

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

February 7, 2018

At 8:30 a.m. Vice President Finnegan 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. MET Director Linda Ackerman led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Brett R. Barbre\* (arr. at 9:30 am)  
Larry Dick\*  
Joan Finnegan  
Wayne Osborne  
Megan Yoo Schneider  
Sat Tamaribuchi  
Jeffery M. Thomas

**MWDOC STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager (absent)  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Mgr.  
Melissa Baum-Haley, Sr. Water Resource Analyst  
Kevin Hostert, Water Resources Analyst  
Damon Micalizzi, Dir. Of Public Affairs  
Chris Lingad, Water Resources Analyst  
Heather Baez, Government Affairs Manager

\*Also MWDOC MET Directors

**OTHER MWDOC MET DIRECTORS**

Larry McKenney  
Linda Ackerman

**OTHERS PRESENT**

Mark Monin	El Toro Water District
Jose Vergara	El Toro Water District
Fred Adjarian	El Toro Water District
Doug Reinhart	Irvine Ranch Water District
Peer Swan	Irvine Ranch Water District
Paul Weghorst	Irvine Ranch Water District
Don Froelich	Moulton Niguel Water District
Jake Vollebregt	Moulton Niguel Water District
Drew Atwater	Moulton Niguel Water District
Adam Hutchinson	Orange County Water District
John Kennedy	Orange County Water District
Jim Leach	Santa Margarita Water District
Dennis Erdman	South Coast Water District
<u>Al Nederhood</u>	<u>Yorba Linda Water District</u>
<u>Brooke Jones</u>	<u>Yorba Linda Water District</u>
Tammy Hierling	Central Basin Municipal Water District
Kevin Hunt	Central Basin Municipal Water District
Ed Means	Means Consulting
Debbie Cook	
Liz Mendelson-Goossens	San Diego County Water Authority

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

No items were presented.

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

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

No items were distributed.

### **PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

No comments were received.

### **PRESENTATION/DISCUSSION/INFORMATION ITEMS**

#### **CENTRAL BASIN MUNICIPAL WATER DISTRICT LEGISLATIVE PROPOSAL ON METROPOLITAN BOARD GOVERNANCE**

Mr. Kevin Hunt, General Manager of Central Basin Municipal Water District (CBMWD) presented information on CBMWD's proposed alternative and optional methodology for appointing directors to Metropolitan's Board of Directors, noting that such a change would require legislative changes to the Metropolitan Act. His presentation included an overview of CBMWD's service area, MET's current policy and process for retaining the number of Directors, problem or socio-economic impacts of such policy, CBMWD's MET assessed valuation history, and the proposed solution to CBMWD's issues with the current policy. The proposed solution would provide an alternative per-population based method for determining number of Directors allocated, which would not affect existing voting structure and would include a complimentary "either" – "or" option that would provide zero change for other member agencies. Mr. Hunt advised that CBMWD would like the Board's support in this efforts. The Board thanked Mr. Hunt for the presentation and received and filed the information.

### **ACTION ITEMS**

#### **STATE WATER RESOURCES CONTROL BOARD'S PROPOSED RULEMAKING ON WASTEFUL WATER USES**

Sr. Water Resources Analyst, Melissa Baum-Haley, advised that on January 31, 2018, the State Water Resources Control Board (State Board) released another Notice of Proposed Regulatory Action for a Rulemaking to permanently prohibit certain wasteful water uses that were prohibited under the previous drought emergency regulation that expired on November

25, 2017. This notice includes changed text of the proposed regulation to permanently prohibit certain wasteful water uses from the comment period that closed December 26, 2017.

Ms. Baum-Haley further advised that at the February 5, 2018 Planning and Operations Committee meeting, MWDOC staff presented a draft comment letter and as a result of the feedback from the Committee, MWDOC staff is seeking Board approval of the revised comment letter.

Upon MOTION by Director Dick, seconded by Director Yoo Schneider, and carried (6-0), the Board approved sending the comment letter as revised by the Planning & Operations Committee to the State Water Resources Control Board. Directors Dick, Finnegan, Osborne, Yoo Schneider, Tamaribuchi & Thomas voted in favor; Director Barbre was absent.

## **PRESENTATION/DISCUSSION/INFORMATION ITEMS**

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

Director McKenney highlighted his activities with the MET Water Planning & Stewardship, and Conservation and Local Resources Committees. He also noted that the California WaterFix continues to be a main topic of discussion, and that the MET Board received an update from the consultant hired to review the Ethics office, noting the official report had not yet been released.

Director Ackerman concurred with Mr. McKenney's report.

Director Dick highlighted MET's California WaterFix activities.

Discussion ensued regarding the Local Resources Program, the WaterFix, MET water supply storage options/conditions, and the importance of filling the groundwater basins.

### **UPDATE ON THE CALIFORNIA WATER COMMISSION ACTIVITIES**

Legal Counsel Joe Byrne provided an overview of the California Water Commission's activities, highlighting its review of the Water Bond, noting that \$2.7 billion dollars to be used for public benefit (ecosystem, flood control, water quality, recreation, etc.), and that 50% of the funds need to be allocated to ecosystem benefits. The Board received and filed the report.

### **METROPOLITAN'S 2017 YEAR-IN-REVIEW VIDEO**

The Board and audience viewed MET's 2017 Year-In-Review video.

(President Barbre arrived at 9:30 a.m.)

### **METROPOLITAN'S PROPOSED BIENNIAL BUDGET SCHEDULE FOR FISCAL YEARS 2018/19 AND 2019/20**

Associate General Manager, Harvey De La Torre, advised that MET has begun their two-year budget process, which covers fiscal years 2018/19 and 2019/20, and is set to adopt both

budgets (as well as the corresponding rates and charges) in late spring. It was noted that staff has invited Mr. Gary Breaux (MET Chief Financial Officer) to attend the March 7, 2018 Workshop Board meeting to present the draft biennial budget.

Following discussion regarding the Cyclic Storage Program, 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 January 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.

### **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