

**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 10<sup>th</sup> (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.

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Maribeth Goldsby  
Board Secretary