

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
April 17, 2019, 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>.

NEXT RESOLUTION NO. 2081

CONSENT CALENDAR (Items 1 to 6)

(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. March 6, 2019 Workshop Board Meeting
- b. March 20, 2019 Regular Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee Meeting: March 4, 2019
- b. Administration & Finance Committee Meeting: March 13, 2019
- c. Public Affairs & Legislation Committee Meeting: March 18, 2019
- d. Executive Committee Meeting: March 21, 2019

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of March 31, 2019
- b. MWDOC Disbursement Registers (March/April)

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of February 28, 2019
- 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 February 28, 2019

Recommendation: Receive and file as presented.

5. DEVELOPMENT OF A HYDRAULIC MODEL FOR THE REGIONAL PIPELINE SYSTEM IN ORANGE COUNTY – INVESTIGATION PHASE

Recommendation: Authorize the General Manager to enter into a professional services agreement with Black & Veatch Corporation to complete an Investigation Phase of work and provide recommendations for development of a Hydraulic Model for the regional pipeline system in Orange County, at a cost not to exceed \$83,420 (acknowledging comments in letter received from Irvine Ranch Water District; letter is attached to write up).

6. AMENDMENT TO ADMINISTRATIVE CODE

Recommendation: Approve revision to Section 2201 (Level of Expenses and Expense Reimbursement Rates).

End Consent Calendar**ACTION ITEMS****7-1 PUBLIC HEARING RE ADOPTION OF ORDINANCE NO. 54 SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 47 REGARDING COMPENSATION FOR DIRECTORS
ORD. NO. 54**

Recommendation: (a) Open the hearing (as noticed) on the proposed Ordinance No. 54 to receive input from the public; (b) consider said input on the Ordinance; and (c) adopt Ordinance No. 54, in the general form presented, with amendments if necessary.

7-2 ADOPT BUDGET FOR FISCAL YEAR 2019-20**RES. NO. _____**

Recommendation: Adopt a resolution approving the final MWDOC budget for fiscal year 2019-20. The fourth draft budget (included in the packet) includes changes recommended by the Administration & Finance (A&F) Committee with the proviso they be discussed at the Board meeting. Several Board decisions are necessary to move the budget from fourth draft to final budget.

7-3 PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2019-20**RES. NO. _____**

Recommendation: (1) Increase the MWDOC Retail Meter Charge from \$12.25 to \$12.40 per meter, and the Groundwater Customer Charge from \$499,012 to \$629,248, effective July 1, 2019; and (2) Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2019 and January 1, 2020 as identified in the Water Rate Resolution for Fiscal Year 2019-20.

7-4 AUTHORIZATION TO VOTE ON BEHALF OF MWDOC IN THE ACWA JPIA EXECUTIVE COMMITTEE ELECTION

Recommendation: Authorize MWDOC Board President Brett Barbre or his designee to cast the District's ballot for the ACWA JPIA Executive Committee at ACWA's Spring Conference on May 6, 2019.

7-5 AB 217 (E. GARCIA) – SAFE DRINKING WATER FOR ALL ACT

Recommendation: Adopt an oppose unless amended position on AB 217 (E. Garcia). The recommended amendments would be the removal of the Safe and Affordable Drinking Water Fee language.

7-6 AUTHORIZATION TO CONTRACT FOR MWDOC WATER EDUCATION SCHOOL PROGRAMS

Recommendation: Authorize entering into a two-year contract with one-year option to extend with Building Block Entertainment, Inc. (Shows That Teach), Discovery Cube of Orange County (DC), and Bolsa Chica Conservancy (BCC) to provide the Municipal Water District of Orange County's (MWDOC) Water Education School Programs in grades K-12 beginning in the 2019-2020 school year.

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

8. GENERAL MANAGER'S REPORT, APRIL 2019 (ORAL AND WRITTEN)

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

9. 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**

March 6, 2019

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. Director Finnegan led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre*
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
Joe Byrne, Legal Counsel
Maribeth Goldsby, Secretary
Harvey De La Torre, Associate General Manager
Melissa Baum-Haley, Sr. Water Resource Analyst
Kevin Hostert, Water Resources Analyst
Joe Berg, Dir. of Water Use Efficiency
Charles Busslinger, Principal Engineer
Damon Micalizzi, Director of Public Affairs
Chris Lingad, Water Resources Analyst

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman

OTHERS PRESENT

Mark Monin
Kathryn Freshley
Jose Vergara
Mike Dunbar
Doug Reinhart
Peer Swan
Paul Weghorst
Jim Atkinson
Kelly Rowe
Mike Markus
John Kennedy
Adam Hutchinson
Dan Ferons
Rick Shintaku
Brooke Jones
Ed Means
Deven Upadhyay
Kristy Khachigian

El Toro Water District
El Toro Water District
El Toro Water District
Emerald Bay Service District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water
Orange County Water District
Orange County Water District
Orange County Water District
Orange County Water District
Santa Margarita Water District
South Coast Water District
Yorba Linda Water District
Means Consulting
Metropolitan Water District of So. Calif.
Kristy Khachigian Consulting

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

No public comments were received.

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.

It was noted that the presentation materials were distributed to the Board and made available to the public.

PRESENTATION/DISCUSSION/INFORMATION ITEMS**INPUT OR QUESTIONS ON MET ISSUES FROM THE MEMBER AGENCIES/MET DIRECTOR REPORTS REGARDING MET COMMITTEE PARTICIPATION**

Director McKenney highlighted MET's \$21 million contract regarding the Greg Avenue Pump Station, changes to the Landscape Transformation Program rebate (\$2/square foot), the authorized purchase of 732 acres in Palo Verde, and the induction of three new MET Directors. Director McKenney also reported on California WaterFix activities and the Colorado River Drought Contingency Plan.

Director Ackerman reported on the authorization to participate in the Sites Reservoir Work Plan.

Director Dick commented on the WaterFix (good) and the proposed water tax (bad).

Director Barbre highlighted the California WaterFix and the need to continue to support the two-tunnel construction. Responding to Director Barbre, representatives from Mesa Water, Yorba Linda Water District, Orange County Water District, El Toro Water District, and Irvine Ranch Water District all expressed support for the twin tunnel project.

Mr. Deven Upadhyay (MET) advised that upon review of the environmental analysis, the twin tunnels make the most sense.

Considerable discussion ensued regarding the WaterFix, the differences between a single and two-tunnel system, and the importance of the WaterFix and its effect on California's water reliability.

PRESENTATION REGARDING THE REGIONAL RECYCLED WATER PROGRAM BY METROPOLITAN STAFF

Mr. Deven Upadhyay of MET provided an overview of the Regional Recycled Water Program, noting that it is a collaboration between MET and the Sanitation Districts of Los Angeles County, it is the development of a new water resource which will allow up to 150 mgd in deliveries to MET's member agencies, it will allow recharge and storage into groundwater basins, and will increase regional storage reserves and reliability. Mr. Upadhyay also reviewed the work that has been authorized/completed to date, the site location, an overview of the conceptual planning studies, the importance of a phased implementation, and program costs. He advised that the MET Board will hold workshops this summer, and that staff will be asking for Board approval to start the environmental process and engineering support, and that work will continue on the Demonstration Plant testing.

Considerable discussion ensued regarding Direct Potable Reuse, and associated costs.

Following discussion, the Board received and filed the report.

WATER SUPPLY UPDATE

MWDOC Water Resources Analyst, Kevin Hostert, provided a presentation on the U.S. drought monitor, climate outlook, local precipitation statistics, northern California Accumulated precipitation, storage level data throughout the state, the State Water Project Table A allocations (currently at 35%), and MET estimated storage levels.

The Board received and filed the report as presented.

CALIFORNIA WATERFIX ACTIVITIES UPDATE

No additional information was discussed; the Board received and filed the staff 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 February MET Board Meetings
- b. Review items of significance for the upcoming MET Board and Committee Agendas

The Board received and filed the information.

ADJOURNMENT

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

Maribeth Goldsby
Board Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
March 20, 2019**

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 Osborne led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

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
Jeff Stalvey, Sr. Financial Analyst/Database Analyst
Tiffany Baca, Public Affairs Manager
Sarah Wilson, Public Affairs Specialist
Chris Lingad, Water Resources Analyst
Janine Schunk, Administrative Assistant

ALSO PRESENT

Linda Ackerman
Larry McKenney
Peer Swan
Jim Atkinson
Kelly Rowe
Dennis Erdman
Rick Shintaku
Wayne Miller
Brooke Jones
Laer Pearce
Ronald Mawhinney

MWDOC MET Director
MWDOC MET Director
Irvine Ranch Water District
Mesa Water
Orange County Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Laer Pearce & Associates

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 public 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.

It was noted that Item 8-5 (Sole Source Contract for Brown and Caldwell to Develop Information Relative to Small Non-Compliant California Drinking Water Systems) was revised to reflect the Committee recommendation, distributed to the Board, and made available to the public.

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.

President Barbre advised that the minutes from the February 6, 2019 Workshop Board meeting were revised to reflect that Kristy Khachigian (an attendee) was there on behalf of Kristy Khachigian Consulting rather than San Diego County Water Authority; her affiliation was revised.

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

MINUTES

The following minutes were approved.

February 6, 2019 Workshop Board Meeting (as revised)
February 20, 2019 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: February 4, 2019
Administration & Finance Committee Meeting: February 13, 2019
Public Affairs & Legislation Committee Meeting: February 19, 2019
Executive Committee Meeting: February 21, 2019

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of February 28, 2019
MWDOC Disbursement Registers (February/March)

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 January 31, 2019

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 January 31, 2019

METROPOLITAN FUTURE SUPPLY ACTIONS PROGRAM FUNDING AGREEMENTS

The Board authorized the General Manager to enter into (1) a not-to-exceed \$205,754 funding agreement with Metropolitan Water District of Southern California under the Future Supply Actions Funding Program for the “Smart Watershed Network” and (2) a complementary not-to-exceed \$205,754 funding agreement between MWDOC and Moulton Niguel Water District.

AUTHORIZE THE GENERAL MANAGER TO ENTER INTO A CONTRACT TO PROVIDE ASSISTANCE TO WEROC PROGRAM

The Board authorized the General Manager to enter into a contract with Athena EHS Consulting, LLC in an amount not to exceed \$25,000 for WEROC Program assistance

AUTHORIZE ATTENDANCE AT CALIFORNIA WATER ENVIRONMENT ASSOCIATION ANNUAL CONFERENCE, PALM SPRINGS, APRIL 9-12, 2019

The Board authorized attendance at the California Water Environment Association Annual Conference, April 9-12, 2019 in Palm Springs, California.

- END CONSENT CALENDAR -

ACTION CALENDAR

AMENDMENTS TO ADMINISTRATIVE CODE

President Barbre suggested that because the Committee had requested additional information from Legal Counsel, it would be prudent to refer this item back to the Administration & Finance Committee for further review.

The Board generally concurred and this item was referred to the April 10, 2019 Administration & Finance Committee for further review.

SB 307 – WATER CONVEYANCE: USE OF FACILITY WITH UNUSED CAPACITY

Mr. Ronald Mawhinney and Mr. Laer Pearce each addressed the Board in support of the Cadiz Project. Mr. Pearce distributed a letter from Aquilogic, Inc. regarding the report of the

independent peer review panel for the Groundwater Monitoring, Management, and Mitigation Plan (GMMMP) for the Cadiz Project and he encouraged the Board to oppose SB 307.

Upon MOTION by Director Thomas, seconded by Director Dick, and carried (5-0), the Board adopted an oppose position on SB 307 (Roth). Directors Barbre, Dick, Osborne, Tamaribuchi, and Thomas voted in favor; Directors Finnegan and Yoo Schneider were absent.

Director Tamaribuchi clarified that this action indicates the Board's opposition to the proposed legislation and does not indicate the Board's support/non-support of the Cadiz Project.

SB 669 (CABALLERO) – SAFE DRINKING WATER FUND

Upon MOTION by Director Dick, seconded by Director Osborne, and carried (5-0), the Board adopted a support position on SB 669 (Caballero). Directors Barbre, Dick, Osborne, Tamaribuchi, and Thomas voted in favor; Directors Finnegan and Yoo Schneider were absent.

SB 414 (CABALLERO) – THE SMALL SYSTEM WATER AUTHORITY ACT OF 2019

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (5-0), the Board adopted a support position on SB 414 (Caballero) – the Small System Water Authority Act of 2019. Directors Barbre, Dick, Osborne, Tamaribuchi, and Thomas voted in favor; Directors Finnegan and Yoo Schneider were absent.

SOLE SOURCE CONTRACT FOR BROWN AND CALDWELL TO DEVELOP INFORMATION RELATIVE TO SMALL NON-COMPLIANT CALIFORNIA DRINKING WATER SYSTEMS

Assistant General Manager reviewed the staff response to the various questions raised by the Public Affairs & Legislation Committee (e.g., ownership of the database-CUWA will be the owner of their database, but will share portions for the MWDOC study, and MWDOC will own its database (to share with others), funding assistance, the cost of the study-\$141,772, and whether any intellectual property will be maintained by MWDOC-none is anticipated).

Following discussion, and upon MOTION by Director Dick, seconded by Director Tamaribuchi, and carried (5-0), the Board authorized the General Manager to enter into a contract with Brown and Caldwell to complete the scope of work as presented, at a cost not to exceed \$141,772, and directed staff to solicit funding assistance from agencies within and outside of Orange County to help support the cost. Directors Barbre, Dick, Osborne, Tamaribuchi, and Thomas voted in favor; Directors Finnegan and Yoo Schneider were absent.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2020-2022 BOARD OF DIRECTORS, CALL FOR NOMINATIONS – SOUTHERN CALIFORNIA NETWORK REGION, SEAT B

President Barbre stated that no MWDOC Directors expressed a desire to be nominated to the CSDA Board of Directors, Seat B; as a result, no action was taken.

AB 533 (HOLDEN) – INCOME TAX EXCLUSION, WATER CONSERVATION OR EFFICIENCY PROGRAMS

Upon MOTION by Director Dick, seconded by Director Osborne, and carried (5-0), the Board adopted a support position on AB 533 (Holden). Directors Barbre, Dick, Osborne, Tamaribuchi, and Thomas voted in favor; Directors Finnegan and Yoo Schneider were absent.

AB 1194 (FRAZIER) – SACRAMENTO-SAN JOAQUIN DELTA: DELTA STEWARDSHIP COUNCIL

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (5-0), the Board adopted an oppose position on AB 1194 (Frazier). Directors Barbre, Dick, Osborne, Tamaribuchi, and Thomas voted in favor; Directors Finnegan and Yoo Schneider were absent.

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, MARCH 2019**

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

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 regularly scheduled MWDOC meetings, (Planning & Operations, Administration & Finance, Public Affairs & Legislation and Executive Committee meetings, as well as the Workshop and Regular Board meetings). He also attended the Urban Water Institute Conference and the Santa Margarita Water District Board meeting (along with General Manager Hunter).

Director Tamaribuchi reported on attending all 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 Water Policy dinner, a meeting with the State Water Resources Control Board Deputy Director, the Urban Water Institute Conference, a meeting with staff regarding the IRP, the OCBC combined Infrastructure and Government Affairs meeting, the California Environmental Dialogue meeting, and the Moulton Niguel Water District reception for MET Chairwoman Gray.

Director Osborne advised that he attended the Workshop Board meeting, and the Administration & Finance and Public Affairs & Legislation Committee meetings.

Director Dick reported on attending all regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation and Executive Committee meetings, as well as the Workshop and Regular Board meetings), as well as the Urban Water Institute Conference, the ISDOC Executive Committee, the Garden Grove Chamber of Commerce meeting, the WACO meeting, and the Water Policy dinner.

Director Barbre advised that he submitted a written report to Secretary Goldsby. He noted that the written report included the following meetings in his capacity as MET Director: the Water Policy dinner, the MNWD reception for Chairwoman Gray, the MWDOC/MET Director pre-MET Executive Committee meeting (late), the MET Committee day (late), the MWDOC MET Director caucus (early), the MET Caucus (Inland Empire), a meeting with Jenn Lowe regarding ACCOC water issues, the MET Committee and Board days (early), a meeting with Scott Maloni regarding Poseidon LRP issues, and a meeting with Brian Lochrie regarding MET LRP issues. In his capacity as MWDOC Director he attended the following meetings: the Planning & Operations, Administration & Finance, Public Affairs & Legislation Committee, and the Executive Committee meetings, as well as the Workshop Board meeting, a meeting with Michael Quigley (CAL Alliance for Jobs), a meeting with OCWD President Sarmiento, and the Yorba Linda Planning Commission tour of Diemer Filtration Plant.

b. REQUESTS FOR FUTURE AGENDA TOPICS

No requests for future agenda topics were received.

CLOSED SESSION ITEMS

At 8:57 a.m., Legal Counsel Byrne announced that the Board would adjourn to closed session to conduct the performance evaluation of the General Manager, pursuant to Government Code 54957.

RECONVENE

At 9:27 a.m., the Board reconvened and President Barbre announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 9:28 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
PLANNING & OPERATIONS COMMITTEE
March 4, 2019 – 8:30 a.m. to 9:30 a.m.
Conference Room 101

P&O Committee:

Director Megan Yoo Schneider
Director Sat Tamaribuchi
Director Larry Dick

Staff:

Rob Hunter, Karl Seckel, Joe Berg,
Katie Davanaugh, Harvey DeLaTorre,
Charles Busslinger, Melissa Baum Haley,
Francisco Soto, Damon Micalizzi,
Heather Baez, Chris Lingad, Tiffany Baca,
Kevin Hostert, Kelly Hubbard

Also Present:

Director Joan Finnegan
Director Brett Barbre
Director Jeff Thomas
MWDOC MET Director Larry McKenney
Peer Swan, Irvine Ranch Water district
Paul Weghorst, Irvine Ranch Water district
Kathryn Freshley, El Toro Water District
Jose Vergara, El Toro Water District
Adam Hutchinson, OCWD
Peer Swan, Irvine Ranch Water District

Director Yoo Schneider chaired the meeting and called it to order at 8:30 a.m.

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

No items were distributed.

INFORMATION ITEMS

WEROC JANUARY 2019 DISASTER EXERCISE AFTER ACTION REPORT

Francisco Soto provided an overview of activities pertaining to the county-wide Orange Crush exercise held on January 30, 2019 and the planning meetings leading up to the exercise. He provided a summary of participating agencies, a review of training events in preparation of this exercise, simulated event description, and a summary of lessons

learned. All of this information was provided in the written staff report.

Kelly Hubbard then provided additional detail on the successes of the exercise as well as lessons learned. She noted that continued discussion on water quality need to be held and that proactive actions developed so that the Division of Drinking Water can appropriately notify the public in the event of a “boil water notice”. Additionally, there is a need for a local, centralized water testing lab in the Orange County region that could be used in the event of an emergency (the only certified State lab is located in Richmond). Other items reviewed were financial preparedness (cash flow, emergency funds, purchasing authority).

MWDOC staff will continue outreach efforts to member agencies to encourage participation.

REPORT ON POSEIDON UPDATE AT THE SANTA ANA REGIONAL WATER QUALITY CONTROL BOARD MEETING ON FEBRUARY 8, 2019

Karl Seckel provided a review of items discussed at the February 8th meeting.

REPORT ON SECOND LOWER FEEDER SHUTDOWN POTENTIALLY IMPACTING LA PALMA AND GOLDEN STATE WATER COMPANY

Karl Seckel noted that MET will be shutting down the 2nd lower cross feeder for 6 month period March-September 2019. He reviewed MWDOC’s role is assisting member agencies during the shutdown as well as planned improvements to be made. A map of the area to be worked on was reviewed. MWDOC staff will continue to work with member agencies impacted, including La Palma, Golden State and Buena Park to facilitate any challenges that may be foreseen or may be encountered.

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 reports were received and filed.

REVIEW OF ISSUES RELATED TO CONSTRUCTION PROGRAMS, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, DISTRICT FACILITIES, AND MEMBER-AGENCY RELATIONS

No information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:30 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**

March 13, 2019 – 8:30 a.m. to 10:45 a.m.

MWDOC Conference Room 101

Committee Members:
Director Jeff Thomas, Chair
Director Joan Finnegan
Director Wayne Osborne

Staff:
Robert Hunter, Karl Seckel, Cathy Harris, s
Katie Davanaugh, Hilary Chumpitazi,
Joe Berg, Damon Micalizzi, Heather Baez,
Maribeth Goldsby, Harvey DeLaTorre,
Charles Busslinger, Sarah Wilson, Tiffany Baca

Ex Officio Member: Director Barbre

Also Present:
Director Sat Tamaribuchi
Director Brett Barbre
Director Megan Yoo Schneider
Director Larry Dick
Linda Ackerman, MWDOC MET Director
Larry McKenney, MWDOC MET Director
Peer Swan, Irvine Ranch Water District
Jim Atkinson, Mesa Water
Jose Vergara, El Toro Water District
Marwan Khalifa, Mesa Water
Mark Monin, El Toro Water District
Randy Fick, Orange County Water District

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

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

No items were distributed.

PROPOSED BOARD CONSENT CALENDAR ITEMS

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – February 2019
- b. Disbursement Approval Report for the month of March 2019
- c. Disbursement Ratification Report for the month of February 2019
- d. GM Approved Disbursement Report for the month of February 2019

- e. Water Use Efficiency Projects Cash Flow – February 28, 2019
- f. Consolidated Summary of Cash and Investment – January 2019
- g. OPEB and Pension Trust Fund monthly statement

Following review of the disbursement reports, upon MOTION by Director Finnegan, seconded by Director Osborne and carried (3-0), the Committee recommended the Treasurer's Report for approval at the March 20, 2019 Board meeting. Directors Finnegan, Osborne, and Thomas voted in favor.

FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period ending January 31, 2019

Upon MOTION by Director Osborne, seconded by Director Finnegan, and carried (3-0), the Committee recommended the Financial Report for approval at the March 20, 2019 Board meeting. Directors Finnegan, Osborne, and Thomas voted in favor.

ACTION ITEMS

METROPOLITAN FUTURE SUPPLY ACTIONS PROGRAM FUNDING AGREEMENTS

Upon MOTION by Director Osborne, seconded by Director Finnegan and carried (3-0), the Committee recommended approval of the Metropolitan Future Supply Actions Program Funding agreements at the March 20, 2019 Board meeting. Directors Finnegan, Osborne, and Thomas voted in favor.

AUTHORIZE THE GENRRAL MANAGER TO ENTER INTO A CONTRACT TO PROVIDE ASSISTANCE TO WEROC PROGRAM

Discussion was held on the high turn-over for WEROC staffing and the challenges of keeping long-term staff. Mr. Hunter responded that the slim job market for this type of position makes it challenging, at times, to keep the WEROC Specialist position filled and that due to the size of the program, career advancement opportunities are somewhat limited.

Upon MOTION by Director Thomas, seconded by Director Finnegan and carried (3-0), the Committee recommended approval of the Contract to provide assistance to the WEROC Program at the March 20, 2019 Board meeting. Directors Finnegan, Osborne, and Thomas voted in favor.

AMENDMENTS TO ADMINISTRATIVE CODE

The Committee reviewed staff recommendations on revisions to the Administrative Code, as outlined in the staff report, and the Committee concurred with the change to Section 2201 (Level of Expenses and Expense Reimbursement Rates), however held considerable discussion on the addition of the Incompatible Office section. Committee requested staff confer with Legal Counsel to determine whether the incompatible office provision could or should extend to agencies outside of MWDOC's service area (e.g., other MET member agencies). This item will be presented to the Board for consideration on March 20, 2019.

**AUTHORIZE ATTENDANCE AT CALIFORNIA WATER ENVIRONMENT
ASSOCIATION ANNUAL CONFERENCE, PALM SPRINGS, APRIL 9-12, 2019**

Upon MOTION by Director Thomas, seconded by Director Osborne and carried (3-0), the Committee recommended approving attendance at the California Water Environment Association Annual Conference, Palm Springs, April 9-12, 2019. Directors Finnegan, Osborne, and Thomas voted in favor.

It was noted that Director Megan Yoo Schneider participates in this organization.

DISCUSSION ITEMS

FY 2019-20 SECOND DRAFT BUDGET

Mr. Hunter provided a presentation that reviewed the pertinent aspects of the 2nd draft budget, as outlined in the staff report, including an increase to the per retail meter charge, a planned draw on reserves, the proposed 7% salary pool contribution, increase in staffing, building improvements, and others. The presentation included a budget schedule, proposed increases to full time staff, reserve balance and budget target numbers, changes from the 1st draft, memberships and conferences, core expense percentages by line item, a review of core and choice revenue and expenses, and the compensation pool.

Discussion was held on the additional staff resources for the leak detection program that are proposed to be offered during the next fiscal year, noting that staff continues to work out the details of that program.

Considerable discussion was held on whether the District should consider re-allocating the additional staff member that is being proposed for Bay Delta activities towards Governmental Affairs activities, and whether it would be a better use of resources. Director Barbre expressed support for additional assistance within the Governmental Affairs Department; Directors Dick and Osborne supported more focus on Metropolitan Water District matters, rather than Bay Delta specifically. Additional discussion will be held to develop the job description and job responsibilities for the additional full-time staff position.

(9:45 Director Osborne departed the meeting, and Director Barbre sat on the Committee)

The Committee reviewed the budget comment letters received from Irvine Ranch Water District as well as Orange County Water District. Mr. Hunter referenced the recent rate study that was completed, noting that the rate increase was based, in part, on the rate study as well as percentages of water purchases made over the past year.

The Committee went on to review the membership and conferences exhibit, and held considerable discussion on the AMWA and CCEEB membership and whether they still provide value to MWDOC. Discussion was also held on ACCOC travel and registration costs, which appeared to be listed higher in the staff write up, which staff will review and confirm. It was noted that additional discussion will be held prior to the budget approval, before making a decision on membership.

INFORMATION ITEMS

**PUBLIC HEARING DATE SCHEDULED FOR APRIL 17, 2019 RE ORDINANCE
SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 47 REGARDING
COMPENSAITON FOR DIRECTORS**

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

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

The Committee received and filed the informational reports.

OTHER ITEMS

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

It was noted that the Elected Official's meeting will be held on April 4th and that this meeting will be held once a year.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:45 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

March 18, 2019 – 8:30 a.m. to 10:56 a.m.

MWDOC Conference Room 101

Committee:

Director Dick, Chairman
Director Thomas
Director Osborne

Staff: R. Hunter, K. Seckel, H. Baez,
D. Micalizzi, M. Goldsby, J. Berg,
M. Baum-Haley, B. Roberto, S. Wilson,
H. De La Torre, T. Baca

Also Present:

Director Barbre
Director Tamaribuchi
Linda Ackerman, MWDOC MET Director
Larry McKenney, MWDOC MET Director
Syrus Devers, BB&K, (via teleconference)
Dick Ackerman, Ackerman Consulting
Jim Barker, (via teleconference)
Nick Crockett (via teleconference with
Jim Barker)
Peer Swan, IRWD
Mike Gaskins, ETWD
Tim Kerns, Hashtag PinPoint
Jim Atkinson, Mesa Water
Paul Jones, Eastern Municipal Water
District

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

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

No items were distributed.

DISCUSSION ITEMS

LEGISLATIVE ACTIVITIES

a. Federal Legislative Report (Barker)

Mr. Jim Barker reviewed his written report included in the packet. He highlighted HR 1429 (Maxine Waters) the SCWD Doheny Desalination Project and the MWDOC DC Luncheon. He commented on President Trump's veto rejecting a measure that would reverse the national emergency he declared on the southern border. Mr. Barker also covered the

annual budget recommendations for 2020.

b. State Legislative Report (BBK)

Syrus Devers reviewed his written report included in the packet. Mr. Devers highlighted the lobbying effects on the water tax, AB 217 and SB 669. He referenced a report by Las Virgenes Water District regarding costs associated with the water tax; the Committee requested copies of that report when complete.

Considerable discussion ensued regarding the tax and Director Dick requested that Mr. Devers check with ACWA to see if they have collected information regarding the cost of the water tax.

c. County Legislative Report (Lewis)

Senator John Lewis' report was received and filed.

d. Legal and Regulatory Report (Ackerman)

Senator Dick Ackerman reviewed his written report included in the packet. He highlighted that Big Bear is now holding controlled burns. He also mentioned the fact that even with all of the rain, the city of Santa Barbara is still in a drought situation.

The Committee received and filed the report.

e. MWDOC Legislative Matrix

The Legislative Matrix was received and filed.

f. Metropolitan Legislative Matrix

The Metropolitan Legislative Matrix was received and filed.

**SOUTHERN CALIFORNIA WATER ISSUES CONGRESSIONAL DELEGATION
BRIEFING LUNCHEON (DC)**

Government Affairs Manager Heather Baez reported that this luncheon was well attended and well received.

This report was received and filed.

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT – RULE 1403:
ASBESTOS EMISSION FROM DEMOLITION/RENOVATION ACTIVITIES**

Government Affairs Manager Heather Baez clarified that the report was to explain the proposed rule change, where it was and where it is now. She noted that Mesa Water has taken the lead on this project with the assistance of other agencies, as well as, Charles Busslinger assisting MWDOC with his engineering and public works background.

It was noted by Director Barbre that it was incorrectly stated on page three of this report that Hashtag Pinpoint retained Yorba Linda Water District as a client. He requested that this be corrected.

This report was received and filed.

ACTION ITEMS**SB 307 (ROTH) – WATER CONVEYANCE: USE OF FACILITY WITH UNUSED CAPACITY**

Upon MOTION by Director Thomas, seconded by Director Osborne, and carried (3-0) the Committee recommended that the Board adopt an oppose position on SB 307 (Roth) on March 20, 2019. Directors Dick, Osborne and Thomas voted in favor.

SB 669 (CABALLERO) – SAFE DRINKING WATER FUND

Upon MOTION by Director Osborne, seconded by Director Thomas, and carried (3-0) the Committee recommended that the Board adopt a support position on SB 669 (Caballero) on March 20, 2019. Directors Dick, Osborne and Thomas voted in favor.

SB 414 (CABALLERO) – THE SMALL SYSTEM WATER AUTHORITY ACT

Mr. Paul Jones, General Manager of Eastern Municipal Water District presented an overview of SB 414.

Mr. Jones requested that MWDOC provide letters of support for SB 414 and SB 669 in advance of the hearings (no later than March 19, 2019). It was noted that the Board would not take action regarding these bills until March 20, and considerable discussion ensued.

General Manager Hunter advised that because these two bills align with AB 2050 (which the Board supported) and is consistent with adopted Policy Principles, it would be acceptable for the General Manager to work with Mr. Devers to draft letters of support by the deadline.

Director Barbre requested that Mr. Devers provide support testimony at the hearings specifically mentioning (1) MWDOC's position of no water tax; (2) SB 414 would create economies of scale; and (3) SB 414 would establish self-sustaining systems.

Upon MOTION by Director Osborne, seconded by Director Thomas and carried (3-0) the Committee recommended that the Board adopt a support position on SB 414 (Caballero) on March 20, 2019, and authorized staff to submit letters of support (on both SB 669 and SB 414). Directors Dick, Osborne and Thomas voted in favor.

SOLE SOURCE CONTRACT FOR BROWN AND CALDWELL TO DEVELOP INFORMATION RELATIVE TO SMALL NON-COMPLIANT CALIFORNIA DRINKING WATER SYSTEMS

Several aspects of this sole source contract were discussed, with Mr. Seckel noting that the cost estimate has not yet been received. The comparison between the study that Eastern Municipal Water District (EMWD) conducted versus what Brown and Caldwell's study would provide were among the topics. The EMWD study focused on the creation of the legislation. Mr. Jones from EMWD stated that Brown and Caldwell have done this work initially and are very up to speed on this issue, as well as, supporting CUWA.

Director Barbre wanted clarification that MWDOC take ownership of the study including any intellectual properties.

Assistant General Manager Karl Seckel stated that a cost would be provided by March 20, 2019 and the information will be pulled together sometime during the summer of 2019.

The Committee asked if staff could solicit funding assistance from agencies within and outside of OC to help support our costs. Mr. Seckel advised that MWDOC would commit to the entire amount and will seek funding partners in such a way that the contract will not be held up or delayed in waiting for other contributions. Staff also confirmed that neither CUWA nor B&C would have a problem with these efforts as long as MWDOC is the only signatory to the contract.

Upon MOTION by Director Thomas, seconded by Director Dick, and carried (3-0) the Committee recommended that Board authorize the General Manager to enter into a contract with Brown and Caldwell to complete the proposed scope of work, depending on the cost estimate, on March 20, 2019. Directors Dick, Osborne and Thomas voted in favor.

CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2020-2022 BOARD OF DIRECTORS CALL FOR NOMINATIONS – SOUTHERN NETWORK REGION, SEAT B

Staff recommended that the Board of Directors discuss and determine if a member of the MWDOC Board of Directors would like to be nominated and run for the CSDA Board of Directors Southern Network, Seat B. No requests to be nominated were received.

The Committee received and filed this report.

AB 533 (HOLDEN) - INCOME TAX EXCLUSION, WATER CONSERVATION OR EFFICIENCY PROGRAMS

Upon MOTION by Director Osborne, seconded by Director Thomas, and carried (3-0) the Committee recommended that the Board adopt a support position on AB 533 (Holden) on March 20, 2019. Directors Dick, Osborne and Thomas voted in favor.

AB 1194 (FRAZIER) – SACRAMENTO SAN JOAQUIN DELTA: DELTA STEWARDSHIP COUNCIL

Upon MOTION by Director Osborne, seconded by Director Thomas, and carried (3-0) the Committee recommended that the Board adopt an oppose position on AB 1194 (Frazier) on March 20, 2019. Directors Dick, Osborne and Thomas voted in favor.

INFORMATION ITEM

MWDOC SOCIAL MEDIA AUDIT

The Committee received and filed the report.

2019 OC Water Summit (May 31, 2019)

The Committee received and filed the report.

EDUCATION PROGRAM UPDATE

The Committee received and filed the report.

PUBLIC AFFAIRS ACTIVITIES REPORT

The Committee received and filed the report.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:56 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
March 21, 2019, 8:30 a.m. to 8:57 a.m.
Conference Room 102

Committee:

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

Staff:

R. Hunter, M. Goldsby

Also Present:

Director Dick
Director Yoo Schneider
Director Tamaribuchi
Jim Fisler, Mesa Water

At 8:30 a.m., President Barbre called the meeting to order. In the absence of Directors Finnegan and Osborne, Directors Dick and Tamaribuchi acted as Committee members.

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. Planning & Operations Committee Meeting

No new items were added to the agenda.

b. Workshop Board Meeting

Although no new items were added to the agenda, the Committee requested that information from MET's recent WaterFix workshop be included in the write up going to the Board meeting.

c. Elected Officials Forum

It was noted that Directors Dick (WaterFix), Thomas (Budget), and Yoo Schneider (Water Tax) would be making the presentations.

d. Administration & Finance Committee meeting

No new items were added to the agenda.

e. Public Affairs & Legislation Committee

No new items were added to the agenda.

f. Executive Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

No discussion was held.

MEMBER AGENCY RELATIONS

Discussion was held regarding the budget and comments (very few) from the member agencies. General Manager Hunter advised that he presented the budget to Mesa Water and addressed the OCWD Board regarding the budget/rates.

GENERAL MANAGER'S REPORTS

No discussion was held.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

Director Jim Fisler (Mesa Water) commented on ISDOC activities relative to a potential new LAFCO dues structure. Discussion ensued regarding the various alternatives for a LAFCO dues structure (including the status quo).

Following discussion regarding a letter sent by MWDOC's legislative advocate Syrus Devers comments submitted on the Budget Trailer Bill Language regarding the water tax, the Committee suggested copies of these types of letters be distributed to the entire Board (not just the PAL Committee members) as a general internal policy.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 8:57 a.m.

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
March 2019**

WATER REVENUES

Date	From	Description	Amount
03/01/19	City of Huntington Beach	January 2019 Water deliveries	696,195.35
03/01/19	City of San Clemente	January 2019 Water deliveries	396,398.74
03/01/19	City of Brea	January 2019 Water deliveries	76,267.65
03/04/19	City of Newport Beach	January 2019 Water deliveries	427,931.95
03/04/19	City of La Palma	January 2019 Water deliveries	4,010.86
03/04/19	City of Garden Grove	January 2019 Water deliveries	28,549.33
03/06/19	Serrano Water District	January 2019 Water deliveries	203,020.92
03/06/19	Laguna Beach County Water District	January 2019 Water deliveries	52,729.03
03/08/19	South Coast Water District	January 2019 Water deliveries	398,146.18
03/08/19	El Toro Water District	January 2019 Water deliveries	290,186.76
03/08/19	City of Buena Park	January 2019 Water deliveries	290,194.44
03/11/19	City of Seal Beach	January 2019 Water deliveries	203,825.65
03/11/19	Santa Margarita Water District	January 2019 Water deliveries	1,207,930.13
03/11/19	Mesa Water	January 2019 Water deliveries	234,792.27
03/14/19	City of La Habra	January 2019 Water deliveries	4,446.66
03/14/19	City of San Juan Capistrano	January 2019 Water deliveries	207,029.80
03/14/19	City of Westminster	January 2019 Water deliveries	24,584.01
03/14/19	City of Orange	January 2019 Water deliveries	34,642.82
03/15/19	East Orange County Water District	January 2019 Water deliveries	239,756.14
03/15/19	Golden State Water Company	January 2019 Water deliveries	129,379.79
03/15/19	Yorba Linda Water District	January 2019 Water deliveries	39,048.17
03/15/19	Moulton Niguel Water District	January 2019 Water deliveries	1,572,726.71
03/15/19	Irvine Ranch Water District	January 2019 Water deliveries	348,325.22
03/25/19	City of Newport Beach	February 2019 Water deliveries	202,496.95
03/28/19	Trabuco Canyon Water District	February 2019 Water deliveries	32,195.37
03/29/19	City of Huntington Beach	February 2019 Water deliveries	436,845.35
03/29/19	City of San Clemente	February 2019 Water deliveries	319,283.79

TOTAL REVENUES **\$ 8,100,940.04**

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
March 2019

MISCELLANEOUS REVENUES

Date	From	Description	Amount
03/04/19	Discovery Science Center	2/21/19 Water Policy dinner	70.00
03/04/19	Metropolitan Water District	2/21/19 Water Policy dinner	850.00
03/29/19	Paypal	ISDOC Registrations	665.07
03/15/19	Stan Sprague	March 2019 Retiree Health insurance	248.77
03/04/19	Pat Meszaros	Mar-Apr 2019 Retiree Health insurance	80.96
03/29/19	Keith Lyon	April 2019 Retiree Health insurance	288.99
03/06/19	US Bank	Credited incorrect account	110.92
03/12/19	ACWA JPIA	RPA Refund	18,374.20
03/29/19	US Bank	March 2019 interest income	18.24
03/04/19	Mesa Water	Dec 2018 - Jan 2019 Smartimer rebate program	284.01
03/19/19	Irvine Ranch Water District	January 2019 Smartimer rebate program	1,289.38
03/15/19	City of Fountain Valley	November 2018 Turf Removal rebate program	111.00
03/25/19	City of Newport Beach	January 2019 Turf Removal rebate program	162.00
03/28/19	Yorba Linda Water District	January 2019 Turf Removal rebate program	211.85
03/19/19	Irvine Ranch Water District	December 2018 Spray to Drip rebate program	75.63
03/18/19	Moulton Niguel Water District	January 2019 Smartimer and Turf Removal rebate program	13,733.46
03/15/19	City of Fountain Valley	January 2019 Turf Removal and Spray to Drip rebate program	222.00
03/19/19	Irvine Ranch Water District	January 2019 Turf Removal and Spray to Drip rebate program	13,109.80
03/04/19	Moulton Niguel Water District	December 2018 Smartimer, Rotating Nozzle and Turf Removal rebate program	28,122.21
03/15/19	City of San Clemente	December 2018 Smartimer and Turf Removal rebate program	274.28
03/15/19	El Toro Water District	January 2019 Smartimer, Rain Barrel and Turf removal rebate program	883.99
03/11/19	Moulton Niguel Water District	Dec 2018 - Jan 2019 So Cal Watersmart rebate program	9,600.00
03/15/19	City of San Clemente	Dec 2018 - Jan 2019 So Cal Watersmart rebate program	1,875.00
03/25/19	Laguna Beach County Water District	January 2019 So Cal Watersmart rebate program	30.00
03/06/19	Bureau of Reclamation	Oct 2018 - Mar 2019 Distribution Leak Detection Equipment Lending Library	6,090.00
03/12/19	City of Orange	Addition to the Choice School program FY 18-19	1,064.49
03/11/19	City of Santa Ana	Water Loss Control technical assistance - WSO, Inc.	4,200.00
03/15/19	City of Anaheim	Water Loss Control technical assistance - WSO, Inc.	2,830.33
03/25/19	City of Newport Beach	Water Loss Control technical assistance - WSO, Inc.	9,372.00
03/28/19	Yorba Linda Water District	Water Loss Control technical assistance - WSO, Inc.	11,872.00
TOTAL MISCELLANEOUS REVENUES			\$ 126,120.58
TOTAL REVENUES			\$ 8,227,060.62


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	ACCO Engineered Systems	
1762289	3/8/19 Air-conditioning repair for server room	688.12
	*** Total ***	688.12
	Richard C. Ackerman	
1221	February 2019 Consulting on legal and regulatory matters	2,250.00
1225	March 2019 Consulting on legal and regulatory matters	1,500.00
	*** Total ***	3,750.00
	Aleshire & Wynder LLP	
50794	March 2019 Legal services	1,430.50
	*** Total ***	1,430.50
	Alta FoodCraft	
51904861	3/1/19 Coffee & tea supplies	239.31
51906365	3/29/19 Coffee & tea supplies	226.85
	*** Total ***	466.16
	Best Best and Krieger LLP	
845032	February 2019 State legislative advocacy services	7,955.07
55401-FEB19	February 2019 Legal services	22,303.37
	*** Total ***	30,258.44
	Blue Watchdog Conservation, Inc.	
1497	2/4/19-3/21/19 Instruction services for Orange County Qualified Water Efficiency Landscape training classes	4,181.57
	*** Total ***	4,181.57
	Boy Scouts of America	
030819	2019 Sponsorship for Soil and Water merit badge	5,000.00
	*** Total ***	5,000.00
	CDM Smith	
90070158	9/22/18-3/23/19 Engineering services for Orange County Water Reliability Investigation	16,640.00
	*** Total ***	16,640.00
	Commercial Door of Orange County, Inc.	
23703	Maintenance for MWDOC's east and west side entrance doors	716.21
	*** Total ***	716.21
	Dudek	
20191074	1/26/19-2/22/19 Planning level reliability for South County interconnection	11,930.00
	*** Total ***	11,930.00

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2019**

Invoice#	Vendor / Description	Amount to Pay
	Hashtag Pinpoint Corporation	
1191	March 2019 Social Media consultation and services	7,917.00
	*** Total ***	7,917.00
	Independent Special Dist of OC	
I-01545281	100 Chinnet plates from Office Solutions for ISDOC meeting	(27.14)
032819-PAYPAL	2/28/19-3/28/19 PayPal receipts for 3/28/19 meeting	665.07
032819REG	3/28/19 ISDOC meeting registration for Director Thomas	17.00
	*** Total ***	654.93
	James C. Barker, P.C.	
105-0319	March 2019 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	Lewis Consulting Group	
2019-119	March 2019 Consulting services	2,312.50
	*** Total ***	2,312.50
	Keith Lyon	
JAN-MAR2019	January-March 2019 Retiree medical premium	406.50
	*** Total ***	406.50
	Edward G. Means III	
MWDOC-1069	March 2019 Consulting on MET issues and guidance to Engineering staff	1,387.76
	*** Total ***	1,387.76
	NDS	
717345	3/15/19 Delivery charges for Board packets	172.01
717501	3/29/19 Delivery charges for Board packets	172.01
	*** Total ***	344.02
	Office Solutions	
I-01541748	3/13/19 Office supplies	101.30
I-01541842	Report covers for Government Affairs briefings	110.85
I-01542192	3/14/19 Office supplies	6.14
I-01544463	5,000 No. 10 envelopes and 2,500 Booklet envelopes	1,130.21
I-01545281	Chinnet plates for ISDOC	27.14
I-01547456	Laminating supplies	262.62
	*** Total ***	1,638.26
	OMB Electrical Engineers, Inc.	
78097	1/2/19-2/22/19 Electrical engineering services for MWDOC office electrical upgrade	2,300.00
	*** Total ***	2,300.00
	County of Orange	
PW190627	FY18-19 Coop agreement for South Orange County Watershed Management Area	7,272.73
	*** Total ***	7,272.73

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Orange County Fast Print, Inc.	
57634	Business card printed for Director Yoo Schneider	58.88
	*** Total ***	58.88
	Orange County Water District	
20076	February 2019 50% share of WACO expense	247.50
20085	February 2019 Postage, shared office & maintenance expense	8,156.94
	*** Total ***	8,404.44
	Patricia Kennedy Inc.	
10798	April 2019 Plant maintenance	214.00
	*** Total ***	214.00
	Raftelis	
11592	February 2019 Water budget evaluation for DWR grant	9,580.00
	*** Total ***	9,580.00
	Resilient Communications	
802294	Hardware for phone server upgrade	9,017.72
	*** Total ***	9,017.72
	Lester A. Rosenberg	
19-08	February 2019 Assistance with HVAC replacement for MWDOC server room and WEROC S. EOC	16,250.00
	*** Total ***	16,250.00
	So. Cal. Water Committee	
1231	7/1/18-6/30/19 Annual membership renewal	1,000.00
	*** Total ***	1,000.00
	Joey C. Soto	
MWDOC#010	February 2019 Grant research and acquisition assistance	2,999.70
	*** Total ***	2,999.70
	Staples Advantage	
8053299344	2/16/19 Office supplies	24.56
	*** Total ***	24.56
	Top Hat Productions	
94945	3/12/19 Lunch for Water Loss Control Workgroup meeting	394.85
	*** Total ***	394.85
	WageWorks, Inc.	
INV1305656	March 2019 Cafeteria plan administration	196.07
	*** Total ***	196.07

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
1525	Water Systems Optimization, Inc. March 2019 Water Loss Control program *** Total ***	6,493.30 6,493.30
APR-JUN2019	Pauline D. Wennerstrom April-June 2019 Retiree medical premium *** Total ***	367.50 367.50
Total Core Expenditures		<hr/> 162,295.72

Choice Expenditures:

1094	Droplet Technologies 2019 Annual license renewal for Turf Removal and Spray to Drip rebate application software *** Total ***	44,372.00 44,372.00
MWDOC-22011	Enterprise Information Systems January-March 2019 Technical support for California Sprinkler Adjustment Notification System program *** Total ***	3,000.00 3,000.00
I-01545681	Office Solutions Binders and dividers for Orange County Qualified Water Efficiency Landscape training classes *** Total ***	620.83 620.83
20085	Orange County Water District February 2019 Postage for Water Use Efficiency rebate programs *** Total ***	82.87 82.87
94937	Top Hat Productions 3/6/19 Lunch for Water Use Efficiency Workgroup meeting *** Total ***	462.68 462.68
Total Choice Expenditures		<hr/> 48,538.38

Other Funds Expenditures:

1002	Athena EHS Consulting, LLC 3/18/19-3/31/19 WEROC Program assistance *** Total ***	1,438.13 1,438.13
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**Municipal Water District of Orange County
Disbursement Approval Report
For the month of April 2019**

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	<i>Day Wireless Systems</i>	
481934	WEROC radio re-installed for Division of Drinking Water	898.21
	*** Total ***	898.21
	<i>Michael Baker International</i>	
1042312	2/4/19-3/3/19 OC Regional Water/Wastewater Multijurisdictional Hazardous Mitigation Plan Update	3,236.89
	*** Total ***	3,236.89
	<i>Water Systems Optimization, Inc.</i>	
1525	March 2019 Water Loss Control program	32,730.00
	*** Total ***	32,730.00
		<hr/>
		38,303.23
		<hr/>
	<i>Total Expenditures</i>	<hr/>
		249,137.33
		<hr/>

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of March 2019**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Core Disbursements:				
138754	3/7/19	SPECTB	Spectrum Business	
		0375210022019	March 2019 Telephone and internet expense	1,099.14
			***Total ***	1,099.14
138755	3/7/19	VERIZO	Verizon Wireless	
		9824822709	February 2019 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
138765	3/15/19	IRONMO	Iron Mountain	
		AMTL176	March 2019 Archived document storage fees	209.70
			***Total ***	209.70
138772	3/15/19	OFFICED	Office Depot, Inc.	
		280942759001/2065164001	2/28/19 Office supplies	215.71
			***Total ***	215.71
138776	3/15/19	SPECTB	Spectrum Business	
		0343564030119	March 2019 Telephone expense for 3 analog fax lines	108.13
			***Total ***	108.13
138779	3/15/19	USBANK	U.S. Bank	
		0403/4140/5443-FEB19	1/23/19-2/22/19 Cal Card charges	23,798.38
			***Total ***	23,798.38
			(See attached sheet for details)	
ACH003845	3/15/19	ACKEEX	Linda Ackerman	
		022819	February 2019 Business expense	81.20
			***Total ***	81.20
ACH003846	3/15/19	BERGJO	Joseph Berg	
		022819	February 2019 Business expense	45.40
			***Total ***	45.40
ACH003849	3/15/19	DAVISR	Rachel Davis	
		022819	February 2019 Business expense	171.19
			***Total ***	171.19
ACH003850	3/15/19	DICKEK	Larry Dick	
		022819	February 2019 Business expense	171.10
			***Total ***	171.10
ACH003851	3/15/19	FINNEG	Joan Finnegan	
		022819	February 2019 Business expense	95.15
			***Total ***	95.15

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of March 2019**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003855	3/15/19	HOSTER 022819	Kevin Hostert February 2019 Business expense ***Total ***	 119.48 119.48
ACH003872	3/15/19	ROBERT 022819	Bryce Roberto February 2019 Business expense ***Total ***	 13.21 13.21
ACH003873	3/15/19	TAMARI 022819	Satoru Tamaribuchi February 2019 Business expense ***Total ***	 174.58 174.58
ACH003874	3/15/19	THOMAS 022819	Jeffery Thomas February 2019 Business expense ***Total ***	 400.96 400.96
ACH003876	3/15/19	WAITER 022819	Rachel Waite February 2019 Business expense ***Total ***	 162.61 162.61
138805	3/29/19	OFFICED 285707420001	Office Depot, Inc. 3/11/19 Office supplies ** *Total ***	 223.94 223.94
138807	3/29/19	STALVE 031319	Jeff Stalvey March 2019 Business expense ***Total ***	 61.67 61.67
ACH003878	3/29/19	BAEZHE 022819	Heather Baez February 2019 Business expense ***Total ***	 289.89 289.89
ACH003879	3/29/19	HALEY 022819	Melissa Baum Haley February 2019 Business expense ***Total ***	 450.18 450.18
ACH003880	3/29/19	BUSSLI 022819	Charles Busslinger February 2019 Business expense ***Total ***	 489.34 489.34
ACH003881	3/29/19	LINGAD 022819	Christopher S. Lingad February 2019 Business expense ***Total ***	 51.31 51.31
ACH003882	3/29/19	DELATO 022819	Harvey De La Torre February 2019 Business expense	 22.40
ACH003883	3/29/19	030819	March 2019 Business expense ***Total ***	 88.34 110.74

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of March 2019**

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003885	3/29/19	HARRIS	Cathleen M. Harris	
		022819	February 2019 Business expense	149.80
			***Total ***	149.80
ACH003886	3/29/19	HUNTER	Robert J. Hunter	
		022819	February 2019 Business expense	147.50
			***Total ***	147.50
ACH003888	3/29/19	RICOHMA	Ricoh USA, Inc.	
		5056038849	December 2018-February 2019 Reproduction costs	1,450.55
			***Total ***	1,450.55
ACH003893	3/29/19	SCHNEI	Megan Yoo Schneider	
		022819	February 2019 Business expense	650.15
			***Total ***	650.15
ACH003896	3/29/19	WAITER	Rachel Waite	
		033119	March 2019 Business expense	69.32
			***Total ***	69.32
ACH003898	3/29/19	WILSON	Sarah C. Wilson	
		022819	February 2019 Business expense	89.76
			***Total ***	89.76
Total Core Disbursements				31,214.12

Choice Disbursements:

138779	3/15/19	USBANK	U.S. Bank	
		4140-FEB19	1/23/19-2/22/19 Cal Card charges	14.95
			***Total ***	14.95
			(See attached sheet for details)	
ACH003849	3/15/19	DAVISR	Rachel Davis	
		022819	February 2019 Business expense	66.71
			***Total ***	66.71
Total Choice Disbursements				81.66

Other Funds Disbursements:

138755	3/7/19	VERIZO	Verizon Wireless	
		9824822709	February 2019 4G Mobile broadband unlimited service	76.02
			***Total ***	76.02

Municipal Water District of Orange County
Disbursement Ratification Report
For the month of March 2019

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
138757	3/15/19	ATTUVEOC 1812-MAR19	AT&T February-March 2019 U-verse internet service for WEROC N. EOC ***Total ***	91.67 91.67
138759	3/15/19	ATTCALN 000012675877 000012675878	AT&T February 2019 WEROC N. & S. EOC telephone expense February 2019 WEROC N. EOC telephone expense ***Total ***	206.17 106.46 312.63
138773	3/15/19	OCWD 20012	Orange County Water District January 2019 Credit for Local Resources program ***Total ***	757,302.97 757,302.97
138779	3/15/19	USBANK 4140-FEB19A	U.S. Bank 1/23/19-2/22/19 Cal Card charges ***Total *** (See attached sheet for details)	1,898.90 1,898.90
138781	3/28/19	DRIPPR S2D2-C-MNT-9067-14275	Spray to Drip Program Nellie Gail Ranch HOA (Laguna Hills)	1,023.46
138782	3/28/19	S2D2-R-IRWD-26925-14285	T. Tackett	303.80
138783	3/28/19	S2D2-R-ETWD-27066-15283	I. Kamarullah	90.00
138784	3/28/19	S2D2-R-IRWD-30236-17303	J. Chou ***Total ***	191.80 1,609.06
138785	3/28/19	TURFRP TR11-C-GSWC-26538-26774	Turf Removal Program City of Placentia	71,333.55
138786	3/28/19	TR12-R-MNT-28080-28004	M. Haeussler	1,016.00
138787	3/28/19	TR12-R-ETWD-28133-28059	T. Muilenburg	2,832.00
138788	3/28/19	TR12-R-ETWD-27066-29071	I. Kamarullah	610.83
138789	3/28/19	TR12-R-IRWD-30236-30158	J. Chou	789.13
138790	3/28/19	TR12-R-MNT-30246-30170	E. Dale	1,312.00
138791	3/28/19	TR12-C-HB-34255-34178	Huntington Landmark ASSN (Huntington Beach)	11,604.00
138792	3/28/19	TR12-R-ETWD-34257-34181	A. Patil	450.20
138793	3/28/19	TR12-R-MESA-35297-35224	T. Durand	1,480.00
138794	3/28/19	TR12-R-MNT-35306-35232	L. Chartier	470.00
138795	3/28/19	TR12-R-MNT-35321-35246	S. Lee	682.00
138796	3/28/19	TR12-R-IRWD-35328-35254	M. Madden	737.00
138797	3/28/19	TR12-R-MNT-35335-35262	J. Maass	796.00
138798	3/28/19	TR12-R-IRWD-35357-35280	D. Miller	551.00
138799	3/28/19	TR12-R-IRWD-36358-35283	M. Kwon	827.00
138800	3/28/19	TR12-R-MNT-36365-35292	K. Hulka	4,834.00
138801	3/28/19	TR12-R-IRWD-35274-35204	D. Lam (Re-issue) ***Total ***	667.14 100,991.85
138806	3/29/19	SANTI1 JAN2019	Santiago Aqueduct Commission January 2019 SAC Pipeline Operation surcharge ***Total ***	2,634.79 2,634.79

**Municipal Water District of Orange County
Disbursement Ratification Report
For the month of March 2019**

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH003894	3/29/19	SANTAM	Santa Margarita Water District	
		JAN2019	January 2019 SCP Pipeline Operation surcharge	19,329.25
			***Total ***	19,329.25
EFT-190329	3/29/19	METWAT	Metropolitan Water District	
		9620	January 2019 Water deliveries	6,467,809.33
			***Total ***	6,467,809.33
Total Other Funds Disbursements				<u>7,352,056.47</u>
Total Disbursements				<u><u>7,383,352.25</u></u>

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: February 22, 2019
Payment Date: March 15, 2019

Date	Description	Amount
<u>Public Affairs</u>		
01/29/19	Meeting to film Public Service Announcement with Robert Wyland in Laguna Beach, CA on Jan. 29, 2019 - Parking fees	\$ 9.50
01/29/19	Meeting to film Public Service Announcement with Robert Wyland in Laguna Beach, CA on Jan. 29, 2019 - Lunch	73.52
01/31/19	2 Storm Glass Weather Predictors for Feb. 21, 2019 Water Policy Dinner speaker gifts	59.98
02/01/19	California Association of Public Information Officials EPIC Award entry in branding category for MWDOC branding	115.00
02/01/19	Ream of drawing paper for Poster Contest entries	18.78
02/04/19	California Association of Public Information Officials EPIC Award entry for Wyland National Mayor's Challenge	115.00
02/04/19	California Association of Public Information Officials EPIC Award entry in Community Event category for Girl Scout Patch program	115.00
02/04/19	Women in Leadership summit in Costa Mesa, CA on Feb. 7, 2019 - Registration for T. Baca	208.95
02/05/19	California Association of Public Information Officials EPIC Award entry in Communication Tools category for MWDOC Communication Plan	140.00
02/08/19	Supplies for Children's Water Festival event	6.59
02/11/19	Supplies for Children's Water Festival event	40.33
02/16/19	Lunch for meeting with designer regarding update of school program education materials	97.89
02/20/19	California Association of Public Information Officials annual membership renewal for D. Micalizzi	225.00
02/21/19	California Association of Public Information Officials EPIC Award entry in Social Media Best Use Overall category for MWDOC social media	140.00
Total		<u>\$ 1,365.54</u>

Cal Card Charges
Statement Date: February 22, 2019
Payment Date: March 15, 2019

Date	Description	Amount
<u>K. Seckel Card</u>		
1/22/2019	Federal Express delivery charges for CDM Smith on Jan. 18, 2019	\$ 19.55
1/22/2019	Lunch for OC MET Managers' meeting	171.32
1/24/2019	12/24/18-1/23/19 Web hosting service for MWDOC website	15.65
1/24/2019	2 Toner cartridges	133.97
1/28/2019	Toner cartridge and drum unit	46.86
1/28/2019	Legislative Activities in Sacramento, CA from Feb. 6-7, 2019 - Airfare for H. Baez	462.97
1/28/2019	Legislative Activities in Sacramento, CA on Feb. 1, 2019 - Airfare for H. Baez	462.97
1/28/2019	State Water Board Workgroup meeting in Sacramento, CA on Feb. 1, 2019 - Airfare for J. Berg	462.97
1/29/2019	Federal Express delivery charges for L. Rosenberg and J. Barker on Jan. 25, 2019	48.42
1/29/2019	Computer supplies	51.94
1/30/2019	State Water Resource Control Board hearing in Sacramento, CA on Feb. 20, 2018 - Partial airfare refund for J. Berg	(180.01)
1/30/2019	Department of Water Resources workshop in Sacramento, CA on May 16, 2018 - Partial airfare refund for J. Berg	(248.98)
1/31/2019	Lunch for OC Emergency Management Organization exercise	280.70
1/31/2019	Breakfast for OC Emergency Management Organization exercise	201.00
1/31/2019	Orange County Business Council Sacramento Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Registration for H. Baez	950.00
1/31/2019	Orange County Business Council Sacramento Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Airfare for H. Baez	357.96
2/2/2019	2/01/19-2/28/19 E-mail service for California Sprinkler Adjustment Notification system	14.95
2/4/2019	ACWA Legislative Symposium in Sacramento, CA on Mar. 6, 2019 - Registration for H. Baez	270.00
2/4/2019	ACWA Legislative Symposium in Sacramento, CA on Mar. 6, 2019 - Registration cancellation fee for M. Baum Haley	50.00
2/4/2019	Lunch for Management Staff meeting	104.57
2/4/2019	Legislative Activities in Sacramento, CA from Feb. 6-7, 2019 - Airfare for M. Baum Haley	529.96
2/5/2019	California Irrigation Institute Annual conference in Sacramento, CA from Feb. 3-5, 2019 - Accommodations for R. Waite	280.90
2/6/2019	Legislative Activities in Sacramento, CA from Feb. 6-7, 2019 - Transportation for H. Baez and M. Baum Haley	39.50
2/6/2019	Carpet cleaning for MWDOC office	800.00
2/7/2019	Legislative Activities in Sacramento, CA from Feb. 6-7, 2019 - Meal for H. Baez and M. Baum Haley	29.88
2/7/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Registration for D. Micalizzi	425.00
2/7/2019	5 Year domain registration for ocwatersmarthomes.com	75.85
2/8/2019	Minute book for MWDOC Board meetings	140.43
2/8/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 26-28, 2019 - Airfare for K. Hubbard	173.96

Cal Card Charges
Statement Date: February 22, 2019
Payment Date: March 15, 2019

Date	Description	Amount
<u>K. Seckel Card</u> (Continued)		
2/8/2019	1 Waste toner container	\$ 37.15
2/11/2019	Food for Staff development meeting	32.50
2/11/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 26-28, 2019 - Registration for K. Hubbard	550.00
2/11/2019	Food for WEROC Quarterly meeting	29.08
2/11/2019	UPS delivery charges for Board packets on Feb. 8, 2019	20.01
2/11/2019	Legislative Activities in Sacramento, CA from Feb. 22, 2019 - Airfare for H. Baez	406.96
2/12/2019	Federal Express delivery charges for Best Best & Krieger on Feb. 8, 2019	18.77
2/12/2019	8 Thomas Guides for WEROC	201.19
2/13/2019	California Public Utilities Commission hearing in Sacramento, CA on Feb. 19, 2019 - Airfare for K. Hubbard	462.97
2/13/2019	ACWA Legislative Symposium in Sacramento, CA on Mar. 6, 2019 - Airfare for H. Baez	529.96
2/14/2019	Lunch for Management Staff meeting	203.09
2/14/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 25-28, 2019 - Registration for J. Berg	545.00
2/14/2019	Brother laser printer with toner cartridge	233.78
2/15/2019	California Association of Public Information Officials conference in Newport Beach, CA from Apr. 8-11, 2019 - Conference registration for T. Baca and EPIC Awards Gala reservation for D. Micalizzi	615.00
2/15/2019	California Association of Public Information Officials conference in Newport Beach, CA from Apr. 8-11, 2019 - Registration for S. Wilson	480.00
2/15/2019	California Water Efficiency Partnership Peer to Peer event in Anaheim, CA from May 15-16, 2019 - Registration for J. Berg, R. Davis, B. Fahl, S. Hedges and R. Waite	1,334.25
2/15/2019	Computer supplies	37.25
2/16/2019	Federal Express delivery charges for Best Best & Krieger on Feb. 12, 2019	16.49
2/16/2019	Sheraton Hotel in Sacramento charged for canceled room	303.24
2/18/2019	UPS delivery charges for Board packets on Feb. 8, 2019	46.29
2/19/2019	Plumbing service for clogged sewer line on Dec. 6, 2018	364.00
2/20/2019	Federal Express delivery charges for Black & Veatch and Hazen and Sawyer on Feb. 18, 2019	38.01
2/20/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Registration for M. Baum Haley	725.00
2/20/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Registration for H. De La Torre	725.00
2/20/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Registration for D. Micalizzi	725.00
2/20/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Registration for H. Baez	725.00

Cal Card Charges
Statement Date: February 22, 2019
Payment Date: March 15, 2019

Date	Description	Amount
<u>K. Seckel Card</u> (Continued)		
2/20/2019	California Special Districts Association Best Practices in Agenda Preparation & Taking Minutes webinar - Registration for T. Dubuque	\$ 49.00
2/20/2019	California Special Districts Association Best Practices in Agenda Preparation & Taking Minutes webinar - Registration for K. Davanaugh	49.00
2/21/2019	Lunch for Managers' meeting	562.99
Total		<u>\$ 16,238.27</u>

1 Refund from Sheraton Hotel received on 3/7/19

Cal Card Charges
Statement Date: February 22, 2019
Payment Date: March 15, 2019

Date	Description	Amount
<u>R. Hunter Card</u>		
1/23/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Registration for Director Thomas	\$ 425.00
1/23/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Registration cancellation fee for Director Yoo Schneider	50.00
1/25/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Accommodations deposit for Director Thomas	188.26
1/25/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Accommodations deposit for Director Tamaribuchi	188.26
1/25/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Accommodations deposit for D. Micalizzi	188.26
1/28/2019	City of Buena Park State of the City lunch meeting in Buena Park, CA on Feb. 6, 2109 - Registration for Director Barbre	30.00
1/29/2018	Association of California Cities Orange County Washington DC Federal Advocacy trip in Washington, DC from Jan. 27-29, 2019 - Accommodations for Director Tamaribuchi	526.48
1/31/2019	Association of California Cities Orange County Washington DC Federal Advocacy trip in Washington, DC from Jan. 27-30, 2019 - Accommodations for Director Barbre	1,704.89 1
1/31/2019	Orange County Business Council Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Airfare for Director Yoo Schneider	151.96
2/5/2019	Legislative activities in Sacramento, CA on Feb. 26, 2019 - Airfare for Director Tamaribuchi	256.97
2/12/2019	ACWA DC conference in Washington, DC from Feb. 26-28, 2019 - Airfare for Director Yoo Schneider	785.40 2
2/13/2019	ACWA DC conference in Washington, DC from Feb. 26-28, 2019 - Registration for Director Yoo Schneider	715.00
2/13/2019	California Environmental Dialogue Plenary meeting in Sacramento, CA on Mar. 21, 2019 - Airfare for Directory Yoo Schneider	209.96
2/14/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Registration for Director Yoo Schneider	725.00
2/20/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Registration for R. Hunter	725.00
2/20/2019	ACWA DC conference in Washington, DC from Feb. 26, 2019 - Airfare for R. Hunter	368.41
2/20/2019	Legislative activities in Sacramento, CA on Feb. 26, 2019 - Airfare for R. Hunter	197.99
2/20/2019	ACWA DC conference in Washington, DC from Feb. 28, 2019 - Airfare for R. Hunter	609.00
2/21/2019	Lunch for MET Directors' meeting	62.58
Total		<u>\$ 8,108.42</u>

- 1 Director Barbre reimbursed MWDOC \$842.39
- 2 Returned flight canceled, \$423.26 available for future flight

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the month of March 2019

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138780	3/15/19	WESTIN 84SC7003645	The Westin South Coast Plaza Balance for 2/21/19 Water Policy Dinner event facility	10,382.51
			***Total ***	10,382.51
			Total Core Disbursements	<u>10,382.51</u>
Choice Disbursements:				
			Total Choice Disbursements	<u>-</u>
Other Funds Disbursements:				
			Total Other Funds Disbursements	<u>-</u>
			Total Disbursements	<u><u>10,382.51</u></u>


 Robert J. Hunter, General Manager


 Hilary Chumplitazi, 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
 February 28, 2019

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	\$3,341,910	22.97%
Grant & Project Cash Flow	1,500,000	10.31%
Election Expense	608,000	4.18%
Building Repair	385,408	2.65%
OPEB	297,147	2.04%
Total Designated Reserves	6,132,465	42.15%
General Fund	7,267,207	49.97%
Water Fund	1,106,309	7.60%
Conservation Fund	(197,877)	(1.36%)
Desalination Feasibility Study Fund	(145,268)	(1.00%)
WEROC Fund	355,384	2.44%
Trustee Activities	29,074	0.20%
Total	\$14,547,294	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.87%	\$126,175	\$126,175
Short-term investment			
• LAIF	50.45%	\$7,338,895	\$7,338,895
• OCIP	27.36%	3,979,829	3,979,829
Long-term investment			
• Corporate Bond	7.92%	1,152,395	1,132,945
• Certificates of Deposit	13.40%	1,950,000	1,946,065
Total	100.00%	\$14,547,294	\$14,523,909

The average number of days to maturity/call as of February 28, 2019 equaled 168 and the average yield to maturity is 2.347%. During the month, the District's average daily balance was \$19,244,217.99. 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 February 2019.

The (\$23,385) difference between the book value and the market value on February 28, 2019 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 Chompitazi
Treasurer



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary February 28, 2019

2/28/2019	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,946,065.00	1,950,000.00	13.52	823	2.504
Corporate Bond	1,150,000.00	1,132,944.50	1,152,395.14	7.98	696	2.290
Local Agency Investment Funds	7,338,895.52	7,338,895.52	7,338,895.52	50.90	1	2.383
Orange County Investment Pool	3,979,828.56	3,979,828.56	3,979,828.56	27.60	1	2.221
Total Investments	14,418,724.08	14,397,733.58	14,421,119.22	100.00	168	2.347
Cash						
Cash	126,175.08	126,175.08	126,175.08		1	0.00
Total Cash and Investments	14,544,899.16	14,523,908.66	14,547,294.30		168	2.347

Total Earnings	Month Ending February	Fiscal Year to Date
Current Year	34,527.75	380,544.76
Average Daily Balance	19,244,217.99	
Effective Rate of Return	2.347%	

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

Date

4-1-19


Hilary Chumtipitzi, Treasurer

Date

4/1/2019

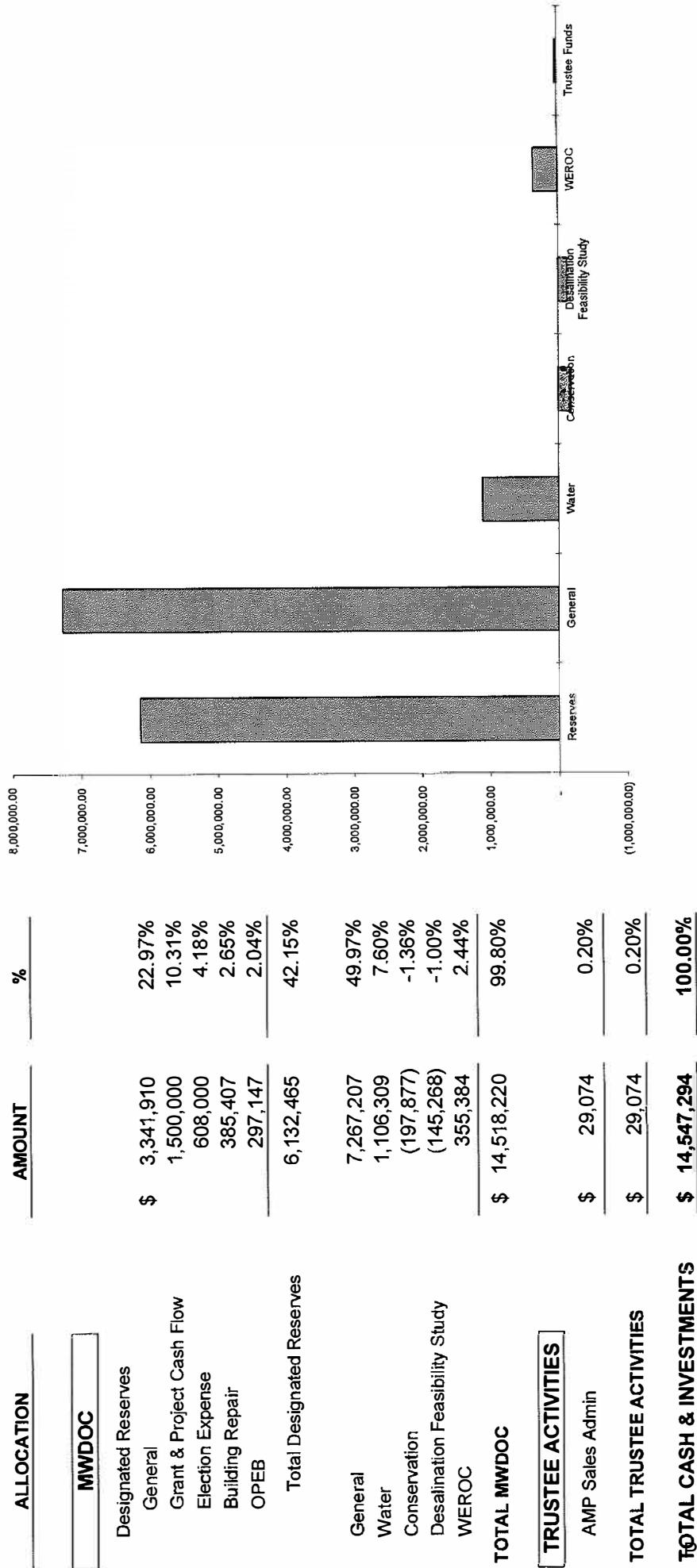
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
February 28, 2019

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	244,212.50	250,000.00	2.250	2.250	1,307	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,650.00	250,000.00	1.950	1.950	187	9/3/2019
Comenity Capital	20033AUJ2	7/25/2017	200,000.00	196,520.00	200,000.00	2.000	2.000	869	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	252,705.00	250,000.00	3.300	3.300	1,608	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	253,210.00	250,000.00	3.350	3.350	1,622	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,932.50	250,000.00	3.250	2.534	143	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	249,127.50	250,000.00	2.500	2.500	704	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,707.50	250,000.00	2.050	2.050	152	7/30/2019
Sub Total			1,950,000.00	1,946,065.00	1,950,000.00	2.596	2.504	823	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	497,345.00	500,418.98	2.250	2.152	298	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	191,446.00	200,000.00	2.500	2.500	1,233	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	248,067.50	250,583.74	2.550	2.409	648	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	196,086.00	201,392.42	2.500	2.278	1,216	6/28/2022
Sub Total			1,150,000.00	1,132,944.50	1,152,395.14	2.402	2.290	696	
Total Investments			3,100,000.00	3,079,009.50	3,102,395.14	2.524	2.425	776	
Total Earnings									
Current Year		Month Ending February	5,862.50	Fiscal Year To Date					
				48,979.23					

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
February 28, 2019

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	7,338,895.52	7,338,895.52	7,338,895.52	2.383	2.383	1	N/A
Sub Total			7,338,895.52	7,338,895.52	7,338,895.52	2.383	2.383	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	3,979,828.56	3,979,828.56	3,979,828.56	2.221	2.221	1	N/A
Sub Total			3,979,828.56	3,979,828.56	3,979,828.56	2.221	2.221	1	
Total Investments			11,318,724.08	11,318,724.08	11,318,724.08	2.326	2.326		
Cash									
Petty Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	125,675.08	125,675.08	125,675.08	0.000	0.000	1	N/A
Total Cash			126,175.08	126,175.08	126,175.08	0.000	0.000	1	
Total Cash and Investments			11,444,899.16	11,444,899.16	11,444,899.16	2.326	2.326	1	
Total Earnings									
Current Year		Month Ending February	28,665.25	Fiscal Year To Date	331,565.53				

**Municipal Water District of Orange County
Cash and Investments at February 28, 2019**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**Account Report for the Period**
2/1/2019 to 2/28/2019Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 2/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 2/28/2019
OPEB	\$2,088,214.55	\$0.00	\$34,038.28	\$435.04	\$0.00	\$0.00	\$2,121,817.79
PENSION	\$205,225.69	\$0.00	\$3,345.22	\$42.76	\$0.00	\$0.00	\$208,528.15
Totals	\$2,293,440.24	\$0.00	\$37,383.50	\$477.80	\$0.00	\$0.00	\$2,330,345.94

Investment Selection**Source**OPEB **Moderate HighMark PLUS**
PENSION **Moderate HighMark PLUS****Investment Objective****Source**

OPEB 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.

PENSION 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

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.63%	2.80%	2.86%	8.68%	5.01%	-	10/26/2011
PENSION	1.63%	2.80%	-	-	-	-	7/31/2018

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

**Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS**
Cash Flow as of 03/31/19

	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	TOTALS
Cash - Beginning Balance	\$ 280,051.97	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (197,876.62)	\$ (254,280.52)	\$ (254,280.52)	\$ (254,280.52)	
REVENUES:													
BUREC	4,605.00	111.00		102,395.93			162,953.35		6,090.00				\$ 276,155.28
City of Brea													-
City of Buena Park	222.00	222.00											222.00
City of Fountain Valley			1,376.29	663.05	111.00		222.00		333.00				2,927.34
City of Fullerton													-
City of Garden Grove													-
City of Huntington Beach	598.99			40.00									638.99
City of La Habra	222.00												444.00
City of San Clemente	3,244.99	9,442.99			3,312.00	1,245.00	3,694.36	222.00	2,149.28				24,772.61
City of San Juan Capistrano													-
City of Santa Ana													-
City of Tustin													-
City of Newport Beach		3,343.80		1,980.57		2,314.05	91.45	94.75	162.00				7,986.62
City of Orange	444.00		913.75	1,134.10	173.85	428.00	111.00						3,204.70
City of Westminster	333.00	539.00	555.00		666.00			111.00					2,204.00
County of Orange													-
Department of Water Resources	32,990.80												32,990.80
East Orange County Water District													-
El Toro Water District		774.00		2,544.00	4,063.10	290.00	104.00	1,928.80	883.99				10,587.89
Irvine Ranch Water District	8,271.11	47,878.73		11,080.04	98,495.70	108,960.16	11,960.75	31,806.10	14,474.81				332,947.40
Laguna Beach County Water District		15.00				30.00		45.00	30.00				120.00
Mesa Water District	66.82	197.98	170.00	140.00		356.00			284.01				1,214.81
Metropolitan Water District		191,093.43				27,066.04	14,020.41	204,584.98					436,764.86
Moulton Niguel Water District	38,341.68	7,726.23	10,281.98	10,872.48	21,400.00	32,011.70	53,277.39		51,455.67				225,367.13
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District		605.76		18.98	100.00				211.85				724.74
Yorba Linda Water District		284.07											495.92
Miscellaneous Revenues													
Miscellaneous													-
Interest Revenue	2,228.14			1,587.30									3,815.44
Total Revenues	91,568.53	262,233.99	13,297.02	134,144.44	128,321.65	172,720.95	246,434.71	238,792.63	76,074.61	-	-	-	\$ 1,363,584.53
EXPENDITURES:													
Budget Based Tiered Rates, Ratfells	2,220.00	1,050.00	1,800.00	11,960.00	730.00	5,150.00	2,080.00						24,990.00
Droplet													-
IRWD													-
Golden State Water Company													-
City of Huntington Beach													-
Laguna Beach CWD													-
Metropolitan Water District	28,091.13		25,193.39	87,250.95	24,411.51				24,769.89				189,716.87
Mission RCD		20,060.11	18,627.78	13,404.64	2,770.71		2,324.45	2,121.45	5,774.85				65,083.99
Multi Family HET Direct			4,800.00		75,975.00	100,275.00	81,300.00	127,420.00					388,770.00
Pollard Water		44,516.38			3,045.00			3,045.00					50,606.38
Recycled Water On Site Retrofit program			11,099.50	1,384.50									12,484.00
South Coast Water District					18,800.00								18,800.00
Spray to Drip program	690.45	4,310.08	5,308.76	1,129.60	1,320.58	413.25	567.80	1,060.00	1,609.06				16,409.58
SMWD	34,905.00												34,905.00
Turf Removal	32,139.00	58,464.60	177,399.11	117,228.82	337,478.95	30,263.28	154,566.83	58,814.62	100,324.71				1,066,679.92
Water Savings Incentive Program							15,000.00						15,000.00
Miscellaneous Expenses													
Interest Expense							67.77						67.77
Salary & Benefit			5,563.51	1,700.00	1,785.00	1,275.00	2,040.00	1,020.00					13,383.51
Total Expenditures	98,045.58	128,401.17	249,792.05	234,068.51	466,316.75	137,376.53	257,946.85	193,481.07	132,478.51	-	-	-	\$ 1,897,897.02
Cash - Ending Balance	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (197,876.62)	\$ (254,280.52)	\$ (254,280.52)	\$ (254,280.52)	\$ (254,280.52)	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2018 THRU FEBRUARY 28, 2019

**Municipal Water District of Orange County
Combined Balance Sheet
As of February 28, 2019**

<u>ASSETS</u>	Amount
Cash in Bank	126,175.08
Investments	14,421,119.22
Accounts Receivable	13,083,483.07
Accounts Receivable - Other	134,531.41
Accrued Interest Receivable	88,605.52
Prepays/Deposits	281,693.60
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	(2,969,862.23)
TOTAL ASSETS	<u>\$29,464,882.69</u>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	13,286,842.97
Accounts Payable - Other	404.76
Accrued Salaries and Benefits Payable	346,026.17
Other Liabilities	165,126.77
Unearned Revenue	954,311.68
Total Liabilities	<u>14,752,712.35</u>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	<u>997,840.83</u>
Total Restricted Fund Balances	<u>997,840.83</u>
Designated Reserves	
General Operations	3,341,910.36
Grant & Project Cash Flow	1,500,000.00
Election Expense	608,000.00
Building Repair	385,407.45
OPEB	297,147.00
Total Designated Reserves	<u>6,132,464.81</u>
General Fund	3,072,149.80
General Fund Capital	525,009.00
WEROC Capital	114,948.58
WEROC	183,846.12
Total Unrestricted Fund Balances	<u>10,028,418.31</u>
Excess Revenue over Expenditures	
Operating Fund	4,125,545.93
Other Funds	(439,634.73)
Total Fund Balance	<u>14,712,170.34</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>29,464,882.69</u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2018 thru February 2019

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	7,697,005.75	7,697,006.00	100.00%	0.00	0.25
Ground Water Customer Charge	0.00	499,012.00	499,012.00	100.00%	0.00	0.00
Water rate revenues	0.00	8,196,017.75	8,196,018.00	100.00%	0.00	0.25
Interest Revenue	33,157.55	365,505.66	390,000.00	93.72%	0.00	24,494.34
Subtotal	33,157.55	8,561,523.41	8,586,018.00	99.71%	0.00	24,494.59
Choice Programs	1,064.49	1,085,459.35	1,174,750.00	92.40%	0.00	89,290.65
Miscellaneous Income	656.35	3,866.42	3,000.00	128.88%	0.00	(866.42)
School Contracts	11,347.71	53,754.69	102,031.00	52.68%	0.00	48,276.31
Gain on Sale of Investments	0.00	3.61	0.00		0.00	(3.61)
Transfer-In From Reserve	0.00	0.00	5,276.00	0.00%	0.00	5,276.00
Subtotal	13,068.55	1,143,084.07	1,285,057.00	88.95%	0.00	141,972.93
TOTAL REVENUES	46,226.10	9,704,607.48	9,871,075.00	98.31%	0.00	166,467.52

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
From July 2018 thru February 2019

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	268,569.77	2,323,603.83	3,522,982.00	65.96%	0.00	1,199,378.17
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(856.80)	(7,282.80)	0.00	0.00%	0.00	7,282.80
Director's Compensation	17,151.20	130,037.13	255,360.00	50.92%	0.00	125,322.87
MWD Representation	12,161.76	84,627.34	145,920.00	58.00%	0.00	61,292.66
Employee Benefits	85,554.62	712,900.15	1,108,564.00	64.31%	0.00	395,663.85
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Employee Benefits - Grant Recovery	0.00	(875.57)	0.00	0.00%	0.00	875.57
Employee Benefits - Recovery	(163.20)	(1,387.20)	0.00	0.00%	0.00	1,387.20
Director's Benefits	8,378.00	60,567.73	94,767.00	63.91%	0.00	34,199.27
Health Insurance for Retirees	4,044.74	41,548.53	70,519.00	58.92%	0.00	28,970.47
Training Expense	306.95	6,730.23	25,000.00	26.92%	0.00	18,269.77
Tuition Reimbursement	0.00	2,856.28	5,000.00	57.13%	0.00	2,143.72
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	395,147.04	3,556,487.71	5,433,812.00	65.45%	0.00	1,877,324.29
Engineering Expense	14,567.76	225,314.49	330,000.00	68.28%	139,111.91	(34,426.40)
Legal Expense	2,460.00	105,810.19	255,000.00	41.49%	149,189.81	0.00
Audit Expense	0.00	19,380.00	29,000.00	66.83%	0.00	9,620.00
Professional Services	88,750.15	593,453.18	1,430,758.00	41.48%	584,834.89	252,469.93
Professional Fees	105,777.91	943,957.86	2,044,758.00	46.16%	873,136.61	227,663.53
Conference-Staff	8,294.25	20,731.06	42,880.00	48.35%	0.00	22,148.94
Conference-Directors	2,695.00	10,976.81	24,930.00	44.03%	0.00	13,953.19
Travel & Accom.-Staff	5,879.48	32,127.12	99,600.00	32.26%	0.00	67,472.88
Travel & Accom.-Directors	3,201.64	19,517.13	51,750.00	37.71%	0.00	32,232.87
Travel & Conference	20,070.37	83,352.12	219,160.00	38.03%	0.00	135,807.88
Membership/Sponsorship	13,391.44	131,873.80	141,662.00	93.09%	0.00	9,788.20
CDR Support	0.00	35,283.21	47,044.00	75.00%	11,761.05	(0.26)
Dues & Memberships	13,391.44	167,157.01	188,706.00	88.58%	11,761.05	9,787.94
Business Expense	78.23	1,921.25	5,600.00	34.31%	0.00	3,678.75
Maintenance Office	9,609.02	66,484.00	132,796.00	50.06%	64,782.16	1,529.84
Building Repair & Maintenance	1,404.71	8,166.78	20,000.00	40.83%	13,874.06	(2,040.84)
Storage Rental & Equipment Lease	209.70	1,675.50	3,460.00	48.42%	784.50	1,000.00
Office Supplies	1,753.84	17,609.25	36,000.00	48.91%	1,878.42	16,512.33
Postage/Mail Delivery	861.85	6,610.07	9,000.00	73.45%	1,969.10	420.83
Subscriptions & Books	0.00	375.65	1,500.00	25.04%	0.00	1,124.35
Reproduction Expense	1,469.33	7,437.79	33,073.00	22.49%	1,651.66	23,983.55
Maintenance-Computers	329.00	3,131.54	8,000.00	39.14%	1,250.94	3,617.52
Software Purchase	0.00	30,946.90	45,861.00	67.48%	0.00	14,914.10
Software Support	1,559.11	28,799.96	51,934.00	55.45%	1,200.00	21,934.04
Computers and Equipment	0.00	9,041.24	11,850.00	76.30%	0.00	2,808.76
Automotive Expense	2,188.43	13,684.67	17,262.00	79.28%	0.00	3,577.33
Toll Road Charges	105.09	688.91	1,000.00	68.89%	0.00	311.09
Insurance Expense	8,787.18	72,377.91	138,500.00	52.26%	0.00	66,122.09
Utilities - Telephone	1,961.03	15,063.93	20,178.00	74.66%	559.29	4,554.78
Bank Fees	0.00	4,079.87	21,225.00	19.22%	0.00	17,145.13
Miscellaneous Expense	7,386.30	54,480.19	119,205.00	45.70%	84.89	64,639.92
MWDOC's Contrb. to WEROC	15,948.33	153,074.68	216,868.00	70.58%	0.00	63,793.32
Depreciation Expense	2,822.33	22,578.68	0.00	0.00%	0.00	(22,578.68)
Other Expenses	56,473.48	518,228.77	893,312.00	58.01%	88,035.02	287,048.21
Election Expense	196,135.57	196,135.57	304,000.00	64.52%	0.00	107,864.43
Building Expense	23,800.00	100,228.08	531,827.00	18.85%	150,857.33	280,741.59
Capital Acquisition	0.00	13,514.43	255,500.00	5.29%	20,037.72	221,947.85
TOTAL EXPENSES	810,795.81	5,579,061.55	9,871,075.00	56.52%	1,143,827.73	3,148,185.72
NET INCOME (LOSS)	(764,569.71)	4,125,545.93	0.00			

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
From July 2018 thru February 2019

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	3,568,510.70	101,845,330.00	188,976,940.00	53.89%	87,131,610.00
Readiness to Serve Charge	839,273.57	7,098,110.02	10,902,178.00	65.11%	3,804,067.98
Capacity Charge CCF	299,996.67	2,527,478.34	3,854,976.00	65.56%	1,327,497.66
SCP/SAC Pipeline Surcharge	18,416.23	225,577.00	365,000.00	61.80%	139,423.00
Interest	1,842.81	13,938.30	13,000.00	107.22%	(938.30)
TOTAL WATER REVENUES	4,728,039.98	111,710,433.66	204,112,094.00	54.73%	92,401,660.34
<u>WATER PURCHASES</u>					
Water Sales	3,568,510.70	101,845,330.00	188,976,940.00	53.89%	87,131,610.00
Readiness to Serve Charge	839,273.57	7,098,110.02	10,902,178.00	65.11%	3,804,067.98
Capacity Charge CCF	299,996.67	2,527,478.34	3,854,976.00	65.56%	1,327,497.66
SCP/SAC Pipeline Surcharge	18,416.23	225,577.00	365,000.00	61.80%	139,423.00
TOTAL WATER PURCHASES	4,726,197.17	111,696,495.36	204,099,094.00	54.73%	92,402,598.64
EXCESS OF REVENUE OVER EXPENDITURES	1,842.81	13,938.30	13,000.00		

Municipal Water District of Orange County
WUE Revenues and Expenditures (Actuals vs Budget)
From July 2018 thru February 2019

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	16,605.06	128,540.00	12.92%
Expenses	<u>18,354.34</u>	<u>128,540.00</u>	14.28%
Excess of Revenues over Expenditures	(1,749.28)	0.00	
Member Agency Administered Passthru			
Revenues	408,570.00	100,000.00	408.57%
Expenses	<u>408,570.00</u>	<u>100,000.00</u>	408.57%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	12,848.34	43,500.00	29.54%
Expenses	<u>12,848.34</u>	<u>43,500.00</u>	29.54%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	167,117.54	425,000.00	39.32%
Expenses	<u>167,332.77</u>	<u>425,000.00</u>	39.37%
Excess of Revenues over Expenditures	(215.23)	0.00	
CII Rebate Program			
Revenues	110,097.21	462,500.00	23.80%
Expenses	<u>109,980.00</u>	<u>462,500.00</u>	23.78%
Excess of Revenues over Expenditures	117.21	0.00	
Turf Removal Program			
Revenues	471,608.69	1,345,000.00	35.06%
Expenses	<u>989,116.57</u>	<u>1,345,000.00</u>	73.54%
Excess of Revenues over Expenditures	(517,507.88)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	73,187.76	366,840.00	19.95%
Expenses	<u>99,959.96</u>	<u>366,840.00</u>	27.25%
Excess of Revenues over Expenditures	(26,772.20)	0.00	
Large Landscape Survey Program			
Revenues	1,499.36	64,000.00	2.34%
Expenses	<u>8,824.69</u>	<u>64,000.00</u>	13.79%
Excess of Revenues over Expenditures	(7,325.33)	0.00	
WSIP - Industrial Program			
Revenues	0.00	36,755.00	0.00%
Expenses	<u>15,000.00</u>	<u>36,755.00</u>	40.81%
Excess of Revenues over Expenditures	(15,000.00)	0.00	
WUE Projects			
Revenues	1,261,533.96	2,972,135.00	42.45%
Expenses	<u>1,829,986.67</u>	<u>2,972,135.00</u>	61.57%
Excess of Revenues over Expenditures	(568,452.71)	0.00	
WEROC			
Revenues	344,454.68	489,160.00	70.42%
Expenses	<u>236,978.94</u>	<u>489,160.00</u>	48.45%
Excess of Revenues over Expenditures	107,475.74	0.00	



CONSENT CALENDAR ITEM

April 17, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Staff Contacts: Charles Busslinger/Karl Seckel

SUBJECT: Development of a Hydraulic Model for the Regional Pipeline System in Orange County – Investigation Phase

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into a professional services agreement with Black & Veatch Corporation to complete an Investigation Phase of work and provide recommendations for development of a Hydraulic Model for the regional pipeline system in Orange County, at a cost not to exceed \$83,420.

COMMITTEE RECOMMENDATION

Committee discussed the item and acknowledged the letter sent by IRWD indicating that they could be impacted by the conveyance of treated ocean water in the EOCF#2 and that they believe their consent is required for any water quality changes in the EOCF#2 because of their capacity ownership. The IRWD letter is attached. Staff indicated that the use of the model would help to better understand issues such as those raised by IRWD.

SUMMARY

Multiple water supply projects are currently under consideration in Orange County and supplies from several of these may end up being commingled and conveyed in existing pipelines. Projects include brackish and ocean desalination, percolation of treated recycled water, and capture of stormwater for subsequent treatment and pumping. Direct Potable Reuse is on the horizon and demands are substantially lower than when the imported pipelines were planned and constructed. Without proper planning; the possible integration

Budgeted (Y/N): Y	Budgeted amount: \$225,000	Core <u>X</u>	Choice ____
Action item amount: \$75,837 + 10% contingency = \$83,420		Line item: Cost Center 21	
Fiscal Impact (explain if unbudgeted): The budget amount developed by staff appears high compared to the proposals for this effort, however, staff limited some of the elements of the Investigative Phase and will push them into the next effort.			

of multiple treated water sources into the OC water distribution system, or simply the reduction in demands, could result in unintended water quality consequences. MWDOC believes these issues should be studied prior to them being implemented.

MWDOC staff began a process to identify key issues and develop strategic pathways toward solutions for successful integration of these future supply sources. This process was initiated with an invitation for Statements of Qualifications (SOQ) on April 27, 2018 to water quality consultant firms with expertise in; water distribution design and hydraulic modeling, water distribution operations, desalination design and operations, water quality modeling, resolution of distribution system water quality issues, with particular emphasis on the firms' knowledge of MET design and operations standards. Four firms responded to the SOQ (Black & Veatch, Carollo, Hazen & Sawyer, and Stantec).

So far in this process, MWDOC has completed a full-day Workshop; based on the Workshop, the Board authorized the completion of two white papers to further our knowledge base. The white papers are currently in development. This current item, along with information from the white papers, would define the project scope and include recommendations for development of a hydraulic model in a subsequent phase.

MWDOC staff issued a Request for Proposals (RFP) on March 5, 2019 seeking professional services to help us begin the process of developing an OC Distribution System Water Supply Integration Hydraulic Model. MWDOC requested proposals from the two highest rated consultants with demonstrated requisite expertise from the April 2018 SOQ list. To allow sufficient time for consultants to provide a detailed proposal, the proposals were not due until March 29, 2019.

The award of a contract to a consulting firm to provide assistance to MWDOC staff would typically go to the MWDOC P&O Committee. To keep the project on a tighter schedule, staff has suggested the recommended action for the April 2019 A&F Committee and then to the full Board.

MWDOC staff and Means Consulting have reviewed and evaluated the proposals and are providing its recommendations to the A&F Committee for review and discussion in time for Board consideration on April 17, 2019.

DETAILED REPORT

In April 2018, MWDOC invited a number of firms to submit an SOQ in a variety of areas. Staff has been using these consultants on an on-going basis since that time. On August 31, 2018 MWDOC held a Water System Operations and Integration Workshop where input was developed from water quality consultants Black & Veatch, Hazen & Sawyer, and Means Consulting; along with input from staff from Metropolitan, OCWD, and multiple OC retail agencies.

The collaborative discussions identified a number of potential issues that could arise within the OC water system resulting from the simultaneous introduction of multiple sources of water. Potential issues include:

- The impact of potentially low volumes (flows) of imported water deliveries in portions of pipelines at certain times of the year leading to low chloramine residuals and water quality deterioration (e.g. nitrification). Chloramine loss due to reactions 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 sources flowing south in the Joint Transmission Main (JTM) and blending with desalinated Doheny source water flowing north in the same pipeline.
- Agencies receiving water blends which may be further blended with local water supplies from their systems. The pH, alkalinity, Total Organic Carbon (TOC), bromide, chloramine residual, and other water quality characteristics may vary among these water sources daily, monthly and seasonally. Planning needs to account for the water quality and operational considerations. Our goal is to understand the breadth and depth of these issues prior to any of these projects going on-line.
- Understanding and developing approaches for avoiding consequences to home plumbing systems
- Working out an acceptable resolution with MET for the water quality issues associated with a pump-in to the EOCF#2 pipeline
- Potential impacts on MET Diemer Plant operations, especially under conditions of unexpected outages of local supply systems. Also the potential for stranding of assets
- Control of hydraulic transients (pressure surges) during loss of power to protect the MET, regional and local pipelines and other facilities from damage

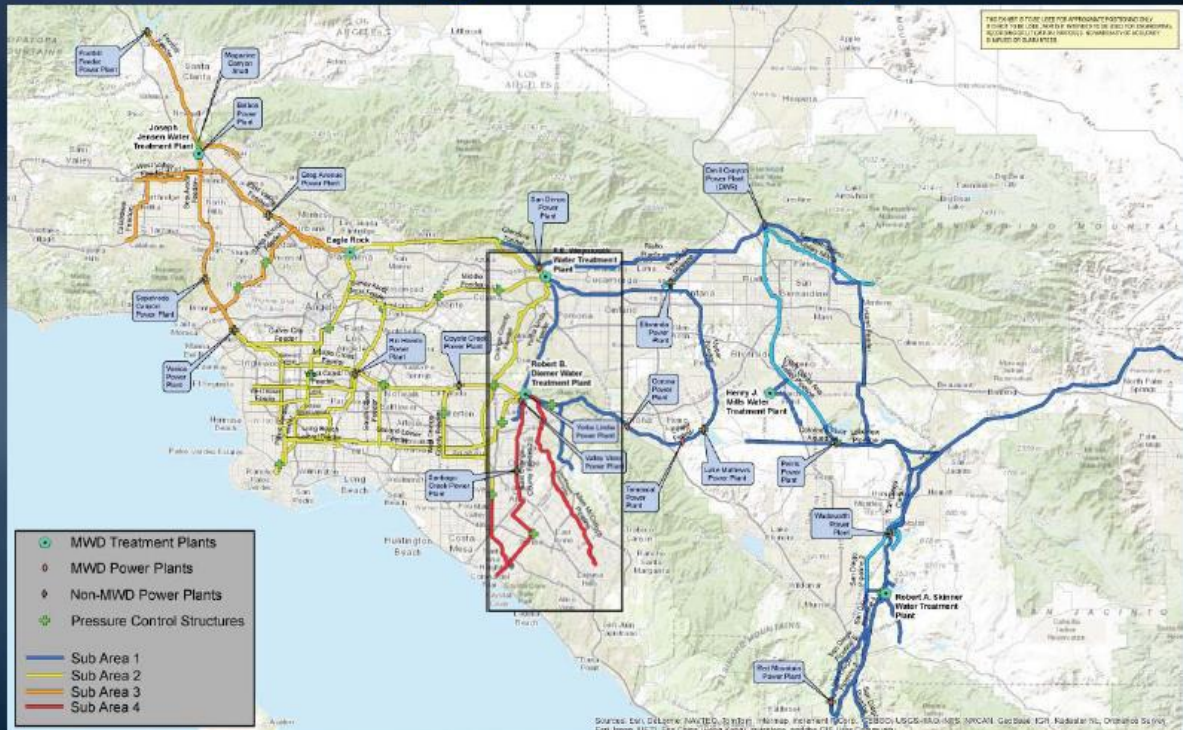
The outcome of the workshop was the identification of a number of potential follow-up items and recommendations:

1. Develop White Papers to cover the following topics:
 - Doheny desalinated water integration,
 - Poseidon Huntington Beach desalinated water integration, and
 - Local water (groundwater and/or desalinated water) integration into the East OC Feeder #2 pipeline.

This work is in progress through consultants Black & Veatch and Hazen & Sawyer.

2. Leverage the existing MET hydraulic model and add portions of the non-MET OC distribution system to the existing MET model to better understand the implications of different operating strategies. Also incorporate water quality module(s) into the OC hydraulic model for analysis of water constituents, water age, and chloramine residual. Staff is recommending to proceed with this process and has broken the work into the following components:
 - Scoping and recommendations for a hydraulic model (the topic of this item)
 - Development, delivery and testing of the model (subsequent work)

MWD – Orange County Region



MWDOC staff has met with and held discussions with MET regarding the potential use of the existing MET hydraulic model and supporting information to save time and effort in the development of a model for Orange County. MET's internal requirements are quite different from ours, but a lot of the information they developed; pipe sizes, locations, lengths, and spatial data would be useful. MWDOC is awaiting word from MET on the process for sharing their technical information. MWDOC needs to add-on to the MET model to capture the regional pipelines in Orange County that lead from the MET pipelines. The current vision of the OC Hydraulic Model is that it will stop at the service connections from the distribution pipelines and will not extend into the retail systems of our agencies. However, the model will help our agencies better understand the quality of the water they can expect under the different situations that are modeled. One other area where the OC Hydraulic Model will be useful is for planning of how to move water around during the AMP Prestressed Concrete Cylinder Pipe (PCCP) lining construction contracts to be awarded by MET in the next 5 to 10 years. MET has awarded an engineering services contract to Brown & Caldwell for the AMP work and use of the model in 2019 and 2020 would be useful.

Future efforts would include:

1. Develop critical control points/plans for managing distribution operations year-round.
2. Evaluate the water quality benefits of using storage tanks for hydraulic and transient management approaches.

3. Develop a water quality blending model that could be used to aid ongoing operations.
4. Analyze the economic impacts of local water introduction on existing MET operations (i.e. Diemer operations).

The white papers, approved by the Board on November 21, 2018, are currently in progress and draft reports are anticipated over the next month. These white papers will help define the water quality issues of concern and will further identify uses for the hydraulic and water quality model.

Hydraulic and Water Quality Modeling

The modeling effort is broken into an Investigation Phase and an Implementation Phase (future work). The completion of the Investigation Phase includes defining scopes of work required for successful model implementation and recommendations on software selection. Key aspects of the Investigative Phase include meetings with our agencies and MET water quality staff. MWDOC's intent is to move quickly into the Implementation Phase once the scopes of work and likely costs are defined.

INVESTIGATION PHASE

1. Review existing available OC distribution system information and ranges of future supply and demand flow scenarios from MET/MWDOC; then identify and document gaps necessary for development of the hydraulic model.
2. Identify stakeholder hydraulic modeling needs and MET requirements to successfully model the integration of "other sources of water" from local water projects into the OC distribution system while maintaining high quality water. The Consultant shall assist with prioritizing the identified hydraulic and water quality needs.
3. Develop a software specification that incorporates the identified hydraulic and water quality modeling needs into model requirements.
4. Conduct a software review and identify software products that match the software specification.
5. Prioritize software products based upon model requirements and recommend a 'best fit' for MWDOC's future uses.
6. Define scopes of work and associated cost estimates for purchasing and implementing the modeling software taking a 'modular' approach that provides for an initial startup (base model) with future expansion pathways to address identified needs while accommodating both budgetary and scheduling constraints. Each plan shall contain a matrix showing the required 'modules' necessary to address identified needs within the model for each of the four regional projects identified. The matrix will be used as an aid to benefit-cost discussions for short term and long term budgeting and scheduling decisions. The Consultant shall provide a recommended implementation plan and alternatives considered including key considerations for MWDOC decision-making. The plan alternatives shall be documented in the OC Hydraulic Model Investigation Report.

IMPLEMENTATION PHASE (Future Work)

7. Implement the MWDOC selected implementation plan alternative by building the conveyance network model and calibrating model data to provide a sufficiently accurate and stable representation of the system hydraulics to meet requirements.

Proposal Evaluation

On March 5, 2019 MWDOC staff issued a Request for Proposals (RFP) for professional services for an OC Distribution System Water Supply Integration Hydraulic Model to pre-selected firms with demonstrated requisite expertise from the April 2018 SOQ list (Carollo, and Black & Veatch). Proposals were received from Black & Veatch and Carollo on March 29, 2019. MWDOC staff and Means Consulting have reviewed the proposals and are bringing its recommendations to the A&F Committee for review and discussion in time for Board consideration of authorization to proceed with development of the project scope and recommendations on April 17, 2019.

Both proposals demonstrated that the respondents were well qualified and had a high level of understanding of the project. The Black & Veatch proposal went beyond the RFP requirements, and included information on their approach for both the Investigation Phase and the subsequent Implementation Phase. The B&V proposal also cited their previous work on the Tampa Bay Water model (integrated many supplies into a conveyance system), and identified many similarities to the OC model needs. The Black & Veatch proposal provided a more in-depth view with respect to the project. The Black & Veatch proposal also had a lower fee estimate. Staff therefore recommends that the professional services agreement be awarded to Black & Veatch.

Schedule for the Model Development

OC Hydraulic Model Investigation Phase

<u>Activity</u>	<u>Date</u>
Release of RFP to Pre-qualified Firms	February 27, 2019
Proposal Due Date	March 29, 2019
Contract Award (Board)	April 17, 2019
Meetings & Stakeholder Workshop	May - June 2019
Draft OC Hydraulic Model Investigation Report	August 2019
Final OC Hydraulic Model Investigation Report	September 2019

Attachment: Black & Veatch Proposal



April 9, 2019

Mr. Robert Hunter
General Manager
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708

Re: Development of Hydraulic Model of the Regional Pipeline System in Orange County

Rob:

On April 10, 2019, the Municipal Water District of Orange County (MWDOC) Administration and Finance Committee will consider awarding a contract to investigate and provide recommendations related to the development of a hydraulics model of the regional pipeline system in Orange County. A primary focus of the investigation work will be to determine the best software to apply in the development of the model. It is anticipated that the model would provide the ability to evaluate the integration of multiple treated water sources into the regional pipeline system. The purpose of the letter to provide recommendations for additional work that MWDOC should consider when evaluating the feasibility of integrating different supplies into the system.

Impacts to Water Quality:

Direct deliveries of desalinated seawater through the regional pipeline system could have detrimental impacts on IRWD's recycled water system as well as the quality of water delivered to IRWD's customers. The higher levels of total dissolved solids (TDS) that are contained in desalinated seawater are not acceptable to IRWD's recycled water system and could impair IRWD's ability to meet existing Regional Water Quality Control Board permit requirements. Additionally, increases in TDS (especially chlorides and boron) could make it difficult to meet the needs of IRWD's customers. Any study of the feasibility of integrating other supplies into the regional pipeline system will be dependent on avoiding such impacts. IRWD recommends that MWDOC carefully study the water quality implications to all of its member agencies that might take delivery of the integrated supplies.

Consent of Pipeline Owners:

The integration of different sources of water into various regional pipelines will require the consent of the owners of the facilities. For example, IRWD is an owner of significant capacity in the East Orange County Feeder # 2 (EOCF#2). Accordingly, IRWD and the other owners of the

Robert Hunter
General Manager
Municipal Water District of Orange County
April 9, 2019
Page 2

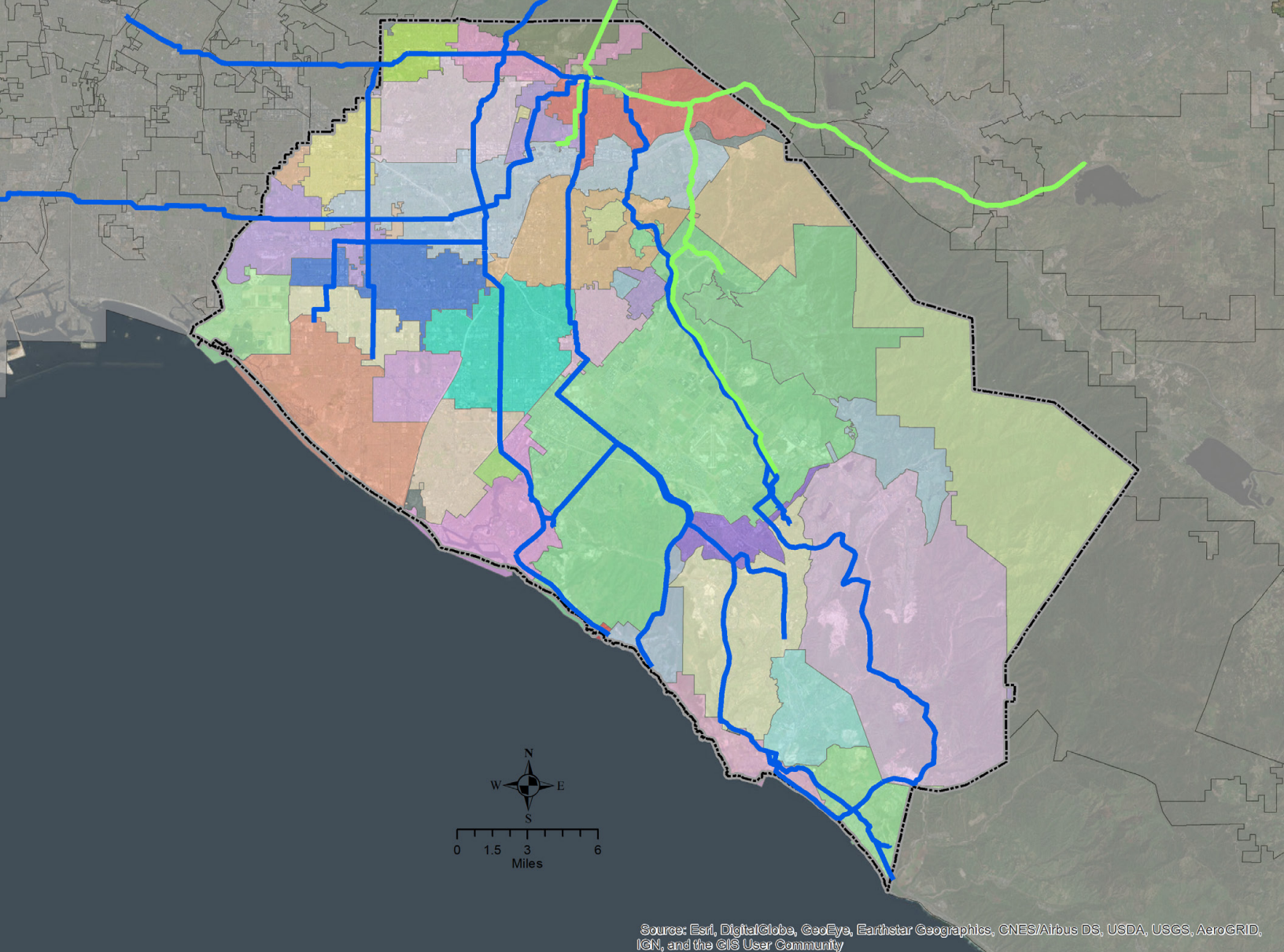
EOCF#2 as well as the various other pipelines should be consulted early in the supply integration evaluation process.

Please provide a copy of this letter to each of your Board members in advance of the upcoming Administration and Finance Committee meeting. We hope that the information provided will assist MWDOC in its evaluation of the feasibility of integrating other water sources into the regional pipeline system. I look forward to discussing the related issues with you in greater detail. At your convenience, please contact me at (494) 453-5590 so that we can schedule a meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Paul A. Cook".

Paul A. Cook, P.E.
General Manager



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

PROFESSIONAL SERVICES FOR OC DISTRIBUTION SYSTEM WATER SUPPLY INTEGRATION HYDRAULIC MODEL PHASE 1 - MODEL INVESTIGATION

MARCH 29, 2019



BLACK & VEATCH

Page 67 of 275

Cover Letter

March 29, 2019

Mr. Charles Busslinger
Principal Engineer
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708

RE: Professional Services for OC Distribution System Water Supply Integration Hydraulic Model Phase 1 - Model Investigation

Dear Mr. Busslinger:

Several exciting new local water supply projects are being developed in Orange County that, if successful, will greatly improve the reliability of our water supply by reducing dependence on ever more expensive and risky imported supplies. One way Municipal Water District of Orange County (MWDOC) is facilitating these projects is by engaging Metropolitan Water District of Southern California (Metropolitan) and MWDOC's Member Agencies in a process to determine the best strategies for integrating these new local supplies into the regional water supply system. Black & Veatch has been supporting MWDOC in this effort for some time.

Black & Veatch's efforts have included development of conceptual strategies for introducing water from the proposed Huntington Beach Desalination Plant into the East Orange County Feeder No. 2 (EOCF2), wherein we assessed which Member Agencies can feasibly receive and utilize the water, and identified what new and existing facilities would be used to convey the new supplies.

In 2018, we supported MWDOC's dialogue with Metropolitan and MWDOC's Member Agencies by jointly developing a Workshop to discuss the issues associated with introducing new water supplies into existing systems. That Workshop was not only about Huntington Beach, but also brought in the Doheny Beach Desalination Plant and potential groundwater pumpback schemes that could be implemented in the Orange County Groundwater Basin. Out of that Workshop, we are currently applying our expertise to prepare a White Paper that will serve to more fully describe the key considerations, and define a recommended path forward to address these issues and any additional concerns raised by stakeholders.

A key recommendation from the Workshop was to develop a hydraulic model to support the variety of technical analyses that will be needed. During the Workshop, Black & Veatch's modeling of the Tampa Bay Water regional system was highlighted as an example of a representative approach, similar to what will be needed in Orange County.

Phase 1 of model development, the subject of your request for proposals (RFP), centers on setting the foundation for the program of subsequent modeling, analyses, and stakeholder engagement activities. **Phase 1 seeks to:**

- **Identify the most appropriate modeling software platform for the analysis.** The ultimate model software needs to provide the analytical tools needed to address the technical issues associated with introducing new water supplies into an existing system without need to change platforms in the future. It should provide flexibility to be adapted to different system evaluation needs and stakeholder requests over time. And ideally, it will be possible to phase in investment in model development over time, allowing MWDOC to manage the cost of modeling and analyses and in some instances, assign those costs to the specific new water supply projects under consideration.

- **In conjunction with the aforementioned White Papers, define the totality of modeling and analyses that will be needed to support successfully moving the new water supply projects forward.** Understanding the totality of modeling and analyses needed will support model software selection as well as development of a work plan for modelling and analysis implementation.
- **Engage Metropolitan, new local water supply project proponents, and MWDOC's Member Agency stakeholders to gain their input and support for model software selection and work plan development.** This engagement will help assure that the selection will meet everyone's needs over time – a key goal is to assure that modeling and technical analyses provide the level of rigor needed to gain stakeholder acceptance of the results. It may also prove fruitful to identify other value-added uses for the model that could be of benefit to MWDOC and its Member Agencies above and beyond its core purpose.
- **Achieve MWDOC Board of Directors approval to invest in Phase 2 and subsequent Phases .** The deliverable from Phase 1 will document how the right model platform was selected to address the analytical needs for new water supply integration planning and implementation; demonstrate that model software selection and the modeling/analyses Work Plan reflect input and support from Metropolitan and MWDOC's Member Agencies; and establish the programmatic cost and schedule for the effort—all the key elements your Board will need to approve additional investment.

Black & Veatch is your ideal partner to develop the OC Distribution System Water Supply Integration Hydraulic Model, both for Phase 1 and beyond.

- **New Water Supply Integration Expertise.** Black & Veatch brings unparalleled expertise in integration of new water supplies into existing systems, which is one of the reasons we were selected by MWDOC to assist with the Workshop with Metropolitan and MWDOC's Member Agencies, and are currently developing the White Paper on next steps. We will apply global experience from projects like Tampa Bay Water to assure that the selected model cost-effectively provides the robust technical results needed by MWDOC, Metropolitan, and MWDOC's Member Agencies to support moving new local water supply projects forward.
- **Water System Modeling Expertise.** Black & Veatch's Planning and Asset Management practice has supported new water supply integration projects globally, and brings experience with all of the common modeling software platforms at MWDOC's disposal. Combined with our keen knowledge of what we will need the models to do to satisfy your, Metropolitan's and your Member Agencies' concerns, we will efficiently and effectively bring you up to speed on what's available in the marketplace and determine what platform will provide the best fit for new water supply integration needs.
- **Knowledge of Orange County Distribution System and Proposed Projects.** Our professionals' involvement in concept development for new OC water supply projects dates back to **Jonathan Loveland's** work on Huntington Beach while he was with Poseidon and **Matt Thomas'** work on the Doheny conceptual design while at Boyle Engineering. Black & Veatch's more recent efforts include assessment of the EOCF2. In sum, we are already high on the learning curve about how these projects could integrate into the existing OC Distribution System, what Member Agencies can be served, and what impacts will need to be addressed to implement the projects. Our knowledge will improve effective communication during stakeholder engagement, and will make us more efficient in model development and calibration.

- **Relationships with Metropolitan and MWDOC Member Agencies.** Black & Veatch brings a strong working relationship with Metropolitan's hydraulic modeling team, with whom we are currently working on projects to assess impacts of improvements to the Second Lower Feeder and Rialto Pipeline. Our relationships will facilitate obtaining and sharing information about the facilities and operations in Orange County, and development of a calibrated model. We also bring experience in water system modeling and planning for a significant number of MWDOC's Member Agencies, facilitating our understanding of their models and how their information may be utilized in conjunction with your OC Distribution System model.

In total, Black & Veatch brings the combination of new water supply integration expertise (particularly for desalination projects), background knowledge about your projects, and Metropolitan and Member Agency relationships that will contribute to successfully moving your projects forward.

It has been our pleasure to have assisted MWDOC so far in its efforts to develop new, reliable local water supplies for Orange County. The ability to leverage existing conveyance infrastructure to implement these projects allows them to provide greater capacity, making them more cost-effective and enhancing stakeholder support and the regional reliability benefit they provide. Having a robust model will be a game-changer in making that vision a reality.

If you have any questions about the details of our proposal, please feel free to contact me at (949) 788-4250 or thomasml@bv.com. Thank you for the opportunity.

Yours truly,



Matt Thomas, P.E.
Project Manager

Understanding & Approach

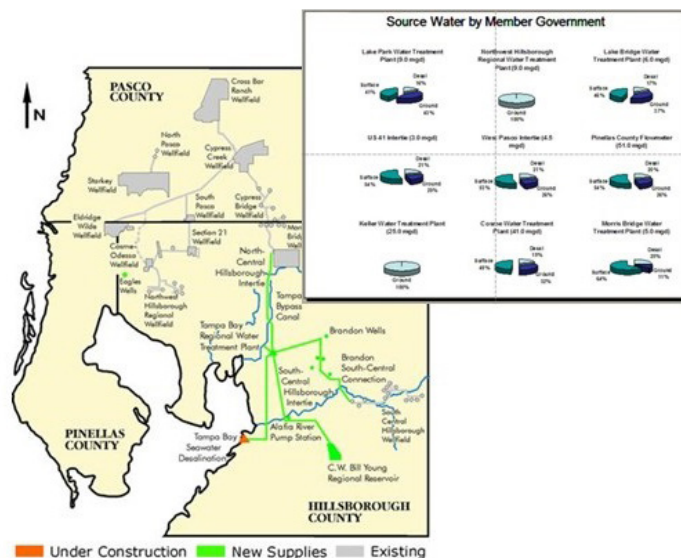
Understanding and Approach

PROJECT UNDERSTANDING

In our cover letter, we described the deep technical expertise, project experience, and project understanding that Black & Veatch will provide to make not just model development a success, but will also help MWDOC be successful in supporting implementation of new local water supplies for Orange County.

Also as highlighted in our cover letter, this Phase 1 effort needs to:

- Select a modeling platform that is adaptable to project and stakeholder needs over time, provides robust modeling tools to address the technical needs associated with new water supply integration, and be cost-effective and allow MWDOC to manage how and when modeling effort is implemented.
- Provide a work plan that defines the totality of modeling and analyses needed so level of effort and costs are well understood going in.
- Reflect input and needs of Metropolitan, MWDOC, and MWDOC's Member Agencies, and ultimately provide a work plan and budget that those entities support.



Tampa Bay Water: Black & Veatch's experience building Tampa Bay Water's hydraulic model and using it to evaluate water quality supplied to its retail agency systems will help ensure a successful project for MWDOC.

In this section of our proposal, we describe our general approach to model selection and work plan development to achieve these goals.

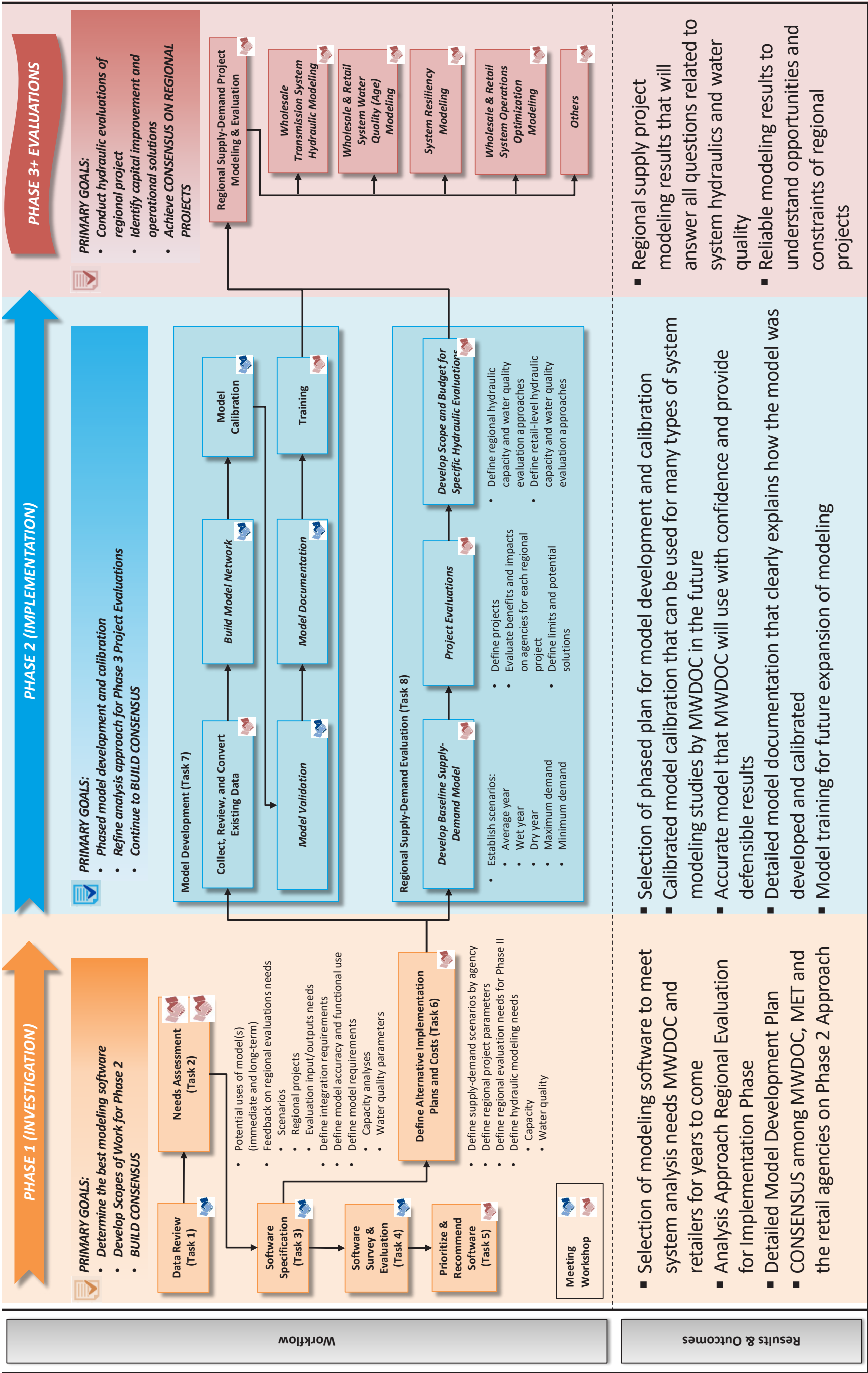
INTRODUCTION

We have met with MWDOC and other key stakeholders about this project and carefully reviewed the RFP. While the scope of the RFP is focused on services to be provided during the Phase 1 Investigation, it is important to understand the long-term objectives for the hydraulic model to be developed and have a vision for how the model will be developed and applied by MWDOC in the future. The figure on the following page provides a summary of our vision of the work plan for Phases 1, 2, and beyond including the key results and outcomes to be expected for each phase.

The success of Phase 1 will dictate the potential for success for Phase 2. We fully understand the importance of selecting the best modeling software for this project as it will need to address MWDOC needs as well as the needs of the retail systems for years to come. We also understand the importance of understanding the needs of all Stakeholders, including Metropolitan and the retail agencies. Our approach for Phase 1 will focus on identifying and addressing Stakeholder needs in order to build support among the stakeholders.

Following the work plan figure, we have detailed our technical approach for the project. Our technical approach focuses on the Phase 1 tasks requested in the RFP but also addresses the potential Phase 2 tasks at a higher level.

Following the technical approach, we have included a formal Scope of Services for the tasks requested in the RFP based on our proposed technical approach. The proposed project Schedule and Budget provided in those sections of our proposal are based on our approach and the Scope of Services.



TECHNICAL APPROACH

Task 1: Data Review

Data collection and review will inform the model selection process as well as support start the Phase 2 work by:

- Assessing existing data available to build the model and analyze future supply projects to the regional system.
- Determining data gaps to establish work effort needed to fill those gaps.
- Assessing compatibility of MWDOC model with existing system models.
- Capturing data and organizing it for future use.

Black & Veatch believes that identifying, collecting, and documenting the right data at the beginning of the project is essential for being able to help identify the most appropriate modeling software platform and especially in developing an implementation plan and cost estimates for Phase 2. The project team will work with MWDOC staff to collect available system data including current and future water demand data from Metropolitan and retail agencies, current and future supply data from Metropolitan and local sources, and water quality data. The team will also collect available geographic information system (GIS) data. Where possible, information will also be collected for the different facilities across the different distribution systems that are necessary to build a robust regional hydraulic model that will include regional pipelines, distribution pipelines, reservoirs, pump stations, treatment plants, pressure control facilities, valve vaults, etc.

The collected data and information will be inventoried in a **System Information Database (SID)** and gaps will be identified. For example, if an agency does not have updated future demand information, this would be identified as a gap. If water quality data is not available at sufficient locations at regular intervals to support necessary future water quality evaluations, a gap would be identified. The GIS data, which is extremely important for building a model, will be checked for connectivity accuracy and the pipeline attribute data (i.e. diameter, material and install year) will be verified for completeness. Any missing data or feature in the GIS will also be identified.

These gaps will be communicated to MWDOC to verify if further information or data is readily available to fill these gaps. Any new or updated data will also be added to the SID. The remaining gaps where data is not readily available will be documented and possible solutions for these gaps will be recommended in the work plan. These recommendations along with the gaps will be documented in a technical memorandum. The memo will also include hourly and budgetary estimates for analyzing this data and filling the gaps before the model development begins.

System Information Database

DATA NEED	Date Received	Questions/ Follow Up
Attribute Data & Models		
<input type="checkbox"/> GIS gdb or shapefiles of Water/Wastewater Infrastructure		
<input type="checkbox"/> Updated Water Model		
<input type="checkbox"/> As-builts Records (if deemed appropriate)		
Planning Data		
<input type="checkbox"/> Parcel Data (GIS Coverage)		
<input type="checkbox"/> Existing Land Uses		City/County
<input type="checkbox"/> Planned Land Uses		City/County
<input type="checkbox"/> Adopted Land Uses/Zoning Data		City/County
<input type="checkbox"/> Population Forecasts		SANDAG
<input type="checkbox"/> Pressure zone shapefiles		
<input type="checkbox"/> HGL schematic		
Demand / Flow and SCADA Data		
<input type="checkbox"/> Demand Summaries 2000-2015		Monthly billing data
<input type="checkbox"/> Supply Summaries - Daily (2010-2015)		
<input type="checkbox"/> Supply Summaries - Monthly (2000-2015)		
<input type="checkbox"/> SCADA Data - Screenshot of system layout		
<input type="checkbox"/> SCADA Data - Water Max Day		Need to identify Max Day
<input type="checkbox"/> Valve Settings		
<input type="checkbox"/> Peak Flow Summary and Pump Stats (Max Day)		
<input type="checkbox"/> SCADA Data - for Model Calibration		
<input type="checkbox"/> SCADA Data - Reservoir/Supply Connections		
Prior Studies & Agreements		
<input type="checkbox"/> 2000 Water Master Plan (Digital files)		
<input type="checkbox"/> 2010 UWMP		
<input type="checkbox"/> 2015 UWMP		
<input type="checkbox"/> North County Regional RW Study		

Black & Veatch's SID and data tracking procedures will help quickly identify data needs and ensure critical system information is secured for the project, not only during Phase 1, but also during Phase 2 and beyond. It will be a valuable reference for MWDOC in the future.

Task 2: Needs Assessment

The needs assessment step will identify critical features required in the model as well as providing direction on future evaluation needs. Key outcomes of this task are:

- Engagement with Metropolitan, MWDOC, and member agencies to solicit their input on specific hydraulic and water quality assessment needs.
- Providing a workshop for facilitation of discussion on needs and setting a template for regional participation for the future phases of work.
- Identifying the key benefits and impacts to Metropolitan and the member agencies to be evaluated using the hydraulic model in assessing each of the future regional supply concepts.

The success of this task will be driven by seeking input from the project stakeholders, including MWDOC, Metropolitan, and the retail agencies. The regional hydraulic model must satisfy the most pressing needs for each stakeholder. To do this, each stakeholder must be heard and their needs accounted for in the model development process.

First, the Black & Veatch team will work with MWDOC staff to confirm their specific needs and uses of the future hydraulic model. The team will then work with MWDOC to develop a short and simple questionnaire that will be used to confirm or collect needed information and status of the hydraulic model of each retail agency. The questionnaire will include questions on model software, last calibration date, current uses of the model, future expectations from the model, reporting requirements etc. **This information from the agencies will be analyzed and organized with MWDOC's needs to draft the initial consensus needs for development of the regional hydraulic model. This will help facilitate the discussion of the first stakeholder meeting.**

At the stakeholder workshop, each of the identified needs from the RFP (see summary table below) will be confirmed and discussed with the attendees. Input from attendees will be solicited to determine data needs and availability for each item as well as input on priority of the modeling needs for each agency. A similar meeting with Metropolitan and MWDOC will also be held to discuss the assessment needs. The prioritized list and will be updated based on input from Metropolitan. The consensus goals will then be reviewed with MWDOC and prioritized based on the input from Metropolitan and stakeholders as well as the objectives for the future Implementation Plan objectives. These final consensus goals will then be used to assess and evaluate potential hydraulic model software and analysis approaches.



Black & Veatch will draw upon our extensive past familiarity of MWDOC's system and needs and our relationships with project stakeholders to help facilitate stakeholder interactions and build consensus.

Model requirements for analyzing pressurized flow conditions. Included in this task is an assessment of the need for modeling cascading flow regimes (not a full pipe condition) in the Santiago Lateral pipeline and recommendations for how this should be handled.	The model needs to simulate different demand conditions which most modeling software handle well. Also, different flow regimes (pressurized vs open channel flow) should be modeled accurately. Certain software like InfoWater handles such scenario better than others.
Intended immediate and potential future uses of the model (planning level analysis and/or engineering level analysis) and the type of hydraulic model engine required (i.e. steady-state flow or fully dynamic flow).	For planning level analysis and some engineering analysis like low pressure identification, steady state simulations of extreme condition can be sufficient. For other detailed analysis like Water age, Water Quality and operational analysis will require dynamic simulations.
The required level of model accuracy and functional use (i.e. short term and long term). The extent of the OC distribution system that needs to be modeled to provide engineering and water quality analyses including; multiple service connections, pressure control facilities, treatment facilities, and storage reservoirs. Define boundary conditions that must be established.	Capital planning for the long term can be simulated with fewer inputs to allow room for larger uncertainty. The short-term operational or water quality analysis will require the inclusion of all facilities in the regional (and local) system with controls assigned.
Integration requirements for importing data from Metropolitan's existing model/pipe network database.	Black & Veatch has experience with Mike Urban and its capabilities. The team will request a copy of the model to identify the exact process to import and check compatibility with other software
Expansion capabilities and ultimate goals of the OC distribution system model.	The ultimate goals of the hydraulic model will be confirmed with MWD OC and the retail agencies to finalize the needs. The software platforms will be evaluated to accommodate these goals and its capability for easy (or automated) expansion or upgrade will be confirmed. For example, WaterGEMS' Model Builder tool and InfoWater's GIS exchange make expansion and update of the model fairly standard and easy
Ease of use and requirements for communicating modeling results (GIS compatibility, reporting format flexibility, etc)	Certain modeling platforms have better reporting capabilities than others. For example, InfoWater works within ArcGIS environment making it easy to make maps from model results. Others like Mike Urban requires the results to be exported into GIS feature classes before making map. The finalized needs will include the ease of use and all the communication requirements of MWD OC and the retail agencies.
"What-if" scenario analysis including supply sources coming on and offline, pipe shut-downs, demand changes (existing and future system), water supply reliability analyses, impacts to Metropolitan system, etc.	Scenario management with the modeling environment will be important for managing all "What-If" analyses. This will be an will be a major criterion for model platform selection.
The ability to track model history including when the network was changed, the previous model runs, input changes etc.	Certain software like Infoworks have in-built capabilities to track model changes better than others. Other require the users with maintain a separate model update log. The relative importance of this need will be accessed before development of modeling software specification.
Types of water quality constituents that the model should accommodate and whether these need to be integrated into the hydraulic model or if supplemental spreadsheet-based models are sufficient.	EPANET based software can model water quality constituents like chlorine or chloramine relatively easily using out of the box capability or extensions like MSX. The need for such extensions or sufficiency of spreadsheet models will be evaluated for its relative importance during the needs workshop before developing the software specifications.
Define a basis of calibration for the model.	The level of calibration will depend on the use of the model. A calibration basis will be developed based on the immediate need and future needs in a phased manner

Task 3: Develop Software Specification

Software specifications will be identified based on the Needs Assessment in Task 2.

The needs and goals developed in Task 2 will be prioritized and a level of effort to implement each will be developed. The draft level of effort and cost estimates will be based on using commercially available software and contingencies applied to cover for differences in implementation between different software platforms.

The complete list of software specifications will be prepared based on the needs and goals which will balance functionality and cost. The prevalence of each software platform in Southern California will also be considered by assessing local agency's current platforms as well as above par local customer service will also be added to the specifications of the software.

The software specification list and estimated level of effort will be discussed and reviewed with MWDOC to confirm all future modeling needs are being considered. A key aspect will be assuring the selected model meets the analytical needs identified in the White Papers currently under development. **This will help ensure that MWDOC's hydraulic model development investment can be fully leveraged for years to come.**

Task 4: Market Survey and Evaluation of Hydraulic Program Capabilities

Identification of potential software platforms is important to ensure that all options are considered toward selecting a flexible, cost-effective software that will provide the variety of robust analytical tools needed to address the water quality and hydraulic technical challenges associated with new supply integration.

The Black & Veatch team has experience with all widely used hydraulic modeling platforms in the United States. The table below lists most of the available water hydraulic modeling software platforms in the US. All of these software packages are capable of both steady-state and "dynamic" hydraulic modeling as well as some degree of water quality modeling. Details of modeling capability differences will be provided during this Task. The evaluation of software options and final selection will depend on these detailed differences as well as other factors (i.e. prevalence, integration capabilities, user-friendliness, cost, etc.). The table below provides some of Black & Veatch's preliminary insights on these other factors. The project team will develop a comprehensive exhibit of the major industry standard platforms and match them to the specifications developed in Task 3. If needed, the team along with MWDOC staff will communicate with specific vendors to get additional information or clarifications.

Based on this secondary survey augmented by as-needed primary research directly from the software vendors, a shortlist of the software that meet MWDOC's specifications will be developed. This short list will be presented to MWDOC staff in a meeting, along with the pros and cons of each software, to elicit discussion and individual comments on each software on the shortlist.

SOFTWARE	BLACK & VEATCH INSIGHT
Aqueductos	<ul style="list-style-type: none"> ■ Standalone interface Only ■ Used by utilities in Mexico and South America
EPANET	<ul style="list-style-type: none"> ■ Has a very rudimentary interface with very limited scenario management capabilities
HydrauliCAD	<ul style="list-style-type: none"> ■ Used by very few utilities in the US
InfoWater	<ul style="list-style-type: none"> ■ Used by many utilities in the western United States and by many of MWDOC's retail agencies ■ Has effectively replaced Innovyze's H2ONet and H2OMap products due to its superior GIS integration capabilities
Infoworks ICM	<ul style="list-style-type: none"> ■ Commercial software built by Innovyze (previously Wallingford) based on proprietary engine ■ Has a standalone interface ONLY with good results plotting capabilities plotting and scenario management with track changes ■ Used by many utilities across the US for collection system modeling
Infoworks WS	<ul style="list-style-type: none"> ■ Commercial software built by Innovyze (previously Wallingford) based on proprietary engine ■ Has a standalone interface ONLY with good results plotting capabilities plotting and scenario management with track changes ■ Used by many utilities across the UK and some utilities in the US
KYPipe	<ul style="list-style-type: none"> ■ Lower cost commercial software built by two researchers based on a proprietary solution engine ■ Used by very few utilities in the US
MIKE Urban	<ul style="list-style-type: none"> ■ Commercial software built by DHI based on a proprietary solution engine
Synergi Water	<ul style="list-style-type: none"> ■ Commercial software built by DNV-GL (previously Advantica and Stoner) based on a proprietary solution engine ■ Used by very few utilities in the US like City of San Diego and some utilities across the UK.
WaterGEMS	<ul style="list-style-type: none"> ■ Has a good standalone as well as an ArcMap based GIS or AutoCAD based interface with good results plotting capabilities and scenario management. ■ Used by many utilities in the eastern United States and International markets ■ A superior product to Bentley's WaterCAD product due to its GIS integration capabilities
WaterSys	<ul style="list-style-type: none"> ■ Used by a few utilities in Canada

Task 5: Prioritize Software Products and Provide Recommended 'Best Fit'

The selected software will need to meet a wide variety of analytical purposes to address the technical concerns associated with new supply integration, as well as needs identified by stakeholders.

In this task, Black & Veatch will work with MWDOC staff to arrive at a recommended "best fit" software platform for the hydraulic model. To assist with this, the team will use our **Black & Veatch spreadsheet-based decision support tool**.

The tool will incorporate the needs and goals identified in Task 2, along with functions for each software on the short list and user preferences from MWDOC staff with specific weights assigned to each. Initial weights will be decided in consultation with MWDOC staff. The draft analysis in the tool will be done and presented at a workshop. At the workshop the various inputs like user preferences will be confirmed. Changes to the weights will simulated in the workshop to see its effect on the "best-fit" recommendation. A recommendation will be made to MWDOC at the end of the workshop.

Software Selection Decision Support Tool										
Short Listed Software	Needs								Total	
	#1	#2	#3	#4	#5	#6	#7	#8		
Software 1	1	2	5	5	5	3	4	2	27	
Software 2	4	2	5	5	3	2	4	4	29	
Software 3	1	4	5	4	3	2	1	4	24	
Enter a score of 1 through 5 with 5 being the best software fit for the need										
Short Listed Software	Needs								Total	
	#1	#2	#3	#4	#5	#6	#7	#8		
Software 1	0.1	0.4	0.5	1.5	0.25	0.15	0.4	0.2	3.50	
Software 2	0.4	0.4	0.5	1.5	0.15	0.1	0.4	0.4	3.85	
Software 3	0.1	0.8	0.5	1.2	0.15	0.1	0.1	0.4	3.35	

Needs	Weights
#1	10%
#2	20%
#3	10%
#4	30%
#5	5%
#6	5%
#7	10%
#8	10%
Total	100%

Black & Veatch's decision support tool will help facilitate and streamline the scoring process to find the "best-fit" software

Task 6: Develop Up to Three Alternative Implementation Plans and Associated Cost Estimates

Under this task, an efficient and clear implementation plan for developing a hydraulic model and conducting future system analysis will be identified by:

- Incorporating the needs and goals developed under the Task 2 Needs Assessment.
- Considering model capabilities and limitations.
- Incorporating a modular and phased approach.

Black & Veatch's process incorporates a "modular and phased" approach to meet MWDOC's short-term goals while maintaining the capability to expand to meet long-term modeling and evaluation objectives. The alternative plans will be based on the software platform that was selected by MWDOC following Task 5. The Black & Veatch team will develop up to three DRAFT modular implementations plans for the model development that could consider:

- Priority of needs and goals developed from Task 2 Needs Assessment.
- Need and timing requirements to individually evaluate each of the four regional water supply projects (Poseidon Desal, OCWD Groundwater Pump-In, OCWD West Orange County Wellfield Pump-In, and Doheny Desal).
- Data availability and ability to fill data gaps .
- Regional vs. local modeling necessities.
- Complexity in development .

The plans also will address developing a steady state model versus a dynamic EPS model (or if done in stages), all-pipes versus a skeletonized model versus regional model, model for hydraulic capacity evaluations versus a model to simulate water quality, etc. Also, if appropriate, a multi-tool approach may also be identified for consideration. A multi-tool approach could include the use of Microsoft Excel, Power BI, Gold Sim, or other software that could be utilized to assess “big-picture” supply/demands scenarios in a more efficient approach and help to refine the future water supply project options and identify necessary capital improvement needs that would then be validated and further refined via use of the model in evaluating in more detail system hydraulics and water qualities.

Each plan will consider the implementation of the 4 regional projects and their timelines. Each DRAFT alternative will be presented in a workshop with MWDOC staff using a flow chart along with cost estimates for each module. Pros and Cons will be provided for each implementation to facilitate discussion and help identify the best option for MWDOC’s needs.

Optional Task: Consensus between MWDOC and its member agencies is critical for future phases of this project. As an optional task, Black & Veatch proposes to present the final implementation plan to the retail member agencies. This will help get all the stakeholders on the same page and set the project up for success in Phase 2 and beyond.

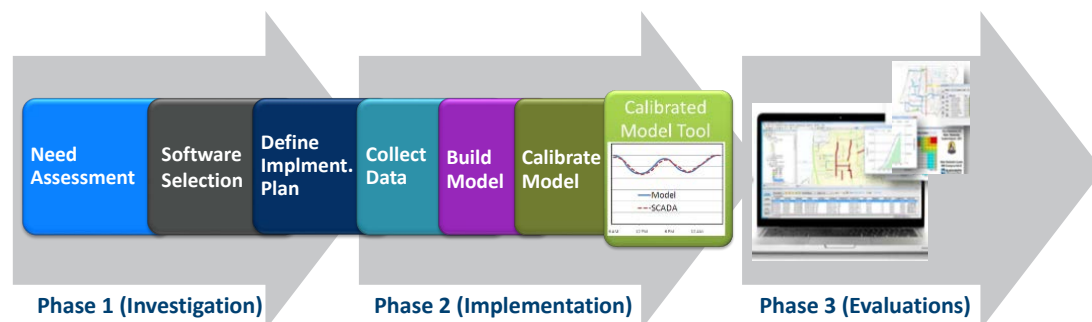
PHASE 2

While the scope, budget, and schedule requested in the RFP is limited to Phase 1, we have provided a general description of how we will approach Phase 2 assuming we are selected to assist MWDOC with Phase 1. This approach will be updated and refined following the completion of Phase 1.

Task 7: Implement MWDOC Selected Implementation Plan

A smooth and efficient implementation of the selected model development plan will be the focus of this task. Black & Veatch will work with MWDOC staff to select the best implementation based on your needs and timeline from the three plans identified in Task 6. This selection will be heavily influenced by MWDOC’s short-term needs (analyze integration of new water supplies and potential impacts on water quality) and long-term vision (develop a fully capable model to analyze hydraulics, transients, operations, water quality, etc.). Our implementation team includes the same staff from our Phase 1 investigation team, so we will have been intimately involved in the selection of the modeling platform and the implementation plan, making the model development seamless.

Model Development Plan



The Phase 2 Implementation efforts will be staged to follow the data collection and implementation plan development under Phase 1 and provide the necessary model and evaluation tools to evaluate regional supply options under Phase 3.

7.1. Collect, Review, Validate, and Convert Existing Data

Task 1 will have provided the Black & Veatch team with intimate knowledge of the data available to build MWDOC's model. This information, combined with our extensive knowledge of the proposed new local water supply projects in OC and key system integration issues, will make this task straightforward. The team will follow rigorous documentation and processes to inventory data (using the System Information Database (SID) from Task 1) and will confirm the gaps identified in Task 1. The team will also confirm the assumptions made to complete Task 1 and will also confirm the recommendations made to fill data gaps. This data collections and review task will include the pipe information, facilities (pumps, reservoirs, pressure control facilities, retail agency connections, treatment plants, etc), demand data, and GIS data review.

All the facility information will be summarized in tables for easy reference during model build.

Name	Model ID	From Zone	To Zone	Elevation (ft)
La Brea Regulating Station	RES9014	579	477	477
Overland Regulating Station	RES9006	865	477	455

Regulating Station Name	Model IDs	From Zone	To Zone	Setting (psi)
Grand & Venice	V_4406298	477	205	54
	V_4406299			54
	V_4406300			54
Jefferson & Sep	V_3019690	477	205	82
	V_3019684			82
	V_3019675			82
Palm & Stewart	V_4393923	477	205	48
	V_4393926			48
	V_4393933			48
Regulating Station #1	V_2279152	477	205	71
	V_2279148			71
	V_2279136			71

Diameter (in)	Length (ft)	%
2 - < 6	8,511	2%
6 - < 8	114,335	29%
8 - < 12	65,145	17%
12 - < 16	12,825	3%
16 - < 24	81,668	21%
24 - < 36	2,448	1%
>= 36	101,443	24%

Reservoir Name	Capacity (MG)	Footprint Dimensions (ft)	Base Elevation (ft-MSL)	Overflow Level (ft)	Fill Pressure (psi)
Reservoir 1	9.5	Rectangular (varies with depth)	75.25	42.5	65
Reservoir 2	18.7	Circular (diameter = 297.5)	45.7	36	75
Total Capacity	28.2				

Manufacturer	Model	Type (power source)	Capacity (gpm)	TDH (ft)	Speed (rpm)	Manufacturer	Model	Size (hp)
Johnston Pumps	SL-200	Vertical Turbine (gas)	2,500	130	1,200	Waukesha Engines	F1197G	137
Johnston Pumps	SL-100	Vertical Turbine (gas)	2,500	47	1,200	Waukesha Engines	F1197G	137
Worthington Pumps	NIA	NIA (electric)	1,000	NIA	1,200	U.S. Electric Motors	364VP	40
NIA	NIA	NIA (gas)	4,200	NIA	NIA	Waukesha Engines	F2895G	369
NIA	NIA	NIA (gas)	4,200	NIA	NIA	Waukesha Engines	F2895G	369

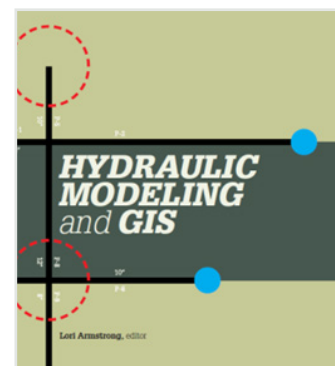
Existing system data will be summarized in simple tables to identify gaps and as easy reference during model build.

7.2. Build Model Network

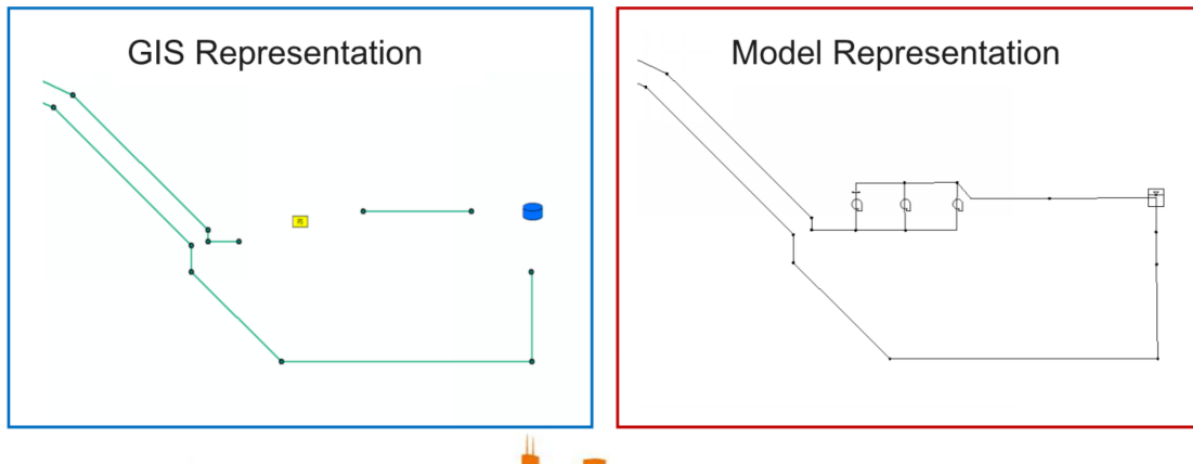
Based on the review from Task 1 and Task 7.1, the Black & Veatch team will build a geometric GIS network for MWDOC's system. This will include all the necessary pipes, pumps, pressure control facilities, Metropolitan connections, treatment plants, etc. Creation of a well-connected and complete GIS network will simplify and standardize the model build process for MWDOC. This will also help with maintenance and future update of the model. The team will also work with MWDOC to confirm if they would like the GIS to be in ESRI's Local Government Information Model.

Facility information facilities (pumps, reservoirs, pressure control facilities, retail agency connections, treatment plants, etc) will be manually added into the model using the tables generated in Task 7.1 and as-builts, as appropriate.

Demands collected from WINS and other sources will be geocoded to create a GIS layer that can be updated easily as new data is generated. The demands will be analyzed to look at historical patterns and calculated peak factors for maximum day, peak hour and minimum day. Maximum and Minimum month peaking factor also be calculated, if needed. At the end of this task, the model will under steady state (not calibrated).



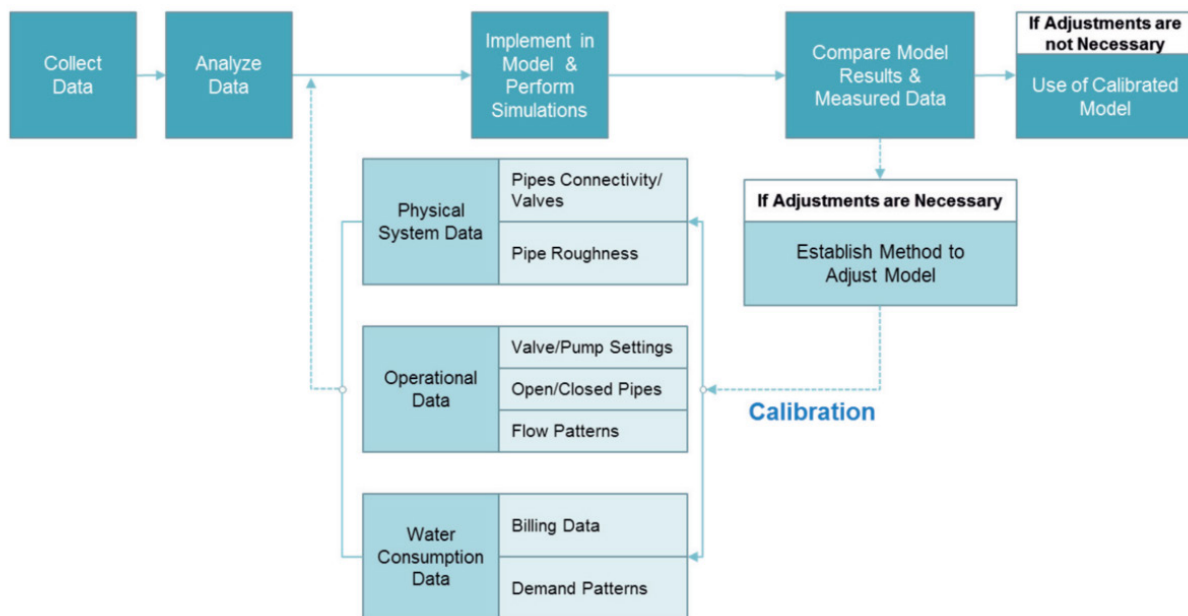
Brian Lendt and Ed Koval were primary authors of Hydraulic Modeling and GIS, an Esri reference guide. Our team has extensive experience in building models from and integrating with our clients' GIS database systems.



Accurate representation of the facilities in the model is essential for more advanced analysis using the hydraulic model. And GIS does not have that level of detail as would be found in As-Built.

7.3. Model Calibration

The initial step in model calibration is to identify specific calibration points across the system. The calibration parameters at these locations will be discussed with MWDOC staff and a plan will be created to capture any missing information.



Black & Veatch has proven methodology to calibrate water distribution models implemented across multiple utility of various sizes.

The first phase of calibration will focus on hydraulic calibration for EPS scenarios. The demands conditions for this calibration will be discussed and confirmed with MWDOC. At a minimum, calibration will be done for maximum day and minimum day demand conditions. After the first phase, the model will be ready for hydraulic (including source trace) and water age analysis. The results of water age analysis will set the stage for Phase 2 of calibration, which will entail water quality calibration. The need and process of water quality calibration will be discussed with MWDOC. Ideas like single species (chlorine) or multi species (chloramines) modeling will be discussed. Based on MWDOC's requirements and level of efforts needed to collect water quality data, Phase 2 calibration will be planned. The process for hydraulic and water quality calibration will be documented in a calibration plan and submitted to MWDOC for final approval.

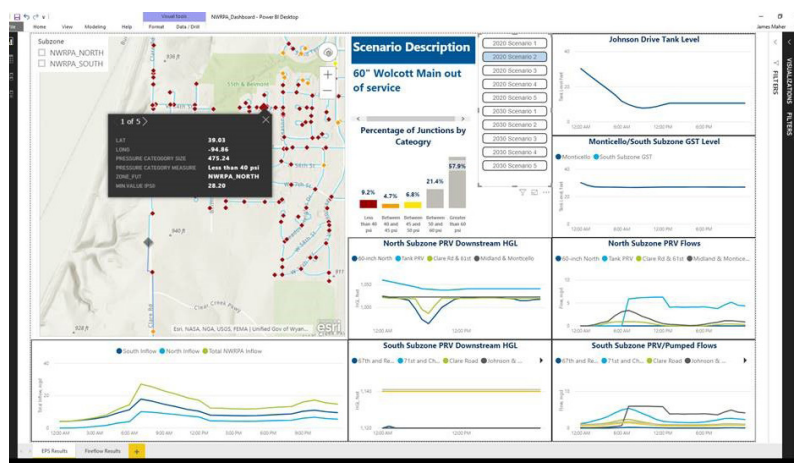
The calibration results will be presented to MWDOC in a workshop and any discrepancy in the measured versus modeled data will be discussed. At the end of this task, MWDOC will have excellent confidence to use their hydraulic model to make planning, operation or water quality planning.

7.4. Model Validation

The calibrated model under maximum and minimum demand conditions will be validated under other demand conditions like average demands. The process and tolerance for validation will be similar to the calibration criteria.

Future Model Runs

Additionally, separate scenarios will be setup for each of the four supply projects. The set up will also have the flexibility to use or test multiple projects in one scenario. Different future demand sets will be created so that the new supply sources can be tested under different demand conditions. Results from each scenario (pressure, velocity, water, etc) will be presented in Power BI dashboard for easy viewing and decision making.



A Power BI dash helps visualize and compare various critical parameters in the system under different scenarios and help with planning for different supply sources.

7.5. Model Documentation

As the previous tasks are completed, the process of model build will be documented in report. Wherever possible, videos will be created to show the process of model build including data import, data cleanup etc. The model calibration and results viewing will also be documented succinctly and using short videos.

7.6. Training

In addition to the videos, the team will provide MWDOC staff with in-person training including model building, scenario analysis, new service connection analysis and source trace runs.

Task 8: Regional Supply-Demand Evaluation

Prior to conducting detailed hydraulic capacity and water quality evaluations, it will be critical to define the short- and long-term regional water demand needs and how that will balance with the local, regional, and imported water demand supplies. The balance of supply and demand will be significant in defining the benefits and potential impacts of new regional supply projects at both the regional and local levels. Each retail agency operates their system specific to their demands needs, their local supply availability, supply costs/benefits, and system capacities. In addition, these parameters can vary based on season (e.g. summer vs. winter demand) as well as resource availability or restrictions (e.g. groundwater levels/pumping rights during wet vs. drought periods). Future water conservation is likely to play a role in the demand/supply balance as well for many agencies. Under this task, these agency specific scenarios will need to be defined for both the short- and long-term conditions and then aggregated to evaluate the effects on the regional demand/supply balance. Different scenarios (e.g. wet vs. drought condition) will need to be considered to evaluate how the future regional supply projects will benefit (or impact) the regional distribution system or even local systems. These scenarios and initial evaluations will then provide input to the more specific modeling efforts that will be used to further identify capital improvement needs, water quality challenges/improvement needs, and possibly operational adjustment to the system and/or agency supply strategies.

Scope of Services

Scope of Services for Investigation: Phase 1

The Scope of Services requested in the RFP have been replicated below and also enhanced to reflect Black & Veatch's technical approach and identify key deliverables and meetings.

The completion of the Investigation Phase 1 includes defining scopes of work required for successful model implementation. MWDOC's intent is to move quickly into the Implementation Phase 2 once the scopes of work and likely costs are defined. In general, the overall modeling effort includes:

INVESTIGATION PHASE (GENERAL)

1. Review existing available OC distribution system information and ranges of future supply and demand flow scenarios from Metropolitan/MWDOC; then identify and document gaps necessary for development of the hydraulic model.
2. Identify stakeholder hydraulic modeling needs and Metropolitan requirements to successfully model the integration of "other sources of water" from local water projects into the OC distribution system while maintaining high quality water. The Consultant shall assist with prioritizing the identified hydraulic and water quality needs.
3. Develop a software specification that incorporates the identified hydraulic and water quality modeling needs into model requirements.
4. Conduct a software review and identify software products that match the software specification.
5. Prioritize software products based upon model requirements and recommend a 'best fit' for MWDOC's future uses.
6. Define scopes of work and associated cost estimates for purchasing and implementing the modeling software taking a 'modular' approach that provides for an initial startup (base model) with future expansion pathways to address identified needs while accommodating both budgetary and scheduling constraints. Each plan shall contain a matrix showing the required 'modules' necessary to address identified needs within the model for each of the four regional projects identified. The matrix will be used as an aid to benefit-cost discussions for short term and long-term budgeting and scheduling decisions. The Consultant shall provide a recommended implementation plan and alternatives considered including key considerations for MWDOC decision-making. The plan alternatives shall be documented in the OC Hydraulic Model Investigation Report.

INVESTIGATION PHASE (DETAIL)

Task 1: Data Review

Black & Veatch will collect and review existing available water quality data and OC distribution system information from Metropolitan and MWDOC, including Metropolitan and retail agency water quality reports, Metropolitan turnout demands, pipeline flows, potential local water supply sources, and likely future supply and demand flows by agency and by pipeline.

Black & Veatch will develop and maintain a System Information Database (SID) spreadsheet indicating the item(s) requested, a person responsible to collect the information, prioritizing data needs, when it is needed by, and when it was provided to Black & Veatch.

Black & Veatch will identify and document gaps necessary for development of a hydraulic model. A preliminary assessment of the level of effort (both work hours and estimated cost) necessary for data validation and conversion of data for successful model implementation will also be included.

Project Management activities including monthly progress reports, project schedule updates, arranging meeting and workshops, and Quality Assurance/Quality Control (QA/QC) Reviews are included in this task. Black & Veatch shall prepare an agenda in advance of all meetings and workshops and will submit meeting summaries for review following each meeting and workshop. Sign-in sheets, presentation materials, and topic specific handouts will also be prepared by Black & Veatch and provided for MWDOC's review in advance of all meetings and workshops. Black & Veatch shall coordinate and attend a Project Kick-off meeting with MWDOC personnel that will include Black & Veatch's Project Manager and other key staff. Topics to be covered at this meeting include a review of project goals and objectives, roles and responsibilities of the Project Team, coordination of project schedules potential dates for project meetings and workshops, and near-term workplan activities.

Deliverables and Meetings:

- As part of the project Kick-Off Meeting, Black & Veatch will review the System Information Database (SID) with MWDOC and the data collection approach process
- SID spreadsheet (updated regularly)
- Draft and Final Technical Memorandum documenting the collected data, data gaps, assessment for validation and conversion of data, and any additional data collection/processing recommendations.

Task 2: Needs Assessment

Consultant shall conduct a needs assessment for development of a hydraulic model that meets Orange County specific needs and Metropolitan requirements for hydraulic capacity, water quality, and water age evaluations. The task shall include facilitation of up to two stakeholder workshops (MWDOC, its retail agencies, and Metropolitan) to capture stakeholder needs that shall then be summarized in a Technical Memorandum and included in the final report. Specific items to be addressed in the needs assessment include, but are not limited to:

- Model requirements for analyzing pressurized flow conditions. Included in this task is an assessment of the need for modeling cascading flow regimes (not a full pipe condition) in the Santiago Lateral pipeline and recommendations for how this should be handled.
- Intended immediate and potential future uses of the model (planning level analysis and/or engineering level analysis) and the type of hydraulic model engine required (i.e. steady-state flow or fully dynamic flow).
- The required level of model accuracy and functional use (i.e. short term and long term). The extent of the OC distribution system that needs to be modeled to provide engineering and water quality analyses including; multiple service connections, pressure control facilities, treatment facilities, and storage reservoirs. Define boundary conditions that must be established.
- Integration requirements for importing data from Metropolitan's existing model/pipe network database.
- Expansion capabilities and ultimate goals of the OC distribution system model.
- Ease of use and requirements for communicating modeling results (GIS compatibility, reporting format flexibility, etc...)
- "What-if" scenario analysis including supply sources coming on and offline, pipe shut-downs, demand changes (existing and future system), water supply reliability analyses, impacts to Metropolitan system, etc.
- The ability to track model history including when the network was changed, previous model runs, input changes etc.
- Types of water quality constituents that the model should accommodate and whether these need to be integrated into the hydraulic model or if supplemental spreadsheet-based models are sufficient.
- Define a basis of calibration for the model.

Deliverables and Meetings:

- Stakeholder workshops (up to 2) with MWDOC and retail agencies to introduce project and discuss stakeholder needs
- Up to 2 follow up meetings with Metropolitan discuss data needs and Metropolitan requirements
- Draft and Final Technical Memorandum summarizing result of Needs Assessment

Task 3: Develop Software Specification

Identified needs shall be prioritized and assigned preliminary level of effort (i.e. work hours) and cost estimates for implementation to determine relative benefits vs costs for reconciliation with budgetary and scheduling constraints. Based upon the needs assessment conducted with agencies, Metropolitan requirements, and supplemental discussions with MWDOC, develop a detailed specification that indicates the core software functions required to provide sufficient accuracy and functionality to meet identified needs. The specification shall include feature prioritization for final assessment of cost vs. functionality. Functional categories include, but are not limited to; hydraulics, scenario management, capital improvement needs identification and management, model features, graphics, and reporting flexibility to communicate model result, boundary inputs, user interface, data management, software architecture, support and maintenance, and vendor services.

Deliverables and Meetings:

- Meeting with MWDOC to discuss software specification
- Draft and Final Technical Memorandum summarizing Software Specification, including functional categories and estimated costs

Task 4: Market Survey and Evaluation of Hydraulic Program Capabilities

Survey the major industry-standard software packages used for hydraulic modeling. Develop and document a 'short-list' of software packages based upon their ability to meet the software specifications and depth of user base in Southern California. Also indicate any significant limitations that remove particular packages from further consideration.

Deliverables and Meetings:

- Exhibit summarizing the survey of industry standard software and their functional capabilities and prevalence of use in Southern California
- A short-list of software options and their ability to meet (along with any limitations) of software specifications as well as list of options that should be removed from further consideration
- Meeting with MWDOC to review market survey and evaluation results

Task 5: Prioritize Software Products and Provide Recommended 'Best Fit'

- Evaluate short-listed software packages through a functional evaluation and user evaluation rating process with weighting of evaluation scores as appropriate. Then make a recommendation(s) for 'Best Fit' selection.

Deliverables and Meetings:

- Model evaluation Scoring Matrix
- Workshop with MWDOC staff to review evaluation results and recommendations

Task 6: Develop Up to Three Alternative Implementation Plans and Associated Cost Estimates

Develop up to three alternative plans with cost estimates for implementing a hydraulic model for the recommended modeling software package(s) identified from the functional evaluation. Use a modular approach to the implementation plan to address the prioritized needs in the software specification. If appropriate, a multi-tool approach may also be identified for consideration and included as part of implementation plan alternatives. The cost estimates for each model implementation plan alternative shall include estimated hourly work and estimated cost breakdowns as well as estimated schedules. Each alternative plan shall contain a matrix showing the four regional projects on one axis and the various 'modules' (with estimated costs and work hours) necessary to address identified needs of each project on the other axis. These matrices will be used to aid benefit cost discussions for short and long-term budgeting and scheduling decisions. Include a 'least cost' estimate to get a minimal model up and running that can have additional modules added at a later date.

Deliverables and Meetings:

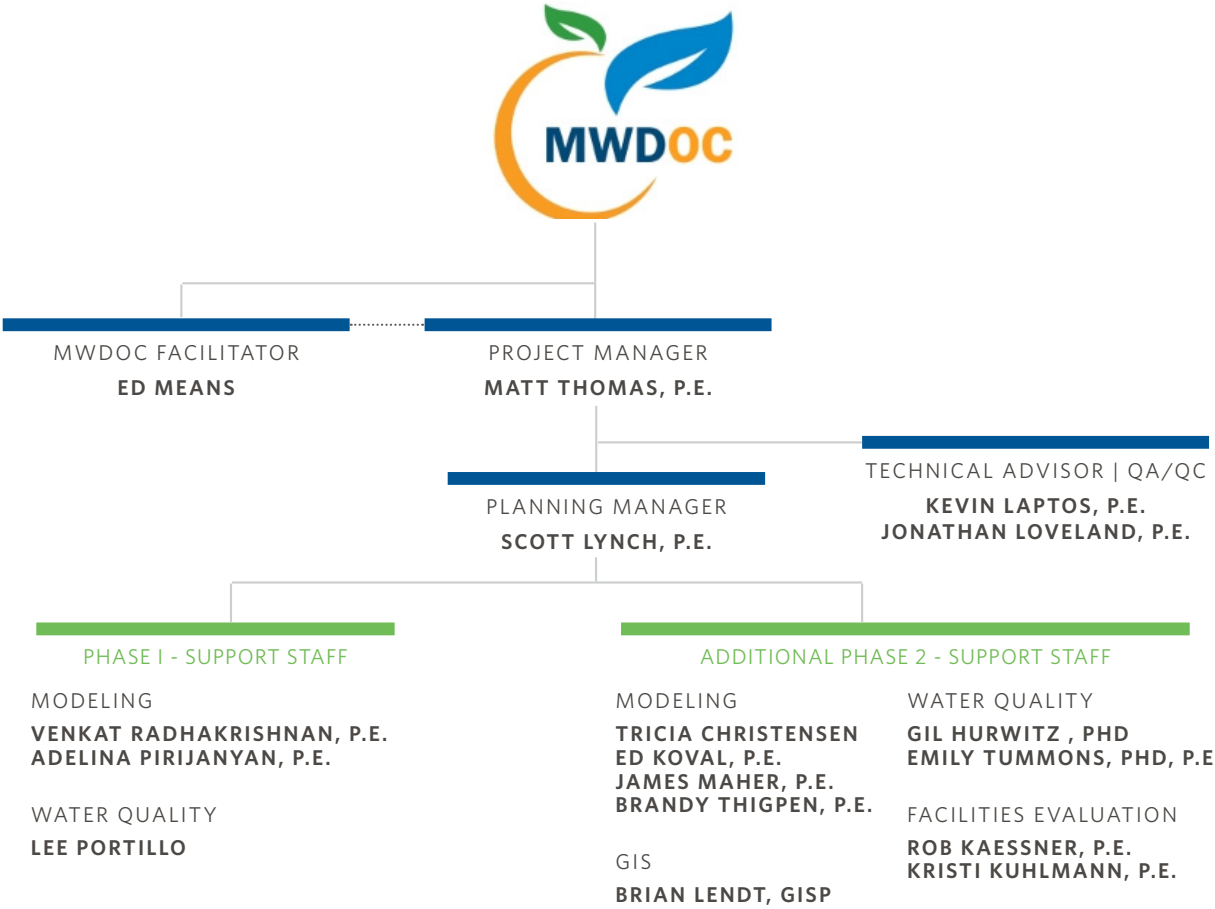
- Alternative Implementation Plans (up to 3), including estimated costs and schedules
- Workshop with MWDOC to review
- Draft and Final Report summarizing the Recommended Implementation Plan and model selection process.
Previous deliverables will be included as appendix to this final Report

Optional Task: Present recommended Implementation Plan for Phase 2 and 3 to Metropolitan and retail member agencies

Team

Team

This section provides an overview of our core team and organization. For Phase I, we provide brief biographies describing the background of our key team members and their roles on the following pages. In the appendix are the resumes of our additional technical resources that will come in Phase 2. In addition to these experts, we have a global workforce 10,000 strong, and we have been a strong California presence for over 30 years.



Matt Thomas, P.E., DBIA Project Manager | 25% Availability



Matt brings over 27 years of experience in planning and design of major water conveyance infrastructure in southern California. **Matt will serve as Project Manager for the model development, supported by a deep team of water system modeling and new water supply integration experts.** He and his teammates bring tremendous background knowledge about the proposed new local water supply projects and the concepts for how they will be integrated into the regional distribution network, making model implementation and calibration efficient. **Matt will also bring strong communication skills and current working relationships with Metropolitan and MWD OC Member Agencies to support engaging them in the model selection and development process to build their support.**

EDUCATION
BS, Civil Engineering, California
Polytechnic State University

YEARS OF EXPERIENCE
27

PROFESSIONAL REGISTRATION
■ PE, CA, #C52858

Scott Lynch, P.E.

Planning Manager | 40% Availability



Scott serves as a planning leader in the West with a career emphasis on infrastructure systems and integrated planning. His experience has focused in master planning, modeling, economic evaluations, and engineering analysis of water, reuse, and wastewater systems. His planning expertise includes reconnaissance-level regional studies, including complex and integrated projects requiring a coordinated approach in assessing a variety of technical and institutional issues. **Scott will support Matt in the facilitation efforts and to help lead the team in developing a comprehensive plan to address the regional needs for the current and future phases of the program.**

EDUCATION

MS, Civil Engineering, University of California - Berkeley
BS, Civil Engineering, University of California - Berkeley

YEARS OF EXPERIENCE

26

PROFESSIONAL REGISTRATION

■ PE, CA, #C53419

Kevin Laptos, P.E.

Technical Advisor (QA/QC) | 25% Availability



Kevin serves as Black & Veatch's National Practice Leader for Distribution System Modeling and Planning. He has 29 years of professional experience in engineering practice and management involving the planning, design, construction, operation, and rehabilitation of water and wastewater systems. His experience includes technical advisory roles for Tampa Bay Water, FL for hydraulic and transient modeling of their water transmission system. **As a Technical Advisor for the project, he will help ensure appropriate technical resources are available to the project and QC procedures are implemented to provide high quality deliverables to MWDOC.**

EDUCATION

MS, Civil Engineering - Hydrosystems, Virginia Tech
BS, Civil Engineering, Virginia Tech

YEARS OF EXPERIENCE

29

PROFESSIONAL REGISTRATION

■ PE, NC, #35367
■ PE, PA, #PE045490E

Jonathan Loveland, P.E.

Technical Advisor | 25% Availability



Jon is an expert in advanced surface and colloid chemistry with experience solving challenging process and treatment problems. Jon is currently participating in White Paper development and brings past experience on desalinated water supply integration, in particular from his experience working for Poseidon Resources on the Carlsbad and Huntington Beach projects. **He will apply his experience by serving as a technical advisor to assure the model selection and development addresses the technical challenges of new supply integration, particularly for desalinated water quality issues.**

EDUCATION

MS, Civil/Environmental Engineering, University of Colorado - Boulder
BS, Civil Engineering, Worcester Polytechnic Institute

YEARS OF EXPERIENCE

19

PROFESSIONAL REGISTRATION

■ PE, CO, #73659

Venkat Radhakrishnan, P.E.

Modeling | 50% Availability



Venkat is a hydraulic modeling professional with extensive local and international experience in developing and analyzing water distribution system models, including many Southern California clients like LADWP, City of Newport Beach, City of Laguna Beach, and Mesa Water District. For your project, Venkat will be lead hydraulic modeler in all phases of the project. **He will be intimately involved in Phase 1 to help determine the model needs and find the “best-fit” software for the District. He will work with other modelers in the team and Project Manager, Matt Thomas to make sure that all technical aspects of the projects are as per the District’s requirements.**

EDUCATION

MS, Mechanical Engineering, Arizona State University
BS, Mechanical Engineering, Mumbai University

YEARS OF EXPERIENCE

10

PROFESSIONAL REGISTRATION

■ PE, AZ, #51584

Adelina Pirijanyan, P.E.

Modeling | 70% Availability



Adelina is skilled in hydraulic modeling and environmental data management, including data collection, input, quality assurance/quality control, verification, validation, and analysis. Adelina has prepared numerous hydraulic models that aided agencies in effectively planning, managing, and operating their facilities. To support modeling development, she leads hydraulic modeling/analyses, model calibration, design, planning, and report preparation efforts. She has considerable training and experience using the latest water distribution and sewer modeling products. Her expertise includes applying geographic information systems (GIS) technologies and hydraulic modeling for potable/non-potable systems that capture, review, manage, analyze, and display data that is essential to facilitate decision making. **Adelina’s role on this project includes model building, calibration and system analysis.**

EDUCATION

BS, Civil Engineering, University of California - Irvine

YEARS OF EXPERIENCE

16

PROFESSIONAL REGISTRATION

■ PE, CA, #73785

Lee Portillo

Water Quality | 30% Availability



Lee is a membrane and process specialist who works for the Water Technology Group within Black & Veatch. Lee has domain expertise in low pressure filtration and desalination membranes across a wide range of source water, including seawater desalination and produced water. Lee also brings tremendous expertise in water quality chemistry from prior employment with desalination process equipment suppliers. **He will assist the team in evaluating the available modeling platforms to assure they can be used satisfactorily to analyze water quality interactions and behaviors to address the issues associated with new supply integration.**

EDUCATION

BS, Mechanical Engineering, Texas Christian University

YEARS OF EXPERIENCE

15

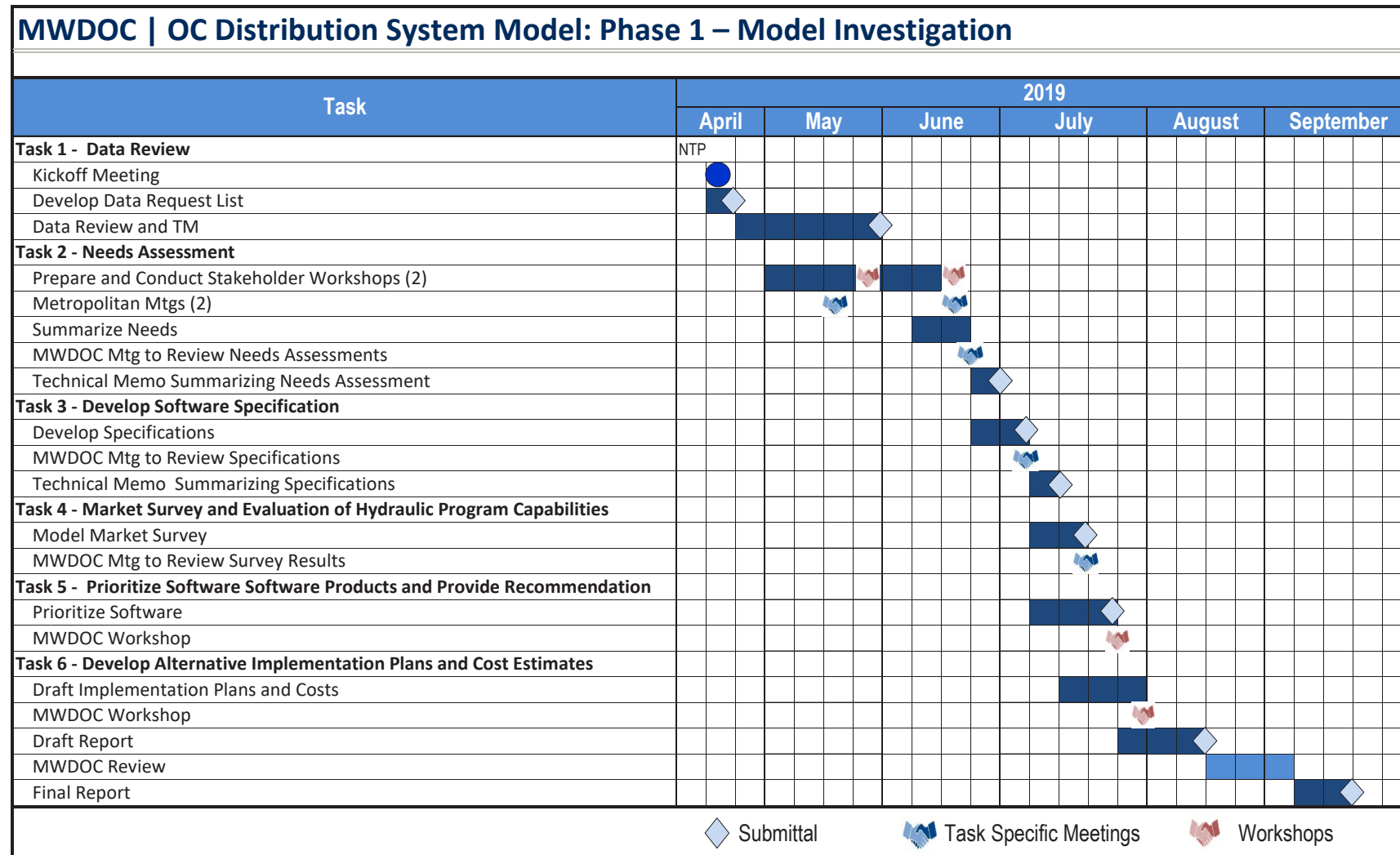
PROFESSIONAL REGISTRATION

■ N.A.

Schedule

Schedule

Black & Veatch's proposed schedule is based on the requested project timeline in the RFP. We are fully prepared to execute the Phase 1 services within this schedule assuming the various stakeholder meeting and workshop dates can be set in a timely manner. These frequent meetings and workshops will also provide opportunities for project management (status) update reports. This approach results in an efficient delivery of the project by keeping the project team on schedule and allow for continuous feedback and input from MWDOC.



Budget | Conflict of Interest | Contract

Budget

Presented below is our budget estimate, which reflects our approach and proposed scope of work for completing your project in a thorough manner. With Black & Veatch, you will get a flexible partner who will adjust any element of our approach and scope of work to assure expectations are met within the project schedule. We recognize that every project has budget limitations, and therefore, we are very flexible in working with you to adjust the approach, scope of work, and deliverables to meet your planning process and budgetary needs. Our proposal also includes an optional task for an additional stakeholder meeting to present to the final recommended implementation plan as we proposed in our approach.

Fee Estimate

Task No.	Task Name/Description	Director/Officer/Project Manager 4	Director/Officer/Project Manager 4	Engineer 7	Engineer 6	Engineer 5	Engineer 4	Engineer 3	Clerical	Total Project Hours	Direct Expenses	Total
		\$305	\$305	\$243	\$226	\$210	\$177	\$154	\$105		10%	
TASK 1 - Data Review Subtotal		12	-	2	4	2	12	12	10	54	\$ 80	\$ 10,580
TASK 2 - Needs Assessment Subtotal		20	12	8	22	-	-	16	-	78	\$ 400	\$ 19,580
TASK 3 - Develop Software Specification Subtotal		6	4	6	4	14	-	12	-	46	\$ 80	\$ 10,288
TASK 4 - Market Survey and Evaluation of Hydraulic Program Capabilities Subtotal		3	-	4	3	-	-	16	-	26	\$ 80	\$ 5,117
TASK 5 - Prioritize Software Software Products and Provide Recommended 'Best Fit' Subtotal		4	-	4	4	4	-	12	-	28	\$ 80	\$ 5,872
TASK 6 - Develop Up to Three Alternative Implementation Plans and Associated Cost Estimates		13	-	13	15	-	14	30	6	91	\$ 80	\$ 18,330
TOTAL		58	16	37	52	20	26	98	16	323	\$ 800	\$ 69,767
OPTIONAL TASK 6 - Stakeholder Workshop Subtotal		6	2	2	6	-	6	4	-	26	\$ 100	\$ 6,070
TOTAL WITH OPTIONAL TASKS		64	18	39	58	20	32	102	16	349	\$ 900	\$ 75,837

Conflict of Interest

Black & Veatch has been a successful company for more than 100 years. We carefully consider each project we undertake to ensure there is no conflict of interest. We are confident that MWDOC's proposed project poses no known or potential conflicts with other agencies or projects.

Contract

During our 30 years in California, Black & Veatch has negotiated contracts with some of the State's most prestigious agencies. We anticipate no difficulties in the negotiation of a contract with MWDOC. If possible, we ask that the following revision to the Insurance Requirements section of Standard Consulting Agreement be considered:

- *Article VI.B requires that the Professional Liability policy includes a provision that requires the insurer to provide 30 days notice of cancelation to the District. Similarly Article VI. C states that CGL, auto, worker's compensation and employer's liability will contain similar clauses. Our insurance policies do not contain this provision. We request that this language be struck or modified to state that Black & Veatch will endeavor to provide thirty days notice of any cancellation.*



CONSENT CALENDAR ITEM

April 17, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager

SUBJECT: AMENDMENTS TO ADMINISTRATIVE CODE

STAFF RECOMMENDATION

It is recommended that Board of Directors consider approval of the revisions to Section 2201 (Level of Expenses and Expense Reimbursement Rates), and adding Section 1406 (Incompatible Offices) to the Administrative Code.

COMMITTEE RECOMMENDATION

At a previous Administration and Finance Committee (A&F) meeting, the Committee concurred with the change to Section 2201, however held discussion on the Incompatible Office addition. Committee requested staff confer with Legal Counsel to determine whether the incompatible office provision could or should extend to agencies outside of MWD OC's service area (e.g., other MET member agencies). Legal Counsel conducted additional analysis and is recommending the below revised language. The item was on the March 20, 2019 Board meeting agenda and at that time the Board agreed to discuss it further in Committee.

The April A&F Committee recommended the Board approve the revision to Section 2201 (Level of Expenses and Expense Reimbursement Rates), however referred the addition of Section 1406 (Incompatible Offices) to the May 8, 2019 A&F Committee meeting for further discussion.

SUMMARY

Staff periodically reviews the Administrative Code for potential updates and Sections are submitted to the Board for suggested revisions. As a result, the following revisions/additions are recommended.

Section 2201 is located in Chapter 2, Business Expense and Credit Card Policy. Staff recommends the word "lodging" be added to Subsection c, as follows:

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

“§2201 LEVEL OF EXPENSES AND EXPENSE REIMBURSEMENT RATES

Expenditures for lodging, meals, and transportation should provide for reasonable comfort and convenience. It should be borne in mind, however, that public funds are being spent and that only a reasonable level of expense is warranted. MWDOC shall not incur any costs for a spouse, or other accompanying person. The most economical mode and class of transportation reasonably consistent with scheduling requirements will be used. In the event a more expensive class of transportation is used, the reimbursable amount will be limited to the cost of the most economical class of transportation available. Reimbursement for travel expenses are subject to the following limits:

- (a) Lodging shall be obtained at government group rates, when available. For conferences and organized educational activities, lodging costs shall not exceed the maximum group rate published by the sponsor of the conference or activity. If there is no government or group rate available, then lodging expenditures will be subject to the limitations of Section 2201 (c).
 - (b) Transportation costs and costs associated with transportation shall be reimbursed according to the requirements of Section 2203.
 - (c) Reimbursement to directors for meals, lodging, and other reasonable and necessary incidental expenses (excluding costs described in Section 2201 (a) or 2201 (b) above, shall not exceed \$700 per day.
 - (d) The maximum reimbursement amount in Section 2201(c) shall increase by 5% COLA each year on January 1, commencing January 1, 2016.”
-

Deferred to the May 8, 2019 A&F Committee meeting:

Following discussion with the Executive Committee, it was recommended that a Section be added to the Administrative Code related to Incompatible Offices. The purpose of adding this section is to make it clear that the office of MWDOC Director is incompatible with “public offices” of Member Agencies. Administrative Code Section 1500(A)(5) already states that the office of MWDOC MET Director is incompatible with “public offices” of Member Agencies and the proposed addition is consistent with such. Adding Section 1406 will make the incompatibility of offices very clear to the public so there is no confusion and will require MWDOC to take action to enforce any violations. Upon conferring with legal counsel, it is recommended the following Section be added to the Code.

§1406 INCOMPATIBLE OFFICES

Consistent with Government Code Section 1099, the public office of Member of the MWDOC Board of Directors is incompatible as a matter of law with the public offices of Director, City Council Member, Mayor, General Manager, or City Manager of a MWDOC Member Agency, or any other office in which that person serves as the principal executive of a MWDOC Member Agency. If a person is elected to the MWDOC Board of Directors and holds one of the incompatible offices described above, as provided in Government Code Section 1099, upon taking office as a MWDOC Director the person shall by law forfeit the previously held public office. If a person continues in the previous office after taking office as a MWDOC Director, MWDOC shall inform the Attorney General’s office and take any appropriate legal steps to enforce Government Code Section 1099.



**PUBLIC HEARING AND
ACTION ITEM**
April 17, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager

**SUBJECT: PUBLIC HEARING AND ADOPT ORDINANCE NO. 54 SUPERSEDING
AND REPEALING MWDOC ORDINANCE NO. 47 REGARDING
COMPENSATION FOR DIRECTORS**

STAFF RECOMMENDATION

It is recommended that the Board of Directors (1) open the public hearing (as noticed) on the Proposed Ordinance No. 54 to receive input from the public; (2) consider said input on the Ordinance; (3) adopt Ordinance No. 54, in the general form presented, with amendments if necessary; and (4) authorize amendments to Administrative Code as presented.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation

SUMMARY

The MWDOC Board directed staff to work with legal counsel to revise Ordinance No. 47 so that any increases in Director Compensation be limited to the amount set for staff in the annual budget, but not more than the amount allowable under California State law.

Directors' (and MET Directors') compensation is established by Ordinance pursuant to Water Code Section 20200 *et seq.*, and requires a Public Hearing in order to amend the existing procedure set forth in Ordinance No. 47.

In the event the Board adopts Ordinance No. 54 as outlined, it will be necessary to revise the Administrative Code accordingly. Attached are red-lined revisions for review.

Pursuant to the legal requirements, the notices of the public hearing were published in the *OC Register* on April 1 and April 8.

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

ORDINANCE NO. 54

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

COMPENSATION OF DIRECTORS

WHEREAS, the Board of Directors has previously adopted Ordinance No. 47 governing the compensation to be paid to members of the Board of Directors of the Municipal Water District of Orange County, and to those members of the Board of Directors of the Metropolitan Water District of Southern California representing the Municipal Water District of Orange County (collectively referred to as the “MWDOC Board of Directors”) , in accordance with Chapter 2 of Division 10 of the Water Code of the State of California (Water Code § 20200 et seq.); and

WHEREAS, by law, the compensation to be paid to the MWDOC Board of Directors may be increased annually by ordinance, with an increase that may not exceed five percent (5%); and

WHEREAS, the MWDOC Board of Directors believe that the duties carried out by MWDOC’s officers and employees (collectively referred to as “MWDOC staff”) are critical to the high functioning of the agency, and that the MWDOC Board of Directors should not be entitled to any compensation increase that exceeds that of MWDOC staff in any given, budgetary year; and

WHEREAS, it is the intent of the MWDOC Board of Directors that any annual compensation increase to the MWDOC Board of Directors permitted under State law shall not exceed the compensation increase awarded to MWDOC staff for any given year, as described and adopted in MWDOC’s annual budget; and

WHEREAS, the MWDOC Board of Directors now desires to amend its policy regarding compensation of MWDOC Board of Directors.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of Municipal Water District of Orange County as follows:

Section 1. That Ordinance No. 47 is hereby superseded and repealed effective upon the adoption of this Ordinance.

Section 2. The MWDOC Board of Directors shall receive a 5% compensation increase above its existing compensation on the effective date of this Ordinance, unless MWDOC staff receives less than a 5% increase as adopted in MWDOC’s annual budget, in which instance, the MWDOC Board of Directors shall receive the same increase, if any, that MWDOC staff receives.

Section 3. Any future MWDOC Board of Directors compensation increase will be enacted only by ordinance and following a public hearing.

Section 4. Severability. If any section, subsection, subdivision, sentence, clause, or phrase of this Ordinance, or any part thereof is for any reason held to be unconstitutional, such decisions shall not affect the validity of the remaining portion of this Ordinance or any part thereof. The MWDOC Board of Directors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause, or phrase thereof, irrespective of the fact that any one or more section, subsection, subdivision, paragraph, sentence, clause, or phrase be declared unconstitutional.

Section 5. CEQA Exemption. The MWDOC Board of Directors finds that adoption of this Ordinance is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15358 (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) of the CEQA Guidelines, because it has no potential for resulting in physical change to the environment, directly or indirectly. Moreover, the MWDOC Board of Directors finds that this Ordinance is also exempt under CEQA pursuant to Guidelines Section 15061(b)(3) (there exists no possibility that the activity will have a significant adverse effect on the environment) because this Ordinance will not cause a change in any of the physical conditions within the area affected by the Ordinance.

Section 6. Effective Date. Any MWDOC Board of Directors compensation increase contemplated by this Ordinance will take effect January 1, 2020.

Said Ordinance was adopted, on roll call, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

I hereby certify that the foregoing is a true and correct copy of Ordinance No. 54 adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on April 17, 2019.

MARIBETH GOLDSBY, Secretary
Municipal Water District of Orange County

§1400 DIRECTORS' COMPENSATION

~~The amount of compensation to be received by Directors shall be pursuant to Water Code Sections 71255, 71256, 20201, and 20202 and may be automatically increased annually (in January) pursuant to Ordinance No. 47 by the maximum allowed by statute (5%) (no Board action is necessary). To suspend any increase or to reduce compensation for a designated calendar year, a Board Resolution is required. When suspension or reduction expires, the Board may increase its compensation only to the maximum allowed for one year with no catch-up provision. Members of the Board shall be compensated in line with the most recently adopted Ordinance on Board compensation, in compliance with any compensation increase permitted by State law (Water Code § 20200 et seq.), as may be amended from time to time.~~ Members of the Board shall submit a Compensation Voucher complying with the submittal timelines described under Section 2206 of this Code. The Compensation Vouchers shall be approved by the Board President. In the absence of the Board President, any member of the Executive Committee or Administration & Finance Committee may approve the Compensation Vouchers.

So that they may devote as much time as is necessary or beneficial to the full performance of their roles, such compensation shall be paid for each day's attendance at meetings of the Board, its Committees, and other functions deemed necessary and approved or ratified by the Board. Attendance at all meetings/conferences require Board approval or ratification except those meetings outlined in Section 1403 (meetings that do not require prior Board approval or ratification). The maximum number of days for which a Director may receive compensation shall not exceed ten in any calendar month.

R724 - 7/23/75; R1242 - 10/24/84; Ord. 33 - 1/22/86; Ord. 38 - 3/7/90; Ord. 40 - 12/9/92; R1472 - 12/9/92; R1504 - 2/16/94; R1524 - 12/21/94; 11/15/95; R1552 - 1/17/96; R1572 - 12/18/96; Motion - 9/16/98; Motion - 6/16/99; Ord. 47- 4/18/01; Motion - 8/15/01; Motion - 9/19/01; Motion - 4/16/03; M-6/17/15; Ord. - 4/17/19

§1502 MET DIRECTORS' COMPENSATION

~~The amount of compensation to be received by MET Directors shall be pursuant identical to that set forth for MWDOC Board Members in to Section 1400 of this Code. Water Code Sections 71255, 71256, 20201, and 20202 and may be automatically increased annually (in January) pursuant to Ordinance No. 47 by the maximum allowed by statute (5%) (no Board action is necessary). To suspend any increase or to reduce compensation for a designated calendar year, a Board Resolution is required. When suspension or reduction expires, the MWDOC Board may increase the compensation only to the maximum allowed for one year with no catch-up provision.~~ MET Directors shall submit a Compensation Voucher complying with the submittal timelines described under Section 2206. The Compensation Vouchers shall be approved by the MWDOC Board President. In the absence of the MWDOC Board President, any member of the MWDOC Executive Committee or Administration & Finance Committee may approve the Compensation Vouchers. The maximum number of days for which a MET Director may receive compensation shall not exceed 10 in any calendar month in addition to any days for which the MET Director may be compensated as a MWDOC Director.

Ord. 38 - 3/7/90; Ord 40 - 12/9/92; R1472 - 12/9/92; 11/15/95; R1552 - 1/17/96; R1572 - 12/18/96; R1596 - 12/17/97; Ord. 47- 4/18/01



ACTION ITEM

April 17, 2019

TO: Board of Directors

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

**Robert Hunter
General Manager**

Staff Contact: Hilary Chumpitazi

SUBJECT: FY 2019-20 Fourth Draft Budget

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt a resolution approving the final MWDOC budget for fiscal year 2019-20. Attached is the fourth draft budget which includes changes recommended by the Administration & Finance (A&F) Committee with the proviso they be discussed at the board meeting. Several board decisions are necessary to move the budget from fourth draft to final budget.

COMMITTEE RECOMMENDATION

Committee recommends that the following changes be made to the third draft budget and be discussed at the Board of Directors meeting:

- Remove the proposed 1.0 FTE for the Metropolitan cost center (\$196,149)
- Remove the travel expenses associated with the proposed 1.0 FTE (\$7,200)
- Move the proposed 0.5 FTE for Water Use Efficiency (WUE) from Core to Choice (\$43,032)
- Remove the membership, registration and travel expenses for the California Council for Environmental & Economic Balance (\$38,413)
- Remove the membership, registration and travel expenses for the Association of Metropolitan Water Agencies (\$29,506)

CHANGES FROM THE PRIOR DRAFT TO CURRENT DOCUMENT

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

Comparatively minor changes were made from the first through the third draft budget with a total net decrease of \$9,304. The much larger changes from the third to the fourth draft budget are in two categories:

1. Recommended A&F Committee reductions in the Core budget (detailed above) totaling \$314,300
2. A decrease in the general reserve balance associated with Attorney General Opinion of April 4, 2019 (No. 16-301) (attached) as well as the potential for an additional draw on reserves or increased expenses for either FY2018-19 and/or FY2019-20.

Attorney General Opinion No. 16-301, April 4, 2019
California Water District Employer-Paid Board Member Retirement Plan Contributions

Prior to 2001, MWDOC and MWD Board of Directors were classified as Independent Contractors and were issued 1099's. In 2001, MWDOC Directors were reclassified as employees and were issued W-2's. MWD Board of Directors remained as Independent Contractors until an IRS recommendation in 2015. The reclassification to W-2 employees established a retirement/pension plan liability in that MWDOC either had to pay social security or establish a retirement plan with specified minimum contributions. Directors are not eligible for CalPERS.

Effective March 1, 2001, the District's Money Purchase Pension Plan (401a) was amended to include MWDOC Board of Directors as eligible participants in the Plan. The District made contributions on behalf of the Directors. Director's participation in the Plan in lieu of participating in Social Security was reviewed and discussed with District Counsel, who at the time was Russ Behrens and Janet Morningstar of McCormick Kidman and Behrens, as well as Special Counsel Harley Bjelland who specialized in Employee Benefit Plans specifically Pension Plans.

At its December 16, 2014 Meeting, the MWDOC Board of Directors were provided information from Legal Counsel Best, Best and Krieger stating that contributions the District was making on behalf of the Directors since 2001, was impermissible because it was considered compensation in excess of the statutory limits applicable to Directors. An Attorney General opinion was requested on the issue through the office of Senator John Moorlach. In an abundance of caution, current Directors refunded to MWDOC the amount of the contributions made by MWDOC from 2001 through 2014. The refunds were added to the general reserve and would be returned to the Directors contingent on the AG's opinion. Our annual audit cites the payments as a gain contingency; recognizing the obligation to repay Directors contingent on the opinion.

MWDOC also ceased District contributions to the Money Purchase Pension Plan on behalf of the Directors and the Directors contribute the required 7.50% of their compensation to the Plan on a Pre-tax basis (2015-2019).

On April 4, 2019, the Attorney General issued Opinion No. 16-301 which concludes that MWDOC may make employer-paid pension contributions on behalf of its Directors without violating statutory limits regarding Directors compensation.

Based on the Attorney General's Opinion, the District will reimburse each Director from general reserves each Director based on the amount they reimbursed the District in 2015. The District will include interest from the date they received the payment through April 30, 2019. An estimated \$163,654.60 is due and will be paid back to the Directors. This amount is included in the fourth draft budget.

Two related expense items are not included in the fourth draft budget as the Board of Directors has not decided their disposition. There is a \$98,594.93 director-paid retirement plan total for the period of 2015 through current that if repaid by MWDOC could occur in FY2018-19 or FY2019-20. This payment could be made from reserves or simply as an operating expense and either way will reduce the total contribution to reserves. If the AG's opinion had been issued two weeks later, any payments would have been non-budgeted items would functionally paid from reserves.

The final item is the board's decision regarding retirement plans going forward. The estimated annual amount is \$31,644.96 for FY2019-20 which would be included in the budget as an additional operating expense contingent on board direction.

The reserve payment changes the budget target for a draw on reserves from \$186,731 to \$23,076.

As there are several issues yet to be decided by the Board, the proposed retail meter rate increase of \$0.15 has not been adjusted. However based on the committee changes and the reserve payment the Groundwater charge would be reduced by \$32,655 to \$596,593.

The Board decisions required to move the fourth draft budget to the final budget could change the expenses, the draw on reserves and/or the rates. The fourth draft budget constitutes the baseline for those decisions.

Pertinent aspects of the fourth draft budget include:

1. The fourth draft budget includes a proposed increase of \$0.15 to the retail service charge bringing the retail rate to \$12.40 per retail meter. The groundwater customer charge to OCWD increases by \$97,581 to \$596,593.
2. The fourth draft has a budget total of \$260,076,327 (revenue) and a consolidated general fund budget of \$10,893,987 (revenue).
3. The total revenue amount for the Core budget is \$9,068,522, an increase of \$479,505 or 5.6% over the current year's budget. \$190,000 (40%) of this increase is derived from increased interest revenue.
4. The proposed fourth draft budget includes a planned reserves contribution of \$85,444.
5. The unfunded CALPERS liability annual payment of \$207,000 is proposed. This will be the second year of the ten-year funding program.
6. MWDOC completed the migration of the pension benefit costs from MWDOC to the employees in the current fiscal year's budget (7% over 7 years). Therefore, there is no pension-associated 1% salary increase in the proposed budget.

7. The proposed salary contribution pool is at 7% of salaries and wages and reflects the increased rate of inflation (CPI = 3.8%) and merit considerations. No COLA (Cost of Living Adjustment) is being proposed.
8. Increase in staff of three new hires: 2.0 FTEs for the new Water Loss Control Shared Services Choice program and 1.0 FTE in Reliability Planning & Engineering.
9. Building improvement expenses increase substantially by \$304,004 (57.2%) to a net of \$835,831 plus projected carryover for the office remodel. The majority of the office remodel is expected to occur in FY2019-20.
10. Outside funding for Water Use Efficiency (WUE) from rebates and grants is budgeted at \$2,370,147; a decrease of \$537,988 over this year's budget.
11. Annual Local Resource Project (LRP) funding will decrease significantly next year as the OCWD Groundwater Replenishment System (GWRs) LRP total incentive payments will be completed. This LRP agreement started in June 2004, with a term end date of June 2030, and a total incentive limit of \$86,273,000. In August 2008, the agreement was amended to increase the annual yield from 31,000 to 70,000 acre-feet, thereby accelerated the timeframe upon reaching the incentive limit. As a result, it is anticipated the GWRs production will reach the total incentive limit by the end of FY 2018-19. The annual LRP funding in the proposed FY2019-20 budget is \$5,465,263, a reduction of \$7,206,805 from this year's projected actuals.
12. Total outside funding (WUE & Local Resource Project (LRP) sources) is budgeted to be approximately \$7,835,410.
13. As last year, the schedule for the budget process impacts the timing of Choice budget elections by Member Agencies. Therefore, the Choice budget estimates in the fourth draft budget should be considered preliminary.

New items that are incorporated in the budget include:

- A. The creation of a Water Loss Control Shared Services Program in the Water Use Efficiency Department Budget, which will include the addition of 2.0 new FTEs (Choice) as well as Equipment and Training Costs of approximately \$85,400 for initiation of the program.
- B. The hiring of one new FTE in the Reliability Planning & Engineering Department to assist in the transition of institutional knowledge and expertise in preparation for the upcoming retirement of the Assistant General Manager;
- C. There are six new organization memberships proposed (Exhibit D):
 - a. CMUA (California Municipal Utilities Association)
 - b. Water Environment Federation (WEF)(Individual membership)
 - c. International Association of Business Communicators (IABC)
 - d. Urban Water Institute (UWI)
 - e. California Utilities Emergency Association
 - f. National Endangered Species Act Reform Coalition (NESCRC)

A reminder that memberships outlined in the Budget (Exhibit D) are approved by the Board with approval of the budget and therefore, each membership will not be brought to

the Board for approval on an individual basis. Any new memberships not included in the budget will be brought to the Board for consideration.

Similar to memberships, budget approval for conferences includes Board and Staff approval for attendance at “standard conferences”. Standard conferences are those listed on Exhibits E and F and approval includes staff travel/attendance at any out of state conferences listed on Exhibits E and F. Subsequent to the budget adoption, any new, out of state conferences will be brought to the Board for consideration.

MAJOR YEAR-TO-YEAR CHANGES IN THE CURRENT BUDGET

The year-to-year (Y-T-Y) changes in the total Core expenses between FY2018-19 and FY2019-20 produce an increase of \$388,784 (84.5%).

- The largest Y-T-Y Core expense increase (\$496,368) is in the cost categories of Salaries and Wages and Employee Benefits. This is driven primarily by the addition of 1.0 Core employee and the proposed Compensation Pool for salary increases.
- The other large increase (\$304,004) is in the Building Expense category. It is anticipated that the vast majority of the seismic and office space construction will occur during FY2019-20.

The year-to-year changes in the total Choice expenses between FY2018-19 and FY2019-20 are \$548,683 (43.0%).

- The largest Y-T-Y expense increase (\$321,788) is from the new choice Water Loss Control Shared Services Program.
- The other large increase (\$191,533) is from the School Program with the new option of a Middle School program.

OVERVIEW OF FOURTH DRAFT BUDGET FINANCIAL POSITION

The financial position reflected in the fourth draft budget is provisional and can be significantly impacted by the Board decisions on what to fund and how to fund it (i.e., reserves or rates).

The fourth draft budget shows a contribution to reserves of \$85,444 from FY2019-20 operations plus a reserve surplus of \$23,076 from FY2018-19 operations. However, this total of \$108,520 is somewhat misleading in that it does include the \$163,655 reserve refund but not the potential \$98,595 repayment for 2015-2019. Nor do the figures reflect the estimated increased pension expense of \$31,644 for FY2019-20.

There are several options available to the Board:

1. Take the 2015-2019 expense from reserves and allow the reserves to continue to be below target. MWDOC has been replenishing reserves for the last few years and could extend the process for a few more years. This would allow the \$108,520 to be utilized for the increase in annual pension expense and also allow the board to consider restoring some of the reductions made in the A&F Committee.

2. Include the expenses for both the 2015-19 contributions and the FY2019-20 in the budget as line items which results in the reserves being \$21,719 below target, make no other adjustments.
3. Balance the budget with full reserves by making addition cost reductions.
4. Balance the budget with full reserves by increasing rates another \$0.05 to \$12.45 per retail meter.

If the Board of Directors reconsiders the budget reductions made by the A&F Committee, the General Manager has the following recommendations regarding the priority of the changes.

1. Change in WUE 0.5 FTE from Core to Choice – This is the top priority for restoration. The question was asked in the A&F Committee as to whether this was appropriately categorized as Core or Choice. The answer is that the functions will be Core in nature and apply to all Member Agencies. This is a \$43,032 expense that should be in Core. While it is a comparatively small amount in the budget, the change has a disproportionate impact on the rates for the new shared services operation (up to 25%). This is a direct service to our Member Agencies.
2. CCEEB Membership and Travel – This is the second priority for restoration (\$38,413). CCEEB offers MWDOC the opportunity for dialogue and interaction with senior regulators on issues of importance to our Member Agencies. For example, the most recent meeting included not only the Chair of the State Water Resources Control Board but also Laurel Firestone, the Governor's recent appointment to the board. Ms. Firestone is charged with the board's actions on non-compliant systems. Her focus is on outcomes/results. Based in information gathered through the AMWA network, MWDOC was able to elevate the discussion with Ms. Firestone which resulted in an invitation for further, detailed discussions. The non-compliant systems questions is the point of the spear for the water tax issue. This membership is a valuable tool in our opposition.
3. AMWA Membership and Travel – Third priority restoration (\$29,506). AMWA provides a number of benefits including technical assistance and a national network. As an example of the first, AMWA is deeply imbedded in the PFAS issue and has provided rapid insight and value to our D.C. lobbyist Jim Barker. We recently used the networking aspect to research the State Water Board's reliance on the Kentucky utility consolidation process. Beginning with a current AMWA member in Kentucky and then a former Member we were able to clarify information and access the Deputy Secretary of the Kentucky Energy and Environment Cabinet. This information was utilized at the CEEB meeting. Twenty-five California utilities are AMWA members including Anaheim, Burbank, Coachella Valley, Glendale, LADWP, Metropolitan, OCWD, Pasadena, Riverside, SDCWA, Santa Margarita, Ventura Water and West Basin.
4. MET Cost Center FTE & Travel (\$196,149 + \$7,200) – These items should not be restored to the budget.

DETAILED REPORT

The FY2019-20 MWDOC Budget is developed through a transparent and iterative process. Key topics discussed below include:

1. MWDOC Budget Process & Schedule
2. Budget Principles
3. Reserves
4. Compensation Pool Guidelines
5. Budget Input from Member Agencies
6. Key Priorities & Initiatives for FY 2019-20
7. Core/Choice Programs
8. Water Rates and Charges

A short discussion on each item follows:

1. MWDOC Budget Process & Schedule

Last year, MWDOC implemented a new schedule where the budget process was accelerated by one month. This schedule change, to adopt the final MWDOC budget one month earlier (April), was made to facilitate the budget and rate schedules of our Member Agencies. Under this schedule, the Year-End Projections and Conceptual Budget were discussed at the January 9 Administration & Finance (A&F) Committee. The first and second draft budgets were presented at the February 13 and March 13 A&F Committee meetings. This current document is the fourth draft budget. The final budget is scheduled for approval by the MWDOC Board of Directors at the April 10, 2019 Board meeting.

Similar to last year, the Choice budget elections and commitments will lag behind this proposed schedule; and staff will bring back to the Board a revised Final Choice Budget in September 2019 to reflect the reconciliations and final program commitments of our Member Agencies. Changes in Choice programs do not impact the rates and charges passed in April for Core activities. Unlike last year, additional employees are required to implement the Water Loss Shared Service program under the Choice Budget. If that program and budget is approved by the MWDOC Board of Directors, the new employees will not be hired until there are commitments from the Member Agencies for the services.

2. MWDOC Budget Principles for FY2019-20

Staff continues to utilize the following Budget Principles to develop the draft budget:

- **Principle #1: Budget Investments Align with MWDOC's Priorities & Values**
The Budget should reflect the mission and goals of MWDOC and align proposed activities with the valued benefits of the Board and our stakeholders. The budget process should be transparent and readily facilitate public review and input.
- **Principle #2: Activities Based on a County-wide Perspective**
MWDOC's service area extends to Orange County's borders and the budgeted activities must comprehensively address issues, needs, and benefits for the entire service area and our regional involvement in the service area and operations of the Metropolitan Water District of Southern California (MET).
- **Principle #3: Efficient Program Design & Performance**
The budgeted programs must consider complementary and cooperative

designs to maximize benefits from other regional and local water resource programs to maximize value.

- **Principle #4: Full Cost Recovery**
The budget will be developed so as to support full cost recovery of all expenses via the rates and charges without the unplanned use of reserves.
- **Principle #5: Compliance with Administrative Code**
The proposed budget and budget process should fully comply with applicable sections of the MWDOC Administrative Code.

3. **Projected Reserve Fund Balances**

One goal of the budget process is the early identification of Reserve Fund impacts. The stated goal of the Board of Directors is to have reserves fully funded and that the budget should be balanced relative to meeting those reserve targets. In other words, if the combination of previous fiscal year's audited reserve balances and the current fiscal year year-end projections indicate that the reserve target will be exceeded then the proposed budget should include a draw from the reserve balance to reduce it to the target. Conversely if the projected total will drop the reserve balance below the target then the proposed budget should increase the budgeted contribution to reserves back up to the target. The current FY2018-19 year-end projects indicate that \$165,681 will be available to contribute to reserves.

The MWDOC designated reserve targets for FY2019-20 and the financial audit balances at the beginning of FY2018-19 are summarized in the table below. The reserve targets are calculated according to MWDOC Board of Directors approved policy. The total unfunded reserve balance is \$234,469 (i.e., Total Target of \$6,366,934 (minus) Total Current Balance of \$6,132,465). As indicated above, a total of \$165,681 is projected to be available for contribution to reserves from the FY2018-19 operations. An additional \$91,864 in election reserves are available from the last election cycle. Part of these funds (\$234,469) are allocated to the General Operations, Building, and Election Reserves as indicated in the table column "FY2018-19 Projected Year End Reclass to Reserves". All reserves will be fully funded by these actions.

An additional \$23,076 is available in excess of the fully funded reserve targets. Therefore, the goal for rate setting in the FY2019-20 budget will be to have a budget deficit of \$23,076 to draw down the reserve.

Designated Reserves	# Days Cash	FY 2019-20 Target Reserve	FY 2018-19 Current Balance	FY 2018-19 Projected Year End Reclass to Reserves	FY 2019-20 Projected Reserve Balance
General Operations	90-180	\$ 3,460,419	\$ 3,341,910	\$ 118,508	\$ 3,460,419
Grant & Project Cash Flow		1,500,000	1,500,000	-	1,500,000
Building Reserve	10-15	413,368	385,407	27,961	413,368
Election Reserve	N/A	696,000	608,000	88,000	696,000
OPEB Reserve est.9/2016	N/A	297,147	297,147	-	297,147
TOTALS		\$ 6,366,934	\$ 6,132,465	\$ 234,469	\$ 6,336,934

The fourth draft budget has a contribution to reserves of \$85,444; indicating a surplus (prior to the pending Board expense decisions) of \$108,520.

4. Compensation Pool Guidelines

MWDOC's compensation system includes both job classification specific salary ranges and person-specific salaries. Annual modifications to both are implemented under different but inter-related practices. A common goal of both practices is to maintain competitive and appropriate salaries and benefits within the Southern California market.

Job Classification Salary Ranges.

MWDOC annually adjusts our salary ranges by the local Consumer Price Index (CPI) for the previous calendar year. The 2018 CPI for the LA/Long Beach/Anaheim area was 3.80%. This is a full percentage point above the 2017 number and more than double the ten year average of 1.67%. Every three years MWDOC contracts for a Comprehensive Baseline Survey that reviews our job classifications with similar agencies and job functions. In general, MWDOC has found limited range corrections to be necessary. Therefore we will continue the CPI adjustment for FY2019-20. The next Comprehensive Baseline Survey is scheduled to begin in the Fall of 2020 and therefore is not included in this proposed budget.

Employee-Specific Salaries

MWDOC does not have Cost Of Living Adjustments (COLA) and a COLA is not included or proposed in this budget. As part of the budget process, MWDOC establishes a Compensation Pool that facilitates employee salary increases allocated solely on merit. Most of the water agencies in our annual direct labor market survey have both defined merit and COLA components to their annual salary increases. The functional difference is that while both approaches cover both merit and inflation, other agencies will guarantee a COLA pay increase to all employees, while MWDOC employees are at risk of no salary increase depending upon their performance.

There is an objective comparison as to how well MWDOC's salary system has been performing relative to the market. As noted above, MWDOC's salary ranges have been generally tracking the labor market conditions. In addition, MWDOC salaries have largely maintained a mid-range position with predominately only long-tenured employees bumping up against the range ceiling for their position. There are two complicating factors to this comparison. There has been significant movement between job classifications (i.e., promotions) that help maintain the mid-range salary positions. The mid-range position has also been subsidized by the seven years of 1% salary increases implemented to offset the annual 1% transfer of benefit costs to employees.

A three-year direct comparison of MWDOC's merit pool to salary increases for twenty water utilities from our annual survey indicates that MWDOC's salary increases have averaged 2.34% below the market annually; or 1.34% below if the benefit transfer of 1% is included. One disadvantage of developing the budget early is that comparative data is incomplete for FY2019-20. However, it appears that the comparative average salary increase will be in the range of 7.0% to 7.3%.

Given that MWDOC's compensation pool covers both inflation and merit and that it has kept salaries competitive and within ranges over several years, a review of 5-year and 10-year compensation increases and CPI data was conducted to quantify the past practice. While the annual CPI increases over the 10-year period averaged 1.67%, the range was a positive 3.80% (2018) to negative 0.78% (2009). Overall the compensation pool can be described as consisting of an inflation component of the CPI plus a merit component of 85% of the CPI. The total $1.85 \times \text{CPI}$ function appears to be a reasonable calculation for the mid-inflation range (CPI 2.4% to 4.7%) but breaks down at the more extreme ranges of CPI. For example, 0% CPI would calculate as a 0% compensation pool increase and would obviously not reward merit as intended. At the other end of the range, other problems arise. For example in 1980 the CPI was 13.5% and this would calculate at the unlikely compensation pool of 25%.

The 2018 CPI is 3.80% for the region which is slightly above the middle of the 2.4% to 4.7% effective range. Applying the $1.85 \times \text{CPI}$ formula to the 3.8% CPI yields a compensation pool of 7.03%, which was rounded to 7.0% for the fourth draft budget. This is in-line with the comparative information we have at this point.

5. Budget Input from Member Agencies

In November 2018, MWDOC sent a letter to all of its member agencies informing them of the start of the MWDOC FY2019-20 Budget Process, and invited their formal participation in the process which can including suggestion of activities and general comments. The FY2018-19 budget year-end projections and the conceptual FY2019-20 budget were discussed at the January 9, 2019 Administration & Finance Committee meeting as well as the January 17, 2019 MWDOC Agencies Managers Meeting. The Water Loss Control Shared Business Plan was also discussed at the latter as well as the December 19, 2018 Planning & Operations Committee.

The first draft budget was presented at the February 13, 2019 A&F Committee meeting and discussed at the MWDOC Member Agency Managers Meeting on February 21, 2019. A budget presentation was made to the Santa Margarita Water District Board of Directors on March 6, 2019.

The second draft budget was presented at the March 13, 2019 A&F Committee meeting and a presentation was made to the Mesa Water Board of Directors on March 14, 2019. The second draft was also discussed at the March 21st Member Agency Managers meeting.

The third draft budget was one of the presentations for the Elected Officials Forum on April 4, 2019 and discussed at the A&F Committee of April 10th.

Comment letters have been received by three Member Agencies: Irvine Ranch Water District, Orange County Water District and Moulton Niguel Water District. Their comments, and many from the Member Agency Manager meetings, have focused on four issues:

- WUE Policy Staff Addition (0.5 FTE)
 - The consensus opinion was that this 0.5 FTE was more appropriate as a Choice expense rather than its current treatment as a Core expense. MWDOC staff's rational for the Core status is that it is a policy position and not an operation position.
- MET Cost Center Staff Addition (1.0 FTE)
 - The consensus opinion was that there was not a reasonable justification for this position to focus on the technical aspects of the Bay-Delta and that the duties for this additional staff position were not defined well enough to approve.
- Travel Expense
 - OCWD stated that the draft budget includes more than \$250,000 in travel expenses that MWDOC should scrutinize the travel budget before final adoption. The MWDOC Board has devoted considerable attention to the travel and registration budgets for both staff (Exhibit E) and directors (Exhibit F). The combined travel is \$162,050 and the combined registration fees are \$72,747.
- OCWD Groundwater Charge Increase
 - OCWD stated in their comment letter that they "have serious concerns regarding the validity and appropriateness of any rate formula that results in a 26% increase" and they requested that MWDOC reconsider how the groundwater charge is calculated before final adoption of the rate. MWDOC agrees that a 26% increase is substantial. However, we also observe that OCWD's water purchase increased by 142%. The current rate structure was developed as part of a 2016 rate study in which OCWD was an active participant. MWDOC firmly believes that not only is the rate structure valid but that it is equitable.

6. Key Priorities & Initiatives for FY 2019-20

MWDOC's MISSION

To provide reliable, high quality supplies from MWD and other sources
to meet present and future needs,
at an equitable and economical cost and
to promote water use efficiency for all of Orange County

MWDOC was formed in 1951 to serve the majority of Orange County as its MET member agency representative and make imported water available within Orange County. In 2019, this remains the MWDOC's primary purpose. Although this purpose has taken various forms and has evolved over the decades, the emphasis continues to be MET representation and advocacy on behalf of the retail water districts, to provide water reliability, and to provide value to the residents and ratepayers in Orange County.

MWDOC's key priorities and initiatives are discussed for the following major departments and cost centers:

- Reliability Planning & Engineering (Cost Center 21)
- Metropolitan (MET) Issues & Water Policy (Cost Center 23)
- Water Use Efficiency (WUE) (Cost Centers 35, 62 & 70)
- Water Emergency Response (WEROC)(Cost Center 25)
- Communication/Public Affairs (Cost Center 32 & 63)
- Public Affairs Department (Cost Center 31)
- Administration Department (Cost Centers 11, 12, 13, & 19)
- Finance & Information Technology (Cost Centers 41 & 45)

While MWDOC is organized into several functional departments or cost centers, operationally there is significant internal support and cooperation on the different tasks of our mission. For example, a critical issue like the WaterFix will involve Reliability Planning & Engineering, MET Issues, Government Affairs, Public Affairs, the Board of Directors and Administrative Support.

However, it is clear from the following discussion that many of the issues are not addressed in departmental silos but are shared responsibilities under our overarching mission.

Reliability Planning & Engineering (Cost Center 21)

The Reliability Planning & Engineering (Engineering) Department efforts are varied and aimed at helping our member agencies to navigate and understand the implications of long term water emergency and supply planning and the numerous intricacies involved from MET in providing imported water (e.g., service connections, metering of water, pipeline operations, etc). Other activities include:

- shutdown planning,
- re-lining of pipelines by MET (especially the AMP),
- pump-in to the EOCF#2,
- work on the IRWD Regional SOC Interconnection, and integration aspects of local projects including integration from
 - Poseidon,
 - Doheny,
 - San Juan Watershed Projects

The department also provides internal support to other departments, most notably Administration and WEROC especially on our office building improvements. In addition, Engineering works closely with the MET Issues & Water Policy Department, as many MET issues overlap between the two departments in covering what happens at MET and the implications to the local member agencies. MWDOC also coordinates the operations with

OCWD in examination of opportunities to refill the groundwater basin. Areas of overlap with the MET Issues group include evaluating the reliability improvements from the Carson Regional Recycling Project, the Strand Ranch Project, MET's IRP, MET's need for emergency storage, MET's Water Supply Allocation Plan, MET rates, MET's LRP and water quality issues.

Regional Water Reliability and Follow-up from the 2018 OC Water Reliability Study

Since completion of the 2016 OC Water Reliability Study, which established much of the analysis methodology for supply and system reliability planning, several important and impactful changes occurred;

- MET's Board approved a financial commitment for more than 60 percent of the total funding for the California WaterFix,
- New global climate change models became available, indicating significantly greater future temperatures for the Colorado River Basin and California and greater variability in future precipitation,
- U.S. Bureau of Reclamation (BOR) revised forecasts indicating a significantly increased likelihood of a water shortage declaration for the Colorado River within the next three to five years given Lake Mead water surface elevations since 2014.

This prompted MWDOC to complete the 2018 Reliability Study to analyze the implications of these issues and to determine the water supply and demand reliability impacts in Orange County due to these changed conditions. In addition, the 2018 Study included evaluations and rankings of various projects that could improve the supply and system reliability in Orange County. Findings of the 2018 Study included:

- South OC area is short of emergency supplies today by 20.0 to 27.5 MGD. This need can be met through a combination of local projects and emergency projects such as the IRWD SOC Emergency Interconnection and the pump-in to the EOCF#2.
- The need for additional water supplies for the OC Basin area is small, meaning the OC Basin performs well under both the minimal and significant climate impact scenarios evaluated. Without new investments, the OC Basin may utilize demand curtailment at the level of 10 percent about once every 20 years to meet supply gaps. Alternatively, several potential projects, currently under consideration by OCWD, could meet supply shortfalls.

With respect to South Orange County (SOC), the 2018 Study recommended:

- The San Juan Watershed Project and the Doheny Project both provide cost-effective annual supplies and emergency supplies. These two projects should make up the core reliability improvement strategy for SOC, and should be augmented by other projects evaluated in this study, such as the emergency use of groundwater for system outages, Cadiz water banking and extraordinary supplies.
- Additional study is recommended to determine the appropriate timing and sizing of phases of the Doheny and San Juan Watershed Projects, to better understand system integration issues with water quality and stranding of assets, operational

issues during winter months and operational issues to enable water to be moved through various pipelines in SOC to deal with emergency situations.

- MWDOC is currently working to develop strategies to integrate future water sources into the OC water distribution system. Pursuit of this key priority will continue through FY 2019-20 and into FY 2020-21. The groundwork for these efforts were laid by a workshop held in 2018 and two whitepapers that are in the process of being completed to ascertain if research by others on these topics is sufficient or if additional research work is required.
- The workshop indicated a hydraulic model to determine the residence time and mixing of supplies would be beneficial, along with water quality modules that might be added into the model. Staff researched the model MET is using and is attempting to leverage the information for MET pipelines in OC. Additional work is anticipated in both this year and next year.

With respect to the OC Basin, the 2018 Study recommended:

- MWDOC and OCWD should work together to fully evaluate the opportunities this project provides to the OC Basin because the Carson IPR project by MET may be the next least-cost supply available to the OC Basin, pending the final terms and conditions.
- MWDOC and OCWD should work together if the Santa Ana River Conservation and Conjunctive Use Project (SARCCUP) extraordinary supply yield to OCWD is not fully needed by the OC Basin. The utilization of the supplies could provide significant benefits in the form of extraordinary supplies (drought protection) for the OC Basin and/or others in Orange County.

The Reliability Study developed a set of strong analytical tools and methodologies that will be used to further evaluate projects and potential actions. The 2018 Study suggested a number of follow-up actions and projects that will be pursued in the remainder of FY2018-19 and into FY2019-20.

A number of findings in the 2018 Reliability Study were made with respect to MWDOC. These include:

- Advocate for policies at MET that are beneficial to Orange County and Southern California as we move forward at MET on reviewing the Local Resources Program (LRP), the Water Supply Allocation Plan (WSAP), MET's proposed Emergency Storage requirements and the 2020 IRP.
- The Strand Ranch drought protection program was evaluated as a seven-year pilot program in the study. Further work should proceed to develop terms and conditions for a potentially expanded program with Strand Ranch or other extraordinary supply programs (e.g., SARCCUP) to develop additional drought protection until the completion of the California WaterFix.
- Additional study is recommended to determine the appropriate timing and sizing of phases of the Doheny and San Juan Watershed Projects. MWDOC should work on this

with the SOC agencies along with system integration and operational issues from new projects.

- While the 2016 and 2018 study results indicated minimal emergency supply needs for the OC Basin and Brea/La Habra areas, MWDOC recommends that all retail agencies review their needs for backup generators for emergency response throughout Orange County and include refueling plans coordinated through WEROC.

The 2018 Study, along with other recent discussions, has identified issues that should be discussed and addressed within MET's next IRP Update, which is scheduled to be completed in 2020. These include:

- Use of scenario planning to incorporate a more adverse climate change future for MET as a planning technique
- Evaluation of the Carson IPR Project. Is it a beneficial project? Who pays and who receives the benefits? Is it good for Orange County? Is it good for MET at \$1,700/AF? What does SOC pay and what benefits do they receive? Should there be any specific performance terms for agencies receiving the water during allocation situations?
- Use of MET Storage. Consider the need for additional surface storage in Southern California to deal with both emergency supplies and the capture of additional wet year water. What does it look like in our modeling? Does MET need more put and take capacity? What is the split between the SWP and CRA side of MET and how do these work independently when either the SWP or the CRA are constrained in any particular year and have low flows?
- Operational issues associated with new projects. These include a large gamut of concerns ranging from operational issues associated with adding new projects within MET and OC to issues associated with water moving in different directions in the same pipeline, getting approval from MET for introducing local sources in the MET system, long residence times in pipelines during low demands or during periods of certain operations, chloramine residual decay, and water quality issues from blending various sources of water. Also included is the stranding of assets (MET and local) and the base-loaded integration during low demand winter months. MWDOC is looking at hydraulic and water quality modeling to help on some of these issues.
- Stranding of MET assets and evaluating the issue of MET agencies rolling off the system or decreasing their dependence on MET. How can we develop an overall "low cost" plan for Southern California by working together? This was part of the origin for MET's first IRP, but it has not been addressed with subsequent updates. How much "roll-off" of MET supply is anticipated? How should we incorporate this into our planning? What are the operational and financial implications?
- Changes to MET's WSAP. The Reliability Study identified areas of conflict between local supply development and improvements or benefits under a MET allocation. Can the WSAP be improved to allow agencies to significantly improve their drought protection? Extraordinary supplies seem to be the holy grail of drought protection. How can these

opportunities be opened up for agencies that want to make such investments? Should MET offer drought protection for a price? Should local projects get more of a credit under the WSAP? Do we want to remain under a "share the pain" allocation system, or is it time to go down another path?

- Future MET rate structure and LRP. What changes are needed or what changes can be anticipated?
- MET Total Dissolved Solids (TDS). How will changing water quality in terms of TDS impact water supply planning at local levels?
 - How TDS control issues are working on the CRA? Can additional measures be implemented?
 - Feasibility of lowering the TDS via RO of a portion of the CRA flows? Is this the most cost effective way of managing TDS for the groundwater basins and recycling? What are the hidden costs of TDS to plumbing and other?
 - TDS for groundwater basins with respect to replenishment water?
- Improved Groundwater Basin Management & MET Storage Programs. How can these provide better drought and emergency protection through conjunctive use, Cyclic Storage and other MET programs? Historically, there have been problems with developing effective MET groundwater programs. Having the groundwater basins at low storage levels prior to and during allocations are situations that should be discouraged. How can we help reverse these types of situations?

In addition to the work from the OC Water Reliability Study, other items expected to surface this coming year include work associated with the small non-compliant water systems in California to help avoid State requested "water funding" from retailers to correct the non-compliant problems, evaluation of the Strand Ranch "drought protection" program, continuation of efforts related to pump-in of the EOCF#2 and the IRWD Regional South County Interconnection work and initial work on the shutdown of the AMP to accommodate MET's PCCP relining work scheduled for future years (this only relates to the planning for the work, not the actual shutdowns). Staff plans on developing a hydraulic model of the regional water distribution system in OC to allow various scenarios to be run assuming blending of water qualities from various sources.

Staffing to the department will increase by one FTE as succession planning continues for the retirement of the Assistant General Manager in early FY 2020-21.

Metropolitan (MET) Issues and Water Policy (Cost Center 23)

The MET Issues and Water Policy Department leads the District on MET issues & policy as well as water supply and demand program coordination and analysis. Over the years, this department has also become the primary clearinghouse on local, regional, state, and federal water policy issues. It ensures all key policy issues are analyzed and

thoroughly evaluated for our member agencies, the MWDOC Board of Directors, and the MWDOC-MET Delegation.

As it relates to MET issues, the Department represents and advocate for Orange County on local resource projects and programs, water costs and rates, regional storage, water supply reliability management, demand management programs, water use efficiency program and water policy implementation.

The Department also provides analysis and advocacy for Orange County on water policy issues that extend beyond the scope of MET. Broader water policy issues such as the State-wide water conservation regulations (such as the “stress-test”), improved Bay-Delta conveyance, additional regional storage, and effective Colorado River demand management measures are just some of the policy issues we cover.

With a Department comprised of four FTE, our routine functions include:

- Support for the MWDOC-MET Delegation in promoting Orange County objectives
- To act as the District’s liaison for MET information and water policy issues
- Collaborate with MET staff on the development and management of programs and policies
- Collaborate with other fellow MET member agencies on MET water policy issues
- Support and advocate on behalf of our member agencies for issues such as Local Resources Program (LRP) applications and certifications, shutdown coordination, and MET water use programs (e.g., Coastal Pumping and Transfer Program)
- Coordinate and monitor water supply management projects and programs such as replenishment deliveries (e.g., Conjunctive Use Program (CUP) and In-lieu programs) and MET & MWDOC’s Water Supply Allocation Plan for times of drought
- Develop countywide water supply and demand projections
- Develop Water Reliability Studies and Reports (e.g., Urban Water Management Plan and water shortage contingency “Stress-Tests”)
- Assess and calculate MWDOC’s annual water rates and charges (e.g., Readiness to Serve, Capacity Charge, and Groundwater Service Charge)

In addition, the Department also provides internal support to other departments, such as water policy and water management review on legislative matters, water use efficiency rules and regulations, and public outreach efforts. For example, Bay-Delta issues continue to grow in its complexity and importance as the WaterFix is being debated from a twin tunnel to a single tunnel project, and this requires coordination and interaction with all of the departments at MWDOC to understand and promote the benefits of an improved Bay-Delta conveyance system.

The Department also provides critical involvement with WEROC in relation to MET and MWDOC member agency’s emergency planning and operations. All staff members in

the Department plays an essential role in the emergency operation center (EOC) to aid the County during a disaster.

Beyond the regular functions and support listed above, there are particular issues and/or key initiatives that call for attention this coming year. They include the following:

- Continue to work closely with MET on supporting and advocating the design and construction of the California WaterFix and EcoRestore
- Continue to monitor the activities of the Colorado River and the implementation of Drought Management initiatives among the Lower Basin States (i.e., Lower Basin Drought Contingency Plan)
- Be actively involved in developing the upcoming MET Biennial Budget and proposed Rates and Charges for FY 2020/21 and FY2021/22
- Be an active participant in the progression of the Carson Regional Recycled Water Program and its policy as well as cost impacts to Orange County and Southern California.
- Through the utilization of the Orange County Reliability Study, be engaged in the development of MET's 2020 Integrated Water Resources Plan (IRP); and any policy implementation and water management directions that may come out of this process.
- Protect MWDOC and local agency interests in MET via continued participation in the series of San Diego County Water Authority (SDCWA) lawsuits against MET. While MET primarily prevailed at the Appeals Court level on the 2010/2012 case, there remains a series of additional cases that SDCWA has filed each time a new rate was set by the MET Board (i.e., 2014, 2016, and 2017).
- Continue to explore the cost-benefits for dry-year storage opportunities for Orange County
- Promote Orange County positions in policy formation and actions including MET investments in LRP funding policy and decisions, Water Use Efficiency, modifications to allocation policies and procedures, communication activities and legislation and MET's groundwater policies.
- Address the following issues OCWD has asked MWDOC to work on at MET: (1) establish a permanent regional MET In-Lieu program during surplus conditions; (2) modification of the Water Supply Allocation Plan rules to appropriately include groundwater basin agencies; (3) determination of the terms necessary to phase-out the MET CUP storage agreement; and (4) obtain MET's approval to pump potable water into MET pipeline facilities.

Water Use Efficiency (WUE) Department (Cost Centers 35, 62 & 70)

The Water Use Efficiency Department consists of both Core and Choice budgets and focuses primarily on two programs: Water Use Efficiency Program & Water Loss Control Shared Services Program.

Water Use Efficiency Program

Water use efficiency mandates continue to evolve from the 20% by 2020 framework adopted in 2009 to the new efficiency standards based approach scheduled to begin in

2020. Providing the technical and policy expertise and program support along with securing funds for water use efficiency efforts is a priority for MWDOC. MWDOC has been providing this function since 1991.

In partnership with our member agencies, MWDOC and MET will continue to implement a comprehensive portfolio of water use efficiency programs that include all customer sectors. Emphasis will be on landscape water saving opportunities as irrigation accounts for approximately 50% of urban water use in Orange County. MWDOC will maximize access to Conservation Credits Program funding from MET and grant funding from the California Department of Water Resources (DWR) and US Bureau of Reclamation (BOR).

Areas of focus include:

- Aerial Imagery, Landscape Area Measurements and Data Warehousing Project: In preparation for member agency compliance with new Water Use Efficiency Standards contained in Senate Bill 606 and Assembly Bill 1668, staff is planning to implement an Aerial Imagery, Landscape Area Measurements and Data Warehousing Project in partnership with the Santa Ana River Watershed Project Authority and will include all of Orange County. The project will provide irrigated area measurements for all parcels in the county. This data will be warehoused by way of a centralized aerial image and data management tool for access by individual retail agencies. Agencies can pull this information into their in-house GIS systems or access it as needed from the SAWPA administered data warehouse. This information can be used in a variety of ways including:
 - Water Use Efficiency Standards Compliance
 - Tracking urban landscaping trends
 - Water demand tracking and forecasting
 - Implementation of Budget Based Tiered Rates
 Orange County's cost share of this broader effort is \$283,000. After Proposition 1 funding is applied, MWDOC's share is budgeted for \$200,000 which will be funded over two years.
- The States' new Long Term Water Use efficiency framework will require significant research to better understand and inform stakeholders and policy makers as the final standard setting occurs. This research may be focused locally or through partnerships beyond Orange County such as the California Water Efficiency Partnership.
- Metropolitan WUE policy development will be a main focus for the department especially in helping to prepare agencies for compliance with new state mandates. Staff will advocate for Program refinements at MET that ensure Orange County program needs are met and continue to evolve.
- Participate in the update or establishment of device, appliance or fixture water use standards contained in the Cal Green Plumbing Code, Public Utilities Commission, and EPA WaterSense Program.
- MWDOC will continue to promote the Water Savings Incentive and Recycled Water Retrofit Programs including the addition of supplemental grant funding whenever available.

- MWDOC will continue to use the Droplet rebate administration platform for both Turf Removal and Spray-to-Drip rebate processing including electronic signatures.
- Landscape Design Assistance for rebate program participants.
- Staff will provide leadership for the California Water Efficiency Partnership Board and committees.
- Secure program funding; MWDOC is currently projecting approximately \$4 million for WUE program funding from Metropolitan and grants.

Water Loss Control Shared Services –

In addition to running the WUE rebate and landscape technical assistance program, MWDOC has been coordinating a water loss control program for many of our Member Agencies. This program has moved beyond water loss audits into field activities including meter testing and water leak detection. Orange County is now a state leader in terms of experience and data. This has allowed MWDOC to provide hard data to state regulatory agencies to influence developing regulations. MWDOC's expertise has also been beneficial in workgroups addressing the numerous water use efficiency legislative and regulatory proposals.

Implementation of Water Loss Control Shared Services per the Business Plan adopted by the Board in December 2018 will be initiated in FY2019-20. These services will be provided through a combination of Core services currently funded by MWDOC and Choice services funded by participating agencies. Core services that are currently funded by MWDOC include Water Balance Validation, Leak Detection Equipment lending, and state-wide water loss policy monitoring and development.

The Choice Shared Services will include Meter Accuracy Testing, Distribution System Leak Detection, Distribution System Pressure Surveys and Distribution System Flushing. These Choice services will be provided by 2.0 new FTE MWDOC staff members. As a new service to member agencies and a means to provide stability for the program, MWDOC will capitalize the startup costs for equipment.

Areas of focus include:

- Initiate implementation of the Water Loss Control Shared Services Business Plan
- Continue to convene the Water Loss Control Work Group
- Phase IV of the Water Loss Control Technical Assistance will continue in partnership with member agencies and Water Systems Optimization
- Engagement in the State Water Resources Control Board rule making process to establish a volumetric water loss standard called for in SB 555.

Water Emergency Response (WEROC) (Cost Center 25)

MWDOC provides the administrative umbrella for the Water Emergency Response Organization of Orange County (WEROC). The services and support provided by WEROC are intended to be an extension of Member Agency staffing in their preparedness efforts, and a resource during emergencies to ensure representation and recovery. WEROC staff

continue to develop and provide the resources, tools, trainings and grant funding targeted at enhancing Member Agency and WEROC EOC Staff preparedness and resilience. Staff take pride in developing unique products for member agencies, such as translations of the required Division of Drinking Water notices into the 8 most common languages in Orange County. Significant work continues on advocacy for the water and wastewater sector, especially for our member agencies. Advocacy representation this year has included: the Operational Area (OA) Agreement revision process; a significant number of County and Operational Area emergency response plan reviews; CalOES Southern California Catastrophic Earthquake Plan and the Fuel Distribution Concept of Operations; AWWA and FEMA revision to NIMS required resource typing for water and wastewater utilities; and outreach to Edison, SDG&E and the California Public Utilities Commission on Public Safety Power Shutoff programs. So far this year, staff have provided critical response coordination during the Holy Fire, multiple Edison Public Safety Power Shutoff (PSPS) events, the Woolsey Fire, and as mutual aid to Butte County and Paradise Irrigation District following the Camp Fire.

Key initiatives for WEROC in FY2019-2020 include:

- WEROC staff are working with a consultant to develop a Critical Infrastructure and Emergency Preparedness Matrix of federal, state and local requirements and best practices, for water and wastewater agencies. This will include a review of the America's Water Infrastructure Act of 2018 and a plan to assist member agencies with meeting any requirements.
- Continue to build upon the lessons learned from various trainings, exercises and real events. There were some significant lessons this fiscal year that should be given staff time and effort to consider and implement. Primary areas of focus will include the Emergency Water Quality Sample Kits (EWQSK), Joint Information Systems, Wildfire Benzene Contamination Response Planning and meeting the new Dam Inundation Mapping and Planning requirements.
- In 2016, WEROC staff started a county-wide effort to develop individual City Commodity Point of Distribution (POD) Plans, Water Utility Water POD Plans, and an Orange County Operational Area Commodity & Water Procurement and Distribution Plan for the distribution of water, food and other needed supplies following a major disaster. This significant effort will proceed with the development of the County-wide POD coordination and planning needed as a next step.
- WEROC Staff have secured a homeland security grant funded generator for the MWDOC Administration Building to provide continuity of MWDOC operations, as well as the potential for WEROC to utilize the site as an alternate EOC site following a disaster. WEROC staff will be working with MWDOC staff to incorporate the new asset into the electrical system improvements already needed.
- WEROC Staff continue to work with MWDOC staff to implement non-structural seismic and fire code safety improvements at the South Emergency Operations Center (EOC). Staff will also move forward with updates to furniture, HVAC systems, and electrical improvements for at the facility as well. Capital improvements are budgeted and paid for by MWDOC and are not included in the WEROC Operations Budget. The WEROC South EOC projects are being completed in conjunction with the MWDOC administration building to achieve the greatest economies of scale

possible. Therefore, causing some delays in the WEROC projects as well. The capital budget reflects previously approved budgeted costs, carryover of unspent capital funds and new realized costs for the previously identified projects due to unforeseen costs, inflation and building code compliance.

Communication - Public Affairs Department (Cost Centers 32 & 63)

MWDOC is committed to keeping Orange County engaged, involved and up-to-date on current water issues, water-saving opportunities, pending policy matters and special events. Communication with our Member Agencies and the public we serve is a critical component of MWDOC's core function. Communication related to critical water policy issues, water supply and system reliability, as well as water resource projects and investments, are all essential elements of the MWDOC Communications Program & Plan. To maximize both effectiveness and efficiency MWDOC is working with our Member Agencies on coordinated communication efforts. Central to that effort this year has been a continued focus on the successful completion of the California WaterFix, and enhanced engagement with the public through digital communications, community events, and promotions.

MWDOC has provided water-related school education programs since 1973. Through partnerships with the Discovery Cube and Inside the Outdoors, MWDOC provides Orange County students with grade-specific lessons that focus on topics like the water cycle, forms of water, and water as an environmental resource. Additionally, MWDOC has developed, sponsors, and coordinates a Boy Scouts Merit Badge program and a Girl Scouts Patch program to further reach Orange County youth with water resources, conservation, and careers messaging.

The MWDOC's Public Affairs team interacts with the public and our Member Agencies through several activities and avenues. MWDOC hosts regular meetings of the Public Affairs Workgroup to facilitate unified regional messaging and communications support. The MWDOC Public Affairs team also produces special events such as the annual OC Water Summit and MWDOC Water Policy Dinners, and is responsible for the MWDOC/Metropolitan inspection trip program and tours.

Key Initiatives FY2019-20

The Public Affairs Department looks to build on the successes from previous years, elevating community awareness and involvement with issues and challenges related to the reliable delivery of potable water. Additionally, with newly elected Governor Gavin Newsom declaring in his inaugural State of the State Address with every intention of driving a tax on drinking water, the MWDOC Board has united with partners such as ACWA and EMWD to advocate for alternative solutions to fund and provide safe drinking water to areas in the state that suffer from noncompliant water systems. The new Governor also stated that he was going to pursue a scaled down version of the California WaterFix, favoring one tunnel, which presents a new layer of uncertainty about the fate of the project and the project specifications should it move forward. With an established voice and growing audiences, MWDOC's Strategic Communications Program & Plan offers the following initiatives for FY2019-20:

- Develop messaging in conjunction with the Government Affairs Department that amplifies MWDOC's opposition to any potential

- legislation that imposes a “public goods charge,” “water user fee,” or “water tax” on public water agencies or their ratepayers. Additionally, MWDOC will create outreach materials supporting SB 669 (Caballero) - Safe Drinking Water Trust and SB 414 (Caballero), The Small System Water Authority Act of 2019. These materials will be presented through a MWDOC Media/Tool Kit, allowing Member Agencies to insert their names and logos and use in their various forms of outreach.
- Working closely with Engineering and the Metropolitan Program Departments, Public Affairs will develop messaging that will continue to focus on the WaterFix and EcoRestore and provide consistent messaging about the need to finish the State Water Project with the full twin-tunnel WaterFix. In the event that the administration is reluctant to consider two tunnels, messaging and outreach will be adjusted to articulate the need for a single tunnel to be a minimum of 6,000 CFS.
 - Underscore the agency’s role as the primary resource and water reliability planning entity for the County by highlighting the findings of the OC Reliability Study.
 - Deliver targeted messages to decision-makers and those with influence upon the decision-makers, although local government and grass root elements are included in the plan, as well.
 - Utilize digital communications featuring MWDOC’s award winning website and social media channels with an emphasis on video, to target specific audiences, as well as to “listen” to public sentiment about these issues and identify any growing concerns or opposition.
 - An important component of the MWDOC Communications Program & Plan is public outreach through the MWDOC Water Policy Dinners and the OC Water Summit, both of which are included in the budget. Building off of the existing program’s success, MWDOC will continue to lead the way in water reliability and water policy issue discussions by implementing the MWDOC Water Policy Forum & Dinner speakers series. The new format will provide additional value for past, present, and future attendees. Through a collaboration with the Association of California Cities – Orange County (ACC-OC), it was recognized that many newly elected officials and other members would benefit from examining water issues related to supply on a geographical basis. The 2019 series will focus on each of the three distinct California water regions: Northern, Central, and Southern California.
 - Critical to the success of our communication is the active coordination with our Member Agencies. This is facilitated with formal meetings and the informal cooperation between agencies. Additionally, MWDOC’s outreach support efforts integrates media kits produced in-house to provide Member Agencies with regional outreach materials related to national campaigns like: Imagine a Day Without Water and the Wyland National Mayors Challenge for Water Conservation, regional efforts like MWDOC’s annual Poster Contest and Water Use Efficiency programs, and emergency communications tool kit templates for disaster response. These valuable resources are extremely well received by Member Agencies and assist them in providing messaging to their customers while ensuring continuity in messaging for the region.
 - As part of its multi-faceted public education effort, MWDOC sponsors the Boy Scout’s Soil & Water Conservation Merit Badge and offers the MWDOC Water Resources and Conservation Patch produced jointly with the Girl Scouts of

Orange County. MWDOC partners with several of its member agencies to host clinics that teach the Boy Scouts and Girl Scouts about where their water comes from, the challenges of getting water to Orange County, how to be water efficient, and the prospect of pursuing a career in water.

- The MWDOC Public Affairs Department spends a significant amount of time each year developing materials, preparing itineraries and guest lists, coordinating with guests and MWDOC/Metropolitan Directors and staff, and participating on tours to critical water facilities throughout the state as part of the District's involvement in the Metropolitan Inspection Trip Program. MWDOC/Metropolitan Directors host an average of ten to twelve inspection trips each "season". While a season typically runs from September to June, several months are needed in advance to plan and prepare each trip. Additionally, each May, staff begins working with Metropolitan and the MWDOC/Metropolitan Directors to develop and negotiate their trip schedules for the upcoming season. Therefore, while this program may be presented as a seasonal effort, staff works diligently year-round to connect influential Orange County citizens to the District's programs, activities, plans, and water itself as a valuable resource that needs to be protected.
- As an integral part of the Public Affairs Department's efforts to elevate public awareness, garner support, and establish confidence in the District, staff provides extensive support to the District's member agencies as well as to all other departments within the organization. Examples of this include communications and marketing research, strategies, design support and materials – both electronic and print. This is accomplished through a variety of tools such as: social media, MWDOC's website, bill inserts, flyers, program promotions and how-to videos, media kits and toolkits, briefing papers, news releases, and informational campaign support to name a few.
- Also included in the budget, is the continued funding of the Southern California Water Coalition WaterFix communication program.

Public Affairs Choice Programs for FY2019-20

The Choice Programs for FY2019-20 include:

- School Program- A request for proposals (RFP) for all MWDOC school programs will open next month. Presently, the grade school program is run in conjunction with The Discovery Cube with assembly programs in grades 1-5. Since 2015, MWDOC's High School Program has been conducted in conjunction with the County of Orange's Inside the Outdoors (ITO). As we look to refine and possibly expand the school program into grades 6-9, it is anticipated that both entities will submit proposals.

Governmental Affairs Department (Cost Center 31)

The MWDOC Governmental Affairs Department works within the local, state and national levels in cooperation with our Member Agencies, local and regional partners (e.g., the cities of Anaheim, Fullerton, and Santa Ana; MET; and MET Member Agencies), organizations, legislative delegations, key stakeholders, regulatory agencies and bureaus to advance Orange County's agenda in FY2019-20. Central to this effort are policy, legislative and regulatory developments and opportunities.

The Governmental Affairs Department engages local, state, and federal advocates to track, monitor and assist in education outreach of MWDOC's legislative priorities. The Department will focus efforts on the following issues in concurrence with the 2019 Legislative Priorities recently adopted by the MWDOC Board. Key legislation and actions include:

- Legislation or a Budget Trailer Bill to fund the "Safe and Affordable Drinking Water Act" (tax on water)
- Legislation to implement a Low Income Rate Assistance program for water
- Monitoring how the Administration and Legislature intends to implement the draft CA Water Plan update
- Ensuring the California WaterFix and EcoRestore projects continue to move forward
- Supporting the Colorado River Drought Contingency Plan
- Working to ensure that funding for water infrastructure and repairs along with funding for new projects that will enhance long-term reliability for the region
- Advocate for cost effective reliability and local resources projects that benefit Orange County

Federal activities will include the annual legislative trips, luncheon and dinner as well targeted work on supporting legislative and regulatory actions in support of Southern California water; in addition to seeking outside funding opportunities in support of Orange County projects.

Locally, during FY2019-20 there will be a particular focus on informing and engaging elected officials and staff, key agency personnel and government associations or groups on water resource issues critical to Orange County including the California WaterFix.

In addition, the MWDOC Grant Assistance Program continues to be an asset for MWDOC and the MWDOC member agencies, providing helpful information and tools to obtain funding for various programs and infrastructure.

Key Initiatives to Help Achieve Legislative Priorities in Fiscal Year 2019-20

- Outreach and education to newly elected legislators, returning legislators, staff and new/returning members of key policy committees.
 - In Washington D.C., this will include outreach and education on MWDOC issues to the four newly elected members and staff of Orange County's congressional delegation.
 - In Sacramento, MWDOC has new representation in the 74th Assembly District and 34th Senate District. MWDOC staff along with our federal and state advocates, will engage with both the Sacramento and the local district offices.
 - Working with the new administration may take many forms, including: utilizing the existing relationships of our lobbyists and developing new ones, participating in administration briefings in Sacramento, and scheduling meet and greet meetings with new administrative appointees.
 - At the county level, the same efforts listed above will be coordinated with members of the MWDOC Board and the newly elected Supervisors.

- In addition to new members in Orange County, there will also be changes in committee membership at both the federal and state level that will require attention, with water policy committees being the most significant.
- Actively engage on all issues, legislative and regulatory, that will affect the California WaterFix and EcoRestore project.
 - Over the past three years, significant outreach and education has been done by the MWDOC Board, staff and MWDOC's federal advocate, Jim Barker, to Orange County's congressional delegation on the importance of the WaterFix project to our region. These efforts will continue with the newly elected members of the Orange County delegation, key committee staff, and others.
 - On the state side, BB&K and MWDOC staff have worked successfully to elevate MWDOC's overall reputation as an opinion leader on water policy. Governor Newsom, during his State of the State speech in February, made it clear that he does not support two tunnels, which makes advocacy on Bay/Delta issues even more critical. MWDOC has been heavily involved with helping to advance the WaterFix project and the need will be even greater moving forward.
 - Action items include expanding MWDOC's WaterFix focus to include more engagement with state agencies including, but not limited to, the State Water Resources Control Board (SWRCB) and the Delta Stewardship Council. Efforts at the State Capitol will continue with the Newsom Administration, members of the Orange County delegation, and member of key policy committees. Additionally, we plan to be included in a broader range of issues such as State Water Project governance and the San Joaquin River regulatory process.
- Actively engage in the safe and affordable drinking water program(s) working proposals (i.e., the "water tax", non-compliant water systems, and the Low Income Rate Assistance program).
 - MWDOC has been a key figure in the lobbying efforts in relating to "water-tax" opposition. Action items include district and Sacramento office meetings with members of Orange County's delegation, key members of policy committees, and continuing to work with other stakeholders, and comprehensive education and outreach.
 - Further action items center on non-compliant water systems and the Board's direction to develop new information on the scope of the issue. Staff will continue to pursue an alliance with the California Urban Water Agencies and the California Municipal Utilities Association, to assist in the generation of supportive materials for a viable and long-term solution to improve drinking water quality in areas of the state with chronically non-compliant water systems that lack safe water supplies.
 - The Low Income Rate Assistance Program (LIRA) for low-income residents statewide was largely shelved in 2018 by the administration in an attempt to keep attention on the tax on water, in all of its various incarnations. Having

now missed statutory deadlines for the SWRCB to issue a written report to the Legislature on what LIRA program for water should entail, efforts could be renewed. Fortunately, the MWDOC staff is already an ongoing participant in the regulatory process. Action items for FY2019-20 may include briefing and rallying legislators should SWRCB pursue ineffective policies for advancing a LIRA program and building coalitions to oppose or support specific proposal by agency staff.

- Advocate for Cost Effective Local Resource Projects.
 - For the past few months in Washington D.C., there has been serious discussions about the return of congressional “earmarks” – a line-item appropriation for specific projects. While it has become clear in recent weeks that earmarks are unlikely to return this year, we will continue to monitor closely as it could be beneficial to the development of local projects, such as storage and desalination projects in Orange County.
 - In FY2018-19 we saw the first funds allocated from the 2014 water bond (Prop 1) by the Water Commission for the Temperance Flat and Sites reservoirs, and for desalination; but since then little actual progress has been made on either front. However, with funds finally starting to move, FY2019-20 may be seen as a year of opportunity where we can advocate for funding for key Orange County projects.

Administration Department (Cost Centers 11, 12, 13, &19)

The Administrative Department is comprised of Board Administration, General Administration, Personnel and Overhead. The Administration Department provides support to the entire District to ensure operations run smoothly and efficiently. Fundamental activities include:

- Staff attendance, preparation and compilation of Board and Committee Agendas and minutes;
- The insurance of compliance with the District Administrative Code, Contracts Manual and publication of required legal notices and coordinate all Public Records requests.;
- The oversight and maintenance of the Electronic Records Management System for the District, as well as train staff on policies related to accessing, storing and transmitting electronic records;
- The oversight and maintenance of the District’s Database Management System in an effort to provide a centralized database for staff in improving efficiencies;
- Personnel activities include recruitment, screening, selection, employee orientation, benefits and compensation administration, employee documentation, performance management, research and surveys;

- Oversight of the Safety and Risk Management and the District's Workers Compensation, Liability and Property Insurance Programs;
- Oversight of all items related to building facilities management.

Key initiatives in the coming year include:

- District wide staff development training
- Encourage participation in the Public Agency Leadership Training through Cal State University Fullerton
- Succession Planning for upcoming retirements
- Preparation for WUE staffing recruitments and additional staff recruitments
- Implementation and training of Performance Evaluation System
- Oversee building remodel improvements

MWDOC Building Improvements

Administration, Engineering, and WEROC staff are working together to coordinate multiple improvement projects at the MWDOC Administration Building. Staff has previously budgeted for renovation efforts for the conference rooms, copy room and the library area, as well as redesigning other office areas to create additional work spaces. During this time, there have been various issues that have come up resulting in three project areas that support the renovation efforts: seismic safety improvements (board approved), upgrading the existing electrical system to meet current and future demands, and replacing the IT server room air conditioning unit. In evaluating all of the various components, it was determined that it would be more cost effective and efficient to coordinate all of these projects more closely to allow the improvements to move forward in a more seamless manner. This is especially important considering the building permitting process, which will require the District to comply with Title 24 (Building Energy Efficiency Standards), Life Safety Compliance, as well as American with Disabilities Act (ADA) code compliance. Identifying and planning the electrical system for the District is a critical step that must be completed before moving forward with the office remodel. Therefore, staff is coordinating closely with electrical and architectural/space planning consultants. The WEROC South EOC projects (see more under WEROC) are being completed in conjunction with the MWDOC administration building to achieve economies of scale. The capital budget reflects previously approved budgeted costs, carryover of unspent capital funds and new realized costs for the previously identified projects due to unforeseen costs, inflation and building code compliance. We anticipate work will begin with the electrical improvements in August 2019 and the office remodel work immediately following.

Finance & Information Technology (Cost Centers 41 & 45)

The Finance department includes Accounting and Information Technology (IT). The Department provides support to MWDOC through payroll, accounts payable/receivable, fixed assets, investments, grant funding, reconciliations and technology. Staff provides support to WEROC for disaster recovery at both the District office and the Emergency Operation Center. Finance and IT's priorities are Financial Stewardship, Auditing and

Controls, which is demonstrated by receiving an unmodified opinion from our annual audit process

Finance also provides monthly accounting to our Member Agencies through monthly billing of water deliveries, in-lieu credits, LRP payments, conservation rebate and choice programs.

IT provides uninterrupted service for our phones and computers with the highest level of firewall protection to prevent threats, viruses and hackers from penetrating our system.

Key Initiatives in the coming year include:

- Maintain functional operations and support throughout the upcoming building renovations at MWDOC
- Supporting the succession planning for upcoming retirements
- Continue with IT's PC/Printer refresh program and security updates which, exchanges out equipment after it's useful like to prevent the loss of any data
- Purchase Performance Management Software for Human Resources
- Continue to assist at Public Affairs events
- Assist with vehicle purchases for the Shared Services Program
- Support the District with any future financing needs

7. Core/Choice Programs for FY2019-20

The Choice Programs for FY2019-20 include:

- School Program - As discussed above the School Program is currently out for bid. Vendors and programs will be available for the next fiscal year and the beginning of the school year.
- Water Use Efficiency - Will continue to access MET WUE funding and grants from other sources for implementation programs for OC.
- Water Loss Control Shared Services – This new program was developed in conjunction with our Member Agencies and the business plan has been presented to and approved by the MWDOC Board of Directors. This program will only be implemented after Member Agencies have subscribed for the services.

8. Water Rates and Charges

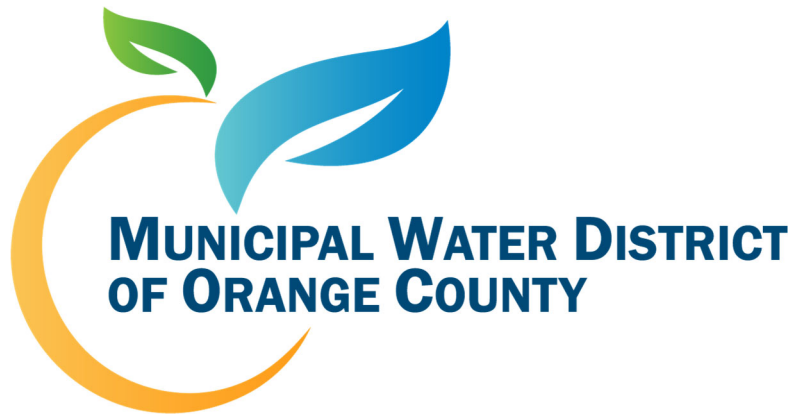
MWDOC's revenue funding for its Core Budget derives from the Retail Meter Service Charge and the Groundwater Customer Charge. The rate structure was developed as part of the May 2016 rate study and was implemented by the MWDOC Board of Directors for FY2016-17. It is anticipated that a new rate study will be conducted in FY2020-21 and any changes would be initiated for FY2021-22. Based on the Proposed Budget:

For FY 2019-20 the proposed Retail Meter Service Charge is \$12.40 per meter.
For FY 2019-20 the proposed Groundwater Customer Charge is \$596,593.

All other charges cover the cost of water supply including MET water purchases and MET associated charges (i.e. Readiness-to-Serve (RTS) and Capacity Charge). The proposed Total Water Purchases for FY 2019-20 are budgeted at \$237,841,537.

Attachments:

Attached hereto are MWDOC budget schedule and the detailed budget for this coming fiscal year and Attorney General Opinion No. 16-301.



Annual Budget for Fiscal Year 2019-20

Fourth Draft

MWDOC's mission is:

To provide reliable, high-quality supplies from MWD and other sources to meet present and future needs, at an equitable and economical cost, and to promote water use efficiency for all of Orange County

Exhibit A2
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CORE FUND

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET	
OPERATING EXPENSES:							
Salaries & Wages	\$ 3,104,292	\$ 3,084,643	\$ (19,649)	\$ 3,491,690	\$ 407,047	\$ 387,398	(1)
Employee Benefits	979,729	970,716	(9,012)	1,088,699	117,983	108,970	(2)
Director Compensation	255,360	221,341	(34,019)	268,133	46,792	12,773	
Director Benefits	94,767	92,575	(2,192)	93,947	1,373	(819)	
MWD Representation	145,920	140,343	(5,577)	153,218	12,875	7,298	
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-	
Overhead Reimbursement	(161,317)	(173,642)	(12,324)	(233,968)	(60,326)	(72,650)	
Health Insurance Coverage for Retirees	70,519	50,492	(20,027)	70,287	19,795	(232)	
Audit Expense	29,000	19,380	(9,620)	29,240	9,860	240	
Automotive & Toll Road Expenses	18,262	19,878	1,616	20,200	322	1,938	
Conference Expense - Staff	42,880	38,505	(4,375)	40,535	2,030	(2,345)	
Conference Expense - Directors	24,930	23,530	(1,400)	28,440	4,910	3,510	
Engineering Expense	330,000	531,508	201,508	435,000	(96,508)	105,000	
Insurance Expense	138,500	138,000	(500)	140,000	2,000	1,500	
Legal Expense - General	255,000	167,000	(88,000)	200,000	33,000	(55,000)	
Maintenance Expense	132,796	112,300	(20,496)	138,527	26,227	5,731	
Membership / Sponsorship	141,662	144,044	2,382	114,966	(29,078)	(26,696)	
CDR Participation	47,044	47,044	-	50,156	3,112	3,112	
Miscellaneous Expense	134,430	101,618	(32,812)	97,300	(4,318)	(37,130)	
Postage / Mail Delivery	8,600	8,300	(300)	9,000	700	400	
Professional Fees	862,921	796,837	(66,084)	920,445	123,608	57,524	
Rents & Leases	3,460	3,200	(260)	3,616	416	156	
Outside Printing, Subscription & Books	34,573	34,000	(573)	62,500	28,500	27,927	
Office Supplies	36,000	32,000	(4,000)	36,000	4,000	-	
Building Repair & Maintenance	20,000	10,000	(10,000)	20,000	10,000	-	
Computer Maintenance	8,000	8,000	-	8,000	-	-	
Business Expense	5,600	4,200	(1,400)	5,200	1,000	(400)	
Software Support & Expense	97,795	96,000	(1,795)	93,634	(2,366)	(4,161)	
Computers and Equipment	11,850	11,850	-	45,750	33,900	33,900	
Telecommunications Expense	20,178	22,200	2,022	24,333	2,133	4,155	
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-	
Training Expense	25,000	22,000	(3,000)	30,000	8,000	5,000	
Tuition Reimbursement	5,000	2,500	(2,500)	5,000	2,500	-	

Exhibit A2
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CORE FUND

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	99,600	92,850	(6,750)	89,131	(3,719)	(10,469)
Travel & Accommodations - Directors	51,750	50,275	(1,475)	46,625	(3,650)	(5,125)
MWDOC's Contribution to WEROC: Operations	191,380	191,380	-	228,978	37,598	37,598
and to WEROC Capital Improvements	25,488	25,488	-	44,389	18,901	18,901
Capital Acquisition (excluding building)	255,500	167,500	(88,000)	366,900	199,400	111,400
Capital Acquisition Carryover		88,000	88,000	(330,624)	(418,624)	(330,624)
NORMAL OPERATING EXPENSES	\$ 7,758,468	\$ 7,602,855	\$ (155,613)	\$ 8,147,247	\$ 544,393	\$ 388,780
MWDOC's Building Expense	\$ 531,827	\$ 390,986	\$ (140,841)	\$ 1,259,057	\$ 868,071	\$ 727,230
Building Expense Carryover		\$ 140,841	\$ 140,841	\$ (423,226)	\$ (564,067)	\$ (423,226)
Contribution to Election Reserve	304,000	288,000	(16,000)	-	(288,000)	(304,000)
TOTAL EXPENSES	\$ 8,594,295	\$ 8,422,682	\$ (171,613)	\$ 8,983,078	\$ 560,397	\$ 388,784

REVENUES:						
Retail Meter Charge	\$ 7,697,006	\$ 7,697,006	\$ 0	\$ 7,888,930	\$ 191,924	\$ 191,924
Ground Water Customer Charge	499,012	499,012	-	596,593	97,581	97,581
Interest Revenue	390,000	553,000	163,000	580,000	27,000	190,000
Miscellaneous Income	3,000	3,000	-	3,000	-	-
TOTAL REVENUES	\$ 8,589,018	\$ 8,752,018	\$ 163,000	\$ 9,068,522	\$ 316,505	\$ 479,505

EFFECT ON RESERVES:						
Reserves Contribution (Draw) to cover for Operating expenses for Operations	\$ (5,277)	\$ 329,336	\$ 334,613	\$ 85,444	\$ (243,892)	
Reserves Contribution (Draw) to cover Director's Pension Reimbursement		\$ (163,655)	\$ (163,655)		\$ (163,655)	
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (5,277)	\$ 165,681	\$ 170,958	\$ 85,444	\$ (80,237)	\$ 90,721

- (1) Total FY2019-2020 Salaries & Wages includes \$15,367 for intern support
- (2) Total FY2019-2020 Benefits includes \$1,620 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.221% for Classic employees and 6.985% for PEPRAs employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2020.
- (3) FY2018-2019 Projected carryover is the amount budgeted less the amount of work projected to be completed in FY2018-2019.
FY2019-2020 Budgeted carryover is the cumulative dollars from prior years that will be applied toward work projected to be completed in FY2019-2020.
- (4) MWDOC FY2019-2020 designated reserve target is unfunded in the amount of \$234,469 with \$165,681 projected to be available for contribution to reserves from FY2018-2019 operations. Of this amount (\$165,681-\$234,469+\$91,864 (Net Contribution to election reserves, after a \$196,136 election expense, already included)) \$23,076 is available in excess of the fully funded reserve target.

Exhibit A3
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CHOICE FUNDS

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 418,691	\$ 405,091	\$ (13,601)	\$ 564,147	\$ 159,057	\$ 145,456
less for Recovery from Grants	(6,300)	(5,714)	586	(5,500)	214	800
Employee Benefits	128,836	107,086	(21,750)	174,475	67,389	45,639
Director Compensation	-	-	-	-	-	-
Director Benefits	-	-	-	-	-	-
MWD Representation	-	-	-	-	-	-
Overhead Reimbursement	161,317	173,642	12,324	233,968	60,326	72,650
Health Insurance Coverage for Retirees	-	-	-	-	-	-
Audit Expense	-	-	-	-	-	-
Automotive & Toll Road Expenses	-	-	-	1,500	1,500	1,500
Vehicle Expense	-	-	-	13,160	13,160	13,160
Conference Expense - Staff	-	-	-	-	-	-
Conference Expense - Directors	-	-	-	-	-	-
Engineering Expense	-	-	-	-	-	-
Insurance Expense	-	-	-	-	-	-
Legal Expense - General	-	-	-	-	-	-
Maintenance Expense	-	-	-	-	-	-
Membership / Sponsorship	-	-	-	-	-	-
Miscellaneous Expense	6,000	6,562	562	12,000	5,438	6,000
Postage / Mail Delivery	400	336	(64)	400	64	-
Professional Fees	567,837	533,837	(34,000)	751,962	218,125	184,125
Rents & Leases	-	-	-	-	-	-
Outside Printing, Subscription & Books	-	-	-	-	-	-
Office Supplies	-	-	-	-	-	-
Supplies - Water Loss Control	-	-	-	2,033	2,033	2,033
Computer Maintenance	-	-	-	-	-	-
Software Support & Expense	-	-	-	-	-	-
Telecommunications Expense	-	-	-	1,440	1,440	1,440
Computers and Equipment	-	-	-	3,700	3,700	3,700
Temporary Help Expense	-	-	-	-	-	-
Training Expense	-	-	-	2,000	2,000	2,000
Tuition Reimbursement	-	-	-	-	-	-

(1)

(2)

Exhibit A3
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CHOICE FUNDS

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	-	-	-	-	-	-
Travel & Accommodations - Directors	-	-	-	-	-	-
Capital Acquisition	-	-		70,180	70,180	70,180
Subtotal Expenses	\$ 1,276,781	\$ 1,220,839	\$ (55,942)	\$ 1,825,465	\$ 604,625	49.53%
TOTAL EXPENSES	\$ 1,276,781	\$ 1,220,839	\$ (55,942)	\$ 1,825,465	\$ 604,625	\$ 548,683

REVENUES:						
Choice Revenue	\$ 1,276,781	\$ 1,220,839	\$ (55,942)	\$ 1,825,465	\$ 604,625	\$ 548,683
TOTAL REVENUES	\$ 1,276,781	\$ 1,220,839	\$ (55,942)	\$ 1,825,465	\$ 604,625	\$ 548,683

- (1) Total FY2019-2020 Salaries & Wages includes \$44,509 for intern support
- (2) Total FY2019-2020 Benefits includes \$4,633 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.221% for Classic employees and 6.985% for PEPRA Calpers employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2020.

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
OPERATING EXPENSES:						
Salaries & Wages	\$ 3,522,983	\$ 3,489,733	\$ (33,250)	\$ 4,055,837	\$ 566,104	\$ 532,854
less for Recovery from Grants	(6,300)	(5,714)	586	(5,500)	214	800
Employee Benefits	1,108,564	1,077,802	(30,762)	1,263,174	185,371	154,609
Director Compensation	255,360	221,341	(34,019)	268,133	46,792	12,773
Director Benefits	94,767	92,575	(2,192)	93,947	1,373	(819)
MWD Representation	145,920	140,343	(5,577)	153,218	12,875	7,298
CALPERS Unfunded Liability Contribution	207,000	207,000	-	207,000	-	-
Overhead Reimbursement	-	-	-	-	-	-
Health Insurance Coverage for Retirees	70,519	50,492	(20,027)	70,287	19,795	(232)
Audit Expense	29,000	19,380	(9,620)	29,240	9,860	240
Automotive & Toll Road Expenses	18,262	19,878	1,616	21,700	1,822	3,438
Vehicle Expense - Water Loss Control	-	-	-	13,160	13,160	13,160
Conference Expense - Staff	42,880	38,505	(4,375)	40,535	2,030	(2,345)
Conference Expense - Directors	24,930	23,530	(1,400)	28,440	4,910	3,510
Engineering Expense	330,000	531,508	201,508	435,000	(96,508)	105,000
Insurance Expense	138,500	138,000	(500)	140,000	2,000	1,500
Legal Expense - General	255,000	167,000	(88,000)	200,000	33,000	(55,000)
Maintenance Expense	132,796	112,300	(20,496)	138,527	26,227	5,731
Membership / Sponsorship	141,662	144,044	2,382	114,966	(29,078)	(26,696)
CDR Participation	47,044	47,044	-	50,156	3,112	3,112
Miscellaneous Expense	140,430	108,180	(32,250)	109,300	1,120	(31,130)
Postage / Mail Delivery	9,000	8,636	(364)	9,400	764	400
Professional Fees	1,430,758	1,330,674	(100,084)	1,672,407	341,733	241,649
Rents & Leases	3,460	3,200	(260)	3,616	416	156
Outside Printing, Subscription & Books	34,573	34,000	(573)	62,500	28,500	27,927
Office Supplies	36,000	32,000	(4,000)	36,000	4,000	-
Supplies - Water Loss Control	-	-	-	2,033	2,033	2,033
Building Repair & Maintenance	20,000	10,000	(10,000)	20,000	10,000	-
Computer Maintenance	8,000	8,000	-	8,000	-	-
Business Expense	5,600	4,200	(1,400)	5,200	1,000	(400)
Software Support & Expense	97,795	96,000	(1,795)	93,634	(2,366)	(4,161)
Computers and Equipment	11,850	11,850	-	49,450	37,600	37,600
Telecommunications Expense	20,178	22,200	2,022	25,773	3,573	5,595
Temporary Help Expense	5,000	-	(5,000)	5,000	5,000	-
Training Expense	25,000	22,000	(3,000)	32,000	10,000	7,000
Tuition Reimbursement	5,000	2,500	(2,500)	5,000	2,500	-

(1)

(2)

Exhibit A4
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
CONSOLIDATED

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
OPERATING EXPENSES: continued						
Travel & Accommodations - Staff	99,600	92,850	(6,750)	89,131	(3,719)	(10,469)
Travel & Accommodations - Directors	51,750	50,275	(1,475)	46,625	(3,650)	(5,125)
MWDOC's Contribution to WEROC: Operations	191,380	191,380	-	228,978	37,598	37,598
and to WEROC Capital Improvements	25,488	25,488	-	44,389	18,901	18,901
Capital Acquisition (excluding building)	255,500	167,500	(88,000)	437,080	269,580	181,580
Capital Acquisition Carryover		88,000	88,000	(330,624)	(418,624)	(330,624)
NORMAL OPERATING EXPENSES	\$ 9,035,249	\$ 8,823,694	\$ (211,555)	\$ 9,972,712	\$ 1,149,018	\$ 937,463
MWDOC's Building Expense	\$ 531,827	\$ 390,986	\$ (140,841)	\$ 1,259,057	\$ 868,071	\$ 727,230
Building Expense Carryover		\$ 140,841	\$ 140,841	\$ (423,226)	\$ (564,067)	\$ (423,226)
Contribution to Election Reserve	304,000	288,000	(16,000)	-	(288,000)	(304,000)
TOTAL EXPENSES	\$ 9,871,076	\$ 9,643,521	\$ (227,555)	\$ 10,808,543	\$ 1,165,022	\$ 937,467

(3)

(3)

REVENUES:						
Retail Meter Charge	\$ 7,697,006	\$ 7,697,006	\$ 0	\$ 7,888,930	\$ 191,924	\$ 191,924
Ground Water Customer Charge	499,012	499,012	-	596,593	97,581	97,581
Interest Revenue	390,000	553,000	163,000	580,000	27,000	190,000
Miscellaneous Income	3,000	3,000	-	3,000	-	-
Choice Revenue	1,276,781	1,220,839	(55,942)	1,825,465	604,625	548,683
TOTAL REVENUES	\$ 9,865,799	\$ 9,972,857	\$ 107,058	\$ 10,893,987	\$ 921,130	\$ 1,028,188

EFFECT ON RESERVES:						
Reserves Contribution (Draw) to cover for Operating expenses for Operations	\$ (5,277)	\$ 329,336	\$ 334,613	\$ 85,444	\$ (243,892)	
Reserves Contribution (Draw) to cover Director's Pension Reimbursement	\$ -	\$ (163,655)	\$ (163,655)	\$ -	\$ (163,655)	
TOTAL CONTRIBUTION (DRAW) FROM RESERVES	\$ (5,277)	\$ 165,681	\$ 170,958	\$ 85,444	\$ (80,237)	\$ 90,721

(4)

- (1) Total FY2019-2020 Salaries & Wages includes \$59,876 for intern support
- (2) Total Benefits includes \$6,222 for intern support. Total Benefits also includes a Calpers contribution for full time employees of 10.221% for Classic employees and 6.985% for PEPRAs employees. A further assumption is that medical, dental and vision insurance rates will increase by 3% for calendar year 2020.
- (3) FY2018-2019 Projected carryover is the amount budgeted less the amount of work projected to be completed in FY2018-2019.
FY2019-2020 Budgeted carryover is the cumulative dollars from prior years that will be applied toward work projected to be completed in FY2019-2020.
- (4) MWDOC FY2019-2020 designated reserve target is unfunded in the amount of \$234,469 with \$165,681 projected to be available for contribution to reserves from FY2018-2019 operations. Of this amount (\$165,681-\$234,469+\$91,864 (Net Contribution to election reserves, after a \$196,136 election expense, already included)) \$23,076 is available in excess of the fully funded reserve target.

Exhibit A5
SUMMARY OF REVENUES AND EXPENSES BY LINE ITEMS
WATER FUND

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
Water Revenues						
Water Sales	\$ 205,393,716	\$ 237,701,659	\$ 32,307,944	\$ 237,841,537	\$ 139,878	\$ 32,447,821
Local Resource Program Incentives	(16,416,776)	(12,672,068)	3,744,708	(5,465,263)	7,206,805	10,951,513
Readiness-To-Serve Charge	10,902,178	10,135,278	(766,900)	10,071,282	(63,996)	(830,896)
Capacity Charge	3,854,976	3,735,205	(119,771)	3,615,440	(119,765)	(239,536)
Interest Revenue - Tier 2 Cont.	13,000	17,500	4,500	20,000	2,500	7,000
SCP/SAC Pipeline Surcharge	365,000	342,651	(22,349)	350,000	7,349	(15,000)
TOTAL WATER REVENUES	\$ 204,112,094	\$ 239,260,226	\$ 35,148,132	\$ 246,432,996	\$ 7,172,771	\$ 42,320,902
Water Expenses						
Water Purchases	\$ 205,393,716	\$ 237,701,659	\$ 32,307,944	\$ 237,841,537	\$ 139,878	\$ 32,447,821
Local Resource Program Incentives	(16,416,776)	(12,672,068)	3,744,708	(5,465,263)	7,206,805	10,951,513
Readiness-To-Serve Charge	10,902,178	10,135,278	(766,900)	10,071,282	(63,996)	(830,896)
Capacity Charge	3,854,976	3,735,205	(119,771)	3,615,440	(119,765)	(239,536)
SCP/SAC Pipeline Surcharge	365,000	342,651	(22,349)	350,000	7,349	(15,000)
TOTAL WATER EXPENSES	\$ 204,099,094	\$ 239,242,726	\$ 35,143,632	\$ 246,412,996	\$ 7,170,271	\$ 42,313,902
Changes to Fund Balance:						
Tier 2 Contingency	\$ 13,000	\$ 17,500	\$ 4,500	\$ 20,000	\$ 2,500	\$ 7,000

(1)

(1) Decrease in LRP incentives is due to the OCWD Ground Water Replenishment System (GWRS) reaching its total incentive limit of \$86,273,000 by the end of FY18-19

Exhibit A6
SUMMARY OF FUNDING AND EXPENSES
For All Water Use Efficiency Programs

	FY 2018-2019 ADOPTED BUDGET	FY 2018-2019 PROJECTED ACTUALS	VARIANCE ACTUALS TO BUDGET	FY 2019-2020 PROPOSED BUDGET	VARIANCE TO PROJECTED ACTUALS	VARIANCE TO FY 2018-2019 BUDGET
Funding						
Metropolitan Water District	\$ 680,000	\$ 915,455	\$ 235,455	\$ 1,067,130	\$ 151,675	\$ 387,130
USBR	127,380	133,104	5,724	58,100	(75,004)	(69,280)
DWR	714,755	955,410	240,655	169,912	(785,498)	(544,843)
Member Agencies	1,356,000	914,874	(441,126)	1,040,004	125,130	(315,996)
MWDOC	30,000	35,000	5,000	35,000	-	5,000
TOTAL OUTSIDE FUNDING	\$ 2,908,135	\$ 2,953,843	\$ 45,708	\$ 2,370,147	\$ (583,696)	\$ (537,988)
Program Expenses Funded from Outside Sources						
Project Administration - Staff Time	\$ 6,300	\$ 5,714	\$ (586)	\$ 5,500	\$ (214)	\$ (800)
Monitoring and Evaluation	-	-	-	-	-	-
Installation Verification	135,000	50,511	(84,489)	50,000	(511)	(85,000)
Rebate Incentives	2,766,835	3,071,245	304,410	2,320,539	(750,706)	(446,296)
Databasing	-	-	-	-	-	-
TOTAL PROGRAMS EXPENSES	\$ 2,908,135	\$ 3,127,470	\$ 219,335	\$ 2,376,039	\$ (751,431)	\$ (532,096)

Exhibit B
Expenditures by Program

Cost Center	PROGRAM	FY 2018-2019 BUDGET FTE	FY 2019-2020 BUDGET FTE	FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
11	Administrative - Board	1.85	1.80	\$ 1,188,992	\$ 1,015,180	\$ 1,184,631
12	Administrative - General	3.45	3.54	616,618	623,741	638,939
13	Personnel / Staff Development	1.40	1.52	315,728	281,318	328,436
19	Overhead	3.79	4.27	1,283,116	1,198,428	1,144,296
21	Reliability Planning and Engineering	3.85	4.15	785,812	927,800	1,139,854
22	Research Participation	0.00	0.00	47,044	47,044	-
23	Metropolitan Issues and Water Policy	4.14	3.96	843,133	899,588	804,601
31	Governmental Affairs	0.96	0.94	480,284	464,453	495,902
35	Water Use Efficiency (Core)	0.62	0.67	386,212	375,638	451,505
32	Public Affairs	3.68	3.81	756,078	775,176	796,908
41	Finance	3.18	3.17	508,581	451,601	582,299
45	Information Technology	1.00	0.99	330,002	326,023	306,509
25	MWDOC's Contribution to WEROC	2.55	2.53	216,868	216,868	273,367
CORE TOTAL		30.48	31.37	\$ 7,758,468	\$ 7,602,855	\$ 8,147,247
62	Water Use Efficiency Program	5.13	5.07	839,155	801,400	874,517
63	School Programs	0.21	0.10	437,626	419,439	629,159
70	Water Loss Control	0.00	1.76	-	-	321,788
CHOICE TOTAL		5.33	6.92	\$ 1,276,781	\$ 1,220,839	\$ 1,825,465
CORE & CHOICE TOTAL		35.81	38.29	\$ 9,035,249	\$ 8,823,694	\$ 9,972,712
Includes:	Full-time employees	30.00	33.12	(2)		
	Part-time employees	0.72	0.74			
	Interns	2.50	1.90			
	WEROC Full-time employees	2.00	2.53			
	WEROC Part-time employees	0.59	0.00			

(1) Total Operational Costs of WEROC is allocated among MWDOC, OCWD, OCSD, Anaheim, Santa Ana, Fullerton and South Orange Cour Wastewater Authority. Capital Expenditures are provided by MWDOC. Dollars shown are MWDOC's share only.

(2) FTE's for 2018-2019 are calculated based on 2080 hours of work for the year. FTE's for 2019-2020 are calculated based on 2096 hours worked for the year. This corresponds to the actual working days for the fiscal year which varies year to year. MWDOC and WEROC combined are budgeted to have a total of 36 full-time employees, 1 part-time employee and 4 interns. MWDOC and WEROC share one of the full-time employees. Several full-time employees are budgeted to work less than 40 hours a week which explains the fractions of an FTE for full-time employees. Another reason for the fractions of an FTE are that employees are budgeted to work in multiple cost centers. This includes budgeting their vacation, sick and holiday hours to cost center 19 (overhead).

Municipal Water District of Orange County
2019-2020 FISCAL MASTER PLAN PROJECTIONS

(in thousands)

	Projected ACTUALS FY18-19	BUDGET FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
Beginning Designated Reserve Balance - MWDOC	\$6,132	\$ 6,332	\$ 6,355	\$ 6,876	\$ 7,426	\$ 7,891	\$ 8,316
OPEB Reserve	297	297	297	297	297	297	297
Adjusted Reserve Balance	5,835	6,035	6,058	6,579	7,129	7,594	8,019
Revenues							
Water Rate Revenues:							
Retail Meter Agency Charge	7,697	7,889	7,969	8,087	8,130	8,223	8,320
Ground Water Customer Charge	499	597	609	621	633	646	659
Subtotal	8,196	8,486	8,578	8,707	8,763	8,868	8,978
Other Revenues:							
Choice Revenues	1,221	1,825	1,862	1,899	1,937	1,976	2,015
Interest Earnings	553	580	587	612	641	667	692
Misc./Reimbursements	3	3	3	3	3	3	3
Subtotal	1,777	2,408	2,452	2,514	2,581	2,646	2,711
Total Revenues	9,973	10,894	11,030	11,222	11,344	11,514	11,689
Expenses							
Core Expenses	7,347	8,111	8,273	8,439	8,607	8,780	8,955
Choice Expenses	1,221	1,825	1,862	1,899	1,937	1,976	2,015
Capital Acquisitions (not including building)	256	36	20	20	20	20	20
Total Expenses w/o Building & Election	8,824	9,973	10,155	10,358	10,565	10,776	10,991
Revenue Over Expenses w/o Building & Election	1,149	921	875	864	779	739	699
ELECTION Reserve Beginning Balance	604	696	696	304	608	390	694
Annual Election Reserve Contribution	288	-	304	304	304	304	304
Annual Election Expense	196	-	696	-	522	-	696
Election Reserve Ending Balance	696	696	304	608	390	694	302
BUILDING Reserve Beginning Balance	385	351	413	413	413	413	413
Annual Building Reserve Contribution	498	898	50	10	10	10	10
Annual Building Expense	532	836	50	10	10	10	10
Building Reserve Ending Balance	351	413	413	413	413	413	413
CASH FLOW Reserve Beginning Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Annual Cash Flow Reserve Contribution	-	-	-	-	-	-	-
Cash Flow Reserve Ending Balance	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Adjustments to the General Fund Reserve	(164)	-					
Ending General Fund & Cash Flow Reserves	\$ 4,988	\$ 4,949	\$ 5,862	\$ 6,108	\$ 6,791	\$ 6,912	\$ 7,688
Document does not reflect MWDOC's irrevocable trust towards OPEB liability							
MWDOC Water Rates							
Water Sales in Acre Feet	216,977	220,121	230,154	238,554	240,123	245,123	245,123
Total Retail Customer Meters	628,327	636,204	640,102	644,366	645,211	650,010	655,101
OCWD BPP %	75%	75%	75%	75%	75%	75%	75%
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ 12.25	\$ 12.40	\$ 12.45	\$ 12.55	\$ 12.60	\$ 12.65	\$ 12.70
Fixed Charge %		100%	100%	100%	100%	100%	100%
Rate Increase Proposal:							
Increment Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Connection Charge	\$ 0.15	\$ 0.15	\$ 0.05	\$ 0.10	\$ 0.05	\$ 0.05	\$ 0.05

1 Assumptions for FMP:

Inflation factor:

2.00% per year

Rate of return on Investment of portfolio:

3.21% per year

Working Capital and Interest Revenue Projections

	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
Working Capital:					
Designated Reserve Fund	6,355	6,876	7,426	7,891	8,316
General Fund Float	8,000	8,000	8,000	8,000	8,000
WUE use of fund	(200)	(200)	(200)	(200)	(200)
Water Payment Float	3,850	3,875	3,900	3,925	3,950
Average Working Capital	18,005	18,551	19,126	19,616	20,066
Interest rate	3.26%	3.30%	3.35%	3.40%	3.45%
Interest Revenue Projections:					
Interest income - General	587	612	641	667	692
Total Interest Revenue Projections	587	612	641	667	692

Total Core Expenses

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,104,292	3,084,643	3,491,690
6090	Directors Compensation - MWDOC	255,360	221,341	268,133
6095	Directors Compensation - MWD	145,920	140,343	153,218
6105	Benefits - Admin	979,729	970,716	1,088,699
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	(161,317)	(173,642)	(233,968)
6115	Benefits - Directors	94,767	92,575	93,947
6120	Health Insurance Coverage for Retirees	70,519	50,492	70,287
6205	Training	25,000	22,000	30,000
6210	Tuition Reimbursement	5,000	2,500	5,000
6220	Temporary Help	5,000	-	5,000
7010	Engineering - Outside Services	330,000	531,508	435,000
7020	Legal - General	255,000	167,000	200,000
7030	Audit	29,000	19,380	29,240
7040	Other Professional Fees	862,921	796,837	920,445
7110	Conference - Employee	42,880	38,505	40,535
7115	Conference - Directors	24,930	23,530	28,440
7150	Travel & Accommodations - Employee	99,600	92,850	89,131
7155	Travel & Accommodations - Director	51,750	50,275	46,625
7210	Membership / Sponsorship	141,662	144,044	114,966
7250	CDR Participation	47,044	47,044	50,156
7305	Business Expense	5,600	4,200	5,200
7310	Office Maintenance	132,796	112,300	138,527
7315	Building Repair & Maintenance	20,000	10,000	20,000
7320	Rents & Leases	3,460	3,200	3,616
7330	Office Supplies	36,000	32,000	36,000
7340	Postal / Mail Delivery	8,600	8,300	9,000
7350	Subscriptions / Books	1,500	900	1,500
7360	Reproduction Expense	33,073	33,100	61,000
7410	Computer & Peripherals Maint	8,000	8,000	8,000
7430	Software Purchase	45,861	45,000	34,500
7440	Software Support	51,934	51,000	59,134
7540	Computers and Equipment	11,850	11,850	45,750
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	17,262	19,139	19,300
7615	Toll Road Charges	1,000	739	900
7620	Insurance Expense	138,500	138,000	140,000
7640	Utilities - Telephone	20,178	22,200	24,333
7650	Bank Fees	21,225	4,617	1,200
7670	Miscellaneous Expenses	113,205	97,001	96,100
8810	Capital Acquisition	255,500	167,500	366,900
	Total Expenditure	7,541,599	7,297,987	8,204,504

MWDOC's Contribution:

to WEROC Capital improvements	25,488	25,488	44,389
to WEROC Operations	191,380	191,380	228,978
MWDOC's Contribution to Election Rsrv	304,000	288,000	-
Capital Acquisition Carry Over (8810)		88,000	(330,624)
MWDOC's Building Expense	531,827	390,986	1,259,057
Building Expense Carryover		140,841	(423,226)
	8,594,295	8,422,682	8,983,078

Total Choice Revenue and Expense

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
	Choice Revenue	972,087	972,087	1,825,465
4205	School Contracts	102,031	102,031	-
4705	Prior Year Carry Over	202,663	202,663	-
		-	-	-
	Choice billing over/under	-	(55,942)	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
	Total Revenue	1,276,781	1,220,839	1,825,465

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	418,691	405,091	564,147
	S & B Reimb. DSC or Recov from Grants	(6,300)	(5,714)	(5,500)
6090	Directors Compensation - MWDOC	-	-	-
6095	Directors Compensation - MWD	-	-	-
6105	Benefits - Admin	128,836	107,086	174,475
	Overhead Reimbursement	161,317	173,642	233,968
6115	Benefits - Directors	-	-	-
6120	Health Insurance Coverage for Retirees	-	-	-
6205	Training	-	-	2,000
6210	Tuition Reimbursement	-	-	-
6220	Temporary Help	-	-	-
7010	Engineering - Outside Services	-	-	-
7020	Legal - General	-	-	-
7030	Audit	-	-	-
7040	Other Professional Fees	165,972	131,972	141,972
	Other Professional Fees - School Programs	401,865	401,865	609,990
7110	Conference - Employee	-	-	-
7115	Conference - Directors	-	-	-
7150	Travel & Accommodations - Employee	-	-	-
7155	Travel & Accommodations - Director	-	-	-
7210	Membership / Sponsorship	-	-	-
7250	CDR Participation	-	-	-
7310	Office Maintenance	-	-	-
7320	Rents & Leases	-	-	-
7330	Office Supplies	-	-	-
7332	Supplies - Water Loss Control	-	-	2,033
7340	Postal / Mail Delivery	400	336	400
7350	Subscriptions / Books	-	-	-
7360	Reproduction Expense	-	-	-
7410	Computer & Peripherals Maint	-	-	-
7430	Software Purchase	-	-	-
7440	Software Support	-	-	-
7540	Computers and Equipment	-	-	3,700
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	-	-	-
7612	Vehicle Expense	-	-	13,160
7615	Toll Road Charges	-	-	1,500
7620	Insurance Expense	-	-	-
7640	Utilities - Telephone	-	-	1,440
7650	Bank Fees	-	-	-
7670	Miscellaneous Expenses	6,000	6,562	12,000
8410	Overhead Reimbursement	-	-	-
8610	Depreciation Expense	-	-	-
8710	Election Expenses	-	-	-
8810	Capital Acquisition	-	-	70,180
	Total Expenditure	1,276,781	1,220,839	1,825,465

Total Core and Choice Expenses

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	3,522,983	3,489,733	4,055,837
	S & B Reimb. DSC or Recov from Grants	(6,300)	(5,714)	(5,500)
6090	Directors Compensation - MWDOC	255,360	221,341	268,133
6095	Directors Compensation - MWD	145,920	140,343	153,218
6105	Benefits - Admin	1,108,564	1,077,802	1,263,174
	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000
	Overhead Reimbursement	-	-	-
6115	Benefits - Directors	94,767	92,575	93,947
6120	Health Insurance Coverage for Retirees	70,519	50,492	70,287
6205	Training	25,000	22,000	32,000
6210	Tuition Reimbursement	5,000	2,500	5,000
6220	Temporary Help	5,000	-	5,000
7010	Engineering - Outside Services	330,000	531,508	435,000
7020	Legal - General	255,000	167,000	200,000
7030	Audit	29,000	19,380	29,240
7040	Other Professional Fees	1,028,893	928,809	1,062,417
	Other Professional Fees - School Programs	401,865	401,865	609,990
7110	Conference - Employee	42,880	38,505	40,535
7115	Conference - Directors	24,930	23,530	28,440
7150	Travel & Accommodations - Employee	99,600	92,850	89,131
7155	Travel & Accommodations - Director	51,750	50,275	46,625
7210	Membership / Sponsorship	141,662	144,044	114,966
7250	CDR Participation	47,044	47,044	50,156
7305	Business Expense	5,600	4,200	5,200
7310	Office Maintenance	132,796	112,300	138,527
7315	Building Repair & Maintenance	20,000	10,000	20,000
7320	Rents & Leases	3,460	3,200	3,616
7330	Office Supplies	36,000	32,000	36,000
7332	Supplies - Water Loss Control	-	-	2,033
7340	Postal / Mail Delivery	9,000	8,636	9,400
7350	Subscriptions / Books	1,500	900	1,500
7360	Reproduction Expense	33,073	33,100	61,000
7410	Computer & Peripherals Maint	8,000	8,000	8,000
7430	Software Purchase	45,861	45,000	34,500
7440	Software Support	51,934	51,000	59,134
7540	Computers and Equipment	11,850	11,850	49,450
7580	Maintenance Expense	-	-	-
7610	Automotive / Mileage	17,262	19,139	19,300
7612	Vehicle Expense	-	-	13,160
7615	Toll Road Charges	1,000	739	2,400
7620	Insurance Expense	138,500	138,000	140,000
7640	Utilities - Telephone	20,178	22,200	25,773
7650	Bank Fees	21,225	4,617	1,200
7670	Miscellaneous Expenses	119,205	103,563	108,100
8810	Capital Acquisition	255,500	167,500	437,080
	Total Expenditure	8,818,381	8,518,826	10,029,969

MWDOC's Contribution:

to WEROC Capital improvements	25,488	25,488	44,389
to WEROC Operations	191,380	191,380	228,978
MWDOC's Contribution to Election Rsrv	304,000	288,000	-
Capital Acquisition Carryover (8810)	-	88,000	(330,624)
MWDOC's Building Expense	531,827	390,986	1,259,057
Building Expense Carryover	-	140,841	(423,226)
	9,871,076	9,643,521	10,808,543

Administrative - Board
11

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	258,131	205,845	259,456	
6090	Directors Compensation - MWDOC	255,360	221,341	268,133	1
6095	Directors Compensation - MWD	145,920	140,343	153,218	2
6105	Benefits - Admin	77,533	64,831	81,347	
6115	Benefits - Directors	94,767	92,575	93,947	
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	225,000	160,000	195,000	4
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors	24,930	23,530	28,440	5
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director	51,750	50,275	46,625	5
7210	Membership / Sponsorship	27,040	27,426	28,072	6
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery	4,100	4,300	4,500	
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage	10,662	12,614	12,500	
7615	Toll Road Charges	600	400	500	
7620	Insurance Expense				
7640	Utilities - Telephone	1,200	700	893	
7650	Bank Fees				
7670	Miscellaneous Expenses	12,000	11,000	12,000	7
8410	Overhead Reimbursement				
8810	Capital Acquisition				
	Total Expenditure	1,188,992	1,015,180	1,184,631	

1&2 • Based on 5% increase from Jan to June 2020.

3 • Best, Best & Krieger \$ 144,400
• Aleshire & Wynder \$ 15,600
\$ 160,000

4 • Best, Best & Krieger \$ 182,500
• Aleshire & Wynder \$ 12,500
\$ 195,000

5 • See Exhibit F.

6 • See Exhibit D.

7 • Misc board expenses (supplies)

MWDOC's Contribution to Election Rsrv	304,000	288,000	-
	<u>1,492,992</u>	<u>1,303,180</u>	<u>1,184,631</u>

Administrative - General
12

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	260,272	273,941	269,650
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	94,306	104,759	103,684
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help	5,000		5,000
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	6,000	6,000	2,500
7110	Conference - Employee	42,880	38,505	40,535
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	99,600	92,850	89,131
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	91,660	93,521	61,784
7250	CDR Participation			50,156
7305	Business Expense	5,600	4,200	5,200
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books	1,500	900	1,500
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage	6,600	6,525	6,800
7615	Toll Road Charges	400	339	400
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	2,800	2,200	2,600
8810	Capital Acquisition			
	Total Expenditure	616,618	623,741	638,939

1 • See Exhibit J.

2 • See Exhibit E.

3 • See Exhibit D.

4 • Center for Demographic Research at
Cal State University Fullerton
(Moved from Cost Center 22)

Personnel / Staff Development
13

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	179,875	181,932	205,749	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	54,453	54,885	61,187	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training	25,000	22,000	30,000	1
6210	Tuition Reimbursement	5,000	2,500	5,000	
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General	30,000	7,000	5,000	2
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone				
7650	Bank Fees				
7670	Miscellaneous Expenses	21,400	13,000	21,500	3
8810	Capital Acquisition				
	Total Expenditure	315,728	281,318	328,436	

1 • Staff Technical Training & Leadership
Development Training

2 • Best, Best & Krieger

3 • Employee Recognition \$ 5,000
• Applicant Background Checks & Physical \$ 2,500
• Team Building, Lunch meetings \$ 1,200
• Holiday Lunch \$ 2,800
• OCWD Health Fair \$ 300
• Employee Flu Shots \$ 200
• Job Ads Recruiting \$ 5,000
• TAD Executive Assessments \$ 4,500
\$ 21,500

Overhead
19

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	444,512	448,320	524,930	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	138,248	132,940	158,034	
6109	CALPERS Unfunded Liability Contribution	207,000	207,000	207,000	
6111	Overhead Reimbursement from Choice	(161,317)	(173,642)	(233,968)	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees	70,519	50,492	70,287	1
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	6,723	6,600	6,812	2
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance	132,796	112,300	138,527	3
7315	Building Repair & Maintenance	20,000	10,000	20,000	
7320	Rents & Leases	3,460	3,200	3,616	4
7330	Office Supplies	36,000	32,000	36,000	
7340	Postal / Mail Delivery	4,500	4,000	4,500	
7350	Subscriptions / Books				
7360	Reproduction Expense	4,473	4,600	4,500	
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense	138,500	138,000	140,000	
7640	Utilities - Telephone	18,978	21,000	22,483	
7650	Bank Fees	21,225	4,617	1,200	
7670	Miscellaneous Expenses	4,500	4,000	4,100	5
8810	Capital Acquisition	193,000	105,000	366,900	6
	Total Expenditure	1,283,116	1,110,428	1,474,920	
	Capital Acquisition Carryover (8810)		88,000	(330,624)	8
	MWDOC's Building Expense (8811)	531,827	390,986	1,259,057	7
	Building Expense Carryover		140,841	(423,226)	8
		1,814,943	1,730,255	1,980,127	

1	Retirees:	
	• 12 Retirees	
2	• Pension Plan administration by Dissinger Associates	\$ 4,500
	• Cafeteria Plan Wameworks	\$ 2,312
		<u>6,812</u>
3	• Window Cleaning	\$ 1,200
	• Sewer Flush & Extra Office Cleaning	\$ 1,300
	• OCWD	\$ 126,256
	• Plant Maintenance	\$ 2,671
	• Landscape/Maintenance Atrium	\$ 5,000
	• Binding Machine Renewal	\$ 700
	• Carpet Cleaning	\$ 1,400
		<u>\$ 138,527</u>
4	• Iron Mountain	\$ 2,616
	• El Toro Water District (South EOC site)	1,000
		<u>\$ 3,616</u>
5	• Misc equipment repairs, fees etc.	
6	• Office Furniture/Generator/Audio Visual	
	See Exhibit H	
7	• Bldg Improvements - Eval / Design / Roof / HVAC	
	Seismic / Construction / Electrical	
8	• FY18-19 Carryover is the Amount budgeted less the amount of work projected to be completed.	
	• FY19-20 Carryover is the Cumulative dollars from Prior Years that will be applied toward work projected to be completed in FY19-20.	

Reliability Planning and Engineering
21

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	490,675	458,543	629,997	*
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	133,136	125,472	177,357	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services	155,000	338,868	325,000	1
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense				
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone		500	500	
7650	Bank Fees				
7670	Miscellaneous Expenses	7,000	4,416	7,000	
8810	Capital Acquisition				
	Total Expenditure	785,812	927,800	1,139,854	

1 • Includes general consulting,
local supply integration.

* One FTE added for Sr. Engineer Position

Research Participation
22

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin			
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR & UCI Water Research Center	47,044	47,044	
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	47,044	47,044	-

<- <- Moved to Cost Center 12

Metropolitan Issues and Water Policy

23

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	507,087	540,037	528,844
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	161,046	166,910	165,757
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services	175,000	192,640	110,000
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7045	Other Professional Fees - MET			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	843,133	899,588	804,601

• See Exhibit J

Government Affairs
31

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	117,400	113,359	125,148
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	42,784	41,589	44,755
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	308,000	301,505	314,000
	Other Professional Fees - DSC			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	100		
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	12,000	8,000	12,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			
	Total Expenditure	480,284	464,453	495,902

1 • BB&K \$ 90,000
 • Barker \$ 96,000
 • Travel/Miscellaneous \$ 7,505
 • Lewis Consulting \$ 42,000
 • Ackerman \$ 30,000
 • Grant Research & Acquisition \$ 36,000
\$ 301,505

2 • BB&K \$ 96,000
 • Barker \$ 96,000
 • Travel/Miscellaneous \$ 8,000
 • Lewis Consulting \$ 42,000
 • Ackerman \$ 36,000
 • Grant Research & Acquisition \$ 36,000
\$ 314,000

3 • Legislative Outreach & Briefings \$ 7,000
 • WACO \$ 5,000
\$ 12,000

Public Affairs
32

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	305,539	326,486	358,126	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	105,336	103,492	112,792	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees	269,198	269,198	241,133	1
7047	Prof Service-Grant Recovery				
7110	Conference - Employee				
7115	Conference - Directors				
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				
7310	Office Maintenance				
7320	Rents & Leases				
7330	Office Supplies				
7340	Postal / Mail Delivery				
7350	Subscriptions / Books				
7360	Reproduction Expense	28,500	28,500	56,500	2
7410	Computer & Peripherals Maint				
7430	Software Purchase				
7440	Software Support				
7450	Software Development				
7510	Site Maintenance				
7540	Computers and Equipment				
7580	Maintenance Expense				
7610	Automotive / Mileage				
7615	Toll Road Charges				
7620	Insurance Expense				
7640	Utilities - Telephone			457	
7650	Bank Fees				
7670	Miscellaneous Expenses	47,505	47,500	27,900	3
8810	Capital Acquisition				
	Total Expenditure	756,078	775,176	796,908	

1	Public Affairs Activities:	
	• Resolutions/Proclamations	\$ 4,500
	• Member Agency Workshops PAW	\$ 6,500
	• Consumer Confidence Reports	\$ 40,633
	• Event Registration Fees	\$ 4,500
	• WaterFix Program Support	\$ 30,000
	• Wyland Mayors Challenge	\$ 10,000
	• Scouts Program	\$ 15,000
	Subtotal	\$111,133

	Communications Plan Activities:	
	• Strategic Digital Outreach	\$ 95,000
	• Advertising	\$ 20,000
	• Special Events AV Support	\$ 15,000
	Subtotal	\$130,000
		<u>\$241,133</u>

2	• Promotional Items, Branded Materials	\$ 25,000
	• Info Items Handouts, Books, Folders	\$ 25,000
	• Poster Slogan Award & Ceremony	6,500
		<u>\$ 56,500</u>

3	• Ricki Maint and Repair	\$ 3,400
	• Children's Water Festival Sponsorship	\$ 3,500
	• Spring Smartscape Expo	\$ 7,000
	• Event Display Materials	\$ 4,000
	• Legislative Staff Trip Travel Costs	\$ 5,000
	• Sponsorship Contingency Fund	\$ 5,000
		<u>\$ 27,900</u>

**Water Use Efficiency
(Core)
35**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	103,988	105,721	120,026
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	31,262	38,300	35,369
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	225,000	202,534	265,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	22,962	23,097	25,110
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	3,000	5,985	6,000
8810	Capital Acquisition			
	Total Expenditure	386,212	375,638	451,505

1 • General Research	\$ 75,000
• Landscape Education	5,000
• Water Loss Control Work Grp	\$ 55,000
• WLC Business Plan Implement	\$ 30,000
• Aerial Imagery and Landscape Measurement Project	<u>\$100,000</u>
	<u>\$265,000</u>
2 • CalWEP Dues	\$ 12,775
• South O.C. Watershed Mngmt Area Dues	\$ 10,500
• OC CLCA	<u>\$ 1,835</u>
	<u>\$ 25,110</u>

General Finance
41

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	328,933	322,576	354,005
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	101,648	98,245	107,054
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit	29,000	19,380	29,240
7040	Other Professional Fees	48,000	11,000	91,000
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	400	1,000
8810	Capital Acquisition			
	Total Expenditure	508,581	451,601	582,299

1 • Annual Audit	\$ 19,767
• Single Audit	\$ 4,473
• WUE Grant Review	\$ 5,000
	<u>\$ 29,240</u>

2 • Custodial Bank fees	\$ 6,500
• Financial Consulting	\$ 40,000
• OPEB Actuarial	\$ 4,500
• Business Continuity Consultant	\$ 40,000
	<u>\$ 91,000</u>

Information Technology
45

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET	
6010	Salaries & Wages - Admin	107,880	107,882	115,761	
6090	Directors Compensation - MWDOC				
6095	Directors Compensation - MWD				
6105	Benefits - Admin	39,977	39,291	41,365	
6115	Benefits - Directors				
6120	Health Insurance Coverage for Retirees				
6205	Training				
6210	Tuition Reimbursement				
6220	Temporary Help				
7010	Engineering - Outside Services				
7020	Legal - General				
7030	Audit				
7040	Other Professional Fees				1 • Misc repairs, maint & components
7110	Conference - Employee				
7115	Conference - Directors				2 • Misc software upgrades and license
7150	Travel & Accommodations - Employee				
7155	Travel & Accommodations - Director				
7210	Membership / Sponsorship				
7250	CDR Participation				3 • MWDOC Website Support & Enhancements \$ 15,000
7310	Office Maintenance				• Investment software usage cost \$ 2,340
7320	Rents & Leases				• Financial Management System \$ 23,773
7330	Office Supplies				• Cisco Smartnet support \$ 4,500
7340	Postal / Mail Delivery				• Misc NAV development \$ 2,000
7350	Subscriptions / Books				• Jet Reports support \$ 1,521
7360	Reproduction Expense				• ECS Laserfiche Annual Support \$ 4,000
7410	Computer & Peripherals Maint	8,000	8,000	8,000	1
7430	Software Purchase	45,861	45,000	34,500	2
7440	Software Support	51,934	51,000	59,134	3
7540	Computers and Equipment	11,850	11,850	45,750	4
7580	Maintenance Expense				4 • NAS storage for backups \$ 6,000
7610	Automotive / Mileage				• 7 Desktop Computers w/ Monitors \$ 10,600
7615	Toll Road Charges				• RICOH color printer support \$ 350
7620	Insurance Expense				• RICOH color printer replacement \$ 6,000
7640	Utilities - Telephone				• WiFi Network Equipment \$ 6,000
7650	Bank Fees				• Replace HR and Eng printers \$ 3,600
7670	Miscellaneous Expenses	2,000	500	2,000	• Cloud Storage for Disaster Recovery \$ 11,000
8810	Capital Acquisition	62,500	62,500		• 2 Laptop Computers \$ 2,200
	Total Expenditure	330,002	326,023	306,509	\$ 45,750

**Water Use Efficiency
(choice)
62**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4215	Choice Revenue	684,346	684,346	874,517
4705	Prior Year Carry over	154,809	154,809	
	Choice billing over/under		(37,755)	
	Total Revenue	839,155	801,400	874,517

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2019 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	397,568	394,710	424,388
6012	Salaries & Benefits - Recovery from Grants	(6,300)	(5,714)	(5,500)
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	122,007	103,877	118,725
	Overhead Reimbursement	153,508	169,657	188,532
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	165,972	131,972	141,972
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery	400	336	400
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses	6,000	6,562	6,000
8810	Capital Acquisition			
	Total Expenditure	839,155	801,400	874,517

1 • Recovery from WUE Grants for some Salaries and Benefits:

2 • Marketing of WUE programs \$ 40,000
 • Residential Installation Verification Inspec \$ 35,000
 • CSANS Webhosting & Annual Maint \$ 14,400
 • Turf Rebate Processing Platform - Droplet \$ 39,072
 • Drip Rebate Processing Platform - Droplet \$ 6,000
 • E-Signature Rebate Processing \$ 7,500
\$ 141,972

**School Program
(choice)
63**

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4215	Choice Revenue	287,741	287,741	629,159
4205	School Contracts	102,031	102,031	
4705	Prior Year Carry over	47,854	47,854	
	Choice billing over/under		(18,187)	
	Total Revenue	437,626	419,439	629,159

Choice billing over/under reflects revenue overage or shortfall to be reconciled with participating member agencies. Final charges will be revised by August 2019 to reflect the new budget year charges plus/minus prior year over/under.

		FY 2019-2020 PROPOSED BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	21,123	10,380	11,119
6105	Benefits - Admin	6,828	3,209	3,501
	Overhead Reimbursement	7,810	3,985	4,549
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7040	Other Professional Fees - School Programs	401,865	401,865	609,990
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accommodations - Employee			
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			
7580	Maintenance Expense			
7610	Automotive / Mileage			
7615	Toll Road Charges			
7620	Insurance Expense			
7640	Utilities - Telephone			
7650	Bank Fees			
7670	Miscellaneous Expenses			
8810	Capital Acquisition			
	Total Expenditure	437,626	419,439	629,159

- 1 • Assemblies: FY19-20
Goal is 70,000 students
- Digital Program \$ 45,895
 - High Schools \$ 105,567
 - Elementary Schools \$ 270,496
 - Middle Schools 188,032
- \$ 609,990

Water Loss Control
(choice)
70

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4215	Choice Revenue			321,788
4705	Prior Year Carry over			
	Choice billing over/under		-	
	Total Revenue	-	-	321,788

Revenues and expenses do not include pass-through costs to agencies for outside services performed for Meter Accuracy Testing and Distribution System Flushing

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin		-	128,640
	Salaries & Wages - Reimb. from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin		-	52,249
	Overhead Reimbursement		-	40,887
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training			2,000
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees			
7110	Conference - Employee			
7115	Conference - Directors			
7150	Travel & Accomodations - Employee			
7155	Travel & Accomodations - Director			
7210	Membership / Sponsorship			
7220	CUWA Participation			
7240	AAWARF Participation			
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office Supplies			
7332	Supplies - Water Loss Control			2,033
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense			
7410	Computer & Peripherals Maint			
7430	Software Purchase			
7440	Software Support			
7450	Software Development			
7510	Site Maintenance			
7540	Computers and Equipment			3,700
7580	Maintenance Expense			
7610	Automotive / Mileage			
7612	Vehicle Expense			13,160
7615	Toll Road Charges			1,500
7620	Insurance Expense			
7640	Utilities - Telephone			1,440
7650	Bank Fees			
7670	Miscellaneous Expenses			6,000
8410	Overhead Reimbursement			
8610	Depreciation Expense			
8710	Election Expenses			
8810	Capital Acquisition			70,180
	Total Expenditure	-	-	321,788

1 • Water Balance Validation Cert.

2 • Gloves, Hats, Uniforms, Uniform Cleaning, etc.

3 • 2 Workstations & 1 Laptop

4 • Vehicle Fuel & Oil
• GPS Vehicle Tracking
• Auto Insurance

5 • 2 Cell Phones

6 • See Exhibit H

WEROC
25

		FY 2018-2019 BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
4320	MWDOC Contribution to Operations	191,380	191,380	228,978
4210	WEROC Contracts	191,380	191,380	228,978
4205				
4230	Reimbursements		1,062	
4240				
4410				
4805				
	Operational Revenue	382,760	383,822	457,956
	Operational Reserves to Capital	80,912	80,912	
	Capital Projects Carryover			150,219
	MWDOC Contribution to Capital Improvements	25,488	25,488	44,389
	TOTAL WEROC Revenue	489,160	490,222	652,564

1 • OCSD \$ 44,880
 • SOCWA \$ 17,402
 • OCWD \$ 114,490
 • 3 Cities -- \$17,402 ea \$ 52,206
 \$ 228,978

2 • Grants and sale of generator

3 • WEROC Reserves
 4 • See Exhibit H

		FY 2018-2019 PROPOSED BUDGET	FY 2018-2019 PROJECTED ACTUALS	FY 2019-2020 PROPOSED BUDGET
6010	Salaries & Wages - Admin	236,268	241,836	267,463
	Salaries & Benefits - Recovery from Grants			
6090	Directors Compensation - MWDOC			
6095	Directors Compensation - MWD			
6105	Benefits - Admin	65,137	65,203	82,520
6115	Benefits - Directors			
6120	Health Insurance Coverage for Retirees			
6205	Training	1,150	1,150	1,150
6210	Tuition Reimbursement			
6220	Temporary Help			
7010	Engineering - Outside Services			
7020	Legal - General			
7030	Audit			
7040	Other Professional Fees	30,000	30,000	30,000
7110	Conference - Employee	2,800	2,344	2,800
7115	Conference - Directors			
7150	Travel & Accommodations - Employee	6,430	5,271	8,380
7155	Travel & Accommodations - Director			
7210	Membership / Sponsorship	605	605	1,105
7250	CDR Participation			
7310	Office Maintenance			
7320	Rents & Leases			
7330	Office & Radio Supplies	1,000	1,000	1,000
7340	Postal / Mail Delivery			
7350	Subscriptions / Books			
7360	Reproduction Expense	1,000	1,230	1,000
7410	Computer & Peripherals Maint	5,060	5,060	5,060
7430	Software Purchase			
7440	Software Support	6,750	7,088	7,441
7510	Site Maintenance	900	670	900
7540	Computers and Equipment			
7580	Maintenance - Generators	2,000	2,000	2,000
7581	Maintenance - Radios	1,838	1,838	1,838
7582	Maintenance - EOC's	3,000	3,000	2,000
7610	Automotive / Mileage	1,700	860	1,000
7615	Toll Road Charges	115	213	213
7620	Insurance Expense			
7640	Utilities - Telephone	13,008	8,372	10,000
7650	Bank Fees			
7670	Miscellaneous Expenses	1,000	1,000	1,000
7671	Miscellaneous Training	3,000	3,000	3,000
8810	Capital Acquisition			
	Operations Expenditure	382,760	381,739	429,870
	Contribution to Operating Reserves			28,086
	Total Operations Budget	382,760	381,739	457,956
	Capital Expenditures	106,400	38,753	194,608
	TOTAL Expenditures	489,160	420,492	652,564

5 • See Exhibit E

6 • See Exhibit J

7 • See Exhibit D

8 • See Exhibit H

Exhibit D

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Proposed District Participation Costs
Fiscal Year 2019-2020**

	Budget FY 2018-2019	Projected FY 2018-2019 Actuals	Budget FY 2019-2020	Approval included in Budget Approval
Required Participation or Service				
LAFCO	\$ 27,000	\$ 27,356	\$ 28,000	√
Subtotal Cost Center 11	\$ 27,000	\$ 27,356	\$ 28,000	
Association of Calif. Water Agencies (ACWA)	\$ 18,000	\$ 19,255	\$ 19,736	√
Subtotal Cost Center 12	\$ 18,000	\$ 19,255	\$ 19,736	
South OC Watershed Management Area Dues	\$ 9,096	\$ 9,096	\$ 10,500	√
Subtotal Cost Center 35	\$ 9,096	\$ 9,096	\$ 10,500	
Subtotal - Required Participation or Service	\$ 54,096	\$ 55,707	\$ 58,236	
Elective Participation				
Colorado River Water Users Assn. (CRWUA 2-Director's)	\$ 40	\$ 70	\$ 72	√
Subtotal Cost Center 11	\$ 40	\$ 70	\$ 72	
Association of California Cities- Orange County (ACCOC)	\$ 5,100	\$ 5,150	\$ 5,279	√
American Water Works Association (AWWA)	\$ 1,675	\$ 1,678	\$ 1,720	√
Association of Metropolitan Water Agencies (AMWA)	\$ 18,900	\$ 19,453	\$ -	√
CA Chamber of Commerce (HR California)	\$ 480	\$ 469	\$ 481	√
CALDESAL	\$ 5,100	\$ 5,000	\$ 5,125	√
California Association of Public Information Officers (CAPIO)	\$ 255	\$ 255	\$ 765	√
California Council for Environmental & Economic Balance (CCEEB)	\$ 24,990	\$ 24,500	\$ -	√
California Municipal Treasurers Association (CMTA)	\$ 160	\$ 160	\$ 160	√
California Municipal Utilities Association (CMUA)			\$ 8,000	New
California Society of Municipal Finance Officers (CSMFO)	\$ 130	\$ 130	\$ 130	√
CA Special Districts Assn. (CSDA)	\$ 6,980	\$ 7,252	\$ 7,433	√
Colorado River Water Users Assn. (CRWUA 3-staff)	\$ 65	\$ 65	\$ 108	√
Government Finance Officers Association (GFOA)	\$ 170	\$ 170	\$ 170	√
Indep. Special Districts of Or. Co. (ISDOC)	\$ 50	\$ 50	\$ 50	√
International Association of Business Communicators (IABC)			\$ 350	New
International Personnel Management Association (IPMA)	\$ 50	\$ 50	\$ 50	
National Endangered Species Act Reform Coalition (NESARC)			\$ 1,000	New
National Water Resources Assn., Mun. Caucus	\$ 510	\$ 510	\$ 510	√
Orange County Business Council (OC Chamber)	\$ 5,100	\$ 5,000	\$ 5,125	√
Orange County Public Affairs Association (OCPAA)	\$ 205	\$ 205	\$ 205	√
Orange County Water Association (OCWA)	\$ 105	\$ 105	\$ 105	√
Public Agency Risk Managers Association (PARMA)	\$ 105	\$ 105	\$ -	
Public Relations Society of America/O.C. (PRSA)	\$ 305	\$ 710	\$ 728	√
Society of Human Resources Management (SHRM)	\$ 185	\$ 209	\$ 214	√
Southern California Personnel Management Assoc. (SCPMA)	\$ 55	\$ 55	\$ 55	√
South Orange County Economic Coalition (SOCEC)	\$ 1,530	\$ 1,530	\$ 1,530	√
Southern California Water Committee (SCWC)	\$ 865	\$ 865	\$ 865	√
Urban Water Institute			\$ 1,250	New
Water Environment Federation			\$ 50	New
Water Education Foundation	\$ 590	\$ 590	\$ 590	√
Subtotal Cost Center 12	\$ 73,660	\$ 74,266	\$ 42,048	
OC Chapter-Calif. Landscape Contractors Assoc.	\$ 1,625	\$ 1,835	\$ 1,835	√
CA Water Efficiency Partnership (formerly CA Urban Water Cnsv Cncl)	\$ 12,241	\$ 12,166	\$ 12,775	√
Subtotal Cost Center 35	\$ 13,866	\$ 14,001	\$ 14,610	
Subtotal - Elective Participation	\$ 87,566	\$ 88,337	\$ 56,730	
International Association of Emergency Managers	\$ 380	\$ 380	\$ 380	√
California Emergency Services Association	\$ 225	\$ 225	\$ 225	√
California Utilities Emergency Association			\$ 500	New
WEROC Program Total	605	605	1,105	
GRAND TOTAL - General Fund	\$ 141,662	\$ 144,044	\$ 114,966	

Exhibit E

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Summary of Proposed Staff Registration & Travel Budget ⁽¹⁾ Fiscal Year 2019-2020

Conference / Meeting	Location/Date/Staff	Registration	Travel ⁽¹⁾	Approval included in	
				Budget	Approval
Association of California Water Agencies (ACWA)	- DC Conference (3 staff)	\$ 3,060	\$ 6,600		√
	- Fall Conference, San Diego, December 3-6, 2019, (6 staff)	4,290	4,320		√
	- Spring Conference, Central Coast, California, May 5-8, 2020, (6 staff)	4,290	6,000		√
	- Region 10 (2 trips)	130	200		
	- Legislative Symposium (2 staff)	620	1,840		√
Association of California Cities of OC (ACCOC)					
Advocacy Trip	-Sacramento (2 staff)	1,400	1,200		√
	-Washington DC (1 staff)	1,275	900		√
American Water Works Association (AWWA)	Cal Nevada & National Conference, Fall Conference, San Diego, October 21-24, 2019 (3 staff)	1,500	3,000		√
	Cal Nevada & National Spring Conference, Nevada, March 2020 (3 staff)	1,530	3,366		√
	ACE Annual Conference, Orlando, FL, June 2020 (4 staff)	2,000	3,400		√
	North American Water Loss, Nashville, TN, December 3-5, 2019, (2 staff)	1,200	2,600		√
AWWA/Water Environment Federation- Utility Management Conference	TBD, (1 staff)	800	1,600		New
Bond Buyers Conference	TBD, (1 staff)	200			√
California Association of Public Information Officials CAPIO)	Northern California, TBD, (2 staff)	600	150		√
Calif. Soc. of Mun. Finance Officers	Anaheim, January 28-31, 2020, (1 staff)	400	100		√
Cal Desal Conference	TBD (1 staff)	260	500		√
Colorado River Water Users Association (CRWUA)	Las Vegas - Fall, December 11-13, 2019 (4 staff)	1,940	3,500		√
California Special Districts Association (CSDA)					
Annual Conference	Anaheim, September 25-28, 2019 (2 staff)	1,200	200		√
	Legislative Days, Sacramento (2 staff)	410	1,230		√
California Water Efficiency Partnership (CalWEP) Membership (formerly CUWCC)	Membership Meetings, 1=No. Cal & 2=So. Cal (3 trips)		800		√
	Board Meetings, 2=No. Cal & 2=So. Cal (4 trips)		1,400		√
	Peer to Peer, Santa Barbara, December 11, 2019 (5 staff)	1,300	3,575		√
Department of Water Resources (DWR)/State Water Resources Control Board (SWRCB)	Urban Advisory Group Meetings, Sacramento (4 trips)		2,400		√
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento (1 Staff)	1,250	600		√
	DC (1 Staff)	1,800	900		√
Legislative Advocacy	Sacramento, (24 trips)		14,400		√
Urban Water Institute	Fall Conference, TBD (4 Staff)	2,200	3,200		√
	Spring Conference, TBD(4 Staff)	2,200	3,200		√
Washington Legislative Advocacy	(6 trips)		10,800		√
Water Environment Federation's Technical Exhibition & Conference	September 21-25, 2019, Chicago Illinois, (1staff)	630	2,400		New
Water Smart Innovations Conference	Las Vegas Nevada, October 2-4, 2019, (2 staff)	800	1,000		√
Miscellaneous*		3,250	3,750		√
General Fund Total **		\$ 40,535	\$ 89,131		
Conferences/Meetings/Trainings					
International Assoc. of Emergency Managers	Savannah, Georgia, (1 staff)	\$ 700	\$ 1,900		√
AWWA Cal Nevada & National Conf.	Spring 2020, Nevada-(1 staff)	700	1,340		√
California Emergency Services Association	Santa Rosa, (2 staff)	1,400	3,000		√
Calif. State Training Institute	San Luis Obispo, (1Staff)	700	1,140		√
FEMA Emergency Management Institute (EMI)	Emmitsburg Maryland, (1 Staff)	-	1,000		New
Local Training Opportunities (examples OCWA, SCESA, etc.)	(3 Staff)	450			√
WEROC Program Total		\$ 3,950	\$ 8,380		
PROPOSED GENERAL FUND BUDGET		\$ 40,535	\$ 89,131		

* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit F

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Summary of Proposed Board Registration & Travel Budget ⁽¹⁾
Fiscal Year 2019-2020**

Conference	Location/Date/Directors	Registration	Travel ⁽¹⁾	Approval included in Budget Approval
Association of California Water Agencies (ACWA)	DC Conference (2 Directors)	\$ 2,040	\$ 4,400	√
	Fall Conference, San Diego, December 3-6, 2019, (3 Directors)	\$ 2,145	\$ 2,160	√
	Spring Conference, Central Coast (3 Directors)	\$ 2,145	\$ 3,000	√
	Region 10 (2 Directors)	\$ 130	\$ 200	√
Association of California Cities of OC (ACCOC)	Sacramento (2 Directors)	\$ 1,400	\$ 1,200	
	Washington DC (3 Directors)	\$ 3,825	\$ 2,700	√
American Water Works Association/Water Environment Federation (AWWA/WEF)	Utility Management Conference, TBD (1 Director)	\$ 800	\$ 1,600	New
Bond Buyers	Conference, (2 Directors)	\$ 400	\$ -	√
Colorado River Water Users Association(CRWUA)	Las Vegas, December 11-13, 2019 (2 Directors)	\$ 970	\$ 1,750	√
California Special Districts Association (CSDA)	Annual Conference, Anaheim, September 25-28, 2019, (1 Director)	\$ 600	\$ 100	√
	Legislative Days, Sacramento (1 Director)	\$ 205	\$ 615	√
Orange County Business Council (OCBC)	Advocacy Trip, Sacramento, (3 Directors)	\$ 3,750	\$ 1,800	√
	Advocacy Trip-DC (2 Directors)	\$ 3,600	\$ 1,800	√
Sacramento Legislative Advocacy	(8 Trips)		\$ 4,800	√
Urban Water Institute	Fall Conference, (3 Directors)	\$ 1,650	\$ 2,400	√
	Spring Conference, (3 Directors)	\$ 1,650	\$ 2,400	√
Washington DC Legislative Advocacy	(6 trips)		\$ 10,800	√
Water Environment Federation	Technical Exhibition & Conference, September 21-25, 2019, Chicago Illinois, (1 Director)	\$ 630	\$ 2,400	New
Miscellaneous*		\$ 2,500	\$ 2,500	√
TOTAL**		\$ 28,440	\$ 46,625	

PROPOSED GENERAL FUND BUDGET

\$ 28,440	\$ 46,625
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* Includes OCWA lunch meetings, ISDOC, OCBC, SCWC, League of Cities, Misc. Assoc/Committee meetings and related business meeting expenses.

** Excludes automotive mileage.

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit G

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Proposed Total Membership that Includes Registration & Travel Costs⁽¹⁾ Fiscal Year 2019-2020

Conference / Meeting	Membership	Registration	Travel	Total
American Water Works Association (AWWA)	\$ 1,720	\$ 7,830	\$ 15,566	\$ 25,116
Association of California Cities- Orange County (ACCOC)	5,279	7,900	6,000	19,179
Association of Calif. Water Agencies (ACWA)	19,736	18,850	28,720	67,306
California Association of Public Information Officers (CAPIO)	765	600	150	1,515
CALDESAL	5,125	260	500	5,885
California Society of Municipal Finance Officers (CSMFO)	130	400	100	630
California Special Districts Assn. (CSDA)	7,433	2,415	2,145	11,993
California Water Efficiency Partnership	12,775	1,300	5,775	19,850
Colorado River Water Users Assn. (CRWUA)	180	2,910	5,250	8,340
Orange County Business Council (OC Chamber)	5,125	10,400	5,100	20,625
Urban Water Institute	1,250	7,700	11,200	20,150
Water Environment Federation	50	1,260	4,800	6,110
Grand Total for Memberships with Conferences/Travel:	\$ 59,568	\$ 61,825	\$ 85,306	\$ 206,699

(1) Includes all modes of travel (except automotive mileage), room accommodations, meals, and related misc. expenses.

Exhibit H

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY Schedule of Capital Expenditures Fiscal Year 2019-2020

	<u>Proposed Budget</u>	<u>Approval included in Budget Approval</u>
Furniture and Fixtures- 19-8810:		
MWDOC Office Improvements (Generator/Audio-Visual Equipment/Workstations/Furnishings)	\$ 366,900	√
Prior Year Projects Carryover from FY2017 through FY2019	<u>\$ (330,624)</u>	√
Subtotal 8810 Improvements	\$ 36,276	
 Building Improvements- 19-8811:		
Eval / Design / Roof / HVAC/ Seismic / Construction / Electrical	\$ 1,259,057	√
Prior Year Projects Carryover from FY2017 through FY2019	<u>(423,226)</u>	√
Subtotal 8811 Improvements	835,831	
 New Realized Costs - Cost Center 19	 <u>\$ 872,107</u>	
 Water Loss Control- 70-8810:		
Two Pickup Trucks	\$ 60,000	√
Two Cab Guards	1,200	√
Two Corner Strobes	800	√
Two Traffic Directors	1,000	√
Two Tool Boxes	900	√
Two Pipe Locators	<u>6,280</u>	√
Total - Cost Center 70	\$ 70,180	
 WEROC - 25-8810 & 8811:		
SEOC Improvements	\$ 181,558	√
WEROC Office Improvements	<u>13,050</u>	√
WEROC Subtotal:	\$ 194,608	
Prior Year Projects Carryover	\$ (150,219)	√
* New Realized Costs - Cost Center 25	<u>\$ 44,389</u>	

* Proposed budget is for increased construction estimates on prior year approved projects.

Exhibit J
Professional / Special Services Authorized
Core Fund

Department	Consultant	Service	Budget FY 18-19	Budget FY 19-20	* Approval included in Budget Approval
Engineering Expenses					
Planning & Operation (21)	(To be determined)	Hydrolic/Water Quality Modeling	155,000	325,000	
Met Issues & Special Projects (23)	Ed Means Consulting	Consulting on MET issues	25,000	45,000	√
	(To be determined)	MET and Reliability Planning	150,000	65,000	
Total Engineering Expenses			330,000	435,000	
Legal Expenses					
Administration (11 & 13)	Best, Best & Krieger	General Legal Counsel Services	200,000	182,500	√
	Aleshire & Wynder	Legal Counsel Services Regarding San Diego CWA	25,000	12,500	√
	Best, Best & Krieger	Labor Counsel Services	30,000	5,000	√
Total Legal Expenses			255,000	200,000	
Audit Expenses					
Finance (41)	Vasquez & Company LLP	Annual Financial Audit and Federal Single Audit	29,000	29,240	√
Training					
Administration (13)	TBD/Cal State University Fullerton	Staff Development/Technical Training/Leadership Training	25,000	30,000	√
Professional Fees					
Administration (12 & 13 & 19)	Dissinger Associates	Pension Plan Administration	4,500	4,500	√
	Wage Works	Cafeteria Plan Administration	2,223	2,312	√
	Gladwell Services	Records Management Consulting	6,000	2,500	√
Governmental Affairs (31)	BBK Legislation	State Legislative Advocate	90,000	96,000	√
	James C. Barker	Federal Legislative Advocate	96,000	96,000	√
	Lewis Consulting	County Issues Consulting	42,000	42,000	√
	Soto Services	Grant Research and Acquisition Assistance	36,000	36,000	√
	Ackerman	Legal and Regulatory	36,000	36,000	√
	(To be determined)	Miscellaneous	8,000	8,000	
Public Affairs (32)	Stetson Engineers	Consumer Confidence Report (CCR) Technical Water Quality Advisor	38,698	40,633	√
	So Cal Water Coalition	So Cal Water Coalition Outreach	30,000	30,000	√
	(To be determined)	Collateral materials update and resolutions/proclamations	3,000	4,500	
	(To be determined)	Event Registration Fees	3,000	4,500	
	Hashtag Pinpoint	Strategic Digital Outreach Contract	100,000	95,000	√
	(To be determined)	PAW Meeting Materials	1,500		
	(To be determined)	Client Agency Workshops for PAW	4,000	6,500	
	(To be determined)	Wyland Mayors Challenge		10,000	
	PSAV	Special Events AV Support	5,000	15,000	√
	(To be determined)	Advertising	20,000	20,000	
WUE - Core (35)	(To be determined)	Core High School Program	64,000		
	(To be determined)	Scouts Program		15,000	
	(To be determined)	General WUE Research	75,000	75,000	
	Blue Watchdog Conservation, Inc	Landscape Education and Outreach Program	50,000	5,000	√
	Water Systems Optimization	Water Loss Control Work Grp (WLC)	50,000	55,000	√
	Water Systems Optimization	WLC Business Plan Implementation	-	30,000	√
Finance & IT (41 & 45)	(To be determined)	WLC Shared Services Equipment	50,000	-	
	SAWPA	Aerial Imagery and Landscape Measurement Project		100,000	√
	U.S. Bank	Custodial Bank fees	3,000	6,500	√
	(To be determined)	Business Continuity Consultant		40,000	
	Davis Farr	Financial Consulting	40,000	40,000	√
	(To be determined)	OPEB Actuarial	5,000	4,500	√
Total Professional Fees			862,921	920,445	

WEROC

Department	Consultant	Service	Budget FY 18-19	Budget FY 19-20	* Approval included in Budget Approval
Professional Fees					
WEROC	(To be determined)	Consultant for Security Act Implementation	30,000	30,000	
Total Professional Fees			30,000	30,000	

* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

Exhibit J1
Professional / Special Services Authorized
Choice Funds

Department	Consultant	Service	Budget FY 18-19	Budget FY 19-20	* Approval included in Budget Approval
Training					
Water Loss Control (70)	(To be determined)	Water Balance Validation Certification		2,000	
Professional Fees					
Water Use Efficiency (62)	Various Printers	Printing of marketing materials for all WUE programs	40,000	40,000	√
	Enterprise Information Systems	CSANS Webhosting & Annual Maintenance	29,400	14,400	√
	Droplet	Web Based Rebate Processing Platform (Turf & Drip)	45,072	45,072	√
	Droplet	E-Signature Rebate Processing	16,500	7,500	√
	Mission Resource Cnsvr District	Residential Installation Verification Inspections	35,000	35,000	√
School Program (63)	Discovery Science Center	Assemblies (Elementary School)	257,615	270,496	√
	ITO	Assemblies (High School)	100,540	105,567	√
	(To be determined)	Assemblies (Middle School)		188,032	
	ITO	Digital Program	43,710	45,895	√
Total Professional Fees			567,837	751,962	

* Approval of the budget constitutes authorization for spending within the policy guidelines set out in Chapter 8, Contracts section of the Administrative code including authorization limitations. A check mark indicates final board approval of the expenditure.

Municipal Water District of Orange County
Fiscal Year 2018-2019 Consolidated Budget Summary

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ⁽¹⁾	Consolidated Budget Total
Revenues:								
Water Sales		\$ 220,515,870				\$ 220,515,870		\$ 220,515,870
Local Resource Program Incentives		(16,416,776)				(16,416,776)		(16,416,776)
Retail Meter Charge	7,697,006					7,697,006		7,697,006
Ground Water Customer Charge	499,012					499,012		499,012
Water Increment Charge	-					-		-
Interest Revenue	390,000	13,000						
MWDOC's Contribution	-		2,972,135	216,868	28,397	403,000	(216,868)	403,000
Outside Fundings	-			191,380		3,191,912		3,191,912
Carryover Funds	1,276,781			-		1,276,781		1,276,781
Choice Revenue	3,000					3,000		3,000
Miscellaneous Income								
Total Revenues	9,865,799	204,112,094	2,972,135	408,248	28,397	217,386,673	(216,868)	217,169,805
Expenses:								
Water Purchases		204,099,094				204,099,094		204,099,094
Salaries & Wages	3,522,963			236,268	-	3,759,231		3,759,231
less S & W Reimb. DSC or Recov from Grants	(6,300)					(6,300)		(6,300)
Employee Benefits	1,315,564			65,137	-	1,380,701		1,380,701
Engineering Expense	330,000					330,000		330,000
Professional Fees	1,430,758			30,000		4,432,893		4,432,893
Contribution to Election Reserve	304,000		2,972,135			304,000		304,000
Legal Expense - General	255,000			-		255,000		255,000
Maintenance Expense	152,796			4,738		157,534		157,534
Insurance Expense	138,500			-		138,500		138,500
Membership / Sponsorship	141,662			605		142,267		142,267
Director Compensation	255,360					255,360		255,360
MWDOC Contribution to WEROC Operations	191,380					191,380	(191,380)	-
MWDOC Contribution to WEROC Capital Improv	25,488					25,488	(25,488)	-
Others:								
MWD Representation	145,920					145,920		145,920
Director Benefits	94,767					94,767		94,767
Health Insurance Coverage for Retirees	70,519					70,519		70,519
Audit Expense	29,000					29,000		29,000
Automotive & Toll Road Expenses	18,262					20,077		20,077
Conference Expense - Staff	42,880			1,815		45,680		45,680
Conference Expense - Directors	24,930			2,800		24,930		24,930
CDR Participation	47,044					47,044		47,044
Business Expense	5,600					5,600		5,600
Miscellaneous Expense	140,430			7,000		147,430		147,430
Postage / Mail Delivery	9,000					9,000		9,000
Rents & Leases	3,460			-		3,460		3,460
Outside Printing, Subscription & Books	34,573			1,000		35,573		35,573
Office Supplies	36,000			1,000		37,000		37,000
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	97,795			6,750		104,545		104,545
Computers and Equipment	11,850			-		11,850		11,850
Telecommunications Expense	20,178			13,008		33,186		33,186
Temporary Help Expense	5,000					5,000		5,000
Training Expense	25,000			1,150		26,150		26,150
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	99,600			6,430		106,030		106,030
Travel & Accommodations - Directors	51,750					51,750		51,750
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	531,827					531,827		531,827
MWDOC Sinking Fund Expense (generator & radios)								
Capital Acquisition	255,500			106,400		361,900		361,900
All Other Expenses	1,813,884	-	-	152,413	-	1,966,297		1,966,297
Total Expenses	9,871,076	204,099,094	2,972,135	489,160	-	217,431,465	(216,868)	217,214,597
EFFECT ON RESERVES / FUND BALANCE	\$ (5,277)	\$ 13,000	(2)	\$ (80,912)	\$ 28,397	\$ (44,792)	\$ -	\$ (44,792)

1 Adjustment for MWDOC's contributions to other funds.
2 Net change to restricted reserves for interest revenue.

**Municipal Water District of Orange County
Fiscal Year 2019-2020 Consolidated Budget Summary**

	Core & Choice	Water Fund	WUE Grants and Outside Funding	WEROC	AMP Proceeds Agreement Administration	Total with Inter-Fund Transfers	Less Inter-Fund Transfers ⁽¹⁾	Consolidated Budget Total
Revenues:								
Water Sales		\$ 251,878,259				\$ 251,878,259		\$ 251,878,259
Local Resource Program Incentives		(5,465,263)				(5,465,263)		(5,465,263)
Retail Meter Charge	7,888,930					7,888,930		7,888,930
Ground Water Customer Charge	596,593					596,593		596,593
Water Increment Charge	-					-		-
Interest Revenue	580,000	20,000				600,000		600,000
MWDOC's Contribution	-		2,370,147	273,367	-	273,367	(273,367)	-
Outside Fundings	-			228,978	-	2,599,125		2,599,125
Carryover Funds	-			150,219	-	150,219		150,219
Choice Revenue	1,825,465					1,825,465		1,825,465
Miscellaneous Income	3,000					3,000		3,000
Total Revenues	10,893,987	246,432,996	2,370,147	652,564	-	260,349,694	(273,367)	260,076,327
Expenses:								
Water Purchases		246,412,996				246,412,996		246,412,996
Salaries & Wages	4,055,637			267,463	-	4,323,300		4,323,300
less S & W Reimb. DSC or Recov from Grants	(5,500)					(5,500)		(5,500)
Employee Benefits	1,470,174			82,520	-	1,552,694		1,552,694
Engineering Expense	435,000					435,000		435,000
Professional Fees	1,672,407		2,370,147	30,000		4,072,554		4,072,554
Contribution to Election Reserve	-					-		-
Legal Expense - General	200,000			-	-	200,000		200,000
Maintenance Expense	158,527			4,738		163,265		163,265
Insurance Expense	140,000			-		140,000		140,000
Membership / Sponsorship	114,966			-		116,071		116,071
Director Compensation	268,133			1,105		268,133		268,133
MWDOC Contribution to WEROC Operations	228,978					228,978	(228,978)	-
MWDOC Contribution to WEROC Capital Improv	44,389					44,389	(44,389)	-
Others:								
MWD Representation	153,218					153,218		153,218
Director Benefits	93,947					93,947		93,947
Health Insurance Coverage for Retirees	70,287					70,287		70,287
Audit Expense	29,240					29,240		29,240
Automotive & Toll Road Expenses	34,860			1,213		36,073		36,073
Conference Expense - Staff	40,535			2,800		43,335		43,335
Conference Expense - Directors	28,440					28,440		28,440
CDR Participation	50,156					50,156		50,156
Business Expense	5,200					5,200		5,200
Miscellaneous Expense	109,300			6,000		115,300		115,300
Postage / Mail Delivery	9,400					9,400		9,400
Rents & Leases	3,616					3,616		3,616
Outside Printing, Subscription & Books	62,500			1,000		63,500		63,500
Office Supplies	38,033			1,000		39,033		39,033
Computer Maintenance	8,000			5,060		13,060		13,060
Software Support & Expense	93,634			7,441		101,075		101,075
Computers and Equipment	49,450					49,450		49,450
Telecommunications Expense	25,773			10,000		35,773		35,773
Temporary Help Expense	5,000					5,000		5,000
Training Expense	32,000			1,150		33,150		33,150
Tuition Reimbursement	5,000					5,000		5,000
Travel & Accommodations - Staff	89,131			8,380		97,511		97,511
Travel & Accommodations - Directors	46,625					46,625		46,625
Depreciation Expense (annualized)	-					-		-
Overhead Expenses billed to AMP and WFC	-					-		-
Overhead Reimbursement	-					-		-
MWDOC Building Expense	835,831					835,831		835,831
Contribution to Operating Reserves	-			28,086		28,086		28,086
Capital Acquisition	106,456			194,608		301,064		301,064
All Other Expenses	2,025,632			266,738		2,292,370		2,292,370
Total Expenses	10,808,543	246,412,996	2,370,147	652,564	-	260,244,250	(273,367)	259,970,883
EFFECT ON RESERVES / FUND BALANCE	\$ 85,444	\$ 20,000	(2)	\$ -	\$ -	\$ 105,444	\$ -	\$ 105,444

1 Adjustment for MWDOC's contributions to other funds.
2 Net change to restricted reserves for interest revenue.

TO BE PUBLISHED IN THE OFFICIAL REPORTS

OFFICE OF THE ATTORNEY GENERAL
State of California

XAVIER BECERRA
Attorney General

OPINION	:	No. 16-301
	:	
of	:	April 4, 2019
	:	
XAVIER BECERRA	:	
Attorney General	:	
	:	
MANUEL M. MEDEIROS	:	
Deputy Attorney General	:	
	:	

THE HONORABLE JOHN M. W. MOORLACH, MEMBER OF THE SENATE,
has requested an opinion on the following question:

May a California water district make employer-paid retirement plan or pension contributions on behalf of its governing board members (“directors”), where such plans or pensions are otherwise authorized by the district’s enabling statutes, without violating Water Code sections 20201 or 20202 regarding the compensation that water districts may pay to their directors?

CONCLUSION

A California water district may make employer-paid retirement plan or pension contributions on behalf of its directors, where such plans or pensions are otherwise authorized by the district’s enabling statutes, without violating Water Code sections 20201 or 20202 regarding the compensation that water districts may pay to their directors.

ANALYSIS

In this opinion, we consider whether California water districts may lawfully make contributions to their directors' retirement plans or pensions. We conclude that they may.

"There are hundreds of water special districts in California, with a great diversity of purposes, governance structures, and financing mechanisms. Some districts are responsible for one type of specific duty, while others provide a wide range of public services. Some are governed by a county board of supervisors or city council while others have their governing boards directly elected by the public."¹

Water districts can be created either by forming under a general water district act, or by a special act of the Legislature.² General acts prescribe the duties, responsibilities, and powers of the given type of district (water supply, sanitation, flood control, etc.), and they apply to all districts of that type throughout the state. On the other hand, a special act's provisions apply only to the particular district that is the subject of the act.

Compensation for water district directors is specified by the enabling statute applicable to the district. Most enabling statutes provide for a director stipend of \$100 per day for each day's attendance at a meeting.³ But some provide for stipends of less

¹ Legislative Analyst's Office, *Water Special Districts: A Look at Governance and Public Participation*" (March 2002), available at http://www.lao.ca.gov/2002/water_districts/special_water_districts.html.

² Despite the state Constitution's preference for general laws whenever possible (Cal. Const., art. IV, § 16), courts have found it permissible for the Legislature to create water districts by special act where warranted (see *Fairfield-Suisun Sewer Dist. v. Hutcheon* (1956) 139 Cal.App.2d 502, 508-509).

³ E.g., Gov. Code, § 61047 (Stats. 2005, ch. 249, § 3 [Community Services Districts]); Wat. Code, §§ 21166 (Stats. 1947, ch. 928, § 1, p. 2145 [Irrigation Districts]), 30507 (Stats. 1949, ch. 274, § 1, p. 500 [County Water Districts]), 30507.1 (Stats. 1987, ch. 880, § 1 [Contra Costa Water District]), 34740-34741 (Stats. 1951, ch. 390, § 1, p. 1196 [California Water Districts]), 40355 (Stats. 1951, ch. 391, § 1, p. 1240 [Water Storage Districts]), 60143 (Stats. 1955, ch. 1514, § 1, p. 2766 [Water Replenishment Districts]), 71255 (Stats. 1963, ch. 156, § 1, p. 823 [Municipal Water Districts]), 74208 (Stats. 1965, ch. 75, § 1, p. 961 [Water Conservation Districts]), 81339 (Stats. 2002, ch. 844, § 1 [Bay Area Water Supply and Conservation Agency]), 81632 (Stats. 2002, ch. 849, § 1 [San Francisco Bay Area Regional Water System Financing Authority]); Wat. Code App. (West's), §§ 40-6.5 (Stats. 1982, ch. 992, § 7, p. 3595 [Orange County Water District]), 142-503 (Stats. 2016, ch. 391, § 1 [Kings River East Groundwater Sustainability

than \$100 per day;⁴ some allow no compensation;⁵ some permit the board to set a “just and reasonable” compensation;⁶ and some provide for salaries or a combination of stipends and salaries.⁷

We are informed that the Internal Revenue Service deems directors of water district governing boards to be “employees,” and that director compensation is therefore subject to Social Security taxation unless the directors are members of a public retirement system.⁸ Although water districts may (and do) contract with the California Public Employees Retirement System (CalPERS),⁹ members of part-time governing boards such

Agency]], 143-503 (Stats. 2016, ch. 392, § 1 [North Fork Kings Groundwater Sustainability Agency]).

⁴ E.g., Wat. Code, §§ 12513 (Stats. 1977, ch. 393, § 2, p. 1388 [Colorado River Board of California]) (\$50 per day), 55305 (Stats. 1969, ch. 315, § 1, p. 687 [County Water Works Districts]) (\$10 per day); Wat. Code App. (West’s), §§ 116-3.11 (Stats. 1973, ch. 1089, § 3.11, p. 2210 [South Delta Water Agency]) (\$25 per day), 117-3.11 (Stats. 1973, ch. 1133, § 3.11 [Central Delta Water Agency]) (\$25 per day).

⁵ E.g., Wat. Code App. (West’s) §§ 9-14 (Stats. 1905, ch. 310, § 14, p. 332 [Levee Districts]), 48-16 (Stats. 1945, ch. 1122, § 16, p. 2147 [Riverside County Flood Control and Water Conservation District]), 55-38 (Stats. 1961, ch. 1009, § 1, p. 2690 [Alameda County Flood Control and Water Conservation District]), 65-5 (Stats. 1951, ch. 1657, § 5, p. 3777 [Yolo County Flood Control and Water Conservation District]), 74-6 (Stats. 1955, ch. 1057, § 6, p. 2010 [Santa Barbara County Flood Control and Water Conservation District]), 91-9 (Stats. 1959, ch. 2123, § 9, p. 4987 [Sierra County Flood Control and Water Conservation District]), 92-9 (Stats. 1959, ch. 2127, § 9, p. 5017 [Lassen-Modoc County Flood Control and Water Conservation District]), 109-51 (Stats. 1969, ch. 209, § 51, p. 497 [Metropolitan Water District]).

⁶ See, e.g., Wat. Code, §§ 50605 (Stats. 1951, ch. 336, § 1, p. 697, Stats. 1897, ch. 186, p. 239 (Pol. Code, § 3454) [Reclamation Districts]), 70078 (Stats. 1959, ch. 370, § 1, p. 2292 [Levee Districts]); Wat. Code App. (West’s), § 120-253 (Stats. 1981, ch. 421, § 1, p. 1619 [Stanislaus County Flood Control District]).

⁷ Wat. Code App. (West’s) § 1-11 (Levee District No. 1) (\$500 per year in quarterly installments); see Wat. Code, §§ 21166 (Irrigation Districts) (\$100 per day, \$600 per month, or up to \$15,00 per year), 22840 (500K acre Irrigation Districts) (annual salary up to that of an Imperial County supervisor).

⁸ See Internal Revenue Service, *Classification of Elected and Appointed Officials*, <https://www.irs.gov/government-entities/federal-state-local-governments/classification-of-elected-and-appointed-officials>; see also 26 U.S.C. § 3212(b)(7)(F).

⁹ See Gov. Code, § 20460 (“Public Agency Participation” in CalPERS); see also *id.*,

as water district boards are specifically excluded from membership in CalPERS if they were elected to office on or after July 1, 1994.¹⁰ However, for purposes of the Social Security tax laws, a qualifying “public retirement system” could be an agency-provided plan such as a 457(b) plan or a 401(a) plan¹¹ (hereafter referred to collectively as an alternative retirement plan or “ARP”), if that plan provides for a contribution to the employee’s account of at least 7.5 percent of the employee’s compensation—part of which contribution may be provided by the employer.¹²

Many enabling statutes also authorize water districts to establish and contribute to retirement plans or pensions for officers and employees,¹³ and we are told that some

§ 20056 (“public agency” includes districts).

¹⁰ Gov. Code, § 20322, subd. (c). Unelected employees of a district may be members of CalPERS.

¹¹ See 26 C.F.R. § 31.3121(b)(7)-2(e).

¹² See 26 C.F.R. § 31.3121(b)(7)-2(e)(iii); cf. Gov. Code, § 19999.2 (establishing state deferred compensation plan to satisfy 26 U.S.C. § 3212(b)(7)(F) for state employees who are not members of CalPERS).

¹³ See, e.g., Wat. Code, §§ 22140, 22141 (Stats. 1965, ch. 726, § 1, p. 2128 [Irrigation Districts]), 31008 (Stats. 1953, ch. 1375, § 1, p. 2954 [County Water Districts]), 71593, 71594 (Stats. 1963, ch. 156, § 1 [Municipal Water Districts]); Wat. Code App. (West’s), §§ 97-13, ¶ 6 (Stats. 1959, ch. 2146, § 13, p. 5132 [Mojave Water Agency]), 98-61, ¶ 12 (Stats. 1959, ch. 2146, § 61, p. 5153 [Antelope Valley-East Kern Water Agency]); 100-15, ¶ 16 (Stats. 1961, ch. 1069, § 15, p. 2762 [Desert Water Agency]), 101-15, ¶ (p) (Stats. 1961, ch. 1435, § 15, p. 3246 [San Geronio Pass Water Agency]), 104-11, ¶ 16 (Stats. 1962, 1st Ex. Sess, ch. 40, § 11 p. 291 [Crestline-Lake Arrowhead Water Agency]), 109-76 (Stats. 1969, ch. 441, § 22, p. 975 [Metropolitan Water District]), 112-15, ¶ 11 (Stats. 1969, ch. 1175, § 15, p. 2276 [Bighorn-Desert View Water Agency]); 114-124 (Stats. 1971, ch. 1560, § 124, p. 3095 [Tahoe-Truckee Sanitation Agency]), 118-264 (Stats. 1977, ch. 527, § 264, p. 1685 [Monterey Peninsula Water Management District]).

Not all water-district enabling statutes *expressly* authorize the provision of retirement contributions for “directors”; some authorize retirement contributions for “officers and employees,” without clearly identifying directors as officers. Members of governing boards of public districts or entities are commonly regarded as elected or appointed public officers (see, e.g., 90 Ops.Cal.Atty.Gen. 24, 26 (2007); 69 Ops.Cal.Atty.Gen. 126, 128 (1986); Bus & Prof. Code, § 16204). For purposes of this analysis, we assume that when an enabling statute uses the phrase “officers and employees” in connection with retirement contributions, it includes “directors.”

water districts have established ARPs and are making contributions to those plans for the benefit of their governing board members in order to satisfy the 7.5 percent requirement mentioned above.

In this opinion, we analyze the proposition that two statutes in the Water Code (sections 20201 and 20202) generally forbid water district employer contributions, by limiting director compensation to a stipend of \$100 per meeting (except as it may be periodically increased by an ordinance subject to voter referendum). We conclude that sections 20201 and 20202 do not restrict the scope of compensation available to district directors. Instead, we believe that the statutes' purpose is to empower water districts that pay directors a minimal daily stipend to increase the stipend level without need of further legislation.

Our analysis starts with an examination of the statutes at issue. In pertinent part, Water Code section 20201 provides:

Notwithstanding any other provision of law, the governing board of any water district¹⁴ may, by ordinance adopted pursuant to this chapter,

¹⁴ The term "water district," for purposes of section 20201, is defined broadly by Water Code section 20200 to mean "any district or other political subdivision, other than a city or county, a primary function of which is the irrigation, reclamation, or drainage of land or the diversion, storage, management, or distribution of water primarily for domestic, municipal, agricultural, industrial, recreation, fish and wildlife enhancement, flood control, or power production purposes. 'Water districts' include, but are not limited to, irrigation districts, county water districts, California water districts, water storage districts, reclamation districts, county waterworks districts, drainage districts, water replenishment districts, levee districts, municipal water districts, water conservation districts, community services districts, water management districts, flood control districts, flood control and floodwater conservation districts, flood control and water conservation districts, water management agencies, water agencies, and public utility districts formed pursuant to Division 7 (commencing with Section 15501) of the Public Utilities Code." (Wat. Code, § 20200.) This sweeping definition applies only to chapter 2 of division 10 of the Water Code, as evidenced by the introductory limitation, "As used in this chapter." (See *Alcala v. City of Corcoran* (2007) 147 Cal.App.4th 666, 670 (term's definition "is expressly limited to the article in which it appears"; "it does not pretend to define the term for use in all statutes"); *Howard Jarvis Taxpayers Assn. v. City of San Diego* (1999) 72 Cal.App.4th 230, 236 (phrase "as used in this article" restricts the field of application); 66 Ops.Cal.Atty.Gen. 40, 47 (1983); 64 Ops.Cal.Atty.Gen. 317, 323 (1981) Accordingly, the term "water district" may elsewhere have a more restrictive meaning. (See, e.g., Health & Saf. Code, § 116286; Sts. & Hy. Code, § 830; Wat. Code App. (West's), § 134-

provide compensation to members of the governing board, unless any compensation is prohibited by its principal act, in an amount not to exceed one hundred dollars (\$100) per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, and may, by ordinance adopted pursuant to this chapter, in accordance with Section 20202, increase the compensation received by members of the governing board above the amount of one hundred dollars (\$100) per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district be authorized by an ordinance adopted pursuant to this chapter and not by act of the Legislature.¹⁵

Water Code section 20202, in turn, provides:

In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district above the amount of one hundred dollars (\$100) per day, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of 10 days in any calendar month.¹⁶

Section 20201 begins with sweeping words of supersession: "Notwithstanding any other provision of law."¹⁷ At first blush, then, section 20201 could be read to

315.)

¹⁵ Wat. Code, § 20201.

¹⁶ Wat. Code, § 20202.

¹⁷ See *People v. Palacios* (2007) 41 Cal.4th 720, 729 (the "broad and unambiguous scope of 'notwithstanding any other provision of law' overrides application" of inconsistent statute); *Apartment Ass'n of Los Angeles County, Inc. v. City of Los Angeles* (2009) 173 Cal.App.4th 13, 26 (phrase is a "term of art" that overrides other code sections unless specifically modified by use of a term applying it only to a particular code section or phrase); 73 Ops.Cal.Atty.Gen. 296, 299 (1990) (phrase amounts to "words of supersession with respect to any inconsistent provision").

sweepingly supplant the myriad enabling statutes that provide for water district director compensation. Under such a reading, for example, section 20201 would seem to divest many water districts of their otherwise authorized discretion to set a “just and reasonable” compensation, or to provide for monthly salaries, despite specific statutory authority for some districts to do so.

But we must read sections 20201 and 20202 “with reference to the entire scheme of law of which they are part, so that the whole may be harmonized and retain effectiveness.”¹⁸ We may not lightly infer sweeping implied repeals. An implied repeal of a statute is generally disfavored, and we will not construe section 20201 impliedly to repeal other statutes unless it is clear that this was the Legislature’s intent.¹⁹ And even the introductory phrase, “Notwithstanding any other provision of law,” without any other indicia of legislative intent, is not necessarily determinative of supersession.²⁰

We may look to legislative history to discern the Legislature’s intent here.²¹ In it, we find that sections 20201 and 20202 were not intended to impose a strict limit on director compensation. Rather, the statutes were intended to supplement, not supplant, the enabling statutes, and to allow water districts to increase daily stipends without additional legislative authorization.

Before these sections were enacted, those water districts whose enabling statutes tied director compensation to a limited daily stipend had no administrative mechanism for increasing the stipend. Yet the Legislature was hesitant to be making stipend-adjustment decisions for special districts, seeing this as a matter more appropriately left to local control. Accordingly, in the early 1980s, “[t]ired of successive bills, the Legislature

¹⁸ *Smith v. Superior Court* (2006) 39 Cal.4th 77, 83; *People v. Ledesma* (1997) 16 Cal.4th 90, 95, citation omitted; 96 Ops.Cal.Atty.Gen. 54, 56 (2013); 95 Ops.Cal.Atty.Gen. 89, 95 (2012).

¹⁹ See *Williams v. Superior Court* (2014) 230 Cal.App.4th 636, 658; 99 Ops.Cal.Atty.Gen. 56, 59-60 & fn. 19 (2016).

²⁰ See, e.g., *Citizens for Ceres v. Superior Court* (2013) 217 Cal.App.4th 889, 913; *Gonzalez v. Department of Corrections and Rehabilitation* (2011) 195 Cal.App.4th 89, 94-96; *People v. Wilson* (2002) 95 Cal.App.4th 198, 202; see also *Lungren v. Deukmejian* (1988) 45 Cal.3d 727, 735 (court will determine whether statute’s literal meaning comports with its purpose).

²¹ See, e.g., *Voices of the Wetlands v. State Water Resources Control Bd.* (2011) 52 Cal.4th 499, 526-527; 73 Ops.Cal.Atty.Gen. 330, 333 (1990); see also *Gonzalez v. Department of Corrections and Rehabilitation*, *supra*, 195 Cal.App.4th at pp. 94-96.

allowed water districts to increase their board members' stipends above \$100 a meeting, provided that a governing board boosted its pay by referendable ordinance."²²

In 1984 the Legislature enacted Senate Bill 1370, the first of two bills to address the problem. Legislative Counsel's Digest explained:

Under existing law, various water district acts contain limitations on the amount of compensation which may be received by each member of the governing board of a water district organized under the act.

...

This bill would authorize the governing board of any water district... which is authorized under its principal act to [receive] compensation in the amount of \$100 or more per day to increase, by ordinance, the amount of that compensation, subject to prescribed limitations, and subject to a prescribed right of the voters of the district to petition for a referendum of the ordinance.²³

As enacted, SB 1370 empowered water districts paying a stipend of \$100 or more per day to increase the stipend, subject to referendum.²⁴ In 1988, sections 20201 and

²² Sen. Local Gov. Comm., Analysis of Assem. Bill No. 490 (2007-2008 Reg. Sess.), p. 1.

²³ See Sen. Bill No. 1370 (1983-1984 Reg. Sess.) as amended Feb. 28, 1984, Legislative Counsel's Digest. We may properly rely on Legislative Counsel's Digest as authoritative evidence of legislative intent. (*Mt. Hawley Ins. Co. v. Lopez* (2013) 215 Cal.App.4th 1385, 1401; *Kaufman & Broad Communities, Inc. v. Performance Plastering, Inc.* (2005) 133 Cal.App.4th 26, 35; see also *Pollack v. Department of Motor Vehicles* (1985) 38 Cal.3d 367, 376-377 [legislative amendments presumed to have "intent and meaning expressed in the Legislative Counsel's Digest"]; 80 Ops.Cal.Atty.Gen. 297, 303 (1997); 77 Ops.Cal.Atty.Gen. 227, 230 (1994).)

²⁴ Sections 20201 and 20202, as enacted by SB 1370, provided:

20201. Notwithstanding any other provision of law, the governing board of any water district which is authorized under its principal act to provide compensation to members of the governing board in the amount of one hundred dollars (\$100) or more per day for each day's attendance at meetings of the board, or for each day's service rendered as a member of the board by request of the board, may, by ordinance adopted pursuant to this chapter, increase the compensation received by members of the governing board above

20202 were amended by Assembly Bill 3088 to read as they do today.²⁵ Again, the intent of the measure was to expand the law's coverage, this time to include all water districts authorized to pay directors *any* amount of compensation.²⁶

The historical materials show that sections 20201 and 20202 are designed to relieve the Legislature from endlessly revisiting the issue of daily stipends, and to empower water districts to increase stipends in an incremental and accountable manner. We find nothing to suggest an intent to generally preempt water district enabling statutes in the area of director compensation.²⁷ More particularly, nothing in the legislative

the amount of one hundred dollars (\$100) or more per day.

It is the intent of the Legislature that any future increase in compensation received by members of the governing board of a water district above that amount be authorized by an ordinance adopted pursuant to this chapter and not by an act of the Legislature.

20202. In any ordinance adopted pursuant to this chapter to increase the amount of compensation which may be received by members of the governing board of a water district, the increase may not exceed an amount equal to 5 percent, for each calendar year following the operative date of the last adjustment, of the compensation which is received when the ordinance is adopted.

No ordinance adopted pursuant to this chapter shall authorize compensation for more than a total of six days in any calendar month.

Stats. 1984, ch. 186, § 1.

²⁵ See Stats. 1988, ch. 397, § 1.

²⁶ The Assembly Committee on Local Government reported:

Current law allows water districts which are authorized to compensate their board members at the rate of \$100 or more per day to increase the compensation by referendable ordinance at a noticed public protest hearing without further authorization by the Legislature. Such increases are limited to five percent per calendar year.

This bill would extend this authorization to those water districts whose board members are compensated at less than \$100 per day.

Assem. Com on Local Gov., Analysis of Assem. Bill No. 3088 (1987-1988 Reg. Sess.) as amended March 10, 1988, p. 1; see also Sen. Rules Com., Analysis of Assem. Bill No. 3088 (1987-1988 Reg. Sess.) as amended May 27, 1988, p. 1.

²⁷ We note, for example, that several years after enactment and amendment of Water

history suggests that the Legislature intended by sections 20201 and 20202 to nullify authorizations in water district enabling statutes that permit retirement contributions for the benefit of directors.

We conclude that sections 20201 and 20202 do not preclude a California water district from contributing to retirement plans or pensions on behalf of its directors, where such plans or pensions are otherwise authorized by the district's enabling statutes.²⁸

Code section 20201, sections 50605 and 70078 were each amended without change to the existing language permitting payment of a "just and reasonable" compensation. (See Stats. 2005, ch. 700, §§ 34, 38.) This is some evidence of the Legislature's belief that this grant of discretion to pay a "just and reasonable" compensation remained "good law" notwithstanding enactment of section 20201. (Cf. *Department of Corrections and Rehabilitation v. Workers' Comp. Appeals Bd.* (2008) 166 Cal.App.4th 911, 914-915.)

²⁸ The requester also asked us, if employer contributions to directors' retirement plans were unlawful, whether directors would be obligated to reimburse improper contributions and what statute of limitations would apply to reimbursement. Our answer to the present question makes it unnecessary for us to address those additional questions.



ACTION ITEM

April 17, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contacts: Harvey De La Torre

SUBJECT: **Proposed MWD OC Water Rate Resolution for Fiscal Year 2019-20**

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

1. Increase the MWD OC Retail Meter Charge from \$12.25 to \$12.40 per meter, and the Groundwater Customer Charge from \$499,012 to \$629,248, effective July 1, 2019; and
2. Adopt the Water Rate Resolution setting forth rates and charges to be effective July 1, 2019 and January 1, 2020 as identified in the Water Rate Resolution for Fiscal Year 2019-20.

COMMITTEE RECOMMENDATION

At the April 10, 2019 Administrative and Finance Committee, the Committee recommended a number of budgetary adjustments. The Board will review these adjustments and modify the budget accordingly. The final budget will determine the recommended MWD OC Rate and Charges for FY 2019-20.

It should also be noted that due to the recent proposals on the school education programs, the language in the attached water rate resolution in Section 6 (b-d) were revised to properly reflect the way the costs would be charged per participating agency.

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

REPORT

MWDOC adopts a water rate resolution annually to reflect water rates and charges required to collect revenue to support MWDOC's annual budget and to recover the costs of providing imported water. Attachment A is the proposed MWDOC Water Rate Resolution for Fiscal Year 2019-20. It includes revised language in the Section 6 (b-d) to properly reflect the way the School Education Program costs would be charged per participating agency.

Below is a summary of the proposed Rates and Charges for FY2019-20:

Proposed Rates	Proposed Rates July 1, 2019	Proposed Rates January 1, 2020
MWDOC Retail Meter Charge	\$12.40/meter	\$12.40/meter
MWDOC Groundwater Customer Charge*	\$ 629,248	\$ 629,248
System Access Rate	\$326.00	\$346.00
System Power Rate	\$127.00	\$136.00
Water Stewardship Rate	\$69.00	\$65.00
MWDOC Melded Supply Rate	\$209.00	\$208.00
Treatment Surcharge	\$319.00	\$323.00
Treated Full Service Rate	\$1,050.00/AF	\$1,078.00/AF
Untreated Full Service Rate	\$731.00/AF	\$755.00/AF

[*] This is an annual charge to OCWD

Attachment A – Proposed MWDOC Water Rate Resolution for Fiscal Year 2019-20 with revisions in Section 6 (b-d)

**RESOLUTION NO.
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ESTABLISHING WATER RATES**

WHEREAS, pursuant to Water Code sections 71614 and 71616, the Municipal Water District of Orange County ("MWDOC") is authorized to establish water rates and charges for water which will result in revenues sufficient to meet the operating expenses of the District, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions and enlargements, and cover principal and interest payments and costs associated with bonded debt; and,

WHEREAS, the Metropolitan Water District of Southern California ("Metropolitan"), adopted rates for water service consisting of a two-tiered water supply rate, and separate unbundled rates for system access, water stewardship, system power, water treatment, and fixed charges for the Capacity Charge and Readiness-to-Serve, which are imposed on MWDOC as a condition of receiving water deliveries from Metropolitan; and,

WHEREAS, pursuant to Section 1117 of the MWDOC Administrative Code, the MWDOC Board of Directors adopted Ordinance No. 53 establishing classes of water service, and terms and conditions of such service, and intends to adopt this Resolution fixing the rates and charges for said classes of water service (including Choice services in Section 6); and,

WHEREAS, the Board of Directors has reviewed the cost of water and other charges imposed on MWDOC by Metropolitan, and with respect to the projected MWDOC operating expenses and financial needs, and has determined that it is necessary and appropriate to establish new rates and charges for water service and programs provided by MWDOC; and,

WHEREAS, the Board of Directors has reviewed the water supply, water demand and replenishment conditions in the Orange County Water District (OCWD) Basin and the impact these conditions will have on MWDOC's imported water purchases from Metropolitan; and,

WHEREAS, MWDOC's Administration and Finance Committee and Board reviewed the issue of tiered or melded water rates for Tier-1 and Tier-2 purchases from Metropolitan in November 2004, and retained the establishment of a melded rate, with a provision for further review should the OCWD's basin pumping percentage fall below 60% in the future; and,

WHEREAS, Metropolitan continues to levy its Standby Charge within the MWDOC service area, which will be credited against Metropolitan's Readiness-to-Serve Charge and will provide an equivalent offset on the Metropolitan charges imposed on MWDOC; and,

WHEREAS, Metropolitan assesses a Capacity Charge to MWDOC based on MWDOC's highest cumulative peak day delivery rate in cubic feet per second (CFS) between May 1 and September 30 in the three preceding calendar years, ending on the year prior to the year of the charge being imposed; and,

WHEREAS, MWDOC engaged Raftelis Financial Consultants, Inc. to prepare a cost of service and rate study (Rate Study) for MWDOC's rates and charges; and,

WHEREAS, the Rate Study was completed in 2016 and affirmed MWDOC's Retail Meter Charge, and added a new Groundwater Customer Charge effective with the fiscal year 2016-17 rates and charges; and,

WHEREAS, beginning with the budget year commencing July 1, 2011 through June 30, 2012, the MWDOC Board approved changing the format of the budget and how certain "Choice" services are to be funded by those MWDOC member agencies and the cities of Anaheim, Fullerton and Santa Ana (3 Cities) electing to receive such services; and,

WHEREAS, the MWDOC Board has approved the "Choice" services, the associated budgets, and the methods for allocating such costs to the member agencies and 3 Cities, and has directed staff to bill for those costs pursuant to Section 10 of this Resolution as part of MWDOC's water rates and charges; and,

WHEREAS, there is a need to charge for costs associated with the transfer or

wheeling of water into the MWDOC service area by any member agency as is provided for in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Municipal Water District of Orange County that, subject to the terms and conditions set forth herein, the rates and charges for the classes of water service provided by MWDOC to MWDOC's member agencies shall be as follows:

SECTION 1. **RATES FOR CLASSES OF WATER SERVICE.**

The rates per acre-foot of Metropolitan water sold or delivered by MWDOC to its member agencies shall be as follows:

- (a) For Full Service, including water delivered for seawater barrier and groundwater replenishment purposes and for agricultural purposes.

Rate Component	July 1 through December 31, 2019	Beginning January 1, 2020
Untreated Full Service	\$731.00	\$755.00
Treated Full Service	\$1,050.00	\$1,078.00
Unbundled Rate By Component:		
System Access Rate	\$326.00	\$346.00
System Power Rate	\$127.00	\$136.00
Water Stewardship Rate	\$69.00	\$65.00
MWDOC Melded Supply Rate*	\$209.00	\$208.00
Tiered Supply Rate (Tier 1/Tier 2)*	N/A	N/A
Subtotal Untreated Full Service:	\$731.00	\$755.00
Treatment Surcharge	\$319.00	\$323.00
Total Treated Full Service:	\$1,050.00	\$1,078.00

* Any unused revenue will be applied to the Tier 2 Contingency Fund as described in MWDOC's Administrative Code. As a result of MWDOC not applying the Tier 2 Contingency Fund rate, the MWDOC Melded Supply Rate is equal to MET's Tier-1 Supply Rate at this time.

(b) **Drought Allocation Surcharge**

Rates for a Drought Allocation Surcharge are established by Board action in accordance with the Water Supply Allocation Plan (WSAP), as required.

SECTION 2. MWDOC READINESS-TO-SERVE CHARGE.

(a) **Amount Due to Metropolitan from MWDOC**

Metropolitan has notified MWDOC that for fiscal year 2019-20 Metropolitan estimates that the amount of Metropolitan's Readiness-to-Serve ("RTS") Charge applicable to MWDOC,

which exceeds the standby charges collected in MWDOC's service area ("Net RTS") is \$10,824,900 . The Net RTS Charge will be allocated among the MWDOC member agencies, as provided herein and invoiced as a fixed charge to each MWDOC member agency. Metropolitan will bill MWDOC for the Net RTS Charge on a monthly installment basis. The MWDOC Net RTS Charge will be invoiced to each MWDOC member agencies on a monthly basis.

(b) Apportionment of Net Metropolitan RTS Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Net Metropolitan RTS Charge to the MWDOC member agencies uses the most recently completed four-year rolling average of fiscal year full service purchases of water ending one year prior to the year of the charge being imposed (i.e., for fiscal year 2019-20 charges, the four-year average shall be based on fiscal years 2014-15 through 2017-18). The Net Metropolitan RTS Charge to MWDOC shall be apportioned to the MWDOC member agencies based on the four-year average of full service sales, which would include wheeled and transferred water.

(c) Fiscal Year 2019-20 MWDOC RTS Charge

For fiscal year 2019-20, MWDOC will charge the MWDOC member agencies total Net RTS Charges of \$10,824,900. The amount of the Net RTS Charge to be apportioned to each of the MWDOC member agencies is set forth in **Exhibit A**, attached hereto and by this reference incorporated herein made an operative part hereof.

(d) Adjustment of RTS Charge

Metropolitan determines its Net RTS Charge to each member agency based on the estimated revenue derived from the Metropolitan Standby Charge within each member agency (less delinquencies and administrative costs). The projected Net Standby Charge revenue for MWDOC in fiscal year 2019-20 is set forth in **Exhibit A**. Once the actual Net Standby Charge revenue is known, Metropolitan may adjust the amount of the Net RTS

Charge for the prior year through an additional charge or credit. Any adjustment necessary to reconcile the estimated Net RTS Charge with the actual Net RTS Charge will be charged or credited to each MWDOC member agency in the next regularly scheduled water billing following the preparation of the reconciliation report by Metropolitan.

SECTION 3. MWDOC CAPACITY CHARGE

(a) Amount due to Metropolitan from MWDOC

Metropolitan has notified MWDOC that for calendar year 2020, the amount of the Metropolitan Capacity Charge to be imposed on MWDOC will be \$3,892,240. The Metropolitan Capacity Charge will be allocated among the MWDOC member agencies as provided herein and invoiced as a fixed charge to each member agency. Metropolitan will bill MWDOC for the Capacity Charge on a monthly installment basis. The MWDOC Capacity Charge will be invoiced to the MWDOC member agencies on a monthly basis.

(b) Apportionment of Metropolitan's Capacity Charge to MWDOC's Member Agencies

The MWDOC method of apportioning the Capacity Charge to the MWDOC member agencies uses each member agency's highest peak day flow for delivery of full service water, which includes wheeled and transferred water, during the period of May 1 through September 30 of each year for the three-year period ending one year prior to the year of the charge being imposed (i.e., for calendar year 2020 charges, the highest peak day flow shall be based on May 1 through September 30, 2016, 2017 and 2018). The peak day flow for each MWDOC member agency is used to apportion the Capacity Charge based upon the ratio of each agency's highest peak day flow to the sum of all member agencies' highest peak day flows. The amount of the 2020 Capacity Charge apportioned to each member agency is set forth in **Exhibit B**, attached hereto and by this reference incorporated herein and made an operative part hereof.

SECTION 4. **MWDOC'S RETAIL METER CHARGE.**

The annual charge to be imposed by MWDOC on each member agency for each retail water meter served by a MWDOC member agency which is in service as of January 1 of each year ("MWDOC's Retail Meter Charge") shall be \$12.40. MWDOC's Retail Meter Charge shall be collected in accordance with Section 10 of this Resolution. Annually, or at such time as determined to be necessary, MWDOC will request supporting documentation from each member agency to verify the number of retail meters within their service area, and such documentation shall be signed by a representative of the member agency. MWDOC is also authorized to conduct random on-site visits with the member agencies to verify the data on the number of retail meters.

SECTION 5. **MWDOC GROUNDWATER CUSTOMER CHARGE**

The annual charge to be imposed on Orange County Water District (OCWD) for Core services provided by MWDOC for fiscal year 2019-20 shall be \$629,248. MWDOC's Groundwater Customer Charge to be imposed on OCWD shall be collected in accordance with Section 10 of this Resolution.

The Groundwater Customer Charge is calculated based on OCWD's portion of MWDOC's Cost Centers #21 (Planning and Resource Development) and #23 (MET Issues and Special Projects), plus one-twenty-sixth of the remaining MWDOC cost centers of MWDOC's fiscal year 2019-20 general fund core budget, but not including the WEROC cost item. OCWD's portion of Cost Centers #21 and #23 is based on OCWD's most recent 10-year historical full service water purchases as a percentage of the sum of the MWDOC member agencies' 10-year historical water purchases.

SECTION 6. CHOICE SERVICES TO THE MWDOC MEMBER AGENCIES 2019-20

The Choice services to the member agencies shall be provided and charged for as follows for Fiscal Year 2019-20:

- (a) Water Use Efficiency Program – The cost of MWDOC’s Water Use Efficiency Program shall be allocated to those agencies electing to participate in the program. The costs shall be apportioned to the participants in proportion to the benefits received from Metropolitan and/or any other outside sources of funding in calendar year 2018. There may be other costs allocated over and above these costs for participation in certain water use efficiency program efforts in various parts of Orange County that are separate from this basic program. Anything beyond the basic program will be implemented separately by agreement or memorandum of understanding with each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.
- (b) The MWDOC Elementary School Program provides comprehensive water education for Orange County elementary school students in Grades K4-6. Through this program, each participating agency may set a target number of students to reach in their service area. In grades K-2, the MWDOC Elementary School Program charges participating agencies per school assembly, at a cost based on the size of the school assembly. In grades 3-6, The MWDOC Elementary School Program charges each participating agency at a cost per student based on the actual number of students to which the program is provided.
- (c) The MWDOC Middle School Program provides comprehensive water

education for Orange County middle school students in Grades 7-8. Through this program, each participating agency may set a target number of ~~presentations~~ students to reach in their service area. The MWDOC Middle School Program charges each participating agency at a cost per ~~presentation~~ student based on the actual number of ~~presentations at schools~~ students to which the program is provided.

- (d) The MWDOC High School Program provides comprehensive water education for Orange County high school students in Grades 9-12. Through this program, each participating agency may set a target number of ~~students~~ high schools to reach in their service area. The MWDOC High School Program charges each participating agency at a cost per ~~student based on the actual number of~~ students high school to which the program is provided.

- (e) Blank

- (f) The Water Loss Control Program provides professional services with Water Systems Optimization, Inc. for water loss control technical assistance to retail agencies in Orange County, as well as technical services with McCall's Meters, Inc. and with Westerly Meter Service Company to provide meter accuracy testing services. The costs for the program varies per agency according to the level of professional and technical service selected by each participating agency. The costs to be charged shall reflect any carry-over or deficit funds from the preceding fiscal year.

The details on these Choice options and charges to each agency are included in Section 10 and are set forth in **Exhibit C**, attached hereto and by this reference incorporated herein and made an operative part hereof .

SECTION 7. RATES AND CHARGES FOR WHEELED, EXCHANGED OR TRANSFERRED WATER

Unless otherwise specified by written agreement with MWDOC, MWDOC shall charge the member agencies for water wheeled, exchanged or transferred through exchanges with Metropolitan into the MWDOC service area in accordance with the provisions below.

Wheeled, exchanged or transferred water will also be assessed, unless otherwise specified by written agreement, at the then-applicable rates for wheeling services set by Metropolitan's Board of Directors from time to time pursuant to its Administrative Code for the use of Metropolitan's facilities to transport water not owned or controlled by Metropolitan to Metropolitan's member agencies. Metropolitan's rates for "wheeling service" are defined in the Metropolitan Administrative Code. Metropolitan's rate for wheeling service does not include power utilized for delivery, which the wheeling party must provide or pay directly at its own cost (if power can be scheduled by Metropolitan) or pay to Metropolitan at Metropolitan's actual (not system average) cost.

In addition to these charges, MWDOC shall assess the following charges related to costs, pursuant to applicable law:

- (a) A one-time administrative charge, based on actual time spent to account for the staff time and legal counsel time required for preparation of an agreement or agreements to establish the legal and administrative framework for water to be wheeled or transferred through exchanges with Metropolitan.
- (b) Unless otherwise specified by written agreement with MWDOC, an annual charge will be assessed, based on actual time spent in any year

in which water is wheeled or transferred through exchanges with Metropolitan, to cover staff time to account for and bill for the water.

- (c) Other charges established by written agreement between MWDOC and a Member Agency.

SECTION 8. MWDOC WATER SUPPLY ALLOCATION PLAN (WSAP)

In the event that a regional water shortage is declared, the MWDOC Board can implement, adjust, or adopt an updated Water Supply Allocation Plan ("Plan"). This Plan, as adopted in 2009, updated in 2014 and 2016, and as amended from time to time, established procedures allowing MWDOC to assess an allocation surcharge to its member agencies in the event MWDOC is assessed an allocation surcharge under Metropolitan's own "Water Supply Allocation Plan." Under MWDOC's Plan, surcharges may be assessed according to a particular member agency's prorated share of its over usage relative to the MWDOC surcharge amount assessed by Metropolitan. However, the rates set forth in this Resolution do not include or otherwise account for potential surcharges that may be assessed by MWDOC under its Water Supply Allocation Plan.

SECTION 9. EFFECTIVE DATE.

The rates set forth in this Resolution shall become effective as of July 1, 2019 or thereafter as specified and shall remain in effect until changed by subsequent Resolution of the Board of Directors.

SECTION 10. BILLING AND PAYMENT.

Billing Schedule. MWDOC member agencies shall be billed for water delivered and

for other charges as follows:

- (a) MWDOC's cost of acquisition of the water shall be billed in the month following delivery of the water;
- (b) MWDOC's Retail Meter Charge shall be billed once annually on or after July 1st of each year, for each retail water service meter within each member agency's service area;
- (c) the MWDOC Readiness-to-Serve Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit A**, the MWDOC Capacity Charge shall be billed in monthly installments on the water billing in accordance with **Exhibit B**; and
- (d) the MWDOC Choice services shall be billed once annually on or after July 1st of each year or as otherwise during the fiscal year in accordance with **Exhibit C** and/or as may be adjusted during the fiscal year in discussions with and as agreed to by the Choice Program participants.
- (e) The fixed annual Groundwater Customer Charge to OCWD, as set forth in MWDOC's Water Rate Ordinance No. 53 and referred to in Section 5 hereof, shall be billed to OCWD annually at the beginning of the fiscal year on July 1. All such billings shall be due on receipt by the member agency and shall be delinquent if payment is not received by MWDOC by the 15th day of the month following the mailing of the billing or within 30 days of mailing of such billing, whichever date is later.

SECTION 11. EXEMPTION FROM CEQA.

The Board of Directors finds that the adoption of the rates and charges as set forth in this Resolution are exempt from the California Environmental Quality Act under Section

21080(b)(8) of the Public Resources Code in that the water rates established herein are for the purpose of meeting operating expenses of MWDOC, including employee wages and fringe benefits, purchasing or leasing of supplies, equipment and materials, meeting financial reserve needs and requirements and obtaining funds for capital projects necessary to maintain service within existing service areas.

SECTION 12. **REASONABLE COST.**

The Board of Directors finds that the water rates established herein are in accordance with the adopted fiscal year 2019-20 budget, and that said rates do not exceed the reasonable cost of providing water service and other services and regulatory functions for which they are charged.

SECTION 13. **SUPERSEDES PRIOR RESOLUTIONS.**

All resolutions, ordinance or administrative actions by the Board or parts thereof that are inconsistent with any provision of this Resolution are hereby superseded only to the extent of such inconsistency.

SECTION 14. **RATES SUBJECT TO ORDINANCE.**

The rates for water service established herein are subject to Ordinance No. 53 as it may be amended from time to time.

SECTION 15. **IMPLEMENTATION.**

The General Manager is directed to establish procedures to implement this Resolution.

BE IT FURTHER RESOLVED that a copy of this Resolution be sent to each of MWDOC's member agencies.

Said Resolution No. was adopted on April 17, 2019 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

MARIBETH GOLDSBY, District Secretary
Municipal Water District of Orange County

EXHIBIT A

Readiness-to-serve Charge for MWDOC Client Agencies for FY 2019-20

DRAFT

as of 4/3/2019

Metropolitan Readiness-to-Serve (RTS) Charge to MWDOC for FY 2019/20 = \$	17,975,393
Expected Standby Revenue Less Metropolitan Administrative Charge Plus Delinquencies & Uncollectables FY 2019/20 = \$	(7,150,493)
Net MWD RTS Charge = \$	10,824,900

Agency	2019					AF Share (%)	Net RTS	Monthly Charge July - December	Monthly Charge January - June
	2020								
	2014-15	2015-16	2016-17	2017-18	4-Yr Ave				
Brea	3,285	1,553	1,160	1,889	1,972	0.94%	\$ 101,294	\$ 7,850	\$ 9,033
Buena Park	2,782	716	3,229	3,251	2,494	1.18%	\$ 128,133	\$ 9,930	\$ 11,426
East Orange County Water District	3,164	1,726	1,372	1,131	1,848	0.88%	\$ 94,943	\$ 7,358	\$ 8,466
El Toro Water District	8,631	6,967	6,639	7,783	7,505	3.56%	\$ 385,534	\$ 29,877	\$ 34,379
Fountain Valley	2,618	1,985	2,112	2,112	2,207	1.05%	\$ 113,367	\$ 8,785	\$ 10,109
Garden Grove	5,928	3,301	6,135	6,286	5,412	2.57%	\$ 278,040	\$ 21,547	\$ 24,793
Golden State Water Company	5,863	3,395	5,664	5,823	5,186	2.46%	\$ 266,422	\$ 20,646	\$ 23,757
Huntington Beach	7,692	6,060	6,084	6,914	6,687	3.17%	\$ 343,537	\$ 26,622	\$ 30,634
Irvine Ranch Water District	16,680	11,732	18,595	15,345	15,588	7.40%	\$ 800,765	\$ 62,055	\$ 71,406
La Habra	232	10	76	114	108	0.05%	\$ 5,547	\$ 430	\$ 495
La Palma	539	491	651	1	420	0.20%	\$ 21,590	\$ 1,673	\$ 1,925
Laguna Beach County Water District	3,641	3,310	1,663	1,636	2,562	1.22%	\$ 131,632	\$ 10,201	\$ 11,738
Mesa Water District	0	202	0	47	62	0.03%	\$ 3,203	\$ 248	\$ 286
Moulton Niguel Water District	26,792	23,429	22,866	25,630	24,679	11.71%	\$ 1,267,788	\$ 98,247	\$ 113,051
Newport Beach	4,338	3,167	3,317	3,679	3,625	1.72%	\$ 186,224	\$ 14,431	\$ 16,606
Orange	6,516	4,103	5,786	5,139	5,386	2.56%	\$ 276,681	\$ 21,441	\$ 24,672
Orange County Water District	65,759	54,661	42,879	121,688	71,247	33.81%	\$ 3,659,980	\$ 283,629	\$ 326,367
San Clemente	8,917	6,512	6,543	7,016	7,247	3.44%	\$ 372,285	\$ 28,850	\$ 33,197
San Juan Capistrano	5,166	4,998	5,556	5,080	5,200	2.47%	\$ 267,134	\$ 20,701	\$ 23,821
Santa Margarita Water District	26,725	21,892	21,847	23,432	23,474	11.14%	\$ 1,205,870	\$ 93,449	\$ 107,530
Seal Beach	787	1,033	1,000	847	917	0.44%	\$ 47,089	\$ 3,649	\$ 4,199
Serrano Water District	4,682	216	2,199	1,300	2,099	1.00%	\$ 107,823	\$ 8,356	\$ 9,615
South Coast Water District	5,714	4,910	4,907	4,865	5,099	2.42%	\$ 261,939	\$ 20,299	\$ 23,358
Trabuco Canyon Water District	2,968	2,198	2,000	2,941	2,527	1.20%	\$ 129,804	\$ 10,059	\$ 11,575
Westminster	2,356	459	2,602	2,803	2,055	0.98%	\$ 105,559	\$ 8,180	\$ 9,413
Yorba Linda Water District	5,595	3,375	5,370	6,117	5,114	2.43%	\$ 262,717	\$ 20,359	\$ 23,427
Sum of MWDOC Agencies	227,369	172,400	180,249	262,868	210,722	100%	\$ 10,824,900	\$ 838,873	\$ 965,277

EXHIBIT B
DRAFT Capacity Charge for MWDOC Member Agencies for CY 2020

DRAFT 4/3/19

	2016	2017	2018	Peak
MWDOC's Peak to MWD (cfs)	401.1	418.6	442.3	442.3
Date	7/12/16	7/7/17	8/7/2018	8/7/18

Metropolitan Capacity Charge to MWDOC for CY 2020 **\$ 3,892,240***

Agency	Capacity Charge Eligible Flows (CFS)			CFS Share (%)	Annual Capacity Charge	Monthly Capacity Charge
	2016	2017	2018			
City of Brea	6.8	11.4	12.9	2.32%	\$ 90,169	\$ 7,514
City of Buena Park	4.0	7.7	4.7	1.39%	\$ 53,915	4,493
East Orange County Water District	12.8	9.0	10.8	2.30%	\$ 89,547	7,462
El Toro Water District	16.3	16.8	18.3	3.28%	\$ 127,567	10,631
City of Fountain Valley	3.3	3.7	2.8	0.66%	\$ 25,821	2,152
City of Garden Grove	13.0	13.6	17.0	3.05%	\$ 118,848	9,904
Golden State Water Company	12.9	11.3	12.9	2.32%	\$ 90,169	7,514
City of Huntington Beach	28.4	17.5	24.7	5.09%	\$ 198,162	16,513
Irvine Ranch Water District	43.5	36.2	51.7	9.27%	\$ 360,997	30,083
City of La Habra	1.7	7.3	7.8	1.40%	\$ 54,309	4,526
City of La Palma	2.9	1.2	0.0	0.52%	\$ 20,235	1,686
Laguna Beach County Water District	7.6	5.4	4.9	1.36%	\$ 53,124	4,427
Mesa Water District	0.0	0.0	0.0	0.00%	\$ -	-
Moulton Niguel Water District	48.0	48.9	49.5	8.89%	\$ 346,212	28,851
City of Newport Beach	8.9	11.6	10.8	2.08%	\$ 81,119	6,760
Orange County Water District	135.9	143.0	146.4	26.28%	\$ 1,022,979	85,248
City of Orange	17.8	15.8	20.4	3.67%	\$ 142,763	11,897
City of San Clemente	21.9	19.9	21.5	3.93%	\$ 153,137	12,761
City of San Juan Capistrano	14.3	14.2	15.1	2.71%	\$ 105,515	8,793
Santa Margarita Water District	62.3	52.2	54.0	11.18%	\$ 435,052	36,254
City of Seal Beach	5.5	5.9	5.3	1.06%	\$ 41,280	3,440
Serrano Water District	2.0	0.0	3.0	0.54%	\$ 20,963	1,747
South Coast Water District	8.1	7.5	7.9	1.45%	\$ 56,469	4,706
Trabuco Canyon Water District	6.1	8.1	6.3	1.46%	\$ 56,731	4,728
City of Westminster	4.7	4.6	4.8	0.86%	\$ 33,378	2,781
Yorba Linda Water District	12.7	16.3	15.9	2.92%	\$ 113,777	9,481
Total			557.0	100%	\$ 3,892,240	\$ 324,353
MWDOC Capacity Charge Per CFS:					\$ 6,988	

* Based on MWDOC's aggregate peak flow of 442.3 cfs on 8/7/2018 charge at MET's 2020 rate of \$8,800 per cfs

Exhibit C

MWDOC Member Agency Choice Services Program Summary

Cost Allocations by Agencies for FY 2019-20

DRAFT
As of 4/03/2019

Retail Agency	Water Use Efficiency [1]	School Education (Elementary)[2]	School Education (Middle School)[2]	School Education (High School)[2]	Water Loss Control Program [3]	Total Choice Allocation
Brea	\$ 9,823					\$ 9,823
Buena Park	\$ 5,885				Pending	\$ 5,885
East Orange County WD	\$ 171					\$ 171
El Toro WD	\$ 24,053				Pending	\$ 24,053
Fountain Valley	\$ 26,110					\$ 26,110
Garden Grove	\$ 3,517				Pending	\$ 3,517
Golden State Water Company	\$ 16,374					\$ 16,374
Huntington Beach	\$ 49,442				Pending	\$ 49,442
Irvine Ranch WD	\$ 253,825					\$ 253,825
La Habra	\$ 2,214				Pending	\$ 2,214
La Palma	\$ 363					\$ 363
Laguna Beach County WD	\$ 1,257				Pending	\$ 1,257
Mesa Water	\$ 49,504					\$ 49,504
Moulton Niguel WD	\$ 158,346				Pending	\$ 158,346
Newport Beach	\$ 14,131					\$ 14,131
Orange	\$ 35,421				Pending	\$ 35,421
Orange County WD	\$ -					\$ -
San Clemente	\$ 28,228				Pending	\$ 28,228
San Juan Capistrano	\$ 21,709					\$ 21,709
Santa Margarita WD	\$ 109,717				Pending	\$ 109,717
Seal Beach	\$ 2,576					\$ 2,576
Serrano WD	\$ 1,550				Pending	\$ 1,550
South Coast WD	\$ 18,416					\$ 18,416
Trabuco Canyon WD	\$ 2,631				Pending	\$ 2,631
Tustin	\$ 12,047					\$ 12,047
Westminster	\$ 4,640				Pending	\$ 4,640
Yorba Linda WD	\$ 21,287					\$ 21,287
Anaheim	\$ 800				Pending	\$ 800
Fullerton	\$ 351					\$ 351
Santa Ana	\$ 128				Pending	\$ 128
Orange County Total	\$ 874,517	\$ -	\$ -	\$ -	\$ -	\$ 874,517

**** These numbers are draft and subject to change**

[1] Preliminary Cost Allocation for the Choice Water Use Efficiency Program for FY 2019-20

[2] Costs dependent upon selection of vendor and each agency's level of service

[3] For FY 2019-20 the Water Loss Control Program includes Technical Assistance Phases IV & V and the new Water Loss Control Shared Services. Agency costs will vary based on the selection of technical & professional services. The final cost by agency are not expected to be determined until Fall 2019.



ACTION ITEM

April 17, 2019

TO: Board of Directors

FROM: **Public Affairs and Legislation Committee**
(Directors Dick, Osborne, and Thomas)

Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: AUTHORIZATION TO VOTE ON BEHALF OF MWDOC IN THE ACWA
JPIA EXECUTIVE COMMITTEE ELECTION**

STAFF RECOMMENDATION

Staff recommends that the Board of Directors review the candidates and authorize MWDOC Board President Brett Barbre or his designee to cast the District's ballot for the ACWA JPIA Executive Committee at ACWA's Spring Conference on May 6, 2019.

COMMITTEE RECOMMENDATION

Committee will review this item on April 15, 2019 and make a recommendation to the Board.

SUMMARY

At ACWA's Spring Conference in Monterey, there will be an Executive Committee election during the JPIA's Board of Directors' meeting on May 6, 2019.

This election will fill four Executive Committee member positions, each for a four-year term each. The incumbents are E.G. "Jerry" Gladbach, Santa Clarita Valley WA and Bruce Rupp, Humboldt Bay MWD. There are two vacant positions. There are seven candidates running to fill the four positions. The candidates are as follows:

- Fred Bockmiller, Mesa Water District
- Paul Dorey, Vista Irrigation District
- Jerry Gladbach, Santa Clarita Valley Water Agency

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

- Brent Hastey, Yuba County Water Agency
- Al Lopez, Western Municipal Water District
- William Plummer, Rancho California Water District
- Bruce Rupp, Humboldt Bay Municipal Water District

Each ACWA JPIA member is entitled to vote for up to four candidates.

Additional information about the election is on the “Election Procedures and Rules” attachment.

Attached:

ACWA JPIA Executive Committee Election Procedures and Rules
Candidate Biographies

Executive Committee Election Procedures & Rules

For the May 6, 2019, Election to Be Held During the
JPIA's Board of Directors' Meeting at the
Marriott Hotel in Monterey, CA

The procedures and rules for the May 6, 2019, election are as follows:

1. The ballots with the names of all qualified candidates will be distributed at the entrance to the meeting room before the meeting is called to order.
2. Only the Board of Directors member or Alternate Board of Directors member may obtain the ballot.
3. Only those JPIA members with either a Director or Alternate Director present may vote. **PROXY VOTING IS NOT PERMITTED.**
4. Additional color-coded ballots will be supplied for any necessary subsequent balloting.
5. Ballots are counted by the election inspectors and the results announced at the board meeting.
6. All nominated candidates will run for election at the same time. Those candidates with the greatest majority of votes shall be elected to the longest term of office.
7. Since the Bylaws require a **majority vote** to elect Executive Committee members (Article II, Section 9), subsequent ballots may be required if the required number of candidates do not receive a majority of votes from the members present and voting.
8. If candidates for office do not receive a majority of cast votes, a subsequent ballot will be held with one more candidate's name than the number of vacancies to be filled; i.e. the top **three** candidates who receive the most votes to run for **two vacancies** or the top **two** candidates who receive the most votes to run for **one vacancy**.
9. If a tie vote occurs in a preliminary ballot (majority of votes not obtained by required number of candidates), the tied candidates will be included in the subsequent ballot if they have received the required number of ballots as determined in seven (7) above.
10. If a tie vote occurs in a final ballot (two candidates for one office or position) the presiding officer will designate one of the tied candidates to call a coin toss, by the presiding officer, to determine the election results.

Elect Fred R. Bockmiller, P.E. to ACWA/JPIA Executive Committee

Fred R. Bockmiller, P.E. Director, Mesa Water District



OBJECTIVE: To further the goals of ACWA/JPIA in best serving its members, by applying my analytical and leadership skills, and my risk management experience, as a member of the ACWA/JPIA Executive Committee.

STATEMENT OF QUALIFICATIONS:

- Mesa Water District Director, 1996-present
- Five-term Board President, Mesa Water District
- ACWA/JPIA Board, 2006-present
- ACWA/JPIA Risk Management Committee, 2008-present
- ACWA Energy Committee, 2002-present
- Chair of all various Mesa Water District Committees (Executive, Audit Ad Hoc, Finance, Human Resources, IT Ad Hoc, Engineering and Operations, Public Information)
- Engineering Manager, UC Irvine Facilities Management Department

BIOGRAPHY: A Newport-Mesa native, Fred Bockmiller represents Division 1 -- encompassing the West Side of Costa Mesa and portions of Newport Beach -- on the Mesa Water District Board of Directors. Having been Board President for five prior terms -- in 1999, 2000, 2004, 2011, and 2012 -- Director Bockmiller currently serves as Chairman of Mesa Water's Engineering and Operations Committee.

Director Bockmiller represents Mesa Water on the Board of the Association of California Water Agencies (ACWA) Joint Powers Insurance Authority (JPIA). He also serves on the ACWA/JPIA Risk Management Committee and the ACWA Energy Committee.

Director Bockmiller has previously chaired every Mesa Water committee (Executive, Audit Ad Hoc, Finance, Human Resources, IT Ad Hoc, Engineering and Operations, and Public Information). Additionally, he has represented Mesa Water at the City/Districts Liaison Committee, Orange County Council of Governments, Orange County Water District, and the Costa Mesa Westside Revitalization Oversight Committee.

Throughout his elected service, Director Bockmiller has championed water quality and cost-efficient service reliability through a perpetual agency philosophy of long-term planning for the future of Mesa Water and continuous infrastructure maintenance, renewal, and improvement. He has been a relentless champion of high-quality, fact-based decision making.

Director Bockmiller is the Engineering Manager in the Facilities Management Department at UC Irvine (UCI), a leader in energy conservation and construction efforts for more than 20 years, including completion of more than \$3 billion in major capital construction projects, and extensive energy and water conservation retrofits, which tripled the developed building space, reduced energy consumption in laboratories by 50 percent, and decreased per capita water use by more than 30%. He also represents the department at the emergency operations center for the campus with a daytime population approaching 60,000 people on 1,500 acres.

Developing the next generation is an area of interest for Director Bockmiller. He is a regular guest lecturer in UCI's Department of Mechanical and Aerospace Engineering, a mentor in the Junior Mentor Program at Newport Harbor High School, and was a Board member for 17 years of the Youth Employment Service -- a local charity that provides youth with the tools to find jobs -- where he served as CFO and President.

Paul E. Dorey

Statement of Candidacy



I have served on the ACWA/JPIA Board of Directors since 2007. During the last nine years, I have had the privilege of serving on the Liability Committee of the JPIA. The Liability Committee has successfully kept its focus on providing member agencies with the most comprehensive, affordable and reliable liability insurance possible. Our Committee has recommended significant reductions in the premiums paid by member agencies while also increasing the insurance coverages provided.

I was elected to the Vista Irrigation District Board of Directors in 2006. The District provides water service to over 135,000 residents in northern San Diego County. I served on the Board of Directors of the Groundwater Resources Association of California, and I currently serve on the San Luis Rey Watershed Council and the Southern California Water Coalition. My wife Nancy and I have lived in Vista since 1971, where we raised our two daughters.

My forty-six years of public service, first in the United States Marine Corps and then in the water industry, have given me the necessary experience and background to serve as a member of the JPIA Executive Committee. This experience has helped me recognize the importance of safety and risk management and the value of developing appropriate policies and procedures, as well as establishing conservative fiscal controls.

As a member of the JPIA's Executive Committee, I will perform my duties and make decisions to guide the organization to most efficiently benefit its member agencies. I will take my responsibility seriously and serve as a very useful and productive member of the Executive Committee. I value your trust and will honor it if elected to the Executive Committee.

Thank you for your support. If you have any questions about my candidacy, feel free to contact me at (760) 208-5263 or Paul.Dorey@vidwater.org.



E.G. "Jerry" Gladbach

27491 Hillcrest Place / Valencia, CA 91354
Phone: (661) 297-2200 / Email: ejglad@aol.com

EXPERIENCE / COMMITMENT / DEDICATION

*It has been an honor to serve you as the President of ACWA/JPIA's Board of Directors. I welcome the opportunity to continue in a leadership role to further develop better ways to serve the member agencies. **I ask for your vote to***

continue being on the Executive Committee which is the prerequisite to being selected as the President of your Board of Directors. I would be honored to continue serving you again in this position in order to go forward with the captive insurance company and continue with the positive enhancements that have been implemented during the last few years.

A few of our most significant accomplishments have been:

- *Board approval for the formation of a captive insurance company. The captive is part of a long-term strategy that is expected to provide significant savings for JPIA members on their insurance.*
- *With Executive Committee oversight, successfully transitioned nearly half of the JPIA Management Team, due to retirements of long term employees.*
- *Expanded the number of training opportunities for our members' employees and, new in 2018, we began providing additional training opportunities for Board members.*
- *In recent years, rates have decreased 15% in the Liability Program, 20% in Property, and 10% in Workers' Comp. Employee Benefits Program rates for the current year remained unchanged in all but the Kaiser Plans, which increased 2.5%.*
- *In the last five years, the JPIA refunded nearly \$19 million in premiums to the members.*

*My experience as Vice President and President of ACWA, my years of service as a member of the Executive Committee and the ACWA/JPIA President has given me the opportunity to go up and down the state and meet with member agencies. **My desire to understand and represent all agencies is my goal, and my renewed interest to serve with knowledge and dedication remains the foundation of my commitment to you.***

PROFESSIONAL / COMMUNITY EXPERIENCE

ACWA – Joint Powers Insurance Authority

President	2010 – present
Executive Committee	2002 – 2003, 2006 – present
Chair, Building and Property Ad Hoc Committee	2008 – 2010
Chair, Liability Sub-Committee	2007 – 2010
Board of Directors	2002 – present

Association of California Water Agencies (ACWA)

ACWA's Rep. to NWRA's Board of Directors	2009 – Present
President	2004 – 2005
Vice President	2002 – 2003
Chair, Region 8	1998 – 2001
Board of Directors	1998 – present
Chair, Energy Committee	1982 – 1989, 2006 – 2007

Santa Clarita Valley Water Agency (formerly Castaic Lake WA)

Board of Directors	1985 – present
President	1987 – 1990
Committee Chair	1991 – 2015

LAFCO – Los Angeles

Chair	2006 – present
Commissioner	2002 – present

Water Education Foundation, Board of Directors

1987 – 2009

L.A. Department of Water and Power /retired after 35 years of Leadership

Past Member, United States EPA Groundwater Task Force

Professional Engineer, Reg. in CA – Life Member, American Society of Civil Engineers

Master of Science Degree in Civil Engineering / Water Resources

PERSONAL

Married with 3 children, and 6 grandchildren, I have lived in the Santa Clarita Valley over 45 years and have been devoted to community service for that entire period.



Brent Hastey was elected to a two-year term as president of the Association of California Water Agencies on Nov. 29, 2017.

He is a member and chairperson of the Yuba Water Agency Board of Directors and a former member of the Yuba County Board of Supervisors. He also has served on the boards of Reclamation District 784, Yuba County LAFCO, Regional Council of Rural Counties and the Sacramento Area Council of Governments.

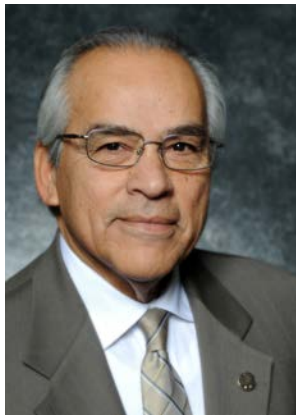
In addition to his service in the water management arena, Hastey has worked in higher education both locally and on a statewide level. In 2010, he was elected to the Yuba Community College District, which serves eight counties and spans nearly 4,200 square miles of rural Northern California. He is a member of the California Community College Trustee Board, which represents the state's 72 community college districts. Hastey also serves as a Director of Bank of Feather River, a community bank in Yuba City, CA.

Hastey previously served as vice president of the ACWA for the 2016-'17 term and on the ACWA JPIA executive committee 2016-2017.



S.R. “Al” Lopez

Division 5



A pillar in the water quality community and in Riverside County, S.R. “Al” Lopez joined Western’s board in January 2001. He represents Division 5, which includes the City of Corona, Home Gardens, El Cerrito and a portion of Temescal Canyon.

Mr. Lopez has been an active community partner throughout his service on the board. He represents Western on committees for several agencies, including the Western Riverside County Regional Wastewater Authority; the Temescal Valley Municipal Advisory Council; and the Association of California Water Agencies Joint Powers Insurance Authority Liability Committee.

In addition, Director Lopez serves as Western’s alternate representative for the Santa Rosa Regional Resources Authority Committee and the Joint Inland-Orange County Caucuses. Director Lopez’s leadership in the region includes his membership on

Western’s Finance Committee and his roles on the joint committees of Western and Elsinore Valley Municipal Water Districts.

Director Lopez was honored in February 2005 by Congressman Ken Calvert with a Congressional Record Tribute for 25 years of Community Service.

Mr. Lopez earned an Associate of Arts degree from Riverside Community College and received “The Watershed Certificate” award from Chapman University in Orange, California. Lopez is the owner of SR Consulting specializing in business, governmental relations and real estate. In addition to his unwavering commitment to community service, Director Lopez enjoys riding his motorcycle.

Director Lopez is a veteran of the United States Marine Corp, serving from 1958 - 1962.

Director Lopez’s current term on the Western Municipal Water District Board expires Dec. 2020.

14205 Meridian Parkway, California 92518 - Main No.: 951.571.7100
wmwd.com

William E. Plummer

Candidate Statement-ACWA/JPIA Executive Board



The ACWA/JPIA has provided our agencies with a near-perfect vehicle to meet the unique insurance needs and requirements of the public water industry. It continues to evolve and improve the services to the membership through thoughtful policy direction from the Executive Committee, excellence in execution from a talented and innovative staff, and a commitment to best practices by the membership.

By representing you and the other JPIA members on the Executive Committee, I can help continue the thoughtful policy guidance of the Authority to meet the changing landscape of risks that our agencies face every day.

Rancho California Water District (RCWD) and its staff are active participants in JPIA programs. The District, located in Southwest Riverside County, has about 45,000 customers and 142 employees.

I have been the RCWD director on the JPIA since December 14, 2017. I was the Deputy City Engineer for the City of Carlsbad, and was previously the Chief Engineer/Assistant General Manager at Eastern Municipal Water District. My experience includes 40 plus years of planning, finance, designing, and constructing water and wastewater systems. I served on the Santa Margarita River Watershed Planning Group and Technical Advisory Committee with the Encina Wastewater Authority as well as the Energy Committee for the Association of California Water Agencies. My wife and I have lived in Temecula for over 32 years.

Your support for my open-minded operating philosophy and conservative financial approach to serve as your representative on the ACWA/JPIA Executive Committee would be appreciated.



42135 Winchester Road
Temecula, CA 92590

(951) 296-6900

www.ranchowater.com



J. Bruce Rupp
Humboldt Bay Municipal Water District

Dear Fellow Board Member:

We will be meeting in May at the ACWA JPIA Conference. You will be asked to participate in the selection of the Executive Committee members to serve you in the next term. I am a candidate for re-election and respectfully request your vote.

I am completing my first four-year term on the Executive Committee. In addition to my general role in shaping the Liability, Property and Worker's Compensation programs, I chair the Employee Benefits Committee. When I ran before, I said I would work constructively with other Committee members to preserve the financial integrity of the pooled insurance programs and continue high quality service to the members. I believe I have fulfilled that promise. During my tenure we have held or reduced premiums in both our liability and property programs while expanding coverage. There was a zero increase in the self-insured employee benefits this year state wide. We have reduced costs in both health and pharmacy by about ten million dollars with minimal disruption to our members. We are currently finalizing work on a captive corporation to further increase revenues and reduce costs.

I have served on the Humboldt Bay Municipal Water District Board for 23 years. The District, located on the North Coast, provides wholesale water to seven municipalities serving 88,000 rate payers. I have been elected as Vice-President and President of the Board for two terms and am now serving a third term as Secretary/Treasurer. In addition to this service, I have been a Personnel Director, City Manager and County Administrator. In the last thirteen years, prior to retirement, I was a real estate broker and owned Rupp and Associates Realty Company. In each of these experiences I was involved in the selection and review of insurance and health benefit programs. The organizations ranged from a county staff of three thousand to a small business of seven employees.

During my time on the District Board I have been actively engaged in ACWA and ACWA JPIA. I regularly attend and participate in State-wide meetings. I am serving as a Region 1 Board member and I am currently Vice Chair of the ACWA Finance Committee.

If I am elected to the ACWA JPIA Executive Committee, I recommit to continue working with Executive Committee to provide the best possible service to our member agencies.

I respectfully request your vote for me to serve another term on the Executive Committee.

Thank you,

Bruce Rupp
Secretary/Treasurer



Item No. 7-5

ACTION ITEM

April 17, 2019

TO: Board of Directors

FROM: **Public Affairs and Legislation Committee**
(Directors Dick, Osborne, and Thomas)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: AB 217 (E. GARCIA) – SAFE DRINKING WATER FOR ALL ACT

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt an oppose unless amended position on AB 217 (E. Garcia). The recommended amendments would be the removal of the Safe and Affordable Drinking Water Fee language.

COMMITTEE RECOMMENDATION

Committee will review this item on April 15, 2019 and make a recommendation to the Board.

BILL SUMMARY

AB 217 would create the Safe Drinking Water for All Act (Act), which establishes a Safe and Affordable Drinking Water Fund (Fund) to provide a source of funding to secure access to safe drinking water for all Californians, while also ensuring long-term sustainability of drinking water systems. Imposes several fees on agricultural activities and creates a trust fund using investments from the state General Fund that together would provide the source of revenue to the Fund.

BACKGROUND

In 2012, California became the first state to enact a Human Right to Water law, AB 685 (Eng, Chapter 524, Statutes of 2012). Public policy continues to be focused on the right of every human being to have safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitation. Water supply, contaminants, costs of treatment and distribution systems, the number and nature of small public water systems (PWSs), especially in disadvantaged communities, and many other factors will continue to challenge progress in addressing the Human Right to Water.

The causes of unsafe drinking water can generally be separated into two categories: (1) contamination caused by human action, and (2) naturally occurring contaminants. In some areas, there are both human caused and natural contaminants in the drinking water.

Three of the most commonly detected pollutants in contaminated water in California are arsenic, perchlorate, and nitrates. While arsenic is naturally occurring, perchlorate contamination is generally a result of military and industrial uses. High concentrations of nitrate in groundwater are primarily caused by human activities, including fertilizer application (synthetic and manure), animal operations, industrial sources (wastewater treatment and food processing facilities), and septic systems. Agricultural fertilizers and animal wastes applied to cropland are by far the largest regional sources of nitrate in groundwater, although other sources can be important in certain areas.

BILL SUMMARY

AB 217 proposes to fund the “Safe Drinking Water For All Act” via agricultural assessments, a Safe and Affordable Drinking Water “Fee” (i.e., a modified version of the water tax) and a Safe and Affordable Drinking Water Trust.

The agriculture assessments are as follows:

- A fertilizer safe drinking water fee of \$0.006 per \$1.00 would be added to sales for all bulk or packaged fertilizing materials.
- Beginning January 1, 2022, this bill would require each milk handler to deduct a dairy safe drinking water fee of \$0.01355 per hundredweight of milk from payments made to producers for manufacturing milk.
- Beginning in 2021, this bill would require each producer owning a nondairy confined animal facility to pay a safe drinking water fee of \$1,000 for the first facility and \$750 for each additional facility owned by the same producer, up to a total of \$12,000 per producer. The money from the agricultural assessments could only be used for nitrate-related work.

The Safe and Affordable Drinking Water Fee is as follows:

- Imposes a fee of fifty cents (\$0.50) per service connection, per month on all public water systems.
- By July 1, 2020, and annually by each July 1 thereafter, each public water system shall remit to the board the amount of the fee imposed
- Authorizes the State Water Board to adopt regulations to implement and enforce the proposed water tax. Although the language could use clarification, it appears that the initial regulation would be adopted pursuant to the Administrative Procedures Act and subsequent regulations or amendments would be adopted through the emergency regulation process. The emergency regulation process would greatly reduce the afforded due process, including the time afforded to stakeholders to comment.

The Safe and Affordable Drinking Water Trust is as follows:

- Requires the sum of \$200,000,000 to be transferred into the Trust Fund by the Legislature each year for five years for the purpose of establishing a one-billion-dollar (\$1,000,000,000) Trust Fund to derive interest revenues to fund the Act.

In addition, AB 217 states that it is the intent of the Legislature is to establish a region-specific program and allows 20% of the funds to be used for regional distribution.

ARGUMENTS IN SUPPORT

According to the author, "More than one million Californians are living without access to safe, reliable drinking water. It is unacceptable that the world's 5th largest economy cannot ensure this essential resource and fundamental human right to all its residents. This is a public health emergency impacting our families and students. We must rise together and commit to an equitable and importantly a sustainable safe drinking water solution that will work for all Californians. We must get this done."

ARGUMENTS IN OPPOSITION

The most significant concern with AB 217 is the proposed water tax. From a tax collection cost standpoint, these amendments improved the bill. Community water systems would no longer need to hire additional staff to implement and collect the tax into their billing system (and do not need to exempt low income customers as that is not a provision in AB 217) as would be the case with the 2019 budget trailer bill language. There are significant concerns about how the implementation costs for the water tax in the budget trailer bill language would work against the affordability of water by imposing another fee on all, including disadvantaged communities.

That said, AB 217 still proposes a water tax and is still a tax under the California Constitution. Each public water system would be required to send a check to the State Water Board annually, based on its number of connections.

A tax on water would work against keeping water affordable. Affordable water is an element of the Human Right to Water just as safe water is an element. Under Prop 218, public water agencies required to pay the tax would need to pass the cost of the state tax to all of their customers.

Lastly, a water tax would set a precedent for a state water tax in California. The State Water Board staff and other state agency staff have expressed interest in using a water tax to fund additional programs such as a statewide Low Income Rate Assistance program for low-income residents, and various projects in the most recent California Water Plan. Additional taxes could result in as much as \$15/month on each customer's water bill.

ADDITIONAL INFORMATION

Support on File

Alliance Of Child And Family Services
American Heart
Association American
Rivers
American Stroke Association
Arvin Community Services District
Asian Pacific Environment Network

Asociación De Gente Unida Por El
Agua Audubon California
California Alliance of Child And Family
Services California Bicycle Coalition
California Environmental Justice
Alliance California Food Policy
Advocates California League of
Conservation Voters
California Rural Legal Assistance
Foundation California Water Service
Carbon Cycle Institute
Central Valley Air Quality (CVAQ)
Coalition Ceres
Clean Water Action
Coalition For Humane Immigrant Rights
(CHIRLA) Community Alliance for Agroecology
Community Water Center
Dolores Huerta Foundation
Environmental Defense Fund
Environmental Health
Coalition
Esperanza Community Housing
Corp Faith In The Valley
Friends Committee On Legislation Of
California Leadership Council For Justice And
Accountability Lutheran Office of Public
Policy - California Martin Luther King Jr
Freedom Center
Mi Familia Vota
NextGen
California
Pesticide Action Network North America
Physicians for Social Responsibility - Los
Angeles PICO California
Planning And Conservation League
PODER
Policylink
Professional Engineers In California
Government Public Health
Advocates
Pueblo Unido Community Development Coordinator

RCAC
Self-Help Enterprises
Service Employees International Union (SEIU) The Nature Conservancy
Water Foundation
Western Center On Law And Poverty

Opposition on File

Association of California Water Agencies
Central Garden and Pet Harrell's LLC
Household and Commercial Products Association Lawn & Horticulture Products Work
Group
Scotts Miracle-Gro Company

ATTACHED:

AB 217 Full Text
AB 217/Budget Trailer Bill Language Comparison

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

AMENDED IN ASSEMBLY MARCH 28, 2019

AMENDED IN ASSEMBLY MARCH 19, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 217

Introduced by Assembly Member Eduardo Garcia

(Principal coauthor: Assembly Member Blanca Rubio)

(Coauthors: Assembly Members Bonta, Bloom, Carrillo, Chau, Chiu, Gipson, Holden, Quirk, Robert Rivas, Mark Stone, and Wicks)

(Coauthor: Senator Monning)

January 16, 2019

An act to add Article 10.5 (commencing with Section 595) to Chapter 3 of Part 1 of Division 1 of, to add Article 6.5 (commencing with Section 14615) to Chapter 5 of Division 7 of, and to add Article 14.5 (commencing with Section 62215) to Chapter 2 of Part 3 of Division 21 of, the Food and Agricultural Code, and to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of, to add Chapter 4.7 (commencing with Section 116774) to Part 12 of Division 104 of, and to repeal Article 5 (commencing with Section 116771) of Chapter 4.6 of Part 12 of Division 104 of, the Health and Safety Code, relating to water, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 217, as amended, Eduardo Garcia. Safe Drinking Water for All Act.

(1) Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health.

Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would enact the Safe Drinking Water for All Act and would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the board to provide a source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests. The bill would require the board to expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with certain projects. The bill would require the board, working with a multistakeholder advisory group, to adopt a fund implementation plan and policy handbook with priorities and guidelines for expenditures of the fund. The bill would require the board annually to prepare and make available a report of expenditures from the fund. The bill would require the board to adopt annually, after a public hearing, an assessment of funding need that estimates the anticipated funding needed for the next fiscal year to achieve the purposes of the fund. The bill would authorize the board to distribute the funds through its drinking water regional offices in an unspecified manner and would prohibit the board from distributing more than 20% of the annual expenditures from the fund in this manner. By creating a new continuously appropriated fund, this bill would make an appropriation.

~~This bill would require the board to adopt a schedule of fees, as prescribed, not to exceed an unspecified amount.~~ *establish a safe and affordable drinking water fee in the amount of \$0.50 per service connection on all public water systems. The bill would require each public water system to remit to the board the amount of the fee for their public water system on July 1, 2020, and by July 1 annually thereafter.* The bill would require these fees to be deposited into the fund. The bill would require the Legislative Analyst to report to the Legislature and the board if the Legislative Analyst determines, on or before January 1, 2023, that at least \$3,000,000,000 has been made available in an interest bearing account in the State Treasury with a goal of at least \$100,000,000 in interest revenues per year available for the purposes of the Safe and Affordable Drinking Water Fund. The bill would make this reporting requirement and the requirement for the board to adopt

fees inoperative upon the Legislative Analyst submitting the report, and would repeal them as of January 1, of the year following that determination.

The bill would establish the Safe and Affordable Drinking Water Trust Fund and would require moneys held in the trust fund to be invested by the Treasurer, in consultation with the Director of Finance and the controller, as specified. The bill would transfer the investment income derived from the trust fund on January 1 of each year to the Safe and Affordable Drinking Water Fund. The bill would state that a transfer of \$200,000,000 is to be made by the Legislature each year for 5 years for the purpose of establishing a \$1,000,000,000 trust account to derive interest revenues to fund the Safe and Affordable Drinking Water Fund.

The bill would require, by January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, to make available a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program.

(2) Existing law requires every person who manufactures or distributes fertilizing materials to be licensed by the Secretary of Food and Agriculture and to pay a license fee that does not exceed \$300. Existing law requires every lot, parcel, or package of fertilizing material to have a label attached to it, as required by the secretary. Existing law requires a licensee who sells or distributes bulk fertilizing materials to pay to the secretary an assessment not to exceed \$0.002 per dollar of sales for all sales of fertilizing materials, as prescribed, for the purposes of the administration and enforcement of provisions relating to fertilizing materials. In addition to that assessment, existing law authorizes the secretary to impose an assessment in an amount not to exceed \$0.001 per dollar of sales for all sales of fertilizing materials for the purpose of providing funding for research and education regarding the use of fertilizing materials. Existing law specifies that a violation of the fertilizing material laws or the regulations adopted pursuant to those laws is a misdemeanor.

This bill would require a licensee whose name appears on the label of bulk or packaged fertilizing ~~materials~~ *materials, excluding compost*, to pay to the secretary a fertilizer safe drinking water fee of \$0.006 per \$1.00 of sales for all sales of fertilizing materials. The bill would require these moneys to be deposited into the Safe and Affordable Drinking Water Fund. The bill would authorize the secretary to adopt regulations relating to the administration and enforcement of these provisions. Because a violation of these provisions or regulations adopted pursuant to these provisions would be a crime, the bill would impose a state-mandated local program.

(3) Existing law regulates the production, handling, and marketing of milk and dairy products and requires every milk handler subject to that regulatory scheme to pay specified assessments and fees to the Secretary of Food and Agriculture to cover the costs of regulating milk. Existing law governing milk defines “handler” as any person who, either directly or indirectly, receives, purchases, or otherwise acquires ownership, possession, or control of market milk from a producer, a producer-handler, or another handler for the purpose of manufacture, processing, sale, or other handling. Existing law defines “market milk” as milk conforming to specified standards and “manufacturing milk” as milk that does not conform to the requirements of market milk. Existing law provides that a violation of that regulatory scheme or a regulation adopted pursuant to that regulatory scheme is a misdemeanor.

This bill would require, beginning January 1, 2022, each handler to deduct from payments made to producers for market and manufacturing milk the sum of \$0.01355 per hundredweight of milk as a dairy safe drinking water fee. The bill would require the secretary to deposit these moneys into the Safe and Affordable Drinking Water Fund. The bill would authorize the secretary to take specified enforcement actions and would require the secretary to adopt regulations for the administration and enforcement of these provisions. Because a violation of these provisions or regulations adopted pursuant to these provisions would be a crime, the bill would impose a state-mandated local program.

(4) Existing law requires the Secretary of Food and Agriculture to enforce provisions governing livestock operations. Existing law generally provides that a violation of a provision of the Food and Agricultural Code is a misdemeanor.

This bill would require each producer owning a nondairy confined animal facility, as defined, beginning the 2021 calendar year to pay annually to the secretary a safe drinking water fee of \$1,000 for the first

facility and \$750 per each facility thereafter owned by the same producer, not to exceed \$12,000. The bill would require these moneys to be deposited into the Safe and Affordable Drinking Water Fund. Because a violation of these provisions would be a crime, the bill would impose a state-mandated local program.

(5) 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 with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: yes.

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

1 SECTION 1. This act shall be known, and may be cited, as the
2 Safe Drinking Water for All Act.

3 SEC. 2. Article 10.5 (commencing with Section 595) is added
4 to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural
5 Code, to read:

6
7 Article 10.5. Safe Drinking Water Fee for Nondairy Confined
8 Animal Facilities
9

10 595. For purposes of this article, the following definitions
11 apply:

12 (a) "Fee" means the safe drinking water fee for nondairy
13 confined animal facilities.

14 (b) "Fund" means the Safe and Affordable Drinking Water Fund
15 established by Section 116767 of the Health and Safety Code.

16 (c) (1) "Nondairy confined animal facilities" means bovine
17 operations, poultry operations, swine operations, and other
18 livestock operations, excluding dairies, where all of the following
19 apply:

20 (A) Operations are designed to corral, pen, or otherwise enclose
21 or hold domestic livestock.

1 (B) Feeding is exclusively by means other than grazing.

2 (C) Facilities are subject to annual fees for confined animal
3 facilities adopted in accordance with Section 13260 of the Water
4 Code.

5 (2) “Nondairy confined animal facilities” does not include
6 facilities subject to Article 14.5 (commencing with Section 62215)
7 of Chapter 2 of Part 3 of Division 21.

8 596. (a) Beginning in the 2021 calendar year, each producer
9 owning a nondairy confined animal facility shall pay annually to
10 the secretary a safe drinking water fee. The amount of the fee paid
11 annually to the secretary shall equal one thousand dollars (\$1,000)
12 for a producer that owns a single nondairy confined animal facility.
13 For a producer that owns more than one nondairy confined animal
14 facility, the amount of the fee paid annually to the secretary shall
15 equal one thousand dollars (\$1,000) for the first facility and seven
16 hundred fifty dollars (\$750) per each facility thereafter owned by
17 the same producer.

18 (b) Notwithstanding subdivision (a), the amount of the fee paid
19 annually to the secretary by a producer that owns more than one
20 nondairy confined animal facility shall not exceed twelve thousand
21 dollars (\$12,000) per year.

22 (c) The secretary may prescribe, adopt, and enforce regulations
23 relating to the administration and enforcement of this article.

24 597. The secretary shall deposit all moneys received under this
25 article into the fund.

26 SEC. 3. Article 6.5 (commencing with Section 14615) is added
27 to Chapter 5 of Division 7 of the Food and Agricultural Code, to
28 read:

29
30 Article 6.5. Fertilizer Safe Drinking Water Fee
31

32 14615. (a) It is the intent of the Legislature to require licensees
33 of bulk fertilizing materials, and to authorize licensees of packaged
34 fertilizing materials, to pass the fertilizer safe drinking water fee
35 described in Section 14616 on to the end user of the fertilizer.

36 (b) For purposes of this article, the following definitions apply:

37 (1) “Bulk fertilizing material” has the same meaning as applies
38 to “bulk material” in Section 14517.

39 (2) “Compost” has the same meaning as defined in Section
40 14525.

1 (2)
2 (3) “Fertilizing material” has the same meaning as defined in
3 Section 14533.

4 (3)
5 (4) “Fund” means the Safe and Affordable Drinking Water Fund
6 established by Section 116767 of the Health and Safety Code.

7 (4)
8 (5) “Packaged” has the same meaning as defined in Section
9 14551.

10 14616. In addition to the assessments provided in Section
11 14611, a licensee whose name appears on the label of bulk or
12 packaged fertilizing ~~materials~~ *materials, not including compost*,
13 shall pay to the secretary a fertilizer safe drinking water fee of six
14 mills (\$0.006) per dollar of sales for all sales of fertilizing
15 materials.

16 14617. (a) (1) A licensee whose name appears on the label
17 who sells or distributes bulk fertilizing materials shall charge an
18 unlicensed purchaser the fertilizer safe drinking water fee as a
19 charge that is separate from, and not included in, any other fee,
20 charge, or other amount paid by the purchaser. This fee shall be
21 included on the bill of sale as a separate line item.

22 (2) (A) A licensee whose name appears on the label of packaged
23 fertilizing materials may include the fertilizer safe drinking water
24 fee as a charge that is separate from, and not included in, any other
25 fee, charge, or other amount paid by the purchaser or may include
26 the charge with the assessment collected pursuant to Section 14611
27 as a separate line item on the bill of sale and identified as the
28 California Regulatory and Safe Drinking Water Assessment.

29 (B) Notwithstanding paragraph (1), a licensee whose name
30 appears on the label who sells or distributes bulk fertilizing material
31 may include the fertilizer safe drinking water fee with the
32 assessment collected pursuant to Section 14611 as a separate line
33 item on the bill of sale and identified as the California Regulatory
34 and Safe Drinking Water Assessment.

35 (b) The secretary may prescribe, adopt, and enforce regulations
36 relating to the administration and enforcement of this article.

37 (c) (1) Except as provided in paragraph (2), the secretary may
38 retain up to 4 percent of the moneys collected pursuant to this
39 article for reasonable costs associated with the implementation
40 and enforcement of this article.

(2) Beginning July 1, 2022, the secretary may retain up to 2 percent of the moneys collected pursuant to this article for reasonable costs associated with the implementation and enforcement of this article.

14618. The secretary shall deposit all moneys received under this article into the fund.

SEC. 4. Article 14.5 (commencing with Section 62215) is added to Chapter 2 of Part 3 of Division 21 of the Food and Agricultural Code, to read:

Article 14.5. Dairy Safe Drinking Water Fee

62215. (a) It is the intent of the Legislature that the dairy safe drinking water fee described in Section 62216 be paid for all milk produced in the state, regardless of grade.

(b) For purposes of this article, the following definitions apply:

(1) "Fee" means the dairy safe drinking water fee.

(2) "Fund" means the Safe and Affordable Drinking Water Fund established by Section 116767 of the Health and Safety Code.

(3) "Manufacturing milk" has the same meaning as defined in Section 32509.

(4) "Market milk" has the same meaning as defined in Section 32510.

(5) "Milk" includes market milk and manufacturing milk.

62216. (a) Beginning January 1, 2022, each handler, including a producer-handler, shall deduct the sum of one cent and three hundred fifty-five mills (\$0.01355) per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.

(b) The secretary shall adopt regulations necessary for the proper administration and enforcement of this section by January 1, 2022.

62217. (a) A handler shall pay the dairy safe drinking water fee to the secretary on or before the 45th day following the last day of the month in which the milk was received.

(b) The secretary shall deposit all moneys received under this article into the fund.

(c) (1) Except as provided in paragraph (2), the secretary may retain up to 4 percent of the total amount that is paid to the secretary pursuant to this article for reasonable costs of the

1 secretary associated with the implementation and enforcement of
2 this article.

3 (2) Beginning July 1, 2022, the secretary may retain up to 2
4 percent of the moneys collected pursuant to this article for
5 reasonable costs of the secretary associated with the
6 implementation and enforcement of this article.

7 (d) The secretary may require handlers, including cooperative
8 associations acting as handlers, to make reports at any intervals
9 and in any detail that the secretary finds necessary for the accurate
10 collection of the fee.

11 (e) For the purposes of enforcing this article, the secretary,
12 through the secretary's duly authorized representatives and agents,
13 shall have access to the records of every producer and handler.
14 The secretary shall have at all times free and unimpeded access to
15 any building, yard, warehouse, store, manufacturing facility, or
16 transportation facility in which any milk or milk product is
17 produced, bought, sold, stored, bottled, handled, or manufactured.

18 (f) Any books, papers, records, documents, or reports made to,
19 acquired by, prepared by, or maintained by the secretary pursuant
20 to this article that would disclose any information about finances,
21 financial status, financial worth, composition, market share, or
22 business operations of any producer or handler, excluding
23 information that solely reflects transfers of production base and
24 pool quota among producers, is confidential and shall not be
25 disclosed to any person other than the person from whom the
26 information was received, except pursuant to the final order of a
27 court with jurisdiction, or as necessary for the proper determination
28 of any proceeding before the secretary.

29 SEC. 5. Chapter 4.6 (commencing with Section 116765) is
30 added to Part 12 of Division 104 of the Health and Safety Code,
31 to read:

32
33 CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

34
35 Article 1. Legislative Findings and Declarations

36
37 116765. The Legislature finds and declares all of the following:

38 (a) Section 106.3 of the Water Code declares that it is the policy
39 of the state that every human being has the right to safe, clean,

1 affordable, and accessible water adequate for human consumption,
2 cooking, and sanitary purposes.

3 (b) For all public water systems, the operation and maintenance
4 costs to supply, treat, and distribute potable water that complies
5 with federal and state drinking water standards on a routine and
6 consistent basis may be significant.

7 (c) All community water systems are currently required to set,
8 establish, and charge a schedule of rates and fees that are sufficient
9 to recover the operation and maintenance costs required to supply,
10 treat, and distribute potable water that complies with federal and
11 state drinking water standards on a routine and consistent basis.

12 (d) Hundreds of community water systems in the state cannot
13 charge rates and fees that are affordable and sufficient to recover
14 the full operation and maintenance costs required to supply, treat,
15 and distribute potable water that complies with federal and state
16 drinking water standards on a routine and consistent basis due to
17 a combination of low income levels of customers, high treatment
18 costs for contaminated water sources, and a lack of economies of
19 scale that result in high unit costs for water service. Many schools
20 that serve as their own regulated public water systems and have
21 contaminated water sources cannot afford the full operation and
22 maintenance costs required to provide water that meets federal
23 and state drinking water standards.

24 (e) Nearly all state or federal drinking water project funding
25 sources prohibit the use of that funding for operation and
26 maintenance costs, and as a result, those systems that cannot afford
27 required operation and maintenance costs are unable to access
28 funding for capital projects to meet federal and state drinking water
29 standards.

30 (f) As a result, hundreds of thousands of Californians,
31 particularly those living in small disadvantaged communities, may
32 be exposed to unsafe drinking water in their homes and schools,
33 which impacts human health, household costs, and community
34 economic development.

35 (g) A significant number of California residents rely on state
36 small water systems and domestic wells to provide their drinking
37 water.

38 (h) The state small water systems and individual domestic wells
39 face a serious threat of contamination because they often draw

1 their water from shallow groundwater sources and have fewer or
2 no chemical monitoring requirements.

3 (i) To ensure that the right of every Californian to safe, clean,
4 affordable, and accessible water adequate for human consumption,
5 cooking, and sanitary purposes is protected, it is in the interest of
6 the State of California to identify where Californians are at high
7 risk of lacking reliable access to safe drinking water or are known
8 to lack reliable access to safe drinking water, whether they rely on
9 a public water system, state small water system, or domestic well
10 for their potable water supply.

11 (j) Long-term sustainability of drinking water infrastructure and
12 service provision is necessary to secure safe drinking water for all
13 Californians and therefore it is in the interest of the state to
14 discourage the proliferation of new, unsustainable public water
15 systems and state small water systems, to prevent waste, and to
16 encourage consolidation and service extension when feasible.

17 (k) It is in the interest of all Californians to establish a fund with
18 a stable source of revenue to provide financial support, particularly
19 for operation and maintenance, necessary to secure access to safe
20 drinking water for all Californians, while also ensuring the
21 long-term sustainability of drinking water service and
22 infrastructure.

23 (l) It is in the interest of all Californians that when funding is
24 available from other sources, including the General Fund, the fees
25 necessary to enact this statute be reduced.

26 116765.5. It is the intent of the Legislature that any interest
27 revenues from the Safe and Affordable Drinking Water Trust Fund
28 as well as revenue from fees deposited in the Safe and Affordable
29 Drinking Water Fund be available annually for the purposes of
30 this chapter.

31
32 Article 2. Definitions

33
34 116766. For the purposes of this chapter:

35 (a) "Administrator" has the same meaning as defined in Section
36 116686.

37 (b) "Board" means the State Water Resources Control Board.

38 (c) "Community water system" has the same meaning as defined
39 in Section 116275.

(d) “Disadvantaged community” has the same meaning as defined in Section 116275.

(e) “Domestic well” means a groundwater well used to supply water for the domestic needs of an individual residence or water systems that are not public water systems and that have no more than four service connections.

(f) “Eligible applicant” means a public water system, including, but not limited to, a mutual water company; a public utility; a public agency, including, but not limited to, a local educational agency that owns or operates a public water system; a nonprofit organization; a federally recognized Indian tribe; a state Indian tribe listed on the Native American Heritage Commission’s California Tribal Consultation List; an administrator; or a groundwater sustainability agency.

(g) “Fund” means the Safe and Affordable Drinking Water Fund established pursuant to Section 116767.

(h) “Fund implementation plan” means the fund implementation plan adopted pursuant to Section 116769.

(i) “Groundwater sustainability agency” has the same meaning as defined in Section 10721 of the Water Code.

(j) “Low-income household” means a household with an income that is less than 80 percent of the statewide median household income.

(k) “Public water system” has the same meaning as defined in Section 116275.

(l) “Replacement water” includes, but is not limited to, bottled water, vended water, point-of-use, or point-of-entry treatment units.

(m) “Safe drinking water” has the same meaning as defined in Section 116681.

(n) “Service connection” has the same meaning as defined in Section 116275.

(o) “State small water system” has the same meaning as defined in Section 116275.

(p) “Vended water” has the same meaning as defined in Section 111070.

Article 3. Safe and Affordable Drinking Water Fund

116767. (a) The Safe and Affordable Drinking Water Fund is hereby established in the State Treasury. Notwithstanding Section 13340 of the Government Code, all moneys in the fund are continuously appropriated to the board without regard to fiscal years, in accordance with this chapter. Moneys in the fund at the close of the fiscal year shall remain in the fund and shall not revert to the General Fund. Moneys in the fund shall not be available for appropriation or borrowed for use for any purpose not established in this chapter unless that use of the moneys receives an affirmative vote of two-thirds of the membership in each house of the Legislature.

(b) The board shall report annually in the Governor's budget fund revenues, including interest revenues, expenditures, and fund balances.

116768. (a) The board shall administer the fund for the purposes of this chapter to provide a source of funding to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The board shall prioritize the use of this funding to assist disadvantaged communities and low-income households served by a state small water system or a domestic well. In order to maximize the use of other funding sources for capital construction projects when available, the board shall prioritize use of this funding for costs other than those related to capital construction costs, except for capital construction costs associated with consolidation and service extension to reduce the ongoing unit cost of service and to increase sustainability of drinking water infrastructure and service delivery. Beginning January 1, 2020, an expenditure from the fund shall be consistent with the annual fund implementation plan.

(b) In accordance with subdivision (a), the board shall expend moneys in the fund for grants, loans, contracts, or services to assist eligible applicants with any of the following:

(1) The provision of replacement water, as needed, to ensure immediate protection of health and safety as a short-term solution.

(2) The development, implementation, and sustainability of long-term drinking water solutions that include, but are not limited to, the following:

1 (A) Technical assistance, planning, construction, repair, and
2 operation and maintenance costs associated with replacing,
3 blending, or treating contaminated drinking water or with fixing
4 failing water systems, pipes, or fixtures. Technical assistance and
5 planning costs may include, but are not limited to, analyses to
6 identify, and efforts to further, opportunities to reduce the unit cost
7 of providing drinking water through organizational and operational
8 efficiency improvements, system consolidation and service
9 extension, implementation of new technology, and other options
10 and approaches to reduce costs.

11 (B) Operations and maintenance costs associated with
12 consolidated water systems, extended drinking water services, or
13 reliance on a substituted drinking water source.

14 (C) Creating and maintaining natural means and green
15 infrastructure solutions that contribute to sustainable drinking
16 water.

17 (D) Consolidating water systems.

18 (E) Extending drinking water services to other public water
19 systems, domestic wells, or state small water systems.

20 (F) The satisfaction of outstanding long-term debt obligations
21 of public water systems where the board determines that a system's
22 lack of access to capital markets renders this solution the most cost
23 effective for removing a financial barrier to the system's
24 sustainable, long-term provision of drinking water.

25 (3) Identifying and providing outreach to Californians who are
26 eligible to receive assistance from the fund.

27 (4) Testing the drinking water quality of domestic wells serving
28 low-income households in high-risk areas identified pursuant to
29 Article 4 (commencing with Section 116770).

30 (5) The provision of administrative and managerial services
31 under Section 116686.

32 (6) Provision of wastewater treatment plant operations and
33 maintenance for areas in which polluted water originates from
34 outside the state.

35 (c) The board may expend moneys from the fund for reasonable
36 costs associated with administration of the fund. Beginning July
37 1, 2022, the board may expend no more than 5 percent of the
38 annual revenues from the fund for reasonable costs associated with
39 administration of the fund.

1 (d) The board may undertake any of the following actions to
2 implement the fund:

3 (1) Provide for the deposit of any of the following moneys into
4 the fund:

5 (A) Federal contributions.

6 (B) Voluntary contributions, gifts, grants, or bequests.

7 (2) Enter into agreements for contributions to the fund from the
8 federal government, local or state agencies, and private
9 corporations or nonprofit organizations.

10 (3) Provide for appropriate audit, accounting, and fiscal
11 management services, plans, and reports relative to the fund.

12 (4) Direct portions of the fund to a subset of eligible applicants
13 as required or appropriate based on funding source and consistent
14 with the annual fund implementation plan.

15 (5) Direct moneys deposited into the fund described in
16 subparagraph (B) of paragraph (1) towards a specific project,
17 program, or study.

18 (6) Take additional action as may be appropriate for adequate
19 administration and operation of the fund.

20 (e) In administering the fund, the board shall make reasonable
21 efforts to ensure both of the following:

22 (1) That funds are used to secure the long-term sustainability
23 of drinking water service and infrastructure, including, but not
24 limited to, requiring adequate technical, managerial, and financial
25 capacity of eligible applicants as part of funding agreement
26 outcomes. Funding shall be prioritized to implement consolidations
27 and service extensions when feasible, and administrative and
28 managerial contracts or grants entered into pursuant to Section
29 116686 where applicable. Funds shall not be used to delay, prevent,
30 or avoid the consolidation or extension of service to public water
31 systems where it is feasible and the least-cost alternative. The
32 board may set appropriate requirements as a condition of funding,
33 including, but not limited to, a system technical, managerial, or
34 financial capacity audit, improvements to reduce costs and increase
35 efficiencies, an evaluation of alternative treatment technologies,
36 and a consolidation or service extension feasibility study. As a
37 condition of funding, the board may require a domestic well with
38 nitrate contamination where ongoing septic system failure may be
39 causing or contributing to contamination of a drinking water source

1 to conduct an investigation and project to address the septic system
2 failure if adequate funding sources are identified and accessible.

3 (2) That funds are not used to subsidize large-scale nonpotable
4 use.

5 (f) In administering the fund, the board shall ensure that all
6 moneys deposited into the fund from the safe drinking water fee
7 for nondairy confined animal facilities pursuant to Article 10.5
8 (commencing with Section 595) of Chapter 3 of Part 1 of Division
9 1 of the Food and Agricultural Code, the fertilizer safe drinking
10 water fee pursuant to Article 6.5 (commencing with Section 14615)
11 of Chapter 5 of Division 7 of the Food and Agricultural Code, and
12 the dairy safe drinking water fee pursuant to Article 14.5
13 (commencing with Section 62215) of Chapter 2 of Part 3 of
14 Division 21 of the Food and Agricultural Code shall be used to
15 address nitrate-related contamination issues.

16 (g) At least once every 10 years, the board shall conduct a public
17 review and assessment of the fund to determine all of the following:

18 (1) The effectiveness of the fund in securing access to safe
19 drinking water for all Californians, while also ensuring the
20 long-term sustainability of drinking water service and
21 infrastructure.

22 (2) If the fees deposited into the fund have been appropriately
23 expended.

24 (3) For community water systems that have received funding
25 for 10 years or more and for which self-sufficiency has not been
26 achieved, the actions that have been taken, the reasons why
27 self-sufficiency has not been achieved, and, if available, ways in
28 which the community water system may become self-sufficient.

29 (4) What other actions are necessary to carry out the purposes
30 of this chapter.

31 (h) Neither the board nor any employee of the board may be
32 held liable for any act that is necessary to carry out the purposes
33 of this chapter. The board or any authorized person shall not be
34 deemed to have incurred or to be required to incur any obligation
35 to provide additional funding or undertake additional action solely
36 as a result of having undertaken an action pursuant to this chapter.

37 (i) (1) The board shall convene an environmental justice
38 advisory committee, for the purposes of this section, consisting of
39 at least three members, to advise it in conducting the public review
40 and assessment pursuant to subdivision (g) and any other pertinent

1 matter in implementing this chapter. The advisory committee shall
2 be comprised of representatives from communities in the state
3 with the most significant exposure to water pollution, including,
4 but not limited to, communities with minority populations or
5 low-income populations, or both.

6 (2) The board shall appoint committee members to the
7 environmental justice advisory committee from nominations
8 received from environmental justice organizations and community
9 groups.

10 (3) The board shall provide reasonable per diem for attendance
11 at environmental justice advisory committee meetings by
12 committee members from nonprofit organizations.

13 116769. By July 1 of each year, the board shall do all of the
14 following:

15 (a) Prepare and make available a report of expenditures from
16 the fund.

17 (b) Adopt, after a public hearing, an assessment of funding need,
18 based on available data, that includes all of the following:

19 (1) Identification of systems and populations potentially in need
20 of assistance, including, but not limited to, all of the following:

21 (A) A list of systems that consistently fail to provide an adequate
22 supply of safe drinking water. The list shall include all of the
23 following:

24 (i) Any public water system that consistently fails to provide
25 an adequate supply of safe drinking water.

26 (ii) Any community water system that serves a disadvantaged
27 community that must charge fees that exceed the affordability
28 threshold established in the board's Safe Drinking Water State
29 Revolving Fund Intended Use Plan in order to supply, treat, and
30 distribute potable water that complies with federal and state
31 drinking water standards.

32 (iii) Any state small water system that consistently fails to
33 provide an adequate supply of safe drinking water.

34 (B) A list of programs that assist, or that will assist, households
35 supplied by a domestic well that consistently fails to provide an
36 adequate supply of safe drinking water. This list shall include the
37 number and approximate location of households served by each
38 program without identifying exact addresses or other personal
39 information.

1 (C) A list of public water systems and state small water systems
2 that may be at risk of failing to provide an adequate supply of safe
3 drinking water.

4 (D) An estimate of the number of households that are served
5 by domestic wells or state small water systems in high-risk areas
6 identified pursuant to Article 4 (commencing with Section 116770).
7 The estimate shall identify approximate locations of households,
8 without identifying exact addresses or other personal information,
9 in order to identify potential target areas for outreach and assistance
10 programs.

11 (2) An analysis of anticipated funding, per contaminant, needed
12 for known projects, services, or programs by eligible applicants,
13 consistent with the fund implementation plan, including any
14 funding needed for existing long-term funding commitments from
15 the fund. The board shall identify and consider other existing
16 funding sources able to support any projects, services, or programs
17 identified, including, but not limited to, local funding capacity,
18 state or federal funding sources for capital projects, funding from
19 responsible parties, and specialized funding sources contributing
20 to the fund.

21 (3) An estimate of the funding needed for the next fiscal year
22 based on the amount available in the fund, anticipated funding
23 needs, other existing funding sources, and other relevant data and
24 information.

25 (c) (1) Adopt, after a public hearing, a fund implementation
26 plan and policy handbook with priorities and guidelines for
27 expenditures of the fund.

28 (2) The board shall work with a multistakeholder advisory group
29 to establish priorities and guidelines for the fund implementation
30 plan and policy handbook. The multistakeholder advisory group
31 shall be open to participation by all of the following:

32 (A) Representatives of entities paying into the fund.

33 (B) Public water systems.

34 (C) Technical assistance providers.

35 (D) Local agencies.

36 (E) Nongovernmental organizations.

37 (F) Residents served by community water systems in
38 disadvantaged communities, state small water systems, and
39 domestic wells.

40 (G) The public.

1 (3) The adoption of a fund implementation plan and policy
2 handbook and the implementation of the fund pursuant to the policy
3 handbook are not subject to the Administrative Procedure Act
4 (Chapter 3.5 (commencing with Section 11340) of Part 1 of
5 Division 3 of Title 2 of the Government Code).

6
7 Article 4. Information on High-risk Areas
8

9 116770. (a) (1) By January 1, 2021, the board, in consultation
10 with local health officers and other relevant stakeholders, shall use
11 available data to make available a map of aquifers that are at high
12 risk of containing contaminants and that exceed primary federal
13 and state drinking water standards that are used or likely to be used
14 as a source of drinking water for a state small water system or a
15 domestic well. The board shall update the map at least annually
16 based on any newly available data.

17 (2) The board shall make the map of high-risk areas, as well as
18 the data used to make the map, publicly accessible on its internet
19 website in a manner that does not identify exact addresses or other
20 personal information and that complies with the Information
21 Practices Act of 1977 (Chapter 1 (commencing with Section 1798)
22 of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board
23 shall notify local health officers and county planning agencies of
24 high-risk areas within their jurisdictions.

25 (b) (1) By January 1, 2021, a local health officer or other
26 relevant local agency shall provide to the board all results of, and
27 data associated with, water quality testing performed by certified
28 laboratories for a state small water system or domestic well that
29 was collected after January 1, 2015, and that is in the possession
30 of the local health officer or other relevant local agency.

31 (2) By January 1, 2022, and by January 1 of each year thereafter,
32 all results of, and data associated with, water quality testing
33 performed by a certified laboratory for a state small water system
34 or domestic well that is submitted to a local health officer or other
35 relevant local agency shall also be submitted directly to the board
36 in electronic format.

37 (c) A map of high-risk areas developed pursuant to this article
38 is not subject to the Administrative Procedure Act (Chapter 3.5
39 (commencing with Section 11340) of Part 1 of Division 3 of Title
40 2 of the Government Code).

Article 5. Safe and Affordable Drinking Water Fee

~~116771. (a) The board shall adopt, by regulation, a schedule of fees as authorized by this section. Fees adopted shall not exceed _____. The regulations may include provisions concerning the administration and collection of the fees.~~

116771. (a) There is hereby imposed a safe and affordable drinking water fee of fifty cents (\$0.50) per service connection on all public water systems.

(b) By July 1, 2020, and annually by each July 1 thereafter, each public water system shall remit to the board the amount of the fee imposed pursuant to subdivision (a) for their public water system.

(c) (1) The board may adopt regulations to implement and enforce this article.

~~(b) (1) Except as provided in paragraph (2), the~~

~~(2) The regulations adopted pursuant to this section, or any amendment to these regulations, or subsequent adjustments to the annual fees;~~ the board shall adopt as emergency regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The adoption of these regulations is an emergency and the Office of Administrative Law shall consider the adoption of the regulations as necessary for the immediate preservation of the public peace, health, safety, and general welfare.

~~(2)~~

~~(3) The board shall adopt the initial regulations to implement this section in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code and may not rely on the statutory declaration of emergency in paragraph (1). (2).~~

~~(3)~~

~~(4) Any emergency regulations adopted by the board or adjustments to the fees made by the board pursuant to this section shall not be subject to review by the Office of Administrative Law and shall remain in effect until revised by the board.~~

~~(e) Fees collected~~

(d) The executive director of the board shall deposit all moneys received pursuant to this section shall be deposited in the fund.

1 *The board may expend moneys from the fund for reasonable costs*
2 *associated with the implementation and enforcement of this section.*

3 116772. (a) The Legislative Analyst shall report to the
4 Legislature and the board if the Legislative Analyst determines,
5 on or before January 1, 2023, that at least three billion dollars
6 (\$3,000,000,000) has been made available in an interest bearing
7 account in the State Treasury with a goal of at least one hundred
8 million dollars (\$100,000,000) in interest revenues per year
9 available for the purposes of the fund.

10 (b) (1) A report to be submitted pursuant to subdivision (a)
11 shall be submitted in compliance with Section 9795 of the
12 Government Code.

13 (2) Pursuant to Section 10231.5 of the Government Code, this
14 section is repealed on January 1, 2027.

15 (c) This article shall become inoperative upon the Legislative
16 Analyst submitting a report pursuant to subdivision (a), and, as of
17 January 1, of the year following that determination, is repealed.

18
19 Article 6. Regional Distribution
20

21 116773. (a) The Legislature finds and declares as follows:

22 (1) Water quality problems occur in all areas of the state,
23 including rural and urban areas.

24 (2) In particular, aging school infrastructure, including lead
25 pipes, puts at risk thousands of children per year.

26 (b) It is the intent of the Legislature to establish a region specific
27 program to address the purposes of this chapter.

28 (c) The board may distribute funds for any purpose of this
29 chapter through its drinking water regional offices, as follows:

30 (1) ____.

31 (d) The board shall not distribute more than 20 percent of the
32 annual expenditures from the fund pursuant to subdivision (c).

33 SEC. 6. Chapter 4.7 (commencing with Section 116774) is
34 added to Part 12 of Division 104 of the Health and Safety Code,
35 to read:

1 CHAPTER 4.7. SAFE AND AFFORDABLE DRINKING WATER TRUST
2 FUND
3

4 116774. (a) The Safe and Affordable Drinking Water Trust
5 Fund is hereby established within the State Treasury. It is the intent
6 of the Legislature that moneys in the trust fund remain for the
7 purposes of the trust in perpetuity.

8 (b) Moneys held in the trust fund shall be invested by the
9 Treasurer, in consultation with the Director of Finance and the
10 Controller, in investments authorized by Section 16430 of the
11 Government Code.

12 (c) Investment income derived from the trust fund is hereby
13 transferred on January 1 of each year to the Safe and Affordable
14 Drinking Water Fund, established by Section 116767 for the
15 purposes of Chapter 4.6 (commencing with Section 116765).

16 116774.1. The sum of two hundred million dollars
17 (\$200,000,000) shall be transferred to the trust fund by the
18 Legislature each year for five years for the purpose of establishing
19 a one-billion-dollar (\$1,000,000,000) trust fund to derive interest
20 revenues to fund Chapter 4.6 (commencing with Section 116765).

21 SEC. 7. No reimbursement is required by this act pursuant to
22 Section 6 of Article XIII B of the California Constitution for certain
23 costs that may be incurred by a local agency or school district
24 because, in that regard, this act creates a new crime or infraction,
25 eliminates a crime or infraction, or changes the penalty for a crime
26 or infraction, within the meaning of Section 17556 of the
27 Government Code, or changes the definition of a crime within the
28 meaning of Section 6 of Article XIII B of the California
29 Constitution.

30 However, if the Commission on State Mandates determines that
31 this act contains other costs mandated by the state, reimbursement
32 to local agencies and school districts for those costs shall be made
33 pursuant to Part 7 (commencing with Section 17500) of Division
34 4 of Title 2 of the Government Code.

O

AB 217 (E. Garcia) Analysis – Attachment

**COMPARISON OF AGRICULTURAL ASSESSMENTS PROPOSED IN
2019 BUDGET TRAILER BILL (BTB) LANGUAGE AND PROPOSED IN
AB 217 (E. GARCIA, MARCH 28, 2019 VERSION)**

Section 2	2019 BTB Language	CFAC Section	AB 217	CFAC Section
Article 10.5: Safe Drinking Water Fee for Nondairy Confined Animal Facilities	Defines "Confined animal facilities excluding dairies" as bovine operations, poultry operations, swine operations, and other livestock operations. Does not include milk cow dairies (see below regarding dairies).	595(a)	Revises the definition of "Nondairy Confined Animal Facilities" to specify that all of the following conditions must apply: <ul style="list-style-type: none"> - Operations are designed to corral, pen, or otherwise enclose or hold domestic livestock. - Feeding is exclusively by means other than grazing. - Facilities are subject to annual fees for confined animal facilities adopted in accordance with Section 13260 of the Water Code. 	595(c)(1)
	Creates a working group of representatives from confined animal facilities to determine the actual risk to groundwater from nitrate.	596(a)	Does not include this provision.	
	Establishes a safe drinking water fee for confined animal facilities starting January 1, 2022. Fees would be commensurate with the actual risk to groundwater from discharges of nitrate as determined by the working group. The fees would be capped at \$1,000 per facility per year.	596(b)	Mandates a flat fee of \$1000 for owners of eligible facilities, plus an additional fee of \$750 for each facility in addition to the first, up to a maximum of \$12,000. Fees would begin in the 2021 calendar year.	596(a) 596(b)
	The above would sunset in 2037.	596(c)	Does not include this provision.	
	Creates a new working group in 2036 of representatives from confined animal facilities	597(a)	Does not include this provision.	

	(excluding dairies) to determine the actual risk to groundwater from nitrate.			
	Establishes a safe drinking water fee for confined animal facilities (excluding dairies) starting January 1, 2037.	597(b)	Does not include this provision.	
	Allows the secretary to adjust the fee through emergency regulation as necessary to meet but not exceed the anticipated funding need for nitrate	597(c)	Does not include this provision.	
	The fee collected, in combination with the dairy safe drinking water fee, shall total the sum of (\$3,000,000), or 30 percent of the funding need for nitrate, whichever is less.	597(d)	Does not include this provision.	
	Would allow the Legislature to adjust the fee by a 2/3 vote.	597(f)	Does not include this provision.	
Section 3	2019 BTB Language	CFAC Section	AB 217	CFAC Section
Article 6.5: Fertilizer Safe Drinking Fee	Creates safe drinking water fee of six mills (\$0.006) per dollar of sales for all fertilizing materials. This fee would become inoperative in 2035.	14616(a)	Same, but does not include sunset.	14616
	Creates safe drinking water fee of six mills (\$0.002) per dollar of sales for all fertilizing materials beginning in 2035.	14616(a)	Does not include this provision.	
	Beginning in 2037, the secretary may adjust the fertilizer safe drinking water fee through emergency regulation. The fee may not exceed 70% of the anticipated funding need for nitrate or the sum of \$7,000,000, whichever is less. Would allow for an emergency regulation.	14616(b)14616(c)	Does not include this provision.	
	A licensee who sells bulk fertilizing materials would be mandated to charge an	14617(a)(1)	Same.	14617(a)(1)

	unlicensed purchaser the fertilizer safe drinking water fee as a separate charge. This fee would be included on the bill of sale as a separate line item.			
	The fee would be separate line item on the bill of sale and identified as the California Regulatory and Safe Drinking Water Assessment.	14617(a)(2)	Same.	14617(a)(2)
	The secretary may prescribe, adopt, and enforce regulations relating to the administration and enforcement of this article.	14617(b)	Same.	14617(b)
	The Secretary would be able to use up to 4 percent of the money collected for reasonable costs associated with the implementation and enforcement of this article.	14617(c)(1)	Same.	14617(c)(1)
	Beginning July 1, 2022, the secretary would be able to use up to 2 percent of the money collected for reasonable costs associated with the implementation and enforcement of this article.	14617(c)(2)	Same.	14617(c)(2)
	The Legislature may not increase these fees except by an affirmative vote of two-thirds of the membership in each house of the Legislature.	14618	Does not include this provision.	
Section 4	2019 BTB Language	CFAC Section	AB 217	CFAC Section
Article 14.5: Dairy Safe Drinking Water Fee	Beginning January 1, 2022, each milk handler would be required to deduct \$0.01355 per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.	62216(a)	Same.	62216(a)
	The secretary would adopt regulations necessary for the proper administration and	62216(b)	Same.	62216(b)

	enforcement of this section by January 1, 2022.			
	The above would sunset in 2037.	62216(c)	Does not include this provision.	
	Each handler, including a producer-handler, would deduct \$0.00678 per hundredweight of milk from payments made to producers for milk, including the handler's own production, as a dairy safe drinking water fee.	62216(a)	Does not include this provision.	
	The secretary may adjust the fee through emergency regulation as necessary to meet but not exceed 30 percent of the anticipated funding need for nitrate, or \$3,000,000, whichever is less.	62216(b)	Does not include this provision.	
	When setting the amount of the dairy fee, the secretary would be required to consider the amount of funding being collected by the safe drinking water fee for confined animal facilities excluding dairies and reduce the dairy fee by that amount. The dairy safe drinking water fee and the safe drinking water fee for nondairy confined animal facilities would not exceed 30 percent or \$3,000,000 of the anticipated funding need for nitrate, whichever is less.	62216(c)	Does not include this provision.	
	The secretary would adopt regulations necessary for the proper administration and enforcement of this section. This section would become operative on January 1, 2037	62216(d)	Does not include this provision.	
	A handler would pay the dairy safe drinking water fee to the secretary on or before the 45th day following the last day of the month in which the milk was received.	62217(a)	Same.	62217(a)

	The secretary would remit the moneys paid to him or her pursuant to this article to the State Water Board for deposit into the Safe and Affordable Drinking Water Fund	62217(b)	The secretary would deposit all money received from fees into the Fund.	62217(b)
	The secretary would be able to retain up to 4 percent of the total amount that is paid to the secretary pursuant to this article for reasonable costs of the secretary associated with implementation and enforcement.	62217(c)(1)	Same.	62217(c)(1)
	The secretary would be able to retain up to 2 percent of the total amount that is paid to the secretary pursuant to this article for reasonable costs of the secretary associated with implementation and enforcement.	62217(c)(2)	Same.	62217(c)(2)
	The secretary would be able to require handlers, including cooperative associations acting as handlers, to make reports at any intervals and in any detail that he or she finds necessary for the accurate collection of the fee.	62217(d)	Same.	62217(d)
	<p>The secretary would have at all times free and unimpeded access to any building, yard, warehouse, store, manufacturing facility, or transportation facility in which any milk or milk product is produced, bought, sold, stored, bottled, handled, or manufactured, including their records.</p> <p>The secretary would be required to keep any records obtained confidential.</p>	62217(e), 66217(f)	Same.	62217(e), 66217(f)
	The Legislature would be allowed to increase the fee with a 2/3 vote of each house.		Does not include this provision.	



ACTION ITEM

April 17, 2019

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Thomas, Osborne)

Robert Hunter
General Manager

Staff Contacts: Damon Micalizzi
Sarah Wilson

SUBJECT: Authorization to Contract for MWDOC Water Education School Programs

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize entering into a two-year contract with one-year option to extend with Building Block Entertainment, Inc. (Shows That Teach), Discovery Cube of Orange County (DC), and Bolsa Chica Conservancy (BCC) to provide the Municipal Water District of Orange County's (MWDOC) Water Education School Programs in grades K-12 beginning in the 2019-2020 school year.

COMMITTEE RECOMMENDATION

The Committee will review this item on April 15, 2019 and make a recommendation to the Board.

SUMMARY

On February 20, 2019, MWDOC issued a Request for Proposals (RFP) to find and contract an experienced firm(s) to design and implement a regional water education school program on behalf of MWDOC and its participating member agencies.

The District received proposals from five qualified firms. After careful review, MWDOC staff invited all five firms to participate in a formal interview process. On April 3, 2019, an interview panel comprised of three MWDOC Public Affairs staff members conducted interviews with the five firms. Based on presentations and in-depth discussions with the interview panel, staff recommends three separate firms to administer the MWDOC Water Education School Programs beginning in the 2019-2020 school year.

Budgeted (Y/N): Y	Budgeted amount: \$ 629,159	Core	Choice X
Action item amount: \$629,159		Line item: 63-7040	
Fiscal Impact (explain if unbudgeted):			

First, staff is recommending the District retain the services of Building Block Entertainment, Inc.'s "Shows That Teach" to administer a portion of the Elementary School Program in grades K-2. Additionally, staff recommends Discovery Cube of Orange County for the Elementary School Program serving grades 3–6, while also administering a new middle school program for grades 7-8. Finally, staff recommends the Bolsa Chica Conservancy to administer the District's High School Program in grades 9-12.

DETAILED REPORT

RFP and Interview Process

On February 20, 2019, MWDOC issued an RFP requesting proposals from experienced firms who have demonstrated proficiency in administering successful school programs. Staff posted the RFP online, and invited several respected firms to submit proposals for a school program that educates and engages large groups of school-age students in accredited public and private schools throughout MWDOC's service area as well as the cities of Anaheim, Fullerton, and Santa Ana. Using specific criteria, a review panel comprised of MWDOC Public Affairs staff and the General Manager evaluated and scored the five proposals received. Based on the unique and creative proposals, MWDOC staff requested all five firms, Discovery Cube of Orange County, Orange County Department of Education's Inside the Outdoors, Building Block Entertainment, Inc., Bolsa Chica Conservancy, and S. Groner and Associates to participate in a formal interview process. All five firms were extremely qualified and each outlined an attractive strategy for MWDOC's Water Education School Programs. With fresh ideas and more hands-on, interactive options to choose from, staff determined what we believe to be the best variety of programs that will take the District's education programs to the next level.

What's New?

Building Block Entertainment, Inc. - "Shows That Teach" - Grades K-2

Following glowing references from colleagues at both Eastern Municipal Water District and Inland Empire Utilities District, staff invited Building Block Entertainment, Inc.'s Shows That Teach to submit a proposal. "H2O, Where Did You Go?" is a fun, educational, and interactive elementary school assembly-style program that engages students in water science topics such as the water cycle and aquifers, by using music, humor, and audience participation. Staff believes this exciting and engaging assembly-style presentation is best suited for the youngest grade levels, grabbing their attention and introducing them to fundamental water education early - the foundation for all other water education programs offered by MWDOC.

Because schools vary in size, enrollment, and capacity, Shows That Teach offers several versions of these assemblies to accommodate schools based on student count and auditorium size. Some schools may require just one performance, while others that have smaller multipurpose rooms or larger student populations may require two or three performances. Pricing varies based on which assembly is best suited for each school and how many performances are required. In most cases, the cost per visit is estimated between \$650 and \$1,150 per school. Additional pricing information is attached in Exhibit A.

Bolsa Chica Conservancy (BCC) – Grades 9-12

Bolsa Chica Conservancy's (BCC) Windows to our Wetlands (WOW) program offers hands-on, science-based learning stations and activities that make science fun, interactive, and memorable. Through this program, high school students in grades 9-12 will learn about watersheds, California water supply and resources, as well as what it takes for purveyors of their drinking water to get it to their homes, clean, healthy, and ready to use from the tap. On the first visit, this engaging presentation gives students an insight into water quality through an interactive presentation. On the second visit, BCC will bring the WOW traveling van to the school where students will participate in a hands-on water quality comparison lab. Finally, students will present their findings on water quality and its importance through an in-class presentation to their peers in order to demonstrate their knowledge retention at the end of the program.

The WOW program uses the local wetlands to help demonstrate the ecological challenges that exist in the Bay Delta and underscore the importance of the twin tunnel California WaterFix. BCC proposes to reach at least 3,000 high school students (10 schools of 300 students each or \$4,000 per school) for an estimated cost of \$40,000 in Year 1, \$41,000 in Year 2, and \$42,000 in Year 3. Additional pricing information is attached in Exhibit B.

Building on past success

Discovery Cube of Orange County (DC) – Grades 3-6

MWDOC has enjoyed a successful partnership with Discovery Cube of Orange County (DC) for more than a dozen years. DC's keypad, assembly-style program continues to engage young minds about where their water comes from in this digital age of education. DC's proposal for grades 3-6 is very consistent with what they provide now and over the past 14 years. On track with previous cost per student rates, DC proposes a rate of \$4.73 per student for grades 3-6, with 3 percent increases for subsequent years. Additional pricing information is attached in Exhibit C.

Why a middle school program?

Since the inception of MWDOC's High School Program and its growing success, a noticeable gap presently exists between elementary school and high school. One of the current challenges facing contractors for the existing High School Program is frequently encountering students who have forgotten the water education first introduced in elementary school. This 'middle school gap' requires our high school contractors to spend additional time reviewing the basic concepts of fundamental water education in the first visit to high schools.

Discovery Cube of Orange County (DC) – Grades 7-8

Discovery Cube's proposal for the middle school program includes hands-on, STEM-based water quality labs for grades 7 and 8 (6th grade classes will continue to receive DC's traditional keypad program). DC's stated goal of the middle school program is to "prepare students to be informed citizens and future scientists." Seventh grade will focus on water quality, where students will shift from learning facts about science to engaging in the

practices of science. Eighth grade students will be introduced to the role of agriculture in the southern California waterscape. These workshops will be presented to students in a classroom setting. This program format allows for greater flexibility and integration into a middle school's schedule while also providing the students with a much more immersive role. Students will enter high school with an understanding of how common practices of individuals and families have a significant impact on the quality of our surface waters as well as the importance of maintaining a healthy water supply for the residents of Orange County.

Staff believes that that this middle school program provides a seamless transition into the High School Program offered by Bolsa Chica Conservancy. DC's water quality workshops for grades 7 & 8 will cost \$12.83 per student. An **optional** add-on to the middle school program is a take-home water conservation kit focused on reducing indoor water use. The water conservation kit consists of a 1.5 gallon per minute (gpm) showerhead, 1.5 gpm swivel spray kitchen aerator, two 1.0 gpm bathroom aerators, toilet water saver fill cycle diverter, two toilet leak detection tablets, flow meter bag and water conservation wheel. DC will order and distribute the kits, along with directions for how to use the kits. Cost for the kits is \$14.70 per kit. Again, DC is requesting a 3% increase in the cost per student of the middle school program in subsequent years. Additional pricing information is attached in Exhibit C.

Recommendation

Based on interviews conducted, a thorough comparison of proposal components, and the consultant's previously demonstrated success, staff recommends that the Board of Directors:

1. Authorize entering into a two-year contract with one-year option to extend with Building Blocks Entertainment Inc. to administer a portion of MWDOC's Elementary School Program in grades K-2 at the price points presented in Exhibit A.
2. Authorize entering into a two-year contract with one-year option to extend with Discovery Cube of Orange County to administer a portion of MWDOC's Elementary School Program for grades 3-6, as well as to administer a new Middle School Program for grades 7-8 at the price points presented in Exhibit C.
3. Authorize entering into a two-year contract with one-year option to extend with the Bolsa Chica Conservancy to administer MWDOC's High School Program for Grades 9-12 at the price points presented in Exhibit B.



March 14, 2019

**Building Block Entertainment Inc. Proposal for MWDOC Water
Education School Program Services RFP NO. PA0219-001**

COVER LETTER

To: Municipal Water District of Orange County
Attn: Sarah Wilson, Public Affairs Dept.
18700 Ward Street, Fountain Valley, CA 92708

Dear Ms. Wilson:

The enclosed document encompasses our proposal to provide MWDOC with large theatrical style school assembly presentations for K-5, K-6, and/or 6-8 grades at school sites in Orange County, as specified by MWDOC.

Included in this package are flash drives, each containing two videos: a shorter video with clips of each of our water conservation programs, and a second full-length, unedited video of one of our programs, "H2O, Where Did You Go?".

If you or any of your evaluators have any questions regarding this proposal, and if it is allowed, please contact me directly at mark@showsthatteach.com or (818) 422-1872.

A handwritten signature in black ink, appearing to read 'Mark Beckwith'.

Mark Beckwith, President

Building Block Entertainment Inc. ("Shows That Teach")

PRICING

We understand that some schools may require just one performance, while others that have smaller multipurpose rooms, or larger student populations, may require two or three performances. The following prices are based on one, two, or three shows per school. There are no other additional fees. Unless a school requires three performances, Shows That Teach will schedule bookings to perform at two schools per day in Orange County. This allows us to more efficiently save on time and costs. Incidentally, since we set up our own P.A., backdrop, and props, our performers take a full hour to set up and another 25 minutes to strike the set at each school.

The following prices are discounted. We normally charge approximately 30% more for festival performances.

“Waterology” (for grades K-6)

One presentation at one site:	\$650
Two presentations at one site:	\$850
Three presentations at one site:	\$1050

“The Hydro Game Show” (for grades 1-6)

One presentation at one site:	\$750
Two presentations at one site:	\$950
Three presentations at one site:	\$1,150

“H2O, Where Did You Go?” (for grades K-6)

One presentation at one site:	\$850
Two presentations at one site:	\$1,150
Three presentations at one site:	\$1,450

*** “H2O, Where Did You Go?”** (for middle schools)

One presentation at one site:	\$950
Two presentations at one site:	\$1,250
Three presentations at one site:	\$1,550

Motivational Contest Speaker (for high school classrooms)

Six short talks to six classes at one site: \$1,200

(This includes our review of the six stories submitted to us.)

MWDOC would add a flat \$1,000 for the season for the gift card prizes.

* Middle schools are priced slightly higher because they require special presenter expertise. Additionally, middle schools often require unusual scheduling due to the timing of their class periods.

“Waterology” and “The Hydro Game Show” may be used most effectively for audiences up to 250 - 300 students. “H2O, Where Did You Go?” can be used most ideally for audiences up to 400 students. MWDOC may set the minimum student number criteria.

Some of our water agency clients use “Waterology” for schools with smaller multipurpose rooms. They use “H2O, Where Did You Go?” for schools that have larger rooms that can hold large audiences. “H2O, Where Did You Go?” is a larger production.

Except for the possible Ricki(y) puppet design option mentioned earlier in this proposal, these prices include all labor, equipment, materials, transportation, overhead, travel, profit, insurance, taxes, licenses, incidentals, and all other related costs necessary to complete the work requirements.

Cost Per Student

As you can see, we offer many program combination choices for MWDOC. I will calculate two different scenarios for this proposal for elementary schools only, but additional middle school and high school options are possible, as well. We know from our school data base that Orange County elementary schools range in size from a little over 100 students each up to as many as 1500 students, though most of the schools have 500-750 students. (see student number sheet on flash drive). However, it is not just the total number of students to consider,

but the the size of the school's multipurpose room or auditorium. With this in mind, the wisest use of MWDOC funds is to schedule "Waterology" or "The Hydro Game Show" for smaller audiences of 150-300 students but use "H2O, Where Did You Go?" for audiences of 300-400 students. For the sake of this cost-per-student estimate, we will assume that our one-performer shows are booked for an average of 250 students per show, and that our larger production is scheduled for an average of 325 students per presentation.

Option #1 to reach 60,000 elementary school students, using "Waterology" to perform for 30,000 students and "H2O, Where Did You Go?" for 30,000 students (with the typical two presentations per school), the total cost is **\$104,077**. That is a cost of **\$1.73** per student.

Option #2 to reach 60,000 elementary school students, using "The Hydro Game Show" for 30,000 students and "H2O, Where Did You Go?" for 30,000 students (two presentations per school), the total cost is **\$110,077**, or a cost of **\$1.83** per student.

Naturally, there are other combinations of our programs possible. And if MWDOC wishes to add "H2O, Where Did You Go?" for middle schools or the pilot project contest for high schools, the above estimate will change.

Bolsa Chica Conservancy



A Proposal To Design and Implement The Municipal Water District of Orange County Water Education School Program



G. PRICING

1. PRICING TABLE

The pricing table includes all expenses for the Conservancy's implementation of MWDOC's Education Program for the 2020, 2021 and 2022 school years.

BUDGET - ELEM	2020	2021	2022
Marketing	35,000	35,000	35,000
Staff Educators	160,000	166,000	169,000
Equipment, Props*	8,000	8,000	8,000
Travel – WOW van	25,000	25,000	25,000
Supplies	4,000	4,000	4,000
TOTAL	232,000	238,000	241,000
BUDGET - HS			
High School Program	40,000	41,000	42,000

*See Appendix A and Appendix D for recommended props for elementary education program.

2. COST PER STUDENT

The Conservancy expects to reach 60,000 students each school year, breaking down the cost per student to \$3.87 (2020), \$3.97 (2021), and \$4.02 (2022).

The Conservancy expects to reach 3,000 high school students (10 schools of 300 students each) for an estimated cost of \$40,000 in year 1, \$41,000 in year 2, and \$42,000 in year 3.

H. SAMPLES

The Conservancy leads tours, outreach and education programs every day. Please see Appendix E for photos of our outreach efforts with students.

I. REFERENCES

- a. Debra Thompson
3rd and 4th Grade Teacher
Esplanade Elementary, Orange, CA
714.997.6157
dethompson@orange.usd.org
- b. Steve Creech
Executive Director
Wyland Foundation

March 14, 2019

Municipal Water District of Orange County

Attn: Sarah Wilson

18700 Ward Street

Fountain Valley CA 92708

RE: Response to RFP for Design and Implementation of Water Education School Program Services (RFP No. PA0219-001)

Dear Sarah:

Discovery Science Center of Orange County (DSC) is honored to submit the attached proposal in response to the Municipal Water District of Orange County's (MWDOC) Request for Proposal for the Design and Implementation of Water Education School Program Services, released on February 20, 2019.

Discovery Science Center of Orange County creates award-winning education programs in a wide variety of subject matter areas, and we are particularly proud of our work in the area of water education. DSC ranks second nationwide among over 300 museums and science and technology centers in outreach by teaching over 350,000 students at school sites each year.

Over half of DSC's school-based programs are conducted in partnership with water agencies, including Western Municipal Water District, Elsinore Valley Municipal Water District, Jurupa Community Services District, Irvine Ranch Water District, Eastern Municipal Water District, Golden State Water Company and Upper San Gabriel Valley Municipal Water District. In some cases, these partnerships have succeeded for over a decade, with DSC working collaboratively with agencies over the years to continually calibrate the program to align with each agency's needs. We look forward to continuing to provide MWDOC with a comprehensive water education program that continues in this tradition.

Should you have any questions regarding the content of this proposal, please contact DSC's Director of Strategic Development, Tony Solorzano, via phone at 714.913.5013 or via email at TSolorzano@DiscoveryCube.org.

Sincerely,

Original Hard Copies Signed

Kellee Preston

Chief Operating Officer

Pricing

I. Pricing Table

Below you will find a summary of the pricing for the two-year education program, including the optional water conservation kits. The rates are intended to be inclusive of development, props, technological needs and other associated costs. DSC is also requesting a 3% yearly increase in the cost of the program, which is intended to keep pace with rising costs associated with the program. This pricing table also assumes a certain number of students seen at each grade level. For comparison purposes, those student figures are shown. DSC is aware that these figures may be adjusted based on member agency participation.

Year One	Target Number Of Students	Total
Third Through 6th Grade Assembly	40,000	\$ 189,200.00
Middle School Water Quality Workshops	2,500	\$ 32,075.00
Optional Water Conservation Kit	2,500	\$ 36,750.00
Year One Total	\$ 258,025.00	
Year Two	Target Number Of Students	Total
Third Through 6th Grade Assembly	40,000	\$ 194,876.00
Middle School Water Quality Workshops	2,500	\$ 33,037.25
Optional Water Conservation Kit	2,500	\$ 37,852.50
Year Two Total	\$ 265,765.75	

II. Cost Per Student

The below table breaks the program down into a cost per student for each component of the education program.

Year One	Cost Per Student
Third Through 6th Grade Assembly	\$ 4.73
Middle School Water Quality Workshops	\$ 12.83
Optional Water Conservation Kit	\$ 14.70
Year Two	Cost Per Student
Third Through 6th Grade Assembly	\$ 4.87
Middle School Water Quality Workshops	\$ 13.21
Optional Water Conservation Kit	\$ 15.14

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES APRIL 2019

MWDOC Agencies Managers Meeting	<p>MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on March 21, 2019.</p> <p>In attendance were: Lisa Ohlund – EOCWD, Mark Sprague – Fountain Valley, Paul Cook and Paul Weghorst – IRWD, Phil Lauri and Stacy Taylor – Mesa Water, Johnathan Cruz and Matt Collings – Moulton Niguel WD, Mark Vukojevic – Newport Beach, Mike Markus and John Kennedy – OCWD, Jose Diaz – Orange, Dave Rebensdorf – San Clemente, Dan Ferons – SMWD, David Spitz – Seal Beach, Marc Marcantonio – Yorba Linda WD, Greg Pennington – SCWD, Cody Nicolae – Garden Grove</p> <p>Staff in attendance were: R. Hunter, K. Seckel, H. De La Torre, J. Berg, C. Busslinger, D. Micalizzi, K. Hostert, C. Lingad</p> <p>Discussion Items:</p> <ul style="list-style-type: none"> • MWDOC Draft Budget <p>Legislative Items:</p> <ul style="list-style-type: none"> • Water Tax Update • Small Non-Compliant Water Systems <p>Information Items:</p> <ul style="list-style-type: none"> • Colorado River Issues Update • Water Supply Update <p>Next meeting will tentatively be held April 18, 2019.</p>
Meetings	<p>➤ Charles Busslinger attended the February 28, 2019 Fenner Valley Water Authority Board Meeting. Anthony Brown, Principal Hydrologist of Aquilogic, presented an overview of the Independent Peer Review Panel Report findings for the Groundwater Management, Monitoring, and Mitigation Plan (GMMMP) for the Cadiz Valley Groundwater Conservation, Recovery and Storage Project (Cadiz Project).</p> <p>The independent panel found that the GMMMP provides appropriate and sufficient management and monitoring to identify “Undesirable Results” that could occur in response to proposed pumping as part of the Cadiz Project. The Panel also recommended a number of complementary additions, to allay any concerns that opponents to the Cadiz Project may still have, that could be made to the GMMMP. The Board is currently considering the complementary additions.</p>

Meetings - continued	<ul style="list-style-type: none">➤ Charles Busslinger participated in the North/Central OC IRWM Project Review Ad Hoc Committee meeting on March 4th. The Ad Hoc committee is currently scoring projects but is waiting on the State to release the final grant guidelines to complete scoring of projects.➤ Charles Busslinger attended the 2019 WaterReuse California Annual Conference in Garden Grove on March 18, 2019. Several technical presentations were given concerning potable reuse and the status of future Direct Potable Reuse regulations. The conference attendance this year was their highest attendance ever.➤ Charles Busslinger attended the Santa Ana Regional Water Quality Control Board meeting in Huntington Beach on March 22, 2019. Regional Board staff gave a good overview presentation of sub-surface intakes which will be available on the Regional Board website: https://www.waterboards.ca.gov/santaana/water_issues/programs/Wastewater/Poseidon.html➤ MWDOC Director Jeff Thomas and Karl Seckel participated in a Water Awareness Month discussion with Saddleback College's KSBR Radio station and it's News Director Dawn Kamber. The show will air on May 6.➤ Karl Seckel and Charles Busslinger met with EOCWD General Manager Lisa Ohlund and EOCWD's new engineering manager Jeff Smyth. The discussions included the on-going efforts to trouble-shoot the metering issues at OC-70 and also discussed MWDOC's Reliability Study and EOCWD's Peters Canyon Water Treatment Plant Project.➤ Karl Seckel and I met with South Coast Water District GM Rick Shintaku to get an update on the Doheny Desalination Project. Rick anticipates approval of an EIR by his Board in the near term and continuing efforts on permitting. The process to secure LRP funding from MET was also discussed.
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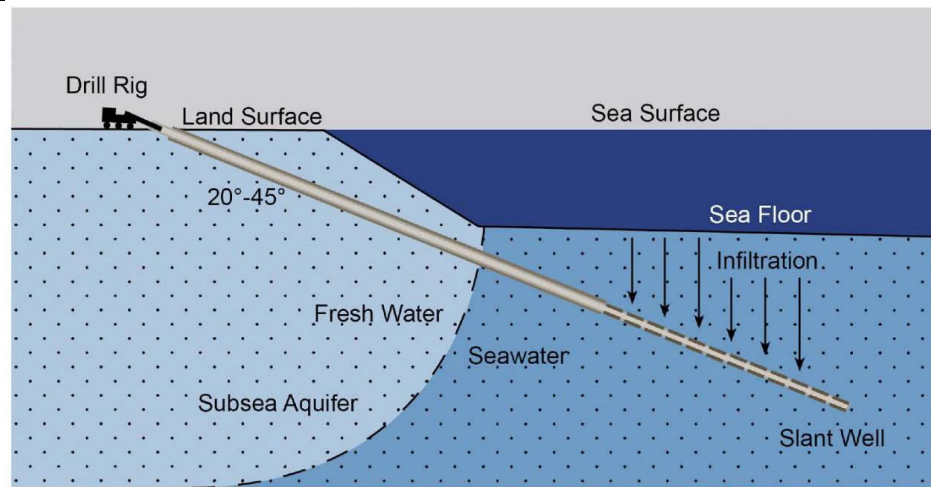
MET ITEMS CRITICAL TO ORANGE COUNTY

<div>MET's Water Supply Conditions</div>	<p>The 2018-19 Water Year officially began October 1, 2018. Thus far, the Northern California accumulated precipitation (8-Station Index) is reporting 55.3 inches or 136% of normal as of March 26th. In the month of March 2019, accumulated precipitation reached 7.7 inches, which is 0.8 inches above normal compared to the historical average (As of March 26th). The Northern Sierra Snow Water Equivalent was at 43.8 inches on March 21st, which was 155% of normal for that day.</p> <p>As of March 25th Lake Oroville storage is at 77% of total capacity and 103% of normal. As of March 25th San Luis Reservoir has a current volume of 99% of the reservoirs total capacity and is 111% of normal. Due to the high levels in San Luis Reservoir, California Department of Water Resources (DWR) has made Article 21 water available (Deliveries are ongoing and started February 20, 2019).</p> <p>The Department of Water Resources (DWR) in February increased the State Water Project (SWP) “Table A” allocation to 70%. This allocation provides Metropolitan with approximately 1,338,050 AF in SWP deliveries this water year. DWR's approval considered several factors including existing storage in SWP conservation reservoirs, SWP operational regulatory constraints, and the 2019 contractor demands.</p> <p>On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. As of March 25, 2019, snowpack measured at 135% of normal for that date. The ongoing decline in the Colorado River watershed has impacted storage levels in Lake Powell and Lake Mead, which in turn affects the likelihood of surplus or shortage conditions in the future. The Bureau of Reclamation is projecting that there is a 69% chance of a shortage on the Colorado River in 2020, increasing to 82% in 2021 (Lake Mead outlook will be updated in April 2019 when the Bureau of Reclamation publishes the next 24-month study).</p> <p>With estimated total demands and losses of 1.68 million acre-feet (MAF) and with a 70% SWP Table A Allocation plus an additional 100 thousand acre-feet (TAF), Metropolitan is projecting that demands will exceed supply levels in CY 2019. Based on this, estimated total dry-year storage for Metropolitan at the end of CY 2019 will go down to 3.3 MAF.</p>																				
<div>MET's Finance and Rate Issues</div>	<p>Water transactions through February were 54.6TAF lower than budget and 35.6 TAF higher than the 5-year average. February water transactions were the lowest in over 40 years, with a single lowest daily delivery of 1,500 cfs.</p> <div><div>Water Transactions Through February 2019⁽¹⁾ (AF in thousands)</div><table><thead><tr><th>Category</th><th>Budget</th><th>Current Year Actual</th><th>Prior Year Actual</th></tr></thead><tbody><tr><td>Treated</td><td>544.8</td><td>488.6</td><td>509.0</td></tr><tr><td>Untreated</td><td>376.3</td><td>379.1</td><td>395.4</td></tr><tr><td>Exchanges/Wholesaling</td><td>146.3</td><td>135.1</td><td>137.6</td></tr><tr><td>Total</td><td>1,067.4</td><td>1,012.8</td><td>1,092.0</td></tr></tbody></table><div>⁽¹⁾ Includes Water Sales, Exchanges, and Wholesaling</div></div>	Category	Budget	Current Year Actual	Prior Year Actual	Treated	544.8	488.6	509.0	Untreated	376.3	379.1	395.4	Exchanges/Wholesaling	146.3	135.1	137.6	Total	1,067.4	1,012.8	1,092.0
Category	Budget	Current Year Actual	Prior Year Actual																		
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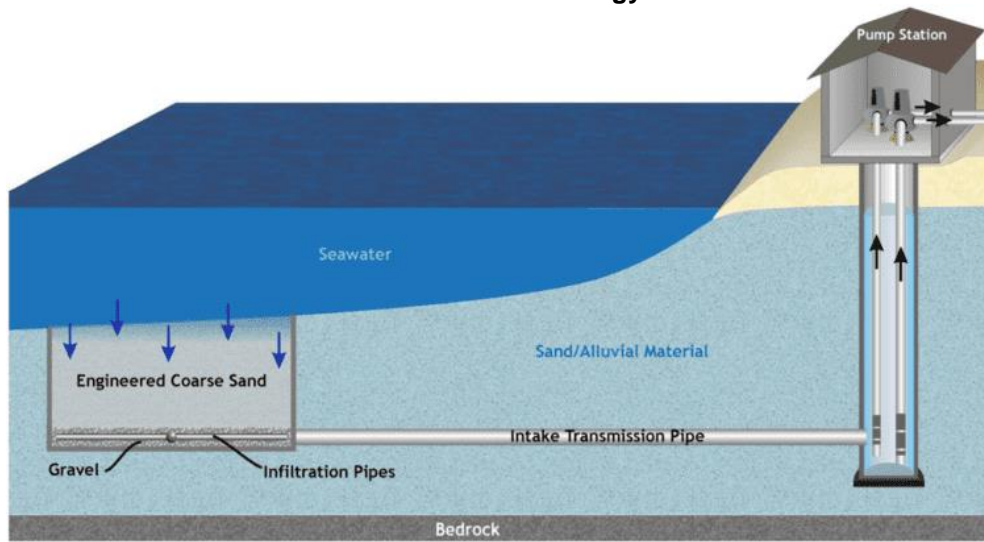
<p>Colorado River Issues</p>	<p><u>Drought Contingency Plan Development</u></p> <p>February 25th the Commissioner of Reclamation, Brenda Burman, her staff and the Lower Basin principals and agency staff met in Las Vegas to discuss the status of the efforts to complete the Lower Basin Drought Contingency Plan (DCP) and associated proposed new extraordinary conservation Intentionally Created Surplus (EC ICS) exhibits. Each of the Lower Basin states reported on its DCP completion efforts and status.</p> <p>While the majority of the interstate agreements had been finalized and approved by most of the participating entities, it was reported that some work remains to be completed regarding the ICS exhibits before they can be distributed to the Upper Basin states for review and comment. At that juncture, work still remained to resolve an outstanding issue that Coachella Valley Water District (CVWD) had with the proposed EC ICS exhibit put forward by the Colorado River Indian Tribes (CRIT) in Arizona; and there are still lingering issues between the Metropolitan and the Imperial Irrigation District (IID) with respect to one or more of IID's proposed EC ICS exhibits.</p>
<p>Colorado River Issues - continued</p>	<p>Therefore, Metropolitan proposed that until such time as IID was able to resolve its remaining issues related to its conditional approval of the DCP, Metropolitan could assume any obligation for an IID DCP contribution during the interim period or until such time as IID has fully approved and executed the relevant DCP agreements. Metropolitan's Board approved that proposal at its March 12th Board meeting.</p> <p>Additionally, there was a significant amount of work to develop a proposed set of minor modifications to the proposed legislation, an intra-California agreement and the Lower Basin Operations document that can provide a solution to the issue raised by CVWD regarding its objection to the proposed CRIT EC ICS exhibit. The small drafting group spent much of the day on March 11th vetting these proposed modifications and then appropriately updating all of the DCP documents. Those modifications allowed the CVWD Board approve its participation in the DCP at its March 12th Board meeting.</p> <p>The Colorado River Board (CRB) meet on March 18th for the sole purpose to provide Imperial Irrigation District (IID) additional time to participate. The IID maintained their opposition to the DCP; and while the action to provide authorization for California to sign the proposed Seven Colorado River Basin States letter, which includes proposed federal legislation, regarding the Colorado River Basin Drought Contingency Plans (DCP) and interstate agreements to be forwarded to the U.S. Congress passed, the representative from IID did not vote in favor. As a result, the DCP will move forward with Metropolitan assuming any obligation for IID's DCP contributions or until such time as IID has fully approved and executed the relevant DCP agreements.</p>
<p>Bay Delta/State Water</p>	<p><u>Science Activities</u></p> <p>Metropolitan staff continued participating in the Collaborative Science and Adaptive Management Program (CSAMP), including participation on the Collaborative Adaptive Management Team (CAMT). In February, CAMT focused on defining next</p>

Project Issues	<p>steps for the Delta smelt structured decision-making process, Delta smelt science plan, and on development of a coordinated salmon science plan. CAMT is working with consulting experts to advance each of these processes forward this year. The California Department of Water Resources staff reported on the status of the Salmon Resiliency Strategy actions in the Yolo Bypass and Delta, and provided preliminary results for the Delta Smelt Resiliency Strategy actions implemented in 2018. Staff also reviewed the CAMT Delta salmon rearing habitat draft report. The objective of this project is to summarize what is currently known or hypothesized about Chinook rearing habitat in the Delta from local research as well as from studies in other regions. Based on this understanding, the project will develop recommendations for what should be considered suitable rearing habitat in the Delta along with maps of rearing habitat based on available data.</p> <p>Metropolitan staff is working with UC Santa Cruz and National Oceanic and Atmospheric Administration Fisheries to develop the scientific methods that will be used to study predator hot spots in the Bouldin Island area in March 2019, as part of a study addressing salmon predation.</p>
MET's Ocean Desalination Policy and Potential Participation in the Huntington Beach Ocean (Poseidon) Desalination Projects	<p><u>Poseidon Huntington Beach</u></p> <p>Poseidon continues working with the Santa Ana Regional Water Quality Control Board (SARWQCB) to renew and update its existing National Pollution Discharge Elimination System permit and to comply with an amendment to the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan) to address effects associated with the construction and operation of seawater desalination facilities (Desalination Amendment). The Desalination Amendment was adopted by the State Water Resources Control Board on May 6, 2015.</p> <p>The Desalination Amendment requires new or expanded seawater desalination plants to use the best available, site, design, technology, and mitigation measures feasible to minimize intake and mortality of all forms of marine life. The best available technology is interpreted as the use of sub-surface ocean intakes (Slant Wells, Infiltration Galleries, Vertical Beach Wells,) unless the Regional Board finds sub-surface intakes to be infeasible.</p>

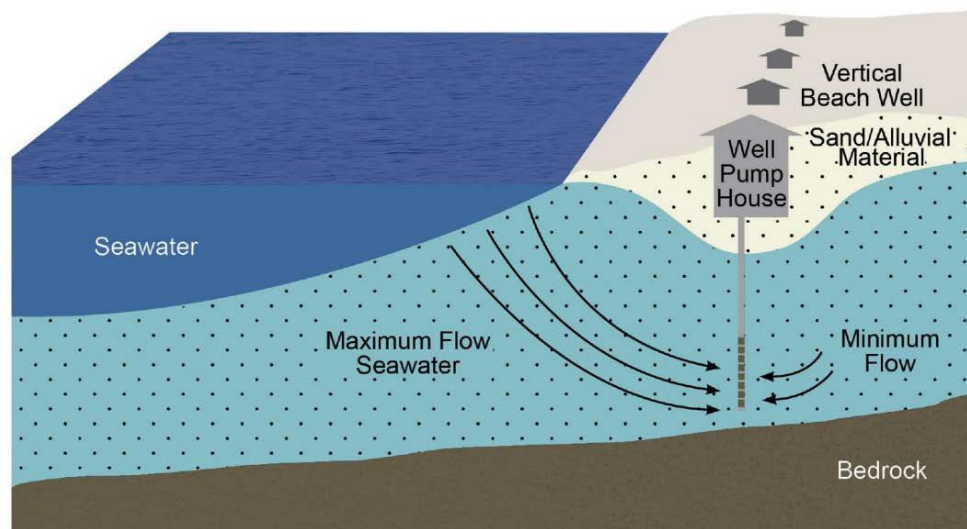
**MET's
Ocean
Desalination
Policy and
Potential
Participation
in the
Huntington
Beach Ocean
(Poseidon)
Desalination
Projects -
continued**



Slant Well Technology



Infiltration Galleries



Vertical Beach Wells

As the OC groundwater basin is protected by a seawater infiltration barrier comprised of injected recycled water, only a limited amount of sub-surface pumping

	<p>can occur in proximity to the barrier before pumping negatively impacts the seawater barrier. Regional Board staff are currently determining the limits of ‘feasible’ pumping that would not impact the barrier.</p> <p>At the SARWQCB meeting on March 22, 2019, Regional Board staff presented a schedule for the permit renewal:</p> <table border="0"> <tr> <td>Draft Permit</td><td>July 2019, followed by a 30-day comment period.</td></tr> <tr> <td>Public Workshop</td><td>August 2, 2019</td></tr> <tr> <td>Board Hearing</td><td>October 25, 2019</td></tr> </table> <p>Assuming approval, Poseidon would then seek a permit from the California Coastal Commission in 2019.</p>	Draft Permit	July 2019, followed by a 30-day comment period.	Public Workshop	August 2, 2019	Board Hearing	October 25, 2019
Draft Permit	July 2019, followed by a 30-day comment period.						
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South Orange County Projects	<p><u>Doheny Desal Project</u></p> <p>South Coast WD released the Doheny Ocean Desalination Project Draft Environmental Impact Report (EIR) on May 17, 2018 and the EIR public comment period closed on August 6, 2018. Consultant GHD has finished the additional technical studies needed to address the comments received. South Coast WD anticipates bringing the Final EIR to their Board for certification in late April/early May 2019.</p> <p>South Coast WD staff submitted a grant application for up to \$20 million for project construction through Bureau of Reclamation ‘Water SMART: Desalination Construction Projects under the WIIN Act’. Funding for the grants are still with Congress and will be part of a Federal Budget approval.</p> <p><u>SMWD Trampas Canyon Recycled Water Reservoir</u></p> <p>Trampas Canyon Reservoir and Dam (Trampas Reservoir) is a seasonal recycled water storage reservoir, with a total capacity of 5,000 AF, of which 2,500 AF is available to meet Santa Margarita Water District’s projected base recycled water demands, and 2,500 AF to meet future water supply needs. When completed, the Trampas Reservoir will allow SMWD to store recycled water in the winter and draw on that water during the peak summer months.</p> <p>The construction of the Trampas Canyon Recycled Water Seasonal Storage Reservoir consists of three main components:</p> <ol style="list-style-type: none"> 1) Trampas Canyon Dam (Dam) 2) Conveyance facilities to transport recycled water into and out of the Reservoir (Pipelines) 3) Trampas Canyon Pump Station (Pump Station) <p>The construction of the facilities is being completed in three phases:</p> <ol style="list-style-type: none"> 1) Preconstruction/Site Preparation for the Dam and Pump Station Construction 2) Dam and Pipelines 3) Pump Station <p><u>PROJECT STATUS</u></p> <p>Preconstruction/Site Preparation</p>						
South Orange County Projects - continued							

	<p>Complete</p> <p><u>Dam and Pipelines</u></p> <p>The \$81M Construction Contract was awarded in December 2017 and is approximately 38% complete.</p> <p><u>Pump Station</u></p> <p>The 60% design of this facility was submitted by AECOM on March 8th for District review and approval. The will likely be available to start the construction bidding process in June 2019. Completion of the construction is expected to be in June 2020, about 2 months ahead of the Reservoir and Dam completion.</p> <p><u>San Juan Watershed Project</u></p> <p>The Draft Environmental Impact Report (DEIR) public review period was closed for comments on February 23, 2018. Ultimately twenty-one comment letters were received with the major topics of concern being characterized as relating to:</p> <ul style="list-style-type: none"> • Steelhead trout migration including the provisions of fish passages • Impacts on San Juan Creek Lagoon • Aesthetics and impacts of the various structures that may be required as part of the project on the surrounding neighborhoods • Sediment transport <p>SMWD has completed the necessary technical studies to address public comments and will be issuing the response to comments on the Draft Environmental Impact Report (DEIR) soon. SMWD anticipates presenting the EIR to their Board for consideration of adoption in May 2019.</p>
<h2>ENGINEERING & PLANNING</h2>	
<p>South Orange County Emergency Service Program</p>	<p>MWDOC, IRWD, and Dudek have completed a draft study to determine if the existing IRWD South Orange County Interconnection capacity for providing emergency water to South Orange County can be expanded and/or extended beyond its current time horizon of 2030.</p> <p>MWDOC is currently setting up a meeting with South OC agencies to discuss the findings of the draft Planning Level Reliability Alternatives Analysis Report.</p> <p>This is a starting point of a discussion on cost-sharing facilities and operations that will ultimately involve negotiations directly between SOC Agencies and IRWD. These discussions could also involve discussions and negotiations between SOC and other groundwater producers as well.</p>
<p>Strand Ranch Project</p>	<p>MWDOC is using the modeling from the Orange County Reliability Study to evaluate how “extraordinary supplies” from the Strand Ranch Project can be utilized by the MWDOC agencies to provide drought protection over the next 7 to 11 years or longer. The analysis is currently in progress.</p>

MET Evaluation of Regional Storage Portfolio (ERSP)	<p>MET’s emergency water storage objective is based on the potential for major earthquake damage to the State Water Project and Colorado River aqueducts that transport imported water supplies to Southern California (following a San Andreas M7.8 ‘Great ShakeOut’ scenario event developed by the US Geological Survey).</p> <p>MWDOC staff participated in 4 Member Agency Workgroup sessions to provide input on updating MET’s emergency storage objective.</p> <p>MET staff presented draft recommendations to update emergency storage criteria at the March 11, 2019 Water Planning and Stewardship Committee. The next step is to present the recommendations to the MET Board through an Information Letter with a White Paper attachment on April 9, 2019.</p> <div><p>We updated the emergency criteria</p><table><thead><tr><th></th><th>Current</th><th>Draft Recommendation</th></tr></thead><tbody><tr><td>Outage Period</td><td>• 6 months</td><td>• 6 months: CRA, EB • 12 months: WB, LAA</td></tr><tr><td>Retail demand Cutback</td><td>• 25%</td><td>• Range: 25% to 35%</td></tr><tr><td>Local Supply Production</td><td>• 100% MAs reported in IRP</td><td>• Range: 80% to 100%</td></tr><tr><td>Emergency Storage Capacity in Existing Reservoirs</td><td>• DWR and Metropolitan surface reservoir</td><td>• Follow-up: Spatial and System Analysis</td></tr><tr><td></td><td></td><td>Periodic Update of Emergency Storage</td></tr></tbody></table><div>CRA-Colorado River Aqueduct EB-East Branch State Water Project WB–West Branch State Water</div></div>		Current	Draft Recommendation	Outage Period	• 6 months	• 6 months: CRA, EB • 12 months: WB, LAA	Retail demand Cutback	• 25%	• Range: 25% to 35%	Local Supply Production	• 100% MAs reported in IRP	• Range: 80% to 100%	Emergency Storage Capacity in Existing Reservoirs	• DWR and Metropolitan surface reservoir	• Follow-up: Spatial and System Analysis			Periodic Update of Emergency Storage
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CM-12 Meter Replacement	<p>On multiple occasions over the past few years, demand for water through MET Service Connection CM-12 (Aufdenkamp Transmission Main) have fallen below 10% of the maximum service capacity (i.e. below 4 cfs of the maximum 40 cfs capacity); particularly during the winter.</p> <p>MET Admin Code Section 4504 specifies that when flow through a service connection is reduced below ten percent of the requested maximum capacity of the meter (i.e. below the operating flow range), the agency will be charged as though a flow equaling ten percent of the capacity is being delivered.</p> <p>This situation has resulted in MWDOC member agencies taking water through CM-12 (SCWD, IRWD, SMWD & LBCWD) incurring additional costs when demand falls below 4 cfs.</p> <p>Recent changes to the MET Admin Code (April 10, 2018) allow for an expansion of the operating flow range for service connections. MET, MWDOC and the affected member agencies having been exploring replacement of the existing venturi meter at CM-12 with a magmeter that would provide for a greater operating flow range. MET has provided a preliminary cost estimate and we have asked MET for, and we are waiting on, some refinements to the estimates and some supplemental information.</p>																		
SMWD Rubber	<p>SMWD has completed the necessary technical studies and will be issuing the response to comments on the Draft Environmental Impact Report (DEIR) soon and hope to be in front of their Board in May.</p>																		

Dams Project	
Doheny Ocean Desalination Project	<p>South Coast WD released the Doheny Ocean Desalination Project Draft Environmental Impact Report (EIR) on May 17, 2018 and the EIR public comment period closed on August 6, 2018. Consultant GHD has finished the additional technical studies needed to address the comments received. South Coast WD anticipates bringing the Final EIR to their Board for certification in late April/early May 2019.</p> <p>South Coast WD staff submitted a grant application for up to \$20 million for project construction through Bureau of Reclamation 'Water SMART: Desalination Construction Projects under the WIIN Act'. Funding for the grants are still with Congress and will be part of a Federal Budget approval.</p>
EMERGENCY PREPAREDNESS	
Coordination with WEROC Member Agencies	<p>Ongoing: WEROC, with Michael 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 Plan was approved by Cal Office of Emergency Services (CalOES). Staff received "required revisions" from FEMA (very common for a first submittal) and are working with participating agencies to provide the additional information requested. A major area of concern in FEMA's review is their refusal to recognize our city partners within this plan. This issue was identified in the 2012 update and we believe that we met the expectations that were communicated to us at that time. Kelly Hubbard is working with the city participants, the consultant, CalOES and FEMA to resolve this issue. It is expected that the plan with revisions will be returned to FEMA by the end of April.</p>
Coordination with WEROC Member Agencies - continued	<p>Francisco Soto attended the kick-off hazard mitigation planning meeting for the City of Garden Grove. Garden Grove water and wastewater services are a part of the WEROC led Hazard Mitigation planning effort, however the City is required to have a full city-wide plan to be considered compliant with the plan requirements and therefore eligible for grant funding.</p> <p>Kelly Hubbard met with the General Manager of Midway City Sanitary District to review their emergency response standard operating procedures and provide feedback.</p> <p>Kelly and Karl Seckel met with the General Manager, HR Risk Manager and Business Continuity Risk Manager of the Orange County Sanitation District regarding the WEROC budget, annual projects and opportunities for collaboration. They were very supportive of the efforts.</p> <p>Kelly and Janine hosted WEROC Member Agencies and other OC agencies with dams for a Dam Communications Planning workshop. This is a multi-meeting effort to develop standardized communication concepts for the newly required Dam Emergency Action Plans. The updated requirements include improvements in public education, dam event notification, and public alert and warning. At this first meeting the group worked on a standardized Multi-agency Conference Call Agenda for a dam emergency.</p>

Training and Programs	<p>Kelly Hubbard attended a presentation by the Emergency Manager of Charlottesville, Virginia on the events in August 2017 that resulted in civil unrest and riots. The Emergency Manager also shared insight into multi-jurisdictional coordination and how multiple events within a year impact readiness.</p> <p>Kelly attended the Cal-Nv AWWA Spring Conference in Sacramento March 26-28. Sessions included: water quality impacts of fires on watersheds and water systems; lessons learned from Paradise Irrigation District; America's Water Infrastructure Act; CalWARN and its services; Power Resilience and Black Sky Planning; and City of Redding's Water Department Response and Recovery to the 2018 Carr Fire. There were great pieces of information shared that will be reported back to WEROC Member Agencies.</p>
Coordination with WEROC Member Agencies	<p>Kelly attended the recently restructured OA Technology Committee, which includes working on WebEOC, Alert OC, radio communication systems and other EOC technologies as they are identified.</p> <p>Kelly attended the March OCEDO in Foothill Ranch at the OCFA Station that hosts Orange County's Urban Search and Rescue (USAR) Teams. The group was able to tour the USAR FEMA equipment and resources. It allowed staff to identify another large vehicle resource that could be utilized in coordination with the 16 drinking water trailers in the county that are available for mutual aid. The primary presentation for this meeting was from FEMA and CalOES regarding the post fire debris clean-up process for the Camp Fire and other future fires.</p> <p>Kelly attended the OCEDO Exercise Design meeting which was the county-wide after-action meeting for the January 30 earthquake exercises.</p>
Coordination with WEROC Member Agencies - continued	<p>Janine Schunk attended the first meeting of the OC OA Alert and Warning Working Group. This is a new committee to develop county-wide public Alert and Warning policies, procedures and tools such as request and approval forms. This was the first meeting to identify the 6 month planning process, dates, topics of discussion and expectations of all involved.</p>
EOC Readiness	<p>Kelly met with El Toro Water District staff to identify ways to improve signage at the South EOC.</p> <p>Janine Schunk has collected updated contact information for CalWARN, Region 1 (signatories from San Luis Obispo, Santa Barbara, Ventura, Los Angeles and Orange County). She will update this information in AlertOC, Outlook, SafetyCenter, and hard copy phone books in multiple locations. This is an annual effort that takes a significant amount of work.</p> <p>Janine participated in the OA and MET radio tests and WebEOC tests. She also facilitated the WEROC monthly radio test.</p>
Coordination with Outside Agencies	<p>On-going: California Public Utilities Commission (PUC) proceedings regarding the Impacts from De-Energization with a Focus on First Responders and Local Government. MWDOC has received party status to these proceedings. Party Status ensures that we receive all communications regarding the proceedings and that our comments are included officially for consideration. Previous Actions Reported:</p>

Coordination with Outside Agencies - continued	<ul style="list-style-type: none"> February 7, 2019 - MWDOC submitted comments to the PUC from 19 OC participating water and wastewater agencies. February 19, 2019 – Kelly represented MWDOC and the 19 agencies at the pre-conference hearing in Sacramento to provide support to the comments submitted and answer questions from the PUC. <p>Following the February hearing, the PUC has separated this hearing into a minimum of 2 phases, the first to be completed prior to the 2019 fire season. The primary discussion is regarding notification of events by the energy companies to response partners and community members. Our main concern is how water utilities are defined or recognized by the PUC and therefore notified and coordinated with by the energy providers. MWDOC is taking a strong stance that water utilities should be included in the definition of “emergency responder” as it has serious implications throughout the entire policy on de-energization. In order to respond to the revised Phase 1, Kelly with support from Ryan Baron at BBK, provided 2 additional responses:</p> <ul style="list-style-type: none"> March 25, 2009 – MWDOC Comments to Phase 1 Scope and PUC Energy Division Staff Response April 2, 2019 - Joint Reply Comments Of Municipal Water District Of Orange County, Valley Center Municipal Water District And Padre Dam Municipal Water District <p>Please note that BBK clients Valley Center Municipal Water District and Padre Dam Municipal Water District requested to join MWDOC's efforts. They have agreed that MWDOC staff will take lead in development of policy statements, however their participation will help with splitting up work efforts and sharing the cost for BBK support.</p> <p>Kelly was interviewed by the VC Star, a Ventura County based newspaper on CalWARN support to the Thomas Fire in December 2017. The article focused on lessons learned and the benefits of water mutual aid systems.</p> <p>Kelly attended the 2019 kick-off meeting of the SoCal Critical Lifelines Working Group. This meeting was to create an action plan for the working group that includes water, wastewater, electric, natural gas, telecommunications, and other critical lifeline partner agencies. The goal for the meeting was to identify objectives that are realistic and important to current coordination issues amongst these agencies. One of the big pushes by the group was to identify how this workgroup relates to and works with other work groups so as to reduce duplication in efforts and meetings.</p>
<h2 style="text-align: center;">WATER USE EFFICIENCY</h2>	
California Water Efficiency Partnership (CalWEP) Plenary Meeting	<p>On March 14, Joe Berg attended the CalWEP plenary meeting, which was hosted by the City of Oceanside. Topics on the Agenda included:</p> <ul style="list-style-type: none"> Welcome & Host Presentation Encouraging Residential Water Conservation Using Behavioral Science Partnering with your Local Energy Provider to Offer Instance Smart Controller Rebates Executive Director's Report

	<ul style="list-style-type: none"> • Now Required – Get to Know your Leakage • Changing the Residential Landscape: What Are We Learning? • Advocacy Update • Demonstration of CalWep's New Website <p>The next plenary meeting is scheduled for September 11th at UC Davis.</p>
South Coast Water District Board Meeting	On March 14, Joe provided the South Coast Water District (SCWD) Board with a presentation of MWDOC's Water Loss Control Technical Assistance and Shared Services Programs. SCWD has been very active in all water loss control activities and has one of the lowest losses per connection per day in the county.
Fountain Valley Chamber of Commerce Community Breakfast	On March 15, Rachel Davis spoke to the Fountain Valley Chamber of Commerce during their Community Breakfast. Rachel discussed the variety of water use efficiency rebates available to local businesses. Other speakers included representatives from the Southern California Gas Company and Southern California Edison.
Metropolitan Water District of Southern California (Metropolitan) Water Use Efficiency Workgroup Metropolitan Water District of Southern California (Metropolitan) Water Use Efficiency Workgroup - continued	<p>On March 21, Rachel Davis 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"> • March Metropolitan Board Presentation <ul style="list-style-type: none"> ○ Conservation Updates including DAC and Water Supply ○ Update on Alliance for Water Efficiency Peer Review • Disadvantaged Community Program Updates <ul style="list-style-type: none"> ○ Regional Program ○ Local Support • Metropolitan External Affairs Update • Landscape Training Classes • Metropolitan Turf Removal Study <p>The next workgroup meeting is scheduled for April 29th at Metropolitan.</p>
Cal-Nev American Water Works Association (AWWA) Spring Conference	On March 25 – 28, Joe attended the Cal-Nev AWWA Spring Conference at the Sacramento Convention Center. Joe focused on the water loss control, meter accuracy, and water use efficiency tracks. The City of Huntington Beach earned second place in the Pipe Tapping Competition and will now move on to the national competition at the national conference in Denver.
Qualified Water Efficient Landscaper (QWEL) Training	On March 28, Rachel Davis QWEL training at the Irvine Ranch Water District Duck Club. This particular class included a hands on irrigation audit that was attended by 25 landscape professionals.

California Landscape Contractors Association Golf Tournament	On April 4, Rachel Davis attended the California Landscape Contractors Association Golf Tournament. Rachel had a table set up during the event breakfast and spoke with approximately 40 landscape contractors about the Turf Removal Program and other outdoor rebates. She distributed fliers highlighting the rebate programs for both residential and commercial properties.
Orange County Water Use Efficiency Coordinators Workgroup Meeting	<p>On April 4, Joe, Beth Fahl, Rachel D., and Steve Hedges hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting at MWDOC. Approximately 23 agencies participated in the meeting. Highlights on the agenda included:</p> <ul style="list-style-type: none"> • MWDOC Updates • Agency Roundtable/Problem Solving • Water Supply Update • Public Affairs/Marketing • California Friendly Landscape Training Program <ul style="list-style-type: none"> ○ Presentation from G3 • OCFA Guidelines – Vegetation Management/Design <ul style="list-style-type: none"> ○ Who is affected? ○ What is a Fuel Modification Zone? What is Defensible Space? ○ Areas of the Guidelines that Overlap and Contradict with WUE Messaging • Metropolitan Update <ul style="list-style-type: none"> ○ Update on Regional Pilot Program for Premium High Efficiency Toilets in Pre-1994 Multi-Family Properties ○ Metropolitan Turf Removal Program Study Update • Water Use Efficiency Programs Update <ul style="list-style-type: none"> ○ PRV Pilot Program ○ Turf Removal Program <ul style="list-style-type: none"> ▪ New Droplet Preview ▪ Training on Inspections ▪ OC Turf Removal Spotlight ○ Landscape Design Assistance Program RFP Review ○ OC-Qualified Water Efficient Landscaper Training <ul style="list-style-type: none"> ▪ Overview to Date ▪ San Juan Capistrano ▪ Plant Database and Garden Website • CalWEP Update • Future Agenda Items <p>The next meeting is scheduled for May 2nd at MWDOC.</p>
Orange County Water Use Efficiency Coordinators Workgroup Meeting - continued	
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Prepared Media/Tool Kits on Water Tax and Disaster Response • Sent Media/Tool Kit for Water Tax

	<ul style="list-style-type: none"> • Provided Public Affairs update at the monthly Water Use Efficiency Workgroup meeting • Created and provided artwork to City of San Clemente on the Wyland National Mayor's Challenge to be used as an advertising series in the San Clemente Times • Facilitated One-on-One meeting between 25 agencies and consultant for 2019 Consumer Confidence Reports
Community Relations	Public Affairs Staff: <ul style="list-style-type: none"> • Compiling entries received for 2019 Water Awareness Poster Contest • Submitted and published 2019 Water Awareness Poster Contest and 2019 Wyland National Mayor's Challenge to Association of California Water Agencies' News Room • Entries open for 2019 Voice4Planet High School Video Contest <ul style="list-style-type: none"> ◦ Prize sponsors for the Orange County water category: Discovery Cube, Wyland Foundation, HashtagPinpoint, and Great Wolf Lodge • Hosted Girl Scouts Water Resources and Conservation Patch Program clinic at Bolsa Chica Conservancy • Continue to coordinate Girl Scouts Water Resources and Conservation Patch Program clinic with Santa Margarita Water District • Prepared and sent March eCurrents including flyers and links for upcoming programs and campaigns, recent news releases, and articles on the Water Tax, Voice4Planet Video Contest, and member agency news • Created and hosted a water supply activity at the annual Children's Water Education Festival at UCI • Participated in Association of California Water Agencies' Fix a Leak Week with posts featured during their "Twitter Party"
Community Relations - continued	Governmental Affairs Staff: <ul style="list-style-type: none"> • Spoke as part of a panel to the Orange County Women in Water group • Provided legislative update to ACC-OC Environment, Energy and Water Committee. MWDOC also hosted the meeting at our office.
Education	Public Affairs Staff: <ul style="list-style-type: none"> • Reviewed proposals received in response to RFP for MWDOC Water Education School Programs • Held interviews for potential vendors for MWDOC Water Education School Programs • Requested additional samples and quotes for the redesign of the Ricki Raindrop education booklets • Attended meeting with Inside the Outdoors on countywide water messaging and curricula as it relates to the California Environmental Policy and Principles • Provided South Coast Water District with information regarding Elementary School Program visit to St. Edwards Elementary • Revised Elementary School Program 5th grade script based on program feedback received from South Coast Water District

	<ul style="list-style-type: none"> • Provided City of San Juan Capistrano with information related to High School Program expo at Serra High School • Provided City of Brea with information regarding Elementary School Program visit to Mariposa Elementary • Provided Moulton Niguel Water District and Santa Margarita Water District with information regarding High School Program expo at Mission Viejo High School • Provided information to City of Santa Ana on Discovery Cube's afterschool program • Worked with Inside the Outdoors on a Water Audit to be used at their community events • Provided school program contractors with information related to the Wyland National Mayor's Challenge for Water Conservation • Provided information to City of La Palma regarding Elementary School Program funding • Submitted and featured Voice4Planet video contest article in Orange County Department of Education's STEM Newsletter • Provided information to Santa Margarita Water District on Serra High School visits. • Sent updated elementary school visit scheduled to all participating member agencies • Observed Elementary School visit at Violette Elementary – 6th grade
Media Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Worked with Consultants to produce promotional video for Wyland National Mayor's Challenge and OC Breakaway Competition • Discussed potential partnership, participation and promotion of Xtreme Home Water Makeover with NBC/ Water Zone/Toro • Coordinated and booked 30 minute radio segment on KSBR
Special Projects	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Currently working on itineraries, trip logistics, guest and Director requirements for the April 12, Director McKenney Infrastructure Inspection Trip • Continue to work on booking speakers and sponsors for OC Water Summit • Hosted Metropolitan Water District's Traveling Student Art Exhibit <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> • Participated in the South Coast Air Quality Management District "Buried Utilities Coalition" conference call • Sent out reminders for ISDOC's Quarterly Luncheon featuring guest speaker Neil McCormick, CSDA CEO • Staffed ISDOC Quarterly Luncheon • Prepared PowerPoint on the Water Tax for the MWDOC Elected Officials Forum

Legislative Affairs	<p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> • Participated in MWD's legislative coordinators' bi-monthly calls • Attended ACWA State Legislative Committee meeting in Sacramento on March 15 and April 5 • Attended OCBC's Legislative Advocacy Trip to Sacramento. <p>Meetings/events included:</p> <ul style="list-style-type: none"> ○ Orange County Delegation Dinner ○ Honorable Betty Yee, Controller ○ MWD/WaterFix update from Kathy Viatella ○ CalEPA Secretary Jared Blumenfeld ○ Assemblywoman Blanca Rubio ○ Assemblyman Chad Mayes ○ Senator Henry Stern ○ Assemblywoman Cottie Petrie-Norris <ul style="list-style-type: none"> • Participated in the CalDesal Legislative Conference Call Attended a tour of MWD's Diemer Treatment Plant coordinated for Congressman Gil Cisneros • Attended meeting with Director Yoo Schneider and Assemblyman Steven Choi • Participated in the Southern California Water Coalition Legislative Task Force meeting • Met with district staff at Congresswoman Katie Porter's office • Provided member agencies with information from MWD to join their coalition letter on AB 441 (Eggman) related to underground storage
Legislative Affairs - continued	<ul style="list-style-type: none"> • Sent update to Board and member agencies regarding AB 217 (E. Garcia) amendments that included a tax on water • Provided information to member agencies related to SB 204 (Dodd) dealing with WaterFix oversight • Met with district staff at Assemblywoman Cottie Petrie-Norris' office • Met with Supervisor Doug Chaffee's office • Sent reminders to all MWDOC member agencies encouraging support for SB 414 (Caballero) and SB 669 (Caballero) and to sign on to our coalition letter • Coordinated coalition Orange County coalition letters for SB 414 and SB 669 • Provided information to agencies regarding SB 414 and SB 669 • Met with district staff at Assemblyman Tyler Diep's office • Met with district staff at Congressman Lou Correa's office • Met with district staff at Congressman Harley Rouda's office • Met with district staff at Senator Tom Umberg's office

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