REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
May 15, 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. 2083

CONSENT CALENDAR (Items 1 to 9)

(All matters under the Consent Calendar will be approved by one motion unless a Board member requests separate action on a specific item)

1. MINUTES

a. April 3, 2019 Workshop Board Meeting
b. April 4, 2019 Special Board Meeting (Elected Officials Forum)
c. April 17, 2019 Regular Board Meeting
d. April 10, 2019 Special Board Meeting
e. April 16, 2019 Special Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

a. Planning & Operations Committee Meeting: April 1, 2019 (canceled)
b. Administration & Finance Committee Meeting: April 10, 2019
c. Public Affairs & Legislation Committee Meeting: April 15, 2019

d. Executive Committee Meeting: April 18, 2019
e. MWDOC/OCWD Joint Planning Committee Meeting: April 24, 2019

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

a. MWDOC Revenue/Cash Receipt Register as of April 30, 2019
b. MWDOC Disbursement Registers (April/May)

Recommendation: Ratify and approve as presented.

c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of March 31, 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 March 31, 2019
b. Quarterly Budget Report

Recommendation: Receive and file as presented.

5. WATER EFFICIENT LANDSCAPE RESOURCES WEBSITE

Recommendation: Authorize the General Manager to enter into an annual contract with GardenSoft Corp for the next five years for the Water Efficient Landscape Resources Website at an initial startup cost of $19,500 plus annual licensing fees of $4,000 per year, for a total cost not to exceed $40,000.

6. AMENDMENT TO ADMINISTRATIVE CODE -- INCOMPATABILITY OF OFFICE

Recommendation: Approve adding Section 1406 (Incompatible Offices) to the Administrative Code (Option#1).

7. MEMBERSHIP AND PARTICIPATION IN CALIFORNIA COUNCIL FOR ENVIRONMENTAL & ECONOMIC BALANCE (CCEEB) AND ASSOCIATION OF METROPOLITAN WATER AGENCIES (AMWA)

Recommendation: Approve Board Option #1 (authorize the FY 2019-20 membership, registration and travel expenses for both Directors and Staff for both the California Council of Environmental & Economic Balance (CCEEB & CED) ($38,413) and the Association of Metropolitan Water Agencies (AMWA) ($29,506)).

8. MEMBERSHIP IN THE INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS (IABC)

Recommendation: Authorize membership in the International Association of Business Communicators (IABC) during this fiscal year 18/19.

9. OFFICE IMPROVEMENTS - STATUS UPDATE & APPROVAL OF ADDITIONAL DESIGN SERVICES

Recommendation: Authorize staff to proceed with Phase 3 Design and Value Engineering in the amount of $18,000

End Consent Calendar

ACTION ITEMS

10-1 ADOPTION OF THE ONE WATER ONE WATERSHED PLAN UPDATE 2018
RES. NO. _____

Recommendation: Adopt Resolution adopting the Santa Ana River Watershed Project Authority One Water One Watershed Plan Update 2018, the Integrated Regional Water Management Plan for the Santa Ana River watershed.

10-2 ENHANCEMENTS AND UPGRADES TO THE CALIFORNIA SPRINKLER ADJUSTMENT NOTIFICATION SYSTEM

Recommendation: Authorize the General Manager to enter into a professional services contract with Enterprise Information Systems, Inc. for enhancements and upgrades to the California Sprinkler Adjustment Notification System at a cost not to exceed $25,000.

10-3 ANNUAL REVIEW AND UPDATES TO THE INVESTMENT POLICY AND GUIDELINES RES. NO. _____

Recommendation: Adopt a Resolution establishing the District's Investment Policy and Guidelines, and authorize staff to update the Administrative Code accordingly.

10-4 AMENDMENT TO DISTRICT MONEY PURCHASE PENSION PLAN
RES. NOS. _____ & _____

Recommendation: Adopt proposed Resolution which approves Amendment No. 2 to the Municipal Water District of Orange County Money Purchase Pension Plan, effective July 1, 2019, and authorize the General Manager, or his designee to execute Amendment No. 2 on behalf of the District; and (2) Adopt resolution in order

to "clean-up" and avoid any discrepancies with respect to employer "pick-up" of employee retirement contributions made to the Money Purchase Pension Plan.

10-5 ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO) SPECIAL DISTRICT VACANCY APPOINTMENT

Recommendation: (1) Review and discuss potential nominations to OC LAFCO; and (2) authorize President Barbre and an alternate to vote in the appointment process; and (3) direct staff to submit the appropriate forms to OC LAFCO by the deadlines outlined

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

11. GENERAL MANAGER'S REPORT, MAY 2019 (ORAL AND WRITTEN)

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

12. 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.

CLOSED SESSIONS

13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 13, 2010, et al., former Los Angeles Superior Court, Case No. BS 126888, transferred on October 21, 2010, to San Francisco Superior Court, Case No. CPF-10-510830. [On Remand from Court of Appeal Case No. A146901]

14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Paragraph (1) of subdivision (d) of Government Code 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2012 to be Effective January 1, 2013 and January 1, 2014; and Does 1-10, et al., former Los Angeles Superior Court, Case No. BS137830, transferred on August 23, 2012, to San Francisco Superior Court, Case No. CPF-12-512466. [On Remand from Court of Appeal Case No. A148266]

15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water of Southern California on April 8, 2014, et al., former Los Angeles Superior Court, Case No. BC547139, transferred on December 2, 2014, to San Francisco Superior Court, Case No. CPF-14-514004.

16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 12, 2016, effective January 1, 2017 and January 1, 2018, et al., former Los Angeles Superior Court, Case No. No. BS161729, transferred to San Francisco Superior Court, Case CPF-16-515282.

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California in 2017 to be effective January 1, 2018, et al., Los Angeles Superior Court, Case No. BS 169881, transferred to San Francisco Superior Court Case CGC-17-563350.

18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION
Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2018 to be effective January 1, 2019, and Jan. 1, 2020, et al., Los Angeles Superior Court, Case No. BS 173868, Transferred to San Francisco Superior Court, Case CPF-18-516389.

ADJOURNMENT

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

MINUTES OF THE WORKSHOP BOARD MEETING
OF THE BOARD OF DIRECTORS OF
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)
WITH THE MWDOC MET DIRECTORS
April 3, 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 Dick led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS
Brett R. Barbre*
Larry Dick*
Joan Finnegan (absent)
Wayne Osborne (absent)
Megan Yoo Schneider
Sat Tamaribuchi (absent)
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
Chris Lingad, Water Resources Analyst
Kevin Hostert, Water Resources Analyst
Joe Berg, Dir. of Water Use Efficiency
Charles Busslinger, Principal Engineer
Damon Micalizzi, Director of Public Affairs
Heather Baez, Gov. Affairs Manager

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS
Larry McKenney
Linda Ackerman

OTHERS PRESENT

Mark Monin	El Toro Water District
Doug Reinhart	Irvine Ranch Water District
Peer Swan	Irvine Ranch Water District
Steve LaMar	Irvine Ranch Water District
Jim Atkinson	Mesa Water
Don Froelich	Moulton Niguel Water District
Kelly Rowe	Orange County Water District
Dan Ferons	Santa Margarita Water District
Brooke Jones	Yorba Linda Water District
Scott Maloni	Poseidon Resources
Ed Means	Means Consulting
Adan Ortega	MET Director, City of Fullerton
Skylar Stephens	San Diego County Water Authority

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 Dick highlighted the fact that MET would elect a new Board Secretary at the upcoming MET Board meeting.

President Barbre noted that MET hosted a Board Workshop (March 26) to summarize the WaterFix alternative capacities analyzed to date (9,000 cfs, 6,000 cfs, and 3,000 cfs) and provided the projected costs and benefits associated with these three alternative capacities.

PRESENTATION REGARDING THE 2018 EVALUATION OF REGIONAL STORAGE PORTFOLIO OF METROPOLITAN'S EMERGENCY STORAGE OBJECTIVE

Mr. Brad Coffey of MET provided an overview of MET's evaluation of its Regional Storage Portfolio of Emergency Storage Objective. His presentation included information regarding MET's historic dry-year and emergency storage levels, whether 630 TAF is still the right planning level for emergency storage, and emergency storage criteria and recommended updates (issues considered included outage period, retail demand reduction, and local supply production). He then reviewed MET's emergency storage capacity (existing), noting that a spatial and system analysis is needed. Mr. Coffey noted that a white paper was issued on this subject, and that information will be presented to the MET Board in May 2019 (as an information item).

Considerable discussion ensued regarding updated presentation slides which show zones and how they are currently served and how these zones would be covered by other lines in the event of an emergency, the expectation of a reduction in local demand and how agencies would offset their deliveries (other sources), current storage levels and capacities of each

reservoir, and fire suppression (and inverse condemnation) issues. Discussion was also held regarding emergency generators (and emergency rules for generators), the need to increase regional storage, and the importance of local supplies.

The Board received and filed the report as presented.

ACTION ITEM

REQUEST BY MWDOC MET DIRECTOR LINDA ACKERMAN TO SEEK THE POSITION OF MET BOARD SECRETARY

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (4-0), the Board authorized MWDOC MET Director Linda Ackerman to seek the position of MET Board Secretary. Directors Barbre, Dick, Yoo Schneider, and Thomas voted in favor. Directors Fnnegan, Osborne, and Tamaribuchi were absent.

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 70%), 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 March MET Board Meetings
b. Review items of significance for the upcoming MET Board and Committee Agendas

Fullerton MET Director Adan Ortega highlighted an item on the MET Agenda ($1.5 million website award) noting he had questions on this.

Director Dick noted he had concerns with the sale of 20 acres of land in Oxnard.

The Board received and filed the information.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at 10:00 a.m.

_____
Maribeth Goldsby
Board Secretary

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 4, 2019

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

MWDOC DIRECTORS	**STAFF PRESENT**
Brett R. Barbre	Robert Hunter, General Manager
Larry Dick	Karl Seckel, Assistant General Manager
Joan Finnegan (absent)	Maribeth Goldsby, Board Secretary
Wayne Osborne (absent)	Harvey De La Torre, Assoc. General Manager
Megan Yoo Schneider	Joe Berg, Dir. of Water Use Eff.
Sat Tamaribuchi (absent)	Damon Micalizzi, Dir. of Public Affairs
Jeffery M. Thomas	Heather Baez, Government Affairs Manager

ALSO PRESENT	
Larry McKenney	MWDOC/MET Director
Art Brown	City of Buena Park
Doug Davert	East Orange County Water District
John Sears	East Orange County Water District
Mark Monin	El Toro Water District
Jose Vergara	El Toro Water District
Mike Gaskins	El Toro Water District
Cheryl Brothers	City of Fountain Valley
Patrick Brenden	City of Huntington Beach
Steve LaMar	Irvine Ranch Water District
Peer Swan	Irvine Ranch Water District
Paul Weghorst	Irvine Ranch Water District
Marice DePasquale	Mesa Water
Richard Fiore	Moulton Niguel Water District
Don Froelich	Moulton Niguel Water District
Kelly Jennings	Moulton Niguel Water District
Joone Lopez	Moulton Niguel Water District
Bill Moorhead	Moulton Niguel Water District
Brian Probolsky	Moulton Niguel Water District
Jose Solorio	Moulton Niguel Water District
Denis Bilodeau	Orange County Water District
Alicia Dunkin	Orange County Water District
John Kennedy	Orange County Water District
Tri Ta	OCWD/City of Westminster
David Rebensdorf	City of San Clemente
Kathy Ward	City of San Clemente
Saundra Jacobs	Santa Margarita Water District
Jim Leach	Santa Margarita Water District
Justin McKusker	Santa Margarita Water District
Sandra Massa-Lavitt	City of Seal Beach
Steve Myrter	City of Seal Beach

Schelly Sustarsic	City of Seal Beach
Greg Mills	Serrano Water District
Brad Reese	Serrano Water District
Jerry Vilander	Serrano Water District
Doug Erdman	South Coast Water District
Rick Erkeneff	South Coast Water District
Bill Green	South Coast Water District
Wayne Rayfield	South Coast Water District
Michael Perea	Trabuco Canyon Water District
Mike Safranski	Trabuco Canyon Water District
Allan Bernstein	City of Tustin
Brooke Jones	Yorba Linda Water District
J. Wayne Miller	Yorba Linda Water District
Al Nederhood	Yorba Linda Water District
Kristy Khachigian	Kristy Khachigian Consulting
Megan Couch	San Diego County Water Authority

PUBLIC COMMENTS

No public comments were received.

DISCUSSION ITEMS

DISCUSSION WITH REPRESENTATIVES FROM MWDOC'S MEMBER AGENCIES REGARDING KEY REGIONAL ISSUES AND KEY ORANGE COUNTY ISSUES, INCLUDING THE MWDOC BUDGET AND PROPOSED ACTIVITIES FOR FY 2019-20, THE CALIFORNIA WATERFIX, AND THE PROPOSED WATER TAX (AND ALTERNATIVES)

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

MWDOC's Budget and Activites for FY 2019-20 (Director Thomas)
California WaterFix (Director Dick)
Proposed Water Tax and Alternatives (Director Yoo Schneider)

Director Thomas began the evening with a presentation and overview of MWDOC's FY 2019-20 proposed budget. Discussion was held regarding the additional 2.5 FTE employees included in the budget (several audience members expressed concern with the addition of 2.5 additional employees), the Water Loss Control Program new employee(s) (request was made to move this to Choice), memberships, consultants, and salary pool.

Director Dick then provided an update on the California WaterFix and the importance of the twin-tunnel (full) project (versus the one-tunnel approach preferred by Governor Newsom). Discussion ensued regarding the WaterFix, the importance and preference of the full project, how a one-tunnel approach may affect reliability, and the importance of reliability in the event of a natural disaster.

Director Yoo Schneider completed the evening with an overview of California's proposed Water Tax, as well as alternative proposals to the tax. She encouraged those in attendance to adopt resolutions opposing the tax, and encouraged letters be sent to legislators expressing support for SB 414 (Caballero re The Small System Water Authority Act of 2019) and SB 669 (Caballero re Safe Drinking Water Trust) as alternative options to the tax. Director Yoo Schneider advised that MWDOC had contracted with Brown & Caldwell to conduct a study to develop information relative to small Non-Compliant California Drinking Water Systems; she advised that any agencies interested in partnering with MWDOC to share costs should speak to staff.

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 7:35 p.m.

Respectfully submitted,

_____

Maribeth Goldsby, Secretary

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 17, 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	**STAFF**
Brett R. Barbre	Robert Hunter, General Manager
Larry Dick	Karl Seckel, Assistant General Manager
Joan Finnegan (absent)	Joe Byrne, Legal Counsel
Wayne Osborne (arr. at 9:15 am)	Maribeth Goldsby, Board Secretary
Sat Tamaribuchi	Harvey De La Torre, Associate General Manager
Jeffery M. Thomas (arr. at 8:36 am)	Damon Micalizzi, Dir. of Public Affairs
Megan Yoo Schneider (arr. at 8:34 am)	Tiffany Baca, Public Affairs Manager
	Sarah Wilson, Public Affairs Specialist
	Chris Lingad, Water Resources Analyst
	Traci Muldoon, Public Affairs Assistant
	Bryce Roberto, Public Affairs Coordinator
	Kelly Hubbard, WEROC Programs Manager

ALSO PRESENT

Linda Ackerman	MWDOC MET Director
Jose Vergara	El Toro Water District
Paul Weghorst	Irvine Ranch Water District
Jim Atkinson	Mesa Water District
Kelly Rowe	Orange County Water District
Mike Markus	Orange County Water District
Saundra Jacobs	Santa Margarita Water District
Dan Ferons	Santa Margarita Water District
Dennis Erdman	South Coast Water District
Brooke Jones	Yorba Linda Water District
Matt Thomas	Black & Veatch

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.

Director Jacobs (Santa Margarita Water District) announced that SMWD would be hosting a Water Awareness Day on May 4th and would be providing bus tours to Trampas.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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

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

No items were distributed.

EMPLOYEE AWARDS

President Barbre commended the Public Affairs staff for being awarded five awards at the recent CAPIO conference.

(Director Yoo Schneider arrived at 8:34 a.m.)

CONSENT CALENDAR

President Barbre stated all matters under the Consent Calendar would be approved by one MOTION unless a Director wished to consider an item separately.

Upon MOTION by Director Yoo Schneider, seconded by Director Tamaribuchi, and carried (4-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Dick, Tamaribuchi, and Yoo Schneider voted in favor; Directors Finnegan, Osborne, and Thomas were absent.

MINUTES

The following minutes were approved.

March 6, 2019 Workshop Board Meeting
March 20, 2019 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: March 4, 2019
Administration & Finance Committee Meeting: March 13, 2019
Public Affairs & Legislation Committee Meeting: March 18, 2019
Executive Committee Meeting: March 21, 2019

TREASURER'S REPORTS

The following items were ratified and approved as presented.

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

The following items were received and filed as presented.

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

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

The Board authorized 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 was attached to write up).

AMENDMENT TO ADMINISTRATIVE CODE

The Board approved the revision to Section 2201 (Level of Expenses and Expense Reimbursement Rates).

- END CONSENT CALENDAR –

(Director Thomas arrived at 8:36 a.m.)

ACTION CALENDAR

PUBLIC HEARING RE ADOPTION OF ORDINANCE NO. 54 SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 47 REGARDING COMPENSATION FOR DIRECTORS

President Barbre announced that the Board would hold a Public Hearing to receive comments on the proposal to adopt Ordinance No. 54 (superseding and repealing Ordinance No. 47) regarding Compensation for Directors. President Barbre opened the public hearing and encouraged public comments.

No comments were received and President Barbre closed the Public Hearing.

President Barbre then announced that the proposal to adopt Ordinance No. 54 was before the Board for consideration.

Upon MOTION by Director Dick, seconded by Director Tamaribuchi, and carried (5-0), the Board adopted ORDINANCE NO. 54, regarding Compensation for Directors, and authorized staff to amend the Administrative Code accordingly. Said ORDINANCE NO. 54 was adopted by the following roll call vote:

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

ADOPT BUDGET FOR FISCAL YEAR 2019-20

President Barbre advised that the proposed Budget for fiscal year 2019-20 was before the Board for consideration.

Director Tamaribuchi stated he disagreed with the Committee recommendation to remove the memberships, registration, and travel associated with the California Council for Environmental & Economic Balance (CCEEB) and Association of Metropolitan Water Agencies (AMWA) from the budget.

Director Barbre supported the Committee recommendation.

President Barbre added that subsequent to the Administration & Finance Committee meeting, the Attorney General issued an opinion that the District can make payments toward Directors retirement benefit (contrary to a legal opinion issued in 2014). He advised that the District would be reimbursing those Directors who issued payment to the District which may necessitate various cuts in the budget.

Director Tamaribuchi indicated that because these re-payments are a one-time occurrence, they could be taken from reserves rather than removing services and memberships from the budget.

Director Dick commented that he agreed with the Committee recommendation to remove one full-time equivalent (FTE) employee from the budget (along with associated travel costs), and transferring the 0.5-FTE to Choice, but would prefer that CCEEB and AMWA (and associated costs) remain in the budget.

Director Thomas noted he agreed with the Committee recommendation, however would prefer that the Water Use Efficiency (WUE) 0.5 FTE be transferred back into the Core budget.

Director Yoo Schneider agreed with Director Tamaribuchi, outlining the benefits of continued participation in CCEEB and AMWA.

President Barbre took a “straw” vote on the five-bullet points outlined in the staff write up (the Committee recommendation) with the Board divided 3-2 on four of the points (removing the proposed 1 FTE, removing the travel expenses associated with the 1 FTE, and removing

memberships and associated costs for both CCEEB and AMWA), however the majority (4-1) concurred with restoring the 0.5-FTE in the WUE program to the Core budget.

Director Yoo Schneider made a MOTION, which was seconded by Director Tamaribuchi to adopt the budget for fiscal year 2019-20 with (1) restoring the Water Use Efficiency 0.5 FTE to the Core budget, and restoring the memberships and associated costs for CCEEB and AMWA. Said MOTION failed by a vote of 3-2 (four votes are required to pass). Directors Dick, Yoo Schneider and Tamaribuchi votedin favor, and Directors Barbre and Thomas opposed.

(Director Osborne arrived at 9:15 a.m.)

Director Saundra Jacobs (SMWD) encouraged the Board to adopt the Committee recommendations.

Director Thomas made a MOTION, which was seconded by Director Barbre, for the Board to adopt a Resolution approving the final MWDOC budget for fiscal year 2019-20 as the Administration & Finance Committee recommended, with the exception of restoring the proposed 0.5 FTE for the Water Use Efficiency Program back to the Core budget. As a result of a 4-2 vote, the Board adopted RESOLUTION NO. 2081 approving the final MWDOC budget for fiscal year 2019-20 as recommended by the Administration & Finance Committee (but restoring the proposed 0.5 FTE for the Water Use Efficiency Program back to the Core budget). Said RESOLUTION NO. 2018 was adopted by the following roll call vote:

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

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2019-20

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board approved increasing the MWDOC Retail Meter Charge from $12.25 to $12.40 per meter, and the Groundwater Customer Charge from $499,012 to $598,248, effective July 1, 2019, and adopted RESOLUTION NO. 2082 Establishing Water Rates effective July 1, 2019 and January 1, 2020 as outlined. Said RESOLUTION NO. 2082 was adopted by the following roll call vote:

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

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

President Barbre advised that the Public Affairs & Legislation Committee recommended Director Thomas cast the District's ballot at the upcoming ACWA/JPIA election.

Upon MOTION by Director Dick, seconded by Director Osborne, and carried (6-0), the Board authorized Director Jeffery Thomas to cast the District's ballot for the ACWA/JPIA Executive Committee election at ACWA's Spring Conference on May 6, 2019. Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

AB 127 (E. GARCIA) – SAFE DRINKING WATER FOR ALL ACT

Upon MOTION by Director Thomas, seconded by Director Osborne, and carried (6-0), the Boad adopted an oppose unless amended position on AB 217 (E. Garcia). Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

AUTHORIZATION TO CONTRACT FOR MWDOC WATER EDUCATION SCHOOL PROGRAMS

President Barbre advised that the proposal to enter into contracts for the Water Education School Programs was before the Board for consideration. It was noted that the staff recommendation was to enter into a two-year contract with one-year option to extend with Building Block Entertainment, Inc. (Shows that Teach) for grades K-2, Discovery Cube of Orange County for grades 3-6 (elementary) and 7-8 (middle school), and Bolsa Chica Conservancy (grades 9-12).

Director Barbre expressed concern with splitting the K-6 curriculum between two vendors (limited availability of timing with schools, etc.) and he questioned the addition of a middle school program (grades 7-8), as the Board never approved a middle school program (believing this should have been a policy discussion by the Board). There was a discussion with legal counsel about the procurement process and the legal risk of deviating from staff recommendation, who recommended that the Board either accept or reject the staff proposal.

Directors Thomas and Yoo Schneider expressed support for the staff recommendation.

Upon MOTION by Director Yoo Schneider, which was seconded by Director Thomas, and carried (6-0), the Board authorized entering into a two-year contract with one-year option to extend with Building Block Entertainment, Inc. (Shows that Teach) for grades K-2, Discovery Cube of Orange County for grades 3-6 (elementary) and grades 7-8 (middle school), and Bolsa Chica Conservancy grades 9-12, to provide the MWDOC Water Education School Programs in grades K-12 beginning in the 2019-2020 school year. Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, APRIL 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 Yoo Schneider advised that she attended Workshop and Special Board meetings, the California Environmental Dialogue meetings, the Women in Water meeting, the meeting with South County agencies, a meeting with MWDOC staff, the Workshop Board meeting, the Elected Officials Forum, the Special Board meeting, and the California Water Environmental Association Annual conference.

Director Thomas noted his attendance at the regularly scheduled MWDOC meetings, (Administration & Finance, and Public Affairs & Legislation Committee meetings, as well as the Workshop and Regular Board meetings, the Special Board meeting and the Elected Officials Forum). He also attended the meeting with South County agencies, a meeting with General Manager Hunter, the WACO meeting, and the ISDOC luncheon.

Director Tamaribuchi reported on attending the Public Affairs & Legislation and Executive Committee meetings, the meeting with South County agencies, and the Special Board meeting.

Director Dick reported on attending the regularly scheduled MWDOC meetings (Administration & Finance, Public Affairs & Legislation and Executive Committee meetings, as well as the Workshop and Regular Board meetings), as well as Orange State of the City event, a tour of the Diemer Filtration Plant, the MET Caucus, the MET Board and Committee meetings, the State of the County meeting in South County, the WACO meeting, the Special Board meeting, and the Elected Officials Forum.

Director Osborne advised that due to several health issues he was not able to attend any meetings on behalf of MWDOC and he announced that as a result of these health issues, he found it necessary to resign from the Board effective April 22, 2019. He asked that the Board accept his resignation. Board members expressed their appreciation for his service on the Board and accepted the resignation.

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 MWDOC/MET Director pre-MET Executive Committee caucus (late), the MET Committee day (late), the MWDOC MET Director caucus (early), the MET Caucus (Inland Empire), the MET Board meeting, the MET Committee meetings (early), the MWDOC/OCWD/YLWD meeting, and a meeting with Senator John Moorlach. In his capacity as MWDOC Director he attended the following meetings: the Administration & Finance, Public Affairs & Legislation Committee, and the Executive Committee meetings, as well as the Workshop Board meeting, a tour of the Diemer Filtration Plant with Congressman Cisneros, a meeting with Supervisor Don Wagner, the Elected Officials Forum, a meeting with Placentia Councilman Ward Smith, the OCCOG General Assembly, and the Special Board meeting.

b. REQUESTS FOR FUTURE AGENDA TOPICS

Director Saundra Jacobs (SMWD) expressed appreciation for Director Osborne's service on the MWDOC Board.

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 9:42 a.m. in honor of Director Wayne Osborne.

Respectfully submitted,

_____
Maribeth Goldsby, Secretary

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 10, 2019

The Special Board Meeting of the Board of Directors of the Municipal Water District of Orange County (MWDOC) scheduled for Wednesday, April 10, 2019 at 10:00 a.m., at the offices of the District, 18700 Ward Street, Fountain Valley, California, was canceled due to lack of a quorum. A Notice of Cancelation was thereon duly posted.

APPROVED:

_____
Maribeth Goldsby, District Secretary

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 16, 2019

At 9:00 a.m., President Barbre called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors at the District offices, 18700 Ward Street, Conference Room 101, Fountain Valley, California.

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

STAFF PRESENT
Robert Hunter, General Manager
Joe Byrne, Legal Counsel
Cathy Harris, Admin. Services Manager
Hilary Chumpitazi, Accounting Manager

.

ALSO PRESENT

None

PUBLIC COMMENTS

No public comments were received.

CLOSED SESSIONS ITEM

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: (One case**)**

At 9:08 a.m., the Board adjourned to closed session pursuant to Government Code Section 54956.9 (2)(d) for a conference with legal counsel regarding anticipated litigation.

RECONVENE

The Board reconvened from closed session at 10:00 a.m., and President Barbre announced that no reportable action was taken in closed session.

ADJOURNMENT

At 10:01 a.m., President Barbre adjourned the special meeting.

Respectfully submitted,

_____
Maribeth Goldsby, Secretary

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
PLANNING & OPERATIONS COMMITTEE
April 1, 2019

The Planning & Operations Committee Meeting (held jointly with the Board of Directors of the Municipal Water District of Orange County) (MWDOC) scheduled for Monday, April 1, 2019 at 8:30 a.m., at the offices of the District, 18700 Ward Street, Fountain Valley, California, was canceled due to lack of a quorum. A Notice of Cancelation was thereon duly posted.

APPROVED:

_____
Maribeth Goldsby, District Secretary

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the **ADMINISTRATION & FINANCE (A&F) COMMITTEE**
April 10, 2019 – 8:30 a.m. to 10:00 a.m.
MWDOC Conference Room 101

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

Staff:
Karl Seckel, Cathy Harris, Katie Davanaugh, Jeff Stalvey, Hilary Chumpitazi, Kelly Hubbard, Maribeth Goldsby, Harvey De La Torre, Damon Micalizzi, Charles Busslinger

Ex Officio Member: Director Barbre

Also Present:
Director Brett Barbre
Director Larry Dick
Joe Byrne, legal counsel, BBK
Marc Marcantonio, Yorba Linda Water District
Linda Ackerman, MWDOC MET Director
Larry McKenney, MWDOC MET Director
Peer Swan, Irvine Ranch Water District
Paul Weghorst, Irvine Ranch Water District
Jose Vergara, El Toro Water District
Marwan Khalifa, Mesa Water
Mark Monin, El Toro Water District
Neely Shahbakhti, El Toro Water District

Director Thomas called the meeting to order at 8:30 a.m. In the absence of Directors Finnegan and Osborne, Directors Barbre and Dick sat on the Committee.

PUBLIC COMMENTS

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

No items were distributed.

PROPOSED BOARD CONSENT CALENDAR ITEMS

TREASURER'S REPORT

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

e. Water Use Efficiency Projects Cash Flow – March 31, 2019
f. Consolidated Summary of Cash and Investment – February 2019
g. OPEB and Pension Trust Fund monthly statement

The Committee reviewed the Treasurer's Report. Following review of the disbursement reports, and upon MOTION by Director Barbre, seconded by Director Thomas and carried (3-0), the Committee recommended the Treasurer's Report for approval at the April 17, 2019 Board meeting. Directors Thomas, Barbre and Dick voted in favor.

FINANCIAL REPORT - Combined Financial Statements and Budget Comparative for the Period ending February 28, 2019

Following review of the Financial Report, upon MOTION by Director Dick, seconded by Director Barbre and carried (3-0), the Committee recommended the Financial Report for approval at the April 17, 2019 Board meeting. Directors Thomas, Barbre and Dick voted in favor.

ACTION ITEMS

AMENDMENTS TO ADMINISTRATIVE CODE

Legal Counsel Joe Byrne noted that the proposed language to new section 1406 could be added for clarification that the office of MWDOC Director is incompatible with public office positions held by MWDOC member agencies. The Committee held discussion on adding Section 1406 (Incompatible Offices) and asked questions about various scenarios which could render potential candidates ineligible to sit on the MWDOC Board, and discussed if it was necessary to add this section (since the language is already part of the law).

Admin Code Section 2201 was presented as a housekeeping revision, as listed in the staff report, and referred to the April Board meeting for approval.

The Committee requested further analysis by Legal Counsel; Section 1406 (Incompatible Office) will return to Committee in May 2019 subsequent to Legal Counsel's review.

FY 2019-20 THIRD DRAFT BUDGET

Mr. Seckel noted that the budget did not have substantial changes from the 2nd draft budget reviewed in March.

The Committee held considerable discussion on the addition of a full-time position under the Metropolitan Issues and Water Policy cost center, and it was determined that the position should be removed. With that, it was determined that any additional travel associated with that position would not be necessary and should be removed as well. It was noted that further discussion on this item would be held at the April Board meeting.

Following lengthy discussion on the cost of membership, benefits derived and the value received, the Committee requested that memberships and associated costs for the Association of Metropolitan Water Agencies (AMWA) and California Council for Environmental & Economic Balance (CCEEB) be removed from the 2019-20 budget.

The Committee also requested that the 0.5 FTE position (in Water Use Efficiency) be moved to the Choice Program.

Upon MOTION by Director Barbre, seconded by Director Thomas and carried (3-0), the Committee referred the FY 2019-20 Third Draft Budget to the April 17, 2019 Board meeting for consideration with said revisions. Directors Thomas, Barbre and Dick voted in favor.

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2019-20

Upon MOTION by Director Barbre, seconded by Director Dick and carried (3-0), the Committee referred the FY 2019-20 Water Rate Resolution to the April 17, 2019 Board meeting for consideration. Directors Thomas, Barbre and Dick voted in favor.

It was noted that the Rate Resolution would be updated to reflect the items removed from the budget.

PUBLIC HEARING AND ADOPT ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO 47 REGARDING COMPENSATION FOR DIRECTORS

Upon MOTION by Director Barbre, seconded by Director Dick and carried (3-0), the Committee referred the Ordinance regarding Director Compensation to the April 17, 2019 Board meeting for approval. Directors Thomas, Barbre and Dick voted in favor.

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

Upon MOTION by Director Thomas, seconded by Director Barbre and carried (3-0), the Committee referred the agreement with Black & Veatch to complete work for the development of a hydraulic model for the regional pipeline system to the April 17, 2019 Board meeting for approval. Directors Thomas, Barbre and Dick voted in favor.

INFORMATION ITEMS

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

Director Barbre noted that Charley Wilson resigned as LAFCO Commissioner. He also requested that staff provide an update on office improvements.

Director Barbre reminded staff that Directors should be notified of all correspondence being sent to elected officials/legislators.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:00 a.m.

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

Jointly with the

PUBLIC AFFAIRS AND LEGISLATION COMMITTEE

April 15, 2019 – 8:30 a.m. to 10:40 a.m.

MWDOC Conference Room 101

Committee:
Director Dick, Chairman
Director Thomas
Director Osborne - Absent

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, T. Muldoon

Also Present:
Brett Barbre, MWDOC President
Sat Tamaribuchi, MWDOC Director
Linda Ackerman, MWDOC MET Director
Larry McKenney, MWDOC MET Director
John Lewis, Lewis Consulting Group
Syrus Devers, BB&K
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
Kevin Perkins, Hashtag PinPoint
Jim Atkinson, Mesa Water
Pasquale Talarico, YLWD

Director Dick called the meeting to order at 8:30 a.m. Due to the absence of Director Osborne, Director Barbre sat on the committee. Due to the initial absence of Director Thomas, Director Tamaribuchi sat on the committee. Director Thomas arrived at approximately 8:45 a.m. and replaced Director Tamaribuchi. Upon the departure of Director Barbre at 10:30 a.m. Director Tamaribuchi came back to the committee.

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, highlighting the proposed federal budget; he also commented on the Colorado River Drought Contingency Authorization Act, the passing of S. 1057, wildfire disaster aid, Doheny Desalination Project (eligible for an $8.3 grant) and infrastructure.

b. State Legislative Report (BBK)

Syrus Devers reviewed his written report included in the packet.

Mr. Devers responded to Director Dick's previous request to poll other districts or ACWA to see if they have looked into the administrative cost to implement the collection of the water tax. Mr. Devers stated that ACWA said that the administrative costs would far outweigh the revenues from the tax.

Considerable discussion ensued regarding the water tax, AB 217 (fighting concept of fee being placed on retail agencies) and AB 669 which was approved.

c. County Legislative Report (Lewis)

Mr. John Lewis' reviewed his written report included in the packet. Mr. Lewis stated he attended the LAFCO meeting where they discussed the proposed budget, strategic plan (which passed unanimously), and the resignation of Charley Wilson from the LAFCO board.

d. Legal and Regulatory Report (Ackerman)

Mr. Dick Ackerman reviewed his written report included in the packet. He highlighted an article he recently read regarding an underground aquifer study done by Stanford. The study uses satellite imagery to measure how much water comes in, how much water goes out and what the nature of the soil is, specifically looking at clay compaction.

e. MWDOC Legislative Matrix

The Legislative Matrix was received and filed.

f. Metropolitan Legislative Matrix

The Metropolitan Legislative Matrix was received and filed.

MEMBER AGENCY MEDIA AND TOOL KITS

Public Affairs Manager Tiffany Baca presented an overview of the Member Agency Media and Tool Kits. Ms. Baca shared that MWDOC agencies are beginning to utilize the Media Kits.

Director Dick stated he would like schools to be considered as points of contact and to possibly utilize their school newspaper to get the information out into the community.

Director Dick and Tamaribuchi requested that updated information on the WaterFix and the two tunnels be created and moved to the top of the list for media tool kits, etc. The Committee provided a positive response to this request and Ms. Baca confirmed that the WaterFix and two tunnels would become a top priority.

Following a video clip of a teacher discussing the poster contest, Director McKenney asked if poster contestants from 30 years ago could be located and interviewed on what effects that participating in the poster contest had on their lives growing up; staff noted the request.

The Committee received and filed the information.

ACTION ITEMS

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

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (3-0) the Committee recommended the Board authorize MWDOC Director Jeffery Thomas to cast the District's ballot for the ACWA JPIA Executive Committee at the ACWA Spring Conference on May 6, 2019; this item will be presented to the Board April 17, 2019. Directors Dick, Thomas and Barbre voted in favor.

AB 217 (E. Garcia) – SAFE DRINKING WATER FOR ALL ACT

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (3-0) the Committee recommended the Board of Directors vote to adopt an oppose unless amended position on AB 217. This item will be presented to the Board on April 17, 2019. Directors Dick, Barbre and Thomas voted in favor.

AUTHORIZATION TO CONTRACT FOR MWDOC WATER EDUCATION SCHOOL PROGRAMS.

Chairman Dick advised that the proposal to contract for the Education Programs was before the Committee for consideration.

Discussion ensued regarding entering into contracts with Building Block Entertainment Inc. (Grades K-2), Discovery Cube of Orange County (Grades 3-6 and 7-8) and Bolsa Chica Conservancy (High School) to provide MWDOC Water Education School Programs in grades K-12 beginning in the 2019-2020 school year.

The Committee expressed concern on whether Bolsa Chica Conservancy could represent the entire service area as they are located in and focused on Huntington Beach. Public Affairs Director Damon Micallizi shared that one of the reasons Bolsa Chica Conservancy was selected, was due to their robust digital presence. Responding to Director Barbre, Mr. Micalizzi confirmed that MWDOC would have review and editorial rights to any posted material that has to do with MWDOC.

Director Barbre requested a list of schools that Bolsa Chica Conservancy is already contracted with, as well as the Request for Proposals (RFP) with a cost comparison. Mr. Micalizzi said that he would provide this information.

General Manager Hunter stated that he reviewed all of the proposals, sat through half of the interviews and he has a strong feeling of the quality and correctness of these selections.

Director Dick asked if the programs could be viewed in person or on video. Public Affairs Director Damon Micalizzi said that he could set up a time for these presentations to be viewed.

Director Barbre expressed concern with splitting the K-8 program among two contractors, stating he'd prefer to keep the program with the Discovery Cube for grades K-8. He also mentioned that MWDOC did not have a middle school (grades 7-8) program in previous years.

Director Tamaribuchi requested that the education candidates be invited to the upcoming Board Meeting, and suggested that the curriculum include landscape water use efficiency.

Director Dick advised he would be abstaining from voting due to a possible conflict.

Following discussion regarding the procurement process and the Board's role with respect to RFPs and recommendations, Chairman Dick advised that it would be prudent to have a full Board discussion, since the Committee had differing views. This item was referred to the Board meeting on April 17, 2019 with no action from the Committee.

INFORMATION ITEM

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

Per Director Dick's request, an explanation was provided regarding the Inside the Outdoors Water Audit, noted in the report, which would be used at their community events.

Public Affairs Manager Tiffany Baca explained that initially the Inside the Outdoors said that they would be providing water audits to the teachers and the schools on the third visit. The students would do a water audit of their schools and then take that home and do a water audit at home.

The Committee received and filed the report.

OTHER ITEMS

Director Dick requested that the Board be provided with regular updates of scheduled meetings with supervisors, city managers, and assemblymen to allow them the option to add those appointments to their calendars. Ms. Baez stated that she would provide updates.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:40 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
April 18, 2019, 8:30 a.m. to 10:18 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
Director Thomas

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. MWDOC/OCWD Joint Planning Committee

Discussion was held regarding OCWD's storage discussions with MNWD. Committee agreed that MWDOC staff should participate in the process and attend meetings, however the Board's opinion/stance is that this project be opened to MWDOC's entire service area and any in-depth participation (analysis, etc.) should wait until the point it is opened up.

b. Planning & Operations Committee Meeting

No new items were added to the agenda.

c. Workshop Board Meeting

It was noted there would not be a quorum of the Board available for this meeting. Committee recommended it take place as an informational meeting for the member agencies.

d. Administration & Finance Committee meeting

Due to the ACWA conference and a lack of quorum of the Board available to attend this meeting, the Committee recommended the A&F and P&O meetings be combined.

Discussion ensued regarding the District's PARS bond investments and an issue ETWD identified with potential losses in that area. It was noted staff would investigate.

Director Yoo Schneider requested that memberships (and associated travel) for CCEEB and AMWA be reconsidered by the Board. Following discussion, the Committee concurred and it was noted this would be agendized.

e. Public Affairs & Legislation Committee

The Committee suggested a discussion be held regarding the Local Resources Program at a future PAL meeting.

f. Executive Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

Discussion was held regarding Director Osborne's resignation from the Board and whether to call for a special election or make an appointment to the Board. (It was noted that the cost for a special election would exceed $1 million, however it was agreed that staff would obtain cost estimates for holding a special election).

Following discussion, the Committee and Board members concurred that the most cost effective alternative would be to appoint a replacement for Division 3, and directed staff to proceed with that direction.

Considerable discussion ensued regarding the process, and it was agreed that staff would prepare the Notice of Vacancy and have it posted in various locations (pursuant to the law), that letters of interest would be due no later than 4:00 p.m. on May 17, 2019, that a Special Board meeting would be held on May 21, 2019 to interview the candidates, and that a Special Board meeting be scheduled for May 29, 2019 for the purpose of appointing a candidate. Staff noted that the Board had until June 21 to make the appointment.

Discussion also ensued regarding the information to be included in the "Candidate's Information Packet".

MEMBER AGENCY RELATIONS

Discussion was held regarding whether it appropriate (or within the scope of work) for a MWDOC legislative advocate to assist a member agency with certain legislation (obtaining a rider on a bill). Following discussion, the Committee agreed that assistance with obtaining a bill rider would fall within the scope of work for MWDOC's legislative advocates and agreed that the advocate(s) could assist.

GENERAL MANAGER'S REPORTS

No discussion was held.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

Discussion was held regarding the LAFCO vacancy (Charley Wilson resignation); it was noted it would be agendized for May. Committee expressed support for Director Jim Fisler as representative and Director Justin McCusker as alternate.

Discussion was held regarding a possible luncheon to honor Director Osborne for his service on the MWDOC Board; it was noted General Manager Hunter would speak to him about this.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:18 a.m.

MEETING REPORT
JOINT PLANNING COMMITTEE WITH BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY and
ORANGE COUNTY WATER DISTRICT
April 24, 2019 - 8:30 a.m. – 9:39 a.m.
MWDOC Conference Room 101

MWDOC DIRECTORS
Brett R. Barbre
Larry Dick (absent)
Joan C. Finnegan (absent)
Megan Yoo Schneider (absent)
Satoru Tamaribuchi
Jeffery M. Thomas
Vacant Dir., Div. 3

OCWD DIRECTORS
Cathy Green
Tri Ta
Roger Yoh (absent)
Dina Nguyen (absent)
Denis Bilodeau (absent)
Kelly Rowe
Vicente Sarmiento (absent)
Jordan Brandman
Ahmad Zahra
Steve Sheldon

MWDOC STAFF
Rob Hunter (absent)
Karl Seckel
Maribeth Goldsby
Melissa Baum-Haley
Damon Micalizzi
Chris Lingad
Harvey De La Torre
Cathy Harris
Hilary Chumpitazi

OCWD STAFF
Mike Markus (absent)
John Kennedy
Adam Hutchinson

ALSO PRESENT

Peer Swan	Irvine Ranch Water District
Paul Weghorst	Irvine Ranch Water District
Paul Shoenberger	Mesa Water
Don Froelich	Moulton Niguel Water District
Brooke Jones	Yorba Linda Water District
Al Nederhood	Yorba Linda Water District
Scott Maloni	Poseidon Resources
Liz Mendelson-Goossens	San Diego County Water Authority

MWDOC Director Barbre chaired the meeting.

PUBLIC COMMENTS

No public comments were received, however Chairman Barbre announced that MWDOC Director Osborne resigned from his position as Director, Division 3, effective April 22, 2019.

STATUS OF IMPORTED WATER SUPPLIES

MWDOC Associate General Manager Harvey De La Torre updated the Boards on the current imported water supply conditions, highlighting the Northern California accumulated precipitation (above normal), and the current Table "A" allocation of 70%.

POTENTIAL CYCLIC IN-LIEU WATER DELIVERIES

Mr. De La Torre provided an overview of MET's Cyclic In-Lieu water delivery program, noting that although the need to use the program this year is unlikely, it is a permanent program and the MET General Manager is authorized to utilize the program any time there is surplus water.

POSEIDON UPDATE

OCWD Executive Director of Engineering and Water Resources John Kennedy updated the Boards on current Poseidon Resources activities relative to the Huntington Beach Desalination Project, noting he anticipates the Regional Board will publish a draft of the discharge permit in July, that a workshop will be held in August, and that a hearing will be held in October.

CAMPUS ISSUES

a. Security Fencing
b. Visitor Center Concept
c. MWDOC Building Electrical Upgrade

Mr. Kennedy provided an overview of the proposed security fencing around the campus parameter, as well as information on the proposed Visitor's Center concept (which has not been approved by the OCWD Board).

MWDOC Assistant Manager Karl Seckel updated the Boards on the new electrical unit required for the MWDOC building, noting it will be increased from 200 to 600 amp service.

OCWD UPDATE

Mr. Kennedy updated the Committee on the status of OCWD operations, which included updates on the Prado Dam operations, the OCWD groundwater basin accumulated overdraft, and the estimated FY 18-19 groundwater basin water balance estimates and averages.

OCWD MNWD STORAGE DISCUSSIONS

Mr. Kennedy advised that the OCWD Board approved an agreement to study a possible pilot storage program with Moulton Niguel Water District; a consultant has been retained to conduct the study, and a kick-off meeting will be held on May 29, 2019 and will include interested parties (including MWDOC). He noted that an additional consultant (Tetra-Tech) was retained to evaluate conveyance facilities needed to transfer water.

SOUTH ORANGE COUNTY EMERGENCY SUPPLY AGREEMENT

Mr. Seckel reviewed the terms of the current Emergency Supply Agreement between OCWD, MWDOC, IRWD, and the South County agencies, signed in 2006 and expires in 2030. He advised that revisions under evaluation include expanding term, expanding the deliveries from 50 cfs for 30 days to 50 cfs for 60 days, and whether the water could be moved through the IRWD system or through EOCF#2.

SARCCUP UPDATE

OCWD Recharge Planning Manager Adam Hutchinson updated the Board on the SARCCUP program, noting that a total of $55 million in grant funding was awarded to cover groundwater banks, habitat improvements, and water use efficiency efforts.

OCWD GROUNDWATER CHARGE

Mr. Seckel provided an overview of MWDOC's Groundwater Charge which was developed as a result of the rate survey MWDOC conducted a few years ago, noting that it is based on a 10-year rolling average on what OCWD purchases from MWDOC.

NEXT COMMITTEE MEETING

The next meeting is scheduled for October 23, 2019.

ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 9:39 a.m.

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

WATER REVENUES

Date	From	Description	Amount
04/01/19	City of Fountain Valley	February 2019 Water deliveries	11,598.85
04/01/19	City of La Palma	February 2019 Water deliveries	4,010.86
04/02/19	City of La Habra	February 2019 Water deliveries	4,446.66
04/04/19	Laguna Beach County Water District	February 2019 Water deliveries	133,789.03
04/05/19	City of Brea	February 2019 Water deliveries	15,997.65
04/08/19	South Coast Water District	February 2019 Water deliveries	319,648.50
04/08/19	Santa Margarita Water District	February 2019 Water deliveries	830,631.05
04/08/19	City of Buena Park	February 2019 Water deliveries	236,329.44
04/08/19	City of Garden Grove	February 2019 Water deliveries	28,549.33
04/11/19	City of Westminster	February 2019 Water deliveries	195,314.01
04/11/19	City of Orange	February 2019 Water deliveries	34,642.82
04/11/19	Mesa Water	February 2019 Water deliveries	160,466.07
04/12/19	City of San Juan Capistrano	February 2019 Water deliveries	157,482.81
04/15/19	East Orange County Water District	February 2019 Water deliveries	175,706.14
04/15/19	Serrano Water District	February 2019 Water deliveries	12,449.22
04/15/19	City of Seal Beach	February 2019 Water deliveries	118,250.65
04/15/19	El Toro Water District	February 2019 Water deliveries	245,045.29
04/15/19	Golden State Water Company	February 2019 Water deliveries	128,959.79
04/15/19	Yorba Linda Water District	February 2019 Water deliveries	35,018.37
04/15/19	Moulton Niguel Water District	February 2019 Water deliveries	1,152,767.10
04/15/19	Irvine Ranch Water District	February 2019 Water deliveries	438,133.64
04/22/19	City of Newport Beach	March 2019 Water deliveries	25,794.85
04/23/19	Trabuco Canyon Water District	March 2019 Water deliveries	20,348.80
04/26/19	City of Brea	March 2019 Water deliveries	15,997.65
04/29/19	City of Fountain Valley	March 2019 Water deliveries	16,232.05
04/29/19	City of La Habra	March 2019 Water deliveries	4,446.66
		TOTAL REVENUES	**$ 4,522,057.29**

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

MISCELLANEOUS REVENUES

Date	From	Description	Amount
04/01/19	Stan Sprague	April 2019 Retiree Health insurance	244.77
04/29/19	Keith Lyon	May 2019 Retiree Health insurance	288.99
04/29/19	Stan Sprague	May 2019 Retiree Health insurance	244.77
04/29/19	Judy Pfister	Apr-Jun 2019 Retiree Health insurance	121.44
04/08/19	Bitly	Refund for Annual subscription for Bitly brand tools	1,200.00
04/12/19	City of San Clemente	January 2019 Smartimer rebate program	142.06
04/08/19	El Toro Water District	February 2019 Smartimer rebate program	124.99
04/08/19	Mesa Water	February 2019 Smartimer rebate program	140.00
04/12/19	City of San Clemente	February 2019 Smartimer rebate program	337.49
04/24/19	Irvine Ranch Water District	February 2019 Smartimer rebate program	2,080.42
04/04/19	City of Westminster	February 2019 Turf Removal rebate program	111.00
04/08/19	Moulton Niguel Water District	February 2019 Smartimer and Turf Removal rebate program	14,481.02
04/11/19	City of Orange	February 2019 Turf Removal & Spray to Drip rebate program	444.00
04/29/19	Yorba Linda Water District	February 2019 Turf Removal & Spray to Drip rebate program	333.00
04/29/19	Irvine Ranch Water District	February 2019 Turf Removal & Spray to Drip rebate program	5,674.00
04/01/19	El Toro Water District	February 2019 So Cal Watersmart rebate program	810.00
04/01/19	Moulton Niguel Water District	February 2019 So Cal Watersmart rebate program	7,750.00
04/10/19	Irvine Ranch Water District	February 2019 So Cal Watersmart rebate program	16,500.00
04/12/19	City of San Clemente	February 2019 So Cal Watersmart rebate program	375.00
04/22/19	El Toro Water District	March 2019 So Cal Watersmart rebate program	230.00
04/24/19	Irvine Ranch Water District	March 2019 So Cal Watersmart rebate program	9,935.00
04/29/19	Moulton Niguel Water District	March 2019 So Cal Watersmart rebate program	5,400.00
04/08/19	Department of Water Resources	Jan-Mar 2018 Strategic Turfgrass Removal & Design Assistance	6,735.11
04/08/19	Department of Water Resources	Apr-Jun 2018 Strategic Turfgrass Removal & Design Assistance	27,986.90
04/01/19	City of Newport Beach	FY 17-18 O & M Costs of the EOCF #2	25,468.93
04/03/19	East Orange County Water District	FY 17-18 O & M Costs of the EOCF #2	52,691.16
04/04/19	Laguna Beach County Water District	FY 17-18 O & M Costs of the EOCF #2	6,046.80
04/05/19	City of San Clemente	FY 17-18 O & M Costs of the EOCF #2	3,628.08
04/08/19	South Coast Water District	FY 17-18 O & M Costs of the EOCF #2	3,224.96
04/11/19	City of Orange	FY 17-18 O & M Costs of the EOCF #2	42,514.91
04/16/19	Mesa Water	FY 17-18 O & M Costs of the EOCF #2	57,042.62
04/17/19	City of San Juan Capistrano	FY 17-18 O & M Costs of the EOCF #2	60,468.04
04/17/19	Irvine Ranch Water District	FY 17-18 O & M Costs of the EOCF #2	197,538.34
04/17/19	Moulton Niguel Water District	FY 17-18 O & M Costs of the EOCF #2	181,404.13
04/17/19	Santa Margarita Water District	FY 17-18 O & M Costs of the EOCF #2	72,952.20
04/22/19	City of Huntington Beach	FY 17-18 O & M Costs of the EOCF #2	25,707.92
04/26/19	City of Brea	Addition to Choice School Program FY 18-19	205.50
04/01/19	City of Fountain Valley	Water Loss Control technical assistance - WSO, Inc	25,672.00
04/11/19	City of Orange	Water Loss Control technical assistance - WSO, Inc.	9,372.00
04/11/19	Trabuco Canyon Water District	Water Loss Control technical assistance - WSO, Inc.	27,322.00
		TOTAL MISCELLANEOUS REVENUES	**$ 892,949.55**
		TOTAL REVENUES	**$ 5,415,006.84**

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

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

Invoice#	Vendor / Description	Amount to Pay
Core Expenditures:		
	Richard C. Ackerman	
1230	April 2019 Consulting on legal and regulatory matters	1,600.00
	*** Total ***	1,600.00
	Alta FoodCraft	
51908435	4/26/19 Coffee & tea supplies	268.11
	*** Total ***	268.11
	ARC Document Solutions, LLC	
9996024C	50% Construction draft plan copies (Credit for revised pricing)	(296.87)
99960024R	50% Construction draft plan copies (Revised pricing)	38.13
10010442R	50% Construction draft plan copies for Seismic Retrofit project	8.69
10014798R	50% Construction draft plans for MWDOC Phase 1 office remodel copied to PDF	74.58
10054145	MWDOC Building plans copied for HVAC upgrade	13.67
10038741	Plan copies for Seismic Retrofit project	10.42
10147303	6 Directional signs for Inspections Trips	133.35
10147299	Public meeting sign	22.23
	*** Total ***	4.20
	Best Best and Krieger LLP	
846921A	Reimbursement for hotel room in Sacramento, CA on 2/5/19 for H. Baez and M. Baum Haley Legislative Activities trip	287.10
846921	March 2019 State legislative advocacy services	7,500.00
55401-MAR19	March 2019 Legal services	20,265.77
	*** Total ***	28,052.87
	CDW Government	
SBC1558	5 Year anti-virus software renewal	3,400.00
	*** Total ***	3,400.00
	CSU Fullerton ASC	
AR168967	4th Quarter FY 18/19 Center for Demographic Research support	11,761.05
AR169025	Updated Orange County map with water mains infrastructure	188.37
	*** Total ***	11,949.42
	Dudek	
20191850	2/23/19-03/29/19 Planning level reliability for South County Interconnection	10,532.50
	*** Total ***	10,532.50
	El Toro Water District	
3324	2019 Annual lease for WEROC S. EOC site	1,000.00
	*** Total ***	1,000.00

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

Invoice#	Vendor / Description	Amount to Pay
	Finley & Cook PLLC	
SI0033561	6/5/19-6/4/20 Jet Reports annual maintenance and enhancements	1,397.00
	*** Total ***	1,397.00
	G|M Business Interiors	
0250920-IN	Humanscale Freedom chair	715.33
	*** Total ***	715.33
	Gladwell Governmental Services, Inc.	
4124	April 2019 Records management services	1,900.00
	*** Total ***	1,900.00
	GovConnection, Inc.	
56689556	Support for Cisco phone switch and access point for conference room 101	324.24
	*** Total ***	324.24
	Hashtag Pinpoint Corporation	
1194	April 2019 Social Media consultation and services	7,917.00
	*** Total ***	7,917.00
	James C. Barker, P.C.	
105-0419	April 2019 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	L.A. Design Studio	
5084	January-March 2019 Support for MWDOC website	600.00
	*** Total ***	600.00
	Lawnscape Systems, Inc.	
400692	4/9/19 Landscape maintenance for atrium	295.00
	*** Total ***	295.00
	Lewis Consulting Group	
2019-124	April 2019 Consulting services	2,687.50
	*** Total ***	2,687.50
	Metropolitan Water District	
45731	Operation and maintenance costs for East Orange County Feeder No. 2	728,688.09
	*** Total ***	728,688.09
	National Water Resources Association	
2019	2019 Annual membership renewal	500.00
	*** Total ***	500.00
	NDS	
717656	4/12/19 Delivery charges for Board packets	211.47
	*** Total ***	211.47

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

Invoice#	Vendor / Description	Amount to Pay
	Office Solutions	
I-01542925	MWDOC Letterhead and envelopes printed	721.40
I-01557582	Office chair	756.04
I-01560448	4/16/19 Office supplies	157.36
I-01560970	4/17/19 Office supplies	54.36
I-01561492	2 Cases of index dividers for Board packets	156.34
I-01564024	4/23/19 Office supplies	353.72
I-01568529	5/1/19 Office supplies	124.32
	*** Total ***	2,323.54
	OMB Electrical Engineers, Inc.	
78268	2/23/19-3/29/19 Electrical Engineering services for MWDOC office electrical upgrade	3,300.00
78448	2/23/19-3/29/19 Electrical Engineering reimbursable expense for MWDOC office electrical upgrade	140.81
	*** Total ***	3,440.81
	Orange County Dept. of Education	
94MI4369	January-March 2019 Core and Choice High School programs	8,078.00
	*** Total ***	8,078.00
	Orange County Water District	
20146	March 2019 50% share of WACO expense	246.93
20174	March 2019 Postage, shared office & maintenance expense	7,415.56
20231	April 2019 50% share of WACO expense	246.25
	*** Total ***	7,908.74
	Patricia Kennedy Inc.	
10828	May 2019 Plant maintenance	214.00
	*** Total ***	214.00
	Petty Cash	
FEB-APR2019	February-April 2019 Petty Cash reimbursement	141.05
	*** Total ***	141.05
	Judy Pfister	
JAN-MAR2019	January-March 2019 Retiree medical premium	400.50
	*** Total ***	400.50
	Resilient Communications	
802300	Power supply for server rack	480.00
802307	5 Year maintenance subscription for telephone paging software	2,470.00
	*** Total ***	2,950.00

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

Invoice#	*Vendor / Description*	*Amount to Pay*
	Joey C. Soto	
MWDOC#011	March 2019 Grant research and acquisition assistance	2,998.45
	*** Total ***	2,998.45
	Top Hat Productions	
95067	4/18/19 Lunch for Managers' meeting	467.10
	*** Total ***	467.10
	WageWorks, Inc.	
INV1365064	April 2019 Cafeteria plan administration	196.07
	*** Total ***	196.07
	Western Municipal Water District	
IN10917	25% Share cost of 2/27/19 Washington, DC Briefing luncheon	712.74
	*** Total ***	712.74
	Zoho Corporation	
2224654	1 Year subscription for software to monitor servers	1,831.50
	*** Total ***	1,831.50
	Total Core Expenditures	841,705.23

Choice Expenditures:

	Discovery Science Center	
DSOC/IV/000870	March 2019 Elementary school program	38,619.21
	*** Total ***	38,619.21
	Mission RCD	
2666	March 2019 Field verifications for Water Use Efficiency rebate programs	7,070.21
	*** Total ***	7,070.21
	Orange County Dept. of Education	
94MI4369	January-March 2019 Core and Choice High School programs	21,855.00
	*** Total ***	21,855.00
	Orange County Water District	
20174	March 2019 Postage expense for rebate programs	13.85
	*** Total ***	13.85
	Top Hat Productions	
95022	4/4/19 Lunch for Water Use Efficiency workgroup meeting	553.03
	*** Total ***	553.03
	Total Choice Expenditures	68,111.30

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

Invoice#	Vendor / Description	Amount to Pay
Other Funds Expenditures:		
	Michael Baker International	
1044964	3/4/19-3/31/19 OC Regional Water/Wastewater Multijurisdictional Hazardous Mitigation Plan update	2,072.46
	*** Total ***	2,072.46
	Mission RCD	
2666	March 2019 Field verifications for Water Use Efficiency rebate programs	1,257.85
	*** Total ***	1,257.85
	Satellite Phone Store	
113309	3 Satellite phones, antennas and 1 year of service for WEROC	7,177.36
	*** Total ***	7,177.36
	SO-PAK-CO, Inc.	
133970	24 Cases of emergency food for WEROC EOCs	1,745.21
	*** Total ***	1,745.21
	Total Other Funds Expenditures	12,252.88
	Total Expenditures	922,069.41

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Core Disbursements:				
138811	4/4/19	SPECTB	Spectrum Business	
		0375210032019	April 2019 Telephone and internet expense	1,099.14
			***Total ***	1,099.14
138813	4/4/19	VERIZO	Verizon Wireless	
		9826814717	March 2019 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
138823	4/15/19	IRONMO	Iron Mountain	
		ANVF409	April 2019 Archived document storage fees	209.70
			***Total ***	209.70
138827	4/15/19	OFFICED	Office Depot, Inc.	
		290727266001	3/20/19 Office supplies	384.58
			***Total ***	384.58
ACH003900	4/15/19	ACKEEX	Linda Ackerman	
		4-10-19	March 2019 Business expense	97.44
			***Total ***	97.44
ACH003902	4/15/19	BERGJO	Joseph Berg	
		032919	March 2019 Business expense	257.70
			***Total ***	257.70
ACH003906	4/15/19	DAVISR	Rachel Davis	
		033119	March 2019 Business expense	134.46
			***Total ***	134.46
ACH003907	4/15/19	DICKEX	Larry Dick	
		4/10/19	March 2019 Business expense	106.72
			***Total ***	106.72
ACH003910	4/15/19	HARRIS	Cathleen M. Harris	
		033119	March 2019 Business expense	279.33
			***Total ***	279.33
ACH003912	4/15/19	HOSTER	Kevin Hostert	
		033119	March 2019 Business expense	49.88
			***Total ***	49.88
ACH003929	4/15/19	SCHNEI	Megan Yoo Schneider	
		033119	March 2019 Business expense	542.40
			***Total ***	542.40

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003931	***4/15/19***	***TAMARI***	***Satoru Tamaribuchi***	
		033119	March 2019 Business expense	180.38
			***Total ***	180.38
ACH003932	***4/15/19***	***THOMAS***	***Jeffery Thomas***	
		033119	March 2019 Business expense	229.68
			***Total ***	229.68
138835	***4/16/19***	***SPECTB***	***Spectrum Business***	
		0343564040119	April 2019 Telephone expense for 3 analog fax lines	108.57
			***Total ***	108.57
138836	***4/24/19***	***DUBUQU***	***Tina Dubuque***	
		120318	November-December 2018 Business expense (Re-issue)	140.81
			***Total ***	140.81
138861	***4/30/19***	***OFFICED***	***Office Depot, Inc.***	
		301774882001	4/12/19 Office supplies	380.71
			***Total ***	380.71
138863	***4/30/19***	***USBANK***	***U.S. Bank***	
		0403/0640/5443-MAR19	2/23/19-3/22/19 Cal Card charges	23,252.39
			***Total ***	23,252.39
			(See attached sheet for details)	
ACH003936	***4/30/19***	***BAEZHE***	***Heather Baez***	
		033119	March 2019 Business expense	181.14
			***Total ***	181.14
ACH003937	***4/30/19***	***BUIJEA***	***Jeannie Bui***	
		033119	March 2019 Business expense	14.85
			***Total ***	14.85
ACH003938	***4/30/19***	***HALEY***	***Melissa Baum Haley***	
		033119	March 2019 Business expense	336.98
			***Total ***	336.98
ACH003941	***4/30/19***	***ROBERT***	***Bryce Roberto***	
		033119	March 2019 Business expense	41.97
			***Total ***	41.97
ACH003942	***4/30/19***	***SECKEL***	***Karl Seckel***	
		041719	April 2019 Business expense	81.91
			***Total ***	81.91

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003945	4/30/19	WILSON	Sarah C. Wilson	
		033119	March 2019 Business expense	38.28
			***Total ***	38.28
			Total Core Disbursements	28,263.05

Choice Disbursements:

ACH003906	4/15/19	DAVISR	Rachel Davis	
		033119	March 2019 Business expense	55.26
			***Total ***	55.26
138863	4/30/19	USBANK	U.S. Bank	
		0640-MAR19	2/23/19-3/22/19 Cal Card charges	138.95
			***Total ***	138.95
			(See attached sheet for details)	
			Total Choice Disbursements	194.21

Other Funds Disbursements:

138812	4/4/19	TURFRP	Turf Removal Program	
		TR12-R-IRWD-36358-35283A	Y. Miao (Re-issue)	827.00
			***Total ***	827.00
138813	4/4/19	VERIZO	Verizon Wireless	
		9826814717	March 2019 4G Mobile broadband unlimited service	76.02
			***Total ***	76.02
138815	4/15/19	ATTUVEOC	AT&T	
		1812-APR19	April 2019 U-verse internet service for WEROC N. EOC	50.00
			***Total ***	50.00
138817	4/15/19	ATTCALN	AT&T	
		000012817752	February 2019 Telephone expense for WEROC S. EOC	176.27
		000012817753	February 2019 Telephone expense for WEROC N. EOC	106.46
			***Total ***	282.73
138822	4/15/19	HOMED1	Home Depot Credit Services	
		7785-APR19	Supplies for WEROC S. EOC	16.10
			***Total ***	16.10
138828	4/15/19	OCWD	Orange County Water District	
		20091	February 2019 Credit for Local Resources program	703,861.57
			***Total ***	703,861.57

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003913	***4/15/19***	***HUBBAR***	***Kelly Hubbard***	
		013119	January 2019 Business expense	23.55
			***Total ***	23.55
ACH003914	***4/15/19***	***HUBBAR***	***Kelly Hubbard***	
		022819	February 2019 Business expense	73.74
			***Total ***	73.74
		DRIPPR	***Spray to Drip Program***	
138837	***4/26/19***	S2D2-R-IRWD-29153-17307	L. Stone	204.44
138838	***4/26/19***	S2D2-C-MESA-35313-17324	Orange Coast Unitarian Universalist Church (Costa Mesa)	1,509.40
138839	***4/26/19***	S2D2-R-O-37365-17335	L. Panitz	270.00
138840	***4/26/19***	S2D2-R-WEST-37366-17347	R. Kemp	50.00
			***Total ***	2,033.84
		TURFRP	***Turf Removal Program***	
138841	***4/26/19***	TR11-C-NWPT-335-26576	City of Newport Beach	126,322.90
138842	***4/26/19***	TR11-C-BREA-7699-26819	City of Brea	61,968.90
138843	***4/26/19***	TR12-R-MNT-29147-29068	G. Albert	824.45
138844	***4/26/19***	TR12-R-TUST-29151-29074	D. Cron	6,208.00
138845	***4/26/19***	TR12-R-IRWD-29153-29076	L. Stone	1,362.00
138846	***4/26/19***	TR12-R-IRWD-27016-34175	M. Amidi	558.00
138847	***4/26/19***	TR12-R-FV-34256-34180	K. Le	1,641.07
138848	***4/26/19***	TR12-R-MNT-35255-35179	M. Lee	376.00
138849	***4/26/19***	TR12-R-IRWD-35286-35215	S. Ghoubrial	412.00
138850	***4/26/19***	TR12-R-MNT-35312-35237	A. Watson	2,046.00
138851	***4/26/19***	TR12-R-TUST-36360-35286	B. Harold	8,288.00
138852	***4/26/19***	TR12-R-MNT-37364-36291	H. Spindel	849.00
138853	***4/26/19***	TR12-R-WEST-37366-36292	B. Kemp	926.00
138854	***4/26/19***	TR12-R-MNT-37382-36304	S. Guerdat	788.00
138855	***4/26/19***	TR12-R-MNT-37388-36307	D. Shkarovetskyy	1,174.00
138856	***4/26/19***	TR12-R-MNT-37397-36315	G. Siragusa	3,018.00
			***Total ***	216,762.32
138862	***4/30/19***	***SANTI1***	***Santiago Aqueduct Commission***	
		FEB2019	February 2019 SAC Pipeline Operation surcharge	2,651.49
			***Total ***	2,651.49
138863	***4/30/19***	***USBANK***	***U.S. Bank***	
		0640-MAR19A	2/23/19-3/22/19 Cal Card charges	681.87
			***Total ***	681.87
ACH003943	***4/30/19***	***SANTAM***	***Santa Margarita Water District***	
		FEB2019	February 2019 SCP Pipeline Operation surcharge	15,764.74
			***Total ***	15,764.74

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
EFT-190430	*4/30/19*	*METWAT*	***Metropolitan Water District***	
		9649	February 2019 Water deliveries	4,786,280.26
			***Total ***	4,786,280.26
			Total Other Funds Disbursements	5,729,385.23
			Total Disbursements	5,757,842.49

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: March 22, 2019
Payment Date: April 30, 2019

Date	Description	Amount
Public Affairs		
2/21/2019	Water Policy Dinner in Costa Mesa, CA on Feb. 21, 2019 - Parking for J. Bui	$ 3.50
2/21/2019	Lunch for Public Affairs department meeting	62.18
2/21/2019	Decorations for 2/21/19 Water Policy Dinner	14.45
2/27/2019	Refund for damaged item for Children's Water Festival	(5.25)
2/28/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Meal for Director Dick, Director Thomas and D. Micalizzi	74.99
2/28/2019	Supplies for Children's Water Festival	25.90
3/1/2019	International Association of Business Communicators annual membership for T. Muldoon	334.00
3/1/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Accommodations for D. Micalizzi	224.26
3/7/2019	UPS packaging and delivery charges for K. Cole proclamation	97.43
3/13/2019	Hermes Creative Awards entry fees for MWDOC logo and State Water Project Inspection Trip video	190.00
3/20/2019	40 Boxed art sets for Poster Contest winners	1,294.40
3/20/2019	3 Apple iPads for Poster Contest winners	1,088.37
	Total	**$ 3,404.23**

Cal Card Charges
Statement Date: March 22, 2019
Payment Date: April 30, 2019

Date	Description	Amount
K. Seckel Card		
2/20/2019	California Water Efficiency Partnership Quarterly meeting in San Francisco, CA on Feb. 26, 2019 - Airline seat charge for J. Berg	25.00
2/21/2019	International Public Management Association for Human Resources annual membership renewal for C. Harris	109.00
2/22/2019	ACWA Legislative Symposium in Sacramento, CA on Mar. 6, 2019 - Partial airfare refund for H. Baez	$ (286.98)
2/23/2019	Federal Express delivery charges for CDM Smith on Feb. 21, 2019	18.82
2/24/2019	1/24/19-2/23/19 Web hosting service for MWDOC website	15.65
2/25/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Transportation for H. Baez	22.28
2/25/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Transportation for H. Baez	10.93
2/25/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Transportation for H. Baez	8.10
2/26/2019	Images on Demand subscription	29.00
2/26/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Meals for Director Ackerman, H. Baez and M. Baum Haley	124.20
2/26/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Transportation for H. Baez	13.50
2/26/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Transportation for H. Baez	15.77
2/26/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Meals for Director Ackerman, H. Baez and M. Baum Haley	73.17
2/27/2019	Federal Express delivery charges for materials for DC Briefing Luncheon on Feb. 25, 2019	85.85
2/27/2019	Security system and smoke detectors for WEROC S. EOC	681.87
2/27/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Transportation for H. Baez	13.60
2/28/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Accommodations for H. Baez	1,031.10
2/28/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Accommodations for M. Baum Haley	1,031.10
2/28/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Meals for Director Ackerman, Director Yoo Schneider, H. Baez and M. Baum Haley	87.59
3/1/2019	3/01/19-3/31/19 E-mail service for California Sprinkler Adjustment Notification system	14.95
3/2/2019	Federal Express delivery charges for Lewis Consulting on Feb. 27, 2019 and Hazen and Sawyer on Feb. 28, 2019	79.59
3/4/2019	Image download from Canva	1.00
3/4/2019	UPS Delivery charges for Board packets on Feb. 27 and Mar. 1, 2019 and materials for DC Briefing Luncheon on Feb. 22, 2019	137.81 [1]
3/4/2019	Urban Water Institute's Annual Water conference in San Diego, CA from Aug. 14-16, 2019 - Accommodations deposit for D. Micalizzi	236.88

Cal Card Charges
Statement Date: March 22, 2019
Payment Date: April 30, 2019

Date	Description	Amount
K. Seckel Card (Continued)		
3/5/2019	Federal Express delivery charges for Rosenberg & Associates on Mar. 1, 2019	23.55
3/5/2019	American Water Works Association California-Nevada Section Water Use Efficiency Grade 2 workshop in Rancho Cucamonga, CA on Apr. 29, 2019 - Registration for R. Davis	$ 550.00
3/5/2019	Legislative Activities in Sacramento, CA on Mar. 15, 2019 - Airfare for H. Baez	406.96
3/7/2019	2019 New hire pamphlets	71.99
3/7/2019	ACWA Legislative Symposium in Sacramento, CA on Mar. 6, 2019 - Water for H. Baez	6.00
3/7/2019	Sheraton Hotel in Sacramento refunded charge for canceled room	(303.24)
3/13/2019	Federal Express delivery charges for Lewis Consulting on Mar. 6, 2019	19.95
3/14/2019	American Water Works Association California-Nevada Section Water Use Efficiency Grade 2 exam - Registration for R. Davis	135.00
3/15/2019	Binding machine supplies	171.24
3/16/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 25-28, 2019 - Accommodations deposit for J. Berg	729.85
3/16/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 26-28, 2019 - Accommodations deposit for K. Hubbard	729.85 [2]
3/18/2019	Flowers for MWDOC staff member	70.03
3/18/2019	UPS Delivery charges for Board packets on Mar. 8, 2019	38.67
3/18/2019	California Environmental Dialogue Plenary meeting in Sacramento, CA from Mar. 20-21, 2019 - Airfare for M. Baum Haley	529.96
3/18/2019	Flowers for MWDOC Director	48.48
3/19/2019	Breakfast for Qualified Water Efficient Landscaper training class	124.00
3/19/2019	Managing Grant-Acquired Property webinar - Registration for J. Stalvey	249.00
3/20/2019	Federal Express delivery charges for Hazen & Sawyer on Mar. 18, 2019	36.04
3/21/2019	Federal Express delivery charges for OC Board of Supervisors on Mar. 19, 2019	19.04
3/21/2019	Lunch for Member Managers' meeting	530.40
	Total	**$ 7,766.55**

[1] UPS Briefing material charges $62.37 to be refunded for late delivery
[2] Sheraton Hotel refunded $243.29 of deposit on 3/29/19 for shorten stay

Cal Card Charges
Statement Date: March 22, 2019
Payment Date: April 30, 2019

Date	Description	Amount
R. Hunter Card		
2/23/19-3/22/19	Meals for R. Hunter's meetings	$ 46.57
2/21/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Airfare for Director Yoo Schneider	384.16
2/22/2019	ACWA DC conference in Washington, DC from Feb. 26-28, 2019 - Transportation for R. Hunter	89.00
2/25/2019	Lunch for MET Directors' meeting - Refund for missing item	(11.45)
2/25/2019	Legislative Activities in Washington, DC from Feb. 26-28, 2019 - Airfare change for Director Barbre	338.70 [1]
2/26/2019	Legislative activities in Sacramento, CA on Feb. 26, 2019 - Transportation for Director Tamaribuchi and R. Hunter	45.00
2/26/2019	Legislative activities in Sacramento, CA on Feb. 26, 2019 - Transportation for Director Tamaribuchi and R. Hunter	33.00
2/26/2019	Legislative activities in Sacramento, CA on Feb. 26, 2019 - Meal for Director Tamaribuchi, R. Hunter and 2 guests	115.75
2/28/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Dinner for Director Ackerman, Director Yoo Schneider, R. Hunter, H. Baez M. Baum Haley and 10 guests	2,170.01
2/28/2019	Orange County Business Council Advocacy trip in Washington, DC from May 6-8, 2019 - Registration for Director Yoo Schneider	1,785.00
2/28/2019	Legislative Activities in Washington, DC from Feb. 26-28, 2019 - Accommodations for Director Barbre	260.07 [2]
2/28/2019	Legislative activities in Sacramento, CA on Feb. 26, 2019 and ACWA DC conference in Washington, DC from Feb. 26-28, 2019 - Parking for R. Hunter	60.00
3/1/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 7-10, 2019 - Registration for R. Hunter	925.00
3/1/2019	ACWA Legislative Symposium in Sacramento, CA from Mar. 5-7, 2019 - Airfare change for H. Baez	264.98
3/1/2019	Legislative Activities in Washington, DC from Feb. 26-28, 2019 - Accommodations for R. Hunter	758.68
3/1/2019	Urban Water Institute's Spring Water conference in Palm Springs, CA from Feb. 27-Mar. 1, 2019 - Accommodations for Director Tamaribuchi	224.26
3/4/2019	Urban Water Institute's Annual Water conference in San Diego, CA from Aug. 14-16, 2019 - Registration for Director Thomas	425.00
3/4/2019	Urban Water Institute's Annual Water conference in San Diego, CA from Aug. 14-16, 2019 - Registration for D. Micalizzi	425.00
3/4/2019	Orange County Water Association Industry Insight presentation in Irvine, CA on Mar. 20, 2019 - Registration for Director Barbre	45.00
3/4/2019	Orange County Business Council Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Airfare change for Director Yoo Schneider	62.00
3/4/2019	Urban Water Institute's Annual Water conference in San Diego, CA from Aug. 14-16, 2019 - Accommodations deposit for Director Thomas	236.88
3/5/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 7-10, 2019 - Airfare for R. Hunter	629.00

Cal Card Charges
Statement Date: March 22, 2019
Payment Date: April 30, 2019

Date	Description	Amount
R. Hunter Card (Continued)		
3/6/2019	Orange County Council of Governments General Assembly in Anaheim, CA on Apr. 12, 2019 - Registration for Director Barbre	$ 157.50
3/7/2019	ACWA DC conference in Washington, DC from Feb. 25-28, 2019 - Accommodations for Director Yoo Schneider	758.68
3/7/2019	ACWA Legislative Symposium in Sacramento, CA from Mar. 5-7, 2019 - Accommodations for H. Baez	596.72
3/8/2019	Orange County Business Council Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Airfare for Director Barbre	246.99 [3]
3/9/2019	Federal Express delivery charges for OC Board of Supervisors on Mar. 6, 2019	18.95
3/11/2019	UPS Delivery charges for Board packets on Mar. 2 & 8, 2019	65.06
3/11/2019	Orange County Business Council Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Registration for Director Barbre	750.00 [4]
3/11/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 25-28, 2019 - Airfare for J. Berg	283.96
3/12/2019	Flowers for MWDOC staff member	81.54
3/12/2019	California Chamber of Commerce online Supervisor course - Registration for Director Yoo Schneider	43.99
3/13/2019	Association of California Cities-Orange County Board Installation reception in Newport Beach, CA on Apr. 17, 2019 - Registration for Director Barbre	35.00
3/14/2019	Orange County Business Council Advocacy trip in Sacramento, CA from Mar. 18-19, 2019 - Accommodations deposit for Director Barbre	507.32 [5]
3/15/2019	Food for staff development meeting	45.11
	Total	**$ 12,902.43**

[1] Trip was canceled, $138.70 of airfare is available for future flights
[2] Director Barbre reimbursed MWDOC $260.07 for canceled hotel charge
[3] Trip was canceled, airfare is available for future flights
[4] Director Barbre reimbursed MWDOC $750.00 for canceled registration
[5] Director Barbre reimbursed MWDOC $507.32 for canceled hotel charge

Municipal Water District of Orange County
GM Approved Disbursement Report [1]
For the month of April 2019

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Core Disbursements:				
			Total Core Disbursements	-
Choice Disbursements:				
			Total Choice Disbursements	-
Other Funds Disbursements:				
			Total Other Funds Disbursements	-
			Total Disbursements	-

No items to report

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

(1) For disbursements that did not make the cut-off of previous month's Disbursement Approval report. Disbursements are approved by GM for payment and need A & F Committee ratification.

Municipal Water District of Orange County
Consolidated Summary of Cash and Investment
March 31, 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	22.94%
Grant & Project Cash Flow	1,500,000	10.30%
Election Expense	608,000	4.17%
Building Repair	385,408	2.65%
OPEB	297,147	2.04%
Total Designated Reserves	6,132,465	42.10%
General Fund	6,477,312	44.47%
Water Fund	1,984,943	13.63%
Conservation Fund	(254,706)	(1.75%)
Desalination Feasibility Study Fund	(145,268)	(1.00%)
WEROC Fund	342,501	2.35%
Trustee Activities	29,074	0.20%
Total	**$14,566,321**	**100.00%**

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.68%	$98,734	$98,734
Short-term investment			
• LAIF	50.65%	$7,378,895	$7,378,895
• OCIP	27.37%	3,986,400	3,986,400
Long-term investment			
• Corporate Bond	7.91%	1,152,292	1,138,533
• Certificates of Deposit	13.39%	1,950,000	1,951,767
Total	**100.00%**	**$14,566,321**	**$14,554,329**

The average number of days to maturity/call as of March 31, 2019 equaled 160 and the average yield to maturity is 2.339%. During the month, the District's average daily balance was $18,393,178.30. Funds were invested in Federal Agency Issues, Certificates of Deposit, Negotiable CD's, Miscellaneous Securities, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of March 2019.

The ($11,992) difference between the book value and the market value on March 31, 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 Chumpitazi
Treasurer

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary

March 31, 2019

3/31/2019	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,951,767.00	1,950,000.00	13.48	792	2.504
Corporate Bond	1,150,000.00	1,138,533.00	1,152,292.24	7.95	665	2.290
Local Agency Investment Funds	7,378,895.52	7,378,895.52	7,378,895.52	51.01	1	2.427
Orange County Investment Pool	3,986,399.61	3,986,399.61	3,986,399.61	27.56	1	2.111
Total Investments	**14,465,295.13**	**14,455,595.13**	**14,467,587.37**	**100.00**	**160**	**2.339**
Cash						
Cash	98,733.71	98,733.71	98,733.71		1	0.00
Total Cash and Investments	**14,564,028.84**	**14,554,328.84**	**14,566,321.08**		**160**	**2.339**

Total Earnings	Month Ending March	Fiscal Year to Date
Current Year	**40,996.76**	**421,541.52**
Average Daily Balance	**18,393,178.30**	
Effective Rate of Return	**2.339%**	

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: 4-29-19

Hilary Chumpitazi, Treasurer — Date: 4/29/2019

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
March 31, 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	245,317.50	250,000.00	2.250	2.250	1,276	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,662.50	250,000.00	1.950	1.950	156	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	197,592.00	200,000.00	2.000	2.000	838	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	254,005.00	250,000.00	3.300	3.300	1,577	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	254,522.50	250,000.00	3.350	3.350	1,591	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,735.00	250,000.00	3.250	2.534	112	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	250,197.50	250,000.00	2.500	2.500	673	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,735.00	250,000.00	2.050	2.050	121	7/30/2019
Sub Total			**1,950,000.00**	**1,951,767.00**	**1,950,000.00**	**2.596**	**2.504**	**792**	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	498,175.00	500,379.50	2.250	2.152	267	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	193,156.00	200,000.00	2.500	2.500	1,202	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	249,190.00	250,555.82	2.550	2.409	617	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	198,012.00	201,356.92	2.500	2.278	1,185	6/28/2022
Sub Total			**1,150,000.00**	**1,138,533.00**	**1,152,292.24**	**2.402**	**2.290**	**665**	
Total Investments			**3,100,000.00**	**3,090,300.00**	**3,102,292.24**	**2.524**	**2.425**	**745**	

Total Earnings	Month Ending March	Fiscal Year To Date
Current Year	6,729.05	55,708.28

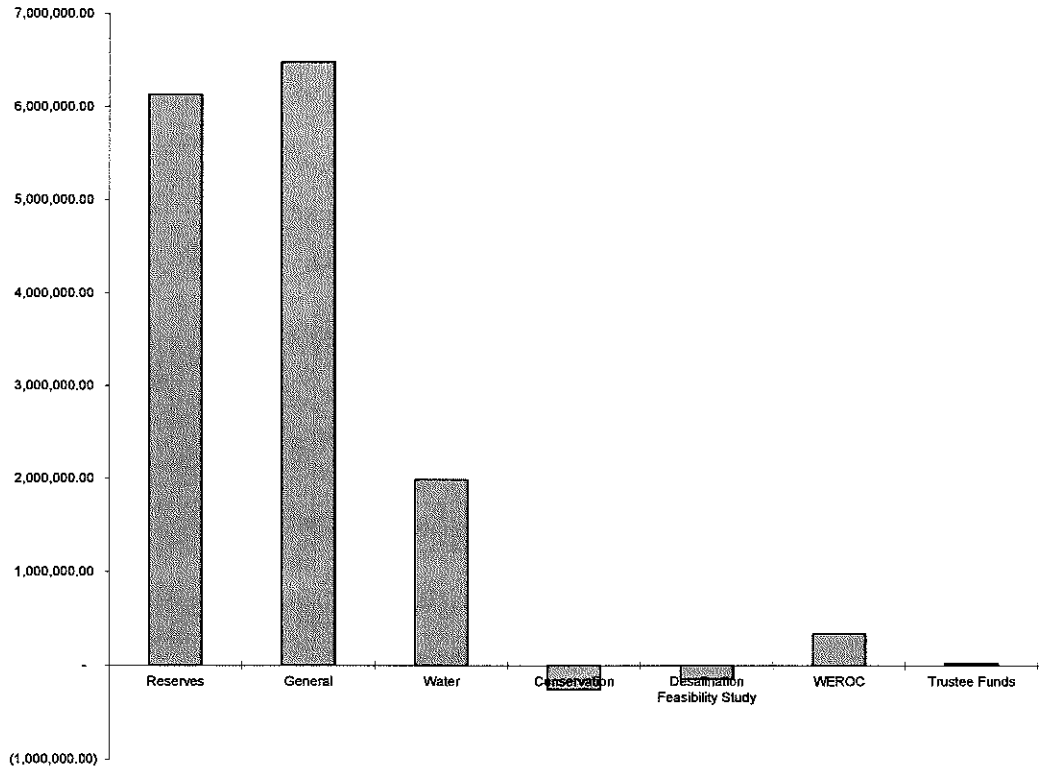
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
March 31, 2019

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	7,378,895.52	7,378,895.52	7,378,895.52	2.427	2.427	1	N/A
Sub Total			**7,378,895.52**	**7,378,895.52**	**7,378,895.52**	**2.427**	**2.427**	**1**	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	3,986,399.61	3,986,399.61	3,986,399.61	2.111	2.111	1	N/A
Sub Total			**3,986,399.61**	**3,986,399.61**	**3,986,399.61**	**2.111**	**2.111**	**1**	
Total Investments			**11,365,295.13**	**11,365,295.13**	**11,365,295.13**	**2.316**	**2.316**		
Cash									
Petty Cash 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	98,233.71	98,233.71	98,233.71	0.000	0.000	1	N/A
Total Cash			**98,733.71**	**98,733.71**	**98,733.71**	**0.000**	**0.000**	**1**	
Total Cash and Investments			**11,464,028.84**	**11,464,028.84**	**11,464,028.84**	**2.316**	**2.316**	**1**	

Total Earnings	Month Ending March	Fiscal Year To Date
Current Year	34,267.71	365,833.24

Municipal Water District of Orange County
Cash and Investments at March 31, 2019

ALLOCATION	AMOUNT	%
MWDOC		
Designated Reserves		
General	$ 3,341,910	22.94%
Grant & Project Cash Flow	1,500,000	10.30%
Election Expense	608,000	4.17%
Building Repair	385,408	2.65%
OPEB	297,147	2.04%
Total Designated Reserves	6,132,465	42.10%
General	6,477,312	44.47%
Water	1,984,943	13.63%
Conservation	(254,706)	-1.75%
Desalination Feasibility Study	(145,268)	-1.00%
WEROC	342,501	2.35%
TOTAL MWDOC	$ 14,537,247	99.80%
TRUSTEE ACTIVITIES		
AMP Sales Admin	$ 29,074	0.20%
TOTAL TRUSTEE ACTIVITIES	$ 29,074	0.20%
TOTAL CASH & INVESTMENTS	**$ 14,566,321**	**100.00%**



PUBLIC AGENCY RETIREMENT SERVICES | PARS

MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust

Account Report for the Period
3/1/2019 to 3/31/2019

Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708

Account Summary

Source	Beginning Balance as of 3/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 3/31/2019
OPEB	$2,121,817.79	$0.00	$24,263.56	$442.05	$0.00	$0.00	$2,145,639.30
PENSION	$208,528.15	$0.00	$2,384.58	$43.44	$0.00	$0.00	$210,869.29
Totals	**$2,330,345.94**	**$0.00**	**$26,648.14**	**$485.49**	**$0.00**	**$0.00**	**$2,356,508.59**

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

				Annualized Return			
Source	1-Month	3-Months	1-Year	3-Years	5-Years	10-Years	Plan's Inception Date
OPEB	1.14%	8.23%	4.55%	7.58%	5.32%	-	10/26/2011
PENSION	1.14%	8.23%	-	-	-	-	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

Headquarters - 4350 Von Karman Ave., Suite 100, Newport Beach, CA 92660 800.540.6369 Fax 949.250.1250 www.pars.org

HIGHMARK® CAPITAL MANAGEMENT

PARS DIVERSIFIED PORTFOLIOS

MODERATE

Q1 2019

WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

Flexible Investment Options

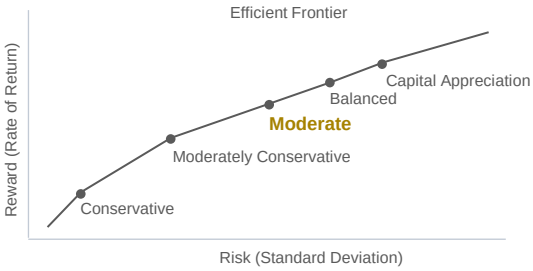
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

INVESTMENT OBJECTIVE

To provide current income and moderate capital appreciation. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	51%
Fixed Income	40 - 60%	45%	46%
Cash	0 - 20%	5%	3%

ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
Current Quarter*	8.24%	Current Quarter*	8.17%
Blended Benchmark,***	*7.94%*	*Blended Benchmark*,***	*7.94%*
Year To Date*	8.24%	Year To Date*	8.17%
Blended Benchmark,***	*7.94%*	*Blended Benchmark*,***	*7.94%*
1 Year	4.64%	1 Year	4.88%
*Blended Benchmark***	*5.18%*	*Blended Benchmark***	*5.18%*
3 Year	7.53%	3 Year	6.91%
*Blended Benchmark***	*7.13%*	*Blended Benchmark***	*7.13%*
5 Year	5.33%	5 Year	5.20%
*Blended Benchmark***	*5.62%*	*Blended Benchmark***	*5.62%*
10 Year	9.09%	10 Year	8.85%
*Blended Benchmark***	*8.80%*	*Blended Benchmark***	*8.80%*

* Returns less than one year are not annualized. **Breakdown for Blended Benchmark: From 10/1/2012 – Present: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM (net), 6% MSCI EAFE (net), 33.50% BBG Barclays US Agg, 10% ICE BofAML 1-3 Yr US Corp/Gov't, 1.50% ICE BofAML US High Yield Master II, 1.75% Wilshire REIT, and 5% FTSE 1 Mth T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 43% S&P 500; 2% Russell 2000, 5% MSCI EAFE (net), 15% ICE BofAML 1-3 Year Corp./Govt, 30% BBG Barclays US Agg, 5% FTSE 1 Mth T-Bill. Prior to April 2007: the blended benchmark was 50% S&P 500, 15% ICE BofAML 1-3Yr Corp/Gov, 30% BBG Barclays US Agg, and 5% FTSE 1 Mth T-Bill.

ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

HighMark Plus Composite (Active)		Index Plus Composite (Passive)	
2008	-22.88%	2008	-18.14%
2009	21.47%	2009	16.05%
2010	12.42%	2010	11.77%
2011	0.55%	2011	2.29%
2012	12.25%	2012	10.91%
2013	13.06%	2013	12.79%
2014	4.84%	2014	5.72%
2015	0.14%	2015	-0.52%
2016	6.45%	2016	7.23%
2017	13.19%	2017	11.59%
2018	-4.03%	2018	-4.03%

PORTFOLIO FACTS

HighMark Plus (Active)		Index Plus (Passive)	
Composite Inception Date	10/2004	Composite Inception Date	05/2006
No of Holdings in Portfolio	18	No of Holdings in Portfolio	12

HOLDINGS

HighMark Plus (Active)

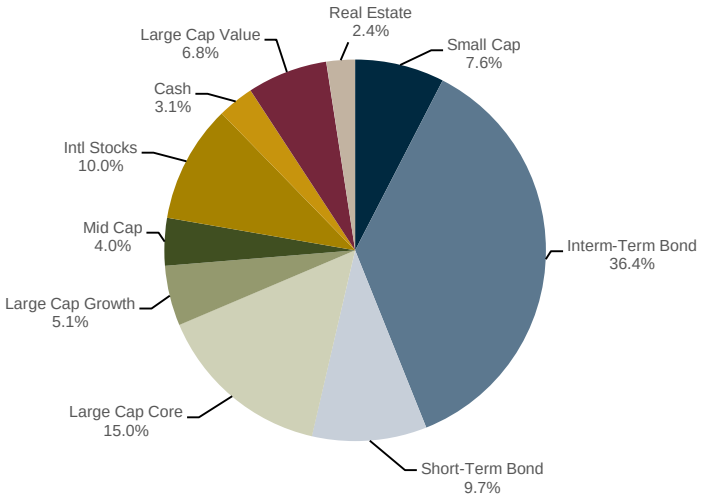
Columbia Contrarian Core I3
Vanguard Growth & Income Adm
Dodge & Cox Stock Fund
Harbor Capital Appreciation - Retirement
T. Rowe Price Growth Stock - I
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
Undiscovered Managers Behavioral Value-R6
Victory RS Small Cap Growth - R6
DFA Large Cap International Portfolio
Dodge & Cox International Stock
MFS International Growth - R6
Hartford Schroders Emerging Markets Eq
Vanguard Short-Term Invest-Grade Adm
PIMCO Total Return Fund - Inst
PGIM Total Return Bond - R6
DoubleLine Core Fixed Income - I
First American Government Obligations Z

Index Plus (Passive)

iShares Core S&P 500 ETF
iShares S&P 500 Value ETF
iShares S&P 500 Growth ETF
iShares Russell Mid-Cap ETF
Vanguard Real Estate ETF
iShares Russell 2000 Value ETF
iShares Russell 2000 Growth ETF
iShares MSCI EAFE ETF
Vanguard FTSE Emerging Markets ETF
Vanguard Short-Term Invest-Grade Adm
iShares Core U.S. Aggregate
First American Government Obligations Z

Holdings are subject to change at the discretion of the investment manager.

STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark's Portfolio Management Group (PMG) with full investment authority according to the PARS Moderate active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a $10 million initial value would grow to $12.53 million after fees (Net-of-Fees) and $12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofAML US High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg Barclays U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofAML 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofAML U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

HIGHMARK CAPITAL MANAGEMENT

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Suite 1600
San Francisco, CA 94104
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ABOUT THE ADVISER
HighMark® Capital Management, Inc. (HighMark) has nearly 100 years (including predecessor organizations) of institutional money management experience with $7.6 billion in assets under management and $8.3 billion in assets under advisement*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

ABOUT THE PORTFOLIO MANAGEMENT TEAM

Andrew Brown, CFA®
Senior Portfolio Manager
Investment Experience: since 1994
HighMark Tenure: since 1997
Education: MBA, University of Southern California; BA, University of Southern California

Salvatore "Tory" Milazzo III, CFA®
Senior Portfolio Manager
Investment Experience: since 2004
HighMark Tenure: since 2014
Education: BA, Colgate University

J. Keith Stribling, CFA®
Senior Portfolio Manager
Investment Experience: since 1985
HighMark Tenure: since 1995
Education: BA, Stetson University

Christiane Tsuda
Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2010
Education: BA, International Christian University, Tokyo

Anne Wimmer, CFA®
Senior Portfolio Manager
Investment Experience: since 1987
HighMark Tenure: since 2007
Education: BA, University of California, Santa Barbara

Randy Yurchak, CFA®
Senior Portfolio Manager
Investment Experience: since 2002
HighMark Tenure: since 2017
Education: MBA, Arizona State University; BS, University of Washington

Asset Allocation Committee
Number of Members: 16
Average Years of Experience: 28
Average Tenure (Years): 15

Manager Review Group
Number of Members: 7
Average Years of Experience: 19
Average Tenure (Years): 7

*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

Municipal Water District of Orange County
WATER USE EFFICIENCY PROJECTS
Cash Flow as of 04/30/19

	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	**$ 280,031.97**	**$ 273,554.92**	**$ 407,387.74**	**$ 170,892.71**	**$ 70,974.64**	**$ (267,020.46)**	**$ (231,676.04)**	**$ (243,188.18)**	**$ (197,876.62)**	**$ (254,705.52)**	**$ (279,753.61)**	**$ (279,753.61)**	
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
City of Fountain Valley	222.00		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							222.00					444.00
City of San Clemente	3,244.99	9,442.99		1,683.99	3,312.00	1,245.00	3,694.36		2,149.28	854.55			25,627.16
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			444.00			3,648.70
City of Westminster	333.00	539.00	555.00		666.00			111.00		111.00			2,315.00
County of Orange													-
Department of Water Resources	32,990.80												32,990.80
East Orange County Water District										34,722.01			34,722.01
El Toro Water District		774.00		2,544.00	4,063.10	290.00	104.00	1,928.80	883.99	1,164.99			11,752.88
Irvine Ranch Water District	8,271.11	47,878.73		11,080.04	98,495.70	108,980.16	11,960.75	31,806.10	14,474.81	34,189.42			367,136.82
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	140.00			1,354.81
Metropolitan Water District		191,093.43				27,066.04	14,020.41	204,584.98		94,158.08			530,922.94
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	27,631.02			252,998.15
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District		605.76		18.98	100.00								724.74
Yorba Linda Water District		284.07							211.85	333.00			828.92
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	134,140.44	128,321.65	172,720.95	246,434.71	238,792.63	76,074.61	193,748.07	-	-	$ 1,557,332.60
EXPENDITURES:													
Budget Based Tiered Rates, Raftelis	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					389,770.00
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	2,033.84			18,443.42
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	216,762.32			1,283,442.24
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	425.00				13,808.51
Total Expenditures	98,045.58	128,401.17	249,792.05	234,058.51	466,316.75	137,376.53	257,946.85	193,481.07	132,903.51	218,796.16	-	-	$ 2,117,118.18
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)**	**$ (254,705.52)**	**$ (279,753.61)**	**$ (279,753.61)**	**$ (279,753.61)**	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

COMBINED FINANCIAL STATEMENTS

AND

BUDGET COMPARATIVE

JULY 1, 2018 THRU MARCH 31, 2019

Municipal Water District of Orange County
Combined Balance Sheet
As of March 31, 2019

ASSETS	**Amount**
Cash in Bank	98,733.71
Investments	14,467,587.37
Accounts Receivable	24,101,737.35
Accounts Receivable - Other	159,824.96
Accrued Interest Receivable	117,185.52
Prepaids/Deposits	262,869.68
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	(2,972,684.57)
TOTAL ASSETS	$40,534,391.04
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts Payable	24,910,904.29
Accounts Payable - Other	15.92
Accrued Salaries and Benefits Payable	355,258.19
Other Liabilities	362,110.82
Unearned Revenue	954,311.68
Total Liabilities	26,582,600.90
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	1,000,093.75
Total Restricted Fund Balances	1,000,093.75
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	6,132,464.81
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	10,028,418.31
Excess Revenue over Expenditures	
Operating Fund	3,455,778.66
Other Funds	(532,500.58)
Total Fund Balance	13,951,790.14
TOTAL LIABILITIES AND FUND BALANCES	40,534,391.04

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
REVENUES						
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	39,049.16	404,554.82	390,000.00	103.73%	0.00	(14,554.82)
Subtotal	39,049.16	8,600,572.57	8,586,018.00	100.17%	0.00	(14,554.57)
Choice Programs	0.00	1,085,459.35	1,174,750.00	92.40%	0.00	89,290.65
Miscellaneous Income	18,374.20	22,240.62	3,000.00	741.35%	0.00	(19,240.62)
School Contracts	10,406.52	64,161.21	102,031.00	62.88%	0.00	37,869.79
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	28,780.72	1,171,864.79	1,285,057.00	91.19%	0.00	113,192.21
TOTAL REVENUES	67,829.88	9,772,437.36	9,871,075.00	99.00%	0.00	98,637.64

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
EXPENSES						
Salaries & Wages	279,658.70	2,603,262.53	3,522,982.00	73.89%	0.00	919,719.48
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(357.00)	(7,639.80)	0.00	0.00%	0.00	7,639.80
Director's Compensation	14,656.48	144,693.61	255,360.00	56.66%	0.00	110,666.39
MWD Representation	11,849.92	96,477.26	145,920.00	66.12%	0.00	49,442.74
Employee Benefits	85,342.07	798,242.22	1,108,564.00	72.01%	0.00	310,321.78
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	(68.00)	(1,455.20)	0.00	0.00%	0.00	1,455.20
Director's Benefits	7,823.22	68,390.95	94,767.00	72.17%	0.00	26,376.05
Health Insurance for Retirees	6,391.74	47,940.27	70,519.00	67.98%	0.00	22,578.73
Training Expense	934.00	7,664.23	25,000.00	30.66%	0.00	17,335.77
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	406,231.13	3,962,718.84	5,433,812.00	72.93%	0.00	1,471,093.17
Engineering Expense	28,560.26	253,874.75	330,000.00	76.93%	308,963.65	(232,838.40)
Legal Expense	43,999.64	149,809.83	255,000.00	58.75%	105,190.17	0.00
Audit Expense	0.00	19,380.00	29,000.00	66.83%	0.00	9,620.00
Professional Services	164,826.52	758,279.70	1,430,758.00	53.00%	465,098.63	207,379.67
Professional Fees	237,386.42	1,181,344.28	2,044,758.00	57.77%	879,252.45	(15,838.73)
Conference-Staff	925.00	21,656.06	42,880.00	50.50%	0.00	21,223.94
Conference-Directors	2,039.50	13,016.31	24,930.00	52.21%	0.00	11,913.69
Travel & Accom.-Staff	9,958.59	42,085.71	99,600.00	42.25%	0.00	57,514.29
Travel & Accom.-Directors	2,800.91	22,318.04	51,750.00	43.13%	0.00	29,431.96
Travel & Conference	15,724.00	99,076.12	219,160.00	45.21%	0.00	120,083.88
Membership/Sponsorship	7,381.73	139,255.53	141,662.00	98.30%	0.00	2,406.47
CDR Support	0.00	35,283.21	47,044.00	75.00%	11,761.05	(0.26)
Dues & Memberships	7,381.73	174,538.74	188,706.00	92.49%	11,761.05	2,406.21
Business Expense	134.91	2,056.16	5,600.00	36.72%	0.00	3,543.84
Maintenance Office	6,721.44	73,205.44	132,796.00	55.13%	58,060.72	1,529.84
Building Repair & Maintenance	1,352.05	9,518.83	20,000.00	47.59%	13,210.13	(2,728.96)
Storage Rental & Equipment Lease	1,209.70	2,885.20	3,460.00	83.39%	574.80	0.00
Office Supplies	2,463.64	20,072.89	36,000.00	55.76%	1,412.26	14,514.85
Postage/Mail Delivery	1,145.39	7,755.46	9,000.00	86.17%	1,711.06	(466.52)
Subscriptions & Books	0.00	375.65	1,500.00	25.04%	0.00	1,124.35
Reproduction Expense	2,382.62	9,820.41	33,073.00	29.69%	1,651.66	21,600.93
Maintenance-Computers	(1.28)	3,130.26	8,000.00	39.13%	1,250.94	3,618.80
Software Purchase	0.00	30,946.90	45,861.00	67.48%	0.00	14,914.10
Software Support	2,083.26	30,883.22	51,934.00	59.47%	600.00	20,450.78
Computers and Equipment	350.00	9,391.24	11,850.00	79.25%	0.00	2,458.76
Automotive Expense	1,670.53	15,355.20	17,262.00	88.95%	0.00	1,906.80
Toll Road Charges	53.91	742.82	1,000.00	74.28%	0.00	257.18
Insurance Expense	9,262.18	81,640.09	138,500.00	58.95%	0.00	56,859.91
Utilities - Telephone	1,906.30	16,970.23	20,178.00	84.10%	559.29	2,648.48
Bank Fees	0.00	4,079.87	21,225.00	19.22%	0.00	17,145.13
Miscellaneous Expense	8,910.02	63,390.21	119,205.00	53.18%	0.00	55,814.79
MWDOC's Contrb. to WEROC	15,948.33	169,023.01	216,868.00	77.94%	0.00	47,844.99
Depreciation Expense	2,822.34	25,401.02	0.00	0.00%	0.00	(25,401.02)
Other Expenses	58,415.34	576,644.11	893,312.00	64.55%	79,030.86	237,637.03
Election Expense	0.00	196,135.57	304,000.00	64.52%	0.00	107,864.43
Building Expense	3,440.81	103,668.89	531,827.00	19.49%	147,416.52	280,741.59
Capital Acquisition	9,017.72	22,532.15	255,500.00	8.82%	9,520.00	223,447.85
TOTAL EXPENSES	737,597.15	6,316,658.70	9,871,075.00	63.99%	1,126,980.88	2,427,435.43
NET INCOME (LOSS)	(669,767.27)	3,455,778.66	0.00			

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

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
WATER REVENUES					
Water Sales	16,945,328.60	118,790,658.60	188,976,940.00	62.86%	70,186,281.40
Readiness to Serve Charge	839,273.57	7,937,383.59	10,902,178.00	72.81%	2,964,794.41
Capacity Charge CCF	299,996.67	2,827,475.01	3,854,976.00	73.35%	1,027,500.99
SCP/SAC Pipeline Surcharge	23,639.39	249,216.39	365,000.00	68.28%	115,783.61
Interest	2,252.92	16,191.22	13,000.00	124.55%	(3,191.22)
TOTAL WATER REVENUES	18,110,491.15	129,820,924.81	204,112,094.00	63.60%	74,291,169.19
WATER PURCHASES					
Water Sales	16,945,328.60	118,790,658.60	188,976,940.00	62.86%	70,186,281.40
Readiness to Serve Charge	839,273.57	7,937,383.59	10,902,178.00	72.81%	2,964,794.41
Capacity Charge CCF	299,996.67	2,827,475.01	3,854,976.00	73.35%	1,027,500.99
SCP/SAC Pipeline Surcharge	23,639.39	249,216.39	365,000.00	68.28%	115,783.61
TOTAL WATER PURCHASES	18,108,238.23	129,804,733.59	204,099,094.00	63.60%	74,294,360.41
EXCESS OF REVENUE OVER EXPENDITURES	2,252.92	16,191.22	13,000.00		

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

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	17,564.62	128,540.00	13.66%
Expenses	20,704.48	128,540.00	16.11%
Excess of Revenues over Expenditures	(3,139.86)	0.00	
Member Agency Administered Passthru			
Revenues	408,570.00	100,000.00	408.57%
Expenses	408,570.00	100,000.00	408.57%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	13,138.34	43,500.00	30.20%
Expenses	13,138.34	43,500.00	30.20%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	182,197.54	425,000.00	42.87%
Expenses	182,420.86	425,000.00	42.92%
Excess of Revenues over Expenditures	(223.32)	0.00	
CII Rebate Program			
Revenues	110,847.21	462,500.00	23.97%
Expenses	110,730.00	462,500.00	23.94%
Excess of Revenues over Expenditures	117.21	0.00	
Turf Removal Program			
Revenues	489,407.85	1,345,000.00	36.39%
Expenses	1,090,954.01	1,345,000.00	81.11%
Excess of Revenues over Expenditures	(601,546.16)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	78,336.44	366,840.00	21.35%
Expenses	105,006.80	366,840.00	28.62%
Excess of Revenues over Expenditures	(26,670.36)	0.00	
Large Landscape Survey Program			
Revenues	1,726.15	64,000.00	2.70%
Expenses	9,149.24	64,000.00	14.30%
Excess of Revenues over Expenditures	(7,423.09)	0.00	
WSIP - Industrial Program			
Revenues	0.00	36,755.00	0.00%
Expenses	15,000.00	36,755.00	40.81%
Excess of Revenues over Expenditures	(15,000.00)	0.00	
WUE Projects			
Revenues	1,301,788.15	2,972,135.00	43.80%
Expenses	1,955,673.73	2,972,135.00	65.80%
Excess of Revenues over Expenditures	(653,885.58)	0.00	
WEROC			
Revenues	360,403.01	489,160.00	73.68%
Expenses	266,386.90	489,160.00	54.46%
Excess of Revenues over Expenditures	94,016.11	0.00	

Memorandum

DATE: May 6, 2019

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

FROM: Robert Hunter

SUBJECT: Quarter ending March 2019 Fiscal YTD Financials Actual versus Budget

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The following reports are attached:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget Summary Report
Fiscal Year to Date ending March 2019 (Unaudited)
($000 Omitted)
General Fund and Reserve Fund

GENERAL FUND

	YTD Actual	Annual Budget	% Used
REVENUES			
Water Rate revenues:			
Retail Connection Charge	7,697	7,697	100.00%
Ground Water Customer Charge	499	499	100.00%
Subtotal	8,196	8,196	100.00%
Other Revenues:			
Interest income	405	390	103.73%
Choice Programs	1,085	1,175	92.40%
School Contracts (1)	64	102	62.88%
Other income(2)	22	3	741.47%
Transfer in from Reserve (3)	0	5	0.00%
Subtotal	1,576	1,675	94.11%
TOTAL REVENUES	9,772	9,871	99.00%
EXPENSES			
Personnel Expenses (incl. Dir.)	3,963	5,434	72.93%
Professional services (4)	778	1,460	53.27%
Outside engineering	254	330	76.93%
Legal expense (5)	150	255	58.75%
Travel & Conference (6)	99	219	45.21%
Dues and memberships (7)	175	189	92.49%
General & Admin expense	773	1,197	64.54%
Building repair & expense (8)	104	532	19.49%
Capital acquisition (not including building repairs) (9)	23	256	8.82%
TOTAL EXPENSES	6,317	9,871	63.99%
EXCESS OF REVENUES OVER EXPENSES	3,456		
RESERVE FUND			
Beginning Balance	5,520		
Nov 2018 - excess from FY 17-18 General Fund	612		
TOTAL RESERVE FUND	6,132		

(1) School Contracts begin in September
(2) Insurance refund received
(3) Transfer in from Reserves is moved at year-end
(4) Professional Services - Projects in process
(5) Legal expense includes unanticipated events
(6) Travel & Conference scheduled throughout the fiscal year
(7) Dues and memberships are generally paid early in the fiscal year
(8) Building repair & expense scheduled throughout the fiscal year
(9) Capital acquisition delayed due to new electrical and installation

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending March 2019 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	7,697,006	7,697,006	100.00%
Ground Water Customer Charge	499,012	499,012	100.00%
Water Rate Revenues	8,196,018	8,196,018	100.00%
Choice Programs	1,085,459	1,174,750	92.40%
Interest Revenue	404,555	390,000	103.73%
Miscellaneous Income	22,244	3,000	741.47%
School Contracts	64,161	102,031	62.88%
Transfer in from Reserve	0	5,276	0.00%
Other Revenues	1,576,420	1,675,057	94.11%
TOTAL REVENUES	9,772,437	9,871,075	99.00%

OPERATING EXPENSES			
Salaries & Wages	2,603,263	3,522,982	73.89%
less Recovery's	(11,478)	(6,300)	182.19%
Directors' Compensation	144,694	255,360	56.66%
MWD Representation	96,477	145,920	66.12%
Employee Benefits	798,242	1,108,564	72.01%
less Recovery's	(2,331)	0	0.00%
CALPERS Unfunded Liability Contribution	207,000	207,000	100.00%
Directors Benefits	68,391	94,767	72.17%
Health Insurances for Retirees	47,940	70,519	67.98%
Training Expense	7,664	25,000	30.66%
Tuition Reimbursement	2,856	5,000	57.13%
Temporary Help Expense	0	5,000	0.00%
Personnel Expenses	3,962,719	5,433,812	72.93%
Engineering Expense	253,875	330,000	76.93%
Legal Expense	149,810	255,000	58.75%
Audit Expense	19,380	29,000	66.83%
Professional Services	758,280	1,430,758	53.00%
Professional Fees	1,181,344	2,044,758	57.77%
Conference-Staff	21,656	42,880	50.50%
Conference-Directors	13,016	24,930	52.21%
Travel & Accom.-Staff	42,086	99,600	42.25%
Travel & Accom.-Directors	22,318	51,750	43.13%
Travel & Conference	99,076	219,160	45.21%
Membership/Sponsorship	139,256	141,662	98.30%
CDR Support	35,283	47,044	75.00%
Dues & Memberships	174,539	188,706	92.49%

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending March 2019 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	2,056	5,600	36.72%
Maintenance Office	73,205	132,796	55.13%
Building Repair & Maintenance	9,519	20,000	47.59%
Storage Rental & Equipment Lease	2,885	3,460	83.39%
Office Supplies	20,073	36,000	55.76%
Postage/Mail Delivery	7,755	9,000	86.17%
Subscriptions & Books	376	1,500	25.04%
Reproduction Expense	9,820	33,073	29.69%
Maintenance-Computers	3,130	8,000	39.13%
Software Purchase	30,947	45,861	67.48%
Software Support	30,883	51,934	59.47%
Computers and Equipment	9,391	11,850	79.25%
Automotive Expense	15,355	17,262	88.95%
Toll Road Charges	743	1,000	74.28%
Insurance Expense	81,640	138,500	58.95%
Utilities - Telephone	16,970	20,178	84.10%
Bank Fees	4,080	21,225	19.22%
Miscellaneous Expense	63,390	119,205	53.18%
MWDOC's Contribution to WEROC	169,023	216,868	77.94%
Depreciation Expense	25,401	0	0.00%
Election Expense	196,136	304,000	64.52%
MWDOC Building Expense	103,669	531,827	19.49%
Capital Acquisition	22,532	255,500	8.82%
Other Expenses	898,981	1,984,639	45.30%
TOTAL EXPENSES	6,316,659	9,871,075	63.99%

EXCESS OF REVENUES OVER EXPENSES	3,455,779	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Statement of Revenues and Expenditures
Fiscal Year to Date ending March 2019 (Unaudited)
Water Funds

	YTD Actual	Annual Budget	Balance
Water Revenues			
Water Sales	118,790,659	188,976,940	(70,186,281)
Readiness to Serve Charge	7,937,384	10,902,178	(2,964,794)
Capacity Charge CCF	2,827,475	3,854,976	(1,027,501)
SCP/SAC Pipeline Surcharge	249,216	365,000	(115,784)
Interest	16,191	13,000	3,191
Total Water Revenues	129,820,925	204,112,094	(74,291,169)
Water Purchases			
Water Sales	118,790,659	188,976,940	(70,186,281)
Ready to Serve Charge	7,937,384	10,902,178	(2,964,794)
Capacity Charge	2,827,475	3,854,976	(1,027,501)
SCP/SAC Pipeline Surcharge	249,216	365,000	(115,784)
Total Water Purchases	129,804,734	204,099,094	(74,294,360)
EXCESS OF REVENUES OVER EXPENDITURES	16,191	13,000	3,191

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2019 (Unaudited)
Other Funds

	YTD Actual	Annual Budget	Balance
WEROC			
Revenues	360,403	489,160	(128,757)
Expenditures	266,387	489,160	(222,773)
Excess of Revenues over Expenditures	94,016	0	94,016
WUE Projects (details on next page)			
Revenues	1,301,788	2,972,135	(1,670,347)
Expenditures	1,955,674	2,972,135	(1,016,461)
Excess of Revenues over Expenditures	(653,886)	0	(653,886)

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2019 (Unaudited)
Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
Spray to Drip Conversion					
Revenues	17,565		128,540	13.66%	128,540
Expenditures	20,704		128,540	16.11%	128,540
Excess of Revenues over Expenditures	(3,140)	-18%			

Actual Variance: Payment to Program Participants ahead of Grant, Metropolitan (on water bill), and Retail Water Agencies reimbursements.

Budget Variance: To be on target the % of Budget should be closer to 75%. All reporting current. Have requested marketing to increase to build participation. Year end likely outcome will be less than $128,540.

Member Agency Administered Pass thru					
Revenues	408,570		100,000	408.57%	100,000
Expenditures	408,570		100,000	408.57%	100,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: Reporting to collect Revenues on pace with Expenditures.

Budget Variance: Met our expected outcome.

ULFT Rebate Program					
Revenues	13,138		43,500	30.20%	43,500
Expenditures	13,138		43,500	30.20%	43,500
Excess of Revenues over Expenditures	0	0%			

Actual Variance: This tracks MWDOC member agencies activities to provided supplemental funding to increase activity in their service territories.

Budget Variance: Actual Budget is less than originally expected. This should continue to grow by years end.

HECW Rebate Program					
Revenues	182,198		425,000	42.87%	425,000
Expenditures	182,421		425,000	42.92%	425,000
Excess of Revenues over Expenditures	(223)	0%			

Actual Variance: This tracks MWDOC member agencies activities to provided supplemental funding to increase activity in their service territories.

Budget Variance: On target. This may grow further over the remaining 3 months.

CII Rebate Program					
Revenues	110,847		462,500	23.97%	462,500
Expenditures	110,730		462,500	23.94%	462,500
Excess of Revenues over Expenditures	117	0%			

Actual Variance: This tracks MWDOC member agencies activities to provided supplemental funding to increase activity in their service territories.

Budget Variance: On target. This may grow further over the remaining 3 months.

Notes:
[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
[2] Fiscal year budget versus Actual
[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2019 (Unaudited)
Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
Turf Removal Program					
Revenues	489,408		1,345,000	36.39%	1,345,000
Expenditures	1,090,954		1,345,000	81.11%	1,345,000
Excess of Revenues over Expenditures	(601,546)	-123%			

Actual Variance: Payment to Program Participants ahead of Grant, Metropolitan (on water bill), and Retail Water Agencies reimbursements.

Budget Variance: To be on target the % of Budget should be closer to 75% for the first 9 months of the year. All reporting current. Close to 75%.

Comprehensive Landscape (CLWUE)					
Revenues	78,336		366,840	21.35%	366,840
Expenditures	105,007		366,840	28.62%	366,840
Excess of Revenues over Expenditures	(26,670)	-34%			

Actual Variance: Grant funded program. Revenues will catch up as Granting Agencies pay submitted invoices. All reporting is current.

Budget Variance: Budget percent for revenues will catch up at year-end closing. For expenditures, this will increase as we move through the fiscal year.

Large Landscape Survey Program					
Revenues	1,726		64,000	2.70%	64,000
Expenditures	9,149		64,000	14.30%	64,000
Excess of Revenues over Expenditures	(7,423)	-430%			

Actual Variance: MWDOC currently has all Revenues in house (holding) sufficient to cover Expenditures. Revenue won't match expenses until year end closing is posted.

Budget Variance: Budget percent for revenues will catch up at year-end closing. For expenditures, this will increase as we move through the fiscal year. Activity not likley to hit $64,000.

WSIP - Industrial Program					
Revenues	0		36,755	0.00%	36,755
Expenditures	15,000		36,755	40.81%	36,755
Excess of Revenues over Expenditures	(15,000)	0%			

Actual Variance: Expenditures are covered through Grant funding, grant reporting due at the end of May.

Budget Variance: Several projects in the queue to finish this year.

Notes:
[1] Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
[2] Fiscal year budget versus Actual
[3] With each quarterly report the projected fiscal year end budget may be re-adjusted.

Item No. 5

CONSENT CALENDAR ITEM
May 15, 2019

TO: Board of Directors

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

Robert Hunter, General Manager
Staff Contact: J. Berg, Director of Water Use Efficiency

SUBJECT: **Water Efficient Landscape Resources Website**

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into an annual contract with GardenSoft Corp for the next five years for the Water Efficient Landscape Resources Website at an initial startup cost of $19,500 plus annual licensing fees of $4,000 per year, for a total cost not exceed $40,000.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

The Municipal Water District of Orange County's (MWDOC) Turf Removal Rebate Program (TRRP) has operated since 2007 and has facilitated the removal of over 22.8 million square feet of turf in Orange County. In spite of its success, staff has found that one of the major hurdles to participating in the TRRP is a lack of access to design ideas and plant knowledge. As a result, staff is proposing the development of the Water Efficient Landscape Resources Website (Landscape Website) to help minimize this barrier to participation and provide an invaluable practical and educational resource to not only TRRP participants, but

Budgeted (Y/N): Yes	Budgeted amount: $40,000	Core _X_	Choice __
Action item amount: $40,000	Line item:		
Fiscal Impact (explain if unbudgeted): The start-up cost and annual license fee for years one and two are $27,500 and have been secured through the Metropolitan-Funded, Member Agency-Administered Funding Program. Annual license fees of $4,000 per year will be budgeted for years three through five through MAA Funding Program or through MWDOC's Core WUE Program.			

also anyone in Orange County interested in learning about plants that are appropriate to our local climate.

On February 22nd, staff released a Request for Proposals (RFP) to three companies and posted the RFP on the MWDOC website to begin the process of selecting a contractor to develop the Landscape Website. The MWDOC website distributed the RFP to an additional 23 companies that have signed up for automated notice with RFPs are posted. The RFP closed on March 4th, with one response from GardenSoft Corp.

DETAILED REPORT

Staff convened an RFP review panel consisting of MWDOC staff and staff from the City of San Clemente, Yorba Linda Water District, and Mesa Water District to consider the GardenSoft Corp proposal. All panel members concluded that GardenSoft has the experience and skill set needed to provide a comprehensive and attractive Landscape Website at a reasonable cost.

The GardenSoft Corp Landscape Website is a web-based system designed to make it easy for visitors to find a broad variety of solutions for their landscape needs. Website features will included:

- Photo and/or video-based garden tours with multiple viewpoints and images.
- Plant database with the ability to search plants by botanical name, common name, or via guided plant search with a series of questions to build a query.
- Garden gallery with images organized into helpful landscape categories such as back yards, hillsides, full sun, and/or shade, with each image containing a hotlink that directs the user to detailed plant information pages for more information on the selected plant.
- Ability to select and store plants in a list that the user can print for use when shopping at their favorite nursery.
- Ability for MWDOC to have a photo shoot performed locally to further brand the images to Orange County.
- A watering calculator calibrated for local evapotranspiration numbers.
- A garden resources section with fact sheets on sustainable landscape fundamentals, water and soil management, composting, solving run-off, and other appropriate topics.
- Ability to tailor messaging and announcements with MWDOC branding.
- Branding consistent with branding contained on MWDOC's main website

GardenSoft Corp provides custom water wise/water smart websites for more than 40 organizations throughout California and the United States, including four in Orange County: City of Huntington Beach, Irvine Ranch Water District, Santa Margarita Water District, and South Coast Water District. These agencies could choose to utilize the MWDOC Landscape Website to avoid associated costs or continue to fund their own sites. To view a selection of these websites, visit http://www.watersmartgardening.com/.

GardenSoft Corp's Landscape Website is a hosted, license-fee-based tool that includes on-going technical support and upgrades as they become available. Annual license fees include web-based hosting, monthly website tracking/hits usage reports, maintenance, minor updates and changes, and a unique URL address. As shown in Table 1, Year 1 costs

will include start-up costs to customize branding of the Landscape Website for MWDOC and an annual license fee. The total Year 1 cost of $23,500 ($19,500 for development and $4,000 for license fee) is being funded by Metropolitan Water District of Southern California (Metropolitan) through its Metropolitan-Funded, Member Agency-Administered Funding Program. The Year 2 license fee of $4,000 is also funded through Metropolitan's Member Agency-Administered Funding Program. Funding for Years 3 through 5 license fees may also be funded through Metropolitan's Member Agency-Administered Funding Program, if available, or staff will budget for those costs in future "core" budget cycles. While staff is requesting Board Authorization to utilize GardenSoft Corp for the next five years, we will only make commitments to GardenSoft Corp in one-year increments.

Table 1
GardenSoft Corp
Water Efficient Landscape Resources Website

	One-Time Start-Up	**Annual License Fee**	**Total**	**Funding Source**
Year 1	$19,500	$4,000	$23,500	MWD
Year 2		$4,000	$4,000	MWD
Year 3		$4,000	$4,000	MWD or MWDOC, TBD
Year 4		$4,000	$4,000	MWD or MWDOC, TBD
Year 5		$4,000	$4,000	MWD or MWDOC, TBD
		Grand Total	**$39,500**	

Item No. 6

CONSENT CALENDAR ITEM
May 15, 2019

TO: **Administration & Finance Committee**
(Directors Thomas, Finnegan, Vacant)

FROM: **Robert J. Hunter, General Manager**

SUBJECT: **AMENDMENT TO ADMINISTRATIVE CODE INCOMPATABILITY OF OFFICE**

STAFF RECOMMENDATION

It is recommended that Board of Directors consider and approve adding Section 1406 (Incompatible Offices) to the Administrative Code (Option#1).

COMMITTEE RECOMMENDATION

Updated Information (indented): On May 6, 2019, the A&F Committee unanimously concurred with staff recommendation to add Section 1406 (Incompatible Offices) to the Administrative Code (Option 1). The Committee asked whether city Planning Commissioners were considered "public officials" under the law. Legal Counsel Byrne has informed staff that although the incompatibility is a case by case analysis with respect to planning commissioners, there is an Attorney General opinion that concludes that county and city planning commissioners are "public offices" for purposes of the incompatibility doctrine. A public office is a position in government (1) which is created or authorized by the Constitution or some law; (2) the tenure of which is continuing and permanent, not occasional or temporary; (3) in which the incumbent performs a public function for the public benefit and exercises some of the sovereign powers of the state. Again, whether an office is incompatible with another is a case by case analysis.

MWDOC has a decade-long history of taking a transparent, public position on the incompatibility of office issue. During the negotiations that produced the 2011 Settlement Agreement, MWDOC presented a legal opinion that the requirements of incompatibility of office applied to MWDOC Member Agency, Boards, City Councils, Mayors, City Managers and General Managers for Metropolitan Water District Director appointments. This position was reiterated by letter (April 21, 2014) for the Met Director position selection process that concluded in October 2014. Section 1500(B)(5) was added to the MWDOC Administrative Code on June 17, 2015 to codify the position and requirements for Met Director appointments.

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

The MWDOC Administration and Finance (A&F) Committee has held public discussions concerning the addition of incompatibility of office language to the Administrative Code pertaining to the elected position of MWDOC Director similar to the appointed Met Director language. This code change is not required under election law or by the Orange County Registrar of Voters but is intended to promote public transparency and clarity. Incompatibility of Office has been the most often asked question regarding the current MWDOC Director appointment process. A code section that states the legal requirements and identifies clear examples would help clarify the issue.

The A&F 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). 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 referred the addition of Section 1406 (Incompatible Offices) to the May 8, 2019 A&F Committee meeting for further discussion.

SUMMARY

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(B)(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.

> Section 1406 INCOMPATIBILITY OF OFFICES
>
> Government Code Section 1099 prohibits a public official, such as a Board Member or General Manager of a special district, or a City Council Member or City Manager of a City, from simultaneously holding two public offices that are incompatible. Offices are generally incompatible if there is a possibility of a significant clash of duties or loyalties between the offices. Examples of incompatible offices include, but are not limited to, being a MWDOC Director and also being a public official of a MWDOC Member Agency, or also being a City Council Member or City Manager of a city that is served by a MWDOC Member Agency. Government Code Section 1099 further provides that if a public official holds two incompatible offices, the public official is deemed to automatically forfeit the first office upon taking the second. MWDOC shall take steps to enforce Government Code Section 1099 as necessary.

BOARD OPTIONS

Option #1

- Approve the amendment of the MWDOC Administrative Code, as developed by Legal Counsel, and create new Section 1406 INCOMPATABILITY OF OFFICE as stated above.

Fiscal Impact: None.
Business Analysis: The addition to the Administrative Code as specified will improve public transparency and clarity.

Option #2

- Modify the language developed by Legal Counsel, approve an amendment to the MWDOC Administrative Code, and create new Section 1406 INCOMPATABILITY OF OFFICE.

Fiscal Impact: None.
Business Analysis: The addition to the Administrative Code with modifications would be intended to improve public transparency and clarity. However, any modifications to the proposed language should be reviewed by Legal Counsel.

Option #3

- Do not approve an amendment to the MWDOC Administrative Code pertaining to Incompatibility of Office.

Fiscal Impact: None.
Business Analysis: This option will not improve public transparency or clarity.

STAFF RECOMMENDATION

Option #1

Item No. 7

CONSENT CALENDAR ITEM
May 15, 2019

TO: **Administration & Finance Committee (Directors Thomas, Finnegan, Vacant)**

FROM: **Robert Hunter, General Manager**

Staff Contact: Hilary Chumpitazi

SUBJECT: **Membership and Participation in California Council for Environmental & Economic Balance (CCEEB) and Association of Metropolitan Water Agencies (AMWA)**

STAFF RECOMMENDATION

Staff recommends the Administration & Finance Committee discuss membership in CCEEB and AMWA and recommend to the Board Option #1, the continuation of membership and active participation for FY 2019-20.

COMMITTEE RECOMMENDATION

The Committee concurred with staff recommendation of approving Board Option #1 (authorize the FY 2019-20 membership, registration and travel expenses for both Directors and Staff for both the California Council of Environmental & Economic Balance (CCEEB & CED) ($38,413) and the Association of Metropolitan Water Agencies (AMWA) ($29,506)).

DETAILED REPORT

MWDOC has been a member of the Association of Municipal Water Agencies (AMWA) since 2015 and the California Council for Environmental & Economic Balance (CCEEB) since 2016. MWDOC participates in CCEEB primarily through the California Environmental Dialogue (CED). Each year, information has been provided to the MWDOC Board of Directors on the purpose, operation and benefits of these two organizations and (after active discussion) the Board of Directors has approved participation. However, membership and participation in both organizations was removed from the approved FY 2019-20 budget. Subsequent to the April Board meeting, Directors requested the question of membership

Budgeted (Y/N): N	Budgeted amount: n/a	Core _X_	Choice __
Action item amount: $67,919	Line item:		
Fiscal Impact (explain if unbudgeted): Funding of membership and participation in both CCEEB and AMWA would result in projected reserves being $2,431 below targets. This is well within the margin of error for the budgeting process.			

and participation in both organizations be agendized for action at the May 2019 Administration & Finance (A&F) committee meeting and Board of Directors meeting.

Specifically, the Board of Directors took two actions relative to these items in the FY 2019-20 budget process:

- Removal of the membership, registration and travel expenses for the California Council for Environmental & Economic Balance ($38,413)
- Removal of the membership, registration and travel expenses for the Association of Metropolitan Water Agencies ($29,506)

The expenses for these two items total $67,919 for FY 2019-20. The budget passed by the MWDOC Board of Directors on April 17, 2019 included projected reserve levels $65,488 above target levels. The net effect of the Board authorizing participation in both organizations would result in projected reserves $2,431 below target levels. This is well within the margin of error for the budgeting process.

California Council for Environmental & Economic Balance (CCEEB)

CCEEB offers MWDOC the opportunity for dialogue and interaction with senior regulators on issues of importance to our Member Agencies. CCEEB is organized around projects and MWDOC participates in the California Environmental Dialogue (CED). As stated in the attached fact sheet, the "goal of CED is to provide a venue where business leaders, environmental interests, and state regulators can discuss topics of mutual concern outside of the traditional regulatory or legislative settings." The fact sheet provides a partial list of CED members and an additional list is included of the CCEEB Board of Directors. Water agencies that are CCEEB members include Metropolitan Water District of Southern California, Inland Empire Utilities Agency, LA Department of Water & Power, State Water Resources Control Board, Cal/EPA, and MWDOC.

CCEEB is in pursuit of long-term policy changes, and it's issued statements and issues papers are respected by regulators as a result of comprehensive vetting. Participation in the organization has provided various opportunities for MWDOC to have candid discussions with agencies and industry sectors regarding issues of both allied and opposing views.

MWDOC Directors have discussed CCEEB's support of the California WaterFix. MWDOC worked with CCEEB on a process that included active dialogue on the WaterFix and resulted in CCEEB taking a formal position of support for the WaterFix. CCEEB's support letter to Governor Brown (attached) was copied to the State Water Resources Control Board and the Department of Water Resources. Due to Metropolitan's concerns over the length of the public comment sessions on the WaterFix, CCEEB was not asked to make a formal statement at Metropolitan. However, their support letter was cited in GM Hunter's formal comments of October 10, 2017.

Board approval of CCEEB membership and participation would include the following activities and costs (budget exhibit referenced):

Exhibit D – District Participation Costs:	$25,113
Exhibit E – Staff Registration & Travel Budget: 2 staff	$ 2,200

Registration: $200 Travel: $2,000	
CA Environmental Dialogue Travel – 5 Trip:	$ 5,000
Exhibit F – Board Registration & Travel Budget: 1 Director	$ 1,100
Registration: $100 Travel: $1,000	
CA Environmental Dialogue Travel – 5 Trip:	$ 5,000
TOTAL	$38,413

Association of Metropolitan Water Agencies (AMWA)

AMWA is a national organization that focuses on policy, regulatory and legislative activities on the federal level. Their national focus precludes a specific focus on western water issues. However, four of the twenty-two board directors are from California and another three are from Colorado River Basin states. The value of the organization is partially reflected in the twenty-five California water utilities which are AMWA members including:

Anaheim Public Utilities	Burbank Water & Power	Coachella Valley WD
Contra Costa WD	East Bay MUD	Glendale Water & Power
LA DWP	Marin MWD	Metropolitan
MWDOC	OCWD	Pasadena Water & Power
Riverside Public Utilities	Sacramento Utilities	SDCWA
San Diego Public Utilities	San Francisco PUC	Santa Clara Valley WD
Santa Cruz Water Dept.	Santa Margarita WD	Santa Rosa Utilities Dept.
Sonoma County Water	Vallejo Public Works	Ventura Water
West Basin MWD		

AMWA's mission statement is:

> AMWA's primary objective is to be the unified and definitive voice for the nation's largest publicly owned drinking water systems on regulatory, legislative, and security issues. To this end, the association works with Congress and federal agencies to ensure safe and cost-effective federal drinking water laws and regulations and to develop federal-local partnerships to protect water systems and consumers against acts of terrorism and cybercrime.
>
> AMWA is also committed to the collection and exchange of management, scientific, and technical information to support competitive utility operations, effective utility leadership, safe and secure water supplies, and effective communication on drinking water quality.

AMWA provides an expert Washington staff on regulatory, legislative, security and utility management issues. MWDOC's lobbyist, Jim Barker, has followed AMWA's activities for more than twenty years and has worked with their staff and respects the organization. The connection between AMWA and Mr. Barker has recently proved valuable on aspects of the PFAS contamination issue that is impacting a number of our Member Agencies. AMWA is deeply imbedded in the PFAS issue and provided rapid insight and information to Mr. Barker.

AMWA also produces weekly, monthly, and quarterly newsletters which we email to our Member Agencies. Examples of the Monday Morning Briefing, Congressional Report, Regulatory Report, and the Sustainability and Security Report are attached.

Board approval of AMWA membership and participation would include the following activities and costs (budget exhibit referenced):

Exhibit D – District Participation Costs:	$19,940
Exhibit E – Staff Registration & Travel Budget:	$ 9,566
a. Misc. Conference, TBD: 1 staff	
Registration: $1,632 Travel: $2,244	
b. Exec Conference, Rhode Island: 1 staff	
Registration: $920 Travel: $1,600	
c. Water Policy Conference, TBD: 1 staff	
Registration: $920 Travel: $2,250	
TOTAL	$29,506

<u>Water Tax Coordinated Value Example</u>

Our participation on both AMWA and CCEEB has allowed MWDOC to link national experience with state issues to provide significant input on critical issues. For example, we recently used the networking aspect of AMWA's national membership of general managers to research the State Water Board's reliance on the Kentucky utility consolidation process as a model. 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 in-depth information was then utilized at a recent CEEB meeting which 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. The CCEEB/CED membership is a valuable tool in our opposition to the Tax and policy/regulatory issues in general. Memberships to both CCEEB and AMWA are not only valuable individually, synergistically valuable by participating in both concurrently

BOARD OPTIONS

Option #1

- Authorize the FY 2019-20 membership, registration and travel expenses for both Directors and Staff for <u>both</u> the California Council of Environmental & Economic Balance (CCEEB & CED) ($38,413) and the Association of Metropolitan Water Agencies (AMWA) ($29,506).

Fiscal Impact: $67,919 for the FY 2019-20 operating budget. MWDOC passed a budget with $65,488 in available funds. Approving both organizations would produce projected reserve balances $2,431 below targets (well within estimating error).
Business Analysis: This option will continue our relationship with both organizations and the synergistic value thereby derived.

Option #2

- Authorize the FY 2019-20 membership, registration and travel expenses for both Directors and Staff for only the California Council of Environmental & Economic Balance (CCEEB & CED) ($38,413).

Fiscal Impact: $38,413 from the FY 2019-20 operating budget. MWDOC passed a budget with $65,488 in available funds. Approving only CCEEB/CED would produce projected reserve balances $27,075 above targets.
Business Analysis: This option will continue our relationship with only CCEEB/CED.

Option #3

- Authorize the FY 2019-20 membership, registration and travel expenses for both Directors and Staff for only the Association of Metropolitan Water Agencies (AMWA) ($29,506).

Fiscal Impact: $29,506 from the FY 2019-20 operating budget. MWDOC passed a budget with $65,488 in available funds. Approving only AMWA would produce projected reserve balances $35,982 above targets.
Business Analysis: This option will continue our relationship only with AMWA.

Option #4

- Do not authorize the FY 2019-20 membership, registration and travel expenses for either the California Council of Environmental & Economic Balance (CCEEB & CED) ($38,413) and the Association of Metropolitan Water Agencies (AMWA) ($29,506).

Fiscal Impact: No impact to the FY 2019-20 operating budget. MWDOC passed a budget with $65,488 in available funds. Approving neither organization would not change projected reserve balances.
Business Analysis: This option will terminate our relationship with both organizations and undermine the interactions and relationships MWDOC developed over the last four years.

STAFF RECOMMENDATION

Option #1

CED California Environmental Dialogue

The CED is an on-going dialogue among business leaders, environmental groups, and government officials. Using dialogue to develop innovative policy solutions, our mission is to meet the needs of a healthy environment and a vibrant economy while improving the effectiveness and efficiency of our environmental regulatory system.

The California Environmental Dialogue (CED) has long worked on California's pressing environmental issues through its Plenary, Long View Committee, and Clean Air Dialogue Working Group. The goal of the CED is to provide a venue where business leaders, environmental interests, and state regulators can discuss topics of mutual concern outside of the traditional regulatory or legislative settings. By engaging in sustained, facilitated dialogue on contentious and complex issues, CED members are able to open lines of communication across sectors and better understand each other's challenges and perspectives. Although the goal of CED's dialogue is not to solve every problem set before it, the CED is often able to work towards consensus, encapsulating shared positions in publicly available policy principles and white papers. These joint statements have been instrumental in helping to solve pressing environmental and economic concerns that affect us all.

CED Membership

Business Community
Alliance of Automobile Manufacturers
The Boeing Company
California Electric Transportation Coalition
California Farm Bureau Federation
California Natural Gas Vehicle Coalition
Diesel Technology Forum
General Motors
Honeywell
Inland Empire Utilities Agency
Irvine Ranch Water District
NBC Universal
NRG
Pacific Gas & Electric Company
Sempra Energy Utilities
Sonoma County Water Agency
Tesoro
The Walt Disney Company
Wine Institute

Federal, State & Regional Agencies
US EPA Region IX
Senate and Assembly Legislative Staffs
Cal/EPA
Air Resources Board
State Water Board
Resources Agency
Energy Commission
Public Utilities Commission
CalTrans
California Air Pollution Control Officers Association

Environmental Groups
American Lung Association
California Coast Keeper
Coalition for Clean Air
Earth Island Institute
Natural Resources Defense Council
Sierra Club
Trust for Public Land

The CED is a special project of the California Council for Environmental and Economic Balance board of directors, and is managed by Jonathan Clay of JGC Government Relations, Inc. All three of CED's groups meet on a regular schedule throughout the year. The CED Plenary – its main deliberative body – meets for two-day dialogue sessions, allowing for enough time for in-depth discussion. CED members set the work agenda and agree on topics for discussion, and all three groups are supported by professional staff and facilitation so that progress is sustained.

In short, by engaging in formal dialogue, the CED builds relationships and trust, which in turn allows its members to pursue public and private policy solutions that enhance environmental outcomes and economic efficiencies.

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August 28, 2017

The Honorable Edmund G. Brown
Governor
State of California
California State Capitol
Sacramento, CA 95814

RE: California WaterFix – SUPPORT

Dear Governor Brown:

On behalf of the California Council for Environmental & Economic Balance (CCEEB), I am pleased to convey our support for the California WaterFix ("WaterFix" or "Project").

As you know, in 1973 Governor Edmund G. "Pat" Brown founded CCEEB to bring together the perspectives of labor, business and public leaders to work together to advance balanced and effective policy solutions to achieve a sound economy and a healthy environment. From its beginning, CCEEB has tackled the toughest environmental problems facing California, including water quality, transportation, energy, air quality, hazardous waste and land use. We are a non-partisan, not for profit organization.

We have had in depth conversations and discussions with our members – business and labor – over the course of the past year regarding the Project. We have grappled with concerns over added costs for the business community, the need to ensure the health and reliability of the Delta, and the need for long-term reliability in water supply across the state. Like many issues that confront CCEEB in the policy realm, we take Governor Pat Brown's interest in balanced policy-making to heart – particularly as it relates to the WaterFix and all of its complexities. Ultimately, the membership agrees that reliability is essential in our state with over 39.5 million residents, ever fluctuating weather patterns, natural events and the need to protect the sixth largest economy in the world and its infrastructure.

In this regard, CCEEB is pleased to join the list of supporters for the WaterFix. If you have any questions regarding our position, please contact CCEEB Water, Chemistry and Waste Project Manager Dawn Koepke at (916) 930-1993 or Jackson Gualco of The Gualco Group, Inc. at (916) 441-1392. Thank you.

Sincerely,

Gerald D. Secundy
CCEEB President

cc: Honorable Felicia Marcus, Chair, State Water Resources Control Board
Honorable Grant Davis, Director, Department of Water Resources
Catalina Hayes-Bautista, Deputy Legislative Secretary, Office of the Governor
Members, CCEEB Water, Chemistry & Waste Project
The Gualco Group, Inc.

ASSOCIATION OF
METROPOLITAN WATER AGENCIES

MONDAY MORNING BRIEFING
The Latest Water Policy News

Monday Morning Briefing: April 29, 2019

EPA plan on PFAS in groundwater "expects" polluters to address contamination

EPA last week took a step forward in implementing the agency's PFAS Action plan, releasing draft interim guidance with recommendations for the clean-up of groundwater contaminated with perfluorooctanoic acid (PFOA) and/or perfluorooctane sulfonate (PFOS). The guidance will apply to sites being evaluated and/or addressed under federal cleanup programs, such as the Comprehensive Environmental Response, Compensation, and Liability Act and the Resource Conservation and Recovery Act.

The draft provides interim recommendations "for screening levels, and preliminary remediation goals (PRGs) to inform final cleanup levels for PFOA and/or PFOS contamination of groundwater that is a current or potential source of drinking water." The guidance recommends a screening level, the level at which the contamination may warrant further investigation, of 40 parts per trillion (ppt) and PRGs of 70 ppt. The PRG is in line with EPA's Lifetime Health Advisory Level of a combined concentration of PFOA and PFOS of 70 ppt.

The agency's recommendations stop short of requiring polluters to cleanup groundwater with PFOA or PFAS contamination that exceed that level. Instead, the guidance says that "EPA expects that responsible parties will address levels of PFOA and/or PFOS over 70 ppt." The document also cautions that determining a site needs more evaluation "does not necessarily indicate that additional response action is appropriate beyond assessing the actual or potential risk posed by releases or threatened releases at the site."

The agency is taking comment on the draft interim guidance until June 10, 2019. AMWA members who have questions or comments on EPA's plan should contact AMWA's Stephanie Hayes Schlea at schlea@amwa.net.

EPA: No federal permits needed for pollutants introduced to surface water via a groundwater connection

EPA last week released an interpretive statement on the applicability of the National Pollutant Discharge Elimination System permits to releases of pollutants from a point source into groundwater. The notice of availability and request for comment gives the public until June 7 to provide input.

This statement follows a February 2018 request for public comment regarding whether EPA should review, revise, and/or clarify the agency's previous statements regarding this issue. Based on public input, and after reviewing past statements and the history, structure and text of the Clean Water Act (CWA), last week's interpretive statement declared that "Congress excluded releases of pollutants to groundwater from the Act's permitting requirements, regardless of whether there is a hydrological connection between the groundwater and a water of the United States."

The agency's news release goes on to state that Congress instead "left regulation of those releases to the states and EPA's other statutory authorities." EPA clarifies that the agency will still protect groundwaters and hydrologically connected surface waters through its authorities under the Safe Drinking Water Act, the Resource Conservation and Recovery Act, and the Comprehensive Environmental Response, Compensation, and Liability Act.

This recent development has been spurred by a series of ongoing litigation attempting to determine when the CWA applies to pollutants that reach surface waters via a hydrological connection to groundwaters. The Supreme Court is scheduled to hear arguments this fall on a case attempting to answer this question, *County of Maui v. Hawai'i Wildlife Fund*.

Tuesday webinar: $6 billion in water infrastructure financing up for grabs

This Tuesday, April 30, from 2:00 – 3:00 p.m. ET, EPA will conduct a how-to webinar on applying for loans in the third round of the Water Infrastructure Finance and Innovation Act (WIFIA) program. Online registration is available.

In February, Congress provided $60 million in funding for the program as part of EPA's FY19 appropriations bill. The agency expects to leverage this sum into approximately $6 billion in loans that will be distributed to major water infrastructure projects nationwide.

In addition to the webinar, EPA is offering three information sessions in May to provide more information to prospective borrowers about the program and this round of funding: May 8 in Atlanta, Ga., May 13 in Washington, D.C., and May 23 in Phoenix, Ariz. To learn more about the

available funding and the selection process, the Notice of Funding Availability can be found on EPA's WIFIA website.

Trump, congressional leaders to huddle over infrastructure plan

President Trump is expected to host House Speaker Nancy Pelosi (D-Calif.) and Senate Minority Leader Chuck Schumer (D-N.Y.) at the White House this week to talk about the potential for developing a broad infrastructure bill this year. Reports from Washington say the meeting is planned for the morning of Tuesday, April 30.

Since the president's election, members of both parties have repeatedly suggested that the two sides could find common ground on a broad infrastructure package. No such comprehensive legislation has emerged, though, even as Congress has enacted a number of infrastructure-related bills, including last year's America's Water Infrastructure Act. That legislation reauthorized EPA's Drinking Water State Revolving Fund and Water Infrastructure Finance and Innovation Act programs.

The biggest obstacle to reaching a comprehensive infrastructure bill is how to pay for it. Speaker Pelosi has indicated that House Democrats want to pursue infrastructure legislation that would spend up to $2 trillion on a wide range of projects, but Republicans have resisted calls to impose new taxes on high earners to generate the necessary revenue.

Save the date for AMWA's 2019 Executive Management Conference

Rhode Island is a great place to visit in the fall, so make your plans now to attend AMWA's 2019 Executive Management Conference, October 20-23 in historic Newport, Rhode Island.

There's nothing else quite like AMWA's annual convening of senior drinking water executives – a forum featuring an agenda focused on their unique interests, outlooks and scope of management responsibility. Save these dates and watch for more information on AMWA's 2019 Executive Management Conference. Program details and online registration will be available in the coming weeks.

This week in Congress

Members of the House and Senate return to Washington this week following a two-week break. In the House a vote is expected on legislation to reverse President Trump's withdrawal from the Paris Climate Agreement. The Senate's week will begin with consideration of a number of pending judicial nominations, and a vote is possible on a revised disaster aid bill.

Congressional Report: April 2019

AMWA calls on lawmakers to preserve water infrastructure funding

Congress should support strong funding for EPA's water infrastructure assistance programs next year, AMWA and a coalition of seven water sector and infrastructure organizations wrote to lawmakers on April 1 as work gets underway to put together spending legislation for the 2020 fiscal year. The associations' letter was sent to Congress after the Trump Administration's FY20 budget proposed slashing overall EPA funding by nearly one third.

The water sector letter did not discuss the proposed budget cuts directly, but noted the country's need of nearly $750 billion in water infrastructure spending over the next 20 years (as estimated by EPA), and pointed to the Drinking Water and Clean Water State Revolving Funds (SRFs), along with the Water Infrastructure Finance and Innovation Act (WIFIA) program, as the "core programs" at the federal level that offer funding for "critical drinking water and clean water projects."

Specifically, the letter asked lawmakers to fund the DWSRF and WIFIA in FY20 at their fully-authorized levels of $1.3 billion and $50 million, respectively. The letter also asked Congress to increase funding for the CWSRF "beyond its FY19 level of $1.7 billion." Congress' authorization of the CWSRF has expired, so there is no "fully-authorized" level of funding that may be requested.

The letter went on to note a number of new EPA grant programs that Congress authorized last fall as part of America's Water Infrastructure Act (AWIA), including initiatives focusing on lead removal, water utility resiliency, and water workforce development, among others. AMWA and the other associations called on lawmakers to appropriate "the fully authorized funding level for each of these new AWIA programs in FY20."

Congress is widely expected to reject President Trump's proposal to slash EPA funding by several billion dollars, but it remains to be determined how much money will be available to devote to the agency's water infrastructure programs next year.

Wheeler touts water infrastructure programs in Hill testimony

EPA Administrator Andrew Wheeler testified in defense of the Trump administration's FY20 budget request at a trio of congressional hearings this month and consistently encountered resistance from both sides of the aisle over its plan to drastically reduce the agency's budget. But Wheeler used his testimony to frame water infrastructure investments as a top priority, even though the budget proposal would lessen funding for those objectives.

Administrator Wheeler testified at respective House and Senate appropriations subcommittee hearings on the budget, plus a hearing of the House Environment and Climate Change Subcommittee. As submitted to Congress, Trump's FY20 budget plan would reduce EPA spending from its FY19 level of just over $8.8 billion to $6.1 billion next year. The plan seeks $863 million and $25 million, respectively, for the DWSRF and WIFIA programs in FY20. The DWSRF received $1.164 billion in FY19, while WIFIA was awarded $68 million.

Despite the budget's proposed cuts to EPA spending, Wheeler told the committees that water is a priority for the administration. In his testimony to House appropriators, for example, Wheeler framed water issues as "the largest and most immediate environmental and public health issues affecting the world right now." He noted the agency's own estimates of the need for more than $700 billion in water infrastructure investments over the next 20 years, and applauded the leveraging ability of WIFIA and the recycling of funds in the SRFs that generate "additional funding available well beyond the annual federal investment" in the programs. Wheeler also stressed that the White House budget requested a total of $83 million to begin funding five new water-related grant programs authorized by Congress last year through America's Water Infrastructure Act.

Wheeler encountered numerous questions during the three hearings on the budget's proposal to reduce DWSRF funding by more than $300 million. In response to a member of the House Environment and Climate Change Subcommittee who questioned the cuts, Wheeler noted that roughly $80 billion is currently revolving at the state level in the two SRFs, and also argued that the administration was proposing to increase WIFIA funding by 25 percent compared to the administration's FY19 budget request for WIFIA. However, when compared to the amount of funding Congress actually appropriated for the program last year, the White House's FY20 budget proposal would reduce WIFIA funding by $43 million, or about 63 percent.

The consensus from lawmakers at all three hearings seemed to be that Congress would not go along with the administration's recommendations of severe EPA cuts in its own FY20 spending bills. But details of potential spending levels for EPA's water infrastructure programs will not be known until Congress begins developing its funding legislation later this year.

Wheeler doesn't commit to timeline for lead pipe replacement program

EPA Administrator Andrew Wheeler avoided answering a question posed during his April 2 appearance before a House Appropriations subcommittee about the agency's plans for implementing a congressionally authorized grant program to promote the replacement of lead service lines, though an EPA staff member shed additional light on the topic during AMWA's Water Policy Conference later in the month.

During Administrator Wheeler's testimony on EPA's FY20 budget request before the House Interior, Environment, and Related Agencies Appropriations Subcommittee, Rep. Brenda Lawrence (D-Mich.) asked about EPA's plans for implementing three grant programs authorized by Congress in the Water Infrastructure Improvements for the Nation (WIIN) Act of 2016. One of those programs would offer funds to help communities and low-income households replace lead service lines or undertake other efforts to remove lead from drinking water. AMWA supported and helped craft the version of the program that was enacted as part of the WIIN Act, and over the past two fiscal years Congress has appropriated $25 million to EPA to get the program up and running. However, to date EPA has not taken any apparent steps to begin soliciting or offering lead service line replacement grants, and the agency recommended eliminating funding for the program in its FY20 budget.

Rep. Lawrence's question during the April 2 hearing noted that Congress has appropriated dollars for all three new WIIN Act programs, "but the money has not gone out the door." She asked the administrator to explain the agency's plans for using the funding.

In response, Wheeler said that "in the coming weeks" EPA planned to "announce the details and allocations" for two of the programs – for providing assistance to small and disadvantaged communities, and for lead testing in schools and child care centers. He said that EPA is "a little slower" in awarding funds for new grant programs compared to established ones, and then repeated his expectation that the agency would move forward with details on "both" programs "in the next few weeks." Wheeler's response did not acknowledge the status of the lead reduction program, and Rep. Lawrence did not immediately press him with a follow-up question. So, the present status of the program at EPA remains unclear.

A bit more detail on the lead reduction program was offered later in April during AMWA's Water Policy Conference. Jennifer McLain, acting director of EPA's Office of Ground Water and Drinking Water, said in response to a question that EPA plans to begin soliciting applications later this year for grants to help communities and low-income homeowners replace lead service lines or undertake other initiatives to reduce the prevalence of lead in drinking water, consistent with the specifications established when Congress created the program in 2016. An EPA website also lists "Reducing Lead in Drinking Water Grant Request for Applications" under a "What's Next?" column

on implementation of the 2016 law.

At this point it remains unknown how exactly EPA will solicit applicants for the lead reduction grants, or whether Congress will continue to fund the program beyond the current fiscal year.

Congress approves Colorado River management plan

The House and Senate this month each unanimously approved legislation directing the Interior Department to implement the Colorado River Drought Contingency Plan. The plan is a multistate agreement that aims to protect the river's two primary reservoirs, Lake Powell and Lake Mead, against shortages that could stem from ongoing drought.

The Colorado River's seven basin states – Arizona, California, Colorado, New Mexico, Nevada, Utah, and Wyoming – agreed to the drought plan last month, but congressional approval was necessary to allow the Interior Department to implement it. The necessary legislation, H.R. 2030, easily passed each chamber earlier this month, and President Trump subsequently signed it into law on April 16.

The Drought Contingency Plan updates 2007 guidelines for water operations on the Colorado River, which is in the midst of a nearly two-decade-long drought. Among other provisions, the agreement outlines shortage cutbacks that affected states will contribute if Lake Mead drops below certain elevations.

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ASSOCIATION OF
METROPOLITAN WATER AGENCIES

REGULATORY
REPORT

Regulatory Report: April 2019

AMWA asks agencies to consider WOTUS implications for drinking water

AMWA submitted comments to EPA and the U.S. Army Corps of Engineers (USACE) April 12 in response to the agencies' February 14, 2019 proposal to redefine the Waters of the United States (WOTUS) definition. This rule would replace the 2015 Clean Water Rule and, if finalized, would adopt a narrower scope for federal jurisdiction over the nation's waters in comparison to the 2015 rule. The new rule follows closely with the late Supreme Court Justice Anton Scalia's plurality opinion from the landmark court case *Rapanos v. United States*, which concluded that WOTUS should be restricted to "relatively permanent, standing or continuously flowing bodies of water."

AMWA's comments support the overall goal of streamlining the regulatory process and clarifying the definition of WOTUS but highlights issues that EPA and USACE should consider while developing the final rule. The association emphasizes the importance of preventing pollution of source waters in order to protect public health and urges EPA and USACE to "be cognizant of the rule's impact on source waters, particularly those used for drinking water, and to finalize language that is protective of these vital resources."

AMWA reiterates previous comments on the need for drinking water infrastructure to be excluded from the definition of WOTUS in a similar fashion to waste treatment systems, which have been excluded since 1979 under the Clean Water Act (CWA). The letter underlines the fact that "current and past practice under the CWA has been to exclude [day to day operations of drinking water facilities] from jurisdiction under WOTUS" and that the association does not believe it was the intent of Congress, EPA, or USACE that this infrastructure be included under the definition.

On top of these requests, AMWA also asks that EPA and USACE further investigate possible limitations that states might face in implementing their own policies for protecting their waters, considering many states have laws that prevent them from being more protective than the federal law. In light of this, AMWA asked for a delay in the implementation of the new definition to allow states ample time to determine the possible impacts to their waters.

Finally, AMWA lists concerns with the cost-benefit analysis completed for the WOTUS proposal. The association states that the "current analysis is lacking in sufficient detail and consideration for the needs and limitations of drinking water utilities" and encourages both EPA and USACE to "perform a more rigorous analysis using sound scientific assessments in order to better estimate the impact of this new rule on treatment costs for drinking water."

A final rule is expected by the end of the year.

New guidance released by EPA aims to clarify application of CWA permitting to groundwater

EPA released an interpretive statement on the agency's stance for the applicability of the Clean Water Act's (CWA) National Pollutant Discharge Elimination System on releases of pollutants from a point source into groundwater. The notice of availability and request for comment was released April 23 and gives the public until June 7 to provide input.

This statement follows a February 2018 request for public comment regarding whether EPA should review, revise, and/or clarify the agency's previous statements regarding this issue. Based on public input, and after reviewing past statements and the history, structure and text of the CWA, EPA determined that "Congress excluded releases of pollutants to groundwater from the Act's permitting requirements, regardless of whether there is a hydrological connection between the groundwater and a water of the United States."

The agency's news release goes on to state that Congress instead "left regulation of those releases to the states and EPA's other statutory authorities." EPA clarifies that the agency will still protect groundwaters and hydrologically connected surface waters through its authorities under the Safe Drinking Water Act, the Resource Conservation and Recovery Act, and the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

This recent development has been spurred by a series of ongoing litigations attempting to determine when the CWA applies to pollutants that reach surface waters via a hydrological connection to groundwaters. The Supreme Court is scheduled to hear arguments this fall on a case attempting to answer this question, *County of Maui v. Hawai'i Wildlife Fund*.

EPA releases status report for Federal Action Plan to Reduce Childhood Lead Exposures

EPA released a status report April 1 outlining the progress that has been made on EPA's Action Plan, *Federal Lead Action Plan to Reduce Childhood Lead Exposures and Associated Health Impacts*, that was released December 19, 2018. The plan was developed through cross-governmental collaboration of the President's Task Force on Environmental Health Risks and Safety Risks to

Children, which includes 17 federal departments and offices and is co-chaired by EPA and the Department of Health and Human Services.

The *Action Plan* outlines four goals:

- Reduce children's exposure to lead sources;
- Identify lead-exposed children and improve their health outcomes;
- Communicate more effectively with stakeholders; and
- Support and conduct critical research to inform efforts to reduce lead exposures and related health risks.

The majority of the updates for reducing lead in drinking water are continuations of work that was already ongoing when the plan was released in December, for instance the agency's work on revising the Lead and Copper Rule (LCR). However, the report does outline a few new accomplishments that have occurred this year.

- EPA hosted the first in a series of webinars on lead service line replacement in March 2019. The series showcases best practices for states and utilities implementing a voluntary lead service line replacement program.
- EPA sent out letters to state governors announcing the Lead Testing in Schools and Child Care Programs Drinking Water grant authorized by the Water Infrastructure Improvements for the Nation Act (WIIN). At the beginning of 2019, EPA received letters from all 50 states and the District of Columbia confirming their commitment to reducing lead in drinking water in schools. The letters also confirmed their desire to receive grant funding. According to both the report and EPA's website, EPA expects to notify states and the District of Columbia of funding allotments for the grant in March 2019. States will then have until July 21, 2019 to submit their application package.
- EPA is conducting the tribal consultation on the Reduction of Lead in Drinking Water Grant authorized by the WIIN Act through the end of March 2019.

The status report also updates timelines to some of EPA's rulemakings. The proposal for the revised LCR is now slated to be released this summer. The proposal was originally scheduled to be released in February of this year. The finalized rule for *Regulations Implementing Section 1417 of the Safe Drinking Water Act: Prohibition on Use of Lead Pipes, Solder, and Flux* has also been delayed and is now due to be published winter 2019-2020.

Michigan governor directs MDEQ to establish MCLs for PFAS

Michigan Governor Gretchen Whitmer's office announced March 26 that the state will begin the process for establishing Maximum Contaminant Levels for per- and polyfluoroalkyl substances (PFAS). According to the news release, the state "has long advocated that the federal government

establish national standards to protect the nation's water from PFAS contamination, but [it] can no longer wait for the Trump Administration to act." The press release does not state which specific PFAS would be regulated. PFAS is a general term for the whole group of man-made chemicals that include PFOA, PFOS, and Gen-X, but is comprised of thousands of different chemicals.

The governor goes on to direct the state's PFAS Action Response Team to form a science advisory workgroup that will be tasked to "review both existing and proposed health-based drinking water standards from around the nation to inform the rulemaking process for appropriate Maximum Contaminant Levels (MCL) for Michigan by no later than July 1, 2019."

The statement directs the Michigan Department for Environmental Quality to immediately file a request for rulemaking to establish an enforceable MCL in response to the workgroup's conclusions. The directive states that this proposal will be completed on "an accelerated schedule with input from stakeholders by no later than October 1, 2019."

State associations praise EPA's PFAS Action Plan, but highlight significant concerns

The Association of State Drinking Water Administrators, Environmental Council of States, the Association of Clean Water Administrators, and the Association of State and Territorial Solid Waste Management Officials sent a comment letter to EPA Administrator Wheeler on April 4 regarding the agency's PFAS Action Plan.

In the letter, the four groups commend EPA for developing the Action Plan, which outlines both short-term and long-term actions that the agency will deploy to address per- and polyfluoroalkyl substances (PFAS). However, the majority of the letter criticizes the plan and highlights a multitude of concerns. In particular, the letter states EPA "should commence the work required for developing a Safe Drinking Water Act (SDWA) Maximum Contaminant Level (MCL) for PFOA and PFOS while completing the regulatory determination rather than taking those steps sequentially." They also state that the agency should look beyond setting contaminant levels for only PFOA and PFOS and consider the multitude of other PFAS that could potentially be impacting environmental and human health. Many states are already implementing or developing their own MCLs for a variety of PFAS and the four groups encourage EPA to use these as guidelines.

The groups also emphasize the need to focus on keeping PFAS out of the environment through programs like the Toxic Substances Control Act and requests that EPA provide more timelines and deadlines within the Action Plan.

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ASSOCIATION OF METROPOLITAN WATER AGENCIES

SUSTAINABILITY AND SECURITY REPORT

Sustainability & Security Report: April 2019

Social engineering, malicious links major threats to ICS environments

An F-Secure report examining the state of cybersecurity in the energy sector warns that many operational technology components in industrial control systems (ICS) were built with remote operation capabilities but are partly or entirely lacking in security protocols. Although the report is focused on the energy sector, many of its findings and recommendations are applicable to the water sector. In a press release announcing the report, F-Secure researcher Sami Ruohonen stated, "Espionage and sabotage attacks against Critical National Infrastructure organizations have increased over the years, and I don't think we have seen it all yet."

F-Secure observes that many ICS components were built before the creation of ICS-focused malware like Stuxnet, and, therefore, were not designed with security in mind. This is complicated by the fact that discarding old systems, which originally cost millions of dollars and were expected to work for decades, is cost-prohibitive. The report also acknowledges the challenge in updating these systems as, given that ICS need to be "on" all the time, there are few opportunities for the systems to be idle long enough to complete updates and install patches.

The report then examines the threat actors and the techniques they use for exploiting this situation, adding that a fundamental reason behind successful attacks is target organizations' lack of mature cybersecurity practices. The report also notes that state-sponsored attackers are deliberate about their attempts to penetrate systems, taking months to identify employees who are viable targets for social engineering and phishing attacks.

AMWA urges EPA to pilot reuse projects as part of reuse action plan

Following EPA's announcement on February 27 that the agency would develop a Water Reuse Action Plan, EPA staff circulated to AMWA and other organizations a draft discussion framework for

the action plan. (A later version of the framework was released for public comment.) In response, AMWA sent a letter urging the agency to seize the opportunity to work with federal partners and pilot water reuse projects at its own facilities and property. "By leading by example, the federal government will advance the consideration and application of water reuse," the letter reads. The letter also urged EPA to continue to fund research regarding the public health implications of direct and indirect potable reuse, stating, "It is imperative that procedures and policies for implementing direct potable reuse be irrefutable regarding the safety for public health."

Survey reveals high rate of successful OT attacks

A recent Ponemon Institute survey of professionals in industries using operational technology (OT), including industrial control systems, revealed that 90 percent of respondents experienced at least one damaging cyberattack over the past two years, while 62 percent experienced two or more attacks. More than one-third (37 percent) reported at least one significant disruption caused by malware and nearly one-fourth (23 percent) experienced least one nation state attack. The study also observed 80 percent of respondents cite a lack of visibility into their organization's attack surface as a top challenge for preventing cyberattacks from affecting business operations.

EPA releases framework for reuse action plan

EPA announced on April 18 that it is seeking public input to inform the development of a draft Water Reuse Action Plan. To provide context and facilitate input, EPA released a *Discussion Framework for Development of a Draft Water Reuse Action Plan*. The framework describes a business case for reuse, examples of reuse applications, examples of previous efforts and published literature that could inform a plan, potential collaborators, and a potential framework for the draft plan. EPA invites ideas on all aspects of water reuse and is accepting input through July 1 via public docket ID EPA-HQ-OW-2019-0174. EPA will consider all public input in preparation of its draft Water Reuse Action Plan, which will be released for public comment in September of this year.

According to a news release, the development of the action plan will leverage other efforts to advance water reuse, including the U.S. Department of Energy's Water Security Grand Challenge and EPA's "priority to fund water reuse and recycling projects" through the 2019 WIFIA funds. The agency's goal for the action plan is to "accelerate the application of water reuse as a safe, reliable and sustainable way to meet the country's current and future water demands."

AMWA is considering submitting additional comments to the agency before the July 1 deadline. Any AMWA member with comments to share regarding EPA's initiative is encouraged to forward their suggestions to Erica Brown in AMWA's office.

EPA utility resilience program retools online resources

EPA's Creating Resilient Water Utilities (CRWU) program has released new versions of three online tools that utilities can use to inform their preparedness and mitigation planning efforts. The CRWU program provides drinking water, wastewater, and stormwater utilities with practical tools, training, and technical assistance to help these utilities prepare for drought, hurricanes, and other extreme weather events.

The Storm Surge Inundation Map, which allows utilities to anticipate how hurricane- and severe storm-related flooding may affect their service areas, has been reformatted. In addition, the online map now also includes storm surge data for Puerto Rico. The tool includes three tabs: Hurricane Strike Frequency, Storm Surge Flooding, and FEMA Flood Zones.

Hurricane Strike Frequency illustrates the average time between hurricane strikes for locations along the East Coast and Gulf Coast while Storm Surge Flooding illustrates how the potential height of storm surge can vary across hurricane categories at a given location. The FEMA Flood Zone tab allows utilities to explore whether their service areas are within what FEMA has assessed to be the 100-year (one percent annual probability) or 500-year (0.2 percent annual probability) floodplains.

CRWU also recently revised its Resilient Strategies Guide for Water Utilities. The web-based guide allows utilities to develop mitigation strategies based on their stated resilience-related priorities, such as preparing for drought, protecting water quality, and improving energy-efficiency, among others.

The updated Adaptation and Case Study Information Exchange is an interactive map highlighting utility resilience efforts across the United States. It has been updated with new case studies and now has over 40 examples. The case studies describe a variety of utility approaches to managing concerns like long-term planning and extreme events. A dozen case studies come from AMWA member utilities.

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Association of Metropolitan Water Agencies
1620 I Street, NW, Suite 500
Washington, DC 20006

Item No. 8

CONSENT CALENDAR ITEM
May 15, 2019

TO: Board of Directors

FROM: **ADMINISTRATIVE & FINANCE COMMITTEE**
(Directors Thomas, Finnegan, Vacant)

Robert Hunter
General Manager

Staff Contact: Damon Micalizzi

SUBJECT: **MEMBERSHIP IN THE INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS (IABC)**

STAFF RECOMMENDATION

It is recommended that the Board of Directors authorize membership in the International Association of Business Communicators (IABC) during this fiscal year 18/19.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

Public Affairs Assistant, Traci Muldoon has been a member of the International Association of Business Communicators (IABC) prior to joining the Municipal Water District of Orange County (MWDOC) Public Affairs Team last year. As such, membership in IABC was added to the MWDOC Budget for FY 19/20. This membership was briefly discussed and during budget discussion (in February) and ultimately approved during the adoption of the budget (in April). Consequently, Ms. Muldoon's membership was set to expire prior to the new Fiscal Year. Due to the fact that Ms. Muldoon serves on various Ad/Hoc IABC Committees, Staff is requesting authorization from the Board to pay $334 to avoid a lapse in her membership during this Fiscal Year. Staff recommends paying for this out of the Public Affairs Budget miscellaneous expense.

Budgeted (Y/N): No	Budgeted amount: n/a	Core X	Choice __
Action item amount: $334.00	Line item:		
Fiscal Impact (explain if unbudgeted): This membership would paid for out of the Public Affairs Budget Cost Center 32 - 7040 Miscellaneous Expense.			

Item No. 9

CONSENT CALENDAR ITEM
May 15, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Staff Contact: Charles Busslinger, Cathy Harris

SUBJECT: **Office Improvements - Status Update & Approval of Additional Design Services**

STAFF RECOMMENDATION

It is recommended that the Board of Directors review the presentation on the Status of Building Improvements, and authorize staff to proceed with Phase 3 Design and Value Engineering in the amount of $18,000.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

Staff recommends the Board of Directors review the presentation on the status of the office improvements, and approve additional design services with IDS in the amount of $18,000 to complete:

1. The design of Phase 3 of the office remodel;
2. Value engineering services and consolidation of all 3 phases of the office remodel with the completed seismic and ADA improvement plans into one set of construction plans, to improve efficiencies and reduce construction costs; and
3. Creation of 3D rendered views of the office remodel

Budgeted (Y/N):	Budgeted amount: Phase 3 Design was not included in the FY 2018/19 Budget	Core _X_	Choice __
Action item amount: $18,000	Line item: 19-8810 & 19-8811		
Fiscal Impact (explain if unbudgeted): In FY 2017-2018, the Board approved $44,236 for IDS to complete Phase 1&2 design work. In an effort to incorporate Phase 3 and coordinate with seismic work and ADA Improvements, an additional $18,000 is being requested.			

DETAILED REPORT

On May 16, 2018, the Board authorized staff to proceed with seismic improvements to the MWDOC Administration Building to retrofit and upgrade the seismic performance level of the building, and to proceed with Phases 1 & 2 of office interior remodel work. Since then staff have been working with consultants to develop plans and bid documents for the approved building improvements.

Additional Work

During the course of the design, additional building issues surfaced which prompted investigation (i.e. building power outage, and a failure of the I.T. Server Room Air Conditioning system). Staff notified the Board of these additional issues through informational items on September 12, 2018, and January 9, 2019. Those investigations revealed deficiencies in the electrical system supplying power to the building, and that the I.T. Server Room air conditioning system, which was temporarily repaired, was past the end of its useful life. These two discoveries necessitated changes to the design and to the strategy for taking the building improvements out to bid.

The electrical deficiencies require additional improvements to the electrical system both outside of the building, and in the electrical room (i.e. improvements to the electrical backbone of the building). The improvements are necessary to provide sufficient power for replacement of the I.T. Server room air conditioning system with one designed for 24-7 operation (i.e. a Computer Room Air Conditioner – CRAC unit), and to provide sufficient power and additional circuitry for the remodel. The existing transformer is approximately 50 years old, sized too small for our needs and is running very hot and could fail at any time. The additional electrical improvements would replace conductor cabling and switch gear providing power to the building, and replace electrical equipment inside of the electrical room (particularly the transformer, and old electrical panels). These improvements will provide the required power to meet current code requirements and provide the additional circuits needed for the remodel. The equipment proposed for replacement has reached the end of their useful life.

Remodel Value Engineering

The plans for seismic and code-required ADA improvements have been completed. Due to the extent of work above the suspended ceiling needed for the seismic improvements, the architectural consultant has strongly recommended that all 3 phases of the remodel be combined with the seismic and ADA improvements into one set of bid documents to realize efficiencies and reduce construction costs.

Project Schedule

Electrical Improvements: The Notice Inviting Bids for the electrical improvements has been posted and the Bid Opening is scheduled for May 29, 2019. Board consideration of award is anticipated June 19, 2019.

Computer Room Air Conditioner (CRAC): Plans for replacement of the CRAC unit are currently in with the City Building Department for Plan Check. The Notice Inviting Bids is anticipated in June 2019 with Board consideration of award anticipated in July 2019.

Remodel: The consultant has indicated that the consolidated plans are anticipated to be completed by the end of May 2019 for submittal to the City for Plan Check. Staff anticipates

the project will be brought to the Board for consideration of project award in November 2019.

Consideration of Board Authorization for Phase 3 Design & Value Engineering

The attached presentation includes additional information on past and proposed costs for building improvements. Staff recommends that the Board authorize the value engineering and Phase 3 design services with IDS in the amount of $18,000.

Attachment: Office Building Rehabilitation & Remodel Update Presentation

Office Building Rehabilitation & Remodel
May 2019 Update

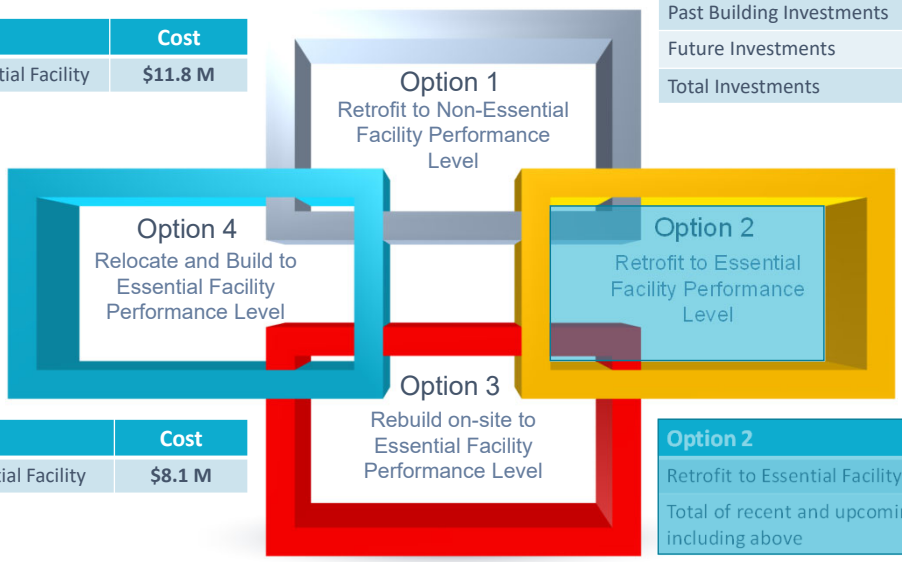
Municipal Water District of Orange County

Combined P&O and A&F Committee Meeting

Office Building Options (April 2018 Presentation)

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

Option 4	Cost
Relocate to Essential Facility	$11.8 M



Option 3	Cost
Rebuild to Essential Facility	$8.1 M

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

Past Building Investments (as of April 2018)

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

Recent Design Efforts

Investment Item	Timeframe	Cost to Date	Approved	Status
Seismic & ADA Design	May 2018 – Feb 2019	$51,854	$130,120 (Seismic)	Waiting for Remodel Design to go into Plan Check
Interior Design – Office Remodel	June 2018 - Ongoing	$18,392	$44,236 (ADA & Remodel)	Waiting for Phase 3 Design & Value Engineering
Electrical System Analysis	Sept 2018 – Oct 2018	$13,354	$13,394	Complete
Electrical System Rehab.	Feb 2019 - Ongoing	$6,940	$9,500	Out for Bids
HVAC Replacement	Feb 2019 - Ongoing	$10,000	$15,000	In Plan Check
Interior Design – Phase 3	May 2019 - Ongoing	$0*	$18,000*	*Pending Board Approval
Total Building Design & Analysis Investments (as of April 2019)		$100,540	$230,250	

Future Building Investment Estimates

Future Investment Item	Cost Estimate (2018)	Cost Estimate (2019)
Structural & Non-Structural Seismic Improvements	$500,000	$807,020*
Other Investments (Entrance Area Displays, Atrium, Glass Doors)	$65,569	$65,902
Conference Room & Office Remodel (Phase 1 & 2)	$734,966	
Office Workspace Remodel (Phases 1, 2 & 3)		$890,179*
Electrical System Rehab (New Transformer & Switchgear)	$60,000	$75,000
HVAC Replacement (I.T. Server Room)	$109,532	$92,000
Roof Replacement	$99,000	------
Emergency Generator	$122,000	$60,000
	$1,691,067	$1,990,101
Fire Suppression Bracing (Not included in 2018 Estimate)		$135,869*
Additional ADA Improvements		$459,319*
HVAC (Additional Electrical Room Ventilation - City Permit)		$15,000
Required Outside Electrical Work		$170,000
Total Future Building Investments	$1,691,067	$2,770,289*

* IDS Estimate includes 10% contingency & 25% Owners Contingency due to market conditions and the building remaining occupied during construction

Total Building Investment Estimates (Historical & Future)

Historical & Future Building Investment	
Past Investments (Prior to April 2018)	$ 691,189
Design Investments (May 2018 – 2020)	$ 230,250
Future Investments	$2,770,289
Total Building Investments	$3,691,728

Estimated Building Investments by Type (2009 – 2020)	Cost Estimate
Fire System Replacement	21,990
Structural/Non-Structural Seismic Improvements	$1,073,009*
ADA Improvements	$628,634*
Office Remodel	$1,072,714*
HVAC	$557,487
Electrical System	$267,894
Emergency Generator	$60,000
Total Building Investments	$3,691,728*

* Include IDS Cost Estimates with 35% Contingency

SEOC Improvements

Current Efforts

- Electrical System
- Air Conditioning System
- Space Planning

Questions

Item No. 10-1

ACTION ITEM
May 15, 2019

TO: Board of Directors

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

Robert Hunter,
General Manager

Staff Contact: J. Berg
Director of Water Use Efficiency

SUBJECT: **Adoption of the One Water One Watershed Plan Update 2018**

STAFF RECOMMENDATION

Staff recommends the Board of Directors adopt the attached resolution adopting the Santa Ana River Watershed Project Authority One Water One Watershed Plan Update 2018, the Integrated Regional Water Management Plan for the Santa Ana River watershed.

COMMITTEE RECOMMENDATION

The Committee recommended the Board of Directors adopt the resolution adopting the Santa Ana River Watershed Project Authority One Water One Watershed Plan Update 2018. The Committee further recommended that the General Manager provide a letter to the Santa Ana River Watershed Authority requesting clarification regarding the characterization of "imported water is about 60% reliable," and to provide comments focused on the Disadvantaged and Tribal Community, Climate Risk and Resilience, and Water Use Efficiency Pillars.

SUMMARY

The Integrated Regional Water Management (IRWM) Grant Program is designed to encourage integrated regional strategies for management of water resources and to provide funding for programs and projects that support integrated water management planning and implementation. The Department of Water Resources is in the process of disbursing the - first round of implementation grant funding under the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1). The Santa Ana Watershed Project Authority (SAWPA) is lead agency seeking access to more than $63 million in IRWM funds on behalf of the stakeholders in the Santa Ana River watershed.

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

The One Water One Watershed (OWOW) Steering Committee is in the process of reviewing project proposals for Proposition 1 funding consideration. MWDOC is a participant in the following two regional projects: (i) SAWPA Regional Comprehensive Landscape and Accelerated Leak Detection and Meter Testing Program, and (ii) Enhancements to Watershed-Wide Water Budget Decision Support Tool. Combined, MWDOC could benefit from more than $1.8 million in funding.

SAWPA Regional Comprehensive Landscape and Accelerated Leak Detection and Meter Testing Program has two components including rebate incentive for a variety of landscape water saving opportunities and funding for agencies to implement a variety of water loss control activities. The project focusing on Enhancements to Watershed-Wide Water Budget Decision Support Tool includes the acquisition of updated aerial imagery, landscape area measurements and data warehousing tool to assist water agencies throughout the watershed to comply with new water conservation requirements.

To be eligible for Proposition 1 funding, DWR requires each project proponent to adopt the One Water One Watershed Plan Update 2018 (OWOW Plan Update 2018) through a Board Resolution, which is provided as Attachment A. The detailed report below provides background information on the OWOW Plan Update 2018.

DETAILED REPORT

The Santa Ana Watershed Project Authority is the regional watershed planning organization for the Santa Ana River Watershed and has been facilitating efforts to develop a watershed planning framework to guide water resource managers. To date, this has resulted in the development of the *One Water One Watershed Plan*. This OWOW Plan originated in 2002 and has been updated in 2005, 2007, 2014 and, most recently, in 2018. The goal of this planning process is to develop the tools and strategies to work across the watershed to develop an integrated water resource plan where all types of water (local surface and groundwater, imported water, stormwater, and treated wastewater effluent) are viewed in a comprehensive, integrated manner as a single water resource.

OWOW Integrated Regional Water Management Plan Update 2018

The OWOW process is led by a Steering Committee composed of public officials from counties and cities in the watershed, representatives from the environmental, regulatory, disadvantaged, and business communities, and representatives from the Santa Ana Watershed Authority (SAWPA). The Steering Committee was supported by numerous technical experts grouped into 10 disciplines (known as Pillars) such as water resource optimization, natural resource stewardship, water use efficiency, etc. Participants from numerous agencies and organizations have volunteered to serve on the Pillar groups and committees and have addressed every aspect of water management planning.

SAWPA acted as lead agency for the Regional Water Management Group (RWMG). While SAWPA facilitated the planning process and provided technical input and support through its staff and consultants, the development of the goals and strategies of the Plan and the decision making process were done by the Steering Committee with the support of the Pillars and with consideration to comments from the public at large.

The fundamental concept for this planning process was to pull parties together in every aspect of the water arena – those who provide water, those who use it, and those who manage it – in a way that has never been done before and in a way that goes beyond the interests of any one agency. This approach marked a major shift from previous IRWM planning efforts by greatly expanding the number and type of agencies and organizations involved in the process.

In developing the OWOW Plan Update 2018, a "bottom up" approach for governance was envisioned. Unlike in previous SAWPA plans or other planning approaches across the state, every effort has been made to allow the key discussions of major water resource issues, concerns, problems, goals, and objectives, and potential solutions to originate and be first fully vetted at the stakeholder level. By expanding the involvement and collaboration to the *on the ground* level, greater buy-in and support was realized for this planning development process.

Pillar Groups

In order to manage the planning work, the stakeholders were organized into 10 separate workgroups, or *Pillars,* centered around the following water resource management areas:

1. Beneficial Use Assurance
2. Disadvantaged and Tribal Communities
3. Climate Change Response
4. Land Use and Water Planning
5. Natural Resource Stewardship
6. Water Use Efficiency
7. Integrated Stormwater Management
8. Water Resources Optimization
9. Water Recycling
10. Data Management and Monitoring

The Pillar Groups consisted of approximately 10 to 60 volunteers, depending on the topic and interest level, and included participants from local agencies, special districts, non-profit organizations, universities, Native American tribes, and the public, each led by a volunteer chair having expertise in that specific water resource area. The Pillar Groups were tasked with the definition of the watershed problems for their respective discipline and the identification and development of potential solutions and strategies. While Pillar Groups were asked to focus on one specific discipline based on their technical expertise, they were also asked to step out of their role and view problems from the other Pillar Group perspectives. It was through this process that new synergies were developed and multi-benefit programs were formed.

Through participation in the OWOW process, MWDOC staff and other water, wastewater, city, and environmental organizations throughout the watershed provided input to SAWPA on the development of the OWOW Plan Update 2018.

Steering Committee

The next level of governance up from the foundation of the Pillars was the OWOW Steering Committee, which consisted of 11 representatives from across the Santa Ana River Watershed. The Committee was convened by the SAWPA Commission, and included two representatives from the SAWPA Commission representing water agencies - who serve as Convener and Vice-Convener; three County Supervisors - one from each county; three county municipal representatives; a business representative from the development community; and a representative from the environmental community. Steering Committee members representing Orange County include Supervisor Doug Chaffee, Municipal Representative Jose Solorio, Linda Ackerman from the Regional Water Quality Control Board, and Environmental Community Representative Garry Brown from the Orange County Coast Keeper. An additional Orange County Water District representative appointment is pending.

The Steering Committee's role was to serve as the developer of Plan goals and objectives for the Watershed, and to act as the oversight body that performs strategic decision making, crafts and adopts programmatic suites of project recommendations, and provides program advocacy necessary to optimize water resource protection for all.

Resource Management Strategies

The OWOW 2.0 Plan encourages the development and implementation of multi-benefit projects and programs that are linked together for improved synergy. Examples include:

- Proactive, innovative, and sustainable solutions
- Integrated regional solutions supporting local reliability and local prioritization
- Watershed-based projects and programs that effectively leverage limited resources, promote trust and produce a greater bang for the buck
- Integration of water supply, water quality, recycled water, stormwater management, water use efficiency, land use, energy, climate change, habitat, and disadvantaged communities and tribes
- Coordination of resources so that water is used multiple times
- Management of stormwater for drinking water
- Treatment of wastewater for irrigation and groundwater replenishment
- Building or modifying of parks to support water efficiency, ecosystem habitat, and stormwater capture
- Improvement of water quality and pollution prevention
- Addressing the energy and water nexus

For brevity, the Executive Summary of the OWOW Plan Update 2018 is provided as Attachment B. If you would like to view the full One Water One Watershed Plan Update 2018 for the Santa Ana watershed go to: http://www.sawpa.org/owow-plan-update-2018/

Summary

SAWPA is considering Proposition 1 funding for two regional proposals that MWDOC is a participant in – (i) SAWPA Regional Comprehensive Landscape Rebate and Accelerated Leak Detection and Meter Testing Program and (ii) Enhancements to Watershed-Wide Water Budget Decision Support Tool. Combined, MWDOC could benefit from more than $1.8 million in grant funding for these projects. To be eligible for funding, DWR requires

each project proponent to adopt the OWOW Plan Update 2018 through a Board Resolution. Staff recommends the Board of Directors adopt the attached resolution approving the Santa Ana River Watershed Project Authority OWOW Plan Update 2018.

Attachments

Attachments include:

Attachment A – Resolution Adopting the SAWPA OWOW Plan Update 2018

Attachment B – One Water One Watershed Integrated Regional Water Management Plan Executive Summary

Attachment A

RESOLUTION NO. ___

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY ADOPTING THE SANTA ANA WATERSHED PROJECT AUTHORITY ONE WATER ONE WATERSHED PLAN UPDATE 2018, THE INTEGRATEDREGIONAL WATER MANAGEMENT PLAN FOR THE SANTA ANA RIVER WATERSHED

WHEREAS, on February 19, 2019, the Santa Ana Watershed Project Authority (SAWPA) Board of Commissioners adopted the One Water One Watershed (OWOW) Plan Update 2019, the Integrated Regional Water Management Plan for the Santa Ana River Watershed, as a planning document outlining a sustainable water future for the region; and

WHEREAS, on June 4, 2019, the SAWPA Board of Commissioners will consider projects for funding under SAWPA's Round One funding allocation of Water Quality, Supply and Infrastructure Improvement Act of 2014 (Proposition 1), in which MWDOC is a participant for the (i) Regional Comprehensive Landscape Rebate Program and Accelerated Leak Detection and Meter Testing, and (ii) Enhancements to Watershed-Wide Water Budget Decision Support Tool; and

WHEREAS, as a condition of the grant funding for projects MWDOC is a recipient to, DWR and SAWPA require that all project sponsors also adopt the OWOW Plan Update 2018.

NOW, THEREFORE, the Board of Directors of the Municipal Water District of Orange County does hereby acknowledge the OWOW Plan and, as a required condition of receiving grant funding under the Plan, adopts the current Santa Ana Watershed Project Authority One Water One Watershed Plan Update 2019 Integrated Regional Water Management Plan.

Adopted at the regular meeting of the Board of Directors held May 15, 2019, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

I hereby certify the foregoing is a full, true and correct copy of Resolution No. ____, adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on May 15, 2019.

_____
Maribeth Goldsby, Secretary
Municipal Water District of Orange County

EXECUTIVE SUMMARY

The One Water One Watershed Plan Update 2018 describes how collaborative watershed planning, water and land management, and project implementation supports improved sustainability, resilience, and quality of life throughout the Santa Ana River Watershed through 2040.

This One Water One Watershed (OWOW) Plan Update 2018 is the Integrated Regional Water Management (IRWM) Plan for the Santa Ana River Watershed (watershed). The OWOW Plan Update 2018 was written by and for stakeholders throughout the watershed. This plan considers the challenges and opportunities facing the entire watershed area of the Santa Ana Funding Region within the California IRWM Program. By inviting together stakeholders from all subregions, political jurisdictions, water agencies, non-governmental organizations, businesses, and the public, this OWOW Plan Update 2018 addresses all types of water as a single resource, inextricably linked to people, the land, and nature.

This plan is built on the strong foundations laid by the OWOW Plan, adopted in 2010, and the OWOW 2.0 Plan, adopted in 2014. These two earlier efforts were lauded within the watershed, across California, and the country. The OWOW 2.0 Plan received awards from planners, engineers, and business leaders for its good governance and stakeholder-led process.

The OWOW Plan Update 2018 was begun in July 2016 with a meeting of the OWOW Steering Committee. At that meeting, the Committee approved efforts to secure a planning grant from the state in support of the update process and adopted a policy document that described how projects can be included in the OWOW Program and made eligible for the expected implementation grants.

In the 28 months that followed, the OWOW 2.0 Plan was reconsidered in light of the significant changes impacting the watershed since early 2014. In those years the fiscal recovery began to be felt in portions of the watershed, and the State of California went through one of its most severe droughts on record. The communities of the watershed made strides to support conservation as a way of life in California, implementing widespread landscape retrofits and other conservation programs. Other significant investments were made throughout the watershed by agencies, cities, counties, and community members alike to make the watershed more resilient in response to uncertainty and more sustainable over the long term.

The OWOW Plan Update 2018 is subtitled "Moving Forward Together" to mirror the earlier plans, which focused on movement toward goals. Working together has been fundamental to the OWOW Program (and SAWPA) since the program's inception, and the OWOW Plan Update 2018 is built by the stakeholders for the stakeholders. "Moving Forward Together" also reflects the OWOW Program's commitment to ensuring that no one is left behind as progress is made, and that progress somewhere in the watershed does not cause any undue burden elsewhere in the watershed.

The Santa Ana Watershed Project Authority (SAWPA) is once again proud to facilitate the OWOW Program on behalf of all communities, waters, and lands across the watershed, and to present this OWOW Plan Update 2018.

OVERVIEW

The Santa Ana River Watershed faces enormous challenges adapting to changing conditions, many of which are at an unprecedented scale in its modern history. The watershed's population, already one of the most densely populated in the State, continues to grow and urbanize, increasing demands on water supply, water quality, and flood management. Climate change, population growth, the aging of infrastructure, and new awareness of environmental degradation affect how we manage water for the future.

Most agree that the water management approaches of the past fifty years are no longer sustainable in today's environment and economic climate. And most also agree that a more integrated and collaborative approach to water resource management shows tremendous promise for achieving sustainable water management everywhere. In the Santa Ana River Watershed, this approach is not new; it has been our practice and legacy since the first integrated plan was approved by the SAWPA Commission in 1998.

The goal of yesteryear was affordable water for a growing economy. Over time, the goal has changed to the complicated balancing act of environmental sustainability, quality of life and, economic growth in a changing environment dominated by water and financial scarcity. The strategy to achieve this goal is integrated water management. This means the various silos of water supply, flood management, water quality, ecosystem restoration, and recreation are brought together as one.

> ***SAWPA's approach—coordination, cooperation, and integration of water agencies to pool resources and manage water at the basin scale—is one of California's best models for integrated water management.***
>
> **—Public Policy Institute of California 2011, "Managing California's Water – From Conflict to Reconciliation"**

This approach ensures better coordination across functions that are often managed separately and across a broader geographic scale larger than the boundaries of individual agencies. Through integration at the watershed scale, economic and environmental performance is more effectively balanced. This water resource planning approach based on a watershed scale has even been recognized by independent review by objective and nonpartisan research organizations such as the Public Policy Institute of California, which cited SAWPA as an excellent example of integrated water management in the state.

VISION

To guide the development of the initial OWOW Plan, stakeholders in 2007 established a vision, goals, and objectives for the watershed. In those first planning sessions, a shared purpose was formed that underlies the rest of the plan and the projects and programs that are prioritized for implementation. This initial vision has been adjusted over time with each successive OWOW Plan.

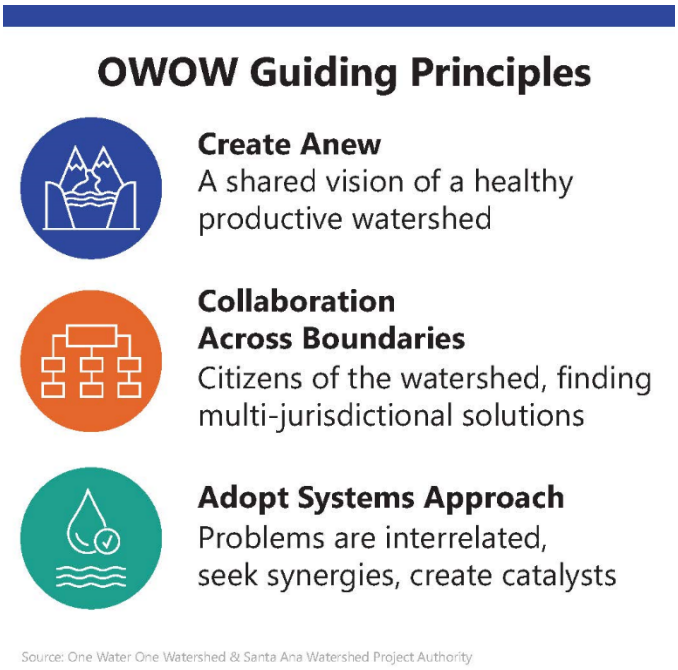
Today, the vision of the OWOW Program is a watershed that:

- Is sustainable, droughtproof, and salt balanced by 2040
- Avoids and removes interruptions to natural hydrology, protecting water resources for all
- Uses water efficiently, supporting economic and environmental vitality
- Is adapted to acute and chronic climate risk and reduces carbon emissions
- Works to diminish environmental injustices
- Encourages a watershed ethic at the institutional and personal level

The OWOW Program, and the OWOW Plan Update 2018, serve all people and communities in the watershed. The plan itself is developed by stakeholders drawn from across the diversity of communities and interests in the watershed. Gathered in workgroups called "Pillars," these stakeholders lead development of the goals and objectives of the plan, and then the recommended strategies for how to achieve those goals. The Pillars are the most important innovation of the OWOW Program and are the source of the OWOW Program's strength.

The OWOW Steering Committee, formed with the development of the original OWOW Plan, are the representative decision makers for the OWOW Program. Working under a delegated authority of the SAWPA Commission, the OWOW Steering Committee listens and reviews the various stakeholder interests, driving consensus where possible, seeking compromise when needed, allocating resources, and prioritizing strategies and projects for implementation.

The SAWPA Commission, constituted of one elected director from the five member agencies of SAWPA, is the approved Regional Water Management Group (RWMG) for the Santa Ana Funding Area, and therefore is ultimately responsible for the OWOW Plan Update 2018.



PRINCIPLES FOR WATERSHED PLANNING

Watershed planning is well established in the United States and around the world. The watershed has benefitted from watershed planning since SAWPA was formed in the early 1970s. The OWOW Program follows these watershed planning principles:

- Planning must be watershed-wide and bottom-up in order to allow for a holistic and systematic approach to watershed management.
- Involving stakeholders is fundamental, and must include those representing counties, cities, and water districts, as well as the private sector and the regulatory, environmental, and environmental justice communities. The active participation of a diversity of voices and interests ensures the integration of different interests in the watershed beyond political boundaries.
- Developing the plan must not be linked directly to any particular source of implementation funding. All opportunities, challenges, goals, and strategies must be considered in an integrated way to provide the most effective plan, and the most effective change in the watershed.
- Developing and implementing the plan must result in new agreements and partnerships, and no effort at improvement somewhere in the watershed can be at the unreasonable expense of another.
- Achieving sustainable water management that equitably balances competing interests to ensure long-term health and prosperity for society and nature is at the core of watershed planning.

OWOW PROGRAM GOVERNANCE

For the OWOW Program, the term "governance" describes the formal and informal collaborative decision-making that sits at the core of the bottom-up approach. Goals are set, strategies considered and recommended, and partnerships are built by those who step forward to participate in the program. In addition, explicit efforts which were initiated in the OWOW 2.0 Plan are continued in OWOW Plan Update 2018 to ensure that community expertise is sought from members of communities who have historically been underrepresented in integrated water management planning. Leadership and coordination of the OWOW Program occurs at several levels:

- The watershed community at large is involved through the 10 Pillar workgroups (called Pillars because together they carry the load of decision-making), representing different watershed issues. The Pillars identify issues, recommend solutions, and write the OWOW Plans.
- The OWOW Steering Committee is a representative decision-making body composed of elected officials and representatives from the Counties of Orange, Riverside, and San Bernardino; municipalities; water districts; the private sector; and the environmental and regulatory communities. The OWOW Steering Committee develops the goals and objectives of the OWOW Plans, makes strategic decisions, prioritizes project tasks, and issues recommendations.
- The SAWPA Commission has five members, each an elected leader from one of the member agencies of SAWPA. The SAWPA Commission provides final direction, review, and approval.

- SAWPA administration and staff facilitate the OWOW Program on behalf of all watershed stakeholders under the standards and authority of the California IRWM Program.

GOALS

The OWOW Plan Update 2018 has six goals, shown below. The goals are evolved from the earlier OWOW Plans. This evolution can be attributed to the changing understanding about the opportunities and challenges facing the watershed, as well as the lessons learned, and accomplishments achieved during implementation of the earlier plans.

The six goals of the OWOW Plan Update 2018 are to:

- Achieve resilient water resources through innovation and optimization.
- Ensure high-quality water for all people and the environment.
- Preserve and enhance recreational areas, open space, habitat, and natural hydrologic function.
- Engage with members of disadvantaged communities and associated supporting organizations to diminish environmental injustices and their impacts on the watershed.
- Educate and build trust between people and organizations.
- Improve data integration, tracking, and reporting to strengthen decision making.

PLANNING TARGETS

The OWOW Plan Update 2018 holds the vision as the target—that is, a sustainable watershed. Planning to achieve that vision comes from this entire document, focused on the six goals. By striving toward those goals, the watershed will move toward achievement of the vision. The vision is an "infinite game," in that the effort necessary to achieve and then remain within the vision can never end. Sustainability, as it is used in the OWOW Program, is not a destination, it is a process.

These goals will not be achieved by just building projects using general-obligation bond money. These goals reflect the broad view that the OWOW Program holds, and the systems thinking that

comes from the stakeholders and Steering Committee, all of which bring deep wells of individual expertise to the collaboration. Pooling these resources ensures that the planning targets and indicators of progress toward goals are equally broad, selected for their ease of measurement and clear meaning that can be understood by all participants.

For the OWOW Plan Update 2018, planning targets are drawn from an assessment tool developed in partnership with California Department of Water Resources. The tool uses two measurable indicators for each of the six goals. When completed annually, the tool will reflect progress towards the goals, helping all stakeholders and decision makers to revise management strategies when needed. In this way, the target is progress, which will be assessed annually.

RECOMMENDATIONS

Ten Pillar workgroups submitted Recommended Management Strategies and Policy Strategies, which are key to developing the correct suite of implementation efforts. There is only a fuzzy distinction between the two types of recommendations, and the workgroups were encouraged to consider first what strategies can be implemented by people, organizations, or agencies given current rules, technology, budgets, and authorities. These are the management strategies. Policy strategies, on the other hand, are those things that require the action of elected members of government, the development of new funding sources, or implementation of new technology. Again, the distinction between the two strategy types is loose, and often progress will require approaches that integrate both.

Below is a selection of recommendations from the Pillar chapters, selected to display the diversity of ideas and breadth of innovative thinking contributed by these workgroups:

WATER RESOURCE OPTIMIZATION PILLAR

Purchase MS4 credits.

The Municipal Separate Storm Sewer System (MS4) permit process is intended, among other things, to increase the amount of stormwater captured and recharged in the watershed. These permits require the owner to construct their project in such a way as to recharge stormwater on their site. However, in some cases it may be more ideal from a water management perspective to recharge the stormwater somewhere upstream. One way to introduce flexibility into this process would be to allow owners to purchase MS4 credits, which could be applied to recharge projects in other locations. There may also be an opportunity to allow these credits to be used throughout the watershed. For example, a project in Orange County could purchase credits that could be used for a project in the upper watershed.

RECYCLED WATER PILLAR

Facilitate recycled water exchange.

Nearly all wastewater treated above Prado Dam is currently discharged into the Santa Ana River. The lower watershed uses the effluent to recharge its groundwater basin and reduce the need for

imported water. In the proposed exchange, the upper watershed would continue to deliver treated wastewater to the lower watershed via the Santa Ana River instead of developing recycled water programs. The lower watershed would change the place of delivery for some of the water they plan to import to the upper watershed, which would replace the treated wastewater. Because recycled water is 100% reliable and imported water is about 60% reliable, storing imported water in the upper watershed (or other water bank) during wet years for use in dry years would mitigate the lower reliability of imported water.

DISADVANTAGED COMMUNITIES AND TRIBAL COMMUNITIES PILLAR

Manage plant palettes.

Long-term management plans should be developed, with input from California Native Americans, to increase the success of native plants and minimize health risks in the landscape. Incorporating traditional gathering and tending practices into management plans is becoming more common on both private and public lands. It is also important to recognize that native plants are very dependent on the correct water structure (amount, flow rate, and mineral content) being available at a specific location to help these plants and the communities that rely on them survive climate changes and different weather patterns.

Focus on critical infrastructure.

It is recommended that critical infrastructure, which supports a resilient water supply, effective sanitation, and sufficient flood protection, be prioritized in communities where it is deficient or threatened. Projects that achieve this recommendation should be prioritized for implementation and funding requests. In particular, the transition from insufficient septic to sanitary sewer is a high priority, as is the need to overcome localized flooding that impacts pedestrians. Small agencies require technical assistance and outside funding to support these transformations.

CLIMATE RISK AND RESILIENCE PILLAR

Address and mitigate public health risks.

Climate change will result in increased health risks through more extreme and persistent weather events, increased temperatures, and decreased water supply reliability. Members of disadvantaged communities, particularly individuals experiencing homelessness, are disproportionately at risk. Consideration and mitigation of public health risks, particularly for members of the most vulnerable communities, will be an important component of climate adaptation. It is recommended that efforts protect public health in the context of climate change by providing targeted education, developing programs that ensure the human right to water, and working with public health agencies to align programming and communication.

INTEGRATED STORMWATER MANAGEMENT PILLAR

Identify floodplains for habitat and infiltration.

Well-functioning floodplains provide habitat for a significant variety of plant and wildlife species and provides for natural reduction of flood flows. Flooding can recharge groundwater basins, improve water quality, and control erosion. Development in floodplains can permanently alter natural floodplain functions, destroy habitat of sensitive species, and reduce the beneficial connections between different types of habitat and adjacent floodway corridors. Identification of floodplains that are still in their natural state could directly preserve areas for open space, habitat, and natural hydraulic function.

LAND USE AND WATER PLANNING

Work with planning organizations and councils of government.

Collaborative effort should be undertaken to develop a checklist of land use planning tools that will increase groundwater recharge and that can be incorporated into local ordinances, an incentives-based program to encourage private property stormwater capture or hydrologic connectivity, and private property invasive weed management. Model ordinances and policies must be collaboratively developed related to complete streets, connectivity of trail systems and parks, tree planting and care, and early interaction with water agencies when making land-use decisions.

NATURAL RESOURCES STEWARDSHIP PILLAR

Provide sustainable funding for ongoing maintenance.

Over the past few decades, development interests, regulators, and environmental groups have worked together to encourage habitat conservation and enhancement while allowing for reasonable land development. Such efforts include natural community conservation plans and habitat conservation plans. These programs have provided large conservation areas to accommodate large developments but have taken years and large financial commitments to develop and implement. Sustainable funding sources for the maintenance of conservation areas can come from cooperative agreements between public landowners and organizations that conduct long-term stewardship of habitat and conservation areas.

WATER QUALITY PILLAR

Protect ocean water quality.

The primary emphasis with ocean water is maintaining water quality in order to protect marine resources and public health. Ocean water quality is evaluated using a number of different parameters and constituents related to beneficial uses. In the Regional Board's water quality control plan (Basin Plan), one of the key beneficial uses is REC-1 (full body contact recreation). In addition to recreation, the ocean waters also support important habitat areas, including two Areas of Special Biological Significance and their related onshore Critical Coastal Areas. Important coastal areas within the watershed include the Newport Beach Marine Life Refuge and the Irvine Coast Marine Life Refuge.

Implementing projects that manage urban wet- and dry-weather runoff throughout the watershed can benefit ocean water quality. Recommended are constructed wetlands, local urban runoff treatment systems, surface water diversions to publicly owned treatment works, source controls, and public education.

WATER USE EFFICIENCY PILLAR

Encourage implementation of advanced metering infrastructure.

Most customers in the Santa Ana River Watershed are metered, but there are still opportunities for advanced metering infrastructure (AMI) or automatic meter reading (AMR). Implementation of these technologies provides information that can detect leaks and help water agencies target water use efficiency programs. Frequent monitoring of use patterns allows water retailers to determine if customers are observing water use regulations. These include local day and time prohibitions as well as those rules imposed by the state, such as the prohibition against outdoor irrigation within 48 hours of measurable precipitation. In conjunction with the meters themselves, there is a growing market for customer portals, giving customers additional data about their own water use.

DATA MANAGEMENT AND MONITORING PILLAR

Develop a trust framework for data sharing.

The development of a regional trust framework is needed to establish trust between agencies as well as trust in the functionality of a regional data management system. Developing this agreed-on intent at the regional level will facilitate the establishment of a data management framework that can answer critical regional questions and inform water resource decision makers. Sharing of information and associated privacy considerations will be a critical policy consideration. Appropriate sharing of information will be key to extending this trust framework to individual water resource decision makers who participate as members of the public. The trust framework will also facilitate professional decision making and allow for a proactive, coordinated approach to compliance with state requirements.

WHAT'S INCLUDED IN THE OWOW PLAN UPDATE 2018

The OWOW Plan Update 2018 is available as PDF files that are available on the SAWPA website and elsewhere. The first PDF is the main body, consisting of nine chapters of material. The second PDF is the collected appendices.

The first chapter introduces the OWOW Program, the earlier OWOW Plans, and the watershed planning and management that preceded the OWOW Program—the Santa Ana River has benefitted from nearly 50 years of watershed planning.

Chapter 2 describes in depth the stakeholder processes, the governance model, and how the work of so many is integrated into the OWOW Plan Update 2018. The vision, goals, objectives, and planning targets, described briefly above, are the focus of Chapter 3, which also shares how the OWOW Program will assess its progress toward the goals.

Chapter 4 describes the Santa Ana River watershed in its dimensions as a physical and social space, and shares water and land management realities today. Chapter 5 contains the deep work completed by the Pillar workgroups. Included are the nearly 200 recommended management and policy strategies that, once taken up throughout the watershed, will help achieve the goals of the OWOW Plan Update 2018.

The remaining chapters share additional information that contextualizes the earlier chapters. Chapter 6 describes the process developed during the OWOW Plan Update 2018 process to carry out calls for projects, and then to prioritize activities in the watershed. Chapter 7 contains more information about integrated and sustainable water management and how those practices can yield benefits and other rewards. Chapter 8 has been only slightly updated from the OWOW 2.0 Plan, as its material about the challenges and opportunities to finance this work is still relevant. Chapter 9 describes how the OWOW Program manages the data of the program and reveals a series of data management and analysis tools that have been developed by SAWPA and others that can benefit those implementing IRWM programs and projects.

A number of important appendices follow the main body of the OWOW Plan Update 2018. Deeper analyses of the water supply portfolio, the condition of water quality, and habitat are there. Also included is an updated climate change analysis produced by the U.S. Department of the Interior Bureau of Reclamation (Reclamation), working in partnership with SAWPA. This analysis supported spatial prioritization of climate vulnerabilities for the OWOW Plan Update 2018. Reclamation is a valuable partner in the watershed.

Another significant partnership resulted in one of the appendices. Working with Environmental Science Associates and the Bay Institute, contracted by the California Department of Water Resources (DWR) to support the California Water Plan Update 2018, SAWPA produced an updated watershed assessment tool. Building on the OWOW 2.0 Plan, this tool aligns with the Sustainability Outlook, a critical section of the California Water Plan Update 2018. SAWPA and the stakeholders of the OWOW Program appreciate DWR's commitment to supporting the OWOW Plan Update 2018.

CONCLUSION

Benefits resulting from the implementation of the OWOW Plan Update 2018, and from the planning process itself, will materialize at different time horizons and will have very different characteristics. While some specific projects will be operational within a couple of years, other more ambitious efforts, such as those requiring significant investment, technological development, or new mindsets and behaviors, could take years or decades to be fully realized. Similarly, some infrastructural projects will provide immediate tangible benefits, while education and engagement programs will result in benefits that are less easily measured, but no less significant.

The development, adoption, and future implementation of the OWOW Plan Update 2018 has yielded and will yield these benefits in the watershed:

- Adoption of a collaboratively developed vision, goals, objectives, and strategies for the watershed to achieve sustainable water management by 2040
- Prioritization of multi-benefit projects – projects that provide benefits to more than one user or subregion of the watershed and that address more than one opportunity or challenge
- Recognition that society, the environment, and the economy are inextricably interdependent, and pursuing improvements in one cannot result in harm or neglect of another
- Consideration of implementable projects and programs that will:
    - Increase the reliability of water supplies
    - Improve water quality
    - Enhance habitat and open space
    - Increase recreational opportunities
    - Prepare for climate impacts and reduce carbon emissions

The OWOW Plan Update 2018 is aligned with the earlier OWOW Plans and continues a legacy of stakeholder-led planning for the watershed. Compliant with the 2016 IRWM Plan Standards, the OWOW Plan Update 2018 will support progress toward sustainable water management through collaborative action, grant-funded implementation, and programs of research and education. Acting together to implement the OWOW Plan Update 2018 will support economic prosperity, social health and equity, and a thriving environment.

The OWOW Plan Update 2018 exists because of the tremendous amount of work that was contributed by the staff of many agencies, non-profit workers, students, consultants, and volunteers of all kinds. The process of crafting it is nearly as important as the OWOW Plan itself will be once it is implemented. Collaborative planning yields partnerships, builds trust, and creates the conditions for the success of sustainable water management and healthy watersheds. Resting on this strong foundation, the OWOW Plan Update 2018 joins its earlier versions as emblematic of collaborative watershed planning.

Item No. 10-2

ACTION ITEM
May 15, 2019

TO: Board of Directors

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

Robert Hunter, General Manager
Staff Contact: J. Berg, Director of Water Use Efficiency

SUBJECT: **Enhancements and Upgrades to the California Sprinkler Adjustment Notification System**

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to enter into a professional services contract with Enterprise Information Systems, Inc. for enhancements and upgrades to the California Sprinkler Adjustment Notification System at a cost not to exceed $25,000.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation (2-1 vote; Directors Yoo Schneider and Tamaribuchi in favor; Director Dick opposed).

SUMMARY

In October 2012, the Board authorized staff to develop and implement the California Sprinkler Adjustment Notification System (CSANS), which was then developed in partnership with the California Department of Water Resources (DWR). CSANS allows urban irrigators to voluntarily register to receive regular emails containing an updated irrigation index factor specific to their property location. The factor is used to make global irrigation scheduling adjustments on irrigation timers that have a percent adjustment feature. Essentially, CSANS allows property owners to turn their “dumb” irrigation timers into smart timers at no cost.

In addition to the irrigation index factor, in Orange County both the Municipal Water District of Orange County (MWDOC) and Irvine Ranch Water District provide customized email messages, such as seasonally appropriate gardening suggestions, California Friendly plant spotlights, rebate program information, water supply updates, upcoming events, etc. Each CSANS email contains a minimum of three customized messages, and MWDOC currently

Budgeted (Y/N): Yes	Budgeted amount: $25,000	Core _X_	Choice __
Action item amount: $25,000	Line item:		
Fiscal Impact (explain if unbudgeted):			

has over 170 messages that can be sent to CSANS subscribers. New messages are created on a weekly basis.

Staff has been administering CSANS since late 2014 and, after five years of consistent implementation, it is time to consider making enhancements and upgrades to CSANS. The purpose of this staff report is to request Board authorization for the General Manager to enter into a professional services contract with Enterprise Information Systems, Inc. for one year for development and implementation of enhancements and upgrades to the California Sprinkler Adjustment Notification System at a cost not to exceed $25,000. Metropolitan Water District of Southern California (Metropolitan) has approved this funding through the Metropolitan-Funded, Member Agency-Administered funding allocated to MWDOC.

DETAILED REPORT

Staff has been administering CSANS since late 2014 and, currently, there are more than 570 CSANS subscribers in Orange County. However, several enhancements and upgrades are needed to continue to grow the system and provide value to both MWDOC and the CSANS subscribers. Therefore, to improve the functionality of CSANS, staff is looking to implement the following enhancements and upgrades:

- Improve CSANS email and site analytics to better track participants, including e-mail open rates, click-through rates on messages, ability to survey participants, etc.

- Include a drought factor range to allow agencies to customize the irrigation index factor to accommodate their local drought response needs. For example, if the agency is calling for a 15% drought response and the actual index is 80%, the agency could send an irrigation index range of 65% (drought response) to 80%.

- Improve the notification and messaging capabilities to allow administrators to share messages between agencies to streamline message development and sharing of creative messaging ideas, to improve sort and filter capabilities, and to categorize notifications by topic.

- Improve the source code to allow the code to be more easily maintained.

The consultant MWDOC used to develop CSANS is Enterprise Information Systems (EIS). MWDOC selected EIS as a sole source contract because they have been used extensively by DWR for refinements to the California Irrigation Management Information System (CIMIS), which provides the basis for the CSANS irrigation-based schedule recommendation. EIS is a certified small business based in Sacramento and has been DWR's primary information technology consultant to refine the CIMIS. In addition, the California Department of General Services has certified EIS as a California Multiple Award Schedules (CMAS) contractor that offers information technology products and services at prices which have been assessed to be fair, reasonable, and competitive. DWR staff has confirmed that EIS is uniquely qualified to develop CSANS due to its familiarity with CIMIS. Recent work completed by EIS provides continuity in completing the proposed work, and EIS has demonstrated an ability to perform successfully with DWR and with MWDOC.

Staff requests the Board authorize the General Manager to enter into a professional services contract with Enterprise Information Systems, Inc. for one year for enhancements and upgrades to the California Sprinkler Adjustment Notification System at a cost not to

exceed $25,000. Metropolitan has approved this funding through the Metropolitan-Funded, Member Agency-Administered funding allocated to MWDOC.

Item No. 10-3

ACTION ITEM
May 15, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Staff: Hilary Chumpitazi, Finance Manager

SUBJECT: **ANNUAL REVIEW AND UPDATES TO THE INVESTMENT POLICY AND GUIDELINES**

STAFF RECOMMENDATION

It is recommended that the Board of Directors: Adopt a Resolution establishing the District's Investment Policy and Guidelines, and authorize staff to update the Administrative Code accordingly.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

Annual review of Investment Policy and Guidelines

DETAILED REPORT

MWDOC's Administrative Code requires an annual review of the District's Investment Policy and Guidelines The 2019 Local Agency Investment Guidelines had three statutory changes that do not affect our investment policy. The County of Orange made a few changes to their maximum investment percentage (compared to total portfolio) and a reduction in maturity terms for the following types of investments: Municipal Debt, Medium-Term Notes and Negotiable Certificates of Deposits. They also increased the amount allowed in the State of California Local Agency Investment Fund and decreased the maximum maturity on Repurchase Agreements. Staff has decided to not change this part of our policy as it is still in line with the States limits. However, after reviewing the Investment Policy we have made a few verbiage changes and have updated the Glossary section as attached.

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

RESOLUTION NO. ~~2059~~
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

INVESTMENT POLICY AND GUIDELINES

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RESOLUTION NO. ~~2059~~
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
INVESTMENT POLICY AND GUIDELINES
2019~~7~~

BE IT RESOLVED by the Board of Director of the Municipal Water District of Orange County that the following is the policy and guidelines of the District for investment of funds and rescinds prior Resolution No. 205~~5~~9, dated ~~June 21~~August 16, 2017.

SECTION 2100 - PURPOSE

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

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

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

SECTION 2101 - STATUTORY AND DELEGATED AUTHORITY

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

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

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

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

SECTION 2101.5 – COMPLIANCE EXCEPTIONS REPORTING

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

SECTION 2102 - ORGANIZATION

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

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

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

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

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

SECTION 2103- INVESTMENT PHILOSOPHY

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

like character and with like aims to safeguard the principal and maintain the liquidity needs of the agency.

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

SECTION 2104 - SCOPE

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

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

- Operating and Fiduciary Funds - These funds are to provide for the ordinary annual operating expenses of MWDOC (General Fund, Water Fund) and Funds to provide for trustee functions and expenditures (WFC, with the exception of the Debt Service Reserve) and other specified recurring and non-recurring purposes where MWDOC serves in a fiduciary role. These funds are considered "short-term" for investment purposes and will be invested to provide the safety and liquidity to meet all anticipated expenditures.

- Reserve funds – These funds are designated for contingencies or emergencies and may be used to supplement the other funds as necessary. These funds may be invested "longer-term" as defined in this Investment Policy.

SECTION 2105- INVESTMENT OBJECTIVES

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

Safety of Principal.

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

backer. Interest rate risk is the risk that the market value of the MWDOC's portfolio will change due to an increase/decrease in general interest rates.

1) Credit risk will be mitigated by:

   (a) Limiting investments to only the most creditworthy types of permissible investments as described in Section 2106;
   (b) By pre-qualifying the financial institutions with which the Agency will do business; and
   (c) By diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place an undue financial burden on the District.

2) Interest rate risk will be mitigated by:

   (a) Structuring the portfolio so that securities mature to meet the District's cash requirements for ongoing obligations, thereby reducing the possible need to sell securities on the open market at a loss prior to their maturity to meet those requirements; and
   (b) Investing primarily in shorter term securities.

Liquidity

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

Rates of Return

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

SECTION 2106- INVESTMENT POLICY GUIDELINES

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

- Collective Investment Pools - Assets of any of the funds may be invested in collective investment pools run and managed by other public bodies and banks that are approved by the Board of Directors. However, no such investment shall be made in a pool where the investment objectives differ from the investment objectives listed in Section 2105 of this investment policy, nor should any investment be made in a fund that engages in market timing or anticipating interest rate changes or that uses derivatives or other securities other than as a hedge against interest rate risk. The investment shall not exceed 20% of portfolio in effect immediately after such investment and no more than 10% in one pool.

- Money Market Mutual Funds - Investment in shares of money market mutual funds may be made if the investments meet the same restrictions as those of collective investment pools. In addition, purchase of these funds must not result in payment of a purchase premium or commission. These mutual funds must attain the highest ranking of two nationally recognized ratings services and the investment adviser must be registered with the Securities and Exchange Commission (SEC) as an investment adviser with not less than five years' experience managing market mutual funds with investment portfolios of greater than $500 million. An investment shall not exceed 20% of portfolio in effect immediately after such investment.

- Cash Holdings - The portfolio will hold sufficient cash equivalent investments to ensure availability of sufficient funds to meet known obligations for the next three months. Idle cash will be invested to the fullest extent practicable in interest-bearing investments.

- Other permissible investments for the Operating and Fiduciary funds are:

  - Bank checking accounts, time deposits or certificates of deposit not to exceed the current Federal Deposit Insurance Corporation (FDIC) limit without being collateralized.
  - Negotiable Certificates of Deposit shall not exceed 30% of portfolio in effect immediately after such investment and no more than 5% in one issuer.
  - U.S. Treasury obligations.
  - U.S. Government Agency obligations and, U.S. Government Instrumentality obligations. May not invest more than 50% of portfolio from one issuer.
  - Prime Commercial Paper rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch. May not exceed 25% of portfolio in effect immediately after such investment and may purchase no more than 5% of the outstanding commercial paper of any single issuer. The maximum maturity for Commercial Paper is 270 days.
  - Prime Banker's Acceptances rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch shall not exceed 40% of portfolio in effect immediately after such investmentand no more than 5% may be of any one commercial bank. The maximum maturity is 180 days.
  - Corporate Securities (Medium-Term Notes) with a rating of "A" or better by at least two nationally recognized rating services. Shall not exceed 30% of portfolio in effect immediately after such investment with no more than 5% in one issuer.
  - Loans with an agreement for the collateral to be repurchased by the borrower (Repurchase Agreements); the amount of such instruments will not exceed 20% of the market value of the portfolio with no more than 10% from one issuer. Maximum maturity is 1 year. U.S. Treasury and Agency securities are acceptable collateral with a market value of at least 102% of the value of the Repurchase Agreement. Prior to investment, a Master Repurchase Agreement will be signed with the qualified counterparty.

- Permissible investments for Reserve Funds are:

  - All investments permitted for the Operating and Fiduciary funds, except maturities may not exceed five years without Board approval prior to investment.

- Prohibited Investments and Investment Practices - The following are prohibited:

- Purchases on margin or short sales.
- "Derivative" securities of any type.
- Lending securities with an agreement to buy them back after a stated period of time (Reverse Repurchase Agreements).
- Futures, Options and Margin Trading
- In no instance shall a swap be used in speculation. Losses are only acceptable if the proposed swap or trade can clearly enhance quality or yield (value) over the life of the new security on a Total Return basis.
- Investments are limited to maturities of five years or less without express authorization of the Board prior to the investment.

- Diversification - The investment portfolio will be diversified to avoid undue concentration in securities of one type or securities of one financial institution, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities.

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

SECTION 2107 - EXECUTION

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

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

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

SECTION 2108 - PERSONAL CONDUCT

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

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

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

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

SECTION 2109 - REPORTING

The Treasurer shall prepare an investment report monthly, including a management summary that provides the status of the current investment portfolio and transactions made over the last month. The Report shall be submitted within forty-five (45) days following the month ended. The report should be provided to and reviewed by the General Manager, the Administration & Finance Committee and provided to the Board of Directors. The report will include the following:

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

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

SECTION 2110 - GLOSSARY

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

ASKED: The price at which securities are offered.

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

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

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

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

BROKER-DEALER: A person or firm acting as a principal in securities transaction as either a broker or a dealer depending on the transaction. Technically, a broker is only an agent who executes orders on behalf of clients, whereas a dealer acts as a principal and trades from the

firm's own account. Transaction confirmations must disclose this information. Because most brokerage firms act as both brokers and principals, the term broker-dealer is commonly used to describe them.

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

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity that usually pays interest. Also referred to as Negotiable CD's, they are insured by FDIC up to $250,000, but they are not collateralized beyond that amount.~~evidenced by a Certificate. Large-denomination CD's are typically negotiable.~~

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

COMMERICAL PAPER: Short-term unsecured promissory note issued by corporations or municipalities with maturities ranging from 2 to 270 days.

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

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

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

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

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

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

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

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

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

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

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

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

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

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

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

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

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about ~~5,700~~3,543 commercial banks that are members of the system.

FITCH, INC.: (See Nationally Recognized Statistical Rating Organization)

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): ~~Securities~~ Residential mortgage-backed security (MBS) instruments influencing the volume of bank credit guaranteed by GNMA and issued by ~~mortgage bankers, commercial banks, savings and loan~~

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~~associations, and other institutions~~geographically diverse mortgage companies, commercial banks, and thrifts of all sizes, as well as state housing finance agencies.. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

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

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

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

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

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

MEDIUM TERM NOTES: Debt securities issued by a corporation or depository institution with a maturity of five years or less. This can also include debt securities originally issued for maturities longer than five years, but which have now fallen within the five year maturity range. If issued by a bank they are also referred to as "bank notes".

MOODY'S INVESTORS SERVICES, INC.: (See Nationally Recognized Statistical Rating Organization)

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

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION: Firms that review the creditworthiness of the issuers of debt securities and express their opinion in the form of letter ratings (e.g. AAA, AA, A, BBB, etc.). The primary rating agencies are the following Standard & Poor's Corporation, Moody's Investor Services, Inc., and Fitch, Inc.

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

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

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OPTIONS: A contract that gives the buyer the right to buy or sell an obligation at a specified price for a specified time.

PORTFOLIO: Collection of securities held by an investor.

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

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

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

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

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

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

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

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

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

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

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STANDARD & POOR'S CORPORATION: (See Nationally Recognized Statistical Rating Organization)

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

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

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

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

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

TREASURY SECURITIES: Securities issued by the U.S. Treasury and backed by the full faith and credit of the Unites States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

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

U.S. GOVERNMENT AGENCY SECURITIES: Debt securities issued by U.S. Government sponsored enterprises and federally related institutions (FHLB, Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), FNMA).

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

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

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

AYES:
NOES:
ABSTAIN:
ABSENT:

I certify the foregoing is a true, full and correct copy of Resolution No. _____ adopted by the Board of Director of Municipal Water District of Orange County at its Regular meeting held on May 15, 2019.

_____
Maribeth Goldsby, District Secretary
Municipal Water District of Orange County

Item No. 10-4

ACTION ITEM
May 15, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Cathleen Harris, Administrative Services Manager
Hilary Chumpitazi, Accounting Manager

SUBJECT: **Amendment of the Municipal Water District of Orange County Money Purchase Pension Plan**

STAFF RECOMMENDATION

It is recommended that the Board of Directors:

1. Adopt proposed Resolution which approves Amendment No. 2 to the Municipal Water District of Orange County Money Purchase Pension Plan ("Plan"), effective July 1, 2019, and authorize the General Manager, or his designee, to execute Amendment No. 2 on behalf of the District; and

2. Adopt a resolution in order to "clean-up" and avoid any discrepancies with respect to employer "pick-up" of employee retirement contributions made to the Money Purchase Pension Plan.

DETAILED REPORT

Amendment No. 2 to the Plan.

The District maintains a qualified retirement plan, the Municipal Water District of Orange County Money Purchase Plan ("Plan"), for the benefit of certain employees.

California Water Code Sections 20201 and 20202 limit the daily stipend for attending meetings that may be paid to members of the District's Board of Directors. On advice of counsel, it appeared that the District's contributions to the Plan for the Directors violated California Water Code Sections 20201 and 20202. As a result, the District amended the Plan effective as of January 1, 2015, to eliminate contributions made by the District to the

Budgeted (Y/N): Y	Budgeted amount:	Core _X_	Choice __
Action item amount:	Line item: 11-2000-6115		
Fiscal Impact (explain if unbudgeted):			

Plan on behalf of Directors and implemented mandatory Director contributions to the Plan equal to 7.5% of their compensation.

On April 4, 2019, in response to the State Senator John Moorlach's request, the California Attorney General released Opinion No. 16-301. Opinion No. 16-301 clarifies that 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 a district's enabling statutes, without violating California Water Code Sections 20201 or 20202. Such contributions are authorized by MWDOC's enabling statutes (California Water Code Sections 71590-71760).

On the basis of Opinion No. 16-301, the Plan can be amended to provide for the District to make contributions on behalf of its Directors. Amendment No. 2 to the Plan provides: (1) effective as of July 1, 2019, the District will make a contribution to the Plan equal to 7.5% of Director's compensation; and (2) that each Director will continue to make a contribution to the Plan equal to 7.5% of his or her compensation.

Proposed Amendment to "Clean-Up" Resolution No. 1999.

On December 17, 2014, the Board adopted Resolution No. 1999 which implemented an employer "pick-up" of employee retirement contributions to the Plan. Resolution No. 1999 allows employee contributions to be made to the Plan on a pre-tax basis. In light of the proposed adoption of Amendment No. 2 to the Plan, legal counsel recommends that a "clean-up" resolution be adopted to clarify that Director contributions are also deemed "picked-up" pursuant to Internal Revenue Code Section 414(h)(2).

RESOLUTION NO. _____

RESOLUTION APPROVING AMENDMENT NO. 2 TO THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY MONEY PURCHASE PENSION PLAN

WHEREAS, the Municipal Water District of Orange County ("Employer") previously established a qualified retirement plan known as the Municipal Water District of Orange County Money Purchase Pension Plan ("Plan") for the benefit of certain employees, and subsequently amended and restated the Plan effective January 1, 2015 and January 1, 2016; and

WHEREAS, on April 4, 2019, in response to State Senator John Moorlach's request, the California Attorney General released Opinion No. 16-301, clarifying that 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 a district's enabling statutes, without violating California Water Code Sections 20201 or 20202;

WHEREAS, California Water Code Section 71593 specifically provides that the Employer "may provide by ordinance for the pensioning of officers or employees, for the terms and conditions under which such pensions shall be awarded, and for the time and extent of service of officers or employees before such pensions shall be available to them;" and

WHEREAS, Opinion No. 16-301 provides that for purposes of its analysis that the Attorney General "assume[d] that when an enabling statute uses the phrase 'officers and employees' in connection with retirement contributions, it includes 'directors;'" and

WHEREAS, the Employer desires to make contributions on behalf of the members of its Board of Directors; and

WHEREAS, Best, Best & Krieger LLP has prepared an Amendment No. 2 to the Plan, effective July 1, 2019, for review by the Board of Directors; and

WHEREAS, a copy of Amendment No. 2 is attached hereto as "Exhibit A" and is incorporated herein by reference.

NOW, **THEREFORE**, be it resolved, determined and, ordered by the Board of Directors of the Municipal Water District of Orange County as follows:

Section 1. That the above recitals are true and correct.

Section 2. That the Board of Directors hereby approves Amendment No. 2 to the Plan heretofore considered and discussed.

Section 3. That the Employer hereby authorizes the Employer's General Manager, or his designee, to duly execute Amendment No. 2 on behalf of the Employer.

APPROVED, SIGNED, AND ADOPTED on this _____ day of May, 2019 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

_____
Maribeth Goldsby, District Secretary
Municipal Water District of Orange County

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
MONEY PURCHASE PENSION PLAN

AMENDMENT NO. 2

RECITALS

A. MUNICIPAL WATER DISTRICT OF ORANGE COUNTY ("Employer") maintains the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY MONEY PURCHASE PENSION PLAN ("Plan").

B. California Water Code Sections 20201 and 20202 limit the daily stipend for attending meetings that may be paid to members of the Board of Directors of the Employer ("Directors").

C. Prior to the issuance of California Attorney General Opinion No. 16-301 ("Opinion No. 16-301"), the Employer's contributions to the Plan on the Directors' behalf appeared to violate California Water Code Sections 20201 and 20202.

D. The Plan was amended and restated effective as of January 1, 2015, in order to eliminate contributions by the Employer on behalf of the Directors and to make other conforming changes.

E. The Plan was amended and restated again effective as of January 1, 2016, in order to comply with the California Public Employees' Pension Reform Act of 2013 and other regulatory guidance ("2016 Restatement").

F. Amendment No. 1 to the 2016 Restatement was adopted effective as of October 19, 2016, to amend Sections 6.1 and 6.3 of the Plan.

G. Opinion No. 16-301 was released on April 4, 2019, clarifying that 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 a district's enabling statutes, without violating California Water Code Sections 20201 or 20202.

H. The Employer's enabling statutes are contained in California Water Code Sections 71590-71760, and authorize the Employer to make contributions to the Plan on behalf of the Directors without violating California Water Sections 20201 and 20202.

I. The Employer has the right to amend the Plan pursuant to Section 12.1 of the Plan.

J. It is necessary to amend the Plan to allow the Employer to make contributions on the Directors' behalf.

AMENDMENT

NOW, THEREFORE, effective as of July 1, 2019, Employer hereby amends the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY MONEY PURCHASE PENSION PLAN as follows:

1. The existing Article VI is deleted in its entirety and replaced with the following:

ARTICLE VI
CONTRIBUTIONS

6.1 Employer Contributions.

(a) On Behalf of the General Manager.

(1) Effective January 1, 2014, the Employer shall annually pay into the Trust, on behalf of the General Manager in accordance with the terms of a separate employment agreement between the General Manager and Employer, an amount equal to the amount that would otherwise be contributed by the Employer on behalf of the General Manager to CalPERS but for the limit on pensionable compensation set forth in California Government Code Section 7522.10(c) and subject to any regulations or opinions issued by the CalPERS Board of Administration and/or the California Attorney General's Office.

(2) Effective October 19, 2016, the Employer shall make an additional contribution on behalf of the General Manager in accordance with the terms of a separate employment agreement between the General Manager and Employer, in an amount equal to a percentage of Compensation below the pensionable compensation limit established by California Government Code Section 7522.10(c), but not to exceed an amount equivalent to a 4% increase in the General Manager's salary as set forth in said employment agreement.

(3) The Employer may make additional discretionary contributions on behalf of the General Manager, subject to the limitations set forth in the Plan and under applicable law.

(b) On Behalf of the Directors.

(1) Effective July 1, 2019, the Employer shall annually pay into the Trust, on behalf of each Director an amount equal to 7.5% of the Director's Compensation.

6.2 Timing of Employer Contributions. Contributions made pursuant to Section 6.1 shall be made no later thirty (30) days following the close of the Plan Year.

6.3 Employee Contributions.

(a) Mandatory Director Contributions. Effective January 1, 2015, a Director shall be required to make a contribution to the Plan equal to 7.5% of his or her Compensation. The contribution shall be made through payroll deduction.

(b) Contributions by General Manager. The General Manager may irrevocably elect to make annual contributions to the Plan in an amount equivalent to what would be the General Manager's required contribution to CalPERS but for the limit on pensionable compensation set forth in California Government Code Section 7522.10(c). Such contribution shall be treated as an Employer Contribution for purposes of Code Section 414(h)(2). Once the preceding election has been made, the General Manager shall not be permitted to revoke such election.

IN WITNESS WHEREOF, the Employer has caused this Amendment No. 2 to be executed on May ____, 2019.

EMPLOYER:

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

By: _____

APPROVED AS TO FORM AND CONTENT:
BEST BEST & KRIEGER LLP

By: _____
Attorneys for Employer

RESOLUTION NO. _____

RESOLUTION OF THE BOARD OF DIRECTORS OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY CLARIFYING THE IMPLEMENTATION OF THE PROVISIONS OF SECTION 414(h)(2) OF THE INTERNAL REVENUE CODE TO TAX DEFER EMPLOYEE RETIREMENT CONTRIBUTIONS TO THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY MONEY PURCHASE PENSION PLAN

RECITALS

WHEREAS, the Municipal Water District of Orange County ("Employer") established a qualified retirement plan known as the Municipal Water District of Orange County Money Purchase Pension Plan ("Plan") for the benefit of certain employees, and subsequently amended and restated the Plan effective January 1, 2015 and January 1, 2016; and

WHEREAS, in 2015, the Employer ceased making contributions to the Plan on behalf of the members of the Board of Directors; and

WHEREAS, since January 1, 2015, each member of the Board of Directors has been required to contribute 7.5% of his or her compensation paid by the Employer to the Plan; and

WHEREAS, on April 4, 2019, in response to State Senator John Moorlach's request, the California Attorney General released Opinion No. 16-301, clarifying that 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 a district's enabling statutes, without violating California Water Code Sections 20201 or 20202; and

WHEREAS, California Water Code Section 71593 specifically provides that the Employer "may provide by ordinance for the pensioning of officers or employees, for the terms and conditions under which such pensions shall be awarded, and for the time and extent of service of officers or employees before such pensions shall be available to them;" and

WHEREAS, Opinion No. 16-301 provides that for purposes of its analysis that the Attorney General "assume[d] that when an enabling statute uses the phrase 'officers and employees' in connection with retirement contributions, it includes 'directors;'" and

WHEREAS, the Employer has adopted and approved Amendment No. 2 to the Plan, which authorizes the Employer to make contributions to the Plan on behalf of the members of its Board of Directors; and

WHEREAS, pursuant to Revenue Ruling 2006-43, the Employer adopted Resolution No. 1999 on December 17, 2014, implementing the provisions of Internal Revenue Code Section 414(h)(2) to allow employees' contributions to the Plan to be made on a pre-tax basis; and

WHEREAS, due to ambiguous language in Resolution No. 1999, and to the recent developments and changes to the Plan, the Employer desires to clarify that Internal Revenue Code Section 414(h)(2) has been implemented with respect to all employee contributions made to the Plan.

NOW, **THEREFORE**, be it resolved, determined and, ordered by the Board of Directors of the Municipal Water District of Orange County as follows:

Section 1. Employer Pick-Up of Employee Contributions.

(a) Pursuant to Section 414(h)(2) of the Internal Revenue Code, the Board of Directors hereby elects to implement an employer pick-up of contributions to the Plan that are designated as employee contributions.

(b) Picked up contributions, although designated as employee contributions by the Plan, will be picked up on a pre-tax basis by the Employer in lieu of employee contributions so that such contributions are treated as employer contributions.

(c) Employees shall not have the option of choosing to receive the picked up amounts directly instead of having them paid into the Plan by the Employer.

(d) Amounts picked up by the Employer shall be paid from the same sources of funds as used in paying salary.

(e) Amounts picked up by the Employer shall be treated for all purposes, other than taxation on gross income, in the same manner and to the same extent as employee contributions made prior to the effective date of this Resolution and Resolution No. 1999.

(f) If any section, subsection, clause or phrase in this Resolution is for any reason held invalid, the validity of the remainder of this Resolution shall not be affected thereby. The Board of Directors hereby declares that it would have adopted this Resolution and each section, subsection, sentence, clause or phrase thereof, irrespective of the fact that one or more sections, subsections, sentences, clauses or phrases or the application thereof be held invalid.

Section 2. The Recitals set forth above are incorporated herein, and are made an operative part of this Resolution.

Section 3. The effective date of this Resolution shall be May 15, 2019.

APPROVED, SIGNED, AND ADOPTED on this 15th day of May, 2019 by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

_____

Maribeth Goldsby, District Secretary
Municipal Water District of Orange County

Item No. 10-5

ACTION ITEM
May 15, 2019

TO: Board of Directors

FROM: Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO) SPECIAL DISTRICT VACANCY APPOINTMENT

STAFF RECOMMENDATION

Staff recommends the Board of Directors:

- Review and discuss potential nominations to OC LAFCO; and
- Authorize President Barbre and an alternate to vote in the appointment process; and
- Direct staff to submit the appropriate forms to OC LAFCO by the deadlines outlined

COMMITTEE RECOMMENDATION

This item was not presented to a Committee.

SUMMARY

On April 10, Commissioner Charley Wilson, one of the two OC LAFCO Regular Special District members resigned from the Commission thus creating a vacancy. The expiration of the term is June 30, 2020.

On May 1, OC LAFCO emailed the vacancy announcement along with a call for nominations and a Declaration of Qualification to Vote (attached). Both are due back to OC LAFCO by June 7, 2019.

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

For your reference, a timeline of key dates for the appointment process is below:

DATE	**EVENT**
May 1, 2019	OC LAFCO Executive Officer emails notification letters with Declaration of Qualification to Vote and Nomination Form to independent special district presiding officers, special district general managers.
June 7, 2019	Deadline for submitting Declaration of Qualification to Vote and Nomination Form for the regular and alternate special district members to OC LAFCO by **3:00 p.m.***
June 10 – 14, 2019	OC LAFCO develops ballots.
June 17, 2019	Ballots emailed to all special district presiding officers/designees. *Please ensure that ballot is executed by the designee indicated in your Declaration of Qualification to Vote.*
July 19, 2019	Ballots due to OC LAFCO by **3:00 p.m.**
July 22, 2019	OC LAFCO staff (or designee) tabulates ballots and announces results.
August 14, 2019	Oath of office administered (Commission Hearing).
***** Pursuant to Government Code §56332 (c)(1), if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected, with no further proceedings.	

To date MWDOC has received two announcements of candidacy from Mesa Water District Board Member, Jim Fisler and Santa Margarita Water District (SMWD) Board President Saundra F. Jacobs (attached).

Attached:

- OC LAFCO Regular Special District Appointment Announcement Process Letter
- Declaration of Qualification to Vote
- 2019 Nomination Form
- Letter from SMWD Board President Saundra F. Jacobs

REGULAR MEMBERS

CHAIR
CHERYL BROTHERS
CITY MEMBER

VICE CHAIR
DOUGLASS DAVERT
SPECIAL DISTRICT MEMBER

IMMEDIATE PAST CHAIR
DEREK J. MCGREGOR
PUBLIC MEMBER

LISA BARTLETT
COUNTY MEMBER

DR. ALLAN BERNSTEIN
CITY MEMBER

DONALD P. WAGNER
COUNTY MEMBER

VACANT
SPECIAL DISTRICT MEMBER

ALTERNATES

WENDY BUCKNUM
CITY MEMBER

JAMES FISLER
SPECIAL DISTRICT MEMBER

LOU PENROSE
PUBLIC MEMBER

MICHELLE STEEL
COUNTY MEMBER

STAFF

CAROLYN EMERY
Executive Officer

May 1, 2019

TO: Independent Special Districts Presiding Officers

FROM: Carolyn Emery, Executive Officer

SUBJECT: Appointment Process for OC LAFCO Regular and Alternate Special District Member Seats

One of the two OC LAFCO Regular Special District Member seats was vacated on April 10, 2019. The expiration date of this term is June 30, 2020.

If the incumbent Alternate Special District member decides to run for and is elected to the regular special district seat, the alternate seat will also be open. The incumbent is not required to resign from the alternate seat if he decides to run for the open regular seat. Therefore, the OC LAFCO Executive Officer will accept nominations for both the regular and alternate special district seats. Nominations must be received by OC LAFCO no later than **3 PM** on Friday, June 7, 2019.

The appointment process for special district seats is governed by Government Code Section 56332 and the Independent Special District Selection Committee Bylaws. In accordance with the Committee's Bylaws, the appointment process is conducted by mailed ballot and attached to this notification are the following:

(1) The "**Declaration of Qualification to Vote"** for designating the authorized regular voting member and the alternate voting member of your district, for this appointment process. This form must be returned to OC LAFCO no later than **3 PM** on **Friday, June 7, 2019**. Please note that if OC LAFCO does not receive the form by that date, your district will be ineligible to vote.

(2) The "**2019 Nomination Form**" for submitting a candidate's name for the Regular and Alternate Special District seats. If your district is nominating a candidate for the OC LAFCO Regular and/or Alternate Special District Member seats, the form must be filled out completely and returned to OC LAFCO no later than **3 PM** on **Friday, June 7, 2019**. Candidate resumes or other supplemental

information may also be included and will be distributed with the ballots.

Both forms may be returned to OC LAFCO by any of the following:

Email: cemery@oclafco.org

Mail: Orange County LAFCO
2677 North Main Street, Suite 1050
Santa Ana, CA 92705
Attn: Carolyn Emery, Executive Officer

FAX: (714) 640-5139
Attn: Carolyn Emery, Executive Officer

For your reference, a timeline of key dates for the appointment process is below:

Nomination Process for Appointment of OC LAFCO Special District Seats	
DATE	EVENT
May 1, 2019	OC LAFCO Executive Officer emails notification letters with Declaration of Qualification to Vote and Nomination Form to independent special district presiding officers, special district general managers.
June 7, 2019	Deadline for submitting Declaration of Qualification to Vote and Nomination Form for the regular and alternate special district members to OC LAFCO by **3:00 p.m.***
June 10 – 14, 2019	OC LAFCO develops ballots.
June 17, 2019	Ballots emailed to all special district presiding officers/designees. ***Please ensure that ballot is executed by the designee indicated in your Declaration of Qualification to Vote.***
July 19, 2019	Ballots due to OC LAFCO by **3:00 p.m.**
July 22, 2019	OC LAFCO staff (or designee) tabulates ballots and announces results.
August 14, 2019	Oath of office administered (Commission Hearing).
* Pursuant to Government Code §56332 (c)(1), if only one candidate is nominated for a vacant seat, that candidate shall be deemed selected, with no further proceedings.	

Should you have any questions regarding the appointment process, please contact me or our Commission Clerk, Cheryl-Carter Benjamin at (714) 640-5100.

Sincerely,

Carolyn Emery
Executive Officer

Attachments:

A. Declaration of Qualification to Vote
B. 2019 Nomination Form – Regular and Alternate Special District Member

cc: Special District General Managers
Special District Board Clerks

DECLARATION OF QUALIFICATION TO VOTE

Brett R. Barbre, Presiding Officer
Municipal Water District of Orange County
18700 Ward Street
Fountain Valley, CA 92708-6930
brbarbre@mwdoc.com

I, _____,* hereby attest that _____**has been authorized by the Board of _____to vote in the Orange County Special District Selection Committee election as the regular voting member.

The Board also designated _____ **as the alternate voting member.

Name and Title*: _____

Signature*: _____

Date: _____

Must be signed by either Board President **or Board Secretary*

*** Must be a member of the Board*

Completed forms must be received by OC LAFCO by 3 PM, Friday, June 7, 2019. Forms must be delivered to OC LAFCO by:

(1) Email at: cemery@oclafco.org, or

(2) Mail at: Orange County LAFCO
2677 North Main Street, Suite 1050
Santa Ana, CA 92705
Attn: Carolyn Emery, or

(3) FAX at: (714) 640-5139, Attn: Carolyn Emery

2019 NOMINATION FORM

Candidates for the Orange County Local Agency Formation Commission (OC LAFCO)

CANDIDATE INFORMATION FOR *REGULAR* SPECIAL DISTRICT MEMBER:

NAME: _____

TITLE: _____

DISTRICT: _____

❑ Check box if resume or statement of qualifications is attached.

CANDIDATE INFORMATION FOR *ALTERNATE* SPECIAL DISTRICT MEMBER IF THE INCUMBENT ALTERNATE SPECIAL DISTRICT MEMBER IS ELECTED TO THE REGULAR SPECIAL DISTRICT MEMBER SEAT:

NAME: _____

TITLE: _____

DISTRICT: _____

❑ Check box if resume or statement of qualifications is attached.

SPECIAL DISTRICT SELECTION COMMITTEE MEMBER SUBMITTING NOMINATION
(*Must be the presiding officer or a designated alternate board member.*)

NAME: _____ DATE: _____

SIGNATURE: _____

TITLE: _____

DISTRICT: _____

A resume or other supplemental information about the candidate may be included and will be distributed with the ballots. All completed nomination forms and any supplemental information must be returned to OC LAFCO by:

1. Email at: cemery@oclafco.org, or
2. Mail at: Orange County LAFCO
   2677 North Main Street, Suite 1050
   Santa Ana, CA 92705
   Attn: Carolyn Emery, or
3. Fax at: (714) 640-5139, Attn: Carolyn Emery

All forms and supplemental information must be received by OC LAFCO by 3:00 p.m. on Friday, June 7, 2019. Nomination forms or candidate information received after that deadline will not be considered.

RECEIVED
APR 29 2019
MWD OF OC

BOARD OF DIRECTORS
SAUNDRA F. JACOBS BETTY H. OLSON, PH.D
CHARLEY WILSON CHARLES GIBSON
JUSTIN McCUSKER

DANIEL R. FERONS
GENERAL MANAGER

Santa Margarita Water District

April 22, 2019

President Brett Barbre
MWDOC
18700 Ward St.
Fountain Valley, CA 92708

Dear President Barbre:

I am delighted to announce my candidacy for Special District Representative to the Orange County Local Agency Formation Commission ("LAFCO"). I would be honored to receive your district's support to elect me as your next LAFCO Commissioner.

In the next few years, LAFCO will be called on to address a host of issues on the governance in our county particularly as it relates to special districts. From the planned schedule of Municipal Service Reviews to the ultimate governance of the remaining unincorporated areas of the county—many of which are in south Orange County where I currently serve on the Board of the Santa Margarita Water District; there is much work to be done.

My passion for public service and the work of special districts comes from my 23 years on the Santa Margarita Water District Board. As your President of the Executive Committee for the Independent Special Districts of Orange County I have a keen interest and awareness of the needs and requirements for the success of all special districts—from library, cemetery and vector control districts, to water, sewer, and other community services, both non-enterprise and enterprise. I hope that I have adequately demonstrated my willingness to provide leadership in organization, advocacy, and communications to benefit and nurture special districts of every stripe and that I am fully prepared to step in the role of LAFCO Commissioner.

I have enclosed some background information on my experience in public service and business as well as my platform as a candidate for LAFCO Special District Representative. I would be delighted to meet with you and your board colleagues to discuss my candidacy and answer any questions you may have. I hope you will contact me at 949/702-1145 or at saundraj@smwd.com. It would be my honor to serve you and our organizations and I humbly ask for your vote and support.

Sincerely,

Saundra F. Jacobs, President
Santa Margarita Water District

Saundra F. Jacobs

Candidate for Special District Representative, LAFCO

Special District Organizations

- President, Santa Margarita Water District, (Current; Elected board member since 1996)
- President, Executive Committee, Independent Special Districts of Orange County, (Current; Board member since 1999
- South Orange County Watershed Management Area Executive Committee. (Current member, Former Chair)
- Santiago Aqueduct Committee, Board of Directors, Alternate
- California Special Districts Association, Member
- California Women's Leadership Association, member
- Association of California Water Agencies (ACWA), Region 10 member, Communications Committee
- ACWA Joint Powers Authority, Executive Committee Member
- Orange County Water Association, member
- Former President, Board of Directors, Lake Mission Viejo Association

Professional Organizations

- Registered Environmental Assessor
- American Planning Association, Member
- Association of Environmental Professionals, Member
- California Wireless Association, Member

Personal Background

I've been married to my husband Jeff for 25 years and have lived in Mission Viejo since 1992. I've raised 4 step-daughters and now have 14 beautiful grandchildren. I have an engrained work ethic from my mother who raised me and my 3 siblings by herself.

Business Background

I have been a business owner for the past 25 years and I specialize in regulatory compliance in the telecommunication industry. As a business owner of over 80 employees, I understand the value of budgets and working within those budgets.

No Conflict of Interest

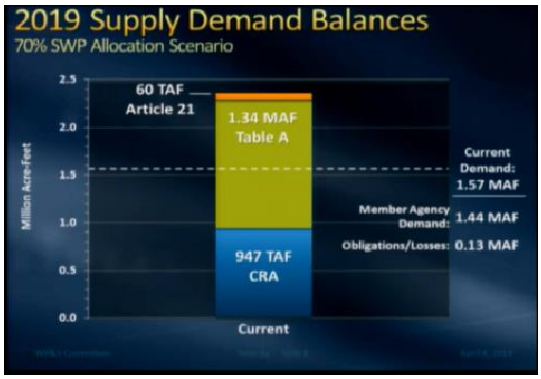
I do not have any conflicts of interest or other external influences that would affect my judgement and decisions as a LAFCO Commissioner.

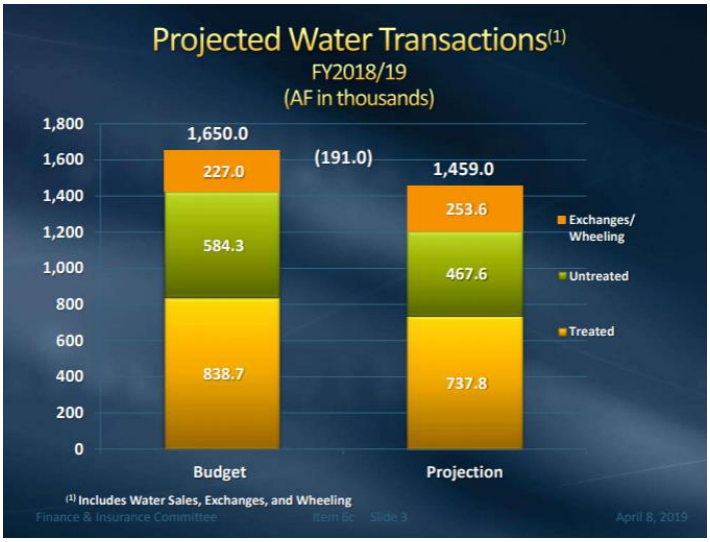
Platform

I believe LAFCO is a facilitating organization. Its job is to support and enable cooperative and voluntary applications and conduct the reviews and inquiries required by statute without bias or favor. I believe in local control; that local communities know what is best for their ratepayers, their residents and their businesses. I do not support involuntary consolidations or dissolutions of special districts or other units of government except in extreme cases of insolvency or other dire circumstances.

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES May 2019

MWDOC Agencies Managers Meeting	MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on April 18, 2019. **In attendance were:** Mike McGee – Buena Park, Lisa Ohlund – EOCWD, Mike Dunbar - Emerald Bay SD, Mark Lewis and Temo Glavez– Fountain Valley, Cel Pasillas – Garden Grove, Ken Vecchiarelli – Golden State WC, Brian Ragland – Huntington Beach, Paul Weghorst – IRWD, Paul Shoenberger – Mesa Water, Drew Atwater and Matt Collings – Moulton Niguel WD, Mark Vukojevic – Newport Beach, Mike Markus and John Kennedy – OCWD, Jose Diaz – Orange, Dave Rebensdorf – San Clemente, Eric Bauman – San Juan Capistrano, Darrick Escobedo and Steve Myrter– Seal Beach, Rick Shintaku – South Coast WD, Rob Grantham – Santa Margarita WD, Mike Grisso – Tustin, Meg McWade – Fullerton **Staff in attendance were:** R. Hunter, K. Seckel, H. De La Torre, J. Berg, D. Micalizzi, K. Hubbard, H. Baez, M. Baum-Haley, C. Busslinger, T. Baca, S. Wilson, C. Lingad **Discussion Items:** ➢ MWDOC Draft Budget ➢ Draft Water Loss Control Shared Services ➢ MWDOC Choice School Programs ➢ American Water Infrastructure Act - Joint RFP **Information Items:** ➢ Water Supply Update ➢ MET's Cyclic In-Lieu Deliveries for 2019 **Next meeting will tentatively be held May 16, 2019.**
Meetings	➢ Charles Busslinger attended the April 4, 2019 Southern California Coastal Water Resources Project Workshop on Microplastics. The main focus of the workshop was the establishment of best practices for the sampling, extraction and analysis of microplastics. Microplastics are ubiquitous in surface waters, and have more recently been reported in drinking water. The workshop focused on the current research concerning unknown health risks of microplastics, as well as the challenges of identifying and quantifying microplastics in lab samples. The workshop take-away was that best practices for lab analysis are still being established, and that additional work is needed to; automate sample analysis, further examine effective water treatment removal processes, and continue research on the human health impacts of microplastics.

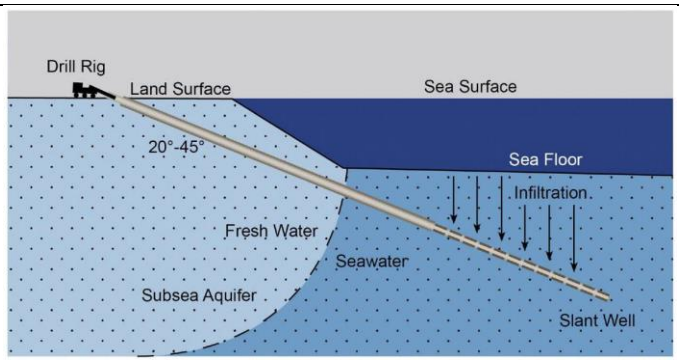
Meetings - continued	➢ On April 5, 2019, Charles Busslinger attended a tour of the Charles E. Meyer Desalination Plant in Santa Barbara and South Coast Water District Out of District Board meeting. The tour and presentation by City staff, IDE Americas, and Kiewit was very informative. The 3 MGD open ocean intake desalination facility provides Santa Barbara with about 1/3 of its water supply needs. Santa Barbara is currently negotiating with Montecito Water District to provide 1/3 of its water needs from the new plant. ➢ On April 11, 2019, Karl Seckel and Charles Busslinger met with staff from IRWD, Dudek, and SOC agencies to discuss the draft report on the Planning Level Reliability Alternatives Analysis Report for continuation of the IRWD South Orange County Emergency Interconnect. ➢ On April 16, 2019 Charles Busslinger attended the MET Engineering Forum in Carson. The forum was very informative and included a discussion of several project delivery challenges and how other MET member agencies are addressing them. The forum concluded with a tour of the Regional Recycled Water Program Advanced Purification Center. ➢ On April 24, 2019, Charles Busslinger attended a tour of Trampas Canyon Reservoir and Dam construction site. Sukut Construction is continuing earthmoving activities which are increasing the capacity of the reservoir to 5,000 AF and raising the height of the earthen dam. The new recycled water reservoir will greatly enhance the reliability of recycled water operations in SOC.
MET ITEMS CRITICAL TO ORANGE COUNTY	
MET's Water Supply Conditions	Metropolitan is estimated to have approximately 2.3 million acre-feet (MAF) in supplies. This includes 947 thousand acre-feet (TAF) in supplies from the Colorado River Aqueduct (CRA) and 1.4 MAF from the State Water Project (including Article 21 water) with a SWP Table A allocation of 70%. With Metropolitan's 2019 water demands estimated at 1.57 MAF, this leaves an estimated surplus of 779 TAF. Depending on demand and possible additional increases to SWP and CRA supplies, Metropolitan is projecting a storage "put" range of 537 TAF to 1,025 TAF which could lead to a record storage balance of over 3 MAF in CY 2019. 

MET's Finance and Rate Issues	Water transactions through March were 87.9 TAF (7%) lower than budget and 21.2 TAF higher than the 5-year average. Water transactions through March also included 17 TAF of Cyclic sales. The variance in the projected water transactions for FY 2018/19, compared to the Budget, are due to lower than normal demands as a result of the wet winter. 
Colorado River Issues	**<u>Drought Contingency Plan</u>** Following Metropolitan's approval of the Drought Contingency Plan (DCP) at its March 12 Board meeting, on March 19, the Colorado River Basin States (Basin States) met in Phoenix and signed a letter transmitting the proposed DCP legislation and agreements to Congress. Peter Nelson, chairman of the Colorado River Board of California, was able to sign the letter on behalf of California, as his agency approved the draft legislation during a special meeting of his board on March 18. To accommodate concerns from Imperial Irrigation District, the proposed legislation was altered to focus more narrowly on reservoir operations, which would allow Metropolitan to recover Intentionally Created Surplus (ICS) supplies stored in Lake Mead during a declared shortage. Following transmittal of the documents to Congress, the Basin States' representatives provided testimony on the benefits of the DCP during congressional hearings on March 27 and 28. Peter Nelson testified on behalf of California, highlighting the benefits of the DCP and noting that its implementation will have no impact to the Salton Sea. Staff will provide an update on the status of the DCP approval process during April's Water Planning and Stewardship Committee Meeting. **<u>Earthquake Reported at Paradox Valley Salinity Control Well</u>** On March 4, a magnitude 4.1 earthquake rumbled through the Paradox Valley in western Colorado, which Reclamation believes is most likely the result of brine groundwater injections from the Salinity Control Program. About 205,000 tons of salt pass from the Paradox Valley into the Delores River, which is tributary to the Colorado River. During the mid-1990s, Reclamation constructed a well to capture about half of that salt and inject it 3 miles below the surface. Earthquakes have been occurring in the area with increased frequency, and as a result, Reclamation has reduced the injection of brine into the ground. With the recent 4.1 magnitude earthquake, Reclamation has shut the well down until it can assess the current

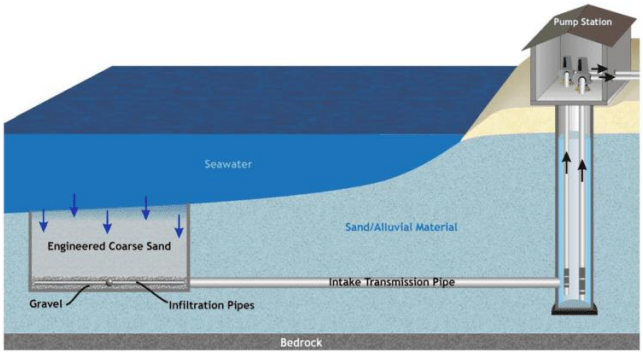
Colorado River Issues - continued	circumstances and see if the well can be operated safely in the future. In the meantime, Reclamation is completing an Environmental Impact Statement (EIS) to evaluate long-term options to the aging well, including drilling a new well, using evaporation ponds, or using zero liquid discharge technology. The EIS is a few years from completion.
Bay Delta/State Water Project Issues	**<u>Science Activities</u>** Metropolitan staff attended the Interagency Ecological Program 2019 Annual Workshop on March 5-7, which is an annual science conference focused on studies in the Bay-Delta. Metropolitan staff also organized and moderated the Anadromous Fishes session at the workshop. Science conducted or supported by Metropolitan was well represented in the conference, including studies addressing salmon predation and impacts of water project operations: • Steve Zeug (Cramer Fish Sciences). Experimental Quantification of Piscivore Density and Habitat Effects on Juvenile Chinook Salmon Survival. • Mike Tillotson (ICF). A Machine Learning Model for Predicting Salmonid Take at the State Water Project (SWP) and Central Valley Project (CVP) in Real-Time. Metropolitan staff is working with ICF consultants and SWC to refine a salmonid entrainment model that ICF consultants developed to evaluate loss and salvage of juvenile salmon and steelhead at the SWP/CVP facilities under different environmental and operational scenarios. The model predicts weekly salvage of salmonids based on a suite of variables that can be forecasted one month into the future. Once the model is refined, we will work with state and federal agencies to incorporate this into the discussion process that the Delta Operations for Salmonids and Sturgeon use to estimate juvenile salmonid risk of entrainment and provide recommendations on export levels. Metropolitan staff is working with UC Santa Cruz to identify sites around Bouldin Island that can be used to better understand predation on juvenile Chinook salmon as part of the predator contact point study. The predator contact point study, a multi-agency supported scientific study, will be investigating if modification or elimination of predator contact points result in decreased predation mortality and increased juvenile salmonid survival. Contact points are manmade structures associated with increased predation mortality of juvenile salmonids (e.g. diversions, scour holes, pilings). Year 1 of field work for the study will occur this April-June, 2019. Metropolitan staff continued participating in the Collaborative Science and Adaptive Management Program (CSAMP), including participation on the Collaborative Adaptive Management Team (CAMT). In March, CSAMP and CAMT received updates on Delta smelt and Salmon Resiliency Strategy actions including: project status, initial findings from action implementation, and funding needs. The California Department of Water Resources (DWR) reported on a project underway to test using net pens in the field to rear Delta smelt from the hatchery. Initial results from the field test were promising with Delta smelt survival in the net pens being similar to Delta smelt in the hatchery. DWR is considering next steps to use the net pens in the field which could be a very promising way to evaluate Delta smelt response to management actions. CAMT also discussed next steps in the CSAMP Structured Decision Making project for Delta smelt and considered options for integrating with the Delta Science Program/US Bureau of Reclamation Structured Decision Making

Bay Delta/State Water Project Issues - continued	process. CAMT received the Delta Smelt Science Plan revised report in March and Metropolitan staff is reviewing the report. CAMT is discussing next steps including an approach to test implementation of the plan this year, which includes identification of who is responsible; planned monitoring and studies; identification of knowledge gaps for Delta smelt evaluation and proposals to address the gaps; and development of plans for communication. **Delta Flood Emergency Management Plan** The final Delta Flood Emergency Management Plan (DFEMP) was approved by the Director of DWR in February 2019. This culminates many years of work by the state to develop an actionable plan to respond to catastrophic events that could significantly affect SWP operations in the Delta. In the Foreward to the Plan, the Director states, "The DFEMP provides a concise, but flexible blueprint for guiding Delta flood emergency management. It serves as a checklist to ensure that important flood management elements are not overlooked, and a manual to help set priorities and allocate resources under emergency conditions when there is not enough time to conduct detailed fact-finding and economic analyses from scratch. Finally, the DFEMP provides reference information and specific procedures that can be incorporated into training programs and then used effectively in Delta flood emergencies." DWR has indicated that the DFEMP would be revised from time to time as needs dictate. The DFEMP defines the emergency freshwater pathway as a corridor traversing the Delta to the export pumps, in which the repair of levees would be prioritized and channel barriers installed to isolate the pathway from the rest of the Delta. In the most robust response strategy, fresh water reservoir releases from north of Delta reservoirs would be directed toward the central Delta where the pathway would capture and convey freshwater to the southern Delta.
MET's Ocean Desalination Policy and Potential Participation in the Huntington Beach Ocean (Poseidon) Desalination Projects	**Poseidon Huntington Beach** 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. Permit renewal requires compliance with an amendment to the Water Quality Control Plan for the Ocean Waters of California (Ocean Plan) which addresses effects associated with the construction and operation of seawater desalination facilities (known as the Desalination Amendment). The Desalination Amendment was adopted by the State Water Resources Control Board on May 6, 2015. 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, etc…) unless the Regional Board finds sub-surface intakes to be infeasible. Poseidon has submitted more than 200 technical documents (Technical Appendices A through RRRRR) in support of the permit.

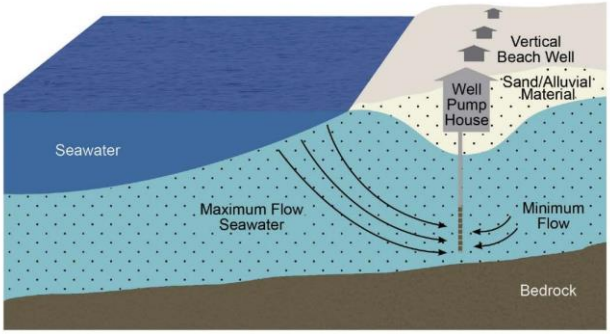
MET's Ocean Desalination Policy and Potential Participation in the Huntington Beach Ocean (Poseidon) Desalination Projects - continued



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 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.

At the SARWQCB meeting on March 22, 2019, Regional Board staff presented a schedule for the permit renewal:

Draft Permit	July 2019, followed by a 30-day comment period.
Public Workshop	August 2, 2019
Board Hearing	October 25, 2019

Assuming approval, Poseidon would then seek a permit from the California Coastal Commission in 2019.

South Orange County Projects

SMWD Trampas Canyon Recycled Water Reservoir

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.

The construction of the Trampas Canyon Recycled Water Seasonal Storage Reservoir consists of three main components:

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)

The construction of the facilities is being completed in three phases:

1) Preconstruction/Site Preparation for the Dam and Pump Station Construction
2) Dam and Pipelines
3) Pump Station

PROJECT STATUS

Preconstruction/Site Preparation

Complete

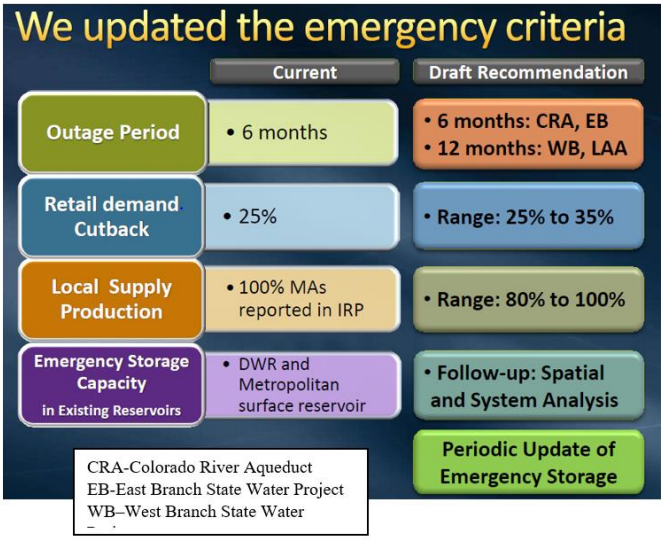
Dam and Pipelines

The Construction Contract was awarded in December 2017 and is approximately 40% complete.

Pump Station

The 60% design of this facility was submitted by AECOM on March 8th for District review and approval. The project 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.

South Orange County Projects - continued	**<u>San Juan Watershed Project</u>** 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: • 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 The Draft Environmental Impact Report for the Project has been completed and public comments received. Some of these comments required additional technical analysis to be performed. This work has been completed and the final document is being reviewed by legal counsel for conformance to CEQA requirements. Depending on the time required for the review it is anticipated that the document will be brought to the Board for consideration of adoption on May 1, 2019 or May 17, 2019. **<u>Other Information on South County Projects:</u>** If any agencies would like to have updates included herein on any projects within your service area, please email the updates to Karl Seckel at kseckel@mwdoc.com.
ENGINEERING & PLANNING	
South Orange County Emergency Service Program	MWDOC, IRWD, and Dudek have completed the initial 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. A meeting was held on April 11, 2019 with IRWD and South OC agencies to discuss the findings of the draft Planning Level Reliability Alternatives Analysis Report and set follow-up actions agreed to by the group. 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. One of the summary conclusions of the study is that there are options available to secure emergency supplies for the SOC agencies either: • From IRWD without using the EOCF#2 or • From IRWD, or other groundwater producers, by using the EOCF#2. Follow-up Recommendations 1. It was noted that one of the operational improvements that would help IRWD get more water to SOC would be to add Variable Frequency Drives (VFD's) on the pumps at the Zone 1 pump station and the costs appear reasonable to do so. It is recommended that Dudek follow-up with IRWD staff on this issue to scope out the changes in detail.

South Orange County Emergency Service Program - continued	2. The ability of the SOC agencies to handle variable flows was also discussed. MWDOC suggested that a working group comprised of MWDOC, Dudek, MNWD and SCWD get together to discuss the operational issues associated with variable flows and report back to the main group. 3. Agencies were asked to think about next steps and that a follow-up meeting would be scheduled in about a month to get back with the full group.
Strand Ranch Project	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. MWDOC's initial response to the IRWD proposal was transmitted to IRWD staff for review and comments. The MWDOC response did not have explicit proposal changes but suggested areas for follow-up by IRWD. Staff anticipates it will take a month or so for IRWD to review, analyze and provide a reaction and response to MWDOC. Staff believes that entering into an arrangement with IRWD to have the ability to call on the extraordinary supplies on an "as-needed" basis could prove to be beneficial, if the terms and conditions can be worked out.
MET Evaluation of Regional Storage Portfolio (ERSP)	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). MWDOC staff participated in 4 Member Agency Workgroup sessions to provide input on updating MET's emergency storage objective. 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 Water Planning and Stewardship Committee through an Information Letter with a White Paper attachment on May 13, 2019. 

CM-12 Meter Replacement	On multiple occasions over the past few years, demand for water through MET Service Connection CM-12 (Aufdenkamp Transmission Main) has fallen below 10% of the maximum service capacity (i.e. below 4 cfs of the maximum 40 cfs capacity); particularly during the winter. 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. 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. 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 that was extremely high which will likely make the project infeasible. We asked MET for some refinements to the estimates and some supplemental information. A revised cost estimate was received which was lower than the original estimate. The level of the cost estimate has caused LBCWD and its partners to look at alternatives.
Poseidon Resources	Poseidon continues to work with the Santa Ana Regional Water Quality Control Board (SARWQCB) on renewal of the NPDES Permit for the HB Desalination Project. Prior to issuing the permit, the Regional Board must make a determination that the project uses 'the best available site, design, technology (with a strong preference for sub-surface intakes), and mitigation measures feasible' as required by the Ocean Plan Amendment. The Regional Board schedule for the permit is: Draft Permit July 2019, followed by a 30-day comment period. Public Workshop August 2, 2019 Board Hearing October 25, 2019 Assuming success, Poseidon would then seek a permit from the California Coastal Commission
SMWD Rubber Dams Project (San Juan Watershed Project)	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 2019.

Doheny Ocean Desalination Project	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 May 2019. 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'. South Coast has been notified that they are in line to receive $8.3 M in funding. Even though the federal funds for these grants were appropriated in prior years, under the 2016 WIIN Act, the law requires that the E&W Appropriations Subcommittee list the projects for which the Secretary of Interior intends to award grants. Congressman Levin is acting as the lead office on this request in the House.
Water Quality and Other Integration Issues for Water Supply Projects in OC	The MWDOC Board authorized staff to award contracts to both Hazen Sawyer and Black & Veatch to conduct review into existing research for integration of water supply projects into existing water systems. MWDOC is interested in anticipating issues associated with integrating water with various qualities. The pH, alkalinity, TOC, bromide, chloramine residual, and other water quality characteristics may vary among these water sources on a daily, monthly and seasonal basis. Planning needs to account for the water quality and operational considerations or risk unintended consequences. Our goal is to understand the issues prior to any of these projects going on-line. Both consultants provided their initial drafts to staff for comments. The final papers are anticipated to be released in May along with recommendations made by both consultants.
Phase 1 – Investigation Phase for a Hydraulic Model	MWDOC has initiated the Phase 1 "Investigation Phase" to develop a specification and recommendations for development of a hydraulic model of the regional pipeline system in OC, including water quality modules. The Investigation Phase includes developing 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. Staff are still involved in seeking approval from MET to utilize the existing MET hydraulic model of the OC system to save time and resources. MET's legal counsel is reviewing the issues at this time.
EMERGENCY PREPAREDNESS	
Coordination with WEROC Member Agencies	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 is working with participating agencies to provide the additional information requested both during a working lunch and through emails. 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

Coordination with WEROC Member Agencies – continued	participants, the consultant, CalOES and FEMA to resolve this issue. The plan with revisions and a letter addressing FEMA's concern with the City Departments was resubmitted to FEMA on May 1, 2019. Kelly and Janine Schunk hosted WEROC Member Agencies and other regional agencies with dams for the 2nd 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 changes to public education, dam event notification, and public alert and warning. The group reviewed the updates suggested at a previous meeting on a standardized Multi-agency Conference Call Agenda for a dam emergency and a tri-fold brochure for pre-event community education. They then worked on message mapping alert and warning messages to the public for various dam failure scenarios. Kelly launched an effort to facilitate a joint RFP and contract with participating WEROC member agencies to address the new requirements of the America's Water Infrastructure Act (AWIA). On October 23, 2018, Congress signed into law the American Water Infrastructure Act (AWIA) (S.3021, Law 115-270). Per Section 2013 of Title II, the AWIA requires utilities to conduct a Risk and Resilience Assessment (RRA) of their community water systems and develop a corresponding Emergency Response Plan (ERP). Upon completion of the RRA and the ERP, the utility is to submit self-certification to the U.S. Environmental Protection Agency (USEPA) showing compliance with each portion of the federal mandate. This is currently required for drinking water utilities, including wholesale agencies, but not wastewater agencies. The following deadlines are included in the law for water systems to submit self-certification that the Risk and Resilience Assessment was prepared: ➢ March 31, 2020 for systems serving population of 100,000 or more. ➢ December 31, 2020 for systems serving a population of 50,000 or more but less than 100,000. ➢ June 30, 2021 for systems serving a population greater than 3,300 but less than 50,000. A second self-certification indicating the completion of the corresponding ERPs are due within 6 months of the RRA submittal. WEROC will be facilitating a joint RFP process to evaluate participating agency's current compliance with the Act and to complete those components that individual agency's need to comply with the act. This project will be facilitated similar to the Urban Water Management Plan RFP and contract that MWDOC facilitated recently for member agencies. 27 of the 31 water utilities in Orange County have signed on to the project pending cost proposals.
Training and Programs	Kelly attended a FEMA and CalOES hosted Dams and Reservoirs Emergency Planning class in Anaheim. Kelly presented at the Family Assistance Foundation Annual Meeting in Burbank on responding to mass casualty events and supporting the survivors and families of these types of events. Kelly participated in ACWA's webinar "Wildfire Preparedness: Wish I knew Then, What I Know Now" which included lessons learned from the Santa Rosa Fire and the Carr Fire impacts to water utilities. It was also announced that ACWA is developing a Disaster Preparedness Sub-committee of its Legal Affairs Committee

Training and Programs – continued	to develop a guidance document on legal issues a water utility should know prior to a disaster.
Coordination with the County of Orange	Kelly attended a meeting with OCFA Fire Prevention and GIS staff to discuss the sharing of WEROC maps with OCFA for response coordination. The meeting was very productive in also identifying additional pre-event coordination measures that we could work together on. OC OA Alert and Warning Working Group is a new committee to develop county-wide public Alert and Warning policies, procedures and tools such as request and approval forms. This will be a 6 month planning effort. Kelly attended the second meeting which focused on the purpose of the plan and what entities and concepts should be included in it. This was an important first step in ensuring the inclusion of water agencies for alert and warning.
EOC Readiness	Janine Schunk collected updated contact information for CalWARN, Region 1 (signatories from San Luis Obispo, Santa Barbara, Ventura, Los Angeles and Orange County). She has updated 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. Leah Frazier assisted WEROC in purchasing new MRE's for the WEROC South EOC and Janine replaced those at the facility. Janine participated in the OA and MET radio tests and WebEOC tests. She also facilitated the WEROC monthly radio test.
Coordination with Outside Agencies	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: • 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. 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: • March 25, 2009 – MWDOC Comments to Phase 1 Scope and PUC Energy Division Staff Response

Coordination with Outside Agencies - continued	• April 2, 2019 - Joint Reply Comments Of Municipal Water District Of Orange County, Valley Center Municipal Water District And Padre Dam Municipal Water District 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. The assigned PUC Commissioner released a Proposed Decision on April 26, 2019. Kelly Hubbard and Mr. Baron of BBK will be reviewing that decision and determining follow-up actions. Kelly participated in the April CalWARN State Steering Committee meeting. Discussion focused on how to improve future CalWARN trainings and its website. Additionally, she worked with committee members on defining state-wide bylaws and voting procedures. Kelly attended the quarterly Southern California Mutual Aid Regional Advisory Committee (MARAC) quarterly meeting and Southern Region Emergency Council meeting immediately following. Kelly is the Public Utility Representative for Region 1. Both meetings provide an opportunity to learn about and influence programing or policies that are being developed and implemented on a regional and state-wide basis, as well as lessons learned from our peers. Additionally, it was an opportunity to express the concern of some of our member agencies on continual changes to the dam planning requirements that are not being communicated by CalOES. It was also announced at the meeting that Kelly was voted to be the SEMS Technical Group Alternative Representative for Region 1. As a representative to the SEMS Technical Committee Kelly will have the ability to ensure that consideration for water and wastewater systems, as well as special districts, are considered in state-wide policy, programs and procedures.
WATER USE EFFICIENCY	

Metropolitan Water District of Southern California (Metropolitan) Water Use Efficiency Workgroup	On April 29, Beth Fahl attended Metropolitan's Water Use Efficiency Workgroup meeting. Approximately 30 member agencies participated in the meeting. Agenda items included:
	• Introductions
	• April Metropolitan Board Presentation
	  o Conservation Updates including DAC and Water Savings Incentive Program
	  o May Board Items
	• Metropolitan External Affairs Update
	• Santa Margarita Water District Turf Spill Over Study
	• Innovative Conservation Program
	  o Rainsystems/City of Los Angeles Department of Recreation and Parks
	• Member Agency Roundtable/Updates
	• Future Meeting Items
	
	The next Workgroup meeting is scheduled for May 20th at Metropolitan.

City of Fountain Valley Pipe Lining	Earlier this year, the City of Fountain Valley Water Division borrowed MWDOC's leak detection equipment to investigate a suspected leak on Garfield Avenue between Mount Washington Circle and Persimmon Street. A leak was found in the pipeline under a stormwater culvert. Several leak repair options were evaluated, and Primus – Polyethylene Folded/Re-Rounded Kevlar Reinforced Pipe Liner was selected. On April 9, Joe Berg and Charles Busslinger observed the pipe lining. Not only did this approach have a much lower cost, but it was also much less invasive as only one small excavation point was required on each side of the stormwater culvert.
Qualified Water Efficient Landscaper (QWEL) Training	On April 11, Rachel Davis proctored the QWEL exam at the Irvine Ranch Water District Duck Club. The exam was taken by 28 individuals and marked the last of six classes offered in the Irvine series. On April 23, Rachel Davis attended the first of six QWEL classes in San Juan Capistrano. Rachel presented the first module, which focuses on the hydrologic cycle, Orange County's water supply, and the need for water efficient practices.
Huntington Beach Chamber of Commerce AM Connect Networking Breakfast	On April 12, Rachel D. spoke to the Huntington Beach Chamber of Commerce during its Networking Breakfast. Rachel gave a presentation on the variety of water use efficiency rebates available to local businesses. Approximately 45 members of the business community attended the breakfast.
Southern California Association of Governments (SCAG) Aerial Mapping Meeting	On April 23, Steve and Rachel W. attended the Aerial Mapping meeting organized by SCAG and hosted by MWDOC. The purpose of the meeting was to discuss the initiative to obtain imagery for stakeholders throughout the county. Five representatives from interested stakeholders attended the meeting.
One Water One Watershed (OWOW) Proposition 1 Grant Applicant Workshop	On April 25, Steve and Rachel W. attended the OWOW workshop hosted by the Santa Ana Watershed Project Authority (SAWPA). The workshop included a presentation of SAWPA's recommended funding awards and an overview of the ranking methodology.
Village Nursery Horticultural Encounter and Open House	On April 25, Rachel D. attended Village Nursery – Huntington Beach's annual Horticultural Encounter and Open House. Rachel hosted a table during the event and spoke with approximately 50 landscape contractors about the Turf Removal Program and other outdoor rebates. She also distributed flyers highlighting the rebate programs available for both residential and commercial properties.

Trabuco Canyon Water District Leak Detection Investigation	On May 1, Joe visited Trabuco Canyon Water District (TCWD) to assist staff with utilizing MWDOC's leak detection equipment in a suspected leak investigation. Although water was surfacing, no leak was found, even after extending the leak survey more than 300 feet above and below the wet street. The next morning, TCWD staff extended the survey an additional 500 feet above the wet street and found a service connection leak. The leaking water had traveled underground approximately 800 feet before surfacing, and staff concluded that the water traveled in the gravel-based backfill supporting an adjacent sewer line. While this was a challenging event, it was also a great learning opportunity for both trusting in the equipment and extending the survey area to locate the leak. The leak has since been repaired.
North Orange County Watershed Management Area Stakeholder Workshop	On April 17, Steve Hedges and Rachel Waite attended the North Orange County Watershed Management Area Stakeholder workshop hosted by the County of Orange. The workshop covered the following topics: • Updates to the North-Central Orange County Region Acceptance Process (RAP) • Updates to the Proposition 1 Integrated Regional Water Management Grant Schedule • Overview of the Project Ranking Process • Overview of the Grant Allocation Process • Upcoming Funding Opportunities • Next steps Future stakeholder workshops have not yet been scheduled.
California Landscape Contractors Association	On April 17, Rachel D. attended the California Landscape Contractors Association University, which was held at Village Nursery in Huntington Beach. Rachel hosted a table during the event and spoke with approximately 40 landscape contractors about the Turf Removal Program and other outdoor rebates. Flyers highlighting the rebate programs available for both residential and commercial properties were also distributed.

Orange County Water Use Efficiency Coordinators Workgroup Meeting	On May 2, Joe, Beth, Rachel D., Rachel W., and Steve hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting at MWDOC. Approximately 23 agencies participated in the meeting. Highlights on the agenda included:
	• Discussion Items
	  ○ MWDOC Updates
	  ○ Agency Roundtable/Problem Solving
	• Public Affairs/Marketing
	• Orange County Fire Authority Fuel Modification Standards
	• Overcoming Social Barriers to Outdoor Water Conservation
	• Metropolitan Update
	  ○ Conservation/DAC Update
	  ○ Board Update
	• Water Use Efficiency Programs Update
	  ○ Choice Allocation FY 19/20
	  ○ Turf Removal Program
	  ▪ New Addendum and Updated Inspections Manual

Orange County Water Use Efficiency Coordinators Workgroup Meeting - continued	▪ Update on Inspection Training • CalWEP Update • Future Agenda Items The next meeting is scheduled for June 6th at Santa Margarita Water District.
PUBLIC/GOVERNMENT AFFAIRS	
Member Agency Relations	Public Affairs Staff: • Provided a short update on current Public Affairs projects to Water Use Efficiency coordinators meeting • Started production of summer bill inserts for member agencies • Provided school program updated to the Member Agency Managers Meeting • Hosted a joint Legislative Coordinators and Public Affairs Workgroup Meeting o Presented the first ever School Program Showcase to the Public Affairs Workgroup and MWDOC Staff providing hands-on demonstrations of program offerings Governmental Affairs Staff: • Provided a short update on the water tax legislation to the Member Agency Managers Meeting • Provided a legislative update to the Public Affairs Working Group meeting
Community Relations	Public Affairs Staff: • Closed submissions for Water Awareness Poster Contest and notified winners • Organized and hosted Girl Scouts Water Resources and Conservation Patch Clinic at Santa Margarita Water District o Provided clinic photos to Girl Scouts of Orange County for promotion of the patch • Provided contacts from Scouts of America and Girl Scouts of Orange County for Mesa Water Flag Day Event • Coordinated with Earth Friendly Products for a tour and presentation from Director Schneider • Participated in Santa Margarita Water District's Water Festival
Education	Public Affairs Staff: • Staff attended elementary school visit at Harbour View Elementary • Staff attended high school visit at Brea Olinda High School • Closed submissions for the 2019 Voice for the Planet high school video contest • Provided information on school program offerings to Montessori Schools

Education - continued	• Began work with new vendor to redesign Ricki Raindrop Education booklets • Provided information to Department of Water Resources for their local education program resources page • Provided information to City of Brea on high school program curriculum • Sent Member Agency education coordinators school program presentation, program price breakdown, and request for commitments suggested targets spreadsheet • Provided schedule of high school visits to City of Buena Park • Provided schedule of high school visits to South Coast Water District • Sent monthly school program reports to participating member agencies • Participated in working group session for the California Environmental Principles and Concepts Orange County teacher training
Media Relations	Public Affairs Staff: • Featured on CBS Los Angeles with our partner the Wyland Foundation discussing the Laguna Beach pocket park project • Developed press release announcing Director Osborne's retirement from the Board • Developed press release in response to Governor Newsom's plan to change CA WaterFix
Special Projects	Public Affairs Staff: • Assisted with the planning for O.C. Water Summit (May 31st) • Produced MWDOC Disaster Communications Kit with WEROC • Created a rebate focused email marketing template for Water Use Efficiency • Staffed Director McKenney's Diamond Valley Lake Inspection Trip • Submitted 2019/2020 Inspection Trip reservation packets for all four Metropolitan Directions Governmental Affairs Staff: • Staffed the WACO Planning meeting • Participated in the South Coast Air Quality Management District "Buried Utilities Coalition" meeting on Rule 1403 • Staffed the May WACO meeting featuring speakers: Supervisor Doug Chaffee, Adam Probolsky and Paul Jones
Legislative Affairs	Governmental Affairs Staff: • Monitored the Senate Environmental Quality Committee hearing where SB 669 (Caballero) was heard • Participated in the Metropolitan Member Agencies Legislative Coordinators' conference call • Participated in the Southern California Water Coalition Legislative Task Force meeting • Participated in the CalDesal Legislative Working Group meeting • Drafted AB 217 (E. Garcia) – Oppose Unless Amended letter • Attended the ACWA State Legislative Committee meeting in Sacramento

Legislative Affairs - continued	• Participated in the ACWA Federal Affairs Water Supply Sub-Committee meeting • Participated in the ACWA Federal Affairs Drinking Water Sub-Committee meeting • Monitored the CSDA Legislative Committee meeting • Attended the ACWA Federal Affairs Committee meeting

Staff Training and Development	Public Affairs Staff:
	• Participated in the California Association of Public Information Officials annual conference. Sessions attended included:
	  o Selling a Tough Message
	  o Using Storytelling to Demonstrate the Spirit of Service
	  o Keynote Session: For the Love of Cities and Communities
	  o Turning Employees into Part of Your Media Team
	  o The New Normal: Customer Service Through Social Media
	  o Digital Reputation Management for Government Agencies
	  o Partnering with Other PIOs for Regional Messaging/Outreach Campaigns
	• Recognized at the California Association of Public Information Officials annual conference Gala and three received awards for:
	  o *Special or Community Event, Recurring, Large Population* – Wyland National Mayor's Challenge and Orange County Pocket Park Award
	  o *Branding* – Rebuilding and Reestablishing MWDOC's Brand Identity
	  o *Social Media, Best Use Overall* – Strategic Digital Communications
	
	Public Affairs and Governmental Affairs Staff:
	• Staff participated in "The Respectful Workplace" human resources training

ITEM NO. 12

INFORMATION CALENDAR

MWDOC GENERAL INFORMATION ITEMS

MWDOC BOARD OF DIRECTORS

- Brett R. Barbre
- Larry D. Dick
- Vacant
- Joan Finnegan
- Sat Tamaribuchi
- Jeffery M. Thomas
- Megan Yoo Schneider

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