well as the Table "A" Allocation currently set at 30%.

The Committee received and filed the report.

UPDATE ON LRP FUNDING FOR GWRS

It was reported that the GWRS project has received approximately \$77.5 million in MET's LRP funding within the last ten years. The Committee received and filed the report.

MWDOC/MET BUDGETS (10 YEAR PROJECTIONS)

MWDOC General Manager Rob Hunter provided an overview of MET's Biennial Budget, as well as MWDOC's Budget for fiscal year 2018-19. The Committee received and filed the report.

OCWD BUDGET AND REPLENISHMENT ASSESSMENT**OCWD OPERATIONAL UPDATE****UPDATE ON OCWD IMPORTED WATER PURCHASES (Untreated, In-Lieu)**

OCWD Executive Director of Engineering and Water Resources John Kennedy updated the Committee on the above three matters. His presentation included information on untreated MET deliveries (42,737 of 65,000 through March 2018), the status of treated in-lieu water deliveries under the Cyclic Storage Agreement, an overview of the OCWD groundwater basin accumulated overdraft and basin production percentage, an overview of the fiscal year 2017-18 groundwater basin water balance, and OCWD's fiscal year 2018-19 rates (RA increased to \$462/af, and BPP increased to 77%).

Mr. Kennedy referenced recent discussions regarding storage in the basin; more information will be available in June.

The Committee received and filed the report.

EMERGENCY SERVICES AGREEMENT

MWDOC Assistant General Manager Karl Seckel provided an overview of the Emergency Services Program and SOC Interconnection since 2006, noting that the staff is examining the terms for possible modification (extend the capacity provision from 30 to 60 days, and

determine possible reasonable compensation). The Committee received and filed the report.

NORTH BASIN GROUNDWATER CLEANUP PROJECT – EPA NATIONAL PRIORITIES LISTING

Mr. John Kennedy advised that due to contamination in the basin (Fullerton/Anaheim area) and the loss of five wells as a result of the contamination, OCWD has asked the EPA to list the contaminated area as a Superfund site, and is asking for agencies to submit letters to the EPA supporting this request. Several MWDOC Board members expressed concern with the EPA's lengthy convoluted process (years), with Mr. Kennedy noting that because the plume continues to grow OCWD believes the process is the best alternative.

Considerable discussion ensued regarding the plume, various options for treatment, who would pay for these treatment options, and overall importance of the condition of the basin.

Director Barbre stated that although he disagrees with the EPA's lengthy process, MWDOC should support OCWD in their efforts to protect the basin and send a letter to the EPA. No Board action was taken.

POSEIDON HUNTINGTON BEACH DESALINATION PROJECT UPDATE

An update on the Poseidon Huntington Beach Desalination project was given, with Mr. Kennedy noting that OCWD is developing an updated term sheet with Poseidon which should be presented to the OCWD Board in June. He further advised that Poseidon is still working with the Regional Water Quality Control Board and the California Coastal Commission on various permitting issues.

NEXT COMMITTEE MEETING

Director Green advised that the next meetings were scheduled for July 25 and October 24.

Discussion ensued regarding the frequency of the meetings (lack of OCWD Board attendance) and whether the number should be reduced to tri-annual or semi-annual. It was determined that the meetings would stay on a quarterly basis and Director Green would consult her Board.

ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 10:09 a.m.

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
April 2018

WATER REVENUES

Date	From	Description	Amount
04/02/18	City of La Palma	February 2018 Water deliveries	4,038.60
04/02/18	City of Fountain Valley	February 2018 Water deliveries	34,679.97
04/06/18	City of Buena Park	February 2018 Water deliveries	161,512.35
04/06/18	Mesa Water	February 2018 Water deliveries	331,343.38
04/06/18	South Coast Water District	February 2018 Water deliveries	336,308.79
04/06/18	City of San Clemente	February 2018 Water deliveries	503,777.89
04/06/18	City of Garden Grove	February 2018 Water deliveries	155,467.75
04/09/18	Santa Margarita Water District	February 2018 Water deliveries	1,448,560.47
04/11/18	Laguna Beach County Water District	February 2018 Water deliveries	64,934.89
04/12/18	Trabuco Canyon Water District	February 2018 Water deliveries	96,263.76
04/12/18	City of San Juan Capistrano	February 2018 Water deliveries	292,409.11
04/13/18	East Orange County Water District	February 2018 Water deliveries	114,020.83
04/13/18	Moulton Niguel Water District	February 2018 Water deliveries	1,574,467.48
04/27/18	City of Fountain Valley	March 2018 Water deliveries	193,970.97
04/27/18	Serrano Water District	March 2018 Water deliveries	430,459.17
04/27/18	City of Huntington Beach	March 2018 Water deliveries	427,263.60
04/27/18	City of Brea	March 2018 Water deliveries	88,171.61
04/27/18	City of San Clemente	March 2018 Water deliveries	389,092.82

TOTAL REVENUES \$ **6,646,743.44**


Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
April 2018


MISCELLANEOUS REVENUES

Date	From	Description	Amount
04/06/18	2 Checks	4/19/18 Water Policy dinner	160.00
04/12/18	Eastern Municipal Water District	4/19/18 Water Policy dinner	740.00
04/16/18	Santa Margarita Water District	4/19/18 Water Policy dinner	740.00
04/20/18	8 Checks	4/19/18 Water Policy dinner	800.00
04/20/18	Laguna Beach County Water District	4/19/18 Water Policy dinner	740.00
04/23/18	Square	4/19/18 Water Policy dinner	316.05
04/23/18	Metropolitan Water District	4/19/18 Water Policy dinner	740.00
04/30/18	Paypal	4/19/18 Water Policy dinner	5,832.82
04/30/18	Paypal	6/1/18 OC Water Summit Sponsorships	6,213.20
04/30/18	Paypal	6/1/18 OC Water Summit Registrations	1,007.74
04/06/18	Judy Pfister	Apr-Jun 2018 Retiree Health insurance	121.50
04/20/18	Stan Sprague	May 2018 Retiree Health insurance	243.00
04/26/18	Pat Meszaros	May 2018 Retiree Health insurance	40.50
04/06/18	Harvey De La Torre	Movie tickets	42.50
04/11/18	ACWA JPIA	RPA Refund	15,297.24
04/09/18	Santa Margarita Water District	January 2018 Smartimer rebate program	40.00
04/06/18	Mesa Water	February 2018 Smartimer rebate program	247.98
04/13/18	City of Huntington Beach	February 2018 Smartimer rebate program	160.00
04/16/18	Irvine Ranch Water District	February 2018 Smartimer rebate program	1,245.96
04/05/18	City of Westminster	February 2018 Turf Removal rebate program	111.00
04/06/18	City of Orange	February 2018 Turf Removal rebate program	111.00
04/12/18	Laguna Beach County Water District	February 2018 Turf Removal rebate program	369.00
04/16/18	Irvine Ranch Water District	February 2018 Turf Removal rebate program	1,281.00
04/23/18	City of Newport Beach	February 2018 Turf Removal rebate program	111.00
04/06/18	El Toro WD	February 2018 Smartimer and Turf Removal rebate program	255.60
04/27/18	City of San Clemente	February 2018 Smartimer and Turf Removal rebate program	2,620.86
04/16/18	Moulton Niguel Water District	February 2018 Smartimer, Rotating Nozzle and Turf Removal rebate program	12,192.99
04/02/18	City of Fountain Valley	January 2018 Turf Removal and Spray to Drip rebate program	3,386.75
04/20/18	El Toro Water District	February 2018 So Cal Watersmart rebate program	490.00
04/23/18	Moulton Niguel Water District	February 2018 So Cal Watersmart rebate program	10,200.00
04/24/18	Irvine Ranch Water District	February 2018 So Cal Watersmart rebate program	15,194.13
04/27/18	City of San Clemente	February 2018 So Cal Watersmart rebate program	1,225.00
04/13/18	Orange County Water District	December 2017 SAWPA Drought Response program	3,326.40
04/16/18	Mesa Water	Water Loss Control technical assistance - WSO, Inc.	7,500.00
04/26/18	Laguna Beach County Water District	Water Loss Control technical assistance - WSO, Inc.	11,932.00

TOTAL MISCELLANEOUS REVENUES **\$ 105,035.22**

TOTAL REVENUES \$ 6,751,778.66


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard C. Ackerman	
1170	March 2018 Consulting on legal and regulatory matters	2,100.00
1174	April 2018 Consulting on legal and regulatory matters	1,375.00
	*** Total ***	3,475.00
	Aleshire & Wynder LLP	
46042	March 2018 Legal services	1,686.34
46399	April 2018 Legal services	1,744.50
	*** Total ***	3,430.84
	ALTA FoodCraft	
51806980	3/30/18 Filter replacement	102.37
51807814	4/16/18 Coffee & tea supplies	254.27
	*** Total ***	356.64
	Awards & Trophies Co., Inc.	
18110	19 Name plates and 20 name plate holders	384.25
18064	Glass etching for 4/16/18 Water Policy Dinner speaker's gift	30.00
18123	1 Name plate	11.78
	*** Total ***	426.03
	Best Best and Krieger LLP	
55401-MAR18	March 2018 Legal services	9,787.45
819613	March 2018 State legislative advocacy services	8,020.58
	*** Total ***	17,808.03
	Blue Watchdog Conservation, Inc.	
1419	April 2018 Services to provide training and testing for Qualified Water Efficient Landscaper Training program	1,858.47
	*** Total ***	1,858.47
	CDM Smith	
90044437	3/11/18-4/14/18 Engineering services for O.C. Water Reliability Investigation	1,399.50
	*** Total ***	1,399.50
	CSU Fullerton	
AR167814	Services to update maps for proposed infrastructure for desalinization distribution	142.95
AR167853	FY 17/18 4th Quarter Center for Demographic Research support	10,950.65
	*** Total ***	11,093.60
	Great Wolf Lodge	
041918	4/19/18 Water Policy Dinner event facilities	13,990.74
	*** Total ***	13,990.74

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>HashtagPinpoint Corporation</i>	
1149	April 2018 Social media consultation and services	9,500.00
	*** Total ***	9,500.00
	<i>James C. Barker, P.C.</i>	
105-0418	April 2018 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	<i>L. A. Design Studio</i>	
4942	January-April 2018 Monthly support for MWDOC website	800.00
	*** Total ***	800.00
	<i>Lawnscape Systems, Inc.</i>	
394410	4/27/18 Gardening service for atrium	295.00
	*** Total ***	295.00
	<i>Lewis Consulting Group, LLC</i>	
2018-127	April 2018 Consulting services	4,437.50
	*** Total ***	4,437.50
	<i>Edward G. Means III</i>	
MWDOC-1057	April 2018 MET Issues and guidance to Engineering staff	625.00
	*** Total ***	625.00
	<i>Metropolitan Water District</i>	
44881	3/15/18 Hotel night before MET State Water Project inspection trip for Director Barbre and legislative guest A. Eisenberger	504.10
	*** Total ***	504.10
	<i>Norco Delivery Services</i>	
713452	4/13/18 Delivery charges for Board packets	143.56
	*** Total ***	143.56
	<i>OCPC</i>	
148879	250 Qualified Water Efficient Landscaper Reference manuals printed for training program	5,250.66
	*** Total ***	5,250.66

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Office Solutions	
I-01340662	1,000 Sheets of letterhead	366.60
I-01348332	4/6/18 Office supplies	128.31
I-01349812	4/10/18 Office supplies	90.00
I-01354089	4/16/18 Office supplies	354.13
I-01354100	4/16/18 Office supplies	75.61
I-01357000	Task chair for F. Soto	523.09
I-01359018	4/24/2018 Office supplies	13.03
I-01359838	4/25/18 Office supplies	22.25
I-01360300	4/26/18 Office supplies	25.06
	*** Total ***	1,598.08
	Orange County Dept. of Education	
94LI4076	Services to provide Core High School program	9,150.00
	*** Total ***	9,150.00
	Orange County Water District	
18832	March 2018 Postage, shared office & maintenance expense	8,865.09
	*** Total ***	8,865.09
	Patricia Kennedy Inc.	
21801	May 2018 Plant maintenance	214.00
	*** Total ***	214.00
	Top Hat Productions	
93938	4/19/18 Lunch for Managers' meeting	467.10
	*** Total ***	467.10
	Water Systems Optimization, Inc.	
1293	April 2018 Water Loss Control program	1,646.80
1300	April 2018 Water Loss Control Business Plan development	1,990.00
	*** Total ***	3,636.80
	Total Core Expenditures	<hr/> 107,325.74
Choice Expenditures:		
	Discovery Science Center	
DSOC/IV/000705	March 2018 Elementary School program	26,203.77
DSOC/IV/000721	April 2018 Elementary School program	14,860.80
	*** Total ***	41,064.57

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Office Solutions	
I-01349812	Dividers for Qualified Water Efficient Landscaper training program materials	66.56
I-01350753	Binders for Qualified Water Efficient Landscaper training program materials	282.75
I-01350569	Dividers for Qualified Water Efficient Landscaper training program materials	44.37
I-01359836	30 Hand held calculators and 5 clipboards for Water Use Efficiency training	219.13
	*** Total ***	612.81
	Orange County Dept. of Education	
94LI4076	Services to provide Choice High School program	38,187.00
	*** Total ***	38,187.00
	Orange County Water District	
18832	March 2018 Postage for Water Use Efficiency rebate programs	21.13
	*** Total ***	21.13
	Total Choice Expenditures	<u>79,885.51</u>

Other Funds Expenditures:

	CSU Fullerton	
AR167773	Services to update WEROC atlas and wall maps	8,168.95
	*** Total ***	8,168.95
	EcoTech Services, Inc.	
1146	3/26/18-4/25/18 One-on-One design assistance for Landscape Design program	8,100.00
1147	3/26/18-4/25/18 Backyard area measurements for Turf Program	150.00
	*** Total ***	8,250.00
	Michael Baker International	
1009803	2/26/18-4/1/18 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan update	21,240.77
	*** Total ***	21,240.77
	Mission RCD	
2452	March 2018 Field verifications for Water Use Efficiency rebate programs	11,064.96
	*** Total ***	11,064.96
	Office Solutions	
I-01359018	4/24/2018 Office supplies for WEROC EOCs	28.90
	*** Total ***	28.90

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2018**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
1293	<i>Water Systems Optimization, Inc.</i>	
	April 2018 Water Loss Control program	33,515.00
	*** Total ***	33,515.00
	<i>Total Other Funds Expenditures</i>	<hr/> 82,268.58
	<i>Total Expenditures</i>	<hr/> <hr/> 269,479.83

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
137830	4/6/18	SPECTB	Spectrum Business	
		0375210032018	April 2018 Telephone and internet expense	1,100.28
			***Total ***	1,100.28
137831	4/6/18	VERIZO	Verizon Wireless	
		9804117780	March 2018 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
137841	4/13/18	HERNAN	Christina Hernandez	
		032718	March 2018 Business expense	134.37
			***Total ***	134.37
137848	4/13/18	IRONMO	Iron Mountain	
		PZD6538	April 2018 Archived document storage fees	195.29
			***Total ***	195.29
137860	4/13/18	WILSON	Sarah Wilson	
		033118	March 2018 Business expense	55.76
			***Total ***	55.76
137861	4/13/18	SPECTB	Spectrum Business	
		0343564040118	April 2018 Telephone expense for 3 analog fax lines	107.26
			***Total ***	107.26
ACH003122	4/13/18	ACKEEX	Linda Ackerman	
		033118	March 2018 Business expense	45.78
			***Total ***	45.78
ACH003124	4/13/18	BACATI	Tiffany Baca	
		032318	January-March 2018 Business expense	114.86
			***Total ***	114.86
		BAEZHE	Heather Baez	
ACH003125	4/13/18	022818	February 2018 Business expense	171.41
ACH003126	4/13/18	033118	March 2018 Business expense	913.23
			***Total ***	1,084.64
		BAUMHA	Melissa Baum-Haley	
ACH003127	4/13/18	030118	February 2018 Business expense	506.87
ACH003128	4/13/18	030118A	March 2018 Business expense	16.11
			***Total ***	522.98
ACH003129	4/13/18	BERGJO	Joseph Berg	
		033118	March 2018 Business expense	231.87
			***Total ***	231.87

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003132	4/13/18	BUSSLI	Charles Busslinger	
		033118	February-March 2018 Business expense	105.32
			***Total ***	105.32
ACH003135	4/13/18	DELATO	Harvey De La Torre	
		032218	February-March 2018 Business expense	116.47
			***Total ***	116.47
ACH003138	4/13/18	FAHLBE	Beth Fahl	
		033118	March 2018 Business expense	17.50
			***Total ***	17.50
ACH003140	4/13/18	FINNEG	Joan Finnegan	
		033118	March 2018 Business expense	108.04
			***Total ***	108.04
ACH003141	4/13/18	FRAZIE	Leah Frazier	
		033118	March 2018 Business expense	179.39
			***Total ***	179.39
ACH003142	4/13/18	HOSTER	Kevin Hostert	
		032318	March 2018 Business expense	40.33
			***Total ***	40.33
ACH003143	4/13/18	HUNTER	Robert J. Hunter	
		031918	February-March 2018 Business expense	228.46
			***Total ***	228.46
ACH003167	4/13/18	ROBERT	Bryce Roberto	
		033118	March 2018 Business expense	180.73
			***Total ***	180.73
ACH003168	4/13/18	SCHNEI	Megan Yoo Schneider	
		022818	February 2018 Business expense	716.86
ACH003169	4/13/18	033118	March 2018 Business expense	717.53
			***Total ***	1,434.39
ACH003171	4/13/18	THOMAS	Jeffery Thomas	
		033118	March 2018 Business expense	170.59
			***Total ***	170.59
ACH-180423	4/23/18	WAGEWO	Wageworks	
		INV610489	March 2018 Cafeteria plan administration	185.25
			***Total ***	185.25

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
137927	4/30/18	USBANK 4140/5443-MAR18	U.S. Bank 2/23/18-3/22/18 Cal Card charges ***Total *** (See attached sheet for details)	28,873.71 28,873.71
ACH003175	4/30/18	DICKEY 033118	Larry Dick March 2018 Business expense ***Total ***	158.09 158.09
ACH003176	4/30/18	HARRIS 033118	Cathleen M. Harris March 2018 Business expense ***Total ***	71.39 71.39
ACH003184	4/30/18	TAMARI 033118	Satoru Tamaribuchi March 2018 Business expense ***Total ***	140.61 140.61
Total Core Disbursements				35,717.39

Choice Disbursements:

137927	4/30/18	USBANK 4140-MAR18	U.S. Bank 2/23/18-3/22/18 Cal Card charges ***Total *** (See attached sheet for details)	76.08 76.08
Total Choice Disbursements				76.08

Other Funds Disbursements:

137826	4/3/18	TURFRP TR11-R-IRWD-21006-20919	Turf Removal Program C. Han (Re-issue)	754.00
137827	4/3/18	TURFRP TR11-R-MNT-18922-18841	Turf Removal Program O. Cunningham (Re-issue) ***Total ***	698.09 1,452.09
137828	4/3/18	TURFRP TR11-R-SM-21168-21081	Turf Removal Program L. Pewdo (Re-issue) ***Total ***	661.00 661.00
137831	4/6/18	VERIZO 9804117780	Verizon Wireless March 2018 4G Mobile broadband unlimited service ***Total ***	38.01 38.01
137832	4/13/18	GOLDEN 9475	Golden State Water Company February 2018 Credit for In-lieu water purchases ***Total ***	252,128.31 252,128.31

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
137833	4/13/18	IRWD 9463	Irvine Ranch Water District February 2018 Credit for Local Resources program and In-lieu water purchases ***Total ***	 832,657.55 832,657.55
137834	4/13/18	ORANGE 9471	City of Orange February 2018 Credit for In-lieu water purchases ***Total ***	 47,814.92 47,814.92
137835	4/13/18	OCWD 18750	Orange County Water District February 2018 Credit for Local Resources program ***Total ***	 1,753,624.57 1,753,624.57
137836	4/13/18	SEALBE 9474	City of Seal Beach February 2018 Credit for In-lieu water purchases ***Total ***	 37,936.23 37,936.23
137837	4/13/18	YORBAL 9480	Yorba Linda Water District February 2018 Credit for In-lieu water purchases ***Total ***	 110,442.26 110,442.26
137838	4/13/18	ATTCALN 000011123560 000011123561	AT&T March 2018 WEROC S. EOC telephone expense March 2018 WEROC N. EOC telephone expense ***Total ***	 214.11 104.51 318.62
137839	4/13/18	ATTUVEOC 8599-APR18	AT&T April 2018 U-verse internet service for WEROC N.EOC ***Total ***	 60.00 60.00
137855	4/13/18	RWOSRP RTF4090	Recycled Water Program Incentive for Recycled Water On-Site Retrofit program- City of San Juan Capistrano	 295.75
137856	4/13/18	RTF4091	Incentive for Recycled Water On-Site Retrofit program- City of San Juan Capistrano	1,209.00
137857	4/13/18	RTF4092	Incentive for Recycled Water On-Site Retrofit program- City of San Juan Capistrano	305.50
137858	4/13/18	RTF4046	Incentive for Recycled Water On-Site Retrofit program- TIC Investment Co., LLC (Costa Mesa)	13,009.75
137859	4/13/18	RTF4042	Incentive for Recycled Water On-Site Retrofit program- Irvine Ranch Water District (Lake Forest) ***Total ***	 4,712.50 19,532.50
ACH003129	4/13/18	BERGJO 033118	Joseph Berg March 2018 Business expense ***Total ***	 4.50 4.50

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

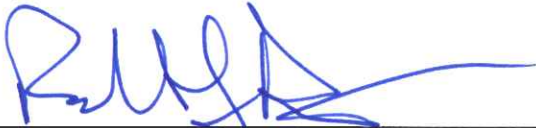
Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003132	4/13/18	BUSSLI	Charles Busslinger	
		033118	February-March 2018 Business expense	21.00
			***Total ***	21.00
ACH003133	4/13/18	WESTMI	City of Westminster	
		9479	February 2018 Credit for In-lieu water purchases	65,444.88
			***Total ***	65,444.88
ACH003153	4/13/18	MESAWA	Mesa Water District	
		9467	February 2018 Credit for Local Resources program and In-lieu water purchases	1,034,346.14
			***Total ***	1,034,346.14
ACH003170	4/13/18	SOTOFR	Francisco Soto	
		022818	February 2018 Business expense	96.16
			***Total ***	96.16
137866	4/27/18	TURFRP	Turf Removal Program	
137866	4/27/18	TR11-R-IRWD-2064-2010	S. Tawfiq	1,778.00
137867	4/27/18	TR10-C-ETWD-15572-15517	Golden Rain Foundation (Laguna Woods)	9,409.52
137868	4/27/18	TR11-R-MNT-17785-17731	M. Tsen	1,004.00
137869	4/27/18	TR11-C-ETWD-17609-17736	Woodside-El Toro Homeowners Assoc. (Lake Forest)	10,909.00
137870	4/27/18	TR11-R-MNT-18900-18816	E. McIntosh	330.00
137871	4/27/18	TR11-R-HB-21014-20926	S. Sijtsema	519.00
137872	4/27/18	TR11-R-ETWD-21115-21030	F. Bishop	1,032.00
137873	4/27/18	TR11-R-TUST-21138-21050	A. Lai	1,307.00
137874	4/27/18	TR11-R-MNT-21169-21082	V. Lanfranco	1,448.00
137875	4/27/18	TR11-R-WEST-23253-23166	J. Shepard	1,030.00
137876	4/27/18	TR11-R-IRWD-23281-23191	P. Harwe	846.00
137877	4/27/18	TR11-R-SM-23315-23226	J. Leontas	303.00
137878	4/27/18	TR11-R-SC-23321-23232	M. McMenamin	912.00
137879	4/27/18	TR11-R-MNT-23340-23247	V. Bui	504.00
137880	4/27/18	TR11-R-SM-23344-23251	A. Gubman	388.00
137881	4/27/18	TR11-R-IRWD-23363-23268	T. Pham	1,210.00
137882	4/27/18	TR11-R-SC-23376-23278	J. Rhine	972.00
137883	4/27/18	TR11-R-MNT-23382-23286	D. Stover	712.00
137884	4/27/18	TR11-R-BREA-23385-23290	T. Beck	1,120.00
137885	4/27/18	TR11-R-IRWD-23388-23294	D. Orlowski	742.00
137886	4/27/18	TR11-R-IRWD-23400-23303	S. Wise	594.00
137887	4/27/18	TR11-R-IRWD-23402-23305	D. Sum	1,124.00
137888	4/27/18	TR11-R-MNT-23403-23306	A. Leone	694.00
137889	4/27/18	TR11-R-NWPT-24408-24311	M. Hachigian	786.00
137890	4/27/18	TR11-R-BREA-7677-24313	R. Brunson	1,235.00
137891	4/27/18	TR11-R-IRWD-24410-24315	D. Reiland	2,000.00
137892	4/27/18	TR11-R-YLWD-24415-24319	D. Atencio	322.00
137893	4/27/18	TR11-R-IRWD-24424-24325	B. Chang	898.00
137894	4/27/18	TR11-R-MNT-24423-24326	T. Skolnick	1,318.00
137895	4/27/18	TR11-R-MNT-24432-24332	S. Ballard	1,798.00
137896	4/27/18	TR11-R-MNT-13395-25335	A. Jones	2,088.00

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
137897	4/27/18	TR11-R-MNT-25435-25337	L. Mertens	628.00
137898	4/27/18	TR11-R-MNT-25437-25339	W. Kaczor	252.00
137899	4/27/18	TR11-R-MNT-25440-25343	R. Rothrock	916.00
137900	4/27/18	TR11-R-IRWD-25441-25344	P. Naranjo	826.00
137901	4/27/18	TR11-R-SM-25448-25350	D. Zia	1,220.00
137902	4/27/18	TR11-R-IRWD-25449-25351	M. Wildermuth	790.00
137903	4/27/18	TR11-R-IRWD-25451-25353	D. Bucka	820.00
137904	4/27/18	TR11-R-MNT-25452-25354	J. Scheer	508.00
137905	4/27/18	TR11-R-TUST-25456-25376	A. Madden	1,220.00
137906	4/27/18	TR11-R-MNT-25461-25381	M. Hall	1,054.00
137907	4/27/18	TR11-R-SM-25468-25387	J. Reseter	825.00
137908	4/27/18	TR11-R-MNT-25469-25388	C. Doolittle	524.00
137909	4/27/18	TR11-R-HB-25478-25397	D. Womble	281.00
137910	4/27/18	TR11-R-IRWD-25487-25405	J. Hexberg	2,162.00
137911	4/27/18	TR11-R-FV-25488-25406	J. Bonny	2,000.00
137912	4/27/18	TR11-R-TUST-25489-25407	Z. Glanville	1,697.00
137913	4/27/18	TR11-R-SM-7656-26408	J. Groussman	356.00
137914	4/27/18	TR11-R-SM-26491-26410	M. Groussman	229.00
137915	4/27/18	TR11-R-SM-26505-26422	D. Roach	502.00
137916	4/27/18	TR11-R-IRWD-26510-26426	P. Chen	1,106.00
137917	4/27/18	TR11-R-SM-26516-26431	R. Govil	510.00
137918	4/27/18	TR11-R-NWPT-26518-26436	S. Morgan	352.00
137919	4/27/18	TR11-R-SM-26521-26439	J. Manzo	1,093.00
137920	4/27/18	TR11-R-IRWD-26530-26447	S. Hsu	1,590.00
137921	4/27/18	TR11-R-SM-26541-26456	L. Apel	344.00
137922	4/27/18	TR11-R-HB-26554-26469	A. Reling	1,109.00
137923	4/27/18	TR11-R-TUST-26576-26489	C. Harold	770.00
137924	4/27/18	TR11-R-SC-23347-23253	F. Tavassol	992.00
			***Total ***	74,008.52
137924	4/30/18	CATALI 0015462	Catalina Island Conservancy April 2018 WEROC radio repeater site lease	1,804.20
			***Total ***	1,804.20
137926	4/30/18	SANTI1 FEB2018	Santiago Aqueduct Commission February 2018 SAC Pipeline operation surcharge	2,060.38
			***Total ***	2,060.38
137927	4/30/18	USBANK 4140-MAR18	U.S. Bank 2/23/18-3/22/18 Cal Card charges	93.21
			***Total ***	93.21
			(See attached sheet for details)	
ACH003183	4/30/18	SANTAM FEB2018	Santa Margarita Water District February 2018 SCP Pipeline operation surcharge	20,861.19
			***Total ***	20,861.19

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of April 2018**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
WIRE-180430	4/30/18	METWAT 9299	Metropolitan Water District February 2018 Water deliveries ***Total ***	1,277,527.51 1,277,527.51
			Total Other Funds Disbursements	5,532,933.75
			Total Disbursements	5,568,727.22



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Statement Detail
Statement Date: March 22, 2018
Payment Date: April 30, 2018

Date	Description	Amount
<u>K. Seckel Card</u>		
02/21/18	Association of Metropolitan Water Agencies Water Policy conference In Washington, DC from Mar. 18-21, 2018 - Airfare for R. Hunter	\$ 626.30 [1]
02/21/18	Association of Metropolitan Water Agencies Water Policy conference In Washington, DC from Mar. 18-21, 2018 - Seats for R. Hunter	50.80
02/23/18	Legislative activities in Sacramento, CA on Mar. 2, 2018 - Airfare for H. Baez	237.98
02/24/18	2 Monitors and dual monitor stand	393.95
02/23/18	MET State Water Project Inspection trip from Mar. 16-18, 2018 - Airfare for legislative guest A. Eisenberger	749.30
02/24/18	1/24/18-2/23/18 Web hosting service for MWDOC website	15.65
02/26/18	GovernmentJobs employment post for Executive Assistant position	175.00
02/26/18	5 Toner cartridges	618.79
02/26/18	ACWA Spring conference in Sacramento, CA from May 8-11, 2018 - Registration for K. Seckel	699.00
02/26/18	Supplies from Costco	443.31
02/26/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Transportation for H. Baez	22.50
02/26/18	Climate Resolve Coolest in LA 2018 event in Los Angeles, CA on Mar. 14, 2018 - Registration for L. McKenney	200.00
02/26/18	MET Inspection trip from Jan. 26-28, 2018 - Airfare refund for legislative guest J. Roxburgh	(570.60)
02/26/18	Association of Legal Administrators membership	219.00
02/26/18	Association of Legal Administrators employment post for Executive Assistant position	299.00
02/27/18	Lunch for MET Directors' meeting	196.23
02/26/18	California Water Efficiency Partnership Launch Celebration and Dinner in Sacramento, CA from Mar. 7-9, 2018 - Airfare for J. Berg	372.97
02/28/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Meal for Director Ackerman, Director Yoo Schneider, H. Baez, M. Baum-Haley and 2 guests	216.40
02/28/18	ACWA DC conference in Washington, DC from Feb. 26-Mar. 1, 2018 - Accommodations for Director Yoo Schneider	1,084.86
03/01/18	LinkedIn employment post for Public Affairs Assistant position	684.20
03/02/18	Legislative activities in Sacramento, CA on Mar. 2, 2018 - Accommodations for H. Baez	171.80
03/02/18	Association of California Cities-Orange County State Advocacy trip in Sacramento, CA from Mar. 4-6, 2018 - Airfare for H. Baez	475.96
03/02/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Accommodations for Director Barbre	824.84 [2]
03/02/18	ACWA DC conference in Washington, DC from Feb. 26-Mar. 1, 2018 - Accommodations for H. Baez	1,122.76
03/02/18	ACWA DC conference in Washington, DC from Feb. 26-Mar. 1, 2018 - Accommodations for M. Baum-Haley	1,084.86
03/05/18	UPS Delivery charges for DC Briefing luncheon supplies on Feb. 22, 2018 and Board packets on Mar. 1 & 2, 2018	297.47
03/06/18	FedEx delivery charges for Board of Supervisors on Mar. 2, 2018	17.71

Cal Card Statement Detail
Statement Date: March 22, 2018
Payment Date: April 30, 2018

Date	Description	Amount
03/06/18	Grant Management class in Anaheim, CA from Apr. 4-5, 2018 - Registrations for B. Fahl, S. Hedges and R. Waite	1,785.00
03/06/18	Grant Management class in Ontario, CA from Aug. 15-16, 2018 - Registrations for M. Conway and J. Stalvey	1,190.00
03/05/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Airfare for H. Baez	475.96
03/05/18	Legislative activities in Sacramento, CA on Mar. 23, 2018 - Airfare for H. Baez	475.96
03/06/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Airfare for M. Baum-Haley	475.96
03/07/18	National Water Resources Association Federal Water Issues conference in Washington, DC from Apr. 9-11, 2018 - Registration for Director Barbre	600.00
03/07/18	California Water Efficiency Partnership Launch Celebration and Dinner in Sacramento, CA from Mar. 7-9, 2018 - Accommodations for J. Berg	244.16
03/08/18	CalDesal Annual conference in Monterey, CA from Jan. 31-Feb. 2, 2018 - Accommodations deposit refunded for K. Seckel and C. Busslinger	(283.48)
03/09/18	Food for staff development meeting	30.98
03/08/18	California Environmental Dialogue Plenary meeting in Sacramento, CA from Mar. 22-23, 2018 - Airfare for Director Yoo Schneider	475.96
03/09/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Airfare for R. Hunter	1,223.90 ³
03/12/18	UPS delivery charges for Board packets on Mar. 2, 2018	55.66
03/12/18	Water Districts Jobs employment post for Executive Assistant position	145.00
03/12/18	Orange County Business Council Advocacy trip in Washington, DC from May 21-23, 2018 - Airfare for Director Barbre	1,628.61 ⁴
03/13/18	Brown and Caldwell employment post for Executive Assistant position	200.00
03/14/18	California Association of Public Information Officials Excellence in Public Information Awards application fee partial refund	(50.00)
03/13/18	Sympathy flowers for staff member	186.54
03/14/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Accommodations deposit for H. Baez	50.00
03/15/18	Office supplies from Amazon	29.90
03/19/18	UPS delivery charges for Board packets on Mar. 2, 14 & 16, 2018	82.08
03/20/18	Monthly fee for Hulu television streaming service for WEROC	56.91
03/21/18	FedEx delivery charges for Board of Supervisors on Mar. 19, 2018	17.76
Total		\$ 19,826.90

- ¹ Flight canceled, airfare credit is available for future use
- ² Director Barbre reimbursed MWDOC \$133.16
- ³ R. Hunter reimbursed MWDOC \$597.60
- ⁴ Director Barbre to reimburse MWDOC \$528.00

Cal Card Statement Detail
Statement Date: March 22, 2018
Payment Date: April 30, 2018

Date	Description	Amount
<u>R. Hunter Card</u>		
02/21/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Airfare for Director Tamaribuchi	\$ 1,283.56
02/22/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Airfare for R. Hunter	1,288.20
02/27/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Meal for Director Yoo Schneider, R. Hunter, M. Baum-Haley and H. Baez	103.03
02/28/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Transportation for R. Hunter	18.68
03/01/18	ACWA DC dinner in Washington, DC on Feb. 28, 2018 - Meals for 3 Directors, 3 staff member and 19 guests	3,432.55
03/02/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Accommodations for Director Tamaribuchi	723.24
03/02/18	ACWA DC conference in Washington, DC from Feb. 27-Mar. 1, 2018 - Accommodations for R. Hunter	723.24
03/09/18	FasTrak toll roads deposit	100.00
03/15/18	Association of California Cities-Orange County Business dinner in Costa Mesa, CA on April 12, 2018 - Registration for H. Baez	65.00
03/15/18	Southern California Water Coalition Quarterly luncheon in Irwindale, CA on April 20, 2018 - Registration for H. Baez	75.00
03/14/18	ACWA Legislative Symposium in Sacramento, CA from Mar. 13-14, 2018 - Accommodations for H. Baez	236.80
03/19/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Meal for R. Hunter	99.93
03/19/18	Table and tablecloth rental for P. Meszaros retirement luncheon	166.32
03/20/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Transportation for R. Hunter	20.91
03/20/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Meal for R. Hunter	21.10
03/20/18	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Mar. 18-21, 2018 - Accommodations for R. Hunter	663.54
03/21/18	Carpet repair for MWDOC office	195.00
		<u>\$ 9,216.10</u>

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of April 2018

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
137829	4/6/18	SCWC 039	So. Cal. Water Committee WaterFix Communications sponsorship	10,000.00
			Total	10,000.00
			Total Core Disbursements	<u>10,000.00</u>
Choice Disbursements:				
			Total Choice Disbursements	<u>0.00</u>
Other Funds Disbursements:				
			Total Other Funds Disbursements	<u>0.00</u>
			Total Disbursements	<u><u>10,000.00</u></u>

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
 March 31, 2018

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

Brett R. Barbre
President

Joan C. Finnegan
Vice President

Larry D. Dick
Director

Wayne S. Osborne
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	\$3,156,569	23.93%
Grant & Project Cash Flow	1,500,000	11.37%
Election Expense	304,000	2.30%
Building Repair	350,407	2.66%
OPEB	<u>209,006</u>	<u>1.58%</u>
Total Designated Reserves	5,519,982	41.84%
General Fund	5,526,156	41.90%
Water Fund	1,276,893	9.68%
Conservation Fund	512,742	3.90%
Desalination Feasibility Study Fund	(145,165)	(1.10%)
WEROC Fund	469,783	3.56%
Trustee Activities	28,553	0.22%
Total	\$13,188,944	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.72%	\$94,986	\$94,986
Short-term investment			
• LAIF	45.99%	\$6,066,219	\$6,066,219
• OCIP	29.75%	3,924,235	3,924,235
Long-term investment			
• Corporate Bond	8.75%	1,153,504	1,126,121
• Certificates of Deposit	14.79%	1,950,000	1,938,143
Total	100.00%	\$13,188,944	\$13,149,704

The average number of days to maturity/call as of March 31, 2018 equaled 187 and the average yield to maturity is 1.613%. During the month, the District's average daily balance was \$17,371,402.72. 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 March 2018.

The (\$39,240) difference between the book value and the market value on March 31, 2018 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

March 31, 2018

3/31/2018	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,938,143.00	1,950,000.00	14.90	641	2.075
Corporate Bond	1,150,000.00	1,126,121.00	1,153,503.82	8.79	1,030	2.290
Local Agency Investment Funds	6,066,218.93	6,066,218.93	6,066,218.93	46.33	1	1.515
Orange County Investment Pool	3,924,235.21	3,924,235.21	3,924,235.21	29.98	1	1.338
Total Investments	13,090,454.14	13,054,718.14	13,093,957.96	100.00	187	1.613
Cash						
Cash	94,986.12	94,986.12	94,986.12		1	0.00
Total Cash and Investments	13,185,440.26	13,149,704.26	13,188,944.08		187	1.613

Total Earnings	Month Ending March	Fiscal Year to Date
Current Year	27,108.89	244,794.40
Average Daily Balance	17,371,402.72	
Effective Rate of Return	1.613%	

We certify that this report reflects the cash and investments of the Municipal Water District of Orange County and is in conformity with the Government Code requirements and the District Investment Policy and Guidelines in effect at the time of investment. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six month's estimated expenditure. The source for the market values are from Union Bank. Per Resolution 2059 there are no compliance exceptions to report.


Robert J. Hunter, General Manager

5-1-18
Date


Hilary Chumitazi, Treasurer

5/1/2018
Date

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
March 31, 2018

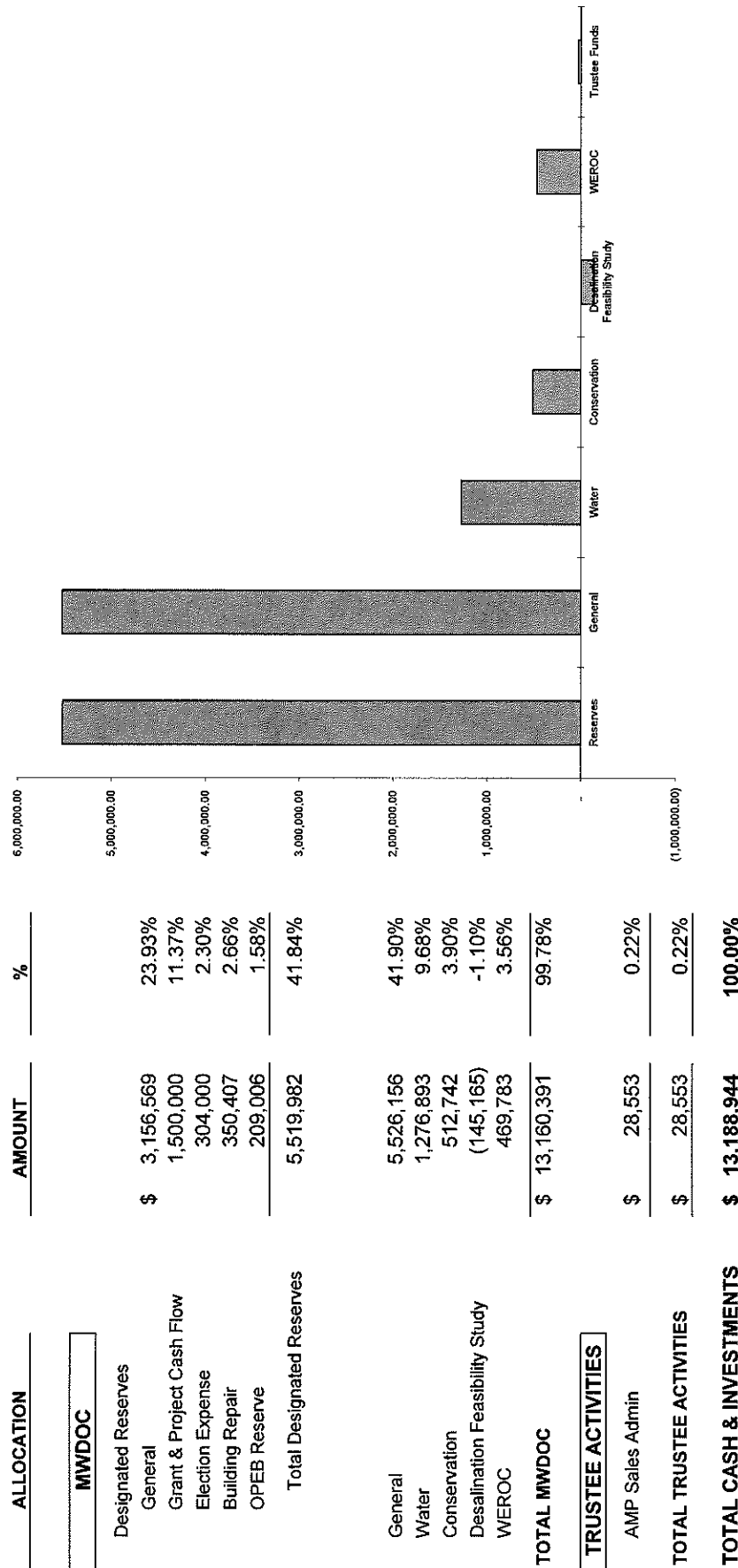
Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	244,265.00	250,000.00	2.250	2.250	1,641	9/27/2022
Capital One Bank	140420TY6	8/5/2015	250,000.00	249,902.50	250,000.00	1.700	1.700	128	8/6/2018
Capital One Natl Assn	14042E6C9	9/2/2015	250,000.00	249,312.50	250,000.00	1.950	1.950	521	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	195,738.00	200,000.00	2.000	2.000	1,203	7/16/2021
Discover Bank	254671ZY5	7/23/2014	250,000.00	249,905.00	250,000.00	1.600	1.600	114	7/23/2018
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,507.50	250,000.00	2.250	2.534	112	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	249,077.50	250,000.00	2.500	2.500	1,038	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,435.00	250,000.00	2.050	2.050	486	7/30/2019
Sub Total			1,950,000.00	1,938,143.00	1,950,000.00	2.038	2.075	641	
Corporate Bond									
JP Morgan Chase	46825HKA7	11/2/2015	500,000.00	493,925.00	500,844.33	2.250	2.152	632	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	192,066.00	200,000.00	2.500	2.500	1,567	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	245,700.00	250,884.62	2.550	2.409	982	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	194,430.00	201,774.87	2.500	2.278	1,550	6/28/2022
Sub Total			1,150,000.00	1,126,121.00	1,153,503.82	2.402	2.290	1,030	
Total Investments			3,100,000.00	3,064,264.00	3,103,503.82	2.173	2.155	786	

Total Earnings		Fiscal Year To Date
Current Year	5,805.41	46,373.23

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
March 31, 2018

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	6,066,218.93	6,066,218.93	6,066,218.93	1.515	1.515	1	N/A
Sub Total			6,066,218.93	6,066,218.93	6,066,218.93	1.515	1.515	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	3,924,235.21	3,924,235.21	3,924,235.21	1.338	1.338	1	N/A
Sub Total			3,924,235.21	3,924,235.21	3,924,235.21	1.338	1.338	1	
Total Investments			9,990,454.14	9,990,454.14	9,990,454.14	1.445	1.445		
Cash									
Bank of America Cash	CASH0547	7/1/2010	94,486.12	94,486.12	94,486.12	0.000	0.000	1	N/A
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
Total Cash			94,986.12	94,986.12	94,986.12	0.000	0.000	1	
Total Cash and Investments			10,085,440.26	10,085,440.26	10,085,440.26	1.445	1.445	1	
Total Earnings									
Current Year			21,303.48		198,421.17				

**Municipal Water District of Orange County
Cash and Investments at March 31, 2018**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS OPEB Trust Program**Account Report for the Period**
3/1/2018 to 3/31/2018Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 3/1/2018	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 3/31/2018
OPEB	\$2,070,931.43	\$0.00	-\$10,238.72	\$594.34	\$0.00	\$0.00	\$2,060,098.37
Totals	\$2,070,931.43	\$0.00	-\$10,238.72	\$594.34	\$0.00	\$0.00	\$2,060,098.37

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

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

Investment Return

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
-0.49%	-0.74%	8.55%	5.38%	6.42%	-	10/26/2011

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

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

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

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

Item No. 3e

Municipal Water District of Orange County WATER USE EFFICIENCY PROJECTS Cash Flow as of 4/30/18

Cash - Beginning Balance	Jul 2017	Aug 2017	Sep 2017	Oct 2017	Nov 2017	Dec 2017	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018	TOTALS
\$	(72,844.08)	\$ (133,020.86)	\$ (151,184.71)	\$ (326,302.43)	\$ 801,456.49	\$ 866,340.16	\$ 776,036.09	\$ 482,751.99	\$ 490,949.46	\$ 512,741.44	\$ 449,841.04	\$	
REVENUES:													
BUREC					200,757.65	333.00	5,407.70		582.16				\$ 206,165.35
City of Buena Park		222.00		111.00									1,248.16
City of Fountain Valley	333.00	444.00	424.05	222.00		222.00	111.00	428.00	3,386.75				5,570.80
City of Garden Grove		888.00	222.00	444.00		222.00							1,776.00
City of Huntington Beach	264.00	379.00	427.19			9.86		127.86	160.00				1,367.91
City of La Habra		555.00		111.00					111.00				777.00
City of San Clemente	1,304.96	233.00	6,460.97	6,044.00	3,419.79		2,027.22	7,701.86	3,635.00	3,845.86			34,672.66
City of Newport Beach	406.31	222.00			222.00		111.00	131.51	111.00	111.00			1,314.82
City of Orange	444.00	555.00	333.00		555.00	111.00	111.00	444.00	111.00	111.00			2,775.00
City of Westminster		888.00	333.00	444.00	444.00		444.00	111.00	222.00	111.00			2,997.00
County of Orange				1,096,511.49									1,096,511.49
Department of Water Resources		1,444.63	15,468.35	9,716.20		35,676.91			31,906.55				94,212.64
El Toro Water District	3,093.98	50.00	1,137.96	1,000.00	2,630.00	1,350.77	60.00	1,299.00	383.00	745.60			11,750.31
Irvine Ranch Water District	38,717.96	129,174.28	12,348.45	184,823.79	37,097.77		17,218.24	150,722.61	40,450.63	17,721.09			628,274.82
Laguna Beach County Water District	85.00	90.00		110.00	30.00			150.00	105.00	369.00			939.00
Mesa Water District		500.00					130.22	67.86	139.00	247.98			1,085.06
Metropolitan Water District		25,735.53											25,735.53
Moulton Niguel Water District	37,634.08	3,800.00	14,408.25	38,738.51	27,516.79	31,071.51	14,842.29	57,847.16	13,299.15	22,392.99			261,550.73
Orange County Water District		5,510.86	776.06	32,475.75			12,383.25		37,158.30	3,326.40			91,630.62
Santa Margarita Water District	57.32	197.95		924.98		85.00		60.00	503.52	40.00			1,868.77
Traabuco Canyon Water District	201.00	39.00	219.99	400.00			75.00						934.99
Miscellaneous Revenues													
Miscellaneous				810.82									810.82
Interest Revenue	417.16						1,619.81						2,036.97
Total Revenues	82,958.77	170,928.25	52,559.27	1,372,887.54	272,673.00	69,082.05	54,540.73	219,090.86	128,717.31	52,568.67	-	-	\$ 2,476,006.45
EXPENDITURES:													
Budget Based Tiered Rates, Raffleis		59,356.00		7,271.08		1,893.75		637.50					69,158.33
Delorenzo International		5,050.50							850.00				5,050.50
Droplet					13,500.00	10,500.00	2,775.00	7,800.00	3,600.00	5,475.00			850.00
Ecotech	900.00	10,275.00	6,750.00	13,500.00									75,075.00
Golden State Water Company	80.00				46,172.00								80.00
City of Huntington Beach					13,676.40								46,172.00
Laguna Beach CWD	480.00				26,485.72								14,156.40
Metropolitan Water District	29,129.40		118,745.58	70,931.38	26,485.72	27,322.22	236,289.40	134,233.87	39,537.35	16,453.05			696,127.97
Mission RCD		17,627.75	33,812.14	17,041.96		17,525.35	14,817.40	32,507.37	11,098.11				144,430.08
Recycled Water On Site Retrofit program					9,997.00		689.00	4,423.25	6,841.25	19,532.50			41,483.00
Spray to Drip program			1,155.58	525.00	34,530.53	750.00	2,288.57	875.00	700.00				40,824.68
Turf Removal	60,861.15	96,782.85	63,442.87	135,566.22	64,427.68	97,458.78	90,965.46		35,716.67	74,008.52			749,646.60
Vu Ho, Inc			500.00										500.00
Western National Property Management	51,300.00												51,300.00
Miscellaneous Expenses													
Interest Expense				292.98		2,936.02			8,581.95				292.98
Safety & Benefit	130.00		3,270.82										14,918.79
Total Expenditures	143,135.55	189,092.10	227,676.99	245,128.62	208,789.33	158,386.12	347,824.83	210,893.39	106,925.33	115,469.07	-	-	\$ 1,953,321.33
Cash - Ending Balance	\$ (133,020.86)	\$ (151,184.71)	\$ (326,302.43)	\$ 801,456.49	\$ 865,340.16	\$ 776,036.09	\$ 482,751.99	\$ 490,949.46	\$ 512,741.44	\$ 449,841.04	\$	\$	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2017 THRU MARCH 31, 2018

**Municipal Water District of Orange County
Combined Balance Sheet
As of March 31, 2018**

<u>ASSETS</u>	Amount
Cash in Bank	94,986.12
Investments	13,093,957.96
Accounts Receivable	14,715,889.23
Accounts Receivable - Other	107,873.15
Accrued Interest Receivable	87,694.16
Prepays/Deposits	219,034.66
Leasehold Improvements	3,695,600.68
Furniture, Fixtures & Equipment	457,309.71
Less: Accum Depreciation	(2,796,456.57)
Net OPEB Asset	483,546.00
	<hr/>
TOTAL ASSETS	\$30,159,435.10
	<hr/>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	14,695,477.00
Accounts Payable - Other	837.37
Accrued Salaries and Benefits Payable	343,974.89
Other Liabilities	202,397.61
Unearned Revenue	1,714,185.93
Total Liabilities	16,956,872.80
	<hr/>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	979,797.59
Total Restricted Fund Balances	979,797.59
	<hr/>
Unrestricted Fund Balances	
OPEB Related Asset Fund	483,546.00
Designated Reserves	
General Operations	3,156,569.42
Grant & Project Cash Flow	1,500,000.00
Election Expense	304,000.00
Building Repair	350,407.45
OPEB	209,006.00
Total Designated Reserves	5,519,982.87
	<hr/>
GENERAL FUND	2,403,710.97
WEROC Capital	281,636.00
WEROC	144,717.31
Total Unrestricted Fund Balances	8,833,593.15
	<hr/>
Excess Revenue over Expenditures	
Operating Fund	3,725,995.96
Other Funds	(336,824.40)
Total Fund Balance	13,202,562.30
	<hr/>
TOTAL LIABILITIES AND FUND BALANCES	\$30,159,435.10
	<hr/>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2017 thru March 2018

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	7,435,834.00	7,435,834.00	100.00%	0.00	0.00
Ground Water Customer Charge	0.00	468,565.00	468,565.00	100.00%	0.00	0.00
Water rate revenues	0.00	7,904,399.00	7,904,399.00	100.00%	0.00	0.00
Interest Revenue	24,781.50	232,179.42	150,000.00	154.79%	0.00	(82,179.42)
Subtotal	24,781.50	8,136,578.42	8,054,399.00	101.02%	0.00	(82,179.42)
Choice Programs	930.93	1,095,831.80	1,176,618.00	93.13%	0.00	80,786.20
Miscellaneous Income	0.00	3,490.94	3,000.00	116.36%	0.00	(490.94)
School Contracts	6,593.08	73,462.87	70,000.00	104.95%	0.00	(3,462.87)
Transfer-In From Reserve	0.00	0.00	138,470.00	0.00%	0.00	138,470.00
Subtotal	7,524.01	1,172,785.61	1,388,088.00	84.49%	0.00	215,302.39
TOTAL REVENUES	32,305.51	9,309,364.03	9,442,487.00	98.59%	0.00	133,122.97

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2017 thru March 2018

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	300,960.39	2,483,667.67	3,571,210.00	69.55%	0.00	1,087,542.33
Salaries & Wages - Grant Recovery	(6,908.47)	(11,607.92)	(23,279.00)	49.86%	0.00	(11,671.08)
Salaries & Wages - Recovery	0.00	(436.80)	0.00	0.00%	0.00	436.80
Director's Compensation	17,225.42	159,555.23	243,197.00	65.61%	0.00	83,641.77
MWD Representation	11,285.62	93,255.36	138,969.00	67.11%	0.00	45,713.64
Employee Benefits	95,395.50	737,053.64	1,056,766.00	69.75%	0.00	319,712.36
Employee Benefits - Grant Recovery	(1,673.48)	(2,790.87)	0.00	0.00%	0.00	2,790.87
Employee Benefits - Recovery	0.00	(83.20)	0.00	0.00%	0.00	83.20
Director's Benefits	8,007.06	65,479.96	81,728.00	80.12%	0.00	16,248.04
Health Insurance for Retirees	4,624.79	39,080.49	59,554.00	65.62%	0.00	20,473.51
Training Expense	3,025.00	7,942.00	10,000.00	79.42%	0.00	2,058.00
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	4,775.18	5,000.00	95.50%	0.00	224.82
Personnel Expenses	431,941.83	3,575,890.74	5,148,145.00	69.46%	0.00	1,572,254.26
Engineering Expense	4,749.49	95,405.63	360,000.00	26.50%	104,160.07	160,434.30
Legal Expense	11,473.79	115,220.95	250,000.00	46.09%	134,779.05	0.00
Audit Expense	0.00	19,000.00	40,000.00	47.50%	0.00	21,000.00
Professional Services	98,409.90	629,325.62	1,539,809.00	40.87%	377,485.51	532,997.87
Professional Fees	114,633.18	858,952.20	2,189,809.00	39.22%	616,424.63	714,432.17
Conference-Staff	1,369.00	15,955.46	38,945.00	40.97%	0.00	22,989.54
Conference-Directors	834.00	11,638.00	23,700.00	49.11%	0.00	12,062.00
Travel & Accom.-Staff	12,993.73	40,810.41	95,600.00	42.69%	236.89	54,552.70
Travel & Accom.-Directors	6,996.67	19,371.09	49,850.00	38.86%	528.00	29,950.91
Travel & Conference	22,193.40	87,774.96	208,095.00	42.18%	764.89	119,555.15
Membership/Sponsorship	11,365.84	139,765.19	142,102.00	98.36%	0.00	2,336.81
CDR Support	10,950.64	32,851.92	48,803.00	67.32%	10,950.65	5,000.43
Dues & Memberships	22,316.48	172,617.11	190,905.00	90.42%	10,950.65	7,337.24
Business Expense	0.00	3,344.34	5,200.00	64.31%	0.00	1,855.66
Maintenance Office	5,715.17	72,720.51	123,500.00	58.88%	51,509.49	(730.00)
Building Repair & Maintenance	3,823.12	22,353.07	11,000.00	203.21%	8,258.34	(19,611.41)
Storage Rental & Equipment Lease	1,195.29	2,755.66	8,400.00	32.81%	3,244.34	2,400.00
Office Supplies	4,192.85	18,529.26	35,580.00	52.08%	1,452.67	15,598.07
Postage/Mail Delivery	986.97	7,668.25	10,500.00	73.03%	1,029.06	1,802.69
Subscriptions & Books	39.00	1,112.25	1,500.00	74.15%	0.00	387.75
Reproduction Expense	0.00	7,017.49	27,275.00	25.73%	598.63	19,658.88
Maintenance-Computers	508.10	3,623.27	10,000.00	36.23%	1,210.63	5,166.10
Software Purchase	0.00	13,424.13	44,260.00	30.33%	0.00	30,835.87
Software Support	2,821.66	29,148.37	48,894.00	59.62%	0.00	19,745.63
Computers and Equipment	350.00	16,807.48	33,050.00	50.85%	0.00	16,242.52
Automotive Expense	1,703.36	13,148.39	16,400.00	80.17%	0.00	3,251.61
Toll Road Charges	84.00	616.18	1,000.00	61.62%	0.00	383.82
Insurance Expense	9,138.13	81,401.56	110,250.00	73.83%	0.00	28,848.44
Utilities - Telephone	1,522.85	12,669.25	21,300.00	59.48%	0.00	8,630.75
Bank Fees	1,844.26	8,612.76	11,000.00	78.30%	0.00	2,387.24
Miscellaneous Expense	6,830.95	62,994.24	119,650.00	52.65%	0.00	56,655.76
MWDOC's Contrb. to WEROC	14,934.75	416,069.75	460,874.00	90.28%	0.00	44,804.25
Depreciation Expense	794.41	7,149.66	0.00	0.00%	0.00	(7,149.66)
Other Expenses	56,484.87	801,165.87	1,099,633.00	72.86%	67,303.16	231,163.97
Building Expense	13,007.49	67,184.00	356,400.00	18.85%	44,112.00	245,104.00
Capital Acquisition	0.00	19,783.19	249,500.00	7.93%	0.00	229,716.81
TOTAL EXPENSES	660,577.25	5,583,368.07	9,442,487.00	59.13%	739,555.33	3,119,563.60
NET INCOME (LOSS)	(628,271.74)	3,725,995.96	0.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July 2017 thru March 2018

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	7,156,403.90	154,106,460.60	154,733,881.00	99.59%	627,420.40
Readiness to Serve Charge	908,514.76	7,906,059.36	10,397,278.00	76.04%	2,491,218.64
Capacity Charge CCF	321,247.50	2,736,142.50	3,544,800.00	77.19%	808,657.50
SCP/SAC Pipeline Surcharge	23,960.76	251,654.85	423,000.00	59.49%	171,345.15
Interest	1,479.87	8,851.27	9,400.00	94.16%	548.73
TOTAL WATER REVENUES	8,411,606.79	165,009,168.58	169,108,359.00	97.58%	4,099,190.42
<u>WATER PURCHASES</u>					
Water Sales	7,156,403.90	154,106,460.60	154,733,881.00	99.59%	627,420.40
Readiness to Serve Charge	908,514.76	7,906,059.36	10,397,278.00	76.04%	2,491,218.64
Capacity Charge CCF	321,247.50	2,736,142.50	3,544,800.00	77.19%	808,657.50
SCP/SAC Pipeline Surcharge	23,960.76	251,654.85	423,000.00	59.49%	171,345.15
TOTAL WATER PURCHASES	8,410,126.92	165,000,317.31	169,098,959.00	97.58%	4,098,641.69
EXCESS OF REVENUE OVER EXPENDITURES	1,479.87	8,851.27	9,400.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July 2017 thru March 2018

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	60,890.74	257,371.00	23.66%
Expenses	60,775.07	257,371.00	23.61%
Excess of Revenues over Expenditures	115.67	0.00	
Member Agency Administered Passthru			
Revenues	0.00	7,200.00	0.00%
Expenses	0.00	7,200.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	20,385.25	95,000.00	21.46%
Expenses	20,385.25	95,000.00	21.46%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	235,584.32	340,000.00	69.29%
Expenses	235,606.12	340,000.00	69.30%
Excess of Revenues over Expenditures	(21.80)	0.00	
CII Rebate Program			
Revenues	175,270.00	345,000.00	50.80%
Expenses	175,370.00	345,000.00	50.83%
Excess of Revenues over Expenditures	(100.00)	0.00	
Turf Removal Program			
Revenues	306,194.51	2,552,302.00	12.00%
Expenses	683,243.29	2,552,302.00	26.77%
Excess of Revenues over Expenditures	(377,048.78)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	114,609.29	520,000.00	22.04%
Expenses	216,775.71	520,000.00	41.69%
Excess of Revenues over Expenditures	(102,166.42)	0.00	
CII, Large Landscape, Performance (OWOW)			
Revenues	0.00	62,722.00	0.00%
Expenses	9,407.00	62,722.00	15.00%
Excess of Revenues over Expenditures	(9,407.00)	0.00	
WUE Projects			
Revenues	912,934.11	4,179,595.00	21.84%
Expenses	1,401,562.44	4,179,595.00	33.53%
Excess of Revenues over Expenditures	(488,628.33)	0.00	
WEROC			
Revenues	599,001.57	640,933.00	93.46%
Expenses	303,007.88	640,933.00	47.28%
Excess of Revenues over Expenditures	295,993.69	0.00	



Memorandum

DATE: May 9, 2018

TO: Administrative & Finance Committee
(Directors Thomas, Dick, Finnegan)

FROM: Robert Hunter

SUBJECT: Quarter ending March 2018 YTD Financials Actual versus Budget

The following reports are attached:

- Revenues and Expenditures Actual versus Budget for the General Fund
- Revenues and Expenditures Actual versus Budget Detailed Comparative Report for the General Fund
- Revenues and Expenditures Actual versus Budget for Water Funds
- Revenues and Expenditures Actual versus Budget for Other Funds
- Revenues and Expenditures Actual versus Budget for the Water Use Efficiency Projects

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget Summary Report
Fiscal Year to Date ending March 2018 (Unaudited)
(\$000 Omitted)
General Fund and Reserve Fund

GENERAL FUND

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail Connection Charge	7,436	7,436	100.0%
Ground Water Customer Charge	469	469	100.0%
Subtotal	7,904	7,904	100.0%
Other Revenues:			
Interest income ⁽¹⁾	232	150	154.8%
Choice Programs	1,096	1,177	93.1%
School Contracts	73	70	104.9%
Other income	3	3	116.4%
Transfer in from Reserve ⁽²⁾	0	138	0.0%
Subtotal	1,405	1,538	91.3%
TOTAL REVENUES	9,309	9,443	98.6%
<u>EXPENSES</u>			
Personnel Expenses (incl. Dir.)	3,576	5,148	69.5%
Professional services ⁽³⁾	648	1,580	41.0%
Outside engineering ⁽⁴⁾	95	360	26.5%
Legal expense ⁽⁵⁾	115	250	46.1%
Travel & Conference ⁽⁶⁾	88	208	42.2%
Dues and memberships	173	191	90.4%
General & Admin expense	801	1,100	72.9%
Building repair & expense ⁽⁷⁾	67	356	18.9%
Capital acquisition (not including building repairs) ⁽⁸⁾	20	250	7.9%
TOTAL EXPENSES	5,583	9,442	59.1%
EXCESS OF REVENUES OVER EXPENSES	3,726		

RESERVE FUND

Beginning Balance	5,250
Oct 2017 - excess from FY 16-17 General Fund	270
Net OPEB Asset	484
TOTAL RESERVE FUND	6,004

(1) Interest Income higher due to rising yields.

(2) Transfer in from Reserves is moved at year-end.

(3) Professional Services - Projects in process.

(4) Engineering projects in process.

(5) Legal expense includes unanticipated events.

(6) Travel & Conference scheduled throughout the fiscal year.

(7) Building repair & expense scheduled throughout the fiscal year.

(8) Capital acquisition being performed throughout the year.

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending March 2018 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	7,435,834	7,435,834	100.00%
Ground Water Customer Charge	468,565	468,565	100.00%
Water Rate Revenues	7,904,399	7,904,399	100.00%
Choice Programs	1,095,832	1,176,618	93.13%
Interest Revenue	232,179	150,000	154.79%
Miscellaneous Income	3,491	3,000	116.36%
School Contracts	73,463	70,000	104.95%
Transfer in from Reserve	0	138,470	0.00%
Other Revenues	1,404,965	1,538,088	91.34%
TOTAL REVENUES	9,309,364	9,442,487	98.59%

OPERATING EXPENSES			
Salaries & Wages	2,483,668	3,571,210	69.55%
less Recovery's	(12,045)	(23,279)	51.74%
Directors' Compensation	159,555	243,197	65.61%
MWD Representation	93,255	138,969	67.11%
Employee Benefits	737,054	1,056,766	69.75%
less Recovery's	(2,874)	0	0.00%
Directors Benefits	65,480	81,728	80.12%
Health Insurances for Retirees	39,080	59,554	65.62%
Training Expense	7,942	10,000	79.42%
Tuition Reimbursement	0	5,000	0.00%
Temporary Help Expense	4,775	5,000	95.50%
Personnel Expenses	3,575,891	5,148,145	69.46%
Engineering Expense	95,406	360,000	26.50%
Legal Expense	115,221	250,000	46.09%
Audit Expense	19,000	40,000	47.50%
Professional Services	629,326	1,539,809	40.87%
Professional Fees	858,952	2,189,809	39.22%
Conference-Staff	15,955	38,945	40.97%
Conference-Directors	11,638	23,700	49.11%
Travel & Accom.-Staff	40,810	95,600	42.69%
Travel & Accom.-Directors	19,371	49,850	38.86%
Travel & Conference	87,775	208,095	42.18%
Membership/Sponsorship	139,765	142,102	98.36%
CDR Support	32,852	48,803	67.32%
Dues & Memberships	172,617	190,905	90.42%

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending March 2018 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	3,344	5,200	64.31%
Maintenance Office	72,721	123,500	58.88%
Building Repair & Maintenance	22,353	11,000	203.21%
Storage Rental & Equipment Lease	2,756	8,400	32.81%
Office Supplies	18,529	35,580	52.08%
Postage/Mail Delivery	7,668	10,500	73.03%
Subscriptions & Books	1,112	1,500	74.15%
Reproduction Expense	7,017	27,275	25.73%
Maintenance-Computers	3,623	10,000	36.23%
Software Purchase	13,424	44,260	30.33%
Software Support	29,148	48,894	59.62%
Computers and Equipment	16,807	33,050	50.85%
Automotive Expense	13,148	16,400	80.17%
Toll Road Charges	616	1,000	61.62%
Insurance Expense	81,402	110,250	73.83%
Utilities - Telephone	12,669	21,300	59.48%
Bank Fees	8,613	11,000	78.30%
Miscellaneous Expense	62,994	119,650	52.65%
MWDOC's Contribution To WEROC	416,070	460,874	90.28%
Depreciation Expense	7,150	0	0.00%
MWDOC Building Expense	67,184	356,400	18.85%
Capital Acquisition	19,783	249,500	7.93%
Other Expenses	888,133	1,705,533	52.07%
TOTAL EXPENSES	5,583,368	9,442,487	59.13%
EXCESS OF REVENUES OVER EXPENSES	3,725,996	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Statement of Revenues and Expenditures
Fiscal Year to Date ending March 2018 (Unaudited)
Water Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<u>Water Revenues</u>			
Water Sales	154,106,461	154,733,881	(627,420)
Ready to Serve Charge	7,906,059	10,397,278	(2,491,219)
Capacity Charge Flat Rate	2,736,143	3,544,800	(808,658)
SCP/SAC Pipeline Surcharge	251,655	423,000	(171,345)
Interest	<u>8,851</u>	<u>9,400</u>	<u>(549)</u>
Total Water Revenues	<u>165,009,169</u>	<u>169,108,359</u>	<u>(4,099,190)</u>
 <u>Water Purchases</u>			
Water Sales	154,106,461	154,733,881	(627,420)
Ready to Serve Charge	7,906,059	10,397,278	(2,491,219)
Capacity Charge	2,736,143	3,544,800	(808,658)
SCP/SAC Pipeline Surcharge	<u>251,655</u>	<u>423,000</u>	<u>(171,345)</u>
Total Water Purchases	<u>165,000,317</u>	<u>169,098,959</u>	<u>(4,098,642)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>8,851</u>	<u>9,400</u>	<u>(549)</u>

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2018 (Unaudited)
Other Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<u>WEROC</u>			
Revenues	599,002	640,933	(41,931)
Expenditures	303,008	640,933	(337,925)
Excess of Revenues over Expenditures	295,994	0	295,994

WUE Projects (details on next page)

Revenues	912,934	4,179,595	(3,266,661)
Expenditures	1,401,562	4,179,595	(2,778,033)
Excess of Revenues over Expenditures	(488,628)	0	(488,628)

Footnote:

- 1) The excess of expense over revenue is waiting for reimbursement.
- 2) USBR (Federal) Grant is billed in October and April with funds being received one month later.
- 3) DWR is billed quarterly to county and takes a few months to a year to receive funds.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2018 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<u>Spray to Drip Conversion</u>					
Revenues	60,891		257,371	23.66%	257,371
Expenditures	60,775		257,371	23.61%	257,371
Excess of Revenues over Expenditures	116	0%			

Actual Variance:

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

Member Agency Administered Pass thru

Revenues	0		7,200	0.00%	7,200
Expenditures	0		7,200	0.00%	7,200
Excess of Revenues over Expenditures	0	0%			

Actual Variance:

Budget Variance: Agency's due to start their programs later this fiscal year.

ULFT Rebate Program

Revenues	20,385		95,000	21.46%	95,000
Expenditures	20,385		95,000	21.46%	95,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: This tracks agency toilet programs, agencies slow to implement.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

HECW Rebate Program

Revenues	235,584		340,000	69.29%	340,000
Expenditures	235,606		340,000	69.30%	340,000
Excess of Revenues over Expenditures	(22)	0%			

Actual Variance:

Budget Variance: Actual numbers and percentages (%) represent 9 months of a 12 month program. As of now, on target.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2018 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance</u> <u>%</u>	<u>Fiscal Year</u> <u>Budget</u>	<u>% of</u> <u>Budget</u>	<u>Projected</u> <u>Final</u> <u>FY Budget</u>
<u>CII Rebate Program</u>					
Revenues	175,270		345,000	50.80%	345,000
Expenditures	175,370		345,000	50.83%	345,000
Excess of Revenues over Expenditures	(100)	0%			

Actual Variance:

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

Turf Removal Program

Revenues	306,195		2,552,302	12.00%	2,552,302
Expenditures	683,243		2,552,302	26.77%	2,552,302
Excess of Revenues over Expenditures	(377,049)	-123%			

Actual Variance: Payment to Program Participants ahead of Grant and Metropolitan reimbursements.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

Comprehensive Landscape (CLWUE)

Revenues	114,609		520,000	22.04%	520,000
Expenditures	216,776		520,000	41.69%	520,000
Excess of Revenues over Expenditures	(102,166)	-89%			

Actual Variance: Grant pre-funded program. Revenue will match expenses at year end closing.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

CII, Large Landscape, Performance (OWOW)

Revenues	0		62,722	0.00%	62,722
Expenditures	9,407		62,722	15.00%	62,722
Excess of Revenues over Expenditures	(9,407)	0%			

Actual Variance: Grant pre-funded program. Revenue will match expenses at year end closing.

Budget Variance: Budget numbers were over optimistic. With the Drought ending and the public's interest waning, budget numbers are not likely to be hit.

Notes:

[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.

[2] Fiscal year budget versus Actual

[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.



CONSENT CALENDAR ITEM
May 16, 2018

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contacts: Hilary Chumpitazi

SUBJECT: **Annual Review of Investment Policy and Guidelines**

STAFF RECOMMENDATION

It is recommended that the Board of Directors reaffirm the Investment Policy and Guidelines adopted in August 2017.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

DETAILED REPORT

MWD OC's Administrative Code requires an annual review of the Investment Policy and Guidelines. In August 2017, the Board adopted the attached Resolution No. 2059 establishing this policy.

Staff recommends no changes at this time.

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

**RESOLUTION NO. 2059
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
INVESTMENT POLICY AND GUIDELINES**

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**RESOLUTION NO. 2059
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
INVESTMENT POLICY AND GUIDELINES
2017**

BE IT RESOLVED by the Board of Director of the Municipal Water District of Orange County that the following is the policy and guidelines of the District for investment of funds and rescinds prior Resolution No. 2055, dated June 21, 2017.

SECTION 2100 - PURPOSE

The purpose of this policy is to set forth the investment and operational policies for the management of the public funds of Municipal Water District of Orange County. These policies have been adopted by, and can be changed only by a majority vote of the Board of Directors.

These policies are designed to ensure the prudent management of public funds, the safety of principal, the availability of operating funds when needed, and an investment return competitive with those of comparable funds and financial market indexes.

A copy of this policy will be provided to all investment dealers and investment managers doing business with the Municipal Water District of Orange County. Receipt of this policy, including confirmation that it has been reviewed by persons dealing directly with the Municipal Water District of Orange County's account will be received prior to any organization providing investment services to the Municipal Water District of Orange County.

SECTION 2101 - STATUTORY AND DELEGATED AUTHORITY

Authority to manage the investment of surplus funds is derived from California Government Code Sections 53601, et seq. In accordance with Section 53607 of the Government Code of the State of California, the authority of the Board of Directors to invest public funds may be delegated to the Treasurer for a one-year period, which may be renewed annually.

The Municipal Water District of Orange County (MWDOC) Board of Directors has expressly delegated the investment authority of the Board of Directors to the Treasurer pursuant to Resolution No. 1166. By Resolution No. 1277, the Board of Directors created the office of Deputy Treasurer and delegated to the Deputy Treasurer the authority to direct investment of MWDOC funds under the circumstances set forth in said Resolution, and to make a monthly report of those transactions to the Board. The Board of Directors created the office of Alternate Deputy Treasurer by Resolution No. 1434 and specified circumstances under which the Alternate Deputy Treasurer would have authority to direct the investment of MWDOC funds.

No person may engage in an investment transaction on behalf of MWDOC unless he or she has been duly appointed by the Board of Directors to the office of Treasurer, Deputy Treasurer, or Alternate Deputy Treasurer, and subject to the limitations and conditions set forth in the Resolutions establishing those offices and the terms of this policy. Notwithstanding the foregoing, upon the occurrence of a vacancy in the office of Treasurer, the Board of Directors may appoint an Acting Treasurer, who shall have and exercise the authority delegated to the Treasurer until appointment of a successor Treasurer by the Board of Directors.

The delegations in Resolution Nos. 1277 and 1434 are renewed on the adoption of this Policy. The Treasurer shall be responsible for all transactions undertaken and shall establish procedures and a system of internal controls to regulate the activities of subordinate officials.

SECTION 2101.5 – COMPLIANCE EXCEPTIONS REPORTING

Any compliance exceptions with the Investment Policy and Guidelines (IPG) will be reported within 72 hours to the General Manager, Board President, and the Chair of the Administration & Finance Committee. At the time of reporting, a recommended resolution to the matter shall be included. Notification shall also be included in the monthly Treasurer's Report to the Board of Directors with the resolution noted.

SECTION 2102 - ORGANIZATION

The organizational structure of the investment functions of MWDOC shall consist of the Board of Directors, the Administration & Finance Committee, the Treasurer and Deputy Treasurers. The responsibilities of these groups are as follows:

Board of Directors - the elected body responsible for the administration and investment of the assets of MWDOC. The Board may acquire, hold, manage, purchase, sell, assign, trade, transfer and/or dispose of any security, evidence of debt, or other investment in which MWDOC's assets may be invested by law. To assist them in discharging their responsibilities, the Board shall appoint a Treasurer, Deputy Treasurers and custodians of assets.

Administration & Finance Committee - appointed by the Board to review transactions, performance and asset mix, monitor, recommend policy, and propose adjustments for Board approval.

Treasurer - responsible for the administration and the investment of the funds, subject to the policies and restrictions set by the Board. The Treasurer as investment officer of MWDOC is granted full authority and responsibility by the Board in the purchase, sale, assignment, exchange and transfer of securities and for the safe custody of security holdings, subject to Board policies, rules, regulations and directives consistent with regulatory and statutory limitations. The Treasurer is responsible for interpreting, administering and advising on legal requirements, investment policies and strategies; collecting income, preparation of reports. Also responsible for Deputy Treasurer, and investment staff compliance with this Investment Policy and guidelines.

Deputy Treasurers - act in the absence of the Treasurer as specified within the Resolution of appointment to fulfill the duties and responsibilities as assigned by the Treasurer.

SECTION 2103- INVESTMENT PHILOSOPHY

Except where specifically directed by the State Constitution, statutes or regulations, the general investment policies of MWDOC will be guided by the prudent investor standard ("Standard") set forth in California Government Code Section 53600.3. Under this Standard, those with investment responsibility for public funds are trustees and, as trustees, shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of MWDOC, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims to safeguard the principal and maintain the liquidity needs of the agency.

This Standard shall be applied in the context of managing the overall investment portfolio. The investment officer, acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

SECTION 2104 - SCOPE

It is intended that this Investment Policy cover all funds and investment activities of MWDOC. Any reference to the portfolio shall mean the collection of MWDOC securities held by the Treasurer. Those securities held in Trust or escrow by a third-party Trustee or escrow agent on behalf of MWDOC are invested under the Treasurer's direction in accordance with this Investment Policy and the terms of the specific escrow or trust agreements related to the funds.

MWDOC funds are divided into two categories, and the investment objectives and policies vary with the nature of the fund.

- Operating and Fiduciary Funds - These funds are to provide for the ordinary annual operating expenses of MWDOC (General Fund, Water Fund) and Funds to provide for trustee functions and expenditures (WFC, with the exception of the Debt Service Reserve) and other specified recurring and non-recurring purposes where MWDOC serves in a fiduciary role. These funds are considered "short-term" for investment purposes and will be invested to provide the safety and liquidity to meet all anticipated expenditures.
- Reserve funds – These funds are designated for contingencies or emergencies and may be used to supplement the other funds as necessary. These funds may be invested "longer-term" as defined in this Investment Policy.

SECTION 2105- INVESTMENT OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing MWDOC's funds, the primary objective is to safeguard the principal of the funds. The secondary objective is to meet the liquidity needs of MWDOC. The third objective is to achieve a maximum return on invested funds (California Government Code Section 53600.5.). It is the policy of MWDOC to invest funds in a manner to obtain the highest yield possible while meeting the daily cash flow demands of MWDOC as long as investments meet the criteria established by this investment policy for safety and liquidity and conform to all laws governing the investment of MWDOC's funds.

Safety of Principal.

Safety of principal is the foremost objective of MWDOC. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they arise from securities defaults, institution default, broker-dealer default, or erosion of market value of securities. MWDOC shall mitigate the risk to the principal of invested funds by limiting credit and interest rate risks. Credit risk is the risk of loss due to the failure of a security's issuer or backer. Interest rate risk is the risk that the market value of the MWDOC's portfolio will change due to an increase/decrease in general interest rates.

- 1) Credit risk will be mitigated by:

- (a) Limiting investments to only the most creditworthy types of permissible investments as described in Section 2106;
 - (b) By pre-qualifying the financial institutions with which the Agency will do business; and
 - (c) By diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place an undue financial burden on the District.
- 2) Interest rate risk will be mitigated by:
 - (a) Structuring the portfolio so that securities mature to meet the District's cash requirements for ongoing obligations, thereby reducing the possible need to sell securities on the open market at a loss prior to their maturity to meet those requirements; and
 - (b) Investing primarily in shorter term securities.

Liquidity

Availability of sufficient cash to pay for current expenditures shall be maintained. An adequate percentage of the portfolio shall be maintained in liquid short-term securities which can be converted to cash as necessary to meet disbursement requirements. Since cash requirements cannot always be anticipated, sufficient investments in securities with active secondary or resale markets shall be utilized.

Rates of Return

Yield on investments shall be considered only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the MWDOC's risk constraints, the composition and cash flow characteristics of the portfolio, and applicable laws.

SECTION 2106- INVESTMENT POLICY GUIDELINES

MWDOC authorized investment types, amounts, maturities, and other characteristics are stated in the Government Code Section 53601 (as periodically amended), and with the following exceptions as noted below.

- Collective Investment Pools - Assets of any of the funds may be invested in collective investment pools run and managed by other public bodies and banks that are approved by the Board of Directors. However, no such investment shall be made in a pool where the investment objectives differ from the investment objectives listed in Section 2105 of this investment policy, nor should any investment be made in a fund that engages in market timing or anticipating interest rate changes or that uses derivatives or other securities other than as a hedge against interest rate risk. The investment shall not exceed 20% of portfolio in effect immediately after such investment and no more than 10% in one pool.
- Money Market Mutual Funds - Investment in shares of money market mutual funds may be made if the investments meet the same restrictions as those of collective investment pools. In addition, purchase of these funds must not result in payment of a purchase premium or commission. These mutual funds must attain the highest ranking of two nationally recognized ratings services and the investment adviser must be registered with the Securities and Exchange Commission (SEC) as an investment adviser with not less

than five years' experience managing market mutual funds with investment portfolios of greater than \$500 million. An investment shall not exceed 20% of portfolio in effect immediately after such investment.

- Cash Holdings - The portfolio will hold sufficient cash equivalent investments to ensure availability of sufficient funds to meet known obligations for the next three months. Idle cash will be invested to the fullest extent practicable in interest-bearing investments.
- Other permissible investments for the Operating and Fiduciary funds are:
- Bank checking accounts, time deposits or certificates of deposit not to exceed the current Federal Deposit Insurance Corporation (FDIC) limit without being collateralized.
- Negotiable Certificates of Deposit shall not exceed 30% of portfolio in effect immediately after such investment and no more than 5% in one issuer.
- U.S. Treasury obligations.
- U.S. Government Agency obligations and, U.S. Government Instrumentality obligations. May not invest more than 50% of portfolio from one issuer.
- Prime Commercial Paper rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch. May not exceed 25% of portfolio in effect immediately after such investment and may purchase no more than 5% of the outstanding commercial paper of any single issuer. The maximum maturity for Commercial Paper is 270 days.
- Prime Banker's Acceptances rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch shall not exceed 40% of portfolio in effect immediately after such investment and no more than 5% may be of any one commercial bank. The maximum maturity is 180 days.
- Corporate Securities (Medium-Term Notes) with a rating of "A" or better by at least two nationally recognized rating services. Shall not exceed 30% of portfolio in effect immediately after such investment with no more than 5% in one issuer.
- Loans with an agreement for the collateral to be repurchased by the borrower (Repurchase Agreements); the amount of such instruments will not exceed 20% of the market value of the portfolio with no more than 10% from one issuer. Maximum maturity is 1 year. U.S. Treasury and Agency securities are acceptable collateral with a market value of at least 102% of the value of the Repurchase Agreement. Prior to investment, a Master Repurchase Agreement will be signed with the qualified counterparty.
- Permissible investments for Reserve Funds are:
- All investments permitted for the Operating and Fiduciary funds, except maturities may not exceed five years without Board approval prior to investment.
- Prohibited Investments and Investment Practices - The following are prohibited:
- Purchases on margin or short sales.
- "Derivative" securities of any type.
- Lending securities with an agreement to buy them back after a stated period of time (Reverse Repurchase Agreements).
- Futures, Options and Margin Trading
- In no instance shall a swap be used in speculation. Losses are only acceptable if the proposed swap or trade can clearly enhance quality or yield (value) over the life of the new security on a Total Return basis.
- Investments are limited to maturities of five years or less without express authorization of the Board prior to the investment.
- Diversification - The investment portfolio will be diversified to avoid undue concentration in securities of one type or securities of one financial institution, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities.

- Exemptions - Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by the current policy.

SECTION 2107 - EXECUTION

The responsibility for the execution of security transactions shall rest with such qualified members of the investment staff as designated by the Board. The selection of the broker-dealer for a specific transaction shall be based on price and yield quotations. Every effort shall be made to obtain appropriate discounts on individual orders.

Security orders shall be placed on the basis of accepted investment practices. All security transactions, including for repurchase agreements, entered into by MWDOC shall be on a Delivery-vs.-Payment (DVP) basis, i.e. payment will be made upon receipt of the securities to the safekeeping or trust account or custodial facility. All securities shall be held in MWDOC's name pursuant to an agreement and all financial institutions are instructed to mail confirmation and safekeeping receipts directly to MWDOC within three business days after the trade.

Receipts for the confirmation of trades of authorized securities will include information on trade date, par value, maturity, interest rate, price, yield, settlement date, description of securities purchased, agency's name, amount due, and third party custodial information.

SECTION 2108 - PERSONAL CONDUCT

The Board of Directors of Municipal Water District of Orange County is acutely aware of the responsibilities the staff has in administering the investment assets of MWDOC.

Members of the Board of Directors, the Treasurer, Deputy Treasurers and members of the investment staff may not have a direct or indirect interest in the gains or profits of any investment made by MWDOC and may not receive any pay or emolument (profit arising from office or employment usually in the form of compensation or perquisites) for services other than as designated by MWDOC for compensation and authorized expenses.

All persons responsible for investment decisions or who are involved in the management of MWDOC assets shall be governed in their personal investment activities by the codes of conduct established by the applicable state statutes, the Financial Industry Regulatory Authority (FINRA), the Securities and Exchange Commission, and the Code of Ethics and Standards of Professional Conduct of the Association for Investment Management and Research.

All persons responsible for investment decisions or who are involved in the management of MWDOC assets shall refrain from any personal business activity that could conflict with the proper execution and management of the MWDOC investment program, or that could impair their ability to make impartial investment decisions.

SECTION 2109 - REPORTING

The Treasurer shall prepare an investment report monthly, including a management summary that provides the status of the current investment portfolio and transactions made over the last month. The Report shall be submitted within forty-five (45) days following the month ended. The

report should be provided to and reviewed by the General Manager, the Administration & Finance Committee and provided to the Board of Directors. The report will include the following:

- A listing of individual securities held at the end of the reporting period;
- Average weighted yield to maturity of portfolio on MWDOC investments;
- Listing of investments by maturity date;
- Market values of current investments;
- Percentage of the total portfolio which each type of investment represents.

This investment policy shall be reviewed by the Administration and Finance Committee annually and as frequently as necessary, to enable the Treasurer to respond to changing economic and market conditions.

SECTION 2110 - GLOSSARY

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

BROKER-DEALER: A person or firm acting as a principal in securities transaction as either a broker or a dealer depending on the transaction. Technically, a broker is only an agent who executes orders on behalf of clients, whereas a dealer acts as a principal and trades from the firm's own account. Transaction confirmations must disclose this information. Because most brokerage firms act as both brokers and principals, the term broker-dealer is commonly used to describe them.

CASH EQUIVALENTS (CE): Highly liquid and safe instruments or investments that can be converted into cash immediately. Examples include bank accounts, money market funds, and Treasury bills.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity evidenced by a Certificate. Large-denomination CD's are typically negotiable.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (*e.g., U.S. Treasury Bills.*)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, *e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.*

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the

FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the United States. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15(C) 3-1: See Uniform Net Capital Rule.

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TOTAL RETURN: A measure of performance, Total Return is the actual rate of return of an investment or a pool of investments, over a given evaluation period. Total Return accounts for two categories of return: income and capital appreciation. Income includes interest paid by fixed-income investments, distributions or dividends. Capital appreciation represents the change in the market price of an asset.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

BE IT FURTHER RESOLVED the investment policy shall be reviewed by the Administration and Finance Committee annually, and as frequently as necessary, to enable the Treasurer to respond to changing market conditions;

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

AYES: Directors Barbre, Dick, Finnegan, Osborne, Tamaribuchi & Thomas

NOES: None

ABSTAIN: None

ABSENT: Director Yoo Schneider

I certify the foregoing is a true, full and correct copy of Resolution No. 2059 adopted by the Board of Director of Municipal Water District of Orange County at its Regular meeting held on August 16, 2017.

Maribeth Goldsby, District Secretary
Municipal Water District of Orange County



CONSENT CALENDAR ITEM

May 16, 2018

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Maribeth Goldsby, Board Secretary

SUBJECT: **Election Information (Candidate's Statements)**

STAFF RECOMMENDATION

Staff recommends the Board of Directors review the information presented and decide whether to limit candidate statements to either 200 or 400 words and submit information to the Registrar of Voters, along with a statement that the District will either pay or not pay for the statements.

COMMITTEE RECOMMENDATION

Committee recommended the Board authorize staff to submit the Transmittal of Election Information/Special District to the Orange County Registrar of Voters, indicating that the Candidate's Statement of Qualifications will be limited to 200 words, and that the District will not pay for the statements.

SUMMARY

Each election, the Registrar of Voters requests information relative to the Candidate's Statements. This information includes whether or not the District will pay the Candidate's Statement cost, and whether the District will limit statements to either 200 or 400 words.

Historically, the Board limits candidate statements to 200 words, and does not authorize payment by the District.

Attached is the paperwork received from the OC Registrar; it is due back by May 25, 2018.

Budgeted (Y/N): N	Budgeted amount:	Core ____	Choice ____
Action item amount:	Line item:		
Fiscal Impact (explain if unbudgeted): Candidate’s Statements range in price (depending on length and number of candidates). For a 200 word statement the range could run \$1500-2500 each.			



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7627
ocvote.com

NEAL KELLEY
Registrar of Voters

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

RECEIVED

MAY 04 2018

MWD OF OC

May 1, 2018

TO: Manager/Director

FM: Marcia Nielsen, Candidate & Voter Services Manager

RE: Election Information for the November 6, 2018 General Election

Enclosed is a Transmittal of Election Information form to be completed and returned to the Registrar of Voters' office by May 25, 2018.

On the Transmittal of Election Information form, please list the name(s) of Director(s) whose term(s) expire and whose seat(s) will be scheduled for election on November 6, 2018. This would include any Director(s) appointed since your last election. Appointed Directors must file for the two-year unexpired term if they were appointed to fill a vacancy which would not have been scheduled for election until 2020.

We also need to know if your District **will** or **will not** pay for a Candidate's Statement of Qualifications and if the District is authorizing 200 or 400 words to be used in that statement.

Please send the completed Transmittal of Election Information form to me at 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or email to Marcia.Nielsen@rov.ocgov.com.

Pursuant to Elections Code § 10522, the District is required to submit a map showing the current district boundary lines, with divisions (if any), regardless if changes have occurred by May 25, 2018. We would prefer to receive the map in shape file format by email to Matthew Eimers at Matthew.Eimers@rov.ocgov.com.

Candidate Filing for the November 6, 2018 General Election will be July 16, 2018 through August 10, 2018, 5:00 p.m. The Candidate's Handbook will be on our website at the middle of June. We ask that you post this information to advise your members of these important dates.

If you have any questions, please contact me at Marcia.Nielsen@rov.ocgov.com or (714) 567-7568. Thanks for your assistance.

Enclosure

TRANSMITTAL OF ELECTION INFORMATION SPECIAL DISTRICT
(EC §10509, §10522)

DISTRICT _____

DISTRICT BOUNDARIES:

Choose One:

☐ I will send the Registrar of Voters an electronic shape file of District boundaries and the boundaries of the Divisions of the District, if any, in which a Director is to be elected at the November 6, 2018 General Election.

(Note: This is the Registrar of Voters' preferred method of transmittal.)

☐ Attached is a map showing the boundaries of this District and the boundaries of the Divisions of the District, if any, in which a Director is to be elected at the November 6, 2018 General Election.

Choose One:

Voters in the District will be voting: ☐ At-large ☐ By Division

THE ELECTIVE OFFICES FOR WHICH AN ELECTION WILL BE HELD WITHIN THE SPECIAL DISTRICT ON NOVEMBER 6, 2018 ARE:

Choose One:

(# of directors) Director(s) to be elected at-large

OR

Director(s) to be elected in the following Divisions:

(# of directors) in Division _____
(# of division)

(# of directors) in Division _____
(# of division)

(# of directors) in Division _____
(# of division)

(# of directors) in Division _____
(# of division)

Please list below the names of the Incumbents/Appointed Incumbents for the above-mentioned positions:

(Name) _____ ☐ Elected ☐ Appointed (If appointed, the term ends in 20__.)

(Name) _____ ☐ Elected ☐ Appointed (If appointed, the term ends in 20__.)

(Name) _____ ☐ Elected ☐ Appointed (If appointed, the term ends in 20__.)

(Name) _____ ☐ Elected ☐ Appointed (If appointed, the term ends in 20__.)

The District authorizes the Candidate's Statement of Qualifications to contain no more than:

(Circle one) (200) or (400) words.

The District (will) or (will not) pay for a Candidate's Statement of Qualifications.

Dated _____

(Signature)

(District Seal)

(Print Name)

Phone #: _____ Email: _____

NOTE: Please return the above information no later than **May 25, 2018** to the Registrar of Voters' office, 1300 South Grand Avenue, Building C, Santa Ana, CA 92705, Attn: Marcia Nielsen or email to Marcia.Nielsen@rov.ocgov.com. Send the boundary map to Matthew Eimers at 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or at Matthew.Eimers@rov.ocgov.com.



CONSENT CALENDAR ITEM

May 16, 2018

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contacts: Hilary Chumpitazi

SUBJECT: **Selection of Governmental Banking Services**

STAFF RECOMMENDATION

It is recommended that the Board of Directors: Authorize the General Manager to contract Governmental Banking Services with U.S. Bank.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

DETAILED REPORT

We currently have our checking and payroll account with Bank of America. In January, 2018 our fees doubled to \$1,800/mo. due to increased pricing and the discontinued grandfathered pricing that waived or greatly reduced our service fees (increased to Standard Pricing instead of Government Pricing). Staff prepared and issued a Request for Proposal (RFP) for Governmental Banking Services and posted it to CSMFO, CSDA and MWD OC's website, as well as emailed it directly to the following banks:

- Bank of the West
- Cal Bank & Trust/Zion
- Citizens Business Bank
- City National Bank
- JP Morgan Chase Bank
- Union Bank
- U.S. Bank
- Wells Fargo Bank

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

Proposals and Proposal Evaluation

MWDOC received six proposals by the closing date of April 11, 2018:

- Citizens Business Bank
- Commercial Bank of California
- East West Bank
- JP Morgan Chase Bank
- Pacific Premier Bank
- U.S. Bank

All six proposals received met the initial qualifying criteria and were reviewed by a committee of staff consisting of: Hilary Chumpitazi, Jeff Stalvey, Lina Gunawan and Mary Snow; who rated and scored each proposal individually.

The scores were tallied and there was a natural separation between the top two and the remaining ~~four~~^{six} banks. The committee chose to interview the top two banks: U.S. Bank and East West Bank. The quality of the proposals were high and the interviews had many common features with a few variances in features and pricing. The staff committee unanimously voted for one bank and U.S. Bank was selected.

The following is a summary of the proposed monthly pricing for an average month:

	Monthly Service Cost	Earnings Credit %	Earnings Credit \$	Net Monthly Service Cost	LAIF Bank
Citizens Business Bank	923.29	0.55%	(525.50)	397.79	No
Commerical Bank of California	508.05	0.55%	(525.50)	(17.45)	No
East West Bank	726.19	0.85%	(680.91)	45.28	No
JP Morgan Chase Bank ⁽¹⁾	123.65	N/A	N/A	123.65	Yes
Pacific Premier Bank	463.80	0.75%	(600.00)	(136.20)	No
U.S. Bank	626.81	0.75%	(749.99)	(123.18)	Yes
⁽¹⁾ Did not propose an analyzed deposit account					

Recommendation

Staff's recommendation is to proceed with a contract with U.S. Bank for our governmental banking services. The two banks were close in most aspects and the committee went through a comprehensive series of matrix with the deciding factors below, which the committee felt were important for MWDOC.

1. They're committed to best-in-class customer service with their brand line "All of US Serving You" and offer longer customer service hours.
2. They offer same day ACH and have the closest branch.
3. They are an authorized California State deposit bank (LAIF).
4. They have one of the highest Earnings Credit Rates and their pricing was one of the lowest. Pricing is guaranteed for 5 years.



CONSENT CALENDAR ITEM

May 9, 2018

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contacts: Cathleen Harris, Administrative Services Manager
Charles Busslinger, Principal Engineer

SUBJECT: OFFICE REMODEL & RELOCATION

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

1. Discuss the potential relocation of the MWDOC office and based on cost and other factors assess the probability and/or timing of such a relocation.
2. If the conclusion from #1 is that a relocation is not likely in the near future then remove the current hold on office improvements (Phase 1 & 2) that have been previously approved in the budget for the current and next fiscal years and allow those improvements to proceed.

COMMITTEE RECOMMENDATION

Committee recommended the Board of Directors authorize staff to proceed with Option 1 (Retrofit to Non-Essential Facility Performance Level), phases 1 and 2 as authorized in both fiscal years 2017-18 and 2018-19 budgets and as identified below.

DETAILED REPORT

The Administration & Finance Committee and the MWDOC Board of Directors heard presentations on structural seismic improvements to the MWDOC administration building in April. At the April 18, 2018 meeting, the Board of Directors approved the Damage Control option (2-B) seismic retrofit work (\$500,000). Staff is proceeding with that work. During the seismic evaluation study, some Directors requested that office remodeling projects be delayed until the results of that study were presented and the Board evaluated investment options. In April, the Board emphasized the possibility of relocating the office and referred the office remodeling projects back to A&F Committee pending resolution of the relocation

Budgeted (Y/N): Y	Budgeted amount: 2017/18-\$354,500 2018/19 - \$237,800	Core _x_	Choice ____
Action item amount:	Line item: 19-8810 & 19-8811		

question. The remodeling activities that were approved in the current fiscal year's budget and those approved in next year's budget remain on hold.

The four office building options from the seismic study are:

- Option 1: Retrofit to Non-Essential Facility Performance Level
- Option 2: Retrofit to Essential Facility Performance Level
- Option 3: Rebuild On-Site
- Option 4: Relocate & Build New Facility

Total investment costs for Options 1, 3 and 4 are \$2.4 million, \$8.1 million and \$11.8 million, respectively.

Past but recent investments (sunk costs) in the current building include:

• Sidewalk Handrails (2009)	\$ 5,650
• Window Replacement (2013-2014)	\$ 10,176
• Fire System Replacement (2016)	\$ 21,900
• Restroom Remodel (2015-2016)	\$144,204
• HVAC Modifications (2013-2016)	\$435,487
• Entry Area Remodel (2015-2017)	<u>\$ 73,682</u>
Total Recent Building Improvements	\$691,189

The Board action on April 18th selected and authorized Option 1 instead of Option 2 but did not resolve the questions of Option 3 or Option 4. Resolution of the Rebuild and Relocation questions are required at this point.

In November 2017, the Board approved entering into a contract with IDS Group for architectural, space planning, interior design and construction administration services for a total amount of \$44,236.

MWDOC's office building was built in 1973 and is approximately 45 years old. A major remodel was completed in 1992, when MWDOC moved to Fountain Valley. There have been some remodels and office additions throughout the years as noted above. With the successful implementation of the Records Management Program to digitize the District's archives, the former archival space (library) is now available for other uses. We are looking to improve efficiencies, reevaluate the efficient use of existing space, maximize storage space, modernize the existing office design to meet the needs of the current and future workforce and determine the most favorable balance between shared work areas, private workstations and private offices that allow for collaboration and enhance work flow processes.

Staff included funds in the 2017-18 and 2018-19 Budget for this effort. The remodeling project includes two near-term phases and areas:

Phase 1

- Conference Room 101
- Library (to be converted to a new conference room 102)
- Copy Room

- MWDOC Reception area
- File room

Phase 2

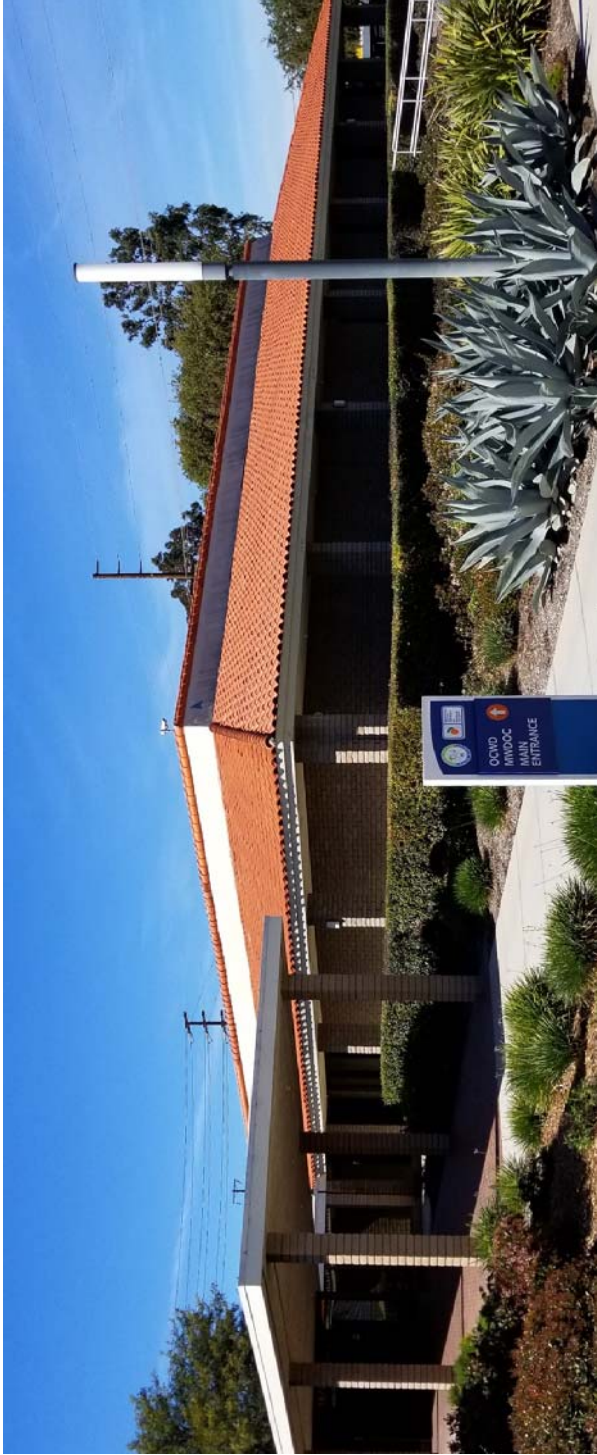
- Existing Conference Room 102
- Existing open office space area and adjacent offices along the north side of the atrium (this area will be evaluated for best use of space and workstation needs)
- Intern area
- Evaluate other areas that may be better utilized

Future building cost estimates include:

• Seismic improvements	\$500,000
• Phase 1 Remodel	\$440,701
• Phase 2 Remodel	\$294,265
• HVAC Modifications	\$109,532
• Roof Replacement	\$99,000
• Electrical System Replacement/Upgrade	\$60,000
• Emergency Generator	\$122,000
• Other Investments	<u>\$65,569</u>
○ Total Future Building Investments (Phase 2)	\$1,691,067

At this time, staff is seeking the Committee's input on the proposed schematics for Phases 1&2, noting that Phase 2 office remodel work was approved in the Fiscal Year 2018/19 building expense budget along with roof replacement costs, HVAC upgrades and replacement of computer room HVAC unit.

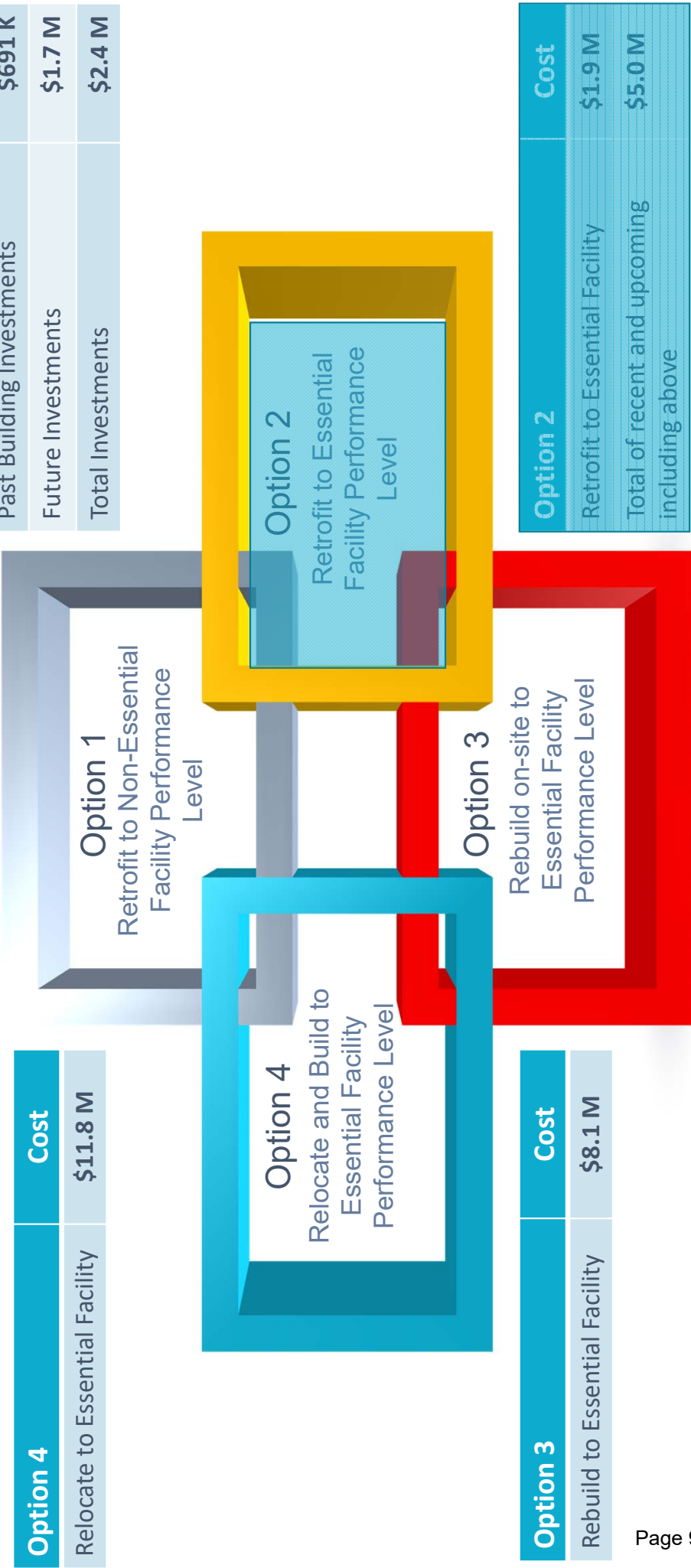
Attached are summary slides from the seismic study presentation and schematics for Phase 1 & Phase 2 remodeling options for the Committee's review and input.



Office Building Options

Municipal Water District of Orange County

Office Building Options



Building Option 1



Costs & Benefits

Benefit	Cost
Non-Essential (New Building) Standard for a Newport-Inglewood Scale Event (M7.4) – No Consideration for Re-occupancy	\$300,000
Additional Damage Control for up to a San Andreas Scale Event (M8.0) –improve likelihood to re-occupy	\$500,000
Downside	
Non-essential facility that may not be operable for a Compton (M7.3) or Newport-Inglewood (M7.4) scale event	

Total Investment	
Structural Improvements	\$500,000
Other Upcoming (roof, HVAC, remodel, Electrical)	<u>\$1,191,067</u>
Previous Investments (2009 -2016)	<u>\$691,189</u>
	\$2,382,256



Past Building Investments

Investment Item	Timeframe	Cost
Handrails installed on Sidewalk	2009	\$5,650
Window Replacement	2013-2014	\$10,176
Fire System Replacement	2016	\$21,990
Restroom Remodel	2015-2016	\$144,204
HVAC Replacement	2013-2016	\$435,487
Entry Area Remodel	2015-2017	<u>\$73,682</u>
Total Previous Building Investments		\$691,189



Future Building Investments

Future Investment Item	Cost
Structural/Non-Structural Seismic Improvements	\$500,000
Other Investments (Entrance Area Displays, Atrium, Glass Doors)	\$65,569
Conference Room Remodel (Phase 1)	\$440,701
Office Workspace Remodel (Phase 2)	\$294,265
HVAC Replacement	\$109,532
Roof Replacement	\$99,000
Electrical System Replacement	\$60,000
Emergency Generator	<u>\$122,000</u>
Total Future Building Investments (through Phase 2)	\$1,691,067





MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

18700 Ward Street
Fountain Valley, California 92708

TENANT IMPROVEMENTS

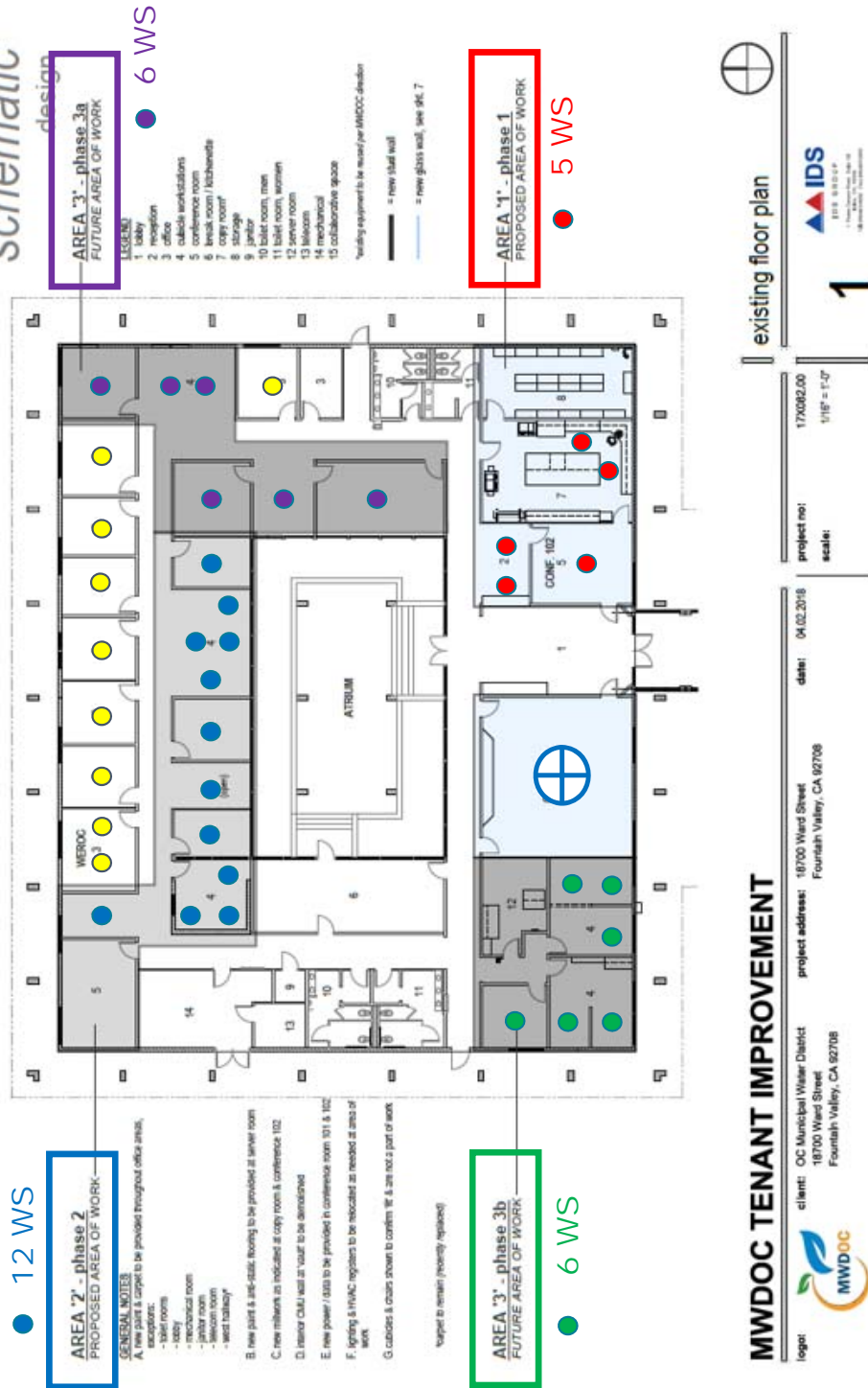


SCHEMATIC DESIGN PACKAGE
4.04.18



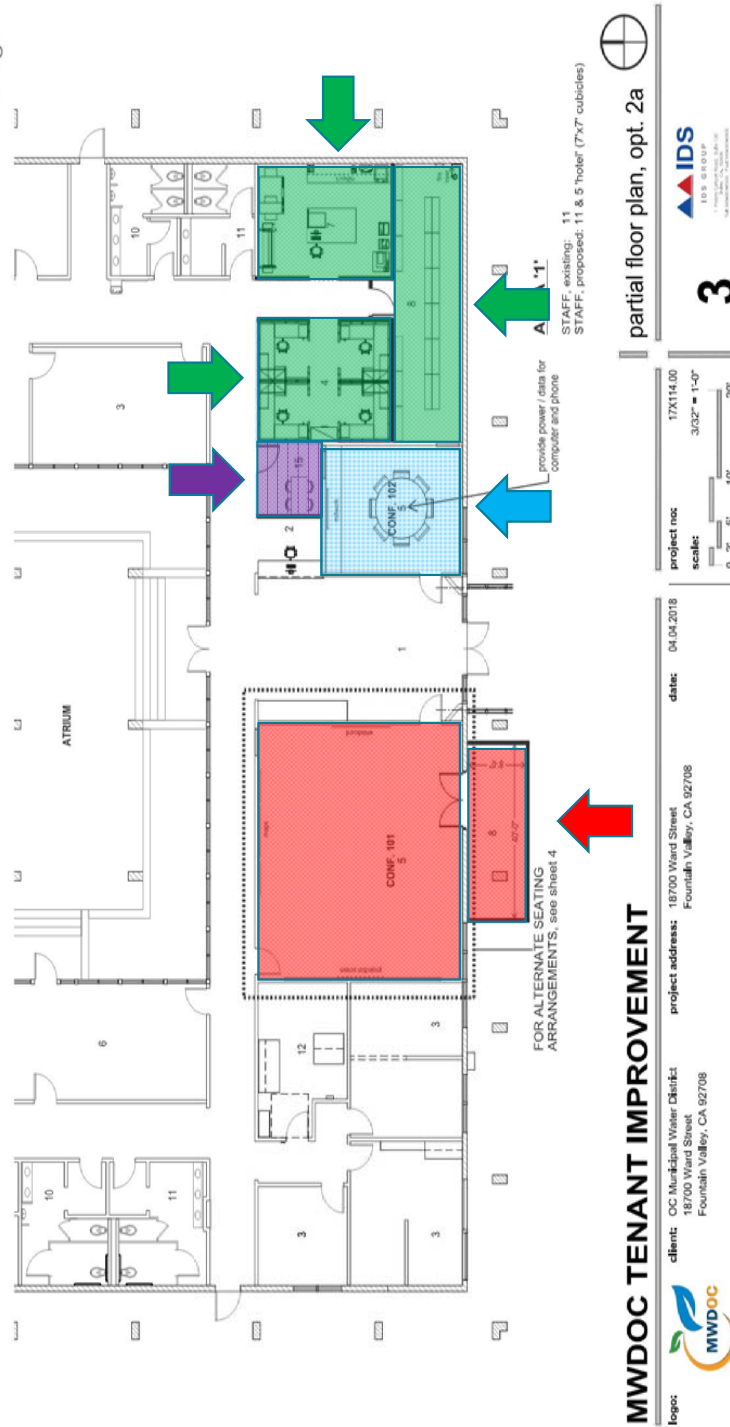
SCHEMATIC DESIGN PACKAGE
4.04.18

● 9 WS



$$5 \text{ WS} + 12 \text{ WS} + 6 \text{ WS} + 9 \text{ WS} = 38 \text{ WS}$$

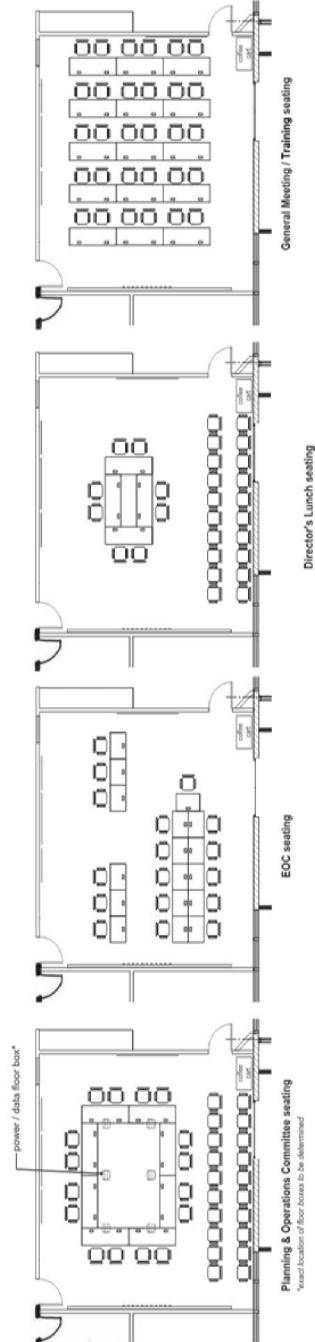
Area 1 - Phase 1 schematic design




Area 1 - Phase 1

schematic

design



MWDOC TENANT IMPROVEMENT

logo:  MWDOC

client: OC Municipal Water District
18700 Ward Street
Fountain Valley, CA 92708

project address: 18700 Ward Street
Fountain Valley, CA 92708

date: 04.04.2018


seating floor plan

project no: 17X114.00

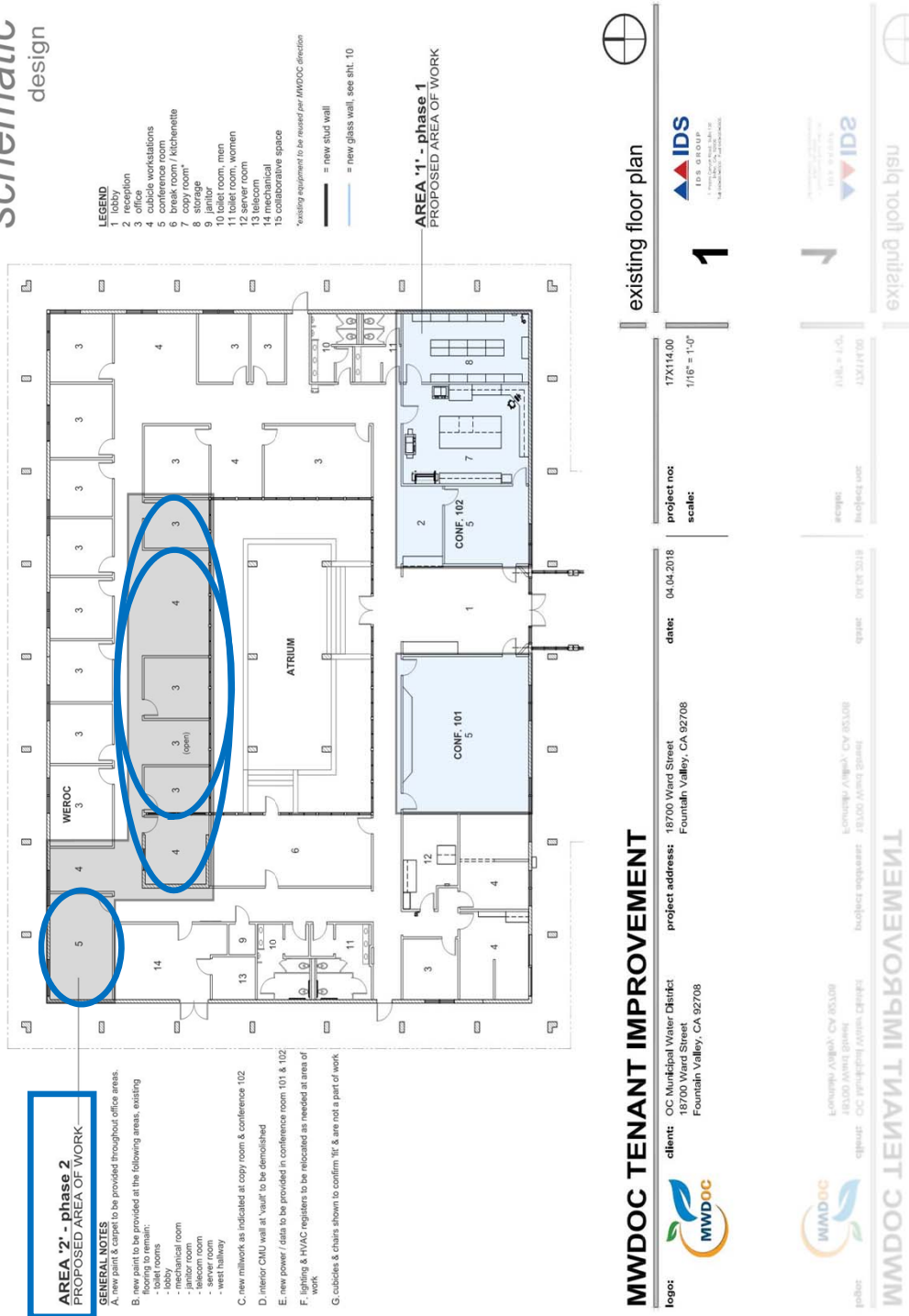
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0 2' 5' 10' 20'

4

 IDS GROUP

Area 2 – Phase 2 schematic design

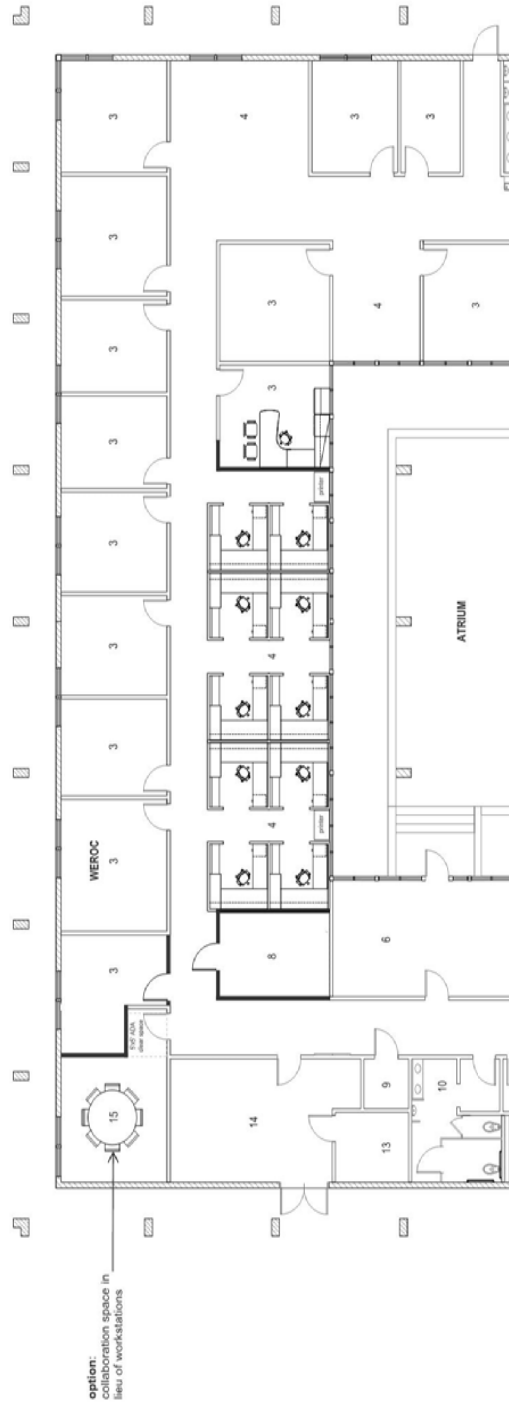




Area 2 – Phase 2

schematic

design



AREA '2'
STAFF, existing: 11
STAFF, proposed: 12 (8x8' cubicles)

partial floor plan, opt. 1a

MWDOC TENANT IMPROVEMENT

logo:  client: OC Municipal Water District
18700 Ward Street
Fountain Valley, CA 92708

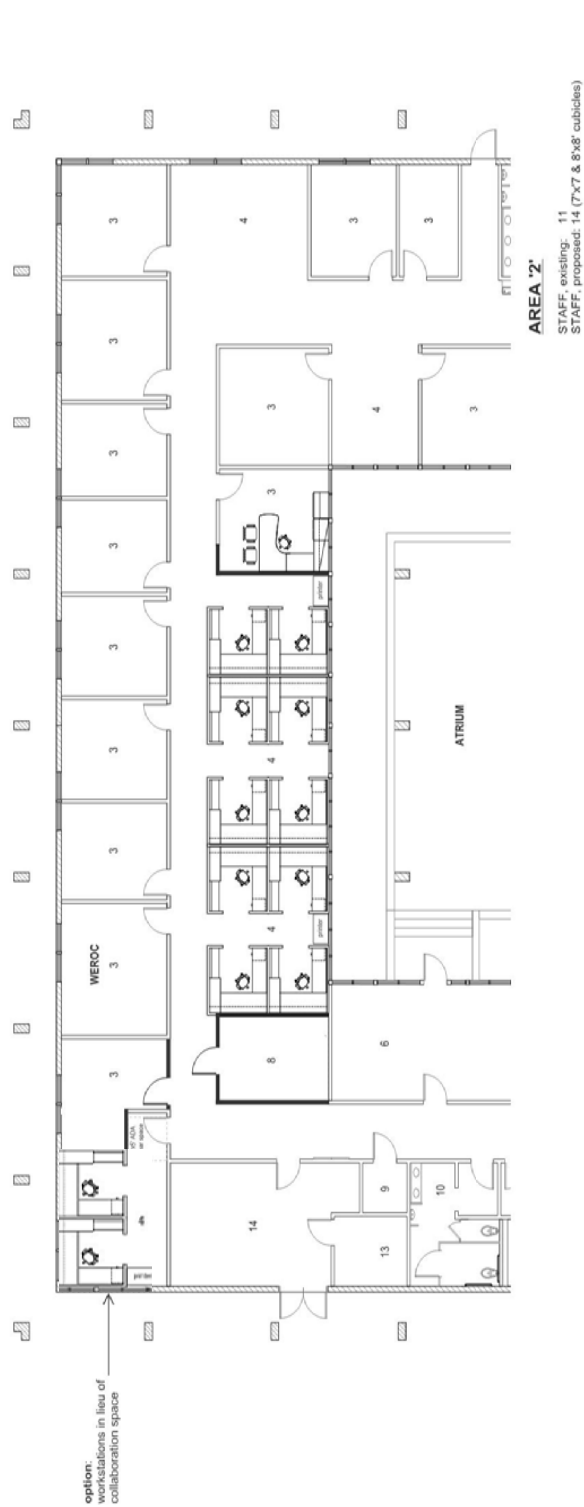
project address: 18700 Ward Street
Fountain Valley, CA 92708

date: 04.04.2018

project no: 17X114.00
scale: 3/32" = 1'-0"
0 2' 5' 10' 20'

 IDS GROUP
18700 Ward Street, Suite 200
Fountain Valley, CA 92708

5



partial floor plan, opt. 1b



MWDOC TENANT IMPROVEMENT

logo:		client:	OC Municipal Water District 18700 Ward Street Fountain Valley, CA 92708	project address:	18700 Ward Street Fountain Valley, CA 92708	date:	04.04.2018
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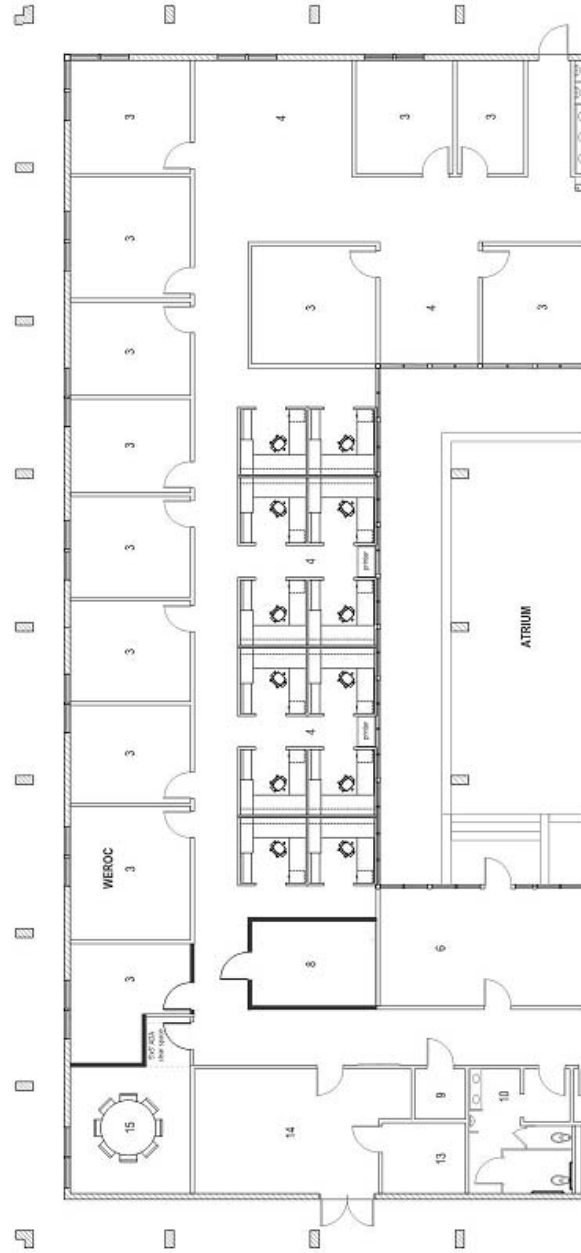
project no: 17X114.00
scale: 3/32" = 1'-0"



6

Area 2 – Phase 2

schematic design



AREA '2'
STAFF existing: 11
STAFF, proposed: 13 (8x8' & 7x7' cubicles)

partial floor plan, opt. 2a

MWDOC TENANT IMPROVEMENT

client: OC Municipal Water District
18700 Ward Street
Fountain Valley, CA 92708

project address: 18700 Ward Street
Fountain Valley, CA 92708

date: 04.04.2018

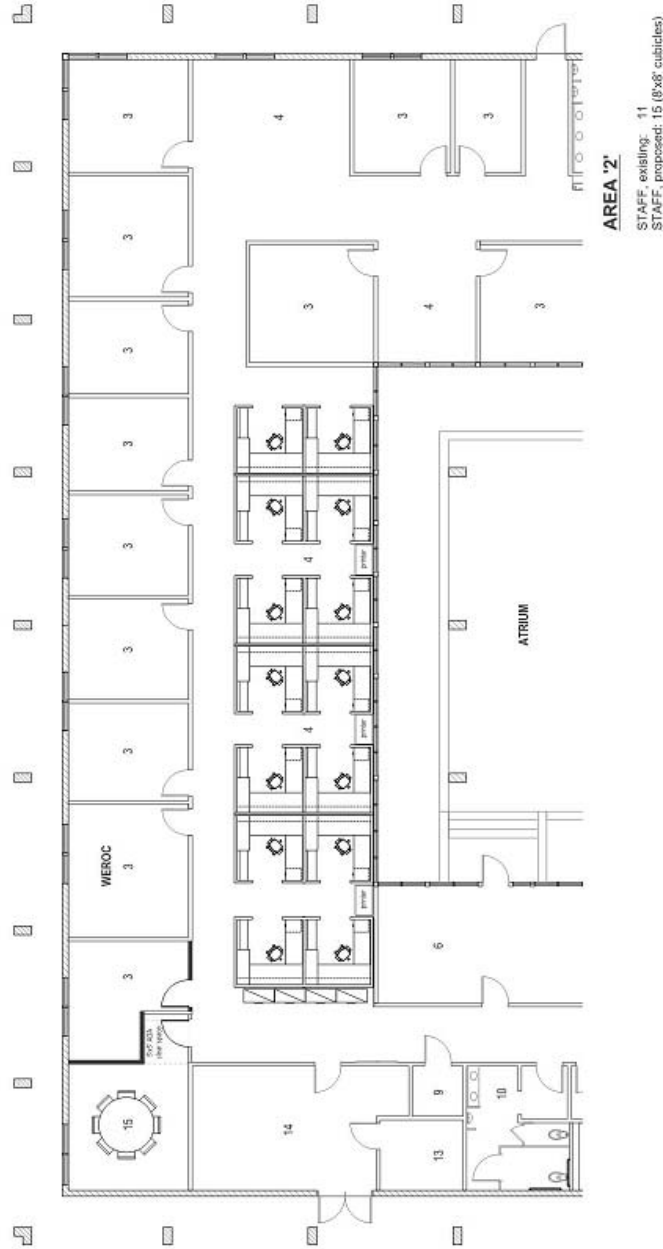
project no: 17X114.00
scale: 3/32" = 1'-0"

IDS GROUP
18700 Ward Street
Fountain Valley, CA 92708

7

Area 2 – Phase 2

schematic design



partial floor plan, opt. 2b

MWDOC TENANT IMPROVEMENT

logos:  client: OC Municipal Water District
 18700 Ward Street
 Fountain Valley, CA 92708

project address: 18700 Ward Street
 Fountain Valley, CA 92708

dates: 04.04.2018

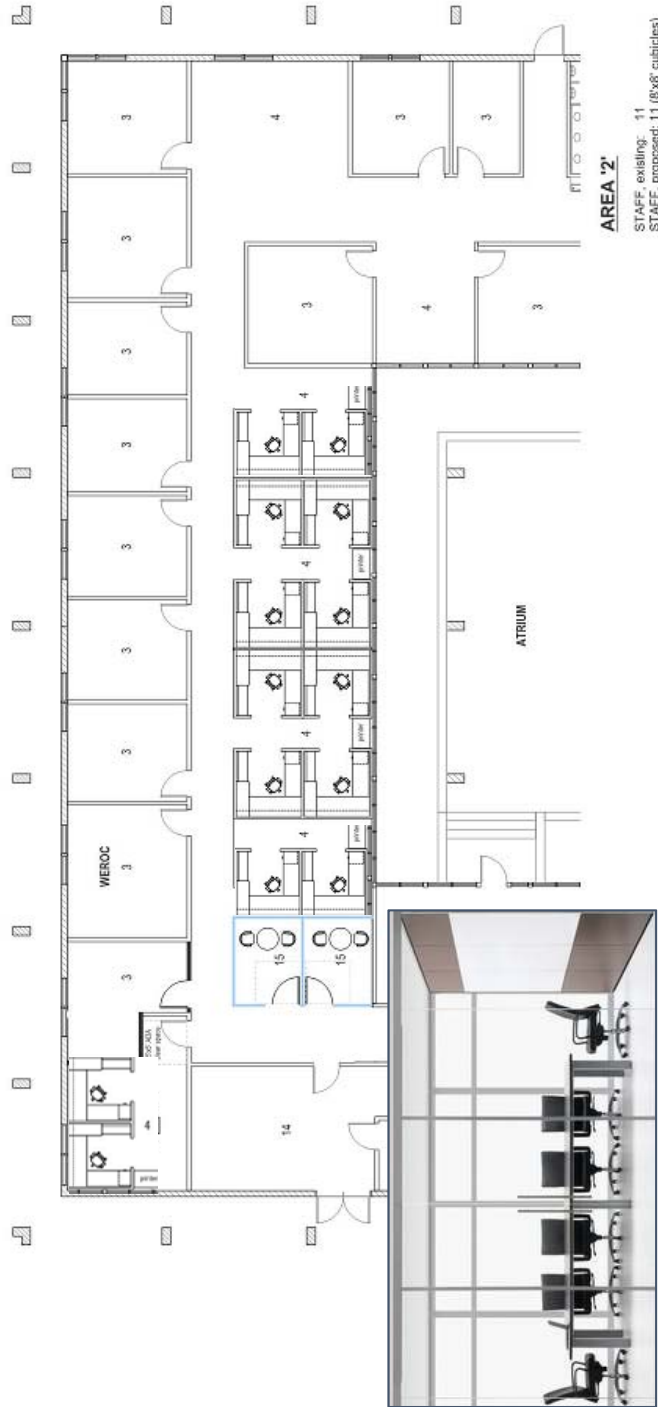
project no: 17X114.00
 scale: 3/32" = 1'-0"
 0 2' 5' 10' 20'

 IDS
 18700 Ward Street
 Fountain Valley, CA 92708

8

Area 2 – Phase 2

schematic design



MWDOC TENANT IMPROVEMENT

logo:  client: OC Municipal Water District
18700 Ward Street
Fountain Valley, CA 92708

project address: 18700 Ward Street
Fountain Valley, CA 92708

dates: 04.02.2018

project no: 17X114.00
scale: 3/32" = 1'-0"
0' 2' 5' 10' 20'

9

 IDS
18700 Ward Street
Fountain Valley, CA 92708

partial floor plan, opt. 2c

Building Option 3



Costs & Benefits

Benefit	Cost
Rebuild to Essential Facility Standard (with Board Room)	\$8.1 M
18-month Relocation (\$28 per S.F. per Yr.)	\$579,600
Moving Costs (2 moves)	\$52,000
Tear Down existing building	\$ 99,000
Make foundation modifications	\$1,200,000
Rebuild to Essential Facility Standard	\$6.2 M

Downside

Cost, relocation causes disruption to operations (move twice)



Building Option 4

Option 4
Relocate and Build to
Essential Facility
Performance Level

Costs & Benefits

Benefit	Cost
Relocate to non-liquefaction site - Retrofit existing building or Build a new Essential Facility. Building remains in pre-earthquake condition for all predicted events	\$11.8 M
Purchase Property (1 acre) Median Rate	\$5.37 M
Tear Down existing building	\$180,000
Build to Essential Facility Standard	\$6.2 M
Moving Expenses	\$26,000

Downside

Cost, relocation causes disruption to operations

CBRE MARKETVIEW ORANGE COUNTY CAPITAL MARKETS

Figure 7: Average Price per Square Foot, Office (\$)

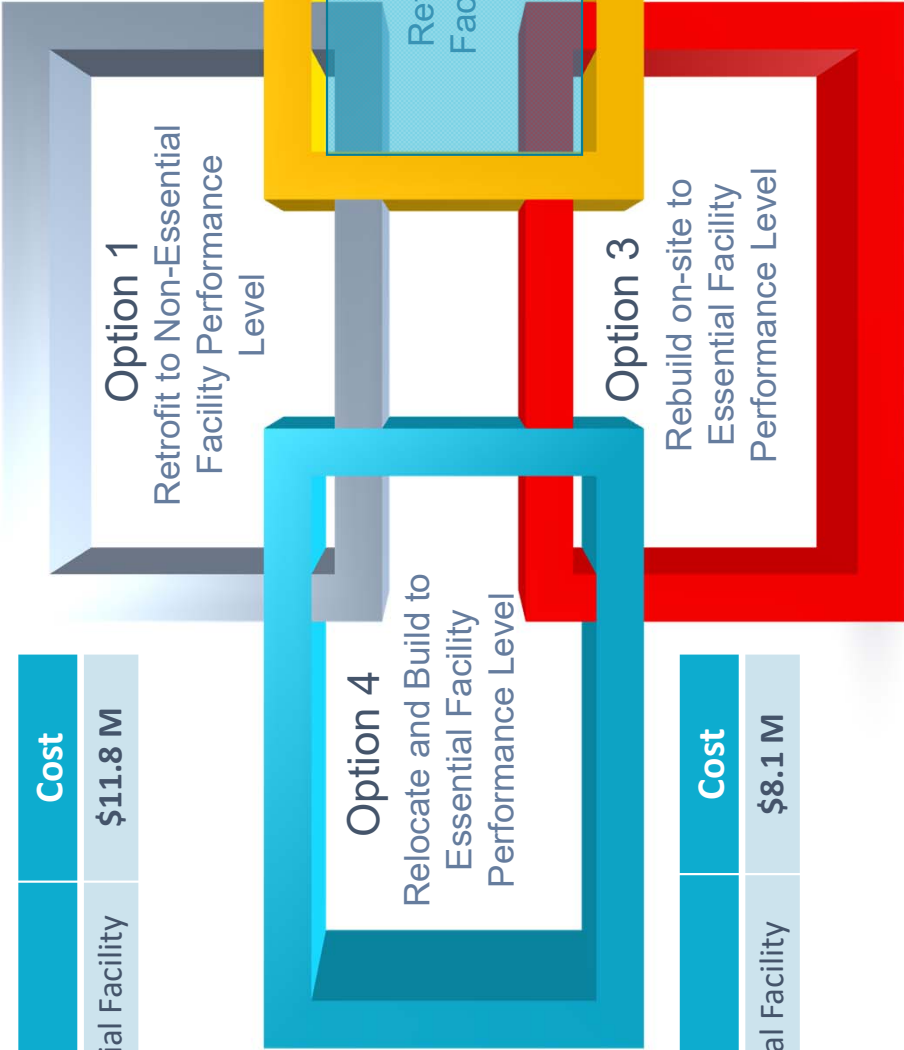


Source: CBRE Research, Real Capital Analytics, Q2 2017.



Office Building Options

Option 4	Cost
Relocate to Essential Facility	\$11.8 M



Option 3	Cost
Rebuild to Essential Facility	\$8.1 M

Option 1	Cost
Past Building Investments	\$691 K
Future Investments	\$1.7 M
Total Investments	\$2.4 M

Option 2	Cost
Retrofit to Essential Facility	\$1.9 M
Total of recent and upcoming including above	\$5.0 M

Questions



Which of the three building options should MWDOC implement?

Option 1 - \$2.4 million – Retrofit Existing Facility

Option 3 - \$8.1 million – Rebuild On-Site

Option 4 - \$11.8 million – Relocate & Build New Building



If Option 1, then is the Board prepared to green light the construction already approved in this and next year's budgets?





ACTION ITEM

May 16, 2018

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Osborne, Tamaribuchi, Yoo Schneider)

Robert Hunter,
General Manager

Staff Contact: J. Berg
Director of Water Use Efficiency

SUBJECT: Leak Detection Equipment Purchase

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the purchase of leak detection equipment and training services from Pollardwater in an amount not to exceed \$100,232.76.

COMMITTEE RECOMMENDATION

Committee will discuss this item on May 14, 2018 and make a recommendation to the Board.

SUMMARY

In August 2017, the Municipal Water District of Orange County was awarded a grant from the Bureau of Reclamation for the purchase of Leak Detection Equipment for use by member agencies through a Leak Detection Equipment Lending Library.

DETAILED REPORT

Leak Detection Equipment Purchase

To initiate the leak detection equipment purchase, staff established a Leak Detection Equipment Project Advisory Committee (PAC) comprising staff from El Toro Water District, Irvine Ranch Water District, Moulton Niguel Water District, Santa Margarita Water District, Trabuco Canyon Water District, and Yorba Linda Water District. The PAC initiated the process by reviewing a variety of leak detection equipment available to the water industry

Budgeted (Y/N): Yes	Budgeted amount: \$100,000	Core <u> X </u>	Choice <u> </u>
Action item amount: \$100,232.76		Line item: 34-7040	
Fiscal Impact (explain if unbudgeted): The leak detection equipment will be purchased through a 50/50 cost share of MWDOC Core and Bureau of Reclamation grant funds.			

and consulting water agencies who use leak detection equipment in their ongoing water loss control programs. This information was used to compose a Request for Quotes (RFQ) document to solicit pricing from equipment manufacturers and distributors.

On January 22, 2018, staff released the RFQ to 11 Leak Detection Equipment manufacturers and distributors. This RFQ requested warranty and price information, field and classroom training costs, equipment user references, and defined the types of equipment to be considered for purchase, including Leak Noise Probes (aka, Sounding Rods), Ground Microphones, Leak Noise Correlators, Leak Noise Loggers, and High-Frequency Pressure Loggers.

A total of six responses to the RFQ were received by the February 5, 2018 deadline. Respondents included Advanced Infrastructure Technologies, Matchpoint Water Asset Management, Inc., Pollardwater, SebaKMT, Subsurface Locators, Inc., and Trimble, Inc.

PAC members conducted reference checks on all RFQ respondents. References provided helpful information on equipment durability, ease of use, level of manufacturer or distributor customer service, and responsiveness to customer needs. Based on information provided by member agencies, respondents, and references, the PAC recommends the purchase of Ground Microphones, Leak Noise Loggers, and Hi-Frequency Pressure Loggers. Specification sheets for each of these devices are provided as Attachment A. With the desired equipment defined, staff then compared the pricing offered by each RFQ respondent. Pollardwater not only offered all the equipment the PAC selected, but also offered the best purchase price. A summary of the proposed equipment purchase and associated cost is provided in Table 1. Pollardwater indicated the equipment would be delivered to MWDOK within two to four weeks after the date of order.

Table 1						
Leak Detection Equipment Purchase						
Equipment Supplier:		Pollardwater, Redmond WA				
Item No.	Device	Accessories	Quantity	Unit Cost	Total	Comments:
1	Subsurface LD-18 Digital Water Leak Detector		4	\$ 5,355.00	\$ 21,420.00	5-year Manufacturer Warranty
		Sensor w/ Magnet & Cable	4	\$ 745.00	\$ 2,980.00	
		40 in. Extension Rod	2	\$ 69.30	\$ 138.60	
		60 in. Extension Rod	2	\$ 87.30	\$ 174.60	
2	Zcorr Digital Correlating Logger w/8 Pods		3	\$15,500.00	\$ 46,500.00	5-year Manufacturer Warranty
3	Global Water PL200-H-1 Hydrant Water Pressure Logger		16	\$ 600.00	\$ 9,600.00	1-year Manufacturer Warranty
		Locking Security Cover	16	\$ 66.00	\$ 1,056.00	
4	User Training - Classroom and Field		4	\$ 2,800.00	\$ 11,200.00	Four 2-day sessions; includes travel and accommodations
			Subtotal		\$ 93,069.20	
			Sales Tax	8.75%	\$ 7,163.56	Sales tax = Fountain Valley, Calif.
			Grand Total		\$100,232.76	

Leak Detection Equipment Training

Pollardwater will provide four 2-day training sessions to train MWDOC and member agency staff on how to use the equipment. The total cost for this training is \$11,200 and includes costs associated with travel and accommodations for the trainer (Table 1). Each training session will include one day in-classroom and one day in-field training covering leak theory, methods and approach, equipment operation, hands on equipment use, and simulated leak scenarios. Training sessions will be held throughout the county and will be hosted by MWDOC and member agencies. Training will be implemented at various times over the next 12 to 16 months.

Leak Detection Equipment Lending Library

The leak detection equipment will be owned, warehoused, and maintained by MWDOC. Retail water agencies throughout Orange County will check this equipment out for a given period of time for use in their service areas. Each agency will be required to complete an equipment checkout form that will include agency name, contact person, phone, email address, date checked out, and date to be returned. The form will also contain a use agreement defining the agencies responsibilities should the equipment be lost, stolen or damaged. MWDOC will use this information to track the whereabouts of the equipment at any given time.

Once an agency has finished using the equipment, it will be returned to MWDOC and made available to another agency on a first-come, first-served basis. When the equipment is returned, agencies will be required to submit standardized forms to MWDOC containing leak identification and repair information, which will be reported to the Bureau of Reclamation as a deliverable contained in the grant to MWDOC. This reporting requirement will remain in place through September 30, 2019, which is the term of the Bureau of Reclamation Grant Agreement.

Bureau of Reclamation Grant Update

As a follow up to the February 2018 discussion with the Board regarding the development of the Water Loss Control Shared Services Business Plan, staff contacted the Bureau of Reclamation to share with them our efforts to develop the business plan and inquire about amending the agreement to include the purchase of meter accuracy testing equipment. Bureau staff indicated the addition of meter accuracy testing equipment in the grant was consistent with the original intent of the grant to focus on water loss control and encouraged us to submit a request for modification to the scope of work.

Since the grant term does not end until September 30, 2019, staff will continue to develop the business plan, as scheduled, with a Board “go / no-go” decision by the end of 2018. If the Board approves moving forward with implementation of the business plan, staff will submit the request for grant modification to include meter accuracy testing equipment in early 2019.



**SubSurface Leak
Detection, Inc.®**

MODEL LD-18 DIGITAL WATER LEAK DETECTOR

*With digital noise reduction that
removes intermittent sounds like
barking dogs and passing vehicles!*



Graph the leak sound levels at 5-10 spots directly over the pipe. Let the LD-18's amplifier pinpoint the leak's location for you instead of relying upon your hearing.



LD-18 DIGITAL WATER LEAK DETECTOR



Standard Items

- ① Amplifier with LCD Display, Controls, and USB Connection (to PC Computers)
- ② Padded Case for Amplifier
- ③ 40 inches Belt (50 inches and 60 inches Optional)
- ④ Ground Microphone and Handswitch
- ⑤ Magnet Base and Nutdriver

Features

All-digital amplifier with automatic noise reduction of intermittent sounds, high and low filters, storage and graphing of sound levels at different locations on the pipe, bar graph and numeric display of sound loudness, USB connection, and back light.



LD-18 Amplifier showing filter settings, bar graph and numeric display of sound loudness, and minimum sound level detected

Automatic noise reduction capability for intermittent noises such as pedestrian footsteps, people talking, and passing vehicles.

5 High Frequency filters, 3 Low Frequency filters (plus Low filter OFF), and 2 Notch filters (plus Notch filter OFF) to remove continuous interfering noises from A/C hum, motors, wind, etc.

Storage and graphical display of the leak's loudness at multiple locations along the pipe.



The "Saved" data file showing 10 leak sound levels and graphical display. Leak is at the peak sound level in the center.

Standard Accessories

- ⑥ Heavy-Duty ABS Plastic Carrying Case
- ⑦ Aviation-Grade Stereo Headphones
- ⑧ PC Software and USB Cable

Optional Accessories

- ⑨ Sensor with Strong Magnet and 9.75 ft. Cable (to listen at valves and hydrants)

Specifications

Amplifier

- Combined Sensitivity : 900 V/G or higher (at 400 Hz) and Amplification
- Low Filters : Off, 100 Hz, 200 Hz, 400 Hz
- High Filters : 400 Hz, 600 Hz, 800 Hz, 1200 Hz, 2200 Hz
- Notch Filters : Off, 50 Hz, 60 Hz
- Maximum No. of Sound Levels Saved in File : 250 (by date and time)
- Power : 4 C dry cell batteries
- Battery Life (continuous use) : 24 hours minimum
- Weight : 35 ounces (including 4 C batteries)
- Size : 6.4" x 3.0" x 5.7" (163mm x 76mm x 145mm)
- Weather Resistance : IP52 equivalent
- Temperature Range (Working) : Minus 4 F to Positive 130 F

Sensor

- Type : Piezo electric ceramic
- Weather Resistance : IP67 equivalent (3 ft water depth for 30 minutes)
- Standard Base : 3 - Pronged Plate (removable with nutdriver)

Manufactured by:



**SubSurface Leak
Detection, Inc.®**

4040 Moorpark Avenue, Suite 104
San Jose, CA 95117
(408) 249-4673 (Phone), (408) 249-9653 (Fax)
www.subsurfaceleak.com

Distributed by:



ZCORR

Advanced Digital Leak Detection System

ZCORR 21st century leak detection

Planning

Now you can truly be in control of your leak detection program... *all from your desktop or field computer.*

ZCORR is a network of Digital Correlating Loggers (DCLs) which pinpoint the exact locations of any leaks in one overnight surveillance. The easy-to-use **ZCORR** software revolutionizes the ease and accuracy of pipeline leak detection and pinpointing.

ZCORR lets the leak detection manager plan the placement of the **ZCORR** DCLs and analyze and review the overnight recording results - *all from the comfort and convenience of the office!*



Deployment

ZCORR is flexibly designed for a variety of deployment strategies:

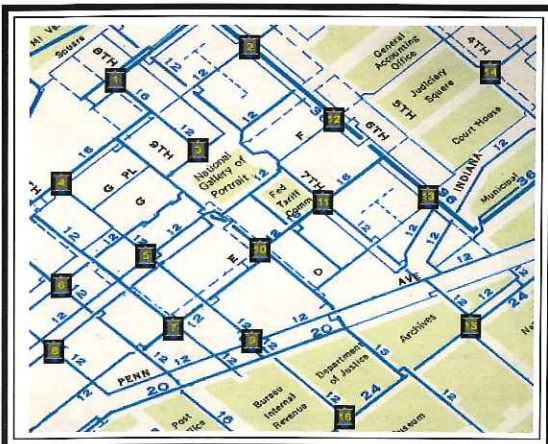
- ◆ One night - one zone
- ◆ Multiple nights - one zone
- ◆ Multiple nights - multiple zones

Deployment is planned by you, either in the office or in the field, working from your distribution system maps.



Work Order No. 21

Zone: A Deploy: 08/01/00
DCLs: 1-16 Retrieve: 08/02/00



Logger No.	Address	Deployed by (Initials):	Retrieved by (Initials):
1	Valve 22 @ 8th Avenue & I Street		
2	Valve 26 @ 6th Avenue & H Street		
3	Valve 17 @ 8th Avenue & G Street		
4	Valve 23 @ 10th Avenue & H Street		

Sample Deployment Scenario

Deploy:

Enter the location of each Digital Correlating Logger (DCL); navigate the digitized map and click to place DCL at its location. DCLs are typically placed 400 to 4,000 feet apart depending on the environment.

A printed **ZCORR** Work Order directs field personnel to place DCLs on specific valves or other pipe fittings.

Retrieve:

The next morning field personnel replace the DCLs in their Docking Station. The Docking Station connects to your desktop PC, laptop, or rugged mobile computer via a serial link.

Nighttime data recorded by the DCLs is transferred to the PC; permanently stored; and analysis is automatically performed, pinpointing the locations of any leaks present.

Analysis

Auto Analysis:

ZCORR automatically correlates data among all DCLs, pinpointing the map locations of any leak sounds present. Click on any pair of DCLs to see the leak noise correlation.

Listen:

ZCORR lets you listen to actual nighttime recorded leak sounds. Click on any logger symbol or leak index bar to hear the leak sound at that map location.

Correlation Results:

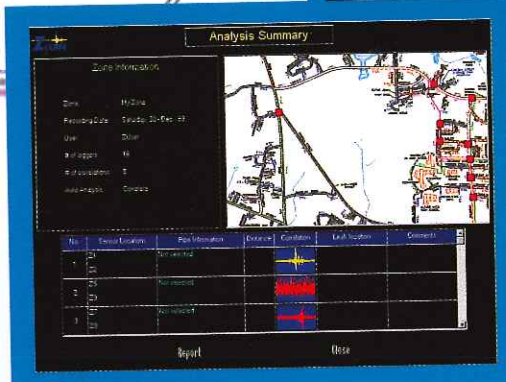
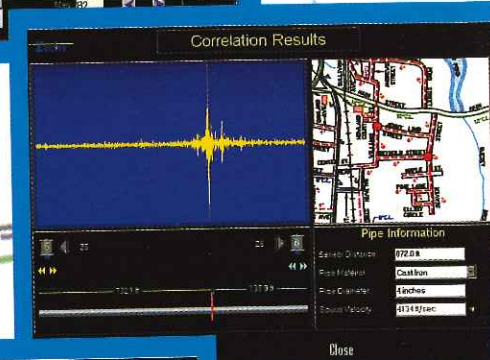
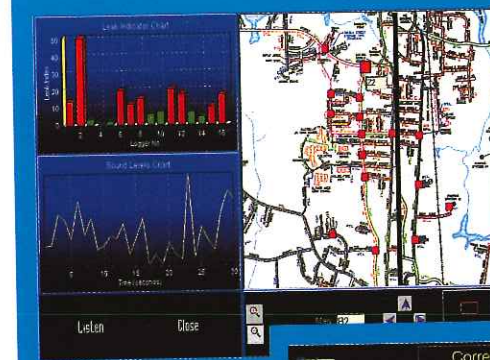
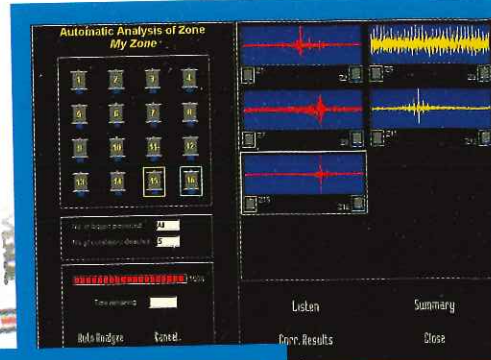
Click on any thumbnail image to get a detailed analysis: pinpoint multiple leaks; enter pipe information; see logger and leak locations on map.

Summary:

Shows a zone map with all DCLs and a summary table with all significant correlations and exact locations of pinpointed leak noises.

Report:

Prints a full report of the **ZCORR** analysis for the entire zone.



ZCORR ... the Digital Correlating Logger

Feature	ZCORR	Conventional Noise Loggers	Permanently Installed Noise Loggers
Pinpoints leak	Yes	No	No
Actual audio recording	Yes	No	No
Upgradeable/Reprogrammable	Yes	No	No
Digital mapping	Yes	No	No
Identifies multiple leaks	Yes	No	No
Communication mode	Internet/Docking Station	Docking Station	Drive-by Radio

Technical Specifications

Digital Correlating Logger (DCL)

Enclosure: Aluminum, cylindrical

Protection: IP68 – fully submersible

Weight: 1 lb (450 grams)

Dimensions: Height = 4.5 inches (11.4 cm)
Diameter = 2.25 inches (5.7 cm)

Mounting: Magnet, 40 lbs (18 kg) pull force

Operating temperature range: -20 to +140°F
(-30 to +60°C)

Power Source: Lithium battery, 5-year life,
factory-replaceable, non-rechargeable

Sensor: High resolution electronic accelerometer;
Shockproof to 6,000 g;
Sensitivity: 1 V/g;
Resolution: 0.25 μ g / $\sqrt{\text{Hz}}$

Data Acquisition: Frequency range: 1-3,000 Hz;
Signal range: sub 1 μ g – 20 mg;
Digital resolution: 20 bits

Docking Station

Enclosure: Rugged ABS carrying case

Protection: IP68 - closed; IP65 - open

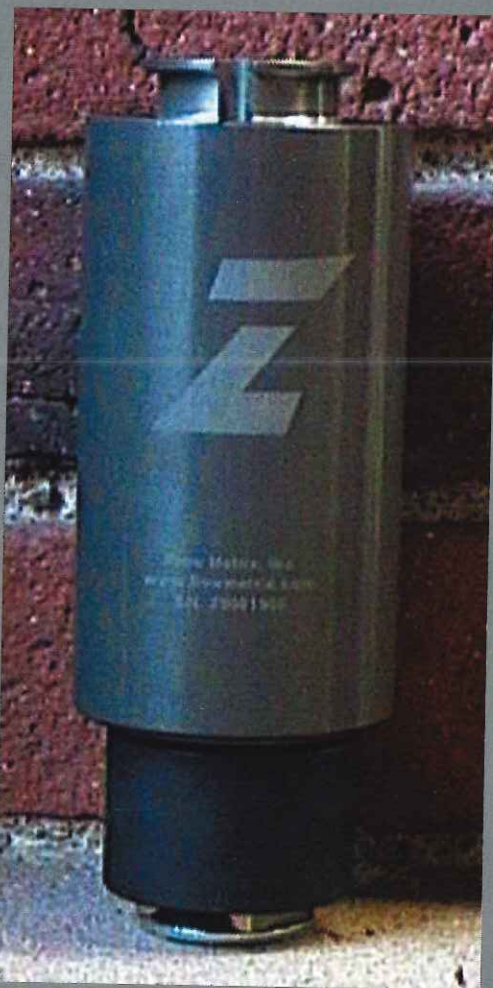
Weight: 15 lbs (6.8 kg) without DCLs

Dimensions: 20.5 x 16.75 x 8.5 inches
(52 x 42 x 22 cm)

Operating temperature range: 20 to 140°F
(-5 to +60°C)

Capacity: 3 to 16 DCLs

PC link: RS-232



For more information contact:

SubSurface Locators Inc.

Water Leak Correlators, Leak Detectors & Locators

865 Tahoe Blvd., Unit 205

Incline Village, NV 89450

TEL (775) 298-2701

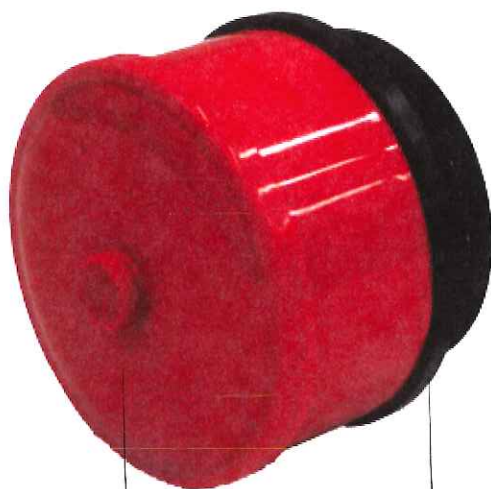
www.subsurfacelocators.com

Product Features

- ◆ **Zcoff** DCLs are locally intelligent. They feature auto-power management (have no on/off switch) and never require user intervention.
- ◆ **Zcoff** software has a familiar web browser interface, making it as easy to use as a remote control.
- ◆ The **Zcoff** system is expandable from 3 to an unlimited number of DCLs so it can grow with your leak detection program.
- ◆ With **Zcoff** a manager can run a leak detection program across pipeline networks anywhere in the world. DCLs can be transported ready to deploy, or setup and deprogrammed remotely, with data access and analysis by internet or email.
- ◆ **Zcoff** is fully upgradeable through software, making the latest technical advances available to all users.

PL200-H-1 Hydrant Water Pressure Loggers

Water distribution system pressure recorder with standard hydrant connection.



Description

The Global Water PL200-H-1 Hydrant Water Pressure Logger is an easy to use water pressure data logger that will assist you to quickly identify and locate distribution pressure problems as well as a wealth of system modeling data.

Smart Hydrant Connection Design

The Hydrant Water Pressure Logger's ez-connect adapter system allows you to connect directly to a standard 2 1/2 inch NST(NH) fire hydrant port, or easily adapt to other hose threads and special "city" threads. Designed to resemble a regular hydrant cap, the PL200-H-1 is less likely to be stolen or vandalized by casual passers by.

Powerful Datalogging

The Hydrant Water Pressure Logger's massive memory buffer will store over 81,000 pressure readings with user defined intervals from 1 per second to more than 1 per year. Plus, the logger's fast, 10 samples per second sampling mode can capture momentary events like pressure spikes and water hammer. (Note: Fast recording will reduce battery life.) Programmable start and stop alarm times makes it possible to synchronize multiple PL200-H-1 loggers to start simultaneously, delay start until a preset time, or limit the number of recordings during a given time period.

- Rugged and easy to use
- Records over 81,000 pressure readings
- Versatile ez-connector adapts to most thread sizes
- Fast 10 x per second mode to catch pressure spikes
- USB port works with any desktop or laptop PC
- Includes user friendly Windows™ software

Specifications

Accuracy: ± 1.0% full scale

Operating Temperature: Industrial, -40°C to +85°C (batteries may not apply)

Pressure Range: 0-200 psi, 300 psi overpressure

Pressure Connection: Standard 2 1/2" BSPP (British Standard Pipe Parallel) threads

Sample Modes: Fixed Interval: Programmable from 1 second to >1 year

High Speed: 10 samples/second

Exception: Log only on programmed deviation from previous reading

Storage Capacity: 81,759 recordings, battery voltage monitor, and date/time stamp

Communications: USB Type B

Power: 3.6 volt lithium AA (apprx. 1 year battery life or 2 million samples)

Enclosure: Machined anodized aluminum fitting, polycarbonate electronics housing

Weight: 1.8 lbs (0.9 kg)

Dimensions: 3.9 in dia. x 3.1 in tall (9.9 cm dia. x 7.9 cm tall)

Options and Accessories

PL200-H-2 Hydrant Water Pressure Logger

Includes weather-resistant logger unit, 2-1/2 inch NHT F-F adapter and software package with USB cable.

PL200-H-1 Hydrant Water Pressure Logger

Includes weather-resistant logger unit and software package with USB cable. Adapter not included.

01-826 Hydrant Water Pressure Logger Adapter

2-1/2 inch NHT-F x 2-1/2 inch BSP-F Adaptor

01-827 Hydrant Water Pressure Logger Spanner Wrench

Spanner wrench for 3.9 inch outside diameter.

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Global Water
for all your
instrumentation
needs:

Water Level

Water Flow

Water Samplers

Water Quality

Weather

Remote Monitoring

Control



Global Water

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Email: globalw@globalw.com

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www.globalw.com

Our Address: Page 125 of 173
2440 Gold River Rd, Ste 210
Gold River, CA 95670



ACTION ITEM

May 16, 2018

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Osborne, Tamaribuchi, Yoo Schneider)

Robert Hunter
General Manager

Staff Contact: Joe Berg
Director of Water Use Efficiency

SUBJECT: Bureau of Reclamation WaterSMART Grant Resolution

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt the attached resolution in support of MWD OC's 2018 WaterSMART Water and Energy Efficiency grant application submitted to the Bureau of Reclamation on May 10, 2018.

COMMITTEE RECOMMENDATION

Committee will review this item on May 14 and make a recommendation to the Board.

DETAILED REPORT

In March 2018, the Bureau of Reclamation released its "WaterSMART: Water and Energy Efficiency Grants for Fiscal Year 2018" Funding Opportunity Announcement. The objective of this announcement is to invite proposals to leverage money and resources by cost sharing with Reclamation on projects that seek to conserve and use water more efficiently; increase the production of hydropower; mitigate conflict risk in areas at a high risk of future water conflict; enable farmers to make additional on-farm improvements in the future, including improvements that may be eligible for Natural Resources Conservation Service funding; and accomplish other benefits that contribute to water supply reliability in the western United States. A total of \$16 million is available for project awards within the 17 western states. The Bureau has established two funding groups: Group 1 includes projects that will be awarded up to \$300,000 each; and Group 2 includes projects that will be awarded up to \$1 million each.

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

Staff will be submitting a Group 1 application proposing a Water Efficient Landscape Transformation Program to provide incentive funding for residential and commercial properties to promote water conservation through the transformation of high water using landscapes to landscapes utilizing a combination of California Friendly/Native installations, high efficiency irrigation, and alternatives to potable irrigation supply.

The FOA requires all applications to include an official Board Resolution supporting the grant application. The proposed Resolution containing the required content is attached for your consideration.

RESOLUTION NO. _____
RESOLUTION OF THE BOARD OF DIRECTORS OF MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY SUPPORTING A BUREAU OF RECLAMATION 2018 WATER
SMART: WATER AND ENERGY EFFICIENCY GRANT APPLICATION

WHEREAS, the Municipal Water District of Orange County submitted an application to the Bureau of Reclamation requesting funding for a Water Efficient Landscape Transformation Program to promote water conservation in the Municipal Water District of Orange County service area through the transformation of high water using landscapes to landscapes utilizing a combination of California Friendly/Native installations, high efficiency irrigation, and alternatives to potable irrigation supply,

WHEREAS, the Municipal Water District of Orange County is committed to developing and implementing a comprehensive water use efficiency program designed to meet our local water supply reliability goals, comply with the Best Management Practices for urban water conservation in California, and exceed the Governor's call for a 20% reduction in urban per capita water use by 2020,

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Water District of Orange County Board of Directors designates Robert J. Hunter, General Manager, as the official who has reviewed and supports the application submittal and the legal authority to enter into an agreement on behalf of the District, and designates Joseph M. Berg, Director of Water Use Efficiency, as the District's representative to sign the progress reports and approve reimbursement claims.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Municipal Water District of Orange County Board of Directors assures its capability to provide the amount of funding and in-kind contributions specified in the funding plan.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Municipal Water District of Orange County will work with Reclamation to meet established deadlines for entering into a cooperative agreement.

Said Resolution was adopted on May 16, 2018, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I HEREBY CERTIFY the foregoing is a full, true, and correct copy of Resolution No. _____ adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on May 16, 2018.

Maribeth Goldsby, Secretary
Municipal Water District of Orange County



ACTION ITEM

May 16, 2018

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Osborne, Tamaribuchi, Yoo Schneider)

Robert Hunter
General Manager

Staff Contact: Joe Berg
Director of Water Use Efficiency

SUBJECT: Bureau of Reclamation CALFED Water Use Efficiency Grant Resolution

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt the attached resolution in support of MWD OC's 2018 CALFED Water Use Efficiency grant application submitted to the Bureau of Reclamation on March 14, 2018.

COMMITTEE RECOMMENDATION

Committee will review this item on May 14 and make a recommendation to the Board.

DETAILED REPORT

In January 2018, the Bureau of Reclamation released its "Bay-Delta Restoration Program: CALFED Water Use Efficiency Grants" Funding Opportunity Announcement. The objective of this announcement was to invite proposals to leverage investments and resources by cost sharing with Reclamation on projects emphasizing water use efficiency and conservation activities that result in benefits for the California-Bay Delta. A total of \$3 million is available for project awards within the CALFED Solution Area. The Bureau may award up to \$750,000 per agreement and estimates approximately 3 to 10 agreements will be awarded.

Staff has submitted an application for a Comprehensive Indoor and Outdoor Water Use Efficiency Program focused on reducing urban indoor and outdoor water consumption in residential, commercial, industrial, institutional, and public sectors through consumer

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

incentive programs. The proposed Program will facilitate the conversion of non-functional turfgrass to California Friendly landscapes with designs centered on a Watershed Approach, upgrade antiquated irrigation timers to weather-based or soil moisture-based self-adjusting irrigation timers, convert high-volume overhead spray irrigation to low-volume irrigation, and upgrade inefficient household devices and appliances to efficient low-water-use products. Additionally, applicable potable irrigation or industrial meters will be converted to non-potable sources, including recycled water.

The FOA requires all applications to include an official Board Resolution supporting the grant application. The proposed Resolution containing the required content is attached for your consideration.

RESOLUTION NO. _____
RESOLUTION OF THE BOARD OF DIRECTORS OF MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY SUPPORTING A BUREAU OF RECLAMATION BAY-DELTA
RESTORATION PROGRAM: CALFED WATER USE EFFICIENCY GRANT
APPLICATION

WHEREAS, the Municipal Water District of Orange County submitted an application to the Bureau of Reclamation requesting funding for a Comprehensive Indoor and Outdoor Water Use Efficiency Program to reduce urban indoor and outdoor water consumption in residential, commercial, industrial, institutional, and public sectors through consumer incentive programs,

WHEREAS, the Municipal Water District of Orange County is committed to developing and implementing a comprehensive water use efficiency program designed to meet our local water supply reliability goals, comply with the Best Management Practices for urban water conservation in California, and exceed the Governor's call for a 20% reduction in urban per capita water use by 2020,

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Water District of Orange County Board of Directors designates Robert J. Hunter, General Manager, as the official who has reviewed and supports the application submittal and the legal authority to enter into an agreement on behalf of the District, and designates Joseph M. Berg, Director of Water Use Efficiency, as the District's representative to sign the progress reports and approve reimbursement claims.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Municipal Water District of Orange County Board of Directors assures its capability to provide the amount of funding and in-kind contributions specified in the funding plan.

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the Municipal Water District of Orange County will work with Reclamation to meet established deadlines for entering into a cooperative agreement.

Said Resolution was adopted on May 16, 2018, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

I HEREBY CERTIFY the foregoing is a full, true, and correct copy of Resolution No. _____ adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on May 16, 2018.

Maribeth Goldsby, Secretary
Municipal Water District of Orange County



ACTION ITEM

May 16, 2018

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Osborne, Tamaribuchi, Yoo Schneider)

Robert Hunter, General Manager

Staff Contact: Karl Seckel

SUBJECT: Award of Consultant Contracts Based on the Statement of Qualification (SOQ) Submittals Regarding Water System Operations and Integration of NEW Supplies

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into contracts with two of the consultants responding to MWDOC's SOQ, Black & Veatch and Hazen and Sawyer, to secure their participation in a scoping workshop on integration issues, as outlined below, at a cost not to exceed \$30,000.

COMMITTEE RECOMMENDATION

Committee will review this item on May 14 and make a recommendation to the Board.

SUMMARY

Staff is recommending small initial contracts be awarded to two of the consultants responding to the SOQ, Black & Veatch and Hazen and Sawyer, to secure their participation in a scoping workshop. The contract award is intended to cover their preparation time, participation time and workshop follow-up time to provide input and assistance to MWDOC in planning and scheduling future work activities related to the future integration of various water supply projects in pipelines and water systems in Orange County. The outcome of the workshop will be a set of recommendations to help guide planning related integration work by MWDOC.

Budgeted (Y/N): Y	Budgeted amount: \$30,000 this year	Core ✓	Choice __
Action item amount: \$30,000		Line item: Program 21 - 7010	
Fiscal Impact (explain if unbudgeted):			

DETAILED REPORT

Municipal Water District of Orange County (MWDOC) has identified a number of operational issues that could arise within the Orange County water system and issued an SOQ to a number of consultants with expertise in water quality, operations and facility design to provide assistance to MWDOC and the Orange County water community. The potential issues include:

- The impact of potentially low levels of imported water deliveries in certain pipelines at certain times leading to low chloramine residuals and water quality deterioration (e.g. nitrification). Chloramine loss due to reaction with low levels of bromide in seawater permeate could exacerbate this issue.
- Mixing of desalinated seawater with other sources of water of varying quality including:
 - MET water blend of Colorado River and State Water Project water
 - Groundwater from the OCWD basin
 - The above water could flow south in the Joint Transmission Main (JTM), which is connected to the EOCF#2, to blend with Doheny water flowing north in the same pipeline
 - Agencies receiving this water blend may further blend it with local water supplies from their systems.

The pH, alkalinity, TOC, bromide, chloramine residual, and other water quality characteristics may vary among these water sources on a daily, monthly and seasonal basis. Planning needs to account for the water quality and operational considerations or risk unintended consequences. Our goal is to understand the issues **prior** to any of these projects going on-line.

- Understanding and developing approaches for dealing with unintended consequences to home plumbing systems
- Potential impacts on the Diemer Plant operations or stranding of assets, especially under conditions of unexpected outages of local supply systems
- Working out an acceptable resolution with MET for the water quality issues in the EOCF#2
- Control of hydraulic transients during loss of power

Staff prepared and issued the SOQ on March 29 and sent it to six consultants. Responses were due back by April 27 and were received from four consultants. All four consultants had very good proposals with wide-ranging expertise in water quality, operations, system design and new supply integration, including ocean water. The four firms were:

1. Black & Veatch
2. Carollo Engineers
3. Hazen and Sawyer, including assistance from Scott Foster Engineering for transient analyses

4. Stantec Consulting Services, including assistance from Arcadis with respect to ocean water integration assistance and Northwest Hydraulic Consultants for transient analyses.

In the SOQ, MWDOC requested input and suggestions from the various consultants regarding their recommendations as to how best to address the issues outlined above. In addition, their expertise in the following general areas was requested:

- Design and operation of large water systems
- Water quality and operational issues
- Flow control of water between systems
- Cost estimating of pipelines, pump stations, wells, chloramination stations, etc.

MWDOC's goal in this process is to have pre-identified consultants that can provide assistance to MWDOC to help us better understand these issues generally, and also to follow-up on specific requests. An example of an upcoming specific request will be the work associated with MET to gain approval for a pump-in of groundwater or Poseidon water into the EOCF#2. This could be for base-loaded situations or just emergency situations. Our expectations are that MET will ask many of the questions posed above and will want to turn over the responsibility for water quality to MWDOC or one of our agencies beginning at whatever point of connection we make for a NEW local source. This is based on prior discussions with MET from several years ago.

The first task recommended by staff under the SOQ process is to convene a workshop meeting involving two of the SOQ responders, Black & Veatch and Hazen and Sawyer, to help us identify what is needed to fully evaluate integration of these potential new supplies, and how to deal with future low flow situations in the imported water system. The two consultants would be asked to prepare for, attend and participate in the workshop, and to prepare follow-up recommendations. The end result of the workshop would be a set of recommendations for MWDOC and others to utilize. Some of the discussion points will include:

- What tools should be made available to help evaluate the integration of these projects? We assume a hydraulic model of the system will be needed (we are working with MET to see if they will share their model of the OC system). We also believe that water quality modules may be able to be added into the hydraulic model. Also determining which modules are the best for this situation, what data is needed, how the modules and data can best be used, and what the limitations are.
- Does sufficient basic research exist or will any new research be required within Orange County or for the Orange County projects? What can be inferred from prior research that has already been conducted?
- How do we deal with future low flow situations in the event that integration of local projects diminish the demand for imported water and create extended residence times for the water in the pipelines? What is the residence time threshold and does it change over the course of the year with water temperature and other factors? How can this be predicted in the future? Can MWDOC set a recommended threshold for the level of alternative water sources to be brought on line to eliminate impacts from low flow situations? If these events only occur during very wet winter months, what is needed to deal with them?

- What are the key constituents to examine when blending the various types of waters? How can the blending be approached in a manner to prevent unintended consequences?

In addition, MWDOC will be utilizing the services of Ed Means from Means Consulting LLC who is already under contract with MWDOC and has helped in prior efforts seeking pump-in of local sources to the EOCF#2. Ed, who has a strong background in water quality and in working with MET, will serve as the facilitator of the workshop discussions and will provide assistance to MWDOC staff.

Depending on the outcome of the Workshop, MWDOC will follow-up on the recommendations as appropriate. Additional tasks of work will be brought back to the MWDOC Board for approval, with selection of consultants from among any of the four consultants, as deemed appropriate. General discussions have been initiated with MET on a pump-in to the EOCF#2, but these discussions will be accelerated as a result of the work being completed in these study efforts.



ACTION ITEM
May 16, 2018

TO: **Planning & Operations Committee**
(Directors Osborne, Tamaribuchi and Yoo Schneider)

FROM: **Robert Hunter, General Manager**

Staff Contact: Heather Baez

SUBJECT: AB 3045 (Gallagher) – Natural Resources Agency: State Water Project Commission

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt an oppose position on AB 3045 (Gallagher) and join the Metropolitan coalition letter.

COMMITTEE RECOMMENDATION

Committee will review this item on May 14 and make a recommendation to the Board.

BILL SUMMARY

AB 3045, as introduced, would remove the Division of Safety of Dams (DSOD) from under the Department of Water Resources (DWR) and transfer the division to the California Natural Resources Agency.

As amended on April 25, the bill would no longer move DSOD from DWR but would transfer the authority of the State Water Project (SWP) from DWR to a proposed, third-party SWP Commission. This commission would:

- Consist of nine gubernatorial appointees (all from the upstream watershed, none in the SWP service area)
- Require new staff including an Executive Director and any additional employees necessary to carry out the Commission's duties
- Administer the SWP, and have full charge and control of construction, operation and maintenance
- Set all rates, charges and revenues associated with the SWP

Budgeted (Y/N): n/a	Budgeted amount: n/a	Core X	Choice ____
Action item amount: none	Line item:		
Fiscal Impact (explain if unbudgeted):			

ARGUMENTS IN SUPPORT

In February 2017, approximately 200,000 residents were evacuated and displaced for up to five days by emergency mandate with the Oroville Dam Spillway damage. The author of AB 3045, Assembly Member Gallagher, expressed concern with the management of the emergency response efforts made by DWR. In particular, he questioned DWR staff on their timeliness and clear oversight in responding to inspection findings, as well as clarifying the general processes and procedures of the dam safety program.

AB 3045 was heard in the Assembly Water, Parks and Wildlife Committee on April 24, 2018. The committee consultants suggested that rather than moving DSOD out of DWR, where it functions as part of the state's water planning and regulatory function, the author's intent to remove conflict would be better served by creating an independent and separate organizational structure for the SWP. This was a recommendation from the August 2010 Little Hoover Commission Report titled, *Managing for Change: Modernizing California's Water Governance*, which stated, "The presence of the State Water Project within the Department of Water Resources and the administrative requirements it much fulfill, represent a conflict to important stakeholder groups and undermine the effectiveness of the department's management and planning activities."

Assembly Member Gallagher agreed to this recommendation and the bill unanimously moved out of committee. The bill was amended the next day to reflect these recommendations.

ARGUMENTS IN OPPOSITION

The amended version of AB 3045 presents specific concerns for the water community as a whole. The bill doesn't just apply to Oroville, but would have an effect on every dam and reservoir that is currently regulated by DWR statewide.

According to analysis done by staff at the Metropolitan Water District of Southern California, "While Metropolitan generally supports the concept of separating management of the SWP from other functions currently performed by DWR, much more study and coordination are needed before implementing major reforms. AB 3045 proposes sweeping changes in SWP governance without addressing the multitude of complex policy, legal and operational issues that are raised by this legislation.

Among other things this bill:

- Fails to address the original purpose of this legislation, which was to bolster dam safety, not just at Lake Oroville, but throughout the State;
- Does not required that the Commission include any representatives from the public water agencies that pay the majority of SWP costs;
- Would transfer only certain duties and powers relevant to the management and operation of the SWP to the Commission, potentially creating a fractured and unworkable governance structure;
- Would require the duties and expertise of DWR's current staff to be split into separate organizations and necessitate hiring additional staff to manage the SWP and non-SWP functions;

- Could delay critical time-sensitive decision-making and adversely impact day-to-day operations of the SWP by imposing an additional and unnecessary layer of bureaucracy;
- Could disrupt major ongoing initiatives such as capital improvement and refurbishment of SWP infrastructure, aqueduct subsidence repairs, and ecosystem improvements;
- Would likely increase costs for both SWP and non-SWP related activities, which would impact both public water agencies and the State as a whole, since costs associated with the latter must be paid from the General Fund;
- Could potentially impact existing water rights, coordinated operations with Federal agencies, and ongoing permitting processes; and
- Fails to provide the new Commission with adequate authority to contract, issue revenue bonds, cooperate with the federal government, acquire/condemn property, or to establish funds and accounts necessary to operate the SWP.

In short, AB 3045 focuses solely on the expertise and geographical representation of the governing body for the proposed Commission without addressing how this Commission would actually function or what benefits, if any, this new governance structure would provide. Accordingly, staff recommends opposing AB 3045 as detrimental to the stability of the SWP and as contrary to a balanced public discourse on options for future SWP governance.”

STAFF COMMENTS

MWDOC’s Legislative Policy Principles directly reflect opposition to legislation that could add additional barriers or impede water transfers. Specifically, *it is MWDOC’s policy to oppose legislation and regulation that: “Increases regulatory or procedural barriers to water transfers at the local or state level.”*

DETAILED REPORT

Met’s Board write-up, coalition letter and full text of AB 3045 are attached.



• **Board of Directors**
Communications and Legislation Committee

5/8/2018 Board Meeting

8-13

Subject

Adopt CEQA determination and express opposition to AB 3045 (Gallagher, R-Yuba City), regarding State Water Project Commission

Executive Summary

AB 3045, as amended in the Assembly on April, 25, 2018, (**Attachment 1**) would transfer control of the State Water Project (SWP) from the California Department of Water Resources to a new State Water Project Commission (Commission) under the California Natural Resources Agency (CNRA). The Commission would consist of nine members appointed by the Governor and subject to confirmation by the Senate. This bill requires Commission representation from the upstream watershed, but not the SWP's actual service area.

Details

Background

On February 16, 2018, Assembly Member James Gallagher, who represents the Oroville area, introduced AB 3045 proposing to establish the Division of Safety of Dams (DSOD) within the CNRA. The bill proposed to transfer authority over dams and reservoirs from DWR to the DSOD as a separate entity under the CNRA. AB 3045 was subsequently amended on April, 25, 2018, based on recommendations by the Assembly Water, Parks and Wildlife Committee consultant to strike language related to DSOD, and instead proposed creation of a Commission to oversee the entire SWP. Major provisions of the amended bill include:

- Creation of a nine-member board appointed by the Governor and confirmed by the Senate:
 - Members shall be from different regions of the state, to the extent possible;
 - Three members shall be registered engineers with experience in civil or hydrological engineering, at least one of whom shall have demonstrated experience in risk management, operations and human factors, and dam safety;
 - Two members shall have demonstrated experience in the fields of water rights, water conveyance, or water storage;
 - One member shall be nominated by the Butte County Board of Supervisors;
 - Three public members, one each representing agricultural interests, the environment and municipal water users; and
 - Commissioners would serve four-year terms.
- The Commission may employ an executive officer who shall hire employees necessary to carry out Commission functions;
- The Commission shall administer the SWP, and have full charge and control of construction, operation and maintenance of the SWP; and
- The Commission shall set all rates, charges and revenues associated with the SWP.

Staff Recommendation

While Metropolitan generally supports the concept of separating management of the SWP from other functions currently performed by DWR, much more study and coordination are needed before implementing major reforms. AB 3045 proposes sweeping changes in SWP governance without addressing the multitude of complex policy, legal and operational issues that are raised by this legislation. Among other things this bill:

- Fails to address the original purpose of this legislation, which was to bolster dam safety, not just at Lake Oroville, but throughout the State;
- Does not required that the Commission include any representatives from the public water agencies that pay the majority of SWP costs;
- Would transfer only certain duties and powers relevant to the management and operation of the SWP to the Commission, potentially creating a fractured and unworkable governance structure;
- Would require the duties and expertise of DWR's current staff to be split into separate organizations and necessitate hiring additional staff to manage the SWP and non-SWP functions;
- Could delay critical time-sensitive decision-making and adversely impact day-to-day operations of the SWP by imposing an additional and unnecessary layer of bureaucracy;
- Could disrupt major ongoing initiatives such as capital improvement and refurbishment of SWP infrastructure, aqueduct subsidence repairs, and ecosystem improvements;
- Would likely increase costs for both SWP and non-SWP related activities, which would impact both public water agencies and the State as a whole, since costs associated with the latter must be paid from the General Fund;
- Could potentially impact existing water rights, coordinated operations with Federal agencies, and ongoing permitting processes; and
- Fails to provide the new Commission with adequate authority to contract, issue revenue bonds, cooperate with the federal government, acquire/condemn property, or to establish funds and accounts necessary to operate the SWP.

In short, AB 3045 focuses solely on the expertise and geographical representation of the governing body for the proposed Commission without addressing how this Commission would actually function or what benefits, if any, this new governance structure would provide. Accordingly, staff recommends opposing AB 3045 as detrimental to the stability of the SWP and as contrary to a balanced public discourse on options for future SWP governance.

Policy

Minute Item 30007, October 9, 1973: Until the broader reorganization questions of land use, water resource management, and environmental controls were addressed, Metropolitan's Board found it untimely to support a proposal on separating SWP administration from DWR. The policy statement responds to the 1973 California Water Commission preliminary report on how to change DWR and establish the SWP as a separate state entity.

Minute Item 47135, dated June 12, 2007: Policy Principles on Delta Visioning (Delta Action Plan) regarding: governance of the State Water Project.

Information Board Letter 9-1, dated November 9, 2010: Summarizing Little Hoover Commission recommendations for reorganizing California state water agencies.

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is not defined as a project under CEQA because it involves a legislative proposal that does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Public Resources Code Section 21065 and Section 15378(b)(1) of the State CEQA Guidelines).

The CEQA determination is: Determine that the proposed action is not defined as a project under Public Resources Code Section 21065 and State CEQA Guidelines Section 15378(b)(1).

Board Options

Option #1

Adopt the CEQA determination that the proposed action is not defined as a project under CEQA, and
 Authorize the General Manager to express opposition to AB 3045.

Fiscal Impact: No fiscal impacts to current practice if AB 3045 is not implemented.

Business Analysis: Status quo of State Water Project operations if AB 3045 is not implemented.

Option #2

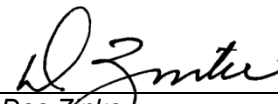
Take no action.

Fiscal Impact: Unknown fiscal impact at this time.

Business Analysis: Actions of Commission would determine if there would be cost savings or increases.

Staff Recommendation

Option # 1


 _____ 5/3/2018
 Dee Zinke Date
 Assistant General Manager and Chief
 External Affairs Manager


 _____ 5/3/2018
 Jeffrey Kightlinger Date
 General Manager

Attachment 1 – Assembly Bill No. 3045 Amended April 25, 2018

Ref# ea12659228

AMENDED IN ASSEMBLY APRIL 25, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 3045

Introduced by Assembly Member Gallagher
(Principal coauthor: Senator Nielsen)

February 16, 2018

An act to amend Section 12805 of the Government Code, ~~and to amend and renumber Section 6025 of, to add Section 6021 to, and to add Article 5 (commencing with Section 195) 191) to Chapter 2 of Division 1 of, of the Water Code, relating to dams and reservoirs: water.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 3045, as amended, Gallagher. Natural Resources Agency: ~~Division of Safety of Dams. State Water Project Commission.~~

Under existing law, the Department of Water Resources operates the State Water Resources Development System, known as the State Water Project, in accordance with the California Water Resources Development Bond Act to supply water to persons and entities in the state. Under existing law, the State Water Project is comprised of the State Water Facilities, as defined in the bond act, and additions determined by the department to be necessary and desirable.

This bill would establish within the Natural Resources Agency the State Water Project Commission, consisting of 9 members appointed by the Governor and subject to confirmation by the Senate, including one member nominated by the Butte County Board of Supervisors. By imposing a new duty on the Butte County Board of Supervisors, the bill would impose a state-mandated local program. The bill would transfer authority over and relating to the State Water Project from the department to the commission, as specified.

AB 3045

— 2 —

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

~~Existing law provides that all dams and reservoirs in the state are under the jurisdiction of the Department of Water Resources. Existing law requires the department to supervise the construction, enlargement, alteration, repair, maintenance, operation, and removal of dams and reservoirs for the protection of life and property. Existing law makes it unlawful to construct, enlarge, repair, alter, remove, maintain, or operate any dam or reservoir except upon approval by the department, as prescribed.~~

~~This bill would establish within the Natural Resources Agency the Division of Safety of Dams. The bill would transfer authority over dams and reservoirs from the department to the division.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 12805 of the Government Code is
2 amended to read:
3 12805. (a) The Resources Agency is hereby renamed the
4 Natural Resources Agency. The Natural Resources Agency consists
5 of the departments of Forestry and Fire Protection, Conservation,
6 Fish and Wildlife, Parks and Recreation, and Water Resources;
7 the State Lands Commission; the Colorado River Board; the San
8 Francisco Bay Conservation and Development Commission; the
9 Central Valley Flood Protection Board; the Energy Resources
10 Conservation and Development Commission; the Wildlife
11 Conservation Board; the Delta Protection Commission; the
12 California Science Center; the Native American Heritage
13 Commission; the California Conservation Corps; the California
14 Coastal Commission; the State Coastal Conservancy; the California
15 Tahoe Conservancy; the Santa Monica Mountains Conservancy;
16 the Coachella Valley Mountains Conservancy; the San Joaquin

1 River Conservancy; the San Gabriel and Lower Los Angeles Rivers
2 and Mountains Conservancy; the Baldwin Hills Conservancy; the
3 San Diego River Conservancy; the Sierra Nevada Conservancy;
4 and the ~~Division of Safety of Dams~~. *State Water Project*
5 *Commission*.

6 (b) Existing supplies, forms, insignias, signs, or logos shall not
7 be destroyed or changed as a result of changing the name of the
8 Resources Agency to the Natural Resources Agency, and those
9 materials shall continue to be used until exhausted or unserviceable.

10 SEC. 2. ~~Article 5 (commencing with Section 195) is added to~~
11 ~~Chapter 2 of Division 1 of the Water Code, to read:~~

12
13 ~~Article 5. Division of Safety of Dams~~

14
15 ~~195. There is in the Natural Resources Agency the Division~~
16 ~~of Safety of Dams.~~

17 SEC. 3. ~~Section 6025 of the Water Code is amended and~~
18 ~~renumbered to read:~~

19 ~~6020. It is the intent of the Legislature by this part to provide~~
20 ~~for the regulation and supervision of dams and reservoirs~~
21 ~~exclusively by the State.~~

22 SEC. 4. ~~Section 6021 is added to the Water Code, to read:~~

23 ~~6021. (a) The Division of Safety of Dams succeeds to and is~~
24 ~~vested with all of the authority, duties, powers, purposes, functions,~~
25 ~~responsibilities, and jurisdiction of the department and its~~
26 ~~predecessors for purposes of this division.~~

27 ~~(b) The Division of Safety of Dams shall maintain authority~~
28 ~~over the supervision of California's dams and reservoirs and carry~~
29 ~~out the duties, responsibilities, and functions described in this~~
30 ~~division. A statutory reference to "department" regarding a function~~
31 ~~transferred to the Division of Safety of Dams shall refer to the~~
32 ~~Division of Safety of Dams. A statutory reference to "director"~~
33 ~~regarding a function transferred to the Division of Safety of Dams~~
34 ~~shall refer to the Secretary of the Natural Resources Agency.~~

35 ~~(c) Regulations adopted, orders issued, and all other actions~~
36 ~~taken by the department or its predecessors pursuant to the~~
37 ~~authorities vested in the Division of Safety of Dams pursuant to~~
38 ~~this section and in effect immediately preceding the operative date~~
39 ~~of this section shall remain in effect and are fully enforceable until~~
40 ~~they expire by their own terms unless readopted, amended, or~~

AB 3045

— 4 —

~~1 repealed. Regulations in the process of adoption pursuant to the
2 authorities vested in the Division of Safety of Dams shall continue
3 under the authority of the Division of Safety of Dams unless the
4 Division of Safety of Dams determines otherwise. Any other action
5 adopted, prescribed, taken, or performed by, or on behalf of, the
6 department in the administration or performance of a duty,
7 responsibility, or authorization transferred to the Division of Safety
8 of Dams shall remain in effect and shall be deemed to be an action
9 of the Division of Safety of Dams unless the Division of Safety
10 of Dams determines otherwise.~~

~~11 (d) Permits, licenses, and other formal approvals and
12 authorizations issued by the department or any of its predecessors
13 pursuant to authorities vested in the Division of Safety of Dams
14 pursuant to this section are not affected by the transfer and remain
15 in effect, in accordance with all applicable laws and regulations,
16 unless renewed, reissued, revised, amended, suspended, or revoked
17 by the Division of Safety of Dams.~~

~~18 (e) Any decision or order by the department pursuant to
19 authorities vested in the Division of Safety of Dams pursuant to
20 this section remains in effect, in accordance with all applicable
21 laws and regulations, and the Division of Safety of Dams shall
22 implement the decision or order and treat it as administrative
23 precedent unless it is renewed, reissued, revised, amended,
24 suspended, or revoked by the Division of Safety of Dams.~~

~~25 (f) Any action or proceeding by or against the department,
26 including any officer or employee of the department named in an
27 official capacity, or any of its predecessors, pertaining to matters
28 vested in the Division of Safety of Dams by this section shall not
29 abate, but shall continue in the name of the Division of Safety of
30 Dams. The Division of Safety of Dams shall be substituted for the
31 department, including any officer or employee of the department
32 named in an official capacity, and any of its predecessors, by the
33 court or agency where the action or proceeding is pending. The
34 substitution shall not in any way affect the rights of the parties to
35 the action or proceeding.~~

~~36 (g) On and after January 1, 2019, the unexpended balance of
37 all funds available for use by the department or any of its
38 predecessors in carrying out any functions transferred to the
39 Division of Safety of Dams are available for use by the Division
40 of Safety of Dams.~~

~~(h) The department shall transfer to the Division of Safety of Dams books, documents, data, records, and property of the department pertaining to functions transferred to the Division of Safety of Dams.~~

~~(i) A contract, lease, license, or any other agreement to which the department or any of its predecessors is a party is not void or voidable by reason of this section, but shall continue in full force and effect, with the Division of Safety of Dams assuming all of the rights, obligations, liabilities, and duties of the department and any of its predecessors as it relates to the duties, powers, purposes, responsibilities, and jurisdiction vested in the Division of Safety of Dams pursuant to this section. This assumption does not affect the rights of the parties to the contract, lease, license, or agreement.~~

SEC. 2. Article 5 (commencing with Section 191) is added to Chapter 2 of Division 1 of the Water Code, to read:

Article 5. State Water Project Commission

191. (a) The State Water Project Commission is hereby established within the Natural Resources Agency.

(b) The commission shall consist of nine members. To the extent possible, the commission shall be composed of members from different regions of the state. The members of the commission shall be appointed by the Governor and subject to confirmation by the Senate, as follows:

(1) Three members shall be registered engineers with experience in civil or hydrological engineering, at least one of whom shall have demonstrated experience in risk management, operations and human factors, and dam safety.

(2) Two members shall have demonstrated experience in the fields of water rights, water conveyance, or water storage.

(3) One member shall be nominated by the Butte County Board of Supervisors. The Governor shall have discretion to appoint or reject a nominee of the Butte County Board of Supervisors. If the Governor rejects a nominee, the Butte County Board of Supervisors shall select a new nominee.

(4) Three shall be public members, one representing each of the following:

(A) Agricultural interests.

(B) The environment.

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1 (C) *Municipal water users.*
2 (c) *Refusal by or failure of the Senate to confirm an appointment*
3 *to the commission shall create a vacancy in the office to which the*
4 *appointment was made. Any vacancy shall be immediately filled*
5 *by the Governor, subject to confirmation by the Senate, for the*
6 *unexpired portion of the term in which the vacancy occurs.*
7 (d) (1) *The Governor shall determine the expiration of each*
8 *member's term at the time of appointment in accordance with the*
9 *following:*
10 (A) *The initial term of one of the members of the commission*
11 *shall expire on January 15, 2020.*
12 (B) *The initial term of two of the members of the commission*
13 *shall expire on January 15, 2021.*
14 (C) *The initial term of two of the members of the commission*
15 *shall expire on January 15, 2022.*
16 (D) *The initial term of two of the members of the commission*
17 *shall expire on January 15, 2023.*
18 (E) *The initial term of two of the members of the commission*
19 *shall expire on January 15, 2024.*
20 (2) *Upon the expiration of each term described in paragraph*
21 *(1), the term of each succeeding member shall be four years.*
22 (e) *The Legislature may remove a member of the commission*
23 *from office for dereliction of duty, corruption, or incompetency by*
24 *concurrent resolution adopted by a majority vote of the*
25 *membership in each house of the Legislature.*
26 192. (a) *The headquarters of the commission shall be in*
27 *Sacramento.*
28 (b) *The commission shall determine the times and places for its*
29 *meetings.*
30 (c) *All meetings of the commission shall be conducted in*
31 *accordance with the Bagley-Keene Open Meeting Act (Article 9*
32 *(commencing with Section 11120) of Chapter 1 of Part 1 of*
33 *Division 3 of Title 2 of the Government Code).*
34 (d) *The members of the commission shall select a chairperson*
35 *from among their members, who shall serve as chairperson at the*
36 *pleasure of the members of the commission.*
37 (e) (1) *Notwithstanding Section 11009 of the Government Code,*
38 *a member of the commission shall receive one hundred dollars*
39 *(\$100) for each day of actual service performed in carrying out*
40 *the member's duties. The amount of compensation shall not exceed*

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1 *the sum of five hundred dollars (\$500) per member for any*
2 *calendar month.*

3 *(2) In addition to the compensation provided in paragraph (1),*
4 *a member of the commission shall receive his or her actual and*
5 *necessary expenses incurred in the performance of the member's*
6 *duties.*

7 *(3) Compensation and expenses provided in this subdivision*
8 *shall be paid from the rates, charges, and revenues assessed for*
9 *the State Water Project.*

10 *193. (a) The commission may employ an executive officer who*
11 *shall serve at the pleasure of the commission.*

12 *(b) The executive officer shall hire employees necessary to carry*
13 *out commission functions.*

14 *(c) The executive officer may purchase or rent necessary*
15 *supplies, instruments, tools, equipment, and conveniences.*

16 *(d) The department shall furnish to the commission, at its*
17 *request, assistance, including, but not limited to, legal and clerical*
18 *services, as may be required.*

19 *194. (a) The commission succeeds to and is vested with all of*
20 *the authority, duties, powers, purposes, functions, responsibilities,*
21 *and jurisdiction of the department, its predecessors, and its director*
22 *for purposes of all of the following:*

23 *(1) Chapter 8 (commencing with Section 12930) of Part 6 of*
24 *Division 6.*

25 *(2) Chapter 3 (commencing with Section 11419), Chapter 10*
26 *(commencing with Section 11900), and Article 3 (commencing*
27 *with Section 11970) of Chapter 11 of Part 3 of Division 6.*

28 *(3) Section 138.10.*

29 *(4) Part 2 (commencing with Section 10500) of Division 6.*

30 *(5) Section 11260.*

31 *(6) Section 147.5.*

32 *(b) The commission shall administer the State Water Project,*
33 *have full charge and control of the construction, operation, and*
34 *maintenance of the State Water Project, and shall set all rates,*
35 *charges, and revenues associated with the State Water Project.*
36 *The commission shall carry out the duties, responsibilities, and*
37 *functions described in this section. Statutory reference to*
38 *"department" or "director" regarding a function transferred to*
39 *the commission shall refer to the commission.*

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1 (c) Regulations adopted, orders issued, and all other
2 administrative actions taken by the department, any of its
3 predecessors, or its director, pursuant to the authorities vested in
4 the commission and in effect immediately preceding the operative
5 date of this section shall remain in effect and are fully enforceable
6 until they expire by their own terms, unless readopted, amended,
7 or repealed. Regulations in the process of adoption pursuant to
8 the authorities vested in the commission shall continue under the
9 authority of the commission unless the commission determines
10 otherwise. Any other administrative action adopted, prescribed,
11 taken, or performed by, or on behalf of, the department, or its
12 director, in the administration of a program or the performance
13 of a duty, responsibility, or authorization transferred to the
14 commission shall remain in effect and shall be deemed to be an
15 action of the commission unless the commission determines
16 otherwise.

17 (d) Permits, licenses, accreditations, certificates, and other
18 formal approvals and authorizations issued by the department or
19 its director pursuant to authorities vested in the commission
20 pursuant to this section or permits, licenses, accreditations,
21 certificates, and other formal approvals and authorizations that
22 the department or its director are subject to pursuant to authorities
23 vested in the commission pursuant to this section, including State
24 Water Resources Control Board Decision No. 1641, are not
25 affected by the transfer and remain in effect, subject to all
26 applicable laws and regulations, unless renewed, reissued, revised,
27 amended, suspended, or revoked.

28 (e) Any action or proceeding by or against the department,
29 including any officer or employee of the department named in an
30 official capacity, pertaining to matters vested in the commission
31 by this section shall not abate, but shall continue in the name of
32 the commission. The commission shall be substituted for the
33 department, including any officer or employee of the department
34 named in an official capacity, by the court or agency where the
35 action or proceeding is pending. The substitution shall not in any
36 way affect the rights of the parties to the action or proceeding.

37 (f) On and after July 1, 2019, the unexpended balance of all
38 funds available for use by the department in carrying out any
39 functions transferred to the commission are available for use by
40 the commission.

1 (g) Books, documents, data, records, and property of the
2 department pertaining to functions transferred to the commission
3 shall be transferred to the commission.

4 (h) A contract, lease, license, or any other agreement, to which
5 the department, its director, or their agents, is a party, is not void
6 or voidable by reason of this section, but shall continue in full
7 force and effect, with the commission assuming all of the rights,
8 obligations, liabilities, and duties of the department as it relates
9 to the duties, powers, purposes, responsibilities, and jurisdiction
10 vested in the commission pursuant to this section. This assumption
11 does not affect the rights of the parties to the contract, lease,
12 license, or agreement.

13 195. (a) The commission may hold any hearings and conduct
14 any investigations in any part of the state necessary to carry out
15 the powers vested in it. For the purposes of this subdivision, the
16 commission shall have the powers of a head of a department as
17 set forth in Article 2 (commencing with Section 11180) of Chapter
18 2 of Part 1 of Division 3 of Title 2 of the Government Code.

19 (b) Except as provided in subdivision (c), any hearing or
20 investigation by the commission may be conducted by any member
21 of the commission or representative authorized by the commission
22 to exercise the powers of this section.

23 (c) Any final action in a hearing or investigation shall be taken
24 by a majority of the members of the commission at a meeting duly
25 called and held.

26 196. The commission shall conduct an annual review of the
27 progress of construction and operation of the State Water Project.
28 The commission shall report annually its findings and any
29 recommendations it deems appropriate to the department and to
30 the Legislature. A report submitted to the Legislature pursuant to
31 this section shall be submitted in compliance with Section 9795
32 of the Government Code.

33 197. The commission shall hold public hearings on all
34 additional facilities proposed to be added to the State Water
35 Project pursuant to the authority in Sections 12931 and 12938.

36 198. This article shall become operative on July 1, 2019.

37 SEC. 3. If the Commission on State Mandates determines that
38 this act contains costs mandated by the state, reimbursement to
39 local agencies and school districts for those costs shall be made

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- 1 *pursuant to Part 7 (commencing with Section 17500) of Division*
- 2 *4 of Title 2 of the Government Code.*

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May 9, 2018

Assembly Member Lorena Gonzalez Fletcher
California State Assembly
State Capitol, Room 2114
Sacramento, CA 95814

Re: AB 3045 (Gallagher): State Water Project Commission - **OPPOSE**
Assembly Appropriations Committee: May 16, 2018

Dear Assembly Member Gonzalez Fletcher:

On behalf of the signatories noted below, we regret to inform you of our opposition to AB 3045 by Assembly Member James Gallagher. AB 3045, as amended in the Assembly Water, Parks and Wildlife Committee on April 25 would transfer control of the State Water Project (SWP) from the California Department of Water Resources to a new State Water Project Commission (Commission) under the California Natural Resources Agency (CNRA). The Commission would consist of nine members appointed by the Governor and subject to confirmation by the Senate. This bill requires Commission representation from the upstream watershed, but not the SWP's actual service area.

Originally AB 3045 sought to transfer authority over dams and reservoirs from the Department of Water Resources (DWR) to the Division of Safety of Dams (DSOD) under the CNRA. AB 3045 was subsequently amended on April 25, based on recommendations by committee staff, to strike language related to DSOD, and instead proposed creation of a Commission to oversee the entire SWP. This action was taken without a full vetting of the impacts or consequences.

AB 3045 proposes sweeping changes in SWP governance without addressing the multitude of complex policy, legal and operational issues that are raised by this legislation. For example, the bill:

1. Does not include any representatives from the public water agencies that pay the majority of SWP costs;
2. Transfers only certain duties and powers relevant to SWP management and operation to the Commission;
3. Potentially creates a fractured and unworkable governance structure;
4. Requires the duties and expertise of DWR's current staff to be split into separate organizations thus requiring the hiring of additional staff to manage the SWP and non-SWP functions;
5. Could delay critical time-sensitive decision-making and adversely impact day-to-day operations of the SWP by imposing an additional and unnecessary layer of bureaucracy;
6. Could disrupt major ongoing initiatives such as capital improvement and refurbishment of SWP infrastructure, aqueduct subsidence repairs and ecosystem improvements;

7. Would likely increase costs for both SWP and non-SWP related activities, which would impact both public water agencies and the state as a whole, since costs associated with the latter must be paid from the General Fund;
8. Could potentially impact existing water rights, coordinated operations with federal agencies, and ongoing permitting processes; and
9. Fails to provide the new Commission with adequate authority to contract, issue revenue bonds, cooperate with the federal government, acquire/condemn property or to establish funds and accounts necessary to operate the SWP.

In short, AB 3045 focuses solely on the expertise and geographical representation of the governing body for the proposed Commission without addressing how this Commission would actually function or what benefits, if any, this new governance structure would provide. Accordingly, for all of the above reasons, we urge members of the Assembly Appropriations Committee to hold AB 3045 on suspense. AB 3045 threatens the stability of the SWP and is contrary to a balanced public discourse on options for future SWP governance.

If you have any questions regarding our collective concerns, please contact Kathleen Cole at (916) 650-2642. Thank you for your consideration.

Sincerely,

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES MAY 2018

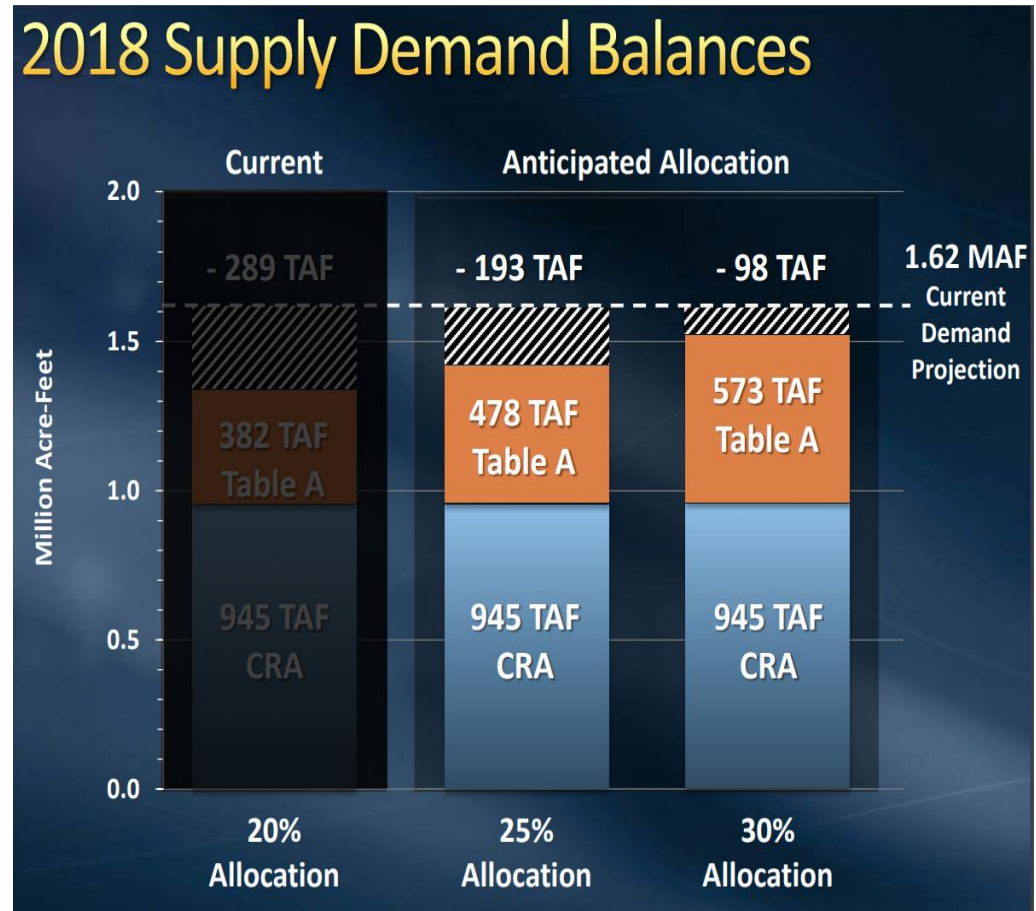
Managers' Meeting	<p>MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on April 19, 2018. In attendance were Mike Grisso (Buena Park), Mark Sprague (Fountain Valley), Cel Pasillas (Garden Grove); Ken Vecchiarelli (GSWC); Brian Ragland (Huntington Beach); Paul Cook (IRWD); Chris Regan (LBCWD), John Kennedy (OCWD); Jose Diaz (Orange); Eric Bauman (San Juan Capistrano); David Spitz (Seal Beach); Jerry Vilander (Serrano WD), Rick Shintaku (SCWD); Hector Ruiz (TCWD); Marc Marcantonio and Bryan Hong (YLWD), and Karl Seckel; Harvey De La Torre; Melissa Baum-Haley, Charles Busslinger; Joe Berg; Damon Micalizzi; Heather Baez; Chris Lingad, Kevin Hostert, Kelly Hubbard, and myself of staff.</p> <p>The agenda included the following:</p> <ol style="list-style-type: none"> 1. MET's CA WaterFix Action 2. MET Conservation Program Modifications 3. Water Supply Report 4. MWDOC Budget 5. MET Budget 6. Legislative Reports 7. <p>The next meeting is scheduled for May 17, 2018.</p>
Meetings	<p>Harvey, Melissa and I met with Gary Breaux and Deven Upadhyay to discuss an approach for modeling of the future MET water rates and yield from the SWP with MET's participation in the 6,000 cfs first tunnel.</p> <p>Several MWDOC staff were in attendance at the OCWA Presentation by Deven Upadhyay who discussed Avoiding Day Zero: Why Southern California is Different from Cape Town. Hint: Planning, the diversity of supplies and storage capacity.</p> <p>Karl Seckel and I met with Scott Maloni and Andy Kingman to discuss the release of updated cost information for the Huntington Beach project and to discuss the project schedule.</p> <p>Harvey De La Torre and Charles Busslinger attended the first in a series of meetings with MET on emergency storage.</p> <p>Karl Seckel was interviewed by SAWPA staff as part of a "community water ethnography" to determine the qualitative strengths and needs of communities in the Santa Ana River watershed. The study, being conducted by a team of UCI anthropology researchers, strives to gain a better understanding of how water is thought of, used and conserved by people living and working within the watershed.</p>

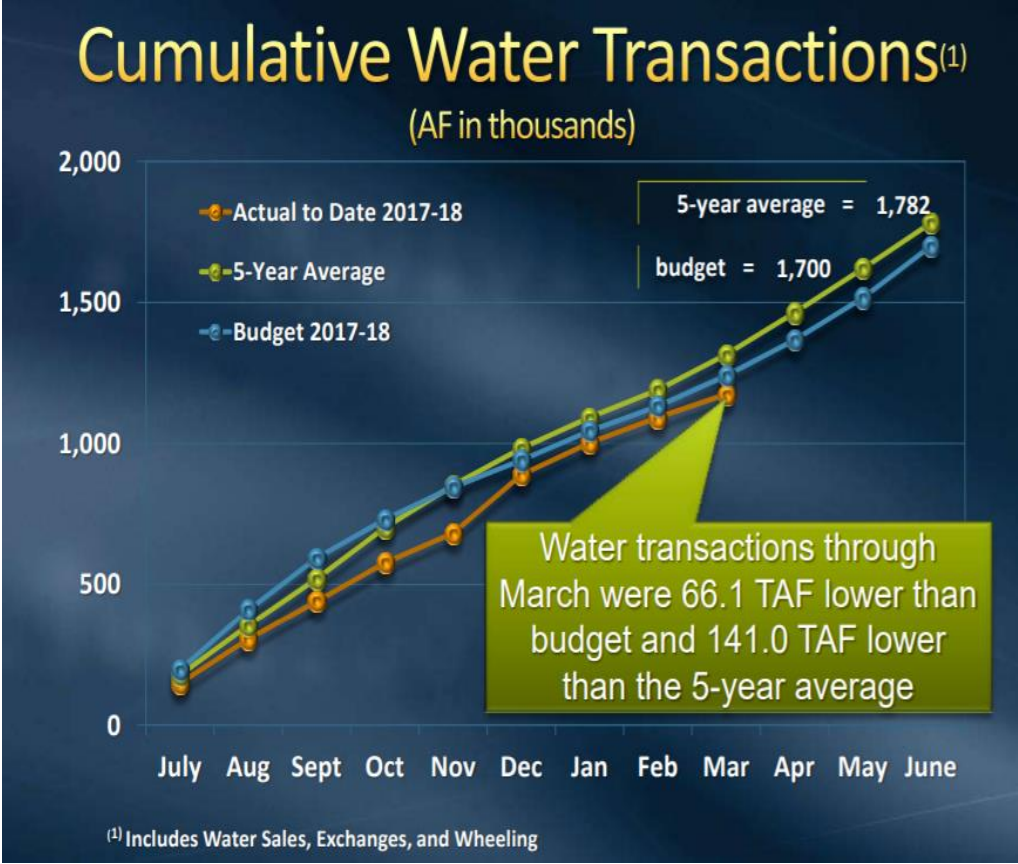
MET ITEMS CRITICAL TO ORANGE COUNTY

MET's Water Supply Conditions

On April 24, 2018, the Department of Water Resources (DWR) increased the State Water Project (SWP) "Table A" allocation to 30%, giving Metropolitan approximately 573 thousand acre-feet (TAF) in SWP deliveries this water year. In addition, on the Colorado River system, Metropolitan estimates a total delivery of 945 TAF.

With estimated total demands and losses of 1.62 million acre-feet (MAF), at a 30% SWP allocation, Metropolitan is projecting that demands will exceed supply levels in CY 2018 by about 98 TAF. Based on this, estimated total dry-year storage for Metropolitan at the end of CY 2018 will go down to 2.4 MAF.



MET's Finance and Rate Issues	<p>Water transactions through March were 66.1 TAF lower than budget and 141.0 TAF lower than the 5-year average. However, as illustrated in the image below, the water transactions are trending in-line with the budget expectations. According to the 3rd quarter financial review, Fiscal Year 2017-18 water sales projected to be \$94.5 million less than budget based on 1.59 MAF.</p>  <p>Cumulative Water Transactions⁽¹⁾ (AF in thousands)</p> <p>Legend: - Actual to Date 2017-18 - 5-Year Average - Budget 2017-18</p> <p>5-year average = 1,782 budget = 1,700</p> <p>Water transactions through March were 66.1 TAF lower than budget and 141.0 TAF lower than the 5-year average</p> <p>⁽¹⁾ Includes Water Sales, Exchanges, and Wheeling</p>
Colorado River Issues	<p><u>Quantification Settlement Agreement (QSA) Implementation Workgroup</u> The Bureau of Reclamation and parties to the QSA, including Metropolitan, San Diego County Water Authority, and Imperial Irrigation District (IID) met in El Centro March 28 to provide information regarding anticipated 2018 Colorado River water supply, the 2017 final decree accounting process and schedule, 2018 water supply updates from the QSA parties, as well as implementation of various conservation programs. The programs include municipal conservation, fallowing programs, the on-farm efficiency conservation program and various system conservation projects.</p> <p><u>Palo Verde Property Utilization Committee (Committee)</u> The Committee met in Blythe March 26. Members of the Metropolitan Board and the Palo Verde Irrigation District (PVID) Board and staff from each of the agencies met to discuss the status of leases, Metropolitan's efforts to accurately determine water use charges for last year and potential lease modifications. At this meeting, representatives from PVID described interest in a valley-wide voluntary conservation program in which any farmer in the district could participate. There was discussion of the accuracy of PVID's current metering system and opportunities to explore ways to increase measurement accuracy. Metropolitan</p>

	<p>staff also provided information on new GIS tools available for monitoring land water use, as well as crop data. The Committee agreed to meet quarterly. The next meeting is scheduled to be held in Chino on June 13.</p> <p><u>Law of the River Conference</u></p> <p>Metropolitan staff co-chaired the 20th annual Law of the Colorado River conference in Tucson, Arizona on March 1-2. Panels at the conference covered a wide range of topics including Minute 323 implementation, tribal water settlement rights, and climate change impacts on the basin's hydrology, drought contingency planning, and the role of non-governmental organizations in Colorado River matters.</p>
Bay Delta/State Water Project Issues	<p><u>State Water Resources Control Board</u></p> <p>The CA WaterFix Petition proceedings before the State Water Resources Control Board are ongoing. Part 2 of the hearings, which consider the effects of the proposed project on fish and wildlife, resumed on February 22 2018. Metropolitan staff is continuing to review the information presented by hearing participants and is coordinating with other State Water Project contractor agencies to participate in the hearings.</p> <p><u>Science Activities</u></p> <p>Metropolitan's Bay-Delta Initiatives staff attended the Interagency Ecological Program (IEP) annual science workshop in Folsom on March 6-8. Science projects linked to Metropolitan's Delta science efforts were well represented at the conference. Highlights of the conference linked to Metropolitan's science efforts included the following:</p> <ul style="list-style-type: none"> • The IEP workshop included a session on recent longfin smelt research. Most of the presentations represented a science effort supported or funded by Metropolitan. Topics included the results of longfin smelt sampling efforts in San Pablo Bay and South Bay, otolith analysis of longfin smelt to understand movement, and comparisons of longfin smelt genetics in the San Francisco Bay versus longfin smelt populations farther north. Corey Phillis, from Metropolitan's Bay-Delta Initiatives staff, gave a presentation showing how data on larval smelt habitat in the upper San Francisco Bay could be extrapolated to suggest areas on the lower Bays where longfin smelt larvae might be caught. • Metropolitan staff co-authored several poster presentations addressing predation hot spots for salmon; fish misidentification and potential implications for monitoring within the San Francisco Estuary analysis of historical variation in chlorophyll concentration and zooplankton abundance in the Bay-Delta Estuary; and monitoring activities during 2017 fall outflow conditions. • Other poster presentations addressed science projects funded by Metropolitan, including estimating effective population size of Delta smelt and evaluating changes in the pelagic fish community structure throughout the day and night within San Pablo Bay.

Bay Delta/State Water Project Issues (continued)	<p>Metropolitan staff attended the California Nevada Chapter of the American Fisheries Society 2018 Annual Meeting in San Luis Obispo, held February 28 to March 3. The meeting included presentations and posters of new and upcoming research regarding aspects of the ecology in the San Francisco Estuary. Research on listed species and species of special concern was presented such as for green sturgeon, Delta smelt, chinook salmon, and pacific lamprey.</p> <p>Researchers at Oregon State University published a paper commissioned by Metropolitan. The paper is entitled, "Fitting N-mixture models to count data with unmodeled heterogeneity: Bias, diagnostics, and alternative approaches" and it was published in the Journal Ecological Modeling. The paper is an analysis of statistical methods for evaluating fish survey data and identifies drawbacks in analysis of fish survey data when detectability and sample sizes are low.</p> <p>Metropolitan staff participated in planning and development of the Disease in Pacific Salmonids: Research, Monitoring, and Management workshop, which took place on March 14-15, and was sponsored by the Delta Science Program, UC Davis Coastal and Marine Science Institute, and Metropolitan. On March 14, the workshop included a series of presentations by researchers leading their field in disease ecology research on salmonids from the Central Valley, Klamath Basin, Columbia Basin, Fraser River in British Columbia Canada, Ireland, and Chile. Some of the take home points include: disease has been linked to population level declines of salmonids in other systems; there is poor monitoring of disease in the Central Valley despite the fact that there is evidence that disease plays a role in juvenile salmon mortality in certain rivers (Feather and Sacramento Rivers) under certain environmental conditions (drought); understanding disease impacts requires using multiple methods and approaches (pathology, histology, molecular techniques, water sampling, fish sampling, etc); it is difficult to tease apart prevalence vs mortality (many fish carry disease but are not negatively affected); disease when combined with other stressors (warm water temperatures, containments) can reduce a fish physiology status and lead to direct or indirect mortality (e.g. predation); and it is important to be transparent about disease data and communicate studies and results to stakeholders, managers, and policy makers.</p> <p>Metropolitan staff continued participation in the Collaborative Science and Adaptive Management Program, including participation on the Collaborative Adaptive Management Team (CAMT). March activities focused on review of draft technical work products and initiation of CAMT projects for 2018. Metropolitan staff reviewed and provided comments on the CAMT draft Delta Smelt Entrainment Study report. The study suggests that factors of exports, hydrology, precipitation, and abundance correlate with Delta smelt salvage. With funding contributions from the State Water Contractors, CAMT initiated a project to develop a long-term monitoring and science plan to assess the effects of ambient conditions and management actions on Delta smelt habitat quality and vital rates. CAMT also submitted a proposal to the Delta Conservancy to request funding for a project to identify near-term and long-term priorities for habitat restoration in the Delta to benefit juvenile salmonids.</p>
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Bay Delta/State Water Project Issues (continued)	<p>Metropolitan staff provided comments on the Draft Delta Nutrient Research Plan, January 2018, developed by the Central Valley Regional Water Quality Control Board. The purpose of the plan is to identify priority nutrient related science and monitoring activities that are needed to inform future nutrient management decisions by the Regional Water Board. The Regional Water Board is planning to consider the research plan in August 2018, and then Regional Water Board staff will be working with interested agencies and stakeholders to identify funding sources to implement the plan.</p> <p><u>Delta Flood Emergency Management Plan</u></p> <p>The California Office of Emergency Services (CalOES) completed their Northern California Catastrophic Flood Response Plan (NCCFRP) in January, defining coordinated federal, state and local roles in major emergencies. CalOES has included DWR Delta emergency response components and related FEMA roles in the Plan. CalOES states that the NCCFRP has been validated by the 2017 winter storms.</p> <p>A revision to the DWR Stockton materials storage infrastructure contract was executed in February 2018 to provide an additional 160,000 tons of rock, for a total of a half million tons of rock for emergency response in the Delta. DWR plans to use remaining Proposition 1E funding under the DWR Delta Risk Reduction Program to bid a contract for large sheet pile for levee breach closures.</p> <p>In February 2018, DWR executed a second round of Delta Flood Emergency Response Grant contracts with local management agencies to build response capabilities and awareness with flood and emergency managers in the Delta region. The grants also support improved communications and working relationships between DWR and local governments during emergency response and recovery activities.</p>
MET's Ocean Desalination Policy and Potential Participation in the Doheny and Huntington Beach Ocean (Poseidon) Desalination Projects	<p><u>Doheny Desal</u></p> <p>The details are outlined under "South County Projects" below.</p> <p><u>Poseidon Huntington Beach</u></p> <p>The State Lands Commission approved the lease amendment for the proposed Huntington Beach Desalination Project on October 19, 2017.</p> <p>At the February 9, 2018 Santa Ana Regional Water Quality Control Board (SARWQCB) meeting, SARWQCB staff provided an overview of the required analyses that must be considered for permit renewal for desalination facilities pursuant to Water Code section 13142.5(b) and the Desalination Amendment to the California Ocean Plan. The SARWQCB will consider renewal of the Poseidon Permit for the project in 2018 and will be the first in the state to implement the Desalination Amendment.</p>

	Finally, the California Coastal Commission will then consider approval of a Coastal Development Permit. OCWD is still working on the system integration concepts.
Orange County Reliability Projects	<p><u>Central Pool Augmentation Project</u></p> <p>The intention of the Central Pool Augmentation (CPA) Project is a major water conveyance and treatment system that augments deliveries of potable water to Metropolitan's Central Pool. Water from Lake Mathews would be treated at a new regional treatment plant located at Eagle Valley, and delivered to the Central Pool area through a pipeline and tunnel system extending under the Santa Ana Mountains into Orange County. Metropolitan's Central Pool area is an operational area located in the center of its service territory, comprising all areas served by the Jensen, Weymouth, and Diemer treatment plants.</p> <p><u>Status of the CPA Project</u></p> <p>Metropolitan has deferred the CPA Project and placed this project beyond the 25 year time horizon for CIP projects. However, Metropolitan continues to preserve the project's viability by; monitoring activity along the project's proposed alignment including the tunnel portals, maintaining coordination with member agencies to see if water demands increase, and maintaining key right-of-way areas (MET owns the Eagle Valley water treatment plant site).</p> <p><u>Orange County Water Reliability Study</u></p> <p>MWDOC staff and consultant CDM Smith continue to work on the 2018 OC Reliability Study update which looks at both supply (drought supply) reliability and system (emergency) reliability. The update uses modeling assumptions based on more recently available information on future assumptions for the Integrated Water Resources Plan (IRP), Colorado River, and State Water Project (SWP). The update looks to include modeling of SWP supplies once the California WaterFix volumes are determined.</p> <p>MWDOC staff and consultant CDM Smith met with Santa Margarita WD staff on April 12th to discuss details of SMWD's 2018 Strategic Plan for incorporation into the Supply reliability study. A final SUPPLY reliability report is expected in the Spring 2018.</p>
East Orange County Feeder No. 2	<p><u>Use of East Orange County Feeder No. 2 for Conveyance of Groundwater and/or Poseidon Water</u></p> <p>MWDOC has been discussing concepts for pumping groundwater into the EOCF No. 2 for conveyance to SOC during an emergency event. MWDOC staff had a preliminary discussion with MET senior staff at a February 8th meeting. MWDOC staff will continue this discussion once MET staff have had a chance to review details.</p>

South Orange County Projects	<p><u>Doheny Desal Project</u></p> <p>The Department of Water Resources (DWR) announced the funding awards for the fourth round of Proposition 1 Desalination Grants (Water Desalination Grant Program) on March 12, 2018. Doheny is one of three projects which received \$10 million each for construction funding.</p> <p>GHD is continuing to develop a Scope of Work for a 3rd party legal firm to assist with Design-Build-Operate (DBO) contract development.</p> <p>The release of the draft EIR for public comments is now anticipated in mid May 2018 with the final adoption scheduled for August 2018:</p> <ul style="list-style-type: none"> • 5/15/18 Public Release of Draft EIR for up to a 5 MGD Plant • 5/16/18–7/13/18 60 day Public Review Period ends • Week of June 11 /18 Public Meeting • 8/10/18 Prepare Final EIR (Response to Comments) • 8/23/18 South Coast WD Board Meeting <p><u>SMWD Trampas Canyon Recycled Water Reservoir</u></p> <p>Notice to Proceed was issued January 30, 2018. The project is designed to create 5,000 acre-feet of recycled water storage capacity and will be the largest surface water reservoir in South Orange County. A majority of the preconstruction/site work has been completed as well as preliminary design of the pump station. The project is currently projected to conclude on or before December 20, 2019.</p> <p><u>San Juan Watershed Project</u></p> <p>Santa Margarita Water District (SMWD) continues working on the San Juan Watershed Project. Phase 1 is being designed to capture wet and dry weather runoff through the installation of rubber dams along the lower portion of the creek, with subsequent phases looking to introduce recycled water into San Juan Creek.</p> <p>The Draft Program Environmental Impact Report (PEIR) was circulated for a 65-day public review period, which ended February 23, 2017. The EIR was originally scheduled for adoption in March 2018. Due to the complexity of some of the issues associated with the steelhead trout, SMWD Board adoption of the EIR has been moved to the May Board meeting.</p> <p><u>Other Information on South County Projects:</u></p> <p><u>Expansion of the South County Interconnection Project</u></p> <p>An agreement completed in 2006 resulted in an investment by South Orange County (SOC) agencies in the Irvine Ranch Water District (IRWD) system to allow exchanges of water to be delivered by IRWD into SOC under emergency situations. Project capacity was committed by IRWD to move up to 30 cfs of</p>
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South Orange County Projects (continued)	<p>emergency supplies whereas the agreement allows moving up to 50 cfs, not to exceed 3,000 AF per emergency event. In accordance with the Agreement with IRWD, the monthly emergency capacity committed to the SOC agencies declines over time with zero capacity available in the months of July through September beginning in 2020 and goes to zero in all months by 2030. Under all circumstances IRWD will provide best efforts to help with emergency supplies.</p> <p>The Board awarded a contract to Dudek on April 18, 2018 to study the ability/constraints of IRWD's system to move water through their system to SOC agencies into the future.</p> <p><u>Laguna Beach County Water District Groundwater Project with Newport Beach</u></p> <p>MWDOC, MET, Laguna Beach County Water District and Newport Beach have been working to activate Laguna Beach County's access to 2,025 AF of groundwater from within the Orange County Water District Basin. Deliveries began in September 2016. MWDOC staff met individually with Laguna Beach County and Newport Beach in August to discuss possible future facility and operational modifications to the MET system as LBCWD now sources some of its supplies from the basin.</p> <p>A meeting was held on February 8th between staff from MWDOC and senior MET staff to discuss a series of alternatives for CM-1 and the concurrent ability to deliver MET water and groundwater to LBCWD through Newport Beach's water system. MWDOC staff will continue to work with MET staff to identify/explore alternatives.</p> <p><u>Camp Pendleton Seawater Desalination Project</u></p> <p>San Diego County Water Authority (SDCWA) is studying the feasibility of a desalination project at the southwest corner of Camp Pendleton Marine Corps Base adjacent to the Santa Margarita River. The project is still in the feasibility study stage and SDCWA is conducting geological surveys, analyzing intake options, and studying the effect on ocean life and routes to bring desalinated water to SDCWA's delivery system. Michael Baker International has been retained to conduct the intake study and they are looking to lease the Doheny Mobile Test Facility from MWDOC and the Doheny Desal Participants. The intake study has been postponed until late 2018.</p> <p>If any agencies would like to have updates included herein on any projects within your service area, please email the updates to Karl Seckel at kseckel@mwdoc.com.</p>
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ENGINEERING & PLANNING	
Orange County Reliability Study	MWDOC staff and consultant CDM Smith continue to work on the 2018 OC Reliability Study update which looks at both supply (drought supply) reliability and system (emergency) reliability. Currently, we are working with MET both on their estimates of future water rates including the "Full" California WaterFix cost estimates and understanding what portion of the additional supplies will accrue directly to MET for the purpose of the reliability modeling work. This has delayed the completion of the Water Reliability Study by about a month or so.
South Orange County Emergency Service Program	The current Emergency Services Program Agreement "guaranteed" flows are in effect through 2029, however the Agreement includes a "best efforts" provision for IRWD to share resources thereafter. The MWDOC Board just approved the consultant contract for this work with IRWD and the study kick-off meeting will be held on May 14.
SOQ's Requested by MWDOC	MWDOC issues Statements of Qualifications to a number of consultants to provide input to MWDOC regarding the integration of potential local projects such as Poseidon, Doheny or the groundwater pump-in project. The concern is that these local projects may be implemented by others and without fully accounting for the water quality considerations and other issues, there could be unintended consequences. MWDOC's goal is to try to understand the associated issues fully prior to any of these projects going on-line.
Strand Ranch Project	Ad Hoc Committees of MWDOC and IRWD met to discuss the potential for MWDOC to provide assistance in advancing the Strand Ranch Project to open it up to others in Orange County. The Committees directed their respective staff to continue working on the terms and conditions for such an effort.
Upcoming Issues with MET	<p>MWDOC and MET staff have been working on a number of items together, including:</p> <ul style="list-style-type: none"> • Resolution of Service Connection CM-1 flow issues to Laguna Beach CWD • Conduct of a flow test at the EOCWD OC-70 to test the meter accuracy • Access, water quality sampling and the responsibility for an emergency generator at the OC-70 Service Connection • Use of East Orange County Feeder No. 2 for Conveyance of Groundwater or Poseidon Water • Replacement of Service Connection OC-13A to monitor low flows into Irvine Lake • Ownership/maintenance responsibilities between SMWD and MET regarding the South County Pipeline • Installation of NEW Mag Meters at Service Connections CM-10 and CM-12 • Storage of Emergency Water within the MET system

Poseidon Resources	Work is still proceeding by the Santa Ana Regional Water Quality Control Board ("RWQCB") to consider the NPDES permit and Ocean Plan Amendment compliance for the Poseidon Project. It is anticipated that the Project will be considered sometime later this summer.
SMWD Rubber Dams Project	The Draft Program Environmental Impact Report (PEIR) was circulated for a 65-day public review period, which ended February 23, 2017. The EIR was originally scheduled for adoption in March 2018. Due to the complexity of some of the issues associated with the steelhead trout, SMWD Board adoption of the EIR has been moved to the May Board meeting.
Doheny Ocean Desalination Project	GHD is developing a Scope of Work for a 3rd party legal firm to assist with Design-Build-Operate (DBO) contract development. A Request For Proposals (RFP) for 3rd party legal firms is anticipated to be released in May 2018. The release of the draft South Coast Water District EIR for public comments is anticipated in May 2018 with the final adoption scheduled for August.
EMERGENCY PREPAREDNESS	
Coordination with WEROC Member Agencies	<p><i>WEROC, with Michal Baker as the lead consultant, is facilitating 19 agencies through the process of updating the Orange County Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan. Update: The Hazard Mitigation Committee final planning meeting was held on April 11, 2018 to review the first draft of the plan. Additional drafts will be reviewed and coordinated through email and phone. Next steps include: required public outreach meetings (tentatively in June 2018); submitting a Final Draft to CalOES around July; once approved by CalOES, it will then be submitted to FEMA; and once approved by CalOES and FEMA, each participating agency will submit the plans to their elected boards for adoption. The complete process is expected to be completed by December 2018.</i></p> <p><i>WEROC Radio Replacement Update: Francisco Soto continues to work with member agencies, Motorola, and the Sheriff's Communications staff to implement the OC 800 MHz radio system for WEROC. It took several months for the radio equipment to be ordered, delivered and programed by the County Communications staff. Francisco is now working with all parties to coordinate the distribution and installation of the 800 MHz Radios. The next step will be for the County to program any existing City Water/Wastewater Department radios with the WEROC channels. Staff hopes to complete the process in June 2018.</i></p> <p>Kelly Hubbard met with Mesa Water District to assist them in the development of their disaster exercise support materials for their participation in the WEROC May 15th exercise based on an unknown contamination of a water system.</p> <p>The WEROC Quarterly Emergency Coordination meeting was on May 1st. The group primarily discussed what their exercise/training goals and needs are for 2018/2019 and about the Southern CA Catastrophic Response Plan (CAT Plan). (More on the CAT plan is below.)</p>

Training and Programs	<p>Kelly provided AlertOC training for member agencies to familiarize them with the system, its functions, and learn how to prepare and disperse public notifications. This is the first training WEROC has hosted since AlertOC has switched to Everbridge as its system software/platform.</p> <p>Janine Schunk and Leah Frazier supported the WEROC 2018 Spring Trainings by logging hours for all attendees in the WEROC Training Database, preparing attendance certificates (includes Water Operator Certification Hours), providing attendee updates and other general support.</p>
Coordination with the County of Orange	<p>Francisco attended the April Orange County Emergency Management Organization (OCEMO) meeting that took place in Santa Ana. Brevyn Mettler, Emergency Manager for the City of Huntington Beach, presented on "ICS and the Event Planning Process."</p> <p>Kelly called in to the OCEMO AlertOC Workgroup and attended the WebEOC Meeting. The County is working on updating the AlertOC Standard Operating Procedures and Policies with input from this group. For WebEOC the group provided feedback on continuing updates to the system.</p> <p>Kelly called in to the Orange County Recovery Functional Exercise Planning Meeting. The meeting provided an opportunity for private sector partners and local, state, and federal government representatives to review scope and objectives, discuss scenario, and review timeline and logistics for a Recovery Exercise that will be held in October. WEROC will be participating in that exercise.</p>
EOC Readiness	<p>Janine continued preparation of South Emergency Operation Center for the WEROC EOC Exercise taking place on May 15, 2018.</p> <p>Janine attended the "Building Incidents and Scenarios" webinar hosted by Everbridge (AlertOC System Software/Platform). Incidents and Scenarios are ways to group and categorize public messaging within the software for an ongoing incident to ensure coordinated messaging and follow-up with the public and staff.</p> <p>Janine is facilitating an update of the WEROC/MWDOC Staff Emergency Responder ID Cards. All WEROC/MWDOC staff will be receiving an updated Emergency Responder ID Card with their picture, agency name, and information identifying them as a First Responder. These ID Cards will be needed during a disaster to get to the WEROC EOC or the MWDOC COOP.</p> <p>Francisco worked with the Center for Demographic Research to complete an update of the WEROC Member Agency Standardized Wall Maps and WEROC Atlases. Agencies submitted updates and corrections to the WEROC maps which depict water and wastewater critical infrastructure and are used regularly for response. Michelle DeCasas (MWDOC Administration Assistant) assisted with sorted, labeling and storing the new maps.</p>

EOC Readiness (continued)	<p>Janine is continuing to update our staff and member agency contact information in the Safety Center App and in AlertOC.</p> <p>Staff participated in the MET MARS radio test and the OA Radio Test.</p>
WEROC Emergency Plans	<p>Francisco is currently working on updating the EOC position binders for use at the May 15 WEROC exercise.</p> <p>Francisco completed the Emergency Operations Plan. The plan was approved by the MWDOC Board of Directors at the April Board meeting. Updated copies will be posted to the MWDOC website and distributed to our Member Agencies and planning partners.</p>
Coordination with Outside Agencies	<p>Kelly attended the California Office of Emergency Services (CalOES) Southern California Catastrophic Earthquake Plan – Critical Lifelines meeting in Chino Hills. The CalOES is updating the 2011 Plan and is asking for local government involvement in the process. It is important that WEROC participate in this planning process, as the State plans on using this document as a pre-scripted playbook for responding to a major event.</p> <p>Kelly attended the Cal OES Mutual Aid Regional Agency Coordination (MARAC) meeting in Rancho Cucamonga. The Operational Area Emergency Manager for the County of Santa Barbara spoke about their response to the Thomas Fire and the Montecito Mudslides. The County of Santa Barbara initially activated on December 4 and continues to be activated to this day.</p> <p>Francisco attended the Orange County Water Association April 2018 Luncheon Presentation. Deven Upadhyay, Assistant General Manager/Chief Operating Officer for the Metropolitan Water District of Southern California, presented on Avoiding Day Zero: Why Southern California is Different from Cape Town.</p>
WATER USE EFFICIENCY	
Metropolitan Water Use Efficiency Workgroup	<p>On April 26, Beth Fahl and Rachel Waite attended Metropolitan's Water Use Efficiency Workgroup meeting. Approximately 30 member agencies participated in the meeting. Agenda items included:</p> <ul style="list-style-type: none"> • Metropolitan Board Presentation for April on New Programs and Modifications <ul style="list-style-type: none"> ○ Q/A on new the Landscape Transformation Program ○ Q/A on new Educational Classes ○ Q/A on Member Agency Administered Program Modifications • Innovative Conservation Program Project – BioLargo Study (Advanced Oxidation System) <p>The next Workgroup meeting is scheduled for May 20, 2018 at Metropolitan</p>

California Water Efficiency Partnership	On April 20, Joe Berg chaired the Governance and Finance Committee of the California Water Efficiency Partnership (Partnership) at their Sacramento office. On May 2, Joe chaired the Partnership's Quarterly Board meeting, which was hosted by the Inland Empire Utilities Agency. Both meetings were general business meetings.
California-Nevada American Water Works Association	On April 24 and 25, Joe participated in the Water Audit Validator Training and Certification Exam hosted by the Irvine Ranch Water District. This was the first class and exam held to certify independent Water Audit Validators. Joe is now certified to validate retail water agency water balances, as required by SB 555
H2O for HOA Forum	On April 26, Matthew Conway attended the H2O for HOA Forum hosted by Moulton Niguel Water District at the City of Laguna Hills Community Center. The Forum focused on stormwater Best Management Practices, water efficiency tools and programs, and information on Integrated Pest Management and landscape design practices. Highlights on the agenda included: <ul style="list-style-type: none"> • Stormwater Best Management Practices • Water Efficiency: Best Practices, Tools, & Resources • Integrated Pest Management • Native Plants – Restoring Nature One Garden at a Time • The California Watershed Garden
Spray to Drip Rebate Program Overview with SDCWA	On April 27, Beth, Joe, and Matthew Conway met with Kelly Mooney and Jana Vierola with SDCWA to discuss MWDOC's Spray to Drip Rebate Program as SDCWA is preparing to launch its own drip rebate program.
Orange County Water Use Efficiency Coordinators Workgroup	On May 3, Joe, Beth, Matthew, Rachel, and Steve Hedges hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting at MWDOC. Approximately 14 agencies participated in the meeting. Highlights on the agenda included: <ul style="list-style-type: none"> • MWDOC Updates • Agency Roundtable/Problem Solving • Water Supply Update • Public Affairs Update • State Water Resources Control Board Update • Metropolitan Update <ul style="list-style-type: none"> ○ Landscape Transformation Program • Water Use Efficiency Programs Update <ul style="list-style-type: none"> ○ Orange County Qualified Water Efficient Landscaper Training (OC-QWEL) ○ Landscape Design Assistance Program ○ MET-Funded/Member Agency Administered Program for FY 18/19 ○ Grant Applications • California Water Efficient Partnership (CalWEP) Update • Future Agenda Items <p>The next meeting is scheduled for June 7, 2018 at El Toro Water District.</p>

Orange County Water Loss Control Work Group	<p>On May 8, MWDOC hosted the Orange County Water Loss Control Work Group. Twenty-eight staff from 21 agencies attended this meeting. Agenda items included:</p> <ul style="list-style-type: none"> • Updates on: <ul style="list-style-type: none"> ○ 2018 Water Audit Validations ○ Leak Detection Equipment Purchase ○ Outside Funding Opportunities from Proposition 1 and Metropolitan • Non-Revenue Water Recovery Success Stories <ul style="list-style-type: none"> ○ Long Beach Water Department Meter Accuracy Testing Program ○ Yorba Linda Water District Distribution Leak Detection Program ○ Irvine Ranch Water District Stuck Meter and Theft Recovery Program • Year III Timeline Update <p>The next meeting is scheduled for July 10, 2018 and will be hosted at MWDOC.</p>
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	<ul style="list-style-type: none"> • Updated the commercial and residential rebate flyers for El Toro Water District • Created a press release calling attention to the City of Huntington Beach Utilities Department's Neutral Output-Discharge Elimination System truck. • Provided update to WUE Workgroup on Wyland National Mayor's Challenge, Water Awareness Poster Contest, and OC Water Summit • Received and organized 862 submissions for annual Water Awareness Poster Contest. Selected 40 winners and sent invites to winners and families for Awards Ceremony on June 4. Creating voting process for selection of grand prize winners. • Heather attended the MWDOC Member Agency Managers Meeting and provided an update on the upcoming LAFCO election for the special district seat. She also gave a status update on the LAFCO dues restructuring that ISDOC is reviewing.
Community Relations	<ul style="list-style-type: none"> • Updated website with upcoming community events • Provided materials and giveaways for WUE Staff at the H2O for HOAs event hosted by Moulton Niguel WD in collaboration with Aliso Viejo, Laguna Hills, Laguna Niguel, and Mission Viejo • Continued to promote Wyland National Mayor's Challenge through Social Media

	<ul style="list-style-type: none"> • Attended MET Spring Green Expo in support of Saddleback College students receiving World Water Forum Grant for Laguna Beach Pocket Park design
Education	<ul style="list-style-type: none"> • Provided information to El Toro Water District on the High School Program Expo • Provided information to City of Anaheim on past Elementary school participation and upcoming year • Provided updated schedule to City of San Clemente for High School Program visits • Attended Katella High School Film Festival to present award MWDOC Voice4Water video contest winner • Attended Estancia High School assembly honoring MWDOC Voice4Water video contest participants • Provided Santa Margarita WD with information on upcoming Elementary school visit and CHOICE program overview • Attended Girl Scouts of Orange County "Breakfast with the New CEO" with Director Schneider • Attended Girl Scouts of Orange County Voice for Girls event • Met with Boy Scouts of America to meet new Development Director and review merit badge objectives <ul style="list-style-type: none"> ◦ Selected and notified 40 winners for the 2018 Poster Contest, voting for the grand prize winners is open from 5/10/2018 to 5/17/2018.
Media Relations	<ul style="list-style-type: none"> • Coordinated and participated in radio segment for Water Awareness Month at Saddleback College with Director Thomas, Director Schneider, and Joe Berg, Director of Water Use Efficiency
Special Projects	<ul style="list-style-type: none"> • Produced and distributed a letter to Orange County elected officials from the OC MET representatives, regarding the MET Decision to support the full California WaterFix • Staffed a two-day State Water Project and Northern California Agriculture Inspection Trip with Director Larry Dick; co-sponsored by Western Municipal Water District Director Don Galleano • Complied with a public records request regarding the April 19, 2018 Water Policy Forum and Dinner. • Made general updates to the MWDOC website • Met with Wyland Foundation, Saddleback Community College, City of Laguna Beach, LBCWD, SCWD, & South Laguna Civic Assoc. for presentation of updated pocket park design & next steps for Laguna Design Review Board • Heather staffed the WACO Planning Meeting and finalized details for the April speaker. Director Dick also attended • Heather coordinated with Tiffany inviting speakers for the May WACO program • Heather and Christina Hernandez sent out reminder emails for and staffed the ISDOC Quarterly Luncheon featuring speaker Neal Kelly, Orange County Registrar of Voters. Christina and Director Finnegan handled registration and check-in

	<ul style="list-style-type: none"> • Heather participated in the interviews for the Executive Assistant position with Maribeth Goldsby and Cathy Harris • Heather staffed the April WACO meeting featuring guest speaker, Brandon Goshi from MET.
Legislative Affairs	<ul style="list-style-type: none"> • Heather attended the ACWA State Legislative Committee meeting in Sacramento. • Heather and Melissa participated in the MET Member Agency Legislative Coordinators meetings. • Heather monitored the Water Affordability Symposium coordinated by the State Water Resources Control Board. • Heather participated in ACWA's Water Shutoffs Working Group focused on SB 998 (Dodd).
Water Summit	<ul style="list-style-type: none"> • Secured sponsorships <ul style="list-style-type: none"> • Luncheon – 1 • Program – 1 • Associate – 2 • Table – 12 • Breakfast – 2 • Exhibitor – 3 • Secured additional speakers: <ul style="list-style-type: none"> • David Rose – SWRCB • Kurt Schwabe – PPIC • Jeff Stephenson – SDCWA • Steve Ritchie – SFPUC • Paul Jones – EMWD • Invited speakers: <ul style="list-style-type: none"> • Deven Upadhyay – MWD • Assemblywoman Laura Friedman • Attended walk-through at Disney Grand Californian venue to finalize event details
Water Policy Forum & Dinner	<ul style="list-style-type: none"> • Coordinated the April 19th Water Policy Forum & Dinner with Keynote Speaker: Karla Nemeth. Approximately 200 in attendance.

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