

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
June 19, 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>.

EMPLOYEE SERVICE AWARDS

NEXT RESOLUTION NO. 2088

CONSENT CALENDAR (Items 1 to 8)

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

1. MINUTES

- a. May 1, 2019 Workshop Board Meeting (Adjourned)
- b. May 15, 2019 Regular Board Meeting
- c. May 21, 2019 Special Board Meeting
- d. May 29, 2019 Special Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Combined Planning & Operations Committee/Administration
& Finance Committee Meeting: May 6, 2019

- b. Public Affairs & Legislation Committee Meeting: May 20, 2019
- c. Executive Committee Meeting: May 16, 2019

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

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

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of April 30, 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 April 30, 2019

Recommendation: Receive and file as presented.

5. LANDSCAPE DESIGN AND MAINTENANCE ASSISTANCE PROGRAM

Recommendation: Authorize the General Manager to enter into professional services agreements not to exceed \$160,000 with: (1) The Plant Nerd, Inc. and EcoTech Services to provide landscape design assistance; (2) The Plant Nerd, Inc. and TerraWorks Studio to provide landscape maintenance assistance; and (3) Other firms (to be determined) who demonstrate they are qualified to do the work and agree to a competitive fee structure.

6. AMENDMENTS TO ADMINISTRATIVE CODE SECTION 9500

Recommendation: Authorize staff to update the Administrative Code for Section 9500.

7. 2019-20 PAY STRUCTURE ADJUSTMENT

Recommendation: Approve the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%, as approved during the budget process.

8. AWARD CONTRACT FOR ELECTRICAL SYSTEM REHABILITATION PROJECT

Recommendation: Approve entering into the subject agreement for improvements to the MWDOC administration building electrical system: (1) Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities; (2) Award AVRAM Electric "MWDOC Electrical System Rehabilitation Project" construction contract in the amount of \$213,883.00; and (3) Authorize the General Manager to enter into a license agreement with OCWD to install and maintain underground electric utilities and related equipment on OCWD property, and pay OCWD a one-time license fee of \$1,148.00.

End Consent Calendar**ACTION ITEMS****9-1 SB 200 (MONNING) – SAFE AND AFFORDABLE DRINKING WATER FUND**

Recommendation: Adopt a support position on SB 200 (Monning) the Safe and Affordable Drinking Water Fund.

9-2 AB 402 (QUIRK) – STATE WATER RESOURCES CONTROL BOARD: LOCAL PRIMARY AGENCIES, FUNDING STABLIZATION

Recommendation: Adopt an oppose unless amended position on AB 402 (Quirk), State Water Resources Control Board: local primary delegation: funding stabilization program.

9-3 H.R. 2313 (HUFFMAN) – WATER CONSERVATION REBATE TAX PARITY ACT

Recommendation: Adopt a support position on H.R. 2313 (Huffman).

9-4 EXTENSION OF CONSULTING CONTRACT WITH ACKERMAN CONSULTING

Recommendation: Consider extending the contract with Ackerman Consulting for specialized services.

9-5 ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10 CALL FOR CANDIDATES

Recommendation: Determine if a member of the MWDOC Board of Directors would like to be nominated and run for the ACWA Region 10 Board of Directors.

9-6 CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2019 BOARD OF DIRECTORS ELECTION – SOUTHERN NETWORK REGION, SEAT B

Recommendation: (1) Review and discuss the candidates running for the CSDA Board of Directors, Southern Network, Seat B; and (2) Authorize President Barbre, or his designee, to cast the District's ballot

9-7 SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) BOARD OF DIRECTORS ELECTION 2010

Recommendation: Review the candidates and authorize President Barbre, or his designee, to cast the District's ballot for the SDRMA Board of Directors election.

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

10. GENERAL MANAGER'S REPORT, JUNE 2019 (ORAL AND WRITTEN)

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

11. MWDOC GENERAL INFORMATION ITEMS

- a. Board of Directors - Reports re: Conferences and Meetings
- b. Requests for Future Agenda Topics

Recommendation: Receive and file as presented.

CLOSED SESSIONS**12. 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]

13. 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]

14. 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.

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 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. BS161729, transferred to San Francisco Superior Court, Case CPF-16-515282.

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 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.

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 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
May 1, 2019**

At 8:30 a.m., Director Yoo Schneider 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. MWDOC/MET Director McKenney led the Pledge of Allegiance and Secretary Goldsby called the roll.

Legal Counsel Garibaldi announced that because a quorum of the Board was not present, the meeting would proceed as an informational meeting rather than a Board meeting.

MWDOC DIRECTORS

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

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Megan Garibaldi, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Damon Micalizzi, Dir. of Public Affairs
Chris Lingad, Water Resources Analyst
Kevin Hostert, Water Resources Analyst
Melissa Baum-Haley, Sr. Water Resources Analyst
Joe Berg, Director of Water Use Eff. Programs

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Larry McKenney
Linda Ackerman (absent)

OTHERS PRESENT

Mike Dunbar
Steve LaMar
Doug Reinhart
Peer Swan
Paul Weghorst
Jim Atkinson
Kelly Rowe
Adam Hutchinson
Dennis Erdman
Rick Shintaku
Brooke Jones
Brandon Goshi
Kristy Khachigian
Liz Mendelson-Goossens
Khahn Nguyen

Emerald Bay Service District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water
Orange County Water District
Orange County Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Metropolitan Water District of So. Cal.
Kristy Khachigian Consulting
San Diego County Water Authority
Westminster School District

PUBLIC PARTICIPATION/PUBLIC COMMENTS

Director Yoo Schneider inquired whether any members of the public wished to comment on agenda items.

Mr. Mike Dunbar (Emerald Bay) highlighted a recent publication in an environmental journal regarding arsenic in small water systems. Discussion ensued regarding inaccuracies in the article, with Mr. Hunter advising that he has spoken with the Association of Metropolitan Water Agencies (AMWA) regarding the flawed information.

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

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

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

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

Director McKenney highlighted the recently approved (MET Board) modified Cyclic Storage Program, as well as the WaterFix, Drought Contingency Plan, and several legislative matters.

WATER SUPPLY CONDITIONS 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.

PRESENTATION REGARDING THE STORMWATER PILOT PROGRAM CONCEPTS BY METROPOLITAN STAFF

Mr. Brandon Goshi (MET) presented information regarding the development of Stormwater Pilot Programs. His presentation included information on the proposed actions to develop data and criteria, the challenges associated with stormwater capture projects, the types of stormwater projects (centralized, distributed recharge, and distributed direct use), and the Pilot Program's purpose. The Board members present 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 information was noted.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding April MET Board Meetings
- b. Review items of significance for the upcoming MET Board and Committee Agendas

The information was noted.

ADJOURNMENT

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

Maribeth Goldsby
Board Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
May 15, 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 Yoo Schneider led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Damon Micalizzi, Dir. of Public Affairs
Chris Lingad, Water Resources Analyst
Melissa Baum-Haley, Sr. Water Resources Analyst

ALSO PRESENT

Larry McKenney
Doug Davert
Peer Swan
Jim Fisler
Jim Atkinson
Don Froelich
Saundra Jacobs
Dennis Erdman
Bill Green
Rick Erkeneff
Larry Crandall
Bob McVicker
Khanh Nguyen
Mathew Forester

MWDOC MET Director
East Orange County Water District
Irvine Ranch Water District
Mesa Water
Mesa Water District
Moulton Niguel Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
South Coast Water District

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 Jim Atkinson (Mesa Water) advised that Mesa would be co-sponsoring a symposium (California United Water) June 26-28, 2019 in Auburn, California, and would include tours of the watershed.

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.

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. Director Barbre requested that his vote be recorded as “no” on three items; those items are listed separately below as the “Balance of Consent Calendar Items.”

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

MINUTES

The following minutes were approved.

- April 3, 2019 Workshop Board Meeting
- April 4, 2019 Special Board Meeting (Elected Officials Forum)
- April 17, 2019 Regular Board Meeting
- April 10, 2019 Special Board Meeting
- April 16, 2019 Special Board Meeting

COMMITTEE MEETING REPORTS

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

- Planning & Operations Committee Meeting: April 1, 2019 (canceled)
- Administration & Finance Committee Meeting: April 10, 2019
- Public Affairs & Legislation Committee Meeting: April 15, 2019
- Executive Committee Meeting: April 18, 2019
- MWDOC/OCWD Joint Planning Committee Meeting: April 24, 2019

TREASURER'S REPORTS

The following items were ratified and approved as presented.

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

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 March 31, 2019, 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

Quarterly Budget Report

MEMBERSHIP IN THE INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS (IABC)

The Board authorized membership in the International Association of Business Communicators (IABC) during the fiscal year 2018-19.

OFFICE IMPROVEMENTS – STATUS UPDATE & APPROVAL OF ADDITIONAL DESIGN SERVICES

The Board authorized staff to proceed with Phase 3 Design and Value Engineering in the amount of \$18,000.

BALANCE OF CONSENT CALENDAR ITEMS

Upon MOTION by Director Yoo Schneider, seconded by Director Thomas, and carried (4-1), the Board approved the balance of the Consent Calendar Items as follows: Directors Dick, Tamaribuchi, Thomas, and Yoo Schneider voted in favor; Director Finnegan was absent; and Director Barbre opposed.

WATER EFFICIENT LANDSCAPE RESOURCES WEBSITE

The Board authorized 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.

AMENDMENT TO ADMINISTRATIVE CODE – INCOMPATIBILITY OF OFFICE

The Board approved adding Section 1406 (Incompatible Offices) to the Administrative Code (Option 1 in the staff write-up).

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

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

- END CONSENT CALENDAR -

ACTION CALENDAR

ADOPTION OF THE ONE WATER ONE WATERSHED PLAN UPDATE 2018

President Barbre advised that the proposal to adopt a resolution adopting the One Water One Watershed Plan Update 2018 was before the Board for consideration.

Director Yoo Schneider made a MOTION which was seconded by Director Thomas, to adopt a RESOLUTION adopting the Santa Ana Watershed Project Authority One Water One Watershed Plan Update for 2018, the Integrated Regional Water Management Plan for the Santa Ana River Watershed. Discussion ensued.

Several Directors expressed concern with the assertion (in the Plan update) that imported water was “60%” reliable and the Board discussed the Planning & Operations Committee request for a letter to be sent to the Santa Ana Watershed Project Authority (SAWPA) 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. It was suggested the Board ask SAWPA to acknowledge the factual problem/assertion with that statement.

General Manager Hunter advised that a draft letter has been prepared, but not yet sent. Discussion was held regarding whether to defer this matter, and it was noted that if the Board did not adopt the Resolution, funding would not be available.

Director Yoo Schneider recommended the Board adopt the Resolution, send the letter, and ask staff to be more involved in the next Plan update.

Director McKenney stated he believes the assertion of the “60% reliable” remark is tied to the average State Water Project Table A allocation of 60%, but agreed that the statement in the Plan should be revised.

Upon SUBSTITUTE MOTION by Director Dick, seconded by Director Thomas, and carried (5-0), the Board adopted RESOLUTION NO. 2083 adopting the Santa Ana Watershed Project Authority One Water One Watershed Plan Update for 2018, the Integrated Regional Water Management Plan for the Santa Ana River Watershed, contingent on the General Manager sending a letter to

SAWPA outlining the above concerns no later than May 22, 2019. RESOLUTION NO. 2083 was adopted by the following roll call vote:

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

ENHANCEMENTS AND UPGRADES TO THE CALIFORNIA SPRINKLER ADJUSTMENT NOTIFICATION SYSTEM

Director Yoo Schneider made a MOTION, which was seconded by Director Tamaribuchi to 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. By a vote of 3-2 the MOTION failed. Directors Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent, and Directors Barbre and Dick opposed. This item was not approved.

ANNUAL REVIEW AND UPDATES TO THE INVESTMENT POLICY AND GUIDELINES

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (5-0), the Board adopted RESOLUTION NO. 2084 establishing the District's Investment Policy and Guidelines, and authorized staff to update the Administrative Code accordingly. Said RESOLUTION NO. 2084 was adopted by the following roll call vote:

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

AMENDMENT OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY MONEY PURCHASE PENSION PLAN

General Manager Hunter advised that the proposed Resolutions are required so that the District can act within the guidelines of the Attorney General's recent opinion regarding District contributions on behalf of the Board of Directors.

Upon MOTION by Director Thomas, seconded by Director Dick, and carried, the Board adopted RESOLUTION NO. 2085 approving Amendment No. 2 to the Municipal Water District of Orange County (MWDOC) Money Purchase Pension Plan, by the following roll call vote:

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

Upon MOTION by Director Thomas, seconded by Director Dick, and carried, the Board adopted RESOLUTION NO. 2086 Clarifying the Implementation of the Provisions of Section 414(h)(2) of

the Internal Revenue Code to Tax Defer Employee Retirement Contributions to the MWDOC Money Purchase Pension Plan, by the following roll call vote:

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

**ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO)
SPECIAL DISTRICT VACANCY APPOINTMENT**

President Barbre advised that the proposal to authorize the President and an alternate to cast the District's ballot at the upcoming OC LAFCO election, as well as possibly nominate a candidate was before the Board for consideration.

Director Saundra Jacobs (SMWD) announced that she would be running for the Regular Special District Member seat on OC LAFCO. She reviewed her qualifications and desires for OC LAFCO and asked for the MWDOC Board's support in her candidacy.

Director Doug Davert (EOCWD and OC LAFCO Vice Chair) expressed support for candidate Jim Fisler for the Regular Special District Member seat as he has been the Alternate Special District member for the past nine years. He confirmed that there was nothing to preclude a candidate from running for both the Regular and Alternate seats.

Director Jim Fisler (Mesa) advised that he has been the Alternate Special District member for nine years and that as a result of Charley Wilson's resignation, he is ready and willing to step into the Regular Special District Member seat. He reviewed his qualifications and desires for OC LAFCO and asked for the MWDOC Board's support in his candidacy.

Following discussion, no MWDOC Board members expressed interest in running for the Regular Special District Member seat.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (5-0), the Board (1) authorized President Barbre (as primary) and Director Yoo Schneider (as alternate) to cast the District's ballot in the OC LAFCO election, and (2) directed staff to submit the appropriate forms to OC LAFCO by the deadlines outlined. Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, MAY 2019

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

General Manager Hunter made the following announcements:

- OC Water Summit would be held May 31st

- He provided an overview of the Division 3 Director Appointment process, noting that letters of interest are due May 17, 2019, interviews were scheduled for May 21, 2019 and the vote for a candidate was scheduled for May 29, 2019
- The Water Loss Shared Services program has received several contracts to justify both positions and the process for interviewing, etc. has begun
- Employee promotions: Cathy Harris is now the Director of Human Resources/Administrative Services and Kelly Hubbard is now the Director of WEROC Programs

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 the Executive Committee, the Joint Planning & Operations/Administrative & Finance Committee meetings, the Workshop and Regular Board meetings, she was a guest speaker at the Earth Friendly Products Earth Day event, she attended and sat on a panel at the P3 Water Summit in San Diego, she attended a meeting with IRWD, she attended an Earth Friendly Products facility tour, she attended the OCBC conference in Washington, DC, the ACWA conference, and a meeting with OCWD.

Director Thomas noted his attendance at the Executive Committee meeting, a meeting with OCWD, the OC Water Summit planning meeting(s), and the ACWA conference.

Director Tamaribuchi reported on attending the regularly scheduled MWDOC meetings, (Planning & Operations/Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the WACO meeting, and a meeting with CoastKeeper regarding the WaterFix and Delta Restoration.

Director Dick reported on attending the Planning & Operations/Administration & Finance and Executive Committee meetings, as well as the Urban Water Institute Planning meeting, the MET pre-Caucus meeting, the MET Executive Committee meeting, the WACO meeting, the MET Board and Committee meetings, and a meeting with Division 3 candidate Khahn Nguyen.

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 MET Committee day (late), and the MET Board meeting. In his capacity as MWDOC Director he attended the following meetings: the Executive Committee and MWDOC/OCWD Joint Planning Committee meeting.

b. REQUESTS FOR FUTURE AGENDA TOPICS

No requests were made.

CLOSED SESSION ITEMS

At 9:21 a.m., Legal Counsel Byrne announced that the Board would adjourn to closed session, for a conference with Legal Counsel (Christine Carson) on the following matters. It was noted that MWDOC/MET Director Larry McKenney would join the closed session.

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]

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]

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.

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.

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.

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.

(Director Yoo Schneider left the closed session at 10:20 a.m.)

RECONVENE

The Board reconvened at 10:29 a.m., and President Barbre announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 9:30 a.m..

Respectfully submitted,

Maribeth Goldsby, Secretary

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
May 21, 2019**

At 4:00 p.m., President Barbre called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors of MWDOC at District facilities, 18700 Ward Street, Fountain Valley, California. MWDOC Staff member Traci Muldoon led the Pledge of Allegiance and Recording Secretary Davanaugh called the roll.

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick
Vacant, Division 3
Joan Finnegan (absent)
Sat Tamaribuchi
Jeffery M. Thomas
Megan Yoo Schneider

STAFF PRESENT

Robert Hunter, General Manager
Heather Baez, Governmental Affairs Manager
Joe Byrne, Legal Counsel
Katie Davanaugh, Sr. Executive Assistant
Harvey De La Torre, Associate General Manager
Melissa Baum Haley, Sr. Water Resources Analyst
Tina Dubuque, Executive Assistant
Traci Muldoon, Public Affairs Assistant

OTHERS PRESENT

Larry Crandall	Candidate, Division 3
Betty Burnett	Candidate, Division 3
Khanh Nguyen	Candidate, Division 3
Kris Beard	Candidate, Division 3
Robert McVicker	Candidate, Division 3
Mathew Forester	Candidate, Division 3
Janet Nguyen	Candidate, Division 3
Jeffrey Barke	Candidate, Division 3
Cathy Green	Orange County Water District
Peer Swan	Irvine Ranch Water District
Francisco Barajas	
Jose Solorio	
Rebecca Terrones	

PUBLIC PARTICIPATION

No comments were made.

INTERVIEW CANDIDATES FOR DIRECTOR, DIVISION 3

President Barbre announced that the purpose of the meeting was to interview each candidate for Director of the recently vacated Division 3. He advised that each candidate would be interviewed in 15-minute intervals, noting that Candidate Richard D. Murphy had rescinded his application from the process.

The following candidates were interviewed:

- Larry Crandall
- Betty Burnett
- Khanh Nguyen
- Kris Beard
- Robert McVicker
- Mathew Forester
- Janet Nguyen
- Jeffrey Barke

Each candidate provided a brief overview of their qualifications and responded to questions by the Board.

President Barbre noted that the Board has opted to hold a Special Meeting on May 29, 2019 at 8:30 am for the purpose of selecting a candidate.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 6:50 p.m.

APPROVED:

Maribeth Goldsby, Secretary

**MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
May 29, 2019**

At 8:30 a.m., President Barbre called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors of MWDOC at District facilities, 18700 Ward Street, Fountain Valley, California. MWDOC Staff member Traci Muldoon led the Pledge of Allegiance and Recording Secretary Davanaugh called the roll.

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick
Vacant, Division 3
Joan Finnegan (absent)
Sat Tamaribuchi
Jeffery M. Thomas
Megan Yoo Schneider

STAFF PRESENT

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager (absent)
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Melissa Baum Haley, Sr. Water Resources Analyst
Tina Dubuque, Executive Assistant
Heather Baez, Governmental Affairs Manager
Tiffany Baca, Public Affairs Manager
Sarah Wilson, Public Affairs Specialist
Hilary Chumpitazi, Accounting Manager

OTHERS PRESENT

Peer Swan
Jim Atkinson
Jim Leach
Don Froelich
Cathy Green
Mathew Forester
Robert McVicker
Khanh Nguyen
Larry Crandall
Brian Lochrie
Khieu B. Le
Shirley N. Le
Hai Quang Lam
Janet Nguyen
Tai Do
T. Keleher
Jodi L. Boyd
Luan Pham
Uc Van Nguyen
Dao Nguyen
Thuy Vo

Irvine Ranch Water District
Mesa Water
Santa Margarita Water District
Moulton Niguel Water District
Orange County Water District
Candidate, Division 3
Candidate, Division 3
Candidate, Division 3
Candidate, Division 3
Communications Lab

Westminster City Council
Fountain Valley Resident
Westminster Resident
Garden Grove Resident
Republic of Vietnam Association
Tustin Resident

David Nguyen
Richard Bui
Gia Nguyen
Kris Beard
Betty Burnett
Jenny Tran
Myha Bui
Vi Nguyen
Mai Luong
David Tran

PUBLIC PARTICIPATION

Mesa Director Jim Atkinson presented the Board with a Proclamation honoring Director Wayne Osborne for his service on the MWDOC Board. President Barbre thanked Mr. Atkinson, advising that staff would arrange to present Mr. Osborne with the Proclamation.

AUTHORIZE CONFERENCE ATTENDANCE: CALIFORNIA UNITED WATER CONFERENCE, JUNE 26-28, 2019, AUBURN, CALIFORNIA

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (5-0), the Board authorized staff and Board attendance at the California United Water Conference. Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

APPOINT MWDOC DIRECTOR, DIVISION 3

President Barbre advised that he would hold public comments with respect to the Appointment of MWDOC Director for Division 3.

The following individuals spoke in support of Candidate Janet Nguyen: Tom Kelleher, Tai Do, Thuy Vo, Khien Le, Uc Van Nguyen, a not able to identify Garden Grove/Westminster constituent, Janet Tran, Vi Nguyen, a not able to identify Stanton constituent, Lan Nguyen, Jody Boyd, Mr. Nguyen (first name unknown), Luan Pham, Y. Nguyen, Hai Lam, Phat Bui, and Myha Bui.

IRWD Director Peer Swan encouraged the MWDOC Board to choose a candidate who has a good understanding of the water industry.

Ms. Betty Burnett (who had withdrawn her name from the candidacy) also encouraged the MWDOC Board to choose a candidate with a good understanding of the water industry.

Mesa Director Jim Atkinson spoke in support of candidate Bob McVicker.

Directors Yoo Schneider, Dick, and Barbre thanked all in attendance for attending and expressing support.

President Barbre asked that Secretary Goldsby poll the Directors for their first choice in candidates; the Board members stated the following preferences:

Director	First Choice Candidate
Director Yoo Schneider	Khanh Nguyen
Director Thomas	Larry Crandall
Director Tamaribuchi	Khanh Nguyen
Director Dick	Larry Crandall
Director Barbre	Janet Nguyen

Responding to an inquiry from Director Thomas, Legal Counsel Byrne provided an overview of the Incompatible Offices law, noting that Candidate Khanh Nguyen could be deemed to have an Incompatible Offices issue as he is currently elected to the Westminster School Board. In the event an Incompatible Office is deemed to exist, Mr. Nguyen would be required to forfeit his position on the Westminster School Board. Mr. Nguyen confirmed he would not run for the Westminster School Board in the event he was chosen as MWDOC Division 3 Director.

Considerable discussion among the Board ensued, with each Director voicing his/her reasons surrounding support for their first choice candidate. Following discussion, President Barbre asked for additional polling of the Board; each Board member expressed support for the same candidates. President Barbre then asked for polling on second choice candidates and the Board members stated the following preferences:

Director	First Choice Candidate	Second Choice Candidate
Director Yoo Schneider	K. Nguyen	(Declined to identify a 2 nd choice)
Director Thomas	L. Crandall	J. Nguyen
Director Tamaribuchi	K. Nguyen	L. Crandall
Director Dick	L. Crandall	K. Nguyen
Director Barbre	J. Nguyen	M. Forrester

At 9:43 a.m., President Barbre, suggested the Board take a ten minute recess. The Board reconvened at 9:53 a.m.

The Board discussed the process, how long the law would allow for them to appoint a candidate (until June 21, 2019), what would happen if the Board could not agree on a candidate with four votes (it would be submitted to the OC Board of Supervisors for appointment), whether it would be prudent to hold a Special Election, and whether to defer this matter to another date.

Director Thomas made a MOTION, which was seconded by Director Dick, to appoint Larry Crandall as MWDOC Director, Division 3. Said MOTION failed by a vote of 2-3, with Directors Thomas and Dick voting in favor, and Directors Barbre, Tamaribuchi, and Yoo Schneider voting against. Director Finnegan was absent.

President Barbre, with the Board's concurrence, recommended the Board hold a special meeting on June 3, 2019 (following the Planning & Operations Committee) to again consider this item. Director Barbre requested that all options be agendaized and open for discussion, and/or action, including possibly authorizing the Board call for a special election in the event a candidate is not chosen.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 10:13 a.m.

APPROVED:

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
WITH
ADMINISTRATION & FINANCE COMMITTEE
May 6, 2019 – 8:30 a.m. to 10:13 a.m.
Conference Room 101

P&O Committee:

Director Megan Yoo Schneider
Director Sat Tamaribuchi
Director Larry Dick

Staff:

Rob Hunter, Karl Seckel, Joe Berg,
Katie Davanaugh, Harvey DeLaTorre,
Charles Busslinger, Melissa Baum Haley,
Heather Baez, Hilary Chumpitazi, Cathy Harris,
Kevin Hostert, Kelly Hubbard, Tiffany Baca

Also Present:

MWDOC MET Director Linda Ackerman
Paul Weghorst, Irvine Ranch Water district
Khanh Nguyen

Director Yoo Schneider chaired both the Planning & Operations Committee (P&O) and Administration & Finance Committee meetings and called the P&O meeting to order at 8:30 a.m.

PUBLIC COMMENTS

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

No items were distributed.

PLANNING & OPERATIONS COMMITTEE

ACTION ITEMS

ADOPTION OF THE ONE WATER ONE WATERSHED PLAN UPDATE 2018

The Committee reviewed and held discussion on the Executive Summary of the One Water One Watershed (OWOW) Plan Updated 2018 and expressed concerns with some of the calculations and numbers reported with respect to water reliability and imported water reliability. Mr. Berg noted that SAWPA has already approved and adopted the updated OWOW Plan and that staff would inquire of SAWPA how the reliability calculations were arrived at, as MWDOC believes the percentages are different. Additionally, discussion was

held on varying opinions on the sections in the report relating to climate risk and disadvantaged communities.

Mr. Hunter noted that MWDOC is not a member of SAWPA and perhaps it would be prudent to become more involved in the next plan update process and activities. Mr. Berg will send a letter to SAWPA for clarification on those items.

Upon MOTION by Director Dick, which was seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended the Board approve the resolution adopting the Santa Ana River Watershed project Authority OWOW plan update, the Integrated Regional Water Management Plan for the Santa Ana River Watershed at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

WATER EFFICIENT LANDSCAPE RESOURCES WEBSITE

Upon MOTION by Director Dick, which was seconded by Director Tamaribuchi, and carried (3-0), the Committee recommended 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.

Staff will work closely with the Public Affairs staff to develop marketing materials to assist with education and resources to make it easier for visitors to the site to find a broad variety of solutions for their landscape needs. The staff report outlined features of the website.

ENHANCEMENTS AND UPGRADES TO THE CALIFORNIA SPRINKLER ADJUSTMENT NOTIFICATION SYSTEM

Mr. Berg provided an overview of the current sprinkler adjustment notification system and the proposed upgrades outlined in the staff report. The notification system initially did not make appropriate adjustments during the drought and this was an important adjustment that needed to be made. Better tracking, improved messaging and enhanced notifications are also part of the upgrades needed, as well as a plant spotlight for educational messaging.

Upon MOTION by Director Tamaribuchi and seconded by Director Yoo Schneider and carried (2-1), the Committee recommended the Board consider approval of the upgrades to the California Sprinkler Adjustment Notification System at the May 15, 2019 Board meeting. Directors Yoo Schneider and Tamaribuchi voted in favor; Director Dick opposed.

The Committee continued discussion on SmarTimer usage, improvements to technology over the past decade, number of consumers using the equipment and technology and the amount of water savings from use of the technology. Additionally, there was discussion on continued efforts to promote the program and messaging, including social media postings and other avenues to educate the public.

STATUS REPORTS

- a. Ongoing MWDOC Reliability and Engineering/Planning Projects
- b. WEROC

- c. Water Use Efficiency Projects
- d. Water Use Efficiency Programs Savings and Implementation Report

The Committee reviewed the status reports for Engineering, WEROC and Water Use Efficiency (WUE). It was determined that the WUE implementation reports were very detailed and time consuming for staff to analyze, compute and prepare and therefore should only be presented to this committee on an annual basis, perhaps in September.

The informational reports were received and filed.

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

No information was presented.

The Planning & Operations Committee was adjourned at 9:34 a.m.

ADMINISTRATION & FINANCE COMMITTEE

The Administration & Finance Committee convened at 9:34 a.m.

PUBLIC COMMENTS

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

No items were distributed.

ACTION ITEMS

PROPOSED BOARD CONSENT CALENDAR ITEMS

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – April 2019
- b. Disbursement Approval Report for the month of May 2019
- c. Disbursement Ratification Report for the month of April 2019
- d. GM Approved Disbursement Report for the month of April 2019
- e. Water Use Efficiency Projects Cash Flow – April 30, 2019
- f. Consolidated Summary of Cash and Investment – March 2019

g. OPEB and Pension Trust Fund monthly statement
Following review of the disbursement reports, upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended the Treasurer's Report for approval at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period ending March 31, 2019
- b. Quarterly Budget Review

Following review of the disbursement reports, upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended the Treasurer's Report for approval at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

ACTION ITEMS

ANNUAL REVIEW AND UPDATES TO THE INVESTMENT POLICY AND GUIDELINES

This policy was presented as a housekeeping item with no significant changes to the policy. Upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended approval of the annual review and updates to the Investment Policy at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

AMENDMENT TO ADMINISTRATIVE CODE RE INCOMPATIBILITY OF OFFICE

The Committee reviewed the proposed addition to the Administrative Code regarding Incompatibility of Office and asked whether city Planning Commissioners were considered "public officials" under the law; it was noted staff would obtain clarification from legal counsel prior to the May 15th Board meeting.

Upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended approval of the Amendment to the Administrative Code regarding incompatibility of Office at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

Mr. Hunter noted that this request was made for clarification of policy and transparency, not at the request of the Registrar of Voters.

MEMBERSHIP IN THE INTERNATIONAL ASSOCIATION OF BUSINESS COMMUNICATORS (IABC)

Upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended approval of the membership in IABC at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

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

Upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended Board Authorize staff recommendation, option 1, which is for approval in 2019-20 for 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). Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

Director Dick noted that this item had been discussed at length during the budget process.

**OFFICE IMPROVEMENTS - STATUS UPDATE & APPROVAL OF ADDITIONAL
DESIGN SERVICES**

Mr. Busslinger provided a presentation, review and update of the office building rehabilitation and remodel project, including estimates of investment estimates (2018 to 2019 cost variations), current improvements at the South Emergency Operations Center, historical and future building investment to the Ward Street location, and a review of options presented to the Board in April 2018.

The Committee held discussion on various options regarding improvements that are needed for seismic and code-required improvements, electrical work, fire suppression bracing, HVAC, and then went on to discuss options for purchasing a different building, or constructing a new building and the cost considerations for both.

Mr. Hunter noted that a broker has been hired to conduct an analysis of cost considerations for purchasing a new building and that information will be available in the next couple of weeks.

Upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended approval of Phase 3 Design and Value Engineering at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

AMENDMENT TO DISTRICT MONEY PURCHASE PENSION PLAN

Upon MOTION by Director Dick, seconded by Director Tamaribuchi carried (3-0), the Committee recommended approval of the Amendment to the District's Money Purchase Pension Plan at the May 15, 2019 Board meeting. Directors Yoo Schneider, Tamaribuchi and Dick voted in favor.

INFORMATION ITEMS

**CONTRACT WITH MUNICIPAL RESOURCE GROUP (MRG) TO IMPLEMENT
PERFORMANCE MANAGEMENT SYSTEM**

Ms. Harris noted that staff continues initial discussion with MRG for implementation of an improved performance management system.

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

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

The informational reports were received and filed following review.

OTHER ITEMS

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

No information was presented.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 10:13 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

May 20, 2019 – 8:30 a.m. to 9:33 a.m.

MWDOC Conference Room 101

Committee:

Director Dick, Chairman
Director Thomas
Vacant

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

Also Present:

Brett Barbre, MWDOC President
Sat Tamaribuchi, MWDOC Director
Larry McKenney, MWDOC MET Director
John Lewis, Lewis Consulting Group
Syrus Devers, BB&K (via teleconference)
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
Khanh Nguyen
Bob McVicker

Director Dick called the meeting to order at 8:30 a.m. Due to the vacancy on the committee, Director Barbre sat on 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 current proposed changes to the proposed federal budget: the listing of the Doheny Desalination

Project in the Energy and Water Appropriations bill, which qualifies SCWD to receive a grant in the amount of approximately 8.3 million dollars.

Director Barbre requested that Mr. Barker communicate with Senator Harris and Senator Feinstein to ensure that the Doheny desal project is listed in the Senate version of the Energy & Water Appropriations bill. In addition, President Barbre asked Mr. Barker to explain the consequences to the Doheny project if the Energy & Water Appropriations bill was not signed by the deadline. Mr. Barker responded if that were to occur, special wording would need to be placed in a Continuing Resolution (CR) to ensure the Doheny project received the competitive funding it was granted by the Bureau of Reclamation.

b. State Legislative Report (BBK)

Mr. Syrus Devers reviewed his written report included in the packet. He discussed various Water Tax proposals including the Senate's proposal which appropriates \$150m/yr. from the general fund.

Mr. Devers also provided an update on the following:

- **AB 533 (Holden)** –income tax exclusion for turf removal rebates is on hold for the year
- **SB 134 (Hertzberg)** - Water loss standard enforcement. ACWA has formed a work group, which MWDOC staff will participate in to work on the language
- **SB 204 (Dodd)** – State Water Project: contracts, which we oppose
- **SB 332 (Hertzberg)** - Wastewater treatment, ocean discharge

c. County Legislative Report (Lewis)

Mr. John Lewis reviewed his written report that included the LAFCO timeline for filling the vacancy for the Special District Commissioner vacancy created by Charley Wilson's resignation. He noted that LAFCO is simultaneously holding the election for the regular and alternate position.

Mr. Lewis highlighted the May 7th meeting of the Board of Supervisors where several hundred Newport Beach residents showed up in opposition to the plans to accommodate additional flights at John Wayne Airport. He shared that there is a total new plan that would be shared in June.

d. Legal and Regulatory Report (Ackerman)

Mr. Dick Ackerman's report was received and filed.

e. MWDOC Legislative Matrix

The Legislative Matrix was received and filed.

f. Metropolitan Legislative Matrix

The Metropolitan Legislative Matrix was received and filed.

ACTION ITEMS

TRAVEL TO WASHINGTON, DC TO COVER FEDERAL INITIATIVES

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (3-0) the Committee recommended the Board authorize travel to Washington DC to cover Federal initiatives. Directors Dick, Thomas and Barbre voted in favor.

TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (3-0) the Committee recommended the Board authorize travel to Sacramento to cover State initiatives. Directors Dick, Thomas and Barbre voted in favor.

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

OTHER ITEMS

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:33 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
May 16, 2019, 8:36 a.m. to 9:12 a.m.
Conference Room 102

Committee:

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

Staff:

R. Hunter, M. Baum Haley, T. Dubuque

Also Present:

Director Dick
Director Yoo Schneider
Peer Swan
Khanh Nguyen

At 8:36 a.m., President Barbre called the meeting to order. In the absence of Directors Finnegan and Osborne, Directors Dick and Yoo Schneider served 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

No items were distributed to the Board less than 72 hours prior to the meeting.

EXECUTIVE COMMITTEE PROPOSALS FOR FUTURE AGENDAS

The Committee reviewed, discussed and accepted the draft agendas for each of the meetings.

a. Planning & Operations Committee Meeting

No new items were added to the agenda.

b. Workshop Board Meeting

No new items were added to the agenda.

c. Administration & Finance Committee meeting

No New items were added.

- d.
- e. Public Affairs & Legislation Committee

No new items were added.

- f. Executive Committee

No new items were added to the agenda.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

Considerable discussion ensued regarding the interview process for the open Division 3 Director's seat. It was agreed that there would be no scripted questions and interviewees would be given a total of 15 minutes to speak, that would include an opening statement, questions from the Board, and a closing statement.

Melissa Baum-Haley reviewed the timeline for receiving applications, interview time notifications to the interviewees and the distribution of all candidate information to the Board in hard copy and electronic format. She also reviewed interview day processes and timelines.

It was confirmed that any applications received after the deadline of 4:00 p.m. on Friday, May 17, 2019 would not be advanced to the Board members but would be held in case the Board opened up the process at a future date.

MEMBER AGENCY RELATIONS

General Manager Hunter shared that on May 15th he attended an appreciation lunch that was sponsored by WEROC at the El Toro Water District. Mr. Hunter stated that the two agencies have a very strong working relationship.

GM Hunter discussed Bob Hill's retirement at the end of June. Director Barbre inquired if Director Tamaribuchi would present a resolution to him.

GENERAL MANAGER'S REPORTS

General Manager Hunter stated no new updates.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

General Manager Hunter discussed a request for sponsorship from the Coastkeeper for the Toast the Coast event on September 12, 2019. Sponsorships range from \$1,200-\$15,000. It was agreed that no sponsorship would be given at this time.

ADJOURNMENT

There being no further business to be brought before the Committee, the meeting adjourned at 9:12 a.m.

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

WATER REVENUES

Date	From	Description	Amount
05/01/19	City of Garden Grove	March 2019 Water deliveries	78,356.23
05/03/19	Serrano Water District	March 2019 Water deliveries	12,449.22
05/03/19	South Coast Water District	March 2019 Water deliveries	393,754.90
05/03/19	City of Huntington Beach	March 2019 Water deliveries	821,775.35
05/06/19	City of Seal Beach	March 2019 Water deliveries	5,696.85
05/06/19	City of Buena Park	March 2019 Water deliveries	777,481.24
05/09/19	Laguna Beach County Water District	March 2019 Water deliveries	45,169.03
05/09/19	Santa Margarita Water District	March 2019 Water deliveries	1,184,148.72
05/10/19	City of San Clemente	March 2019 Water deliveries	434,545.61
05/10/19	Mesa Water	March 2019 Water deliveries	338,699.17
05/13/19	El Toro Water District	March 2019 Water deliveries	354,394.52
05/14/19	East Orange County Water District	March 2019 Water deliveries	560,702.14
05/14/19	City of La Palma	March 2019 Water deliveries	4,010.86
05/14/19	City of Westminster	March 2019 Water deliveries	239,429.01
05/14/19	City of San Juan Capistrano	March 2019 Water deliveries	189,924.59
05/14/19	City of Orange	March 2019 Water deliveries	34,642.82
05/15/19	Orange County Water District	March 2019 Water deliveries	11,174,561.23
05/15/19	Golden State Water Company	March 2019 Water deliveries	213,123.79
05/15/19	Yorba Linda Water District	March 2019 Water deliveries	44,099.37
05/15/19	Moulton Niguel Water District	March 2019 Water deliveries	1,410,862.72
05/28/19	City of Fountain Valley	April 2019 Water deliveries	11,598.85
05/28/19	City of Newport Beach	April 2019 Water deliveries	81,641.95
05/30/19	Trabuco Canyon Water District	April 2019 Water deliveries	72,540.79
05/31/19	City of Huntington Beach	April 2019 Water deliveries	1,453,245.35
05/31/19	City of Brea	April 2019 Water deliveries	15,997.65

TOTAL REVENUES \$ 19,952,851.96

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

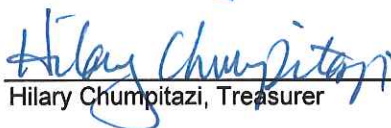
MISCELLANEOUS REVENUES

Date	From	Description	Amount
05/30/19	Paypal	2/21/19 Water Policy dinner	87.09
05/30/19	Paypal	ISDOC Luncheon	48.63
05/03/19	Pat Meszaros	May-Jun 2019 Retiree Health insurance	80.96
05/30/19	Keith Lyon	June 2019 Retiree Health insurance	288.99
05/30/19	Stan Sprague	June 2019 Retiree Health insurance	244.77
05/31/19	US Bank	Monthly interest	45.34
05/06/19	City of Buena Park	January 2019 Smartimer rebate program	100.00
05/20/19	Irvine Ranch Water District	March 2019 Smartimer rebate program	880.17
05/24/19	City of San Clemente	March 2019 Smartimer rebate program	48.00
05/28/19	Trabuco Canyon Water District	March 2019 Smartimer rebate program	45.78
05/06/19	City of Buena Park	February 2019 Turf Removal rebate program	111.00
05/13/19	City of Fountain Valley	March 2019 Turf Removal rebate program	111.00
05/13/19	El Toro Water District	March 2019 Rain Barrels rebate program	15.00
05/20/19	Irvine Ranch Water District	March 2019 Turf Removal and Spray to Drip rebate	2,595.60
05/09/19	City of Westminster	March 2019 Turf Removal and Spray to Drip rebate program	222.00
05/28/19	City of Newport Beach	March 2019 Turf Removal and Spray to Drip rebate program	222.00
05/06/19	Moulton Niguel Water District	March 2019 Smartimer, Rotating Nozzle, Turf Removal and Spray to Drip rebate program	7,531.69
05/10/19	City of San Clemente	March 2019 So Cal Watersmart rebate program	555.00
05/30/19	Trabuco Canyon Water District	April 2019 So Cal Watersmart rebate program	100.00
05/31/19	El Toro Water District	April 2019 So Cal Watersmart rebate program	115.00
05/14/19	City of La Palma	Addition to Choice School Program FY 18-19	197.28
05/20/19	El Toro Water District	Water Loss Control technical assistance - WSO Inc.	13,872.00
05/30/19	South Coast Water District	Water Loss Control technical assistance - WSO, Inc.	10,200.00

TOTAL MISCELLANEOUS REVENUES \$ **37,717.30**

TOTAL REVENUES \$ 19,990,569.26


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
Core Expenditures:		
	Richard C. Ackerman	
1235	May 2019 Consulting on legal and regulatory matters	950.00
	*** Total ***	950.00
	Aleshire & Wynder LLP	
51234	April 2019 Legal services	4,590.00
51675	May 2019 Legal services	4,560.50
	*** Total ***	9,150.50
	Alliant Insurance Services, Inc.	
1085955	7/1/19-7/1/20 Workers Compensation Insurance	28,558.50
	*** Total ***	28,558.50
	Alta FoodCraft	
51910412	5/24/19 Coffee & tea supplies	224.22
	*** Total ***	224.22
	ARC Document Solutions, LLC	
10163851	Presentation board printed for Laguna Beach Pocket Park design	61.07
10185304	5/13/19 Services to print plans for MWDOC office electrical panel upgrade	28.37
	*** Total ***	89.44
	Best Best and Krieger LLP	
849148	April 2019 State legislative advocacy services	7,938.97
55401-APR19	April 2019 Legal services	18,910.53
	*** Total ***	26,849.50
	Blue Watchdog Conservation, Inc.	
1508	3/22/19-4/23/19 Instruction services for OC Qualified Water Efficiency Landscape training	1,618.46
1520	4/24/19-5/28/19 Instruction services for OC Qualified Water Efficiency Landscape training	2,323.09
	*** Total ***	3,941.55
	California Newspapers Partnership	
5244010-APR19	April 2019 Fees for publishing 3 public notices	2,703.00
	*** Total ***	2,703.00
	CDW Government	
SGQ4479	Laser Jet Pro printer for Engineering department	520.91
	*** Total ***	520.91
	Hunter T. Cook	
APR-JUN2019	April-June 2019 Retiree medical premium	1,536.00
	*** Total ***	1,536.00

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	CSU Fullerton ASC	
AR169152	Map of MWDOC water agencies	186.93
AR169153	4 Maps of MWDOC service areas	247.98
AR169154	2010-2018 Updated historic population estimates by water areas	618.66
AR169155	Seismic hazard analysis, data and maps	179.75
	*** Total ***	1,233.32
	Dissinger Associates	
043019AP-MWD	2018 Pension plan administration fees	2,600.00
	*** Total ***	2,600.00
	Dudek	
20192534	3/30/19-4/26/19 Planning level reliability for South County interconnection	7,910.00
	*** Total ***	7,910.00
	GovConnection, Inc.	
56738109	Project planning software for IT department projects	469.78
56804359	Backup software license and 3 year maintenance plan for phone server	1,048.03
	*** Total ***	1,517.81
	HashtagPinpoint Corporation	
1195	May 2019 Social media consultation and services	7,917.00
	*** Total ***	7,917.00
	Independent Special Dist of OC	
ISDOC-1/31/19	12/28/18-1/30/19 PayPal receipts for 1/31/19 meeting	164.46
ISDOC-6/27/19	3/28/19-5/29/19 PayPal receipts for 6/27/19 meeting	48.63
	*** Total ***	213.09
	James C. Barker, P.C.	
105-0519	May 2019 Federal legislative advocacy services	8,000.00
	*** Total ***	8,000.00
	Jill Promotions	
10512	50 Wood ornaments for Poster Contest winners	262.79
10562	25 Power banks for speaker gifts	456.67
10564	25 Laser pointers for speaker gifts	586.39
10568	300 Lapel pins with MWDOC logo	1,491.53
	*** Total ***	2,797.38
	Karen's Detail Custom Frames, LLC	
3080	Custom framing for certificates for agencies hosting Girl Scout events	207.58
3085	40 Drawings custom framed for Poster Contest winners	1,453.03
	*** Total ***	1,660.61
	Lawnscapes Systems, Inc.	
401282	5/7/19 Landscape maintenance for atrium	295.00
	*** Total ***	295.00

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

Invoice#	Vendor / Description	Amount to Pay
	Lewis Consulting Group	
2019-129	May 2019 Consulting services	3,437.50
	*** Total ***	3,437.50
	Edward G. Means III	
MWDOC-1070	April 2019 Consulting on MET issues and guidance to Engineering staff	2,529.58
MWDOC-1071	May 2019 Consulting on MET issues and guidance to Engineering staff	1,250.00
	*** Total ***	3,779.58
	Meltwater News US Inc.	
IN-S151-486497	2 Year subscription for media monitoring software	17,000.00
	*** Total ***	17,000.00
	NDS	
717883	5/2/19 Delivery charges for Board packets	254.63
718014	5/16/19 Delivery charges for Board packets	123.61
718104	5/20/19 and 5/31/19 Delivery charges for Board packets	190.51
	*** Total ***	568.75
	Office Depot, Inc.	
309441660001	5/1/19 Office supplies	102.20
311476071001	5/9/19 Office supplies	120.42
311477525001	5/8/19 Office supplies	6.41
312891129001	5/9/19 Office supplies	33.02
319455328001	5/23/19 Office supplies	18.48
	*** Total ***	280.53
	Office Solutions	
I-01569718	5/3/19 Office supplies	9.27
I-01570024	5/3/19 Office supplies	9.66
I-01577661	5/17/19 Office supplies	310.49
I-01585326	6/4/19 Office supplies	8.38
I-01586377	6/5/19 Office supplies	399.24
	*** Total ***	737.04
	Orange County Fast Print, Inc.	
57991	Business cards for D. Micalizzi and C. Harris	110.25
	*** Total ***	110.25
	Orange County Water District	
20277	April 2019 Postage, shared office & maintenance expense	8,067.94
20313	May 2019 50% share of WACO expense	246.25
	*** Total ***	8,314.19
	OMB Electrical Engineers, Inc.	
78499	3/30/19-4/30/19 Electrical engineering services for MWDOC office electrical upgrade	1,200.00
78694	3/30/19-4/30/19 Electrical engineering reimbursable expense for MWDOC office electrical upgrade	152.54
	*** Total ***	1,352.54

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Patricia Kennedy Inc.	
10890	June 2019 Plant maintenance	214.00
	*** Total ***	214.00
	Resilient Communications	
802325	Installation, configuration and migration services for phone server upgrade	9,300.00
	*** Total ***	9,300.00
	Joey C. Soto	
MWDOC#012	April 2019 Grant research and acquisition assistance	2,999.75
	*** Total ***	2,999.75
	SubSurface Locators Inc.	
190225	Data cable for leak detection equipment	130.00
	*** Total ***	130.00
	WageWorks, Inc.	
INV1424526	May 2019 Cafeteria plan administration	196.07
	*** Total ***	196.07
	Water Systems Optimization, Inc.	
1543	April 2019 Services to develop a Water Loss Control business plan	3,985.00
1554	May 2019 Water Loss Control program	7,877.72
	*** Total ***	11,862.72
	Wyland Foundation	
2019PP	Mayor's Challenge for Water Conservation sponsorship	10,000.00
	*** Total ***	10,000.00
	Total Core Expenditures	178,950.75

Choice Expenditures:

	Discovery Science Center	
DSOC/IV/000891	April 2019 Elementary school program	28,747.95
DSOC/IV/000905	May 2019 Elementary school program	24,203.34
	*** Total ***	52,951.29
	Tim Hogan	
5860	128,800 Bill inserts printed for member agencies for Water Use Efficiency rebate programs	3,195.78
	*** Total ***	3,195.78
	Mission RCD	
2680	April 2019 Field verifications for Water Use Efficiency rebate programs	1,991.56
	*** Total ***	1,991.56

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

<i>Invoice#</i>	<i>Vendor / Description</i>	<i>Amount to Pay</i>
	Orange County Water District	
20277	April 2019 Postage for Water Use Efficiency rebate programs	14.41
	*** Total ***	14.41
	Pollardwater	
R134845	5 Safety vests for Water Leak Detection program	93.02
	*** Total ***	93.02
	Top Hat Productions	
95114	5/2/19 Lunch for Water Use Efficiency Workgroup meeting	587.35
95144	5/14/19 Lunch for Water Loss Control Workgroup meeting	390.70
	*** Total ***	978.05
	Total Choice Expenditures	<hr/> 59,224.11
Other Funds Expenditures:		
	Droplet Technologies LLC	
1100	5,000 Digital signatures for Droplet rebate processing software	8,250.00
	*** Total ***	8,250.00
	Mega Maids Cleaning Service	
10382	5/3/19 WEROC S. EOC cleaning services	90.00
10397	5/13/19 WEROC N. EOC cleaning services	85.00
	*** Total ***	175.00
	Michael Baker International	
1047299	4/1/19-4/28/19 OC Regional Water/Wastewater Multijurisdictional Hazard Mitigation Plan update	990.72
	*** Total ***	990.72
	Mission RCD	
2680	April 2019 Field verifications for Water Use Efficiency rebate programs	5,842.79
	*** Total ***	5,842.79
	Orange County Fast Print, Inc.	
57991	Business cards for K. Hubbard	81.16
	*** Total ***	81.16
	Water Systems Optimization, Inc.	
1542	April 2019 Water Loss Control program	4,785.00
1554	May 2019 Water Loss Control program	11,560.00
	*** Total ***	16,345.00
	Total Other Funds Expenditures	<hr/> 31,684.67
	Total Expenditures	<hr/> <hr/> 269,859.53

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Core Disbursements:				
138864	5/6/19	SPECTB	Spectrum Business	
		0375210042019	May 2019 Telephone and internet expense	1,099.18
			***Total ***	1,099.18
138865	5/6/19	VERIZO	Verizon Wireless	
		9828794492	April 2019 4G Mobile broadband unlimited service	114.03
			***Total ***	114.03
138866	5/13/19	BARBRE	Brett Barbre	
		051319BB	Return of pension repayment	48,816.47
			***Total ***	48,816.47
138867	5/13/19	DICKEX	Larry Dick	
		051319LD	Return of pension repayment	47,149.52
			***Total ***	47,149.52
138868	5/13/19	FINNEG	Joan Finnegan	
		051319JF	Return of pension repayment	21,854.35
			***Total ***	21,854.35
138869	5/13/19	HINMAN	Susan Hinman	
		051319SH	Return of pension repayment	20,950.10
			***Total ***	20,950.10
138870	5/13/19	OSBORN	Wayne S. Osborne	
		051319WO	Return of pension repayment	8,305.12
			***Total ***	8,305.12
138871	5/13/19	THOMAS	Jeffery Thomas	
		051319JT	Return of pension repayment	16,592.91
			***Total ***	16,592.91
138889	5/15/19	USBANK	U.S. Bank	
		0403/0640/5443-APR2019	3/23/19-4/22/19 Cal Card charges	12,905.73
			***Total ***	12,905.73
			(See attached sheet for details)	
ACH003948	5/15/19	BARBRE	Brett Barbre	
		043019	April 2019 Business expense	241.86
			***Total ***	241.86
ACH003953	5/15/19	CHUMPI	Hilary Chumpitazi	
		43019	April 2019 Business expense	87.00
			***Total ***	87.00

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
ACH003956	5/15/19	DAVISR 043019	Rachel Davis April 2019 Business expense ***Total ***	 187.72 187.72
ACH003957	5/15/19	DICKEX 043019	Larry Dick April 2019 Business expense ***Total ***	 146.16 146.16
ACH003961	5/15/19	HARRIS 043019	Cathleen M. Harris April 2019 Business expense ***Total ***	 98.57 98.57
ACH003963	5/15/19	HUNTER 043019	Robert J. Hunter April 2019 Business expense ***Total ***	 41.13 41.13
ACH003968	5/15/19	MULDOO 043019	Traci L. Muldoon April 2019 Business expense ***Total ***	 24.36 24.36
ACH003978	5/15/19	ROBERT 043019	Bryce Roberto April 2019 Business expense ***Total ***	 84.19 84.19
138892	5/20/19	SPECTB 0343564051019	Spectrum Business May 2019 Telephone expense for 3 analog fax lines ***Total ***	 108.45 108.45
138894	5/31/19	IRONMO 9GG1041	Iron Mountain May 2019 Archived document storage fees ***Total ***	 209.70 209.70
138899	5/31/19	THOMAS 043019	Jeffery Thomas April 2019 Business expense ***Total ***	 174.00 174.00
ACH003981	5/31/19	ACKEEX 043019	Linda Ackerman April 2019 Business expense ***Total ***	 81.20 81.20
ACH003982	5/31/19	BACATI 022819	Tiffany Baca February 2019 Business expense ***Total ***	 75.93 75.93

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

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
ACH003983	5/31/19	BAEZHE 043019	Heather Baez April 2019 Business expense ***Total ***	 94.37 94.37
ACH003984	5/31/19	BERGJO 043019	Joseph Berg April 2019 Business expense ***Total ***	 10.00 10.00
ACH003985	5/31/19	BUIJEA 043019	Jeannie Bui April 2019 Business expense ***Total ***	 40.02 40.02
ACH003986	5/31/19	BUSSLI 043019	Charles Busslinger April 2019 Business expense ***Total ***	 229.38 229.38
ACH003987	5/31/19	DELATO 043019	Harvey De La Torre April 2019 Business expense ***Total ***	 40.53 40.53
ACH003988	5/31/19	FAHLBE 043019	Beth Fahl April 2019 Business expense ***Total ***	 27.65 27.65
ACH003991	5/31/19	MULDOO 033119	Traci L. Muldoon March 2019 Business expense ***Total ***	 30.36 30.36
ACH003992	5/31/19	MULDOO 043019A	Traci L. Muldoon April 2019 Business expense ***Total ***	 2.90 2.90
ACH003994	5/31/19	SCHNEI 043019	Megan Yoo Schneider April 2019 Business expense ***Total ***	 663.35 663.35
ACH003996	5/31/19	WAITER 043019	Rachel Waite April 2019 Business expense ***Total ***	 9.57 9.57
ACH003997	5/31/19	WILSON 043019	Sarah C. Wilson April 2019 Business expense ***Total ***	 72.33 72.33
Total Core Disbursements				180,568.14

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
Choice Disbursements:				
138889	5/15/19	USBANK	U.S. Bank	
		0640-APR19	3/23/19-4/22/19 Cal Card charges	184.55
			***Total ***	184.55
ACH003956	5/15/19	DAVISR	Rachel Davis	
		043019	April 2019 Business expense	30.57
			***Total ***	30.57
			Total Choice Disbursements	215.12
Other Funds Disbursements:				
138865	5/6/19	VERIZO	Verizon Wireless	
		9828794492	April 2019 4G Mobile broadband unlimited service	76.02
			***Total ***	76.02
138872	5/15/19	ATTUVEOC	AT&T	
		1812-MAY19	May 2019 U-verse internet service for WEROC N. EOC	50.00
			***Total ***	50.00
138873	5/15/19	ATTCALN	AT&T	
		000012956853	April 2019 WEROC N. & S. EOC telephone expense	234.74
		000012956854	April 2019 WEROC N. EOC telephone expense	106.39
			***Total ***	341.13
138874	5/15/19	CATALI	Catalina Island Conservancy	
		0015837	July 2018 WEROC radio repeater site lease	1,804.20
		0015962	August 2018 WEROC radio repeater site lease	1,804.20
			***Total ***	3,608.40
138878	5/15/19	IRWD	Irvine Ranch Water District	
		9814	March 2019 Credit for Local Resource Program and In-lieu water purchases	292,409.15
			***Total ***	292,409.15
138889	5/15/19	USBANK	U.S. Bank	
		0640-APR19	3/23/19-4/22/19 Cal Card charges	233.26
			***Total ***	233.26
			(See attached sheet for details)	
		DRIPPR	Spray to Drip Program	
138900	5/30/19	S2D2-R-IRWD-30237-17301	T. Le	335.18
138901	5/30/19	S2D2-C-IRWD-12274-17314	TIC-SPECTRUM (Irvine)	1,832.20
138902	5/30/19	S2D2-R-IRWD-37413-17346	D. Fry	286.00

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
138903	5/30/19	S2D2-R-ETWD-37411-17354	H. Lai	116.55
138904	5/30/19	S2D2-R-O-37365-17335 ADJ	L. Panitz	90.00
138905	5/30/19	S2D2-C-IRWD-12274-17315	TIC-SPECTRUM (Irvine)	1,217.40
138906	5/30/19	S2D2-C-IRWD-12274-17316	TIC-SPECTRUM (Irvine)	2,626.20
138907	5/30/19	S2D2-C-IRWD-12274-17317	TIC-SPECTRUM (Irvine)	889.00
138908	5/30/19	S2D2-C-IRWD-12274-17318	TIC-SPECTRUM (Irvine)	2,456.60
			***Total ***	9,849.13
TURFRP				
			Turf Removal Program	
138909	5/30/19	TR11-C-IRWD-26706-26702	City of Irvine	21,747.72
138910	5/30/19	TR11-C-IRWD-26706-26703	City of Irvine	54,390.60
138911	5/30/19	TR11-C-IRWD-26706-26704	City of Irvine	16,633.74
138912	5/30/19	TR12-R-MNT-29139-29063	N. Martin	840.00
138913	5/30/19	TR12-C-IRWD-12274-30152	TIC-Spectrum Office (Irvine)	27,688.60
138914	5/30/19	TR12-R-IRWD-30237-30161	T. Le	758.00
138915	5/30/19	TR12-C-IRWD-12274-34179	TIC-Spectrum Office (Irvine)	21,304.50
138916	5/30/19	TR12-C-IRWD-12274-34182	TIC-Spectrum Office (Irvine)	45,958.50
138917	5/30/19	TR12-C-IRWD-12274-35178	TIC-Spectrum Office (Irvine)	15,557.50
138918	5/30/19	TR12-C-IRWD-12274-35180	TIC-Spectrum Office (Irvine)	42,990.50
138919	5/30/19	TR12-R-MNT-35276-35206	M. Oconnell	1,333.18
138920	5/30/19	TR12-R-IRWD-35285-35214	K. Barnes	2,507.00
138921	5/30/19	TR12-R-MNT-35356-35279	C. Oldroyd	2,730.00
138922	5/30/19	TR12-R-O-36363-35289	R. Rosen	3,662.00
138923	5/30/19	TR12-R-MNT-37369-36295	A. Caruana	2,289.00
138924	5/30/19	TR12-R-MNT-37374-36298	J. Collison	1,323.00
138925	5/30/19	TR12-R-MNT-37379-36302	B. Ivarsson	1,110.00
138926	5/30/19	TR12-R-MNT-37399-36317	R. Darienzo	777.00
138927	5/30/19	TR12-R-ETWD-37402-36319	E. Cortez	1,580.00
138928	5/30/19	TR12-R-MNT-37407-36324	H. Spindel	1,210.61
138929	5/30/19	TR12-R-MNT-37409-36326	D. Do	2,262.00
138930	5/30/19	TR12-R-IRWD-35345-36329	J. Jordan	950.00
138931	5/30/19	TR12-R-ETWD-37411-36330	H. Lai	3,960.00
138932	5/30/19	TR12-R-IRWD-37412-36331	V. Knox	925.00
138933	5/30/19	TR12-R-IRWD-5110-37347	A. Edwards	960.00
138934	5/30/19	TR12-R-MNT-26764-37348	M. Koontz	1,746.00
138935	5/30/19	TR12-R-IRWD-38431-37350	D. Andraos	1,006.00
138936	5/30/19	TR12-R-IRWD-38432-37351	N. Tran	656.00
138937	5/30/19	TR12-R-IRWD-38452-37366	T. Ha	617.00
138938	5/30/19	TR12-R-MNT-38448-37375	P. Maciariello	1,893.00
138939	5/30/19	TR12-R-IRWD-38499-37406	J. Pipp	286.00
138940	5/30/19	TR12-R-MNT-38540-37444	K. Keyes	1,764.00
138941	5/30/19	TR12-R-MNT-37382-36304	S. Guerdatt	394.00
138942	5/30/19	TR12-R-MNT-35255-35179	M. Lee	188.00
138943	5/30/19	TR12-R-MNT-37388-36307	D. Shkarovetsky	587.00
138944	5/30/19	TR12-R-MNT-37397-36315	G. Siragusa	1,509.00
138945	5/30/19	TR12-R-MNT-35312-35237	A. Watson	1,023.00
138946	5/30/19	TR12-R-IRWD-35319-35244	V. Arya	289.00
			***Total ***	287,406.45

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

Check #	Date	Vendor # Invoice/CM #	Name / Description	Net Amount
138897	5/31/19	SANTI1 MAR2019	Santiago Aqueduct Commission March 2019 SAC Pipeline Operation surcharge ***Total ***	 2,923.08 2,923.08
138898	5/31/19	SCHUNK 051519	Janine Schunk April-May 2019 Business expense ***Total ***	 106.65 106.65
ACH003995	5/31/19	SANTAM MAR2019	Santa Margarita Water District March 2019 SCP Pipeline Operation surcharge ***Total ***	 20,716.31 20,716.31
WIRE-190531	5/31/19	METWAT 9679	Metropolitan Water District March 2019 Water deliveries ***Total ***	 17,933,225.12 17,933,225.12
Total Other Funds Disbursements				18,550,944.70
Total Disbursements				18,731,727.96



Robert J. Hunter, General Manager



Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: April 22, 2019
Payment Date: May 15, 2019

<u>Date</u>	<u>Description</u>	<u>Amount</u>
<u>Public Affairs Card</u>		
3/24/2019	Supplies for Children's Water Festival	\$ 59.89
3/27/2019	40 Collapsible buckets for Poster Contest winners	519.20
3/31/2019	Apple iPad for Poster Contest winners	428.04
4/3/2019	Lunch for School Program Request for Proposal meeting	47.69
4/16/2019	Hermes Creative Awards application fees for inspection trip invitation and MWDOC logo	428.00
4/17/2019	Lunch for Public Affairs department meeting	55.78
	Total	<u>\$ 1,538.60</u>

Cal Card Charges
Statement Date: April 22, 2019
Payment Date: May 15, 2019

Date	Description	Amount
<u>K. Seckel Card</u>		
3/21/2019	California Environmental Dialogue Plenary meeting in Sacramento, CA on Mar. 21, 2019 - Accommodations for M. Baum Haley	\$ 527.18
3/21/2019	Plan check fees for electrical panel upgrade project	646.43
3/24/2019	1/24/19-2/23/19 Web hosting service for MWDOC website and 3/24/19-3/23/20 virtual private server hosting	1,335.63
3/26/2019	Lunch for MET Directors' meeting	176.00
3/27/2019	Federal Express delivery charges for Board of Supervisors on Mar. 25, 2019	19.04
3/27/2019	Dana Point Chamber State of South County Address & Dinner in Laguna Hills, CA on Apr. 11, 2019 - Registration for H. Baez	50.00
3/29/2019	Annual subscription for Los Angeles Times newspaper	221.00
3/29/2019	American Water Works Association California Nevada Section Spring conference in Sacramento, CA from Mar. 26-28, 2019 - Accommodations partial refund for K. Hubbard	(243.29)
4/1/2019	UPS Delivery charges for Board packets on Mar. 29, 2019	7.40
4/1/2019	3/01/19-3/31/19 E-mail service for California Sprinkler Adjustment Notification system	14.95
4/2/2019	Federal Express delivery charges for Board of Supervisors on Mar. 29, 2019	19.04
4/2/2019	Office supplies from Costco	433.42
4/3/2019	Federal Express delivery charges for Plump Engineering on Apr. 1, 2019	19.04
4/5/2019	Lunch for Association of California Cities - Orange County meeting hosted by MWDOC	340.79
4/8/2019	UPS Delivery charges for returned shipment of DC Lunch briefing materials on Apr. 2, 2109 and Board packets on Apr. 5, 2019	37.77 ¹
4/8/2019	California Special Districts Association Special Districts Legislative Days in Sacramento, CA from May 21-22, 2019 - Registration for H. Baez	275.00
4/8/2019	Flowers for MWDOC Director	80.80
4/11/2019	Lunch for WEROC Hazard Mitigation Workgroup meeting	215.00
4/12/2019	Breakfast for Qualified Water Efficient Landscaper training class	169.60
4/15/2019	UPS Delivery charges for Board packets on Apr. 5, 2019	38.78
4/16/2019	Computer supplies	29.50
4/18/2019	LSL CPAs and Business Advisors Annual Governmental Accounting and Auditing Update in Brea, CA on May 14, 2019 - Registration for H. Chumpitazi	95.00
4/18/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Airfare for H. Baez	445.96
4/18/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Airfare for M. Baum Haley	445.96
4/18/2019	Legislative Activities in Sacramento, CA on May 17, 2019 - Airfare for H. Baez	406.96
4/18/2019	Legislative Activities in Sacramento, CA on Apr. 26, 2019 - Airfare for H. Baez	432.96
4/21/2019	Federal Express delivery charges for Black & Veatch and Brown and Caldwell on Apr. 18, 2019	38.16
Total		\$ 6,278.08

¹ UPS refunded \$26.65 to MWDOC's account for returned briefing materials

Cal Card Charges
Statement Date: April 22, 2019
Payment Date: May 15, 2019

Date	Description	Amount
<u>R. Hunter Card</u>		
3/23/19-4/22/19	Meals for R. Hunter's meetings	\$ 95.96
3/21/2019	California Environmental Dialogue Plenary meeting in Sacramento, CA on Mar. 21, 2019 - Accommodations for Director Yoo Schneider	486.12
3/26/2019	K. Cole Retirement dinner in Los Angeles, CA on Mar. 26, 2019 - Parking for R. Hunter	33.00
4/4/2019	Dana Point Chamber State of South County Address & Dinner in Laguna Hills, CA on Apr. 11, 2019 - Registration for Director Dick and R. Hunter	100.00
4/4/2019	California Water Environment Association Annual conference in Palm Springs, CA from Apr. 9-12, 2019 - Registration for Director Yoo Schneider	315.00
4/5/2019	Food for Elected Officials meeting	989.10
4/5/2019	Orange County Water Association Industry Insight Presentation in Irvine, CA on Apr. 17, 2019 - Registration for Director Barbre	45.00
4/6/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Transportation for R. Hunter	20.22
4/7/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Meal for R. Hunter	44.81
4/8/2019	California Special Districts Association Special Districts Legislative Days in Sacramento, CA from May 21-22, 2019 - Airfare for H. Baez	529.96
4/9/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Accommodations for R. Hunter	1,282.29
4/9/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Transportation for R. Hunter	21.05
4/10/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 6-9, 2019 - Parking for R. Hunter	81.00
4/10/2019	Association of Metropolitan Water Agencies Water Policy conference in Washington, DC from Apr. 9-10, 2019 - Accommodations due to flight delay for R. Hunter	224.93
4/13/2019	California Water Environment Association Annual conference in Palm Springs, CA from Apr. 9-12, 2019 - Accommodations for Director Yoo Schneider	743.82
4/18/2019	ACWA Spring conference in Monterey, CA from May 7-10, 2019 - Airfare for Director Thomas	494.60
Total		\$ 5,506.86

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

<i>Check #</i>	<i>Date</i>	<i>Vendor # Invoice/CM #</i>	<i>Name / Description</i>	<i>Net Amount</i>
Core Disbursements:				
138891	5/20/19	MISCEL 052119	Petra Sosa - Tacos San Jose Food for employee appreciation lunch	400.00
			***Total ***	400.00
			Total Core Disbursements	<u>400.00</u>
Choice Disbursements:				
			Total Choice Disbursements	<u>-</u>
Other Funds Disbursements:				
			Total Other Funds Disbursements	<u>-</u>
			Total Disbursements	<u><u>400.00</u></u>

Robert J. Hunter, General Manager

Hilary Chumpitazi, Treasurer

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



**Municipal Water District of Orange County
Consolidated Summary of Cash and Investment**
April 30, 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

Megan Yoo Schneider, P.E.
Director

Sat Tamaribuchi
Director

Jeffery M. Thomas
Director

Vacant
Division 3 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	24.42%
Grant & Project Cash Flow	1,500,000	10.96%
Election Expense	608,000	4.44%
Building Repair	385,408	2.82%
OPEB	297,147	2.17%
Total Designated Reserves	6,132,465	44.81%
General Fund	6,710,800	49.05%
Water Fund	910,256	6.65%
Conservation Fund	(281,461)	(2.05%)
Desalination Feasibility Study Fund	(145,268)	(1.06%)
WEROC Fund	327,059	2.39%
Trustee Activities	29,249	0.21%
Total	\$13,683,100	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.55%	\$74,922	\$74,922
Short-term investment			
• LAIF	47.60%	\$6,512,664	\$6,512,664
• OCIP	29.18%	3,993,321	3,993,321
Long-term investment			
• Corporate Bond	8.42%	1,152,193	1,142,172
• Certificates of Deposit	14.25%	1,950,000	1,955,536
Total	100.00%	\$13,683,100	\$13,678,615

The average number of days to maturity/call as of April 30, 2019 equaled 164 and the average yield to maturity is 2.357%. During the month, the District's average daily balance was \$17,110,400.67. 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 April 2019.

The (\$4,485) difference between the book value and the market value on April 30, 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

April 30, 2019

4/30/2019	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,950,000.00	1,955,535.50	1,950,000.00	14.33	762	2.504
Corporate Bond	1,150,000.00	1,142,172.00	1,152,192.66	8.45	635	2.290
Local Agency Investment Funds	6,512,664.24	6,512,664.24	6,512,664.24	47.87	1	2.436
Orange County Investment Pool	3,993,321.49	3,993,321.49	3,993,321.49	29.35	1	2.177
Total Investments	13,605,985.73	13,603,693.23	13,608,178.39	100.00	164	2.357
Cash						
Cash	74,921.54	74,921.54	74,921.54		1	0.00
Total Cash and Investments	13,680,907.27	13,678,614.77	13,683,099.93		164	2.357

Total Earnings	Month Ending April	Fiscal Year to Date
Current Year	32,831.64	454,373.16
Average Daily Balance	17,110,400.67	
Effective Rate of Return	2.357%	

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

6-5-19


Hilary Chumipitazi, Treasurer

Date

06/05/2019

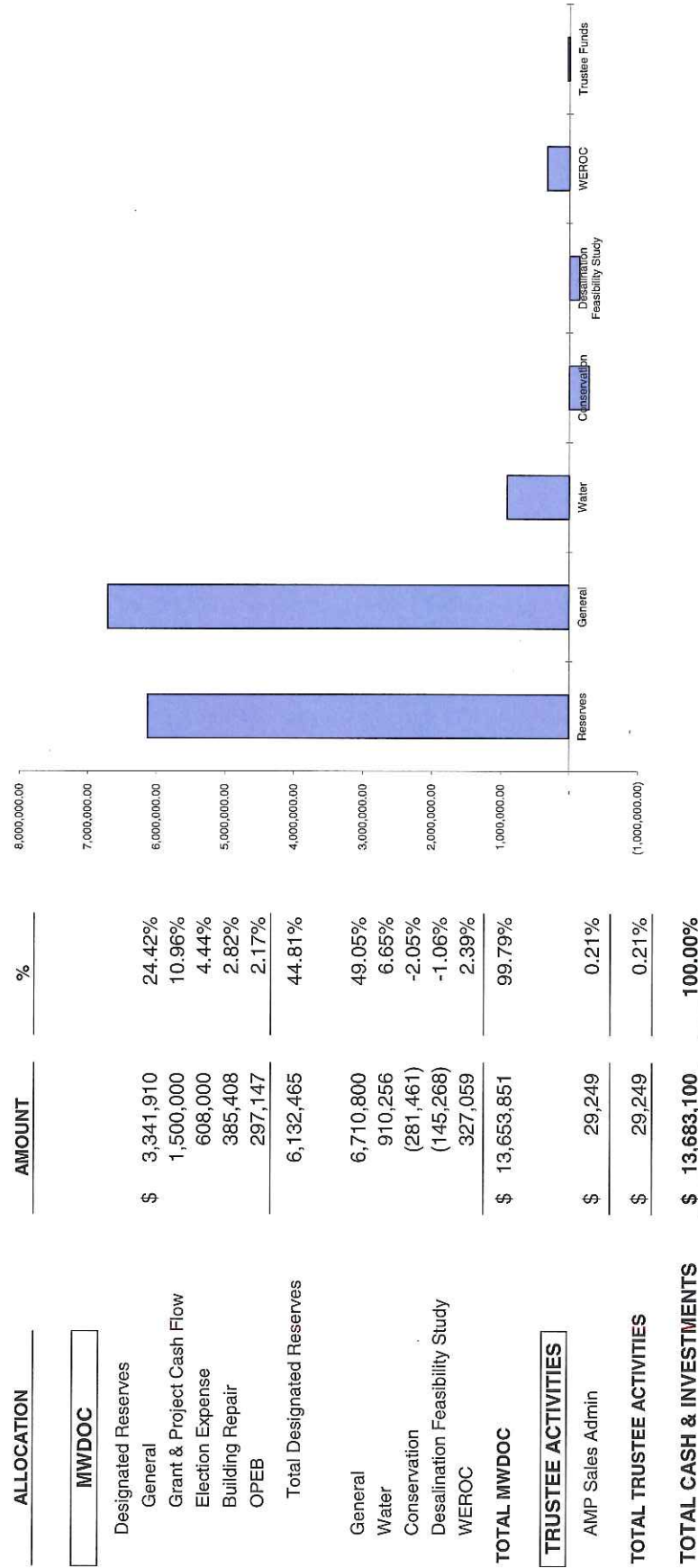
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Long-Term Portfolio Details - Investments
April 30, 2019

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	248,552.50	250,000.00	2.250	2.250	1,246	9/27/2022
Capital One Bank	14042E6C9	9/2/2015	250,000.00	249,747.50	250,000.00	1.950	1.950	126	9/3/2019
Comenity Capital	20033AUX2	7/25/2017	200,000.00	197,848.00	200,000.00	2.000	2.000	808	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	255,192.50	250,000.00	3.300	3.300	1,547	7/25/2023
Goldman Sachs Bank	38148PT98	8/6/2018	250,000.00	255,710.00	250,000.00	3.350	3.350	1,561	8/8/2023
HSBC Bank	40434AK65	1/21/2016	250,000.00	250,525.00	250,000.00	3.250	2.534	82	1/21/2021
Morgan Stanley Bank	61747MJ36	2/1/2018	250,000.00	250,145.00	250,000.00	2.500	2.500	643	2/1/2021
Synchrony Bank	87164XBY1	7/25/2014	250,000.00	249,815.00	250,000.00	2.050	2.050	91	7/30/2019
Sub Total			1,950,000.00	1,955,535.50	1,950,000.00	2.596	2.504	762	
Corporate Bond									
JP Morgan Chase	46625HKA7	11/2/2015	500,000.00	498,475.00	500,341.30	2.250	2.152	237	1/23/2020
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	196,410.00	200,000.00	2.500	2.500	1,172	7/15/2022
Wells Fargo	94974BGR5	1/13/2016	250,000.00	249,275.00	250,528.79	2.550	2.409	587	12/7/2020
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	198,012.00	201,322.57	2.500	2.278	1,155	6/28/2022
Sub Total			1,150,000.00	1,142,172.00	1,152,192.66	2.402	2.290	635	
Total Investments			3,100,000.00	3,097,707.50	3,102,192.66	2.524	2.425	715	
Total Earnings									
Current Year		Month Ending April	6,286.72	Fiscal Year To Date					
				61,995.00					

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
April 30, 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	6,512,664.24	6,512,664.24	6,512,664.24	2.436	2.436	1	N/A
Sub Total			6,512,664.24	6,512,664.24	6,512,664.24	2.436	2.436	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	3,993,321.49	3,993,321.49	3,993,321.49	2.177	2.177	1	N/A
Sub Total			3,993,321.49	3,993,321.49	3,993,321.49	2.177	2.177	1	
Total Investments			10,505,985.73	10,505,985.73	10,505,985.73	2.338	2.338		
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	74,421.54	74,421.54	74,421.54	0.000	0.000	1	N/A
Total Cash			74,921.54	74,921.54	74,921.54	0.000	0.000	1	
Total Cash and Investments			10,580,907.27	10,580,907.27	10,580,907.27	2.338	2.338	1	
Total Earnings									
Current Year			Month Ending April	Fiscal Year To Date					
			26,544.92	392,378.16					

**Municipal Water District of Orange County
Cash and Investments at April 30, 2019**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits Trust**Account Report for the Period**
4/1/2019 to 4/30/2019Rob Hunter
General Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708**Account Summary**

Source	Beginning Balance as of 4/1/2019	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 4/30/2019
OPEB	\$2,145,639.30	\$0.00	\$42,115.01	\$447.01	\$0.00	\$0.00	\$2,187,307.30
PENSION	\$210,869.29	\$0.00	\$4,138.98	\$43.93	\$0.00	\$0.00	\$214,964.34
Totals	\$2,356,508.59	\$0.00	\$46,253.99	\$490.94	\$0.00	\$0.00	\$2,402,271.64

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

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

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

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.96%	4.80%	6.72%	7.95%	5.76%	-	10/26/2011
PENSION	1.96%	4.80%	-	-	-	-	7/31/2018

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

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

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

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

Item No. 3e

Municipal Water District of Orange County WATER USE EFFICIENCY PROJECTS Cash Flow as of 05/31/19

	Jul 2018	Aug 2018	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Jan 2019	Feb 2019	Mar 2019	Apr 2019	May 2019	Jun 2019	TOTALS
Cash - Beginning Balance	\$ 280,051.97	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (199,074.20)	\$ (255,903.10)	\$ (281,461.19)	\$ (588,877.88)	
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									211.00		433.00
City of Fountain Valley			1,376.29	663.05	111.00		222.00		333.00		111.00		3,038.34
City of Fullerton													-
City of Garden Grove	598.99												-
City of Huntington Beach	222.00			40.00									638.99
City of La Habra	3,244.99	9,442.99		1,683.99	3,312.00	1,245.00	3,694.36	222.00	2,149.28	854.55	603.00		444.00
City of San Clemente													26,230.16
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		222.00		8,208.62
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	222.00		2,537.00
County of Orange													-
Department of Water Resources	32,990.80												32,990.80
East Orange County Water District													34,722.01
El Toro Water District		774.00		2,544.00	4,063.10	290.00	104.00	1,928.80	883.99		130.00		11,164.99
Irvine Ranch Water District	8,271.11	47,878.73		11,080.04	98,495.70	108,960.16	11,960.75	31,806.10	14,474.81	34,189.42	3,475.77		370,612.59
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	7,531.69		260,529.84
Orange County Water District													-
Santa Margarita Water District													-
Trabuco Canyon Water District		605.76		18.98	100.00				211.85	333.00	145.78		870.52
Yorba Linda Water District		284.07											828.92
Miscellaneous Revenues													
Miscellaneous	2,228.14			1,587.30									3,815.44
Interest Revenue	91,568.53	262,233.99	13,297.02	134,144.40	128,321.65	172,720.95	246,434.71	238,792.63	76,074.61	193,748.07	12,652.24	-	\$ 1,569,984.84
Total Revenues													
EXPENDITURES:													
Budget Based Tiered Rates, Ratfells	2,220.00	1,050.00	1,800.00	11,960.00	730.00	5,150.00	2,080.00						24,990.00
Droplet													-
IRWD													-
Golden State Water Company													-
City of Huntington Beach													-
Laguna Beach CWD													-
Metropolitan Water District	28,091.13		25,193.39	87,250.95	24,411.51				24,769.89		21,283.68		211,000.55
Mission RCD		20,080.11	18,627.78	13,404.64	2,770.71	2,324.45	2,324.45	2,121.45	5,774.85		1,529.67		66,613.66
Multi Family HET Direct			4,800.00		75,975.00	100,275.00	81,300.00	127,420.00					388,770.00
Pollard Water		44,516.38			3,045.00			3,045.00					50,606.38
Recycled Water On Site Retrofit program			11,099.50	1,384.50									12,484.00
South Coast Water District					18,800.00								18,800.00
Spray to Drip program	690.45	4,310.08	5,308.76	1,129.60	1,320.58	413.25	567.80	1,060.00	1,609.06	2,033.84	9,849.13		28,292.55
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	287,406.45		1,570,848.69
Water Savings Incentive Program							15,000.00						15,000.00
Miscellaneous Expenses													
Interest Expense							67.77	1,197.58					1,265.35
Salary & Benefit			5,563.51	1,700.00	1,785.00	1,275.00	2,040.00		425.00	510.00			14,318.51
Total Expenditures	\$ 98,045.58	\$ 128,401.17	\$ 249,792.05	\$ 234,068.51	\$ 466,316.75	\$ 137,376.53	\$ 257,946.85	\$ 194,678.65	\$ 132,903.51	\$ 219,506.16	\$ 320,068.93	\$ -	\$ 2,438,894.69
Cash - Ending Balance	\$ 273,554.92	\$ 407,387.74	\$ 170,892.71	\$ 70,974.64	\$ (267,020.46)	\$ (231,676.04)	\$ (243,188.18)	\$ (199,074.20)	\$ (255,903.10)	\$ (281,461.19)	\$ (588,877.88)	\$ (588,877.88)	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2018 THRU APRIL 30, 2019

**Municipal Water District of Orange County
Combined Balance Sheet
As of April 30, 2019**

<u>ASSETS</u>	Amount
Cash in Bank	74,921.54
Investments	13,608,178.39
Accounts Receivable	29,524,610.19
Accounts Receivable - Other	181,973.94
Accrued Interest Receivable	58,654.80
Prepays/Deposits	248,354.59
Leasehold Improvements	3,735,829.68
Furniture, Fixtures & Equipment	563,307.34
Less: Accum Depreciation	(2,975,506.90)
TOTAL ASSETS	<u>\$45,020,323.57</u>
<u>LIABILITIES AND FUND BALANCES</u>	
Liabilities	
Accounts Payable	30,074,378.84
Accounts Payable - Other	56.82
Accrued Salaries and Benefits Payable	484,255.14
Other Liabilities	379,715.16
Unearned Revenue	954,311.68
Total Liabilities	<u>31,892,717.64</u>
Fund Balances	
Restricted Fund Balances	
Water Fund - T2C	1,002,006.98
Total Restricted Fund Balances	<u>1,002,006.98</u>
Designated Reserves	
General Operations	3,341,910.36
Grant & Project Cash Flow	1,500,000.00
Election Expense	608,000.00
Building Repair	385,407.45
OPEB	297,147.00
Total Designated Reserves	<u>6,132,464.81</u>
General Fund	3,072,149.80
General Fund Capital	525,009.00
WEROC Capital	104,948.58
WEROC	183,846.12
Total Unrestricted Fund Balances	<u>10,018,418.31</u>
Excess Revenue over Expenditures	
Operating Fund	2,801,992.99
Other Funds	(694,812.35)
Total Fund Balance	<u>13,127,605.93</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>45,020,323.57</u>

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>REVENUES</u>						
Retail Connection Charge	0.00	7,697,005.75	7,697,006.00	100.00%	0.00	0.25
Ground Water Customer Charge	0.00	499,012.00	499,012.00	100.00%	0.00	0.00
Water rate revenues	0.00	8,196,017.75	8,196,018.00	100.00%	0.00	0.25
Interest Revenue	31,296.18	435,851.00	390,000.00	111.76%	0.00	(45,851.00)
Subtotal	31,296.18	8,631,868.75	8,586,018.00	100.53%	0.00	(45,850.75)
Choice Programs	402.78	1,085,862.13	1,174,750.00	92.43%	0.00	88,887.87
Miscellaneous Income	1,271.82	23,512.44	3,000.00	783.75%	0.00	(20,512.44)
School Contracts	7,106.19	71,267.40	102,031.00	69.85%	0.00	30,763.60
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	8,780.79	1,180,645.58	1,285,057.00	91.87%	0.00	104,411.42
TOTAL REVENUES	40,076.97	9,812,514.33	9,871,075.00	99.41%	0.00	58,560.67

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

	Month to Date	Year to Date	Annual Budget	% Used	Encumbrance	Budget Remaining
<u>EXPENSES</u>						
Salaries & Wages	290,423.18	2,893,685.71	3,522,982.00	82.14%	0.00	629,296.30
Salaries & Wages - Grant Recovery	0.00	(3,837.94)	(6,300.00)	60.92%	0.00	(2,462.06)
Salaries & Wages - Recovery	(428.40)	(8,068.20)	0.00	0.00%	0.00	8,068.20
Director's Compensation	80,209.85	224,903.46	255,360.00	88.07%	0.00	30,456.54
MWD Representation	46,255.29	142,732.55	145,920.00	97.82%	0.00	3,187.45
Employee Benefits	84,840.31	883,082.53	1,108,564.00	79.66%	0.00	225,481.47
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	(81.60)	(1,536.80)	0.00	0.00%	0.00	1,536.80
Director's Benefits	7,289.74	75,680.69	94,767.00	79.86%	0.00	19,086.31
Health Insurance for Retirees	4,416.24	52,356.51	70,519.00	74.24%	0.00	18,162.49
Training Expense	0.00	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	512,924.61	4,475,643.45	5,433,812.00	82.37%	0.00	958,168.56
Engineering Expense	10,627.95	264,502.70	330,000.00	80.15%	298,524.07	(233,026.77)
Legal Expense	23,500.53	173,310.36	255,000.00	67.96%	81,689.64	0.00
Audit Expense	0.00	19,380.00	29,000.00	66.83%	0.00	9,620.00
Professional Services	72,197.21	830,476.91	1,430,758.00	58.04%	392,901.42	207,379.67
Professional Fees	106,325.69	1,287,669.97	2,044,758.00	62.97%	773,115.13	(16,027.10)
Conference-Staff	1,050.00	22,706.06	42,880.00	52.95%	0.00	20,173.94
Conference-Directors	410.00	13,426.31	24,930.00	53.86%	0.00	11,503.69
Travel & Accom.-Staff	4,919.55	47,005.26	99,600.00	47.19%	0.00	52,594.74
Travel & Accom.-Directors	1,835.85	24,153.89	51,750.00	46.67%	0.00	27,596.11
Travel & Conference	8,215.40	107,291.52	219,160.00	48.96%	0.00	111,868.48
Membership/Sponsorship	500.00	139,755.53	141,662.00	98.65%	0.00	1,906.47
CDR Support	11,761.05	47,044.26	47,044.00	100.00%	0.00	(0.26)
Dues & Memberships	12,261.05	186,799.79	188,706.00	98.99%	0.00	1,906.21
Business Expense	185.38	2,241.54	5,600.00	40.03%	0.00	3,358.46
Maintenance Office	7,555.33	80,760.77	132,796.00	60.82%	50,505.39	1,529.84
Building Repair & Maintenance	892.74	10,411.57	20,000.00	52.06%	12,317.39	(2,728.96)
Storage Rental & Equipment Lease	209.70	3,094.90	3,460.00	89.45%	365.10	0.00
Office Supplies	3,678.62	23,751.51	36,000.00	65.98%	1,144.15	11,104.34
Postage/Mail Delivery	533.98	8,289.44	9,000.00	92.10%	1,567.78	(857.22)
Subscriptions & Books	221.00	596.65	1,500.00	39.78%	0.00	903.35
Reproduction Expense	1,275.79	11,096.20	33,073.00	33.55%	1,651.66	20,325.14
Maintenance-Computers	508.10	3,638.36	8,000.00	45.48%	1,771.85	2,589.79
Software Purchase	2,901.28	33,848.18	45,861.00	73.81%	0.00	12,012.82
Software Support	5,018.48	35,901.70	51,934.00	69.13%	2,760.00	13,272.30
Computers and Equipment	0.00	9,391.24	11,850.00	79.25%	0.00	2,458.76
Automotive Expense	1,699.52	17,054.72	17,262.00	98.80%	0.00	207.28
Toll Road Charges	68.27	811.09	1,000.00	81.11%	0.00	188.91
Insurance Expense	8,628.85	90,268.94	138,500.00	65.18%	0.00	48,231.06
Utilities - Telephone	1,936.74	18,906.97	20,178.00	93.70%	445.26	825.77
Bank Fees	270.87	4,350.74	21,225.00	20.50%	0.00	16,874.26
Miscellaneous Expense	7,781.61	71,171.82	119,205.00	59.71%	1,500.00	46,533.18
MWDOC's Contrb. to WEROC	15,948.33	184,971.34	216,868.00	85.29%	0.00	31,896.66
Depreciation Expense	2,822.33	28,223.35	0.00	0.00%	0.00	(28,223.35)
Other Expenses	62,136.92	638,781.03	893,312.00	71.51%	74,028.58	180,502.39
Election Expense	0.00	196,135.57	304,000.00	64.52%	0.00	107,864.43
Building Expense	(8,001.03)	95,667.86	531,827.00	17.99%	152,631.98	283,527.16
Capital Acquisition	0.00	22,532.15	255,500.00	8.82%	9,520.00	223,447.85
TOTAL EXPENSES	693,862.64	7,010,521.34	9,871,075.00	71.02%	1,009,295.69	1,851,257.98
NET INCOME (LOSS)	(653,785.67)	2,801,992.99	0.00			

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

	Month to Date	Year to Date	Annual Budget	% Used	Budget Remaining
<u>WATER REVENUES</u>					
Water Sales	9,608,822.30	128,399,480.90	188,976,940.00	67.94%	60,577,459.10
Readiness to Serve Charge	839,273.57	8,776,657.16	10,902,178.00	80.50%	2,125,520.84
Capacity Charge CCF	299,996.67	3,127,471.68	3,854,976.00	81.13%	727,504.32
SCP/SAC Pipeline Surcharge	28,496.51	277,712.90	365,000.00	76.09%	87,287.10
Interest	1,913.23	18,104.45	13,000.00	139.27%	(5,104.45)
TOTAL WATER REVENUES	10,778,502.28	140,599,427.09	204,112,094.00	68.88%	63,512,666.91
<u>WATER PURCHASES</u>					
Water Sales	9,608,822.30	128,399,480.90	188,976,940.00	67.94%	60,577,459.10
Readiness to Serve Charge	839,273.57	8,776,657.16	10,902,178.00	80.50%	2,125,520.84
Capacity Charge CCF	299,996.67	3,127,471.68	3,854,976.00	81.13%	727,504.32
SCP/SAC Pipeline Surcharge	28,496.51	277,712.90	365,000.00	76.09%	87,287.10
TOTAL WATER PURCHASES	10,776,589.05	140,581,322.64	204,099,094.00	68.88%	63,517,771.36
EXCESS OF REVENUE OVER EXPENDITURES	1,913.23	18,104.45	13,000.00		

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

	Year to Date Actual	Annual Budget	% Used
Spray To Drip Conversion			
Revenues	20,807.17	128,540.00	16.19%
Expenses	<u>23,096.78</u>	<u>128,540.00</u>	17.97%
Excess of Revenues over Expenditures	(2,289.61)	0.00	
Member Agency Administered Passthru			
Revenues	408,570.00	100,000.00	408.57%
Expenses	<u>408,570.00</u>	<u>100,000.00</u>	408.57%
Excess of Revenues over Expenditures	0.00	0.00	
ULFT Rebate Program			
Revenues	14,007.68	43,500.00	32.20%
Expenses	<u>14,007.68</u>	<u>43,500.00</u>	32.20%
Excess of Revenues over Expenditures	0.00	0.00	
HECW Rebate Program			
Revenues	192,648.44	425,000.00	45.33%
Expenses	<u>192,865.86</u>	<u>425,000.00</u>	45.38%
Excess of Revenues over Expenditures	(217.42)	0.00	
CII Rebate Program			
Revenues	110,847.21	462,500.00	23.97%
Expenses	<u>110,730.00</u>	<u>462,500.00</u>	23.94%
Excess of Revenues over Expenditures	117.21	0.00	
Turf Removal Program			
Revenues	553,767.52	1,345,000.00	41.17%
Expenses	<u>1,309,425.92</u>	<u>1,345,000.00</u>	97.36%
Excess of Revenues over Expenditures	(755,658.40)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	82,355.23	366,840.00	22.45%
Expenses	<u>108,903.05</u>	<u>366,840.00</u>	29.69%
Excess of Revenues over Expenditures	(26,547.82)	0.00	
Large Landscape Survey Program			
Revenues	1,918.71	64,000.00	3.00%
Expenses	<u>13,574.03</u>	<u>64,000.00</u>	21.21%
Excess of Revenues over Expenditures	(11,655.32)	0.00	
WSIP - Industrial Program			
Revenues	0.00	36,755.00	0.00%
Expenses	<u>15,000.00</u>	<u>36,755.00</u>	40.81%
Excess of Revenues over Expenditures	(15,000.00)	0.00	
WUE Projects			
Revenues	1,384,921.96	2,972,135.00	46.60%
Expenses	<u>2,196,173.32</u>	<u>2,972,135.00</u>	73.89%
Excess of Revenues over Expenditures	(811,251.36)	0.00	
WEROC			
Revenues	376,351.34	489,160.00	76.94%
Expenses	<u>297,055.50</u>	<u>489,160.00</u>	60.73%
Excess of Revenues over Expenditures	79,295.84	0.00	



CONSENT CALENDAR ITEM

June 19, 2019

TO: Board of Directors

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

Robert Hunter
General Manager

Staff Contact: J. Berg, Director of WUE
R. Davis, WUE Analyst II

SUBJECT: Landscape Design and Maintenance Assistance Program

STAFF RECOMMENDATION

Staff requests the Board authorize the General Manager to enter into professional services agreements not to exceed \$160,000 with:

1. The Plant Nerd, Inc. and EcoTech Services to provide landscape design assistance,
2. The Plant Nerd, Inc. and TerraWorks Studio to provide landscape maintenance assistance, and
3. Other firms (to be determined) who demonstrate they are qualified to do the work and agree to a competitive fee structure.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

On March 15, 2017, the Municipal Water District of Orange County (MWD OC) Board of Directors approved funding for a landscape design assistance program. That program resulted in the creation of design templates for use on the MWD OC turf removal website and personalized landscape designs for Turf Removal Program participants. The landscape design assistance program helped boost participation in the Turf Removal Program and resulted in landscape conversions with greater aesthetic appeal.

Landscape water use accounts for approximately 50 percent of total water use in Orange County, and the water savings potential is relatively untapped. In 2004, the Municipal Water District of Orange County began offering a variety of landscape rebates, starting with

Budgeted (Y/N): Y	Budgeted amount: \$160,000	Core __	Choice _X_
Action item amount: \$160,000		Line item: Fund No.	
Fiscal Impact (explain if unbudgeted): The proposed design and maintenance assistance will be funded through the Metropolitan Water District Member Agency Administered Program. This project was approved on Wednesday March 20, 2019 to receive \$160,000.			

Smart Irrigation Timers to promote irrigation scheduling efficiency. This water savings opportunity was pioneered in Orange County and has resulted in quantifiable and reliable savings over time. Since then, we have expanded the opportunities to include low-volume sprinkler nozzles (2007), turf grass removal (2010), spray-to-drip conversions (2014), education, landscape design assistance pilot program (2017), and regulations such as landscape ordinances. These efforts focus on both residential and commercial landscapes. Ultimately, we are seeking to establish a transformation of urban landscapes to better match the water needs to our local climate and available water resources. That said, we are NOT advocating for the complete removal of turf grass; rather, we are advocating for functional turf areas that provide for recreation and other beneficial uses.

Staff is now proposing to reinstate landscape design assistance into our portfolio of landscape programs and to add a landscape maintenance component. Landscape design has been found to be one of the biggest barriers for homeowners to overcome when participating in our Turf Removal Rebate Program. Our intention is to break down barriers and help ensure aesthetically appealing landscapes that will be adopted/emulated by others. Providing participants with customized maintenance plans will help ensure that water efficient maintenance practices are used and that the landscapes retain their appeal over time. Maintenance is a growing area of concern as more lawn-alternative landscapes are installed. It is crucial that the landscapes are well maintained to ensure reduced water usage and remain aesthetically pleasing. The proposed Landscape Design and Maintenance Assistance Program will provide participants with customized landscape designs and maintenance plans to achieve maximum water savings and maintain aesthetically appealing landscapes over time.

DETAILED REPORT

The proposed Landscape Design and Maintenance Assistance Program (Program) will provide one-on-one landscape design and maintenance plan assistance to approximately 100 residential property owners. The one-on-one design assistance will include consultation, a planting plan, irrigation design plan and materials list. The maintenance consultation will include consultation, an irrigation water budget, and a personalized maintenance guide for the plant materials selected for each landscape.

Participants in the Program will be asked to select plants they like from a designated list of plants that are well adapted to Orange County's climate. Plant selection is a critical component of the program and is designed to create ownership in developing and maintaining the participant's landscape. The use of designs produced through this effort will extend beyond the individual receiving the one-on-one assistance; the best and most adaptable designs will become templates posted on MWDOC's website that can be used by other residents, thereby greatly expanding the usefulness of each design.

Landscape design packages will be developed to meet the architectural requirements of Homeowner Associations to streamline the HOA approval process. This has been successfully accomplished by Santa Margarita Water District's (SMWD) SustainaBlue landscape design assistance program (<http://www.smwd.com/conservation/landscape/>); MWDOC will model SMWD's approach and will include Metropolitan Water District of Southern California (Metropolitan) approved storm-water capture features.

Request for Proposals Process

Staff composed and distributed a Request for Proposals (RFP) outlining the desired services and schedule for the MWDOC Landscape Design and Maintenance Assistance Program. On March 25, 2019, the RFP was distributed to more than 30 landscape design and maintenance firms thought to be capable of providing the needed services. On April 2, 2019, staff held a meeting to review the RFP with potential respondents and give them an opportunity to ask questions of clarification regarding the desired work to be performed. Three organizations attended this meeting. The RFP required proposals to be submitted to MWDOC on April 11, 2019. Five landscape firms submitted proposals for the design portion of the Program: Artscape Gardens, Creations Landscape Design, EcoTech Services, Inc., The Plant Nerd Inc., and TerraWorks Studio. Three landscape firms submitted proposals for the maintenance portion of the Program: Artscape Gardens, The Plant Nerd, Inc., and TerraWorks Studio.

Staff convened a review panel to evaluate and score proposals and recommend firm(s) for MWDOC Board Consideration. The review panel consisted of six representatives from five agencies including MWDOC, Irvine Ranch Water District, Mesa Water District, Santa Margarita Water District, and the City of San Clemente.

The review panel ranked the firms based on five factors: their scope of work and methodology, team experience and capabilities, quality of work, ability to staff and complete all work, and their pricing. The review panel felt that more than one design assistance firm was needed to meet coverage throughout Orange County, Program demand and schedule. Table 1 outlines the fee structure for the two most highly ranked design firms, and Table 2 outlines the fee structure for the two most highly ranked maintenance firms.

Table 1 <u>Landscape Design</u> Assistance Fee Structure	
Consultant	Design Packages With Onsite Consultations
The Plant Nerd, Inc.	\$1,130 (North OC) \$1,155 (South OC)
EcoTech Services, Inc.	\$1,125 (North OC) \$1,175 (South OC)

Table 2 <u>Landscape Maintenance</u> Assistance Fee Structure	
Consultant	Maintenance Packages With Onsite Consultations
The Plant Nerd, Inc.	\$450 (North OC) \$810 (South OC)
TerraWorks Studio	\$875 (North and South OC)

Metropolitan has approved \$160,000 through the Metropolitan-Funded, Member Agency-Administered funding allocated to MWDOC. Staff requests the Board authorize the General Manager to enter into professional services agreements not to exceed \$160,000 with:

1. The Plant Nerd, Inc. and EcoTech Services to provide landscape design assistance,
2. The Plant Nerd, Inc. and TerraWorks Studio to provide landscape maintenance assistance, and
3. Other firms (to be determined) who demonstrate they are qualified to do the work and agree to a competitive fee structure.

Should other firms be contracted with, staff will inform the Board via the monthly Water Use Efficiency Projects Status report contained in the Planning and Operations Committee packet.



CONSENT CALENDAR ITEM

June 19, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Hilary Chumpitazi, Accounting Manager

SUBJECT: **Amendments to Administrative Code Section 9500**

STAFF RECOMMENDATION

It is recommended that the Board of Directors: Authorize staff to update the Administrative Code for Section 9500.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

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

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

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
ADMINISTRATIVE CODE**

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MWDOC PROPERTY	\$9500-\$9501
<u>§9500 DISPOSAL OF SURPLUS PERSONAL PROPERTY</u>	

The General Manager shall have the authority and responsibility for the ultimate sale or disposal of surplus personal property of MWDOC. The Accounting Manager shall be informed whenever MWDOC personal property is surplus to the needs of MWDOC. The Accounting Manager shall investigate whether the recommended surplus material or equipment can be economically used by another department within MWDOC, sold or disposed of. ~~If, after this investigation, it is determined that the material or equipment is either broken, obsolete or of no further use for the purposes of MWDOC, the following guidelines shall be then applied.~~

- In the case of items listed on MWDOC's fixed assets, submit the item(s) to the General Manager with the Accounting Manager's recommendation who is to authorize approve to declare itemsthe assets as surplus and to sell, ~~scrap~~ or dispose of such items. The Administration & Finance Committee shall be informed of the intention to write off ~~or~~ and sell or dispose of any items declared as surplus.
- Both items listed on the fixed assets and those items not listed on fixed assets shall be reviewed and may be disposed of at the discretion of the General Manager and in no event shall it be distributed to an officer, Director, employee or family member. Unless it is obsolete computer/electronic equipment that is considered surplus to MWDOC and was purchased specifically for business use for-by an employee or Director (i.e., iPad, laptop, PC). This item can then be sold to the employee or Director for the fair market value.
- Under the direction of the Accounting Manager, staff will conduct a physical inventory of fixed assets every three years.
- Whenever it is advantageous or useful to MWDOC to publicly advertise surplus personal property for sale or otherwise dispose of said property, the Accounting Manager shall sell such materials to the highest bidder at auction or by an established fixed price based on value analysis of the material.
- An attempt shall be made to determine the value of items declared surplus by contacting vendors who normally take items as trade-in or buy surplus items.
- If the Accounting Manager determines that surplus personal property shall be disposed of by sale or auction, notice of the time and place of said sale or auction shall be either published in a newspaper of general circulation or posted in at least three public places at least seven, but not more than 14 days prior to the date of the sale or auction. The notice shall identify with reasonable particularity the items to be sold and shall state that any person may bid on said items and that all sales will be paid in cash. No officer or Director of MWDOC or immediate family member of an officer or Director shall be permitted to bid at auction for or purchase any surplus property of MWDOC.

No MWDOC employee or immediate family of an employee shall be permitted to bid at auction for or purchase any surplus property of MWDOC if such employee was in any way involved in the decision to originally purchase the item, the recommendation or decision to declare said item surplus, the determination of the value of items declared surplus, or the advertising or conduct of any sale or auction.

Motion - 9/5/90; Motion – 11/17/99; 11/21/01; M-6/17/15

§9501 DISPOSAL OF SURPLUS REAL PROPERTY

SECTION 1: IDENTIFYING SURPLUS REAL PROPERTY

- 1.1 Preliminary Requirements - The General Manager shall establish a procedure for the continuous review of real property owned by MWDOC for the purpose of determining which of such property is surplus to MWDOC's needs. Upon determination by the General Manager that property is surplus, the Board shall be notified of the determination, then a) cause the property to be appraised by one or more appraisers and b) comply with the California Environmental Quality Act and the legal requirements pertaining to the disposition of property in cities or counties which have a general plan. If, upon such compliance, any official body objects to the proposed sale, the Board shall first expressly uphold or reject the objections. There being no objections, or the objections having been completed, the General Manager may then sell the surplus property as hereinafter set forth.
- 1.2 Authority for General Manager to Sell Surplus Property - If, after offering the property for sale to certain public agencies, as required by law, at the fair market value was determined by the General Manager after review of any or all appraisals of the property, no such offer is accepted, the General Manager may sell it either by public auction or by using the services of real estate brokers or a professional auctioneer.

SECTION 2: AUCTION BY MWDOC STAFF

- 2.1 If the General Manager or a duly authorized agent elects to sell the property by public auction, such auction shall be at such time and place as may be determined by the General Manager, with or without sealed bids having been first submitted.
- 2.2 Whenever the General Manager or a duly authorized agent determines that the sale shall be at public auction without sealed bids having been first submitted, no bid at the auction shall be considered unless the bidder shall, prior to the holding of the auction, deposit with the person designated by the General Manager to conduct such sale, the percentage indicated in Section 4.1 of the amount specified in the notice of sale as the minimum bid, in cash, cashier's check or check certified by a responsible bank, as a guarantee that the person making the

bid will purchase the property under the terms specified in the notice of sale. The property shall be sold to the highest responsible bidder at or above the minimum bid and the deposits of all other bidders be returned forthwith. The General Manager or a duly authorized agent shall reject all bids below the minimum bid.

- 2.3 ~~Once Whenever~~ the General Manager determines that the sale shall be by sealed bids, all bids shall be filed in the MWDOC office at or before the time specified in the notice of sale. Bids shall be on forms approved by the General Manager, and shall be accompanied by a cash deposit, cashier's check or check certified by a responsible bank in an amount not less than ~~the~~ the percentage ~~percentage~~ indicated in Section 4.1 of the amount specified in the notice of sale as the minimum bid, as a guarantee that the person making the bid will purchase the property under the terms specified in the notice of sale. The General Manager shall, at the time and place specified in the notice of sale, open the bids. Thereafter, there shall be a public auction at a time and place specified in the notice of sale, and any person shall be eligible to bid at the auction; provided, however, that any oral bid shall be ignored unless it exceeds by at least five percent the highest sealed bid made by a responsible person. No oral bid at such sale not preceded by a sealed bid from the same party shall be considered unless accompanied by a cash deposit, cashier's check or check certified by a responsible bank in an amount not less than the percentage indicated in Section 4.1 of the amount specified in the notice of sale as the minimum bid, as a guarantee that the person making the bid will purchase the property under the terms specified in the notice of sale. If no oral bid is made at the public auction, or if such oral bid is not in accordance with the provisions hereof, the property shall be ordered sold to the highest responsible bidder at or above the minimum bid. The General Manager shall reject all bids below the minimum bid.

- 2.4 A real estate commission shall be paid in connection with a sale at public auction on the following basis: the real estate commission shall not exceed the prevailing rate in the same area where the property is located and it shall be stated in the bid for which a claim for the payment of a commission is made that it is subject to the same. The commission shall be distributed in this manner:

When at a public auction, without sealed bids, if the highest bid was procured by a licensed real estate broker, the commission shall be paid to the broker. When at a public auction following submission of sealed bids, if the successful bid is the highest sealed bid, and it was procured by a licensed real estate broker, the commission shall be paid to that broker.

When at a public auction following the submission of sealed bids, if the successful bid was procured by a licensed real estate broker, but the highest sealed bid was not obtained by such a broker, the commission shall be paid to the broker. When at a public auction following the submission of sealed bids, if the highest sealed bid was procured by a licensed real estate broker, but the successful bid was procured by a different licensed real estate broker, the commission shall be

divided equally between the brokers.

When at a public auction following the submission of sealed bids, if the highest sealed bid was procured by a licensed real estate broker, but the successful bid was not subject to a commission, one-half of the commission based upon the amount of the successful bid shall be paid to the broker.

In determining which is the highest bid, there shall not be subtracted therefrom the commission, if any, which the bid provides shall be paid to a licensed real estate broker.

- 2.5 The General Manager shall cause a notice of sale to be posted on the property in at least one conspicuous place. It shall specify the minimum bid which will be accepted for the property, which shall not be less than 90 percent of the lowest appraisal and shall state the terms of the sale which shall be in conformity with Section 1. The General Manager shall cause one or more advertisements of the sale to be placed in a newspaper, or newspapers, so as to give reasonable notice of the sale.

SECTION 3: OPEN LISTING

If the General Manager elects to sell the property by using the services of licensed real estate brokers, he shall do so by offering it for sale by advertising in a newspaper, or newspapers, that the property is being offered for sale with courtesy to brokers, and by notifying real estate boards in the area in which the property is located that the property is being offered for sale with courtesy to licensed brokers. The initial offer for sale shall be for no less than the highest appraised valuation of the property. The General Manager is authorized to sell the property for the highest price which can be obtained; provided, however that such price shall be no lower than the lowest appraisal without approval of the Board. The General Manager is authorized to pay to the broker who procures the accepted offer, a commission not to exceed the prevailing rate in the area in which the property is located.

- 3.1 Exclusive Listing - The General Manager may with the approval of the Board, give an exclusive listing to an individual licensed broker; provided, however, that the property shall not be sold for less than the lowest appraisal without the approval of the Board. In such case, the General Manager is authorized to pay a commission, upon consummation of the sale, not to exceed the prevailing rate in the area in which the property is located.

SECTION 4: AUCTION BY PROFESSIONAL AUCTIONEERS

The General Manager may sell the property by using the services of a professional auctioneer and may in connection therewith pay the reasonable expense of advertising the auction, and agree to pay a commission to the auctioneer not in excess of the prevailing rate in the area upon the consummation of the sale. Any such sale shall be

subject to the approval of the Board of Directors.

- 4.1 Required Deposit - No bid offer made pursuant to Sections 2, 3.0, and 3.1 above, shall be considered unless the bidder or offeror shall at the time the bid or offer is made, deposit with the person designated by the General Manager the percentage indicated below of the specified amount in cash, cashier's check or check certified by a responsible bank as a guarantee that the bidder or offeror will purchase the property for the bid or offered price.

<u>Specified Amount</u>	<u>Deposit</u>
To \$500	Full amount of bid or offer
\$501 to \$10,000	\$500 + 10% of minimum bid or offer
\$10,001 to \$50,000	\$1,500 + 5% over \$10,000
\$50,001 to \$100,000	\$3,000 + 3% over \$50,000
\$100,000 and above	\$4,500 + 2% over \$100,000

- 4.2 Terms - Any sale shall be for cash or on the following minimum terms: 20 percent down payment with balance amortized over 10 years at an interest rate equal to the prevailing rate charged by financial institutions in the area in which the property is located, and to be secured by a deed of trust on the property sold. No prepayment penalty shall be required.
- 4.3 Where the property was appraised on the basis of a different zoning on the property than the existing zoning, the sale may be made contingent upon the bidder or ~~offeror~~offeror obtaining a rezoning of the property within a reasonable time to be determined by the General Manager.
- 4.4 Policy of Title Insurance - The General Manager may furnish the successful bidder or offeror with a policy of title insurance, if possible, and open an escrow to complete the sale, paying the usual seller's charges in connection therewith; provided, however, that if it subsequently develops that the title company is unwilling to issue a policy insuring title to the bidder or offeror in the manner indicated, the General Manager shall not be required to furnish such a policy and the bidder has the option to cancel the sale; whereupon money previously deposited by offeror shall be refunded promptly and there shall be no further obligation on the part of either the bidder or the General Manager in connection with the sale; provided, further, that if under such circumstances the bidder or offeror elects not to cancel the transaction, the General Manager shall furnish such title insurance as the title company will then issue, and shall be released from liability on any representation relating to title theretofore made and not covered by the title insurance policy.
- 4.5 Completion of Sale - Execution and Delivery of Deed - The General Manager shall apply the deposit made by the successful bidder, or offeror, on the purchase price or down payment if the sale is on terms, and, upon completion of the sale

either directly to him, or through an escrow, the General Manager is authorized to execute and deliver on behalf of MWDOC a grant deed conveying the property to such bidder or offeror. In the case of a sale for cash (1) without an escrow, the successful bidder or offeror must pay the balance of the purchase price to the General Manager within thirty days after the auction or acceptance of the offer or (2) with an escrow, upon the closing thereof; provided, however, that the General Manager may choose to give the successful bidder or offeror extensions of time in which to make the payment.

- 4.6 Forfeiture of Deposits - Any deposit made by a successful bidder or offeror shall be retained by MWDOC as liquidated damages if the bidder or offeror shall fail to complete the purchase in accordance with the terms and conditions of the notice of sale or offer. If there is such a failure, a licensed real estate broker, otherwise entitled to a commission under the provisions of this Section shall be paid as a commission, an amount not to exceed one-half of the deposit so retained after deducting title and escrow expenses, if any; but in no event shall it exceed the commission which would have been received in the absence of such failure. ~~If the~~ [the](#) successful bidder or offeror does not complete the sale as required by this Section, the property may be sold to the next highest bidder or offeror who wishes to buy.

SECTION 5: RESERVATION OF OIL, GAS AND MINERAL RIGHTS

The right to extract all oil, gas hydrocarbons or other minerals without the right of surface entry for the development thereof, shall be reserved in the sale of any real property under the provisions of this Resolution provided, however, that there shall be no such extraction within 500 feet of the surface.

R1101 - 8/26/81; R1245 - 11/26/84;



CONSENT CALENDAR ITEM

June 19, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager
Cathy Harris, Director of Human Resources and Administration

SUBJECT: 2019-20 PAY STRUCTURE ADJUSTMENT

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%, as approved during the budget process.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

DETAILED REPORT

Pursuant to the recently approved 2019-20 Budget and the information presented regarding Compensation Pool Guidelines, attached is the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%. The schedule is effective as of July 1. This is an adjustment of salary ranges only and not individual salaries. In addition, the Salary Schedule includes the new Water Loss positions approved in the Budget, as well as new classifications due to promotions.

The justification for range adjustment is to keep the salary ranges consistent with the market and avoid falling behind. Without this annual adjustment a significant gap can develop and requires a significant adjustment to the pay structure during the Total Compensation Assessment, which is performed every three years.

A 7% Merit Pool was approved in the 2019/20 MWDOC budget.

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

In accordance with District Policy, a comprehensive compensation and benefits survey is to be conducted every three years to evaluate the market practices and job grading. The next comprehensive salary and benefits survey will be initiated in November of 2020 for completion in spring of 2021. The last comprehensive study was completed in spring 2018.

BOARD OPTIONS

- | | |
|-----------|---|
| Option 1: | Approve Staff recommendation, as presented which is consistent with current District Policy |
| Option 2: | Do not approve the staff recommendation (which may then result in issues with the 7% merit pool adjustments). |

STAFF RECOMMENDATION

Approve Option 1 (approve the proposed Pay Structure Schedule, adjusting the District Salary Ranges by 3.8%, as approved during the budget process).

MWDOC PAY STRUCTURE - EFFECTIVE JULY 1, 2019 (3.8% range adjustment)

Pay Grade	Job Classification		Range Minimum \$	Range Maximum \$
INT	Student Intern	hourly	14.82	22.16
R1	Office Assistant	annually	35,702	48,192
		monthly	2,975	4,016
		hourly	17.17	23.17
R2	Open	annually	42,819	57,816
		monthly	3,568	4,818
		hourly	20.59	27.79
R3	Database Coordinator	annually	46,043	62,162
		monthly	3,837	5,180
		hourly	22.14	29.89
R4	Accounting Technician	annually	49,505	66,819
		monthly	4,125	5,568
		hourly	23.80	32.13
R5	Administrative Assistant	annually	53,207	71,834
		monthly	4,434	5,986
		hourly	25.58	34.54
R6	Sr. Admin Assistant	annually	57,195	77,208
	Public Affairs Assist	monthly	4,766	6,434
	Water Loss Control Programs Technician – Leak Detection	hourly	27.50	37.12
R7	Records Coordinator	annually	61,494	83,011
		monthly	5,124	6,918
		hourly	29.57	39.90
R8	Public Affairs Coordinator	annually	66,103	89,244
		monthly	5,509	7,437
		hourly	31.78	42.90
R9	WUE Analyst I	annually	71,046	95,930
	Executive Assistant	monthly	5,921	7,994
	Assoc. Water Resources Analyst	hourly	34.15	46.12
	Accountant WEROC Emergency Coordinator			
R10	Public Affairs Specialist	annually	76,396	103,119
	WUE Analyst II	monthly	6,366	8,593
	WEROC Specialist	hourly	36.73	49.57
	Sr. Executive Assistant			
R11	Water Resources Analyst	annually	82,127	110,856
	Sr. Accountant	monthly	6,844	9,238
	Water Loss Control Programs Supervisor	hourly	39.48	53.29
R12	Fin. Analyst/Database Analyst	annually	88,264	119,167
	Network Systems Engineer	monthly	7,355	9,931
	Sr. WUE Analyst	hourly	42.43	57.30
	Public Affairs Supervisor			
R13	Accounting Supervisor	annually	94,903	128,098
	Public Affairs Manager	monthly	7,909	10,675
	Sr. Water Resources Analyst	hourly	45.63	61.59
	Sr. Exec. Assist to the Board			
R14	WUE Program Supervisor	annually	102,020	137,722
	WEROC Programs Manager	monthly	8,502	11,477
	Sr. Fin. Analyst/Database Analyst	hourly	49.05	66.21
R15	Sr. Engineer	annually	109,662	148,039
	Accounting Manager	monthly	9,139	12,337
	Governmental Affairs Mgr	hourly	52.72	71.17
R16	Principal Water Resources Analyst	annually	117,877	159,144

	WUE Progam Manager	monthly	9,823	13,262
		hourly	56.67	76.52
R17	Principal Engineer	annually	126,737	171,084
	Administrative Services Manager	monthly	10,561	14,257
		hourly	60.93	82.25
R18	Director of Public Affairs	annually	136,242	183,908
	Director of Water Use Efficiency	monthly	11,353	15,326
	Director of Emergency Management	hourly	65.50	88.41
	Director of Human Resources & Administration			
R19	Director of Finance/IS	annually	146,463	197,712
	Associate General Manager	monthly	12,205	16,476
		hourly	70.42	95.05
R20	Open	annually	157,424	212,542
		monthly	13,119	17,712
		hourly	75.69	102.18
R21	Assistant General Manager	annually	165,711	232,005
		monthly	13,809	19,334
		hourly	79.67	111.54
GM	General Manager (eff. 9/9/18)	annually	273,095	273,095

Annual and Monthly amounts are based on a 40-hour work week (2080 hour annually).

If you have questions on the pay structure or classifications,
please contact Human Resources at 714.963.3058



CONSENT CALENDAR ITEM

June 19, 2019

TO: Board of Directors

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

Robert J. Hunter, General Manager

SUBJECT: **Award Contract for Electrical System Rehabilitation Project**

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve entering into the subject agreement for improvements to the MWD OC administration building electrical system:

- Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities.
- Award AVRAM Electric "MWD OC Electrical System Rehabilitation Project" construction contract in the amount of \$213,883.00.
- Authorize the General Manager to enter into a license agreement with OCWD to install and maintain underground electric utilities and related equipment on OCWD property, and pay OCWD a one-time license fee of \$1,148.00.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

Staff is seeking Board authorization to proceed with improvements to the administration building electrical system for improved capacity, reliability, longevity and to accommodate proposed future use of the building as a back-up Emergency Operations Center.

DETAILED REPORT

Staff informed the Board at the September 12, 2018 A&F Committee of a pending evaluation of the administration building's aging electrical system. The electrical system was

Budgeted (Y/N): Y	Budgeted amount: \$240,000 (FY 2019-20)	Core X	Choice __
Action item amount:		Line item: 19-8811	
Fiscal Impact (explain if unbudgeted):			

found to be 'as expected for a building of this age'; meaning that additional work was identified for improved system capacity, reliability, longevity and to accommodate the proposed future use of the building as a back-up Emergency Operations Center. Specifically the dry type distribution transformer is old, inefficient and was found to be running too hot. Additionally, energy usage readings showed that the building required a larger service connection and larger transformer in order to meet current electric code requirements (currently limited to 350 amps). The transformer outside of the building which supplies power to both the MWDOC and OCWD administration buildings is sufficiently sized to accommodate the proposed increase (to 600 amps); but the existing service to the MWDOC building had been limited back in the 1980's due to concerns about the adequacy of the outside conductor cables to carry additional load beyond 350 amps.

On December 19, 2018 the Board authorized the General Manager to enter into a contract with OMB Electrical Engineers, Inc. to provide electrical engineering services for the administration building electrical work. Further investigation confirmed the need to replace the conductor cable serving the MWDOC administration building to accommodate increased service amperage.

Project Bidding

The job was advertised for bidding, a pre-bid meeting was held, and formal bids were received from 7 bidders on May 29, 2019. The apparent low bidder is AVRAM Electric. Staff is in the process of completing paperwork associated with the bid package and should be fully completed by the time of the Board Meeting.

Due to concerns raised by contractors during the bid process concerning long lead times for electrical equipment procurement, the project construction schedule was increased to 95 calendar days to allow sufficient time to procure the necessary electrical equipment. Anticipated project completion is in early October 2019.

Bid Summary

1. Avram Electric	Jurupa Valley	\$213,883
2. Bergelectric Corp.	Carlsbad	\$221,199
3. GA Technical Services Inc.	Upland	\$258,325
4. Baker Electric	Escondido	\$263,861
5. Amtek Construction	Whittier	\$279,146
6. Halcyon Electric, Inc.	Placentia	\$344,000
7. Minaco America Corp.	Gardena	\$397,000
Engineer's Estimate	\$245,000	
Average Bid	\$282,488	

Low Bid Schedule

NO.	ITEM DESCRIPTION	UNIT	ITEM COST
1.	Mobilization/Demobilization	LS	\$18,000
2.	New Circuit Breaker at existing Transformer (T-22), and new 600A feeder to MWDOC Administration	LS	\$70,000

	Building, including Relay Coordination Study and Arc Flash sticker recommendations		
3.	Procurement and installation of new 600A Main Switch Board, including re-connection of all existing feeders. Removal and demolition of old 400A switchboard, associated disconnect switch and feeders, and patching of walls and ceilings.	LS	\$51,883
4.	Procurement and installation of new 112.5KVA transformer, Panel L, and associated feeder, including removal and demolition of existing 45KVA transformer.	LS	\$40,000
5.	Procurement and installation of 600A manual transfer switch and generator tap box, and associated feeder	LS	\$28,000
6.	Final testing, completion of Punch List, and all necessary training	LS	\$6,000
	Total Price		\$213,883

License Agreement

OCWD has requested that MWDOC enter into a license agreement to construct, install and maintain underground electric utilities on OCWD property; and pay a one-time license fee of \$1,148.00, which OCWD staff indicated is the standard fee amount previously approved by the OCWD Board. The term of the agreement is to run conterminously with the Building Lease Agreement. The attached draft license agreement should be fully completed by the time of the Board Meeting.

Financial Summary

1. Investigation, Energy Usage Monitoring, and System Mapping	\$13,393.68
2. Electrical Design, and Construction Support Services	\$14,500.00
3. Construction Contract	\$213,883.00
4. License Fee for underground utilities to OCWD	<u>\$1,148.00</u>
Total Project Cost	\$242,924.68

BOARD OPTIONS

Option #1

- Make a CEQA finding that the project is categorical exempt under: Class 1-Existing Facilities.
- Award AVRAM Electric "MWDOC Electrical System Rehabilitation Project" construction contract in the amount of \$213,883.00.
- Authorize the General Manager to enter into a license agreement with OCWD to install and maintain underground electric utilities and related equipment on OCWD property, and pay OCWD a one-time license fee of \$1,148.00.

Option #2

- Do not authorize the work. Continue to risk an unscheduled loss of power to the building and interruption to business operations for an indeterminate amount of time until power can be restored.

STAFF RECOMMENDATION

Option #1

LICENSE AGREEMENT

The Municipal Water District of Orange County (Fountain Valley, CA)

This License Agreement ("License") is made and entered into as of May 23, 2019 by and between the **ORANGE COUNTY WATER DISTRICT**, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended ("OCWD"), and **The Municipal Water District of Orange County**, a California municipal water district ("MWDOC" or "Licensee").

PART I

FUNDAMENTAL LICENSE TERMS

1.1 License: OCWD hereby issues to Licensee a License to enter upon the following real property owned by OCWD, for the purpose or activity specified in Paragraph 1.1.2:

1.1.1 Licensed Property: The real property located at 18700 Ward Street, Fountain Valley, CA 92708, as depicted on exhibit "A" included as attached hereto and incorporated herein by this reference ("Licensed Area").

1.1.2. Use of Premises: For and during the term of this License, and any extension or renewal thereof, Licensee, shall use the Premises solely and exclusively for the following purpose(s) or activity(ies): to construct, install and maintain underground electric utilities and related equipment, to connect the MWDOC building to Transformer T-22 ("T-22") ("License Activity") in the location and as depicted in exhibit "A" attached hereto and incorporated herein by this reference ("Licensed Area"). This License also grants Licensee the right of access to and from the Licensed Area from the northeast portion of Licensee's administration building and across OCWD property ("Access Area") as shown in red in exhibit "A". OCWD reserves the right to change the Access Area at any time in its sole and absolute discretion, provided that such change is reasonable and MWDOC's access is not interrupted.

1.2 Term: This License shall commence on June 1, 2019 ("Commencement Date") and shall run conterminously with the Lease Agreement between OCWD and MWDOC dated April 15, 1987 ("Lease Agreement"). Any actions or events which shall operate to extend or terminate the Lease Agreement shall automatically extend or terminate this License Agreement simultaneously. This License and the Licensee's rights hereunder may not be extended beyond the Lease Agreement expiration, unless such extension is set forth in writing and signed by both OCWD and the Licensee. Notwithstanding the foregoing or any other provision of this License, either OCWD or Licensee may terminate this License with or without cause, or for any reason, at any time, by giving the other party a ninety (90) days written notice of termination.

1.3 License Consideration: As consideration for the issuance of this License, Licensee shall pay to OCWD a one-time fee of **\$1,148.00** ("License Fee") in accordance with Part II (General Provisions).

1.4 Notices and Payments: All payments, notices and other writings required to be delivered under this License to either party shall be delivered in accordance with the provisions of Part II ("General

Commented [1]: Is this amount tied to something?

Commented [PD2R1]: This is a standard fee amount previously approved by the Board for all license agreements.

Provisions”), to OCWD at the address set forth in Part II, and to Licensee at the address set forth in this Part I.

1.5 Attachments: This License incorporates by reference the following Attachments to this License:

- Part I: Fundamental License Terms
- Part II: General License Provisions
- Part III: Special License Provisions
- Part IV: Map of the Premises

1.6 Integration: This License represents the entire understanding of OCWD and Licensee as to the License and all other matters contained herein. Except as specifically referenced herein, no prior oral or written understanding shall be of any force or effect with regard to those matters covered by this License. Excepting the Lease Agreement which is unmodified by this License Agreement, this License supersedes and cancels any and all previous negotiations, arrangements, agreements or understandings, if any, between the parties, and none shall be used to interpret this License.

IN WITNESS WHEREOF, the parties have executed and entered into this License as of the date first set forth above.

<p>“LICENSOR” ORANGE COUNTY WATER DISTRICT, a political subdivision of the State of California organized under Chapter 924 of the Statutes of 1933, as amended</p> <p>By: _____ Michael Markus P. E., General Manager</p> <p>APPROVED AS TO FORM: RUTAN & TUCKER, LLP.</p> <p>_____ General Counsel, Orange County Water District</p> <p>4/25/2019</p>	<p>“LICENSEE” MUNICIPAL WATER DISTRICT OF ORANGE COUNTY, a California municipal water district</p> <p>By: _____</p> <p>Name: _____</p> <p>Title: _____</p> <p>Licensee Information: 18700 Ward Street Fountain Valley, CA 92708</p>
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PART II
GENERAL LICENSE PROVISIONS

2.1 Payment of License Fee

2.1.1 Transmittal of Payments: Licensee shall make all License Fee payments, and pay all other sums due under this License, in lawful money of the United States, by check payable to "ORANGE COUNTY WATER DISTRICT," and shall personally deliver or mail all payments without any notice or demand to OCWD at the address set forth in Paragraph 2.8.1 below. Licensee assumes all risk of loss or late payment if any payment is made by mail.

2.1.2 No Offsets: All License Fees and other sums due under this License shall be paid without offset or deduction, and shall be deemed payments on account. Neither the payment by Licensee nor the acceptance by OCWD of any License Fee or other sum in an amount which is less than the amount due and payable pursuant to this License, nor the issuance of a monthly statement showing as due and payable an amount less than is properly due and payable pursuant to the terms of this License, shall constitute an agreement by OCWD modifying this License or a waiver of OCWD's right to receive all sums provided for in this License. No endorsement or statement on any check or any letter accompanying any check or payment shall be deemed an accord or satisfaction, and OCWD shall accept all checks and payments from Licensee without prejudice to OCWD's right to recover the balance of the amount due or to pursue any other remedy in this License or otherwise provided by law.

2.2 Charges for Payment of License Fee

2.2.1 If any payment of any License Fee or any other sum due OCWD is not received by OCWD within ten (10) days after the due date, Licensee shall be deemed delinquent in its License Fee payment and a late charge of one and one-half percent (1.5%) of the delinquent amount, plus the sum of One Hundred Dollars (\$100.00), shall become immediately due and payable to OCWD. An additional charge of one and one-half percent (1.5%) of such delinquent License Fee payment (excluding late charges) shall be added for each additional calendar month (or portion thereof) that the delinquent sum remains unpaid.

2.2.2 Licensee and OCWD hereby acknowledge and agree that such late charges do not represent and shall not be deemed to be an interest payment, but that such late charges represent a fair and reasonable estimate of the costs and expenses that OCWD will incur by reason of Licensee's late payment.

2.2.3 Acceptance by OCWD of any delinquent License Fee payment or late charge shall in no way constitute a waiver of Licensee's default with respect to such overdue and delinquent payment, or in any way impair, prevent or restrict OCWD from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

2.3 Use of the Licensed Area

2.3.1 Conditions of Use: For and during the term of this License, and any extension or renewal thereof, Licensee's use of the Licensed Area shall be subject to the following conditions, covenants and restrictions:

2.3.1.1 Except as provided in this License, the Licensed Area shall be used only for the purposes specified in Paragraph 1.1.2 above, and the Licensed Area shall not be used for any other use or purpose whatsoever, without the prior written consent of OCWD.

2.3.1.2 Lessee shall not cause, permit or suffer any “hazardous material,” “hazardous waste” or “hazardous chemicals” as those terms are used in CERCLA (42 U.S.C. § 9601(14)) or SARA (42 U.S.C. § 110211(e)) or any similar Federal, State, or local law, statute, ordinance, regulation or order, or otherwise determined by OCWD, to be brought upon, left, used or abandoned on the Licensed Area.

2.3.1.3 Licensee shall not maintain, commit or permit the maintenance or commission of any waste or any nuisance (as defined in California Civil Code section 3479) on the Licensed Area, and Licensee shall not use or permit the use of the Licensed Area for any unlawful purpose.

2.3.1.4 OCWD or its authorized representative shall have the right at all reasonable times to enter upon the Licensed Area and inspect the general condition of the Licensed Area to determine if Licensee is complying with the terms, conditions, requirements and provisions of this License.

2.3.2 Utilities and Services: Licensee shall be solely responsible for obtaining all utility service and for the payment of all utility charges, including but not limited to water and power, supplied to the Licensed Area, if needed.

2.3.3 Permits and Approvals: Licensee shall obtain any and all governmental permits, approvals, licenses or other authorizations which may be required in connection with the use of the Licensed Area as set forth in this License. No approval or consent given under this License by OCWD shall affect or limit Licensee's obligations hereunder, nor shall any approvals or consents given by OCWD, in its capacity as a party to this License, be deemed to be approval as to compliance or conformance with any applicable governmental codes, laws, orders, rules or regulations.

2.4 Insurance: Without limiting Licensee's indemnification obligations, Licensee shall not enter or occupy the Licensed Area until Licensee has obtained all of the insurance required herein from a company or companies acceptable to OCWD, and Licensee shall maintain all such insurance in full force and effect at all times during the term of this License and any extension or renewal thereof. Insurance shall be placed with insurers having a current A.M. Best rating of no less than A-:VII or equivalent or as otherwise approved by OCWD. If Licensee is a governmental agency, a letter of self-insurance may be substituted for a Certificate of Insurance.

2.4.1 Licensee shall take out and maintain the following insurance:

2.4.1.1 Workers' Compensation and Employer's Liability Insurance: Licensee shall cover or insure under the applicable laws relating to workers' compensation insurance all of its employees working on or about the Licensed Area, in accordance with the “Workers' Compensation and Insurance Act,” Division IV of the Labor Code of the State of California and any Acts amendatory thereof. Licensee shall provide worker's compensation insurance as required by the State of California with Statutory Limits and employer's liability insurance with limits not less than One Million Dollars (\$1,000,000) each occurrence. Such policy of workers compensation insurance shall contain the following separate endorsements:

(a) “Insurer waives all rights of subrogation against the Orange County Water District, its officers, directors, employees, representatives and volunteers.”

(b) “This insurance policy shall not be suspended, voided, reduced in coverage or in limits, cancelled, limited, non-renewed or materially changed for any reason by the insurer until thirty (30) days after receipt by the Orange County Water District of a written notice of such cancellation, limitation or reduction of coverage.”

2.4.1.2 Commercial General Liability Insurance providing coverage in the following minimum limits:

(a) Combined single limit of Two Million Dollars (\$2,000,000) per occurrence or the full occurrence limits of the policies available, whichever is greater for Bodily Injury, Personal Injury or Death and Property Damage.

(b) Damage Coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage (occurrence Form CG 0001).

(c) If Commercial General Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location (with the ISO CG 2503 or ISO CG 2504, or insurer’s equivalent endorsement provided to OCWD), or the general aggregate limit shall be twice the required occurrence limit.

2.4.1.3 Comprehensive Automobile Liability Insurance, including owned, non-owned, leased, hired, and borrowed automobiles and similar vehicles, providing the following minimum limits:

(a) Combined single limit of One Million Dollars (\$1,000,000) per occurrence for Bodily Injury, Personal Injury or Death and Property Damage.

(b) Coverage shall be at least as broad as Insurance Services Office (ISO) Business and Auto Coverage (Form CA 0001) covering any auto.

2.4.2 Endorsements: The policies of liability insurance provided for in Paragraphs 2.4.1.2 and 2.4.1.3 shall specify that this specific License is insured and that coverage for injury to participants resulting from Licensee’s activities is not excluded, and shall be in a form satisfactory to OCWD and contain the following separate endorsements:

(a) “The Orange County Water District, its officers, directors, employees, representatives and volunteers, are declared to be additional insureds on all of the above policies with respects to the operations and activities of the named insured at or from the premises of the Orange County Water District. The coverage shall contain no special limitations on the scope of protection afforded to the Orange County Water District, its officers, directors, employees, representatives and volunteers.”

(b) “This insurance policy shall not be suspended, voided, reduced in coverage or in limits, canceled, limited, non-renewed, or materially changed for any reason until thirty (30) days after receipt by the Orange County Water District of a written notice of such cancellation, limitation or reduction of coverage.”

(c) “This insurance policy is primary insurance and no insurance held or owned by the designated additional insureds shall be called upon or looked to cover a loss under said policy; the Orange County Water District shall not be liable for the payment of premiums or assessments on this policy.”

(d) “Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the Orange County Water District, its officers, directors, employees, representatives, or volunteers.”

(e) “This insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.”

2.4.3 Evidence of Coverage: Licensee shall at the time of the execution of the License present to OCWD the original policies of insurance required by this Paragraph 2.4 or a certificate of the insurance, with separate endorsements (Insurance Services Office Form CG 2026, or equivalent), showing the issuance of such insurance and the additional insured and other provisions and endorsements required herein and copies of all endorsements signed by the insurer’s representative. All policies shall contain the Licensee’s name and location of the Licensed Area on the certificate. At least thirty (30) days prior to the expiration of any such policy, a signed complete certificate of insurance, with all endorsements provided herein, showing that such insurance coverage has been renewed or extended, shall be filed with OCWD. Licensee’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.

2.4.4 Review of Coverage: OCWD shall have the right at any time to review the coverage, form, and limits of insurance required under this License. If, in the sole and absolute discretion of OCWD, the insurance provisions in this License do not provide adequate protection for OCWD, OCWD shall have the right to require Licensee to obtain insurance sufficient in coverage, form and limits to provide adequate protection and Licensee shall promptly comply with any such requirement. OCWD’s requirements shall not be unreasonable, but shall be adequate in the sole opinion of OCWD to protect against the kind and extent of risks which may exist at the time a change of insurance is required, or thereafter.

2.4.5 Deductibles: Any and all deductibles must be declared and approved by OCWD prior to execution of this License.

2.4.6 License Contingent Upon Coverage: Notwithstanding any other provision of this License, this License ~~may be declared null and void by OCWD shall be null and void at all times~~ when the above-referenced original policies of insurance or Certificate of Insurance or Renewal Certificates or Endorsements are not on file with OCWD.

2.5 Indemnification

2.5.1 OCWD not Liable: OCWD shall not be liable at any time for any loss, damage or injury whatsoever to the person or property of any person or entity whatsoever, including but not limited to any employee, agent or contractor of Licensee, resulting from or arising out of any act or omission of Licensee or of any person or entity holding under Licensee, or the occupancy or use of the Licensed Area or any part thereof by or under Licensee, or any act or omission in the exercise of any right or the performance of any obligation under this License, or directly or indirectly from any state or condition of the Licensed Area, or any part thereof, if in connection with the License Activity.

2.5.2 Indemnification: Irrespective of any insurance carried by Licensee for the benefit of OCWD, and notwithstanding any other provision of this License to the contrary, Licensee shall indemnify and hold OCWD, its officers, directors, employees, representatives and volunteers harmless from and against any and all actions, claims, demands, judgments, attorneys fees, costs,

damages to persons or property, penalties, obligations, expenses or liabilities of any kind that may be asserted or claimed by any person or entity (including, but not limited to, any employee, agent or contractor of Licensee) in any way arising out of or in connection with this License, the operations carried on by Licensee on the Licensed Area, or the occupation or use of the Licensed Area by Licensee or any person or entity holding under Licensee (collectively, "Claims"), whether or not there is concurrent active or passive negligence on the part of OCWD, ~~and/or acts for which the OCWD would be held strictly liable~~, but excluding the sole active negligence and willful misconduct of OCWD. In connection therewith:

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2.5.2.1 Licensee shall defend and hold OCWD, its officers, employees, agents, representatives and volunteers, harmless from any and all Claims, whether caused by OCWD's active or passive negligence, but excluding any Claim that results from the sole active negligence or willful misconduct of OCWD, its officers, employees, agents, or representatives; and Licensee shall pay all expenses and costs, including attorneys' fees, incurred in connection therewith.

2.5.2.2 Licensee shall promptly pay any judgment rendered against Licensee or OCWD covering any Claim, and hold and save OCWD harmless therefrom, whether such Claim was caused by OCWD's active or passive negligence, ~~and/or acts for which OCWD would be held strictly liable~~, but excluding the sole active negligence and willful misconduct of OCWD.

2.5.2.3 In the event OCWD is made a party to any action or proceeding filed or prosecuted for or arising out of or in connection with any Claim, Licensee shall pay to OCWD any and all costs and expenses incurred by OCWD in any such action or proceeding, together with reasonable attorneys' fees.

2.5.2.4 All of the indemnity obligations of Licensee under this Paragraph 2.5.2, or as otherwise set forth in this License, shall survive the expiration or earlier termination of this License.

2.6 Legal Relations and Responsibilities

2.6.1 Nature of Relationship: OCWD and Licensee understand and agree that the only relationship between them created by this License is that of Licensor and Licensee, and that this License does not create, and shall not be construed to create, any agency, partnership, joint venture, landlord-tenant or other relationship between OCWD and Licensee.

2.6.2 Compliance with Laws: Licensee shall keep itself fully informed of all existing and future state and federal laws and all county and city ordinances and regulations which in any manner affect the activities of Licensee under this License, or the possession or use of the Licensed Area by Licensee, and of all such orders and decrees of bodies or tribunals having any jurisdiction or authority over the same. Licensee shall at all times observe and comply with all such existing and future laws, ordinances, regulations, orders and decrees, and shall protect and indemnify, as required herein, OCWD, its officers, directors, employees and agents against any claim or liability arising from or based on the violation of any such law, ordinance, regulation, order or decree, whether by Licensee or any person or entity holding under Licensee.

2.6.3 Assignment: The License granted hereby is personal to Licensee and any assignment of said License by Licensee, voluntarily or by operation of law, shall automatically terminate this

License, unless Licensee has obtained the prior written consent of OCWD, which may be withheld, in its sole and absolute discretion, for any reason or no reason at all.

2.6.4 Acknowledgment of OCWD's Title: Licensee hereby acknowledges the title of OCWD in and to the Licensed Area, including the real property fixtures and improvements existing or erected thereon, and Licensee hereby covenants and promises never to assail, contest or resist OCWD's title to the Licensed Area.

2.6.5 Liens: Licensee shall maintain the Licensed Area free from and clear of any claims, obligations, liabilities, liens, encumbrances and charges, including but not limited to any claims, liens or charges arising out of or in connection with the furnishing of materials or the performance of labor on the Licensed Area. Licensee further shall protect and indemnify OCWD and the Licensed Area from and hold them, and each of them, harmless against any and all such claims, obligations, liabilities, liens, encumbrances and charges.

2.6.6 Possessory Interest Taxation: A possessory interest subject to property taxation may be created by this License. It is understood and agreed that if such a possessory interest is created, Licensee shall be responsible for the payment of all property taxes levied on such interest, and that OCWD shall have no responsibility therefor.

2.6.7 OCWD's Reservations

2.6.7.1 OCWD hereby reserves the right to grant easements and rights-of-way for pole or tower lines for transmission of electricity, and easements, leases and rights-of-way for telephone, telegraph, telecommunication facilities, gas, water, water well(s), sewer and oil lines, for roads and highways, and for other similar uses over and across the Premises at any location or locations within the Premises. Notwithstanding the previous sentence, OCWD may not unreasonably interfere with Licensee's possession or use of the Licensed Area for the License Activities. Licensee shall not interfere with any easements or rights-of-way pertaining to or affecting the Premises.

2.6.7.2 OCWD hereby reserves the right to sell, transfer or otherwise dispose of any portion of the Licensed Area at any time. In the event of such sale, transfer or disposition, the rights and obligations of OCWD under this License, including OCWD's rights to transfer this License, shall be transferred to OCWD's successor in interest and such transfer shall be a condition of any such sale, transfer, or disposal of the Licensed Area.

2.6.7.3 OCWD reserves the right unto itself to perform any and all work involved in protecting, replenishing and/or conserving the basin groundwater supply and any other work necessary to the functions or purposes of OCWD, as set forth in the Orange County Water District Act, Chapter 924 of the California Statutes of 1933, as amended, upon any portion or all of the Licensed Area at any time. OCWD further reserves unto itself the rights of ingress and egress over all or any portion of the Licensed Area.

2.6.9 Surrender of Possession: Unless extended as provided in Section 1.2 of the License, at the expiration or termination of this License, Licensee shall promptly quit and surrender the Licensed Area in a good state of repair.

2.6.10 Disposition of Abandoned Property: If Licensee abandons or quits the Licensed Area or is dispossessed thereof by process of law or otherwise, title to any personal property left on the Licensed Area for fifteen (15) or more days after such event shall at OCWD's opinion, be deemed to have been abandoned and transferred to OCWD. OCWD shall have the right to remove and dispose of any and all such property without liability therefor to Licensee or to any person or entity claiming under Licensee, and OCWD shall have no duty to account for such property. Licensee agrees to reimburse OCWD for any and all costs associated with OCWD transferring or disposing of Licensee's personal property pursuant to this Section.

2.6.11 Premises "As-Is": Licensee acknowledges that the Licensed Area are being provided to Licensee on an "as-is" basis, and Licensee takes and occupies the Licensed Area without reliance upon any representation by OCWD, or any of its officers, employees, agents or representatives, or any other person, concerning the Licensed Area, their fitness for Licensee's intended use or any other particular purpose of use, their income-producing history, potential or capabilities, their value, or any other promise, representation or inducement not expressly set forth in this License.

2.6.12 No Representation or Warranty Concerning Premises: Licensee acknowledges that neither OCWD, nor any of its officers, employees, agents or representatives, has made any written or oral representation, promise, or warranty, expressed or implied, concerning the Licensed Area, their fitness for Licensee's intended use or any other purpose or use, their income producing history, potential or capabilities, their value, or any other matter not expressly set forth in this License.

2.6.13 Disputes: In the event that any action is commenced by a party to this License against the other to enforce its rights or obligations arising from this License or seeking to interpret this License, the prevailing party in such action, in addition to any other relief and recovery ordered by the court, shall be entitled to recover all statutory costs, plus reasonable attorneys' fees.

2.6.14 Security Measures: Licensee acknowledges that the Licensed Area are licensed to and accepted by Licensee in an "as-is" condition, and that the License Payments and other sums payable from Licensee to OCWD hereunder do not include the cost of security guard or any other security services or measures. Licensee further acknowledges that OCWD makes no representation or warranty, express or implied, regarding the security of the Licensed Area or the need for or propriety of any security measures at the Licensed Area; and Licensee further acknowledges that OCWD shall have no obligation whatsoever to provide guard service or any other security measures. Licensee expressly assumes all responsibility for the protection and security of Licensee's property in the Licensed Area.

2.6.15 No Obligation to Third Parties: Execution and issuance of this License shall not be deemed to confer any rights upon, directly, indirectly or by way of subrogation, nor obligate either of the parties hereto to, any person or entity other than OCWD and Licensee.

2.6.16 Waiver: Any waiver by any party of a breach of any provision of this License shall not be deemed a continuing waiver or a waiver of any subsequent breach whether of the same or of another provision hereof.

2.6.17 OCWD's Liability on Termination: Licensee hereby waives all damages or claims for damage that may be caused by any action of OCWD in terminating this License (either with or without cause), or taking possession of the Premises as provided in this License or at law, and

Commented [5]: This is redundant and is already stated in Section 2.5.2.3.

Commented [PD6R5]: Agreed

Commented [PD7]: Per OCWD counsel, OCWD owns the property, and is under no obligation to provide MWDOC a license. OCWD should have the authority to terminate the license if it deems doing so in its best interests, and it should not be held liable if it chooses to do so.

Licensee waives all claims for damages to or loss of such property of Licensee as may be in or upon the Premises upon the termination of this License.

2.7 Maintenance and Repair of Premises

2.7.1 Licensee's Obligation to Maintain Premises: Licensee shall at all times during the term of this License, and any extension or renewal thereof, at its sole cost and expense, keep and maintain in good condition and in substantial repair the Licensed Area, unless otherwise maintained by OCWD pursuant to separate agreement between the OCWD and Licensee. Licensee shall at all times in the maintenance and use of any the Licensed Areas comply with all laws, ordinances and regulations pertaining thereto, and all conditions and restrictions set forth herein .

2.7.2 Licensee's Default of its Maintenance Duties: In the event that Licensee fails, neglects or refuses to satisfy the obligations in Section 2.7.1 to the extent applicable, OCWD shall notify Licensee in writing of such failure or refusal. Should Licensee fail or refuse to correct such default within ten (10) days of receipt of such written notice from OCWD, OCWD may, but shall not be required to, itself or by contract, undertake the necessary maintenance, repair or replacements; and the cost thereof, including but not limited to the cost of labor, materials and equipment and procurement of insurance, plus an administrative fee in the amount of fifteen percent (15%) of the sum of such costs, shall be paid by Licensee to OCWD within ten (10) days of Licensee's receipt of a statement of such costs from OCWD. Any such maintenance, repair or replacement by or on behalf of OCWD shall not be deemed to be a waiver of Licensee's default under this License, and shall not in any way impair, prevent or restrict OCWD from exercising any of its rights or remedies set forth in this License or otherwise provided at law.

2.8 Miscellaneous

2.8.1 Notices: Any notice, payment or instrument required or permitted to be given or delivered by this License may be given or delivered by personal delivery or by depositing the same in any United States mail depository, first class postage prepaid, and addressed as follows:

If to OCWD:

If by mail: ORANGE COUNTY WATER DISTRICT
P.O. Box 8300
Fountain Valley, CA 92728-8300
Attn: Property Management
Email: property.manager@ocwd.com

If by personal delivery: ORANGE COUNTY WATER DISTRICT
18700 Ward Street
Fountain Valley, CA 92708
Attn: Property Management

If to Licensee: To such name and address set forth for Licensee in Part I of this License,

or such other person or address as either party may direct in writing to the other; provided, however, that such new or different person or address shall not become effective until

Commented [8]: Given the existing agreement between the parties for maintenance, I do not think this section is necessary.

Commented [PD9R8]: Per OCWD counsel, it is OCWD's right to be reimbursed if OCWD is required to make repairs or conduct maintenance because MWDOC fails to do so in the area subject to the license

acknowledged in writing by the party to whom directed. Except where service is by personal delivery or by registered or certified mail, return receipt requested, service of any instrument or writing shall be deemed completed forty-eight (48) hours after deposit in a United States mail depository.

2.8.2 Warranty of Authority: Each officer of OCWD and Licensee affixing his or her signature to this License warrants and represents by such signature that he or she has the full legal authority to bind his or her respective party to all of the terms, conditions and provisions of this License, that his or her respective party has the full legal right, power, capacity and authority to enter into this License and perform all of its provisions and obligations, and that no other approvals or consents are necessary in connection therewith.

2.8.3 Headings: The titles and headings of Sections and Paragraphs of this License, as herein set forth, have been inserted for the sake of convenience only, and are not to be taken, deemed or construed to be any part of the terms, covenants or conditions of this License, or to control, limit or modify any of the terms, covenants or conditions hereof.

2.8.4 Time of Essence: Time is of the essence of this License. Failure to comply with any requirement, including but not limited to any time requirement, of this License shall constitute a material breach of this License.

2.8.5 Construction and Amendment: This License shall be construed, interpreted, governed and enforced in all respects according to the laws of the State of California and as if drafted by both OCWD and Licensee. No amendment, change or modification of this document shall be valid unless in writing, stating that it amends, changes or modifies this License, and signed by all of the parties hereto.

2.8.6 Successors: Subject to the provisions of Paragraph 2.6.3 above, this License, and all of the terms, conditions and provisions herein, shall inure to the benefit of, and be binding upon, OCWD, Licensee, and their respective successors and assigns.

2.8.8 Partial Invalidity: If any term, covenant, condition or provision of this License is held by a court of competent jurisdiction to be invalid, void, illegal, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way affect, impair, or invalidate any other term, covenant, condition or provision contained in this License.

2.8.9 Further Assurances: Each of the parties hereto shall execute and deliver any and all additional papers, documents and other assurances and shall do any and all acts and things reasonably necessary in connection with the performance of their obligations hereunder and to carry out the intent of the parties hereto.

2.8.10 Precedence: In the event of any conflict between Parts of this License, Part I shall prevail over Parts II, III and IV, and Part III shall prevail over Part II.

[END GENERAL LICENSE PROVISIONS]

Commented [10]: This seems unnecessary.

Commented [PD11R10]: Agreed

PART III
SPECIAL LICENSE PROVISIONS

3.1 Additional Conditions of Use: The following are added to Paragraph 2.3.1, as additional conditions to the use of the Premises:

2.3.5 Licensee shall coordinate all activity on the Licensed Area with OCWD's General Manager or his designee (herein the "Manager"), who is located at the OCWD's Fountain Valley Office, (714) 378-3200. Licensee shall contact the Manager at least 10 days before commencing any work on the Licensed Area and provide the start date of any work contemplated under this License and shall not commence work until the work has been approved by the Manager.

3.2 The following provision is added to Paragraph 2.4 (Insurance) of this License:

2.4.7 Insurance: Licensee shall not permit any contractor or subcontractor to commence work on any portion of the Licensed Area until Licensee has obtained, or has caused its contractors or subcontractors to obtain insurance in the amounts as stated in Paragraph 2.4 above which shall include as additional insured OCWD, its officers, directors, employees, agents, invitees and representatives (collectively, "OCWD Parties"), but only while acting in their capacity as such and only with respect to the operations of the original named insured, its contractors, subcontractors, agents, officers and employees in the performance those uses as stated in Paragraph 1.1.2 (Use of Licensed Area) above. Licensee shall furnish OCWD with certificates of insurance and endorsements showing insurance coverage as described in Paragraph 2.4 above.

3.3 Section 2.9, including Paragraphs 2.9.1 through 2.9.5, is added to this License as follows:

2.9 Improvements:

2.9.1 Prior Consent for Improvements: Other than the installation of the underground utilities and related equipment authorized in Section 1.1.2, Licensee shall not make any alteration of or improvement to the Licensed Area without the prior written approval of the Manager.

2.9.1.1 Other than the installation of the underground utilities and related equipment authorized in Section 1.1.2, if Licensee desires to make any alteration, improvement, addition or other utility installation in or about the Licensed Area, Licensee shall present such request in writing to OCWD, together with detailed plans of the proposed alteration or improvement; and Licensee shall not commence such alteration or improvement unless and until the Manager has granted approval thereto in writing.

2.9.1.2 In the event that the Manager grants written approval to any requested alteration of or improvement to the Licensed Area, such approval shall be deemed conditioned upon Licensee acquiring all governmental licenses, approvals and permits required therefor, and such alteration or improvement shall be constructed in strict conformance with the plans approved therefor by the Manager. Once approved by the Manager, no changes or alterations shall be made to the plans without the prior written approval by the Manager.

Commented [12]: Is this a second approval for the work??
There are no parameters on the approval. Section 1.1.2 already provides the approval, the only other requirement should be notice and coordination. This boilerplate language seems to be intended for additional improvements.

Commented [PD13R12]: This section is intended for additional improvements after the original work is completed.

2.9.1.3 In the event that the Manager grants written approval to any requested alteration of or improvement to the Licensed Area, Licensee shall construct such alteration or improvement at Licensee's sole cost and expense.

2.9.1.4 Should any damage or injury to OCWD's property or facilities ("Facilities") occur, either through the acts of agents, servants or employees of Licensee or by any independent contractor of Licensee in the exercise of the rights granted in this License, Licensee agrees to immediately, upon the written demand of OCWD, restore such Facilities, at Licensee's sole cost and expense, to the condition of same on the date of the damage or injury.

2.9.1.5 Licensee shall at the completion of any improvements, restore the surface of the Licensed Area to the state that existed prior to the commencement of work.

2.9.1.6 Upon written approval of the Manager and during weekend hours, Licensee shall be allowed to de-energize T-22 depicted in exhibit "A", which provides power supply to both OCWD's and Licensee's administration buildings, to complete Licensee's electrical improvements. Licensee shall contact the Manager at least 14 days before de-energizing T-22. Licensee shall promptly energize T-22 and restore any portions of the Premises, at Licensee's sole cost and expense, that are disturbed by Licensee's activities to the same condition as existed at the commencement date.

2.9.1.7 Licensee shall be temporarily allowed to use five (5) parking stalls, as depicted in exhibit "A", for Licensee's equipment and materials, while performing exterior construction activities on the Premises. Licensee shall be allowed to use the parking stalls and perform exterior construction activities during normal business hours and in a manner which does not unreasonably or materially interfere with Licensor's activities at the Property.

2.9.1.8 Underground Utilities: Licensee must contact Dig Alert and comply with the applicable processes, policies and/or procedures of Dig Alert, prior to any underground installation. Any trenching for underground utility runs must be hand dug.

2.9.2 "As-Built" Plans and Construction Costs: OCWD shall have the right to require Licensee to prepare and furnish to OCWD, at Licensee's sole cost and expense, and within sixty (60) days following completion of such alteration or improvement, a complete set of reproducible "As-Built" plans for such alteration or improvement.

2.9.3 Compliance with Building Codes: Licensee shall comply with all Building Codes in effect at the time of construction or installation of an improvement of any kind on the Licensed Area. The applicable Building Codes shall be those codes as adopted by the local permitting jurisdiction (i.e., city or county) in which the Licensed Area is located. In the event that Licensee fails to conform to the Building Codes, OCWD may require immediate compliance. If Licensee fails to comply, OCWD, at its option, may make such changes to bring the improvement into compliance with the Building Codes and charge Licensee the cost of such changes plus ten percent (10%) to cover administrative costs. Licensee shall have ten (10) days from receipt of the invoice to reimburse OCWD for the cost of making such changes.

2.9.4 Modification of Alterations or Improvements: In the event that Licensee desires to modify or add to any alteration of or improvement to the Licensed Area, Licensee shall not commence any such modification or alteration without the prior written consent of the Manager, which shall not unreasonably withheld.

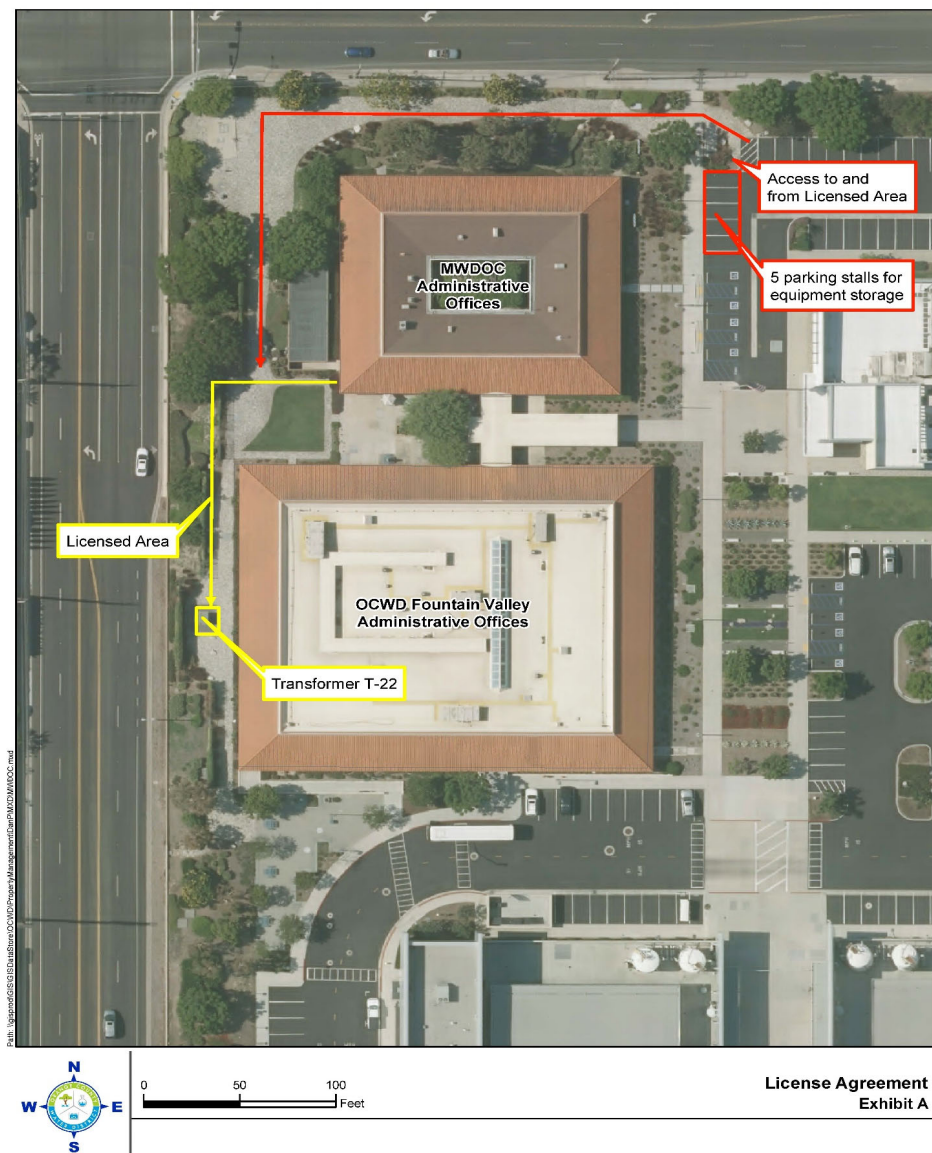
2.9.5 Mechanics Liens or Stop-Notices: Licensee shall at all times indemnify and save OCWD harmless from all claims, losses, demands, damages, costs, expenses, or liability costs for labor or materials in connection with construction, repair, alteration, or installation of structures, improvements, equipment, pipelines, or facilities within the Licensed Area, and from the cost of defending against such claims, including attorney fees and costs.

In the event a lien or stop-notice is imposed upon the Licensed Area as a result of such construction, repair, alteration, or installation, Licensee shall either:

- (a) Record a valid Release of Lien, or
- (b) Procure and record a bond in accordance with Section 8424 of the Civil Code, which frees the Licensed Area from the claim of the lien or stop-notice and from any action brought to foreclose the lien.

[End Special Provisions]

PART IV
EXHIBIT A





ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs and Legislation Committee**
(Directors Dick, Thomas, and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: SB 200 (MONNING) – SAFE AND AFFORDABLE DRINKING WATER FUND

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt a support position on SB 200 (Monning) the Safe and Affordable Drinking Water Fund.

COMMITTEE RECOMMENDATION

The Committee will review this item on June 17, 2019 and make a recommendation to the Board.

BILL SUMMARY

SB 200 establishes the Safe and Affordable Drinking Water Fund to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long term. It requires the State Water Resources Control Board (SWRCB) to adopt a fund implementation plan and requires expenditures of the fund to be consistent with the plan. It also requires SWRCB, in consultation with local health officers and others, to make publicly available a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants.

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

BACKGROUND

On May 15, the Senate Budget Subcommittee No. 2 rejected the Governor's proposed trailer bill language to fund safe and affordable drinking water, (that included a water tax) in favor of \$150 million General Fund continuous appropriation. However, this shall only become operative if SB 200 is enacted and takes effect.

ARGUMENTS IN SUPPORT

While the vast majority of Californians have access to safe drinking water, hundreds of thousands of Californians live in disadvantaged communities that do not have access to safe drinking water. This reality is unacceptable and is a public health risk. As you have advocated, a sustainable funding solution is needed to assist these communities.

According to the author, "SB 200 will establish the Safe and Affordable Drinking Water Fund and create a framework for the State Water Resources Control Board (SWRCB) to receive, administer, and distribute revenue in a responsible, cost-effective manner that prioritizes solutions for those most impacted by unsafe and unaffordable drinking water.

While SB 200 does not identify a funding source to solve the clean drinking water crisis, it does set up the needed framework and administrative structure for delivering future funds to the communities who need them the most. The bill will additionally direct the SWRCB, in consultation with a multi-disciplinary stakeholder group, to prioritize future funding to focus on disadvantaged communities and low-income domestic well users where the cost of treating the water, or finding new sources of clean water, would otherwise make the cost of the water service unaffordable."

ARGUMENTS IN OPPOSITION

None on file. Initially the San Diego County Water Authority had filed a letter of opposition but has since removed their opposition, and is now supporting the measure.

BOARD OPTIONS

Option #1

Adopt a support position on SB 200 (Monning), the Safe and Affordable Drinking Water Fund.

- **Fiscal Impact:**
 - Ongoing special fund costs in the millions of dollars annually for SWRCB to adopt a fund implementation plan and implement other requirements from this bill.
 - By requiring local agencies to report on water quality data, this bill creates a state-mandated local program. To the extent that the Commission on State Mandates determines that the provisions of this bill create a new program or impose a higher level of service on local agencies, local agencies could claim reimbursement of those costs (General Fund). The annual amount is unknown.

- **Business Analysis:**

SB 200 provides a good framework and administrative structure for the SWRCB to receive, administer, and distribute the funds to water systems that are currently not providing safe drinking water to Californians.

Option #2

Take no action

- **Fiscal Impact:**

Unknown, however potentially in the hundreds of millions if AB 134 is adopted by the Legislature instead of SB 200

- **Business Analysis:**

Currently, there is one other bill, AB 134 (Bloom) that also provides a framework for the SWRCB to receive, administer, and distribute the funds for the safe drinking water program. While AB 134 is well intended, it is so extensive that it could end up bogging down the progress toward getting to solutions while driving up the program implementation costs. The Assembly Appropriations Committee estimated the cost of implementation as follows: "This bill will cost SWRCB between approximately \$122 million to \$1.1 billion per year (Safe and Affordable Drinking Water Fund) and require 42 new staff positions."

ATTACHED:

- SB 200 Full Text

AMENDED IN SENATE MAY 17, 2019

AMENDED IN SENATE MAY 7, 2019

AMENDED IN SENATE APRIL 29, 2019

AMENDED IN SENATE MARCH 11, 2019

SENATE BILL

No. 200

Introduced by Senator Monning

(Principal coauthor: Assembly Member Eduardo Garcia)

January 31, 2019

An act to add Chapter 4.6 (commencing with Section 116765) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

SB 200, as amended, Monning. Safe and Affordable Drinking Water Fund.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

This bill would establish the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and the long term. The bill would authorize the board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, and bequests and would provide that moneys in the fund are available, upon appropriation by the Legislature, to the board to fund grants, loans, contracts, or services to assist eligible recipients. The bill

would require the board to adopt a fund implementation plan with specified contents and would require expenditures of the fund to be consistent with the plan. The bill would require, by January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, to make publicly available, as specified, a map of aquifers that are used or likely to be used as a source of drinking water that are at high risk of containing contaminants that exceed safe drinking water standards. For purposes of the map, the bill would require local health officers and other relevant local agencies to provide all results of, and data associated with, water quality testing performed by certified laboratories to the board, as specified. By imposing additional duties on local health officers and local agencies, the bill would impose a state-mandated local program.

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

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

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

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

1 SECTION 1. Chapter 4.6 (commencing with Section 116765)
2 is added to Part 12 of Division 104 of the Health and Safety Code,
3 to read:

4
5 CHAPTER 4.6. SAFE AND AFFORDABLE DRINKING WATER

6
7 Article 1. Safe and Affordable Drinking Water Fund

8
9 116765. (a) The Safe and Affordable Drinking Water Fund is
10 hereby established in the State Treasury to help water systems
11 provide an adequate and affordable supply of safe drinking water
12 in both the near and long terms. All moneys deposited in the fund
13 pursuant to paragraph (1) of subdivision (a) of Section 116771 are
14 available, upon appropriation by the Legislature, to the board to
15 fund the following:

1 (1) Operation and maintenance costs to help deliver an adequate
2 supply of safe drinking water in both the near and long terms.

3 (2) Consolidation costs for public water systems, community
4 water systems, and state small water systems.

5 (3) Replacement water to provide the systems with safe drinking
6 water as a short-term solution.

7 (4) The provision of administrative and managerial services
8 under Section 116686 for purposes of helping the systems become
9 self-sufficient in the long term.

10 (b) Consistent with subdivision (a), the board shall expend
11 moneys in the fund for grants, loans, contracts, or services to assist
12 eligible recipients.

13 (c) (1) Eligible recipients of funding under this chapter are
14 public agencies, nonprofit organizations, public utilities, mutual
15 water companies, federally recognized Indian tribes, state Indian
16 tribes listed on the Native American Heritage Commission's
17 California Tribal Consultation List, and administrators.

18 (2) To be eligible for funding under this chapter, grants, loans,
19 contracts, or services provided to a public utility that is regulated
20 by the Public Utilities Commission or a mutual water company
21 shall have a clear and definite public purpose and shall benefit the
22 customers of the water system and not the investors.

23 (d) An expenditure from the fund shall be consistent with the
24 fund implementation plan.

25 (e) The board may expend moneys from the fund for reasonable
26 costs associated with the administration of this chapter, not to
27 exceed 5 percent of the annual deposits into the fund.

28 (f) In administering the fund, the board shall make reasonable
29 efforts to ensure that funds are used to secure the long-term
30 sustainability of drinking water service and infrastructure,
31 including, but not limited to, requiring adequate technical,
32 managerial, and financial capacity of eligible applicants as part of
33 funding agreement outcomes.

34
35 Article 2. Definitions

36
37 116766. For the purposes of this chapter:

38 (a) "Adequate supply" has the same meaning as defined in
39 Section 116681.

- 1 (b) “Administrator” has the same meaning as defined in Section
2 116686.
- 3 (c) “Board” means the State Water Resources Control Board.
- 4 (d) “Community water system” has the same meaning as defined
5 in Section 116275.
- 6 (e) “Consistently fails” has the same meaning as defined in
7 Section 116681.
- 8 (f) “Disadvantaged community” has the same meaning as
9 defined in Section 79505.5 of the Water Code.
- 10 (g) “Domestic well” has the same meaning as defined in Section
11 116681.
- 12 (h) “Fund” means the Safe and Affordable Drinking Water Fund
13 established pursuant to Section 116765.
- 14 (i) “Fund implementation plan” means the fund implementation
15 plan adopted pursuant to Article 3 (commencing with Section
16 116767).
- 17 (j) “Low-income household” means a single household whose
18 income is less than 200 percent of the federal poverty level.
- 19 (k) “Mutual water company” means a mutual water company,
20 as defined in Section 14300 of the Corporations Code, that operates
21 a public water system or a state small water system.
- 22 (l) “Nonprofit organization” means an organization qualified
23 to do business in California and qualified under Section 501(c)(3)
24 of Title 26 of the United States Code.
- 25 (m) “Public agency” means a state agency or department, special
26 district, joint powers authority, city, county, city and county, or
27 other political subdivision of the state.
- 28 (n) “Public utility” has the same meaning as defined in Section
29 216 of the Public Utilities Code.
- 30 (o) “Public water system” has the same meaning as defined in
31 Section 116275.
- 32 (p) “Replacement water” includes, but is not limited to, bottled
33 water, vended water, point-of-use, or point-of-entry treatment
34 units.
- 35 (q) “Safe drinking water” has the same meaning as defined in
36 Section 116681.
- 37 (r) “Service connection” has the same meaning as defined in
38 Section 116275.
- 39 (s) “State small water system” has the same meaning as defined
40 in Section 116275.

(t) “Vended water” has the same meaning as defined in Section 111070.

Article 3. Fund Implementation Plan

116767. The purposes of the fund implementation plan are as follows:

(a) To identify public water systems, community water systems, and state small water systems that consistently fail to provide an adequate supply of safe drinking water, including the cause or causes of the failure and appropriate measures to remedy the failure.

(b) To determine the amount and type of funding necessary to implement appropriate measures to remedy a failure to provide an adequate supply of safe drinking water.

(c) To identify public water systems, community water systems, and state small water systems that are at significant risk of failing to provide an adequate supply of safe drinking water, including the source or sources of the risk and appropriate measures to eliminate the risk.

(d) To determine the amount and type of funding necessary to implement appropriate measures to eliminate the risk of failing to provide an adequate supply of safe drinking water.

(e) To identify gaps in the provision of safe drinking water, in furtherance of Section 106.3 of the Water Code, and to determine the amount and type of funding necessary to minimize or eliminate those gaps.

(f) To prioritize available funding provided by this chapter for measures identified in subdivisions (a), (c), and (e).

116768. (a) On or before July 1, 2020, the board shall develop and adopt a policy for developing the fund implementation plan that includes all of the following elements:

(1) A requirement that the board consult with an advisory group to aid in meeting the purposes of the fund implementation plan as established in Section 116767. The advisory group shall include representatives of the following:

- (A) Entities paying into the fund.
- (B) Public water systems.
- (C) Technical assistance providers.
- (D) Local agencies.

1 (E) Nongovernmental organizations.

2 (F) Residents served by community water systems in
3 disadvantaged communities, state small water systems, and
4 domestic wells.

5 (G) The public.

6 (2) Identification of key terms, criteria, and metrics, and their
7 definitions.

8 (3) A description of how proposed remedies will be identified,
9 evaluated, prioritized, and included in the fund implementation
10 plan.

11 (4) The establishment of a process by which members of a
12 disadvantaged community may petition the state board to consider
13 ordering consolidation.

14 (5) A requirement that the board hold at least one public hearing
15 before adopting a fund implementation plan.

16 (b) The board shall annually adopt a fund implementation plan.
17 The board may adopt a policy handbook and update it at least once
18 every three years.

19 (c) On or before January 10, 2021, and every January 10
20 thereafter, the board shall provide to the Joint Legislative Budget
21 Committee and the chairpersons of the fiscal committees in each
22 house of the Legislature the most recently adopted fund
23 implementation plan. The board may submit the fund
24 implementation plan as required by this subdivision either in the
25 Governor's Budget documents or as a separate report.

26 116769. (a) The fund implementation plan shall contain the
27 following:

28 (1) A report of expenditures from the fund for the prior fiscal
29 year and planned expenditures for the current fiscal year.

30 (2) A list of systems that consistently fail to provide an adequate
31 supply of safe drinking water. The list shall include, but is not
32 limited to, all of the following:

33 (A) Any public water system that consistently fails to provide
34 an adequate supply of safe drinking water.

35 (B) Any community water system that serves a disadvantaged
36 community that must charge fees that exceed the affordability
37 threshold established by the board in order to supply, treat, and
38 distribute potable water that complies with federal and state
39 drinking water standards.

1 (C) Any state small water system that consistently fails to
2 provide an adequate supply of safe drinking water.

3 (3) A list of public water systems, community water systems,
4 and state small water systems that may be at risk of failing to
5 provide an adequate supply of safe drinking water.

6 (4) An estimate of the number of households that are served by
7 domestic wells or state small water systems in high-risk areas
8 identified pursuant to Article 5 (commencing with Section 116772).
9 The estimate shall identify approximate locations of households,
10 without identifying exact addresses or other personal information,
11 in order to identify potential target areas for outreach and assistance
12 programs.

13 (5) An estimate of the funding needed for the next fiscal year
14 based on the amount available in the fund, anticipated funding
15 needs, other existing funding sources, and other relevant data and
16 information.

17 (6) A list of programs to be funded that assist or will assist
18 households supplied by a domestic well that consistently fails to
19 provide an adequate supply of safe drinking water.

20 (7) A list of programs to be funded that assist or will assist
21 households and schools whose tap water contains contaminants,
22 such as lead or secondary contaminants, at levels that exceed
23 recommended standards.

24 (b) The fund implementation plan shall be based on data and
25 analysis drawn from the drinking water needs assessment funded
26 by Chapter 449 of the Statutes of 2018 as that assessment may be
27 updated and as information is developed pursuant to Article 5
28 (commencing with Section 116772).

29 (c) The fund implementation plan shall prioritize funding for
30 all of the following:

31 (1) Assisting disadvantaged communities served by a public
32 water system and low-income households served by a state small
33 water system or a domestic well.

34 (2) The consolidation or extension of service, or both.

35 (3) Funding costs other than those related to capital construction
36 costs, except for capital construction costs associated with
37 consolidation and service extension to reduce the ongoing unit
38 cost of service and to increase sustainability of drinking water
39 infrastructure and service delivery.

1 116770. The fund implementation plan may include
2 expenditures for the following:

3 (a) The provision of replacement water, as needed, to ensure
4 immediate protection of health and safety as a short-term solution.

5 (b) The development, implementation, and sustainability of
6 long-term drinking water solutions, including, but not limited to,
7 the following:

8 (1) (A) Technical assistance, planning, construction, repair,
9 and operation and maintenance costs associated with any of the
10 following:

11 (i) Replacing, blending, or treating contaminated drinking water.

12 (ii) Repairing or replacing failing water system equipment,
13 pipes, or fixtures.

14 (iii) Operation and maintenance costs associated with
15 consolidated water systems, extended drinking water services, or
16 reliance on a substituted drinking water source.

17 (B) Technical assistance and planning costs may include, but
18 are not limited to, analyses to identify and efforts to further
19 opportunities to reduce the unit cost of providing drinking water
20 through organizational and operational efficiency improvements,
21 and other options and approaches to reduce costs.

22 (2) Creating and maintaining natural means and green
23 infrastructure solutions that contribute to sustainable drinking
24 water.

25 (3) Consolidating water systems.

26 (4) Extending drinking water services to other public water
27 systems, community water systems, and state small water systems,
28 or domestic wells.

29 (5) Satisfying outstanding long-term debt obligations of public
30 water systems, community water systems, and state small water
31 systems where the board determines that a system's lack of access
32 to capital markets renders this solution the most cost effective for
33 removing a financial barrier to the system's sustainable, long-term
34 provision of drinking water.

35 (c) Identifying and providing outreach to persons who are
36 eligible to receive assistance from the fund.

37 (d) Testing the drinking water quality of domestic wells serving
38 low-income households, prioritizing those in high-risk areas
39 identified pursuant to Article 5 (commencing with Section 116772).

1 (e) Providing administrative and managerial services under
2 Section 116686.

3
4 Article 4. Miscellaneous Provisions
5

6 116771. (a) The board may undertake any of the following
7 actions to implement the fund:

8 (1) Provide for the deposit of both of the following moneys into
9 the fund:

10 (A) Federal contributions.

11 (B) Voluntary contributions, gifts, grants, or bequests.

12 (2) Enter into agreements for contributions to the fund from the
13 federal government, local or state agencies, and private
14 corporations or nonprofit organizations.

15 (3) Direct portions of the fund to a subset of eligible applicants
16 as required or appropriate based on funding source and consistent
17 with the annual fund implementation plan.

18 (4) Direct moneys described in subparagraph (B) of paragraph
19 (1) towards a specific project, program, or study.

20 (b) The board may set appropriate requirements as a condition
21 of funding, including, but not limited to, the following:

22 (1) A system technical, managerial, or financial capacity audit.

23 (2) Improvements to reduce costs and increase efficiencies.

24 (3) An evaluation of alternative treatment technologies.

25 (4) A consolidation or service extension feasibility study.

26 (5) Requirements for a domestic well with nitrate contamination
27 where ongoing septic system failure may be causing or contributing
28 to contamination of a drinking water source, to have conducted an
29 investigation and project to address the septic system failure, if
30 adequate funding sources are identified and accessible.

31 (c) Actions taken to implement, interpret, or make specific this
32 chapter, including, but not limited to, the adoption or development
33 of any plan, handbook, or map, are not subject to the
34 Administrative Procedure Act (Chapter 3.5 (commencing with
35 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
36 Code).

Article 5. Information on High-Risk Areas

116772. (a) (1) By January 1, 2021, the board, in consultation with local health officers and other relevant stakeholders, shall use available data to make available a map of aquifers that are at high risk of containing contaminants that exceed safe drinking water standards that are used or likely to be used as a source of drinking water for a state small water system or a domestic well. The board shall update the map annually based on new and relevant data.

(2) The board shall make the map of high-risk areas, as well as the data used to make the map, publicly accessible on its internet website in a manner that complies with the Information Practices Act of 1977 (Chapter 1 (commencing with Section 1798) of Title 1.8 of Part 4 of Division 3 of the Civil Code). The board shall notify local health officers and county planning agencies of high-risk areas within their jurisdictions.

(b) (1) By January 1, 2021, a local health officer or other relevant local agency shall provide to the board all results of, and data associated with, water quality testing performed by certified laboratories for a state small water system or domestic well that was collected after January 1, 2014, and that is in the possession of the local health officer or other relevant local agency.

(2) By January 1, 2022, and by January 1 of each year thereafter, all results of, and data associated with, water quality testing performed by a certified laboratory for a state small water system or domestic well that is submitted to a local health officer or other relevant local agency shall also be submitted directly to the board in electronic format.

SEC. 2. (a) Implementation of Chapter 4.6 (commencing with Section 116765) of Part 12 of Division 104 of the Health and Safety Code is contingent upon an appropriation for its purposes in the annual Budget Act.

(b) This act does not impose a levy, charge, or exaction of any kind, such as a tax or fee.

~~SEC. 2.~~

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

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

O



ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs and Legislation Committee**
(Directors Dick, Thomas, and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: AB 402 (QUIRK) – STATE WATER RESOURCES CONTROL BOARD:
LOCAL PRIMARY AGENCIES, FUNDING STABLIZATION**

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt an oppose unless amended position on AB 402 (Quirk), State Water Resources Control Board: local primacy delegation: funding stabilization program.

COMMITTEE RECOMMENDATION

The Committee will review this item on June 17, 2019 and make a recommendation to the Board.

BILL SUMMARY

AB 402 would create an opt-in program, administered by the State Water Resources Control Board (SWRCB) to fund regulatory oversight of small public drinking water systems in Local Primacy Agency (LPA) counties.

BACKGROUND

The State Water Board has regulatory oversight of approximately 7,500 public drinking water systems in California. Thirty of California's 58 counties have LPA delegation

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

agreements with the State Water Board, and therefore have primary responsibility of regulatory oversight of the public drinking water systems in their counties. LPA counties regulate approximately 4,500 public drinking water systems, across the state (community water systems with more than 14 and less than 200 connections). In the remaining 28 counties, all public water systems, regardless of size, are directly overseen by the State Water Board. In all 58 counties, the SWRCB directly oversees public water systems with 200 service connections or more. Orange County does **not** serve as the LPA. The SWRCB agreed to take the 15 LPAs from the county's jurisdiction in the 1990s after the county filed for bankruptcy.

As introduced on February 6, 2019, AB 402 would create a funding stabilization program that LPAs could opt into and would be overseen by the SWRCB. By participating in this program, LPAs—, which are county health offices that provide regulatory oversight of small public water systems instead of the State Water Board—would delegate their authority to establish and collect fees on small public water systems to the State Water Board while retaining their regulatory oversight authority.

ARGUMENTS IN SUPPORT

According to the bill's sponsor, The California Association of Environmental Health Administrators, AB 402 will "secure funding for the established, effective LPA regulatory program which currently serves the needs of 30 counties and their small public drinking water systems. It will also offer an opportunity for local jurisdictions to consider re-applying to become LPAs. If LPAs are funded at the same level as the [State Water Board] regulatory program, LPAs can provide equal or better programs to their small public drinking water systems and 400 DACs currently being left behind."

ARGUMENTS IN OPPOSITION

On June 5, the Association of California Water Agencies (ACWA) State Legislative Committee convened an emergency meeting to adopt an oppose unless amended position on AB 402 after they learned that it is the intent of the bill to allow the State Water Board to establish fees on *all public water systems* to subsidize this program.

Since the intent of this bill has been revealed, the proponents have been reluctant to amend the bill to reflect its original intent — that was to provide the State Water Board the authority to assess fees only on small public water systems overseen by LPAs that opt into this program. Their concern is that such an amendment would restrict the State Water Board's existing fee authority. Amending the bill to reflect its original intent would not limit the State Water Board's existing fee authority because the State Water Board currently has no authority to fund this program. AB 402 would create the mechanism to fund this program. By allowing the State Water Board to raise or establish new fees to fund this program, this bill would expand the State Water Board's fee authority.

AB 402 directs the SWRCB to "establish ... fees" on all public water system for the purpose of funding this program. This provision authorizes the SWRCB to create and assess a new fee on all public water systems. Public water systems would (1) be compelled to pay this fee, and (2) receive no benefit from the resulting revenue.

BOARD OPTIONS

Option #1

Adopt an oppose unless amended position on AB 402 (Quirk), the SWRCB LPA Funding Stabilization program. The amendments requested would reflect the bill's original, and publicized, intent—that the SWRCB could only fund this program by assessing fees on small public water systems overseen by LPAs that opt into this program.

Fiscal Impact:

- If all LPA's participate in the new program, there will be estimated increased State Water Board costs of \$6.9 million to meet the drinking water needs of the counties. One-time costs of \$175,000 to develop regulations and ongoing annual costs of \$350,000 to oversee the program. Fees for public water systems to cover the cost of the program are unknown at this time

Business Analysis:

- While the fee on public water systems would likely be small, this would open the door for a tax on water once again while receiving no benefit from the resulting revenue. While the bill characterizes this assessment as a "fee," it is a tax according to Article XIII A of the California Constitution. Any bill authorizing the creation of a tax would also necessitate a two-thirds vote by both houses of the Legislature. It seems likely that Legislative Counsel did not set this bill to receive a two-thirds vote because they understood it would authorize the State Water Board to fund this program by establishing fees only on small public water systems.

Option #2

Take no action

Fiscal Impact:

- Same as option #1

Business Analysis:

- Taking no position on this measure would not support MWDOC's adopted policy principle that states the agency opposes a water tax on public water agencies or their ratepayers.

ATTACHED:

- AB 402 Full Text

AMENDED IN ASSEMBLY MARCH 5, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 402

Introduced by Assembly Member Quirk

February 6, 2019

An act to amend Section 116330 of the Health and Safety Code, relating to drinking water.

LEGISLATIVE COUNSEL’S DIGEST

AB 402, as amended, Quirk. State Water Resources Control Board: local primacy delegation: funding stabilization program.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health, including, but not limited to, conducting research, studies, and demonstration programs relating to the provision of a dependable, safe supply of drinking water, enforcing the federal Safe Drinking Water Act, adopting implementing regulations, and conducting studies and investigations to assess the quality of water in private domestic water supplies. The act authorizes the state board to delegate, through a local primacy delegation agreement, primary responsibility for the act’s administration and enforcement within a county to a local health officer, as specified. The act requires that a local primacy delegation remain in effect until specified conditions occur. The act requires the state board to provide the local primacy agency, to the extent funds are available from the Safe Drinking Water Account, with an annual drinking water surveillance program grant to cover the costs of conducting inspection, monitoring, surveillance, and water quality evaluation activities specified in the local primacy agreement. The act requires the state board to adopt

a schedule of fees and requires a public water system under the jurisdiction of a local primacy agency to pay these fees to the local primacy agency in lieu of the state board. Existing law makes it a crime for any person to knowingly commit certain acts, including making a false statement or representation in any record submitted, maintained, or used for the purposes of compliance with the act, possessing a record required to be maintained by the act that has been altered or concealed, and destroying, altering, or concealing any record required to be maintained by the act.

This bill would include enforcement costs as costs covered by an annual drinking water surveillance program grant. The bill would authorize any local primacy agency, with approval of the state board, to elect to participate in a funding stabilization program effective for the 2020–21 fiscal year and fiscal years thereafter, as specified. The bill would require the state board, during any fiscal year for which a local primacy agency participates in the funding stabilization program, to establish and collect all fees payable by public water systems for the local primacy agency activities and to provide funding to the local primacy agency each year in accordance with an annual workscope, prepared as prescribed by the local primacy agency that is submitted to and approved by the state board. The bill would prohibit a participating local primacy agency from charging a public water system any fee in addition to the fees established and collected by the funding stabilization program for the activities in the local primacy agency and would require all fines and penalties collected by such a local primacy agency for the local primacy agency's activities to be remitted to the state board for deposit in the Safe Drinking Water account. The bill would require a participating local primacy agency to establish and maintain accurate accounting records of all costs it incurs and periodically to make these records available to the state board. By requiring new records for the purpose of complying with the act, this bill would expand the scope of a crime and thereby impose a state-mandated local program.

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

This bill would provide that no reimbursement is required by this act for a specified reason.

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

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

1 SECTION 1. Section 116330 of the Health and Safety Code
2 is amended to read:

3 116330. (a) The state board may delegate primary
4 responsibility for the administration and enforcement of this chapter
5 within a county to a local health officer authorized by the board
6 of supervisors to assume these duties, by means of a local primacy
7 delegation agreement if the local health officer demonstrates that
8 it has the capability to meet the local primacy program
9 requirements established by the state board pursuant to subdivision
10 (h) of Section 116375. This delegation shall not include the
11 regulation of community water systems serving 200 or more service
12 connections. The local primacy agreement may contain terms and
13 conditions that the state board deems necessary to carry out this
14 chapter. The local primacy agreement shall provide that, although
15 the local primacy agency shall be primarily responsible for
16 administration and enforcement of this chapter for the designated
17 water systems, the state board does not thereby relinquish its
18 authority, but rather shall retain jurisdiction to administer and
19 enforce this chapter for the designated water systems to the extent
20 determined necessary by the state board.

21 (b) Any local health officer seeking a local primacy delegation
22 shall submit an application to the state board. The application shall
23 be submitted by January 1 of the fiscal year immediately preceding
24 the commencement of the fiscal year for which the local primacy
25 delegation is sought. The application shall be in the format, and
26 shall contain information, required by the state board. The state
27 board shall approve the application for primacy if the state board
28 determines that the local health officer is capable of meeting the
29 primacy program requirements established by the state board.

30 (c) A local primacy delegation approved by the state board shall
31 remain in effect until any of the following conditions occur:

32 (1) The delegation is withdrawn by mutual agreement.

33 (2) The local primacy agency provides 120-day advance written
34 notice to the state board that it no longer wishes to retain local
35 primacy.

36 (3) The state board determines that the local primacy agency
37 no longer complies with the state board's local primacy program
38 requirements. The state board shall provide written notice to the

1 local primacy agency and the board of supervisors and shall provide
2 an opportunity for a public hearing prior to initiation of any local
3 primacy revocation action by the state board.

4 (d) The state board shall evaluate the drinking water program
5 of each local primacy agency at least annually. The state board
6 shall prepare a report of the evaluation and list any program
7 improvements needed to conform to the state board's local primacy
8 program requirements. A copy of the evaluation report shall be
9 provided to the local primacy agency and the board of supervisors.
10 The local primacy agency shall be granted a reasonable amount
11 of time to make any needed program improvements prior to the
12 initiation of any local primacy revocation actions.

13 (e) In addition to any funding provided under subdivision (g),
14 to the extent funds are available in the Safe Drinking Water
15 Account, the state board shall provide the local primacy agency
16 with an annual drinking water surveillance program grant to cover
17 the cost of conducting the inspection, monitoring, surveillance,
18 enforcement, and water quality evaluation activities specified in
19 the local primacy agreement. The annual program grant pursuant
20 to this subdivision shall not exceed the amount that the state board
21 determines would be necessary for the state board to conduct
22 inspection, monitoring, surveillance, enforcement, and water
23 quality evaluation activities in the absence of a local primacy
24 agreement for those systems in that county.

25 (f) The local primacy agency shall act for the state board as the
26 primary agency responsible for the administration and enforcement
27 of this chapter for the specified public water systems and shall be
28 empowered with all of the authority granted to the state board by
29 this chapter over those water systems.

30 (g) (1) With approval of the state board, any local primacy
31 agency may elect to participate in the funding stabilization program
32 effective for the 2020–21 fiscal year and thereafter set forth in this
33 subdivision.

34 (2) A local primacy agency shall submit a resolution of intention
35 to participate, approved by the county board of supervisors, to the
36 state board by January 1 of the fiscal year immediately preceding
37 the commencement of the fiscal year for which participation in
38 the funding stabilization program is sought. If approved by the
39 state board, the local primacy agency's participation in the funding
40 stabilization program shall continue until terminated in accordance

1 with this paragraph. Either the local primacy agency or the board
2 may terminate the local primacy agency's participation by serving
3 notice on the other party by January 1 of any year, and termination
4 shall become effective July 1 of the immediately succeeding fiscal
5 year.

6 (3) During any fiscal year for which a local primacy agency
7 participates in the funding stabilization program, all of the
8 following shall apply:

9 (A) Notwithstanding Section 101325 and subdivision (f) of
10 Section 116565, the state board shall establish and collect all fees
11 payable by public water systems for the local primacy agency
12 activities set forth in this section.

13 (i) Fees established and collected pursuant to this subparagraph
14 shall not be higher than the fees ~~charges~~ *charged* by the state board
15 for regulatory oversight of *equivalent* small public water systems
16 by the state board.

17 (ii) A local primacy agency shall not charge a public water
18 system any fee in addition to the fees established and collected
19 pursuant to this subparagraph for the activities set forth in this
20 section.

21 (B) The state board shall provide funding to the local primacy
22 agency each year in accordance with a detailed annual workscope
23 submitted by the local primacy agency and approved by the state
24 board. The workscope shall set forth the reasonable costs incurred
25 by the local primacy agency in inspection, monitoring, surveillance,
26 water quality evaluation, and enforcement activities described in
27 the delegation agreement.

28 (C) A local primacy agency shall establish and maintain accurate
29 accounting records of all costs it incurs pursuant to this subdivision
30 and periodically shall make these records available to the state
31 board.

32 (D) A local primacy agency shall remit all fines and penalties
33 collected by the local primacy agency for the local primacy agency
34 activities set forth in this section to the state board for deposit in
35 the Safe Drinking Water Account established pursuant to Section
36 116590.

37 (4) The state board shall adopt regulations in accordance with
38 the Administrative Procedure Act (Chapter 3.5 (commencing with
39 Section 11340) of Part 1 of Division 3 of Title 2 of the Government
40 Code) to establish policies, guidelines, and procedures for the

1 preparation of the workscope of the local primacy agency and the
2 terms of payment by the board for work performed by the local
3 primacy agency that shall include, but not be limited to, all of the
4 following:

5 (A) Guidelines for the workscope submitted to the state board
6 by the local primacy agency.

7 (B) Approval of reimbursable direct and indirect costs.

8 (C) Quantifiable measures to evaluate the performance of the
9 local primacy agency under this subdivision.

10 SEC. 2. No reimbursement is required by this act pursuant to
11 Section 6 of Article XIII B of the California Constitution because
12 the only costs that may be incurred by a local agency or school
13 district will be incurred because this act creates a new crime or
14 infraction, eliminates a crime or infraction, or changes the penalty
15 for a crime or infraction, within the meaning of Section 17556 of
16 the Government Code, or changes the definition of a crime within
17 the meaning of Section 6 of Article XIII B of the California
18 Constitution.

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ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs and Legislation Committee**
(Directors Dick, Thomas and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: H.R. 2313 (HUFFMAN) - WATER CONSERVATION REBATE TAX PARITY ACT

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt a support position on H.R. 2313 (Huffman).

COMMITTEE RECOMMENDATION

Committee will review this item on June 17, 2019 and make a recommendation to the Board.

BILL SUMMARY

H.R. 2313 would expand the tax exclusion for energy conservation subsidies provided by public utilities to include certain subsidies for water conservation or efficiency measures and storm water management measures.

The bill excludes from gross income subsidies provided (directly or indirectly) by a public utility to a customer, or by a state or local government to a resident for the purchase or installation of any water conservation or efficiency measure. In addition, it also excludes subsidies provided by a storm water management provider for the purchase or installation of any storm water management measure.

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

BACKGROUND

Congressman Huffman has introduced this measure for the past few years, each with nearly identical language. In 2016, he introduced H.R. 4615; in 2017, he introduced H.R.448; and in 2019, it is H.R. 2313. To date, none of these bills has moved past introduction.

The Water Conservation Rebate Tax Parity Act clarifies that these rebates, which are growing in number and size across the nation, are not taxable income, but rather an effort to defray upfront consumer costs for a public benefit.

This would ensure that the IRS treats water conservation rebates in the same manner as they treat energy conservation rebates, including insulation, Energy Star-certified windows and doors, and energy efficient appliances, which are not considered taxable income.

ARGUMENTS IN SUPPORT

According to the author, “Americans should not be penalized for doing the right thing and installing water-saving technologies to make their homes and communities more resilient in the face of future droughts,” said Rep. Huffman. “House-by-house changes can add up to millions of gallons in water savings, and the tax code should support homeowners who replace water-thirsty lawns or reduce storm water runoff in the same way the federal government already incentivizes energy conservation rebates. The Water Conservation Rebate Tax Parity Act is a bipartisan, smart solution to ensure our constituents are not taxed for improving their water footprint.”

The Water Conservation Rebate Tax Parity Act is supported by: the California State Association of Counties, Western Urban Water Coalition, Natural Resources Defense Council (NRDC), Bay Area Council, National Association of Clean Water Agencies (NACWA), Arizona Municipal Water Users Association, Bay Planning Coalition, Coalition to Promote Water Conservation, Rural County Representatives of California (RCRC), Alliance for Water Efficiency, Metropolitan Water District, Los Angeles Department of Water and Power, Olivenhain Municipal Water District, Carlsbad Municipal Water District, Otay Water District, Rincon Water, Valley Center Municipal Water District, Vista Irrigation District, City of Poway, Elsinore Valley Municipal Water District, Yuima Municipal Water District, Three Valleys Municipal Water District, Calleguas Municipal Water District, Irvine Ranch Water District, and Santa Clara Valley Water District, Las Virgenes Municipal Water District, City of Anaheim Public Utilities Department City of Camarillo, and Sacramento Suburban Water District.

ARGUMENTS IN OPPOSITION

None on file.

BOARD OPTIONS

Option #1

- Adopt a support position on H.R. 2313 (Huffman), the Water Conservation Rebate, Tax Parity Act.

Fiscal Impact:

- The Congressional Budget Office has not done a cost estimate analysis on this measure, however, it is anticipated that the federal revenue losses would be in the millions.

Business Analysis:

- MWDOC's Legislative Policy Principles directly reflect support tax exemptions for water conservation measures such as turf removal rebates. Specifically, it is MWDOC's policy to support legislation and regulation that: Provides tax exemptions for water conservation or efficiency incentives for measures including, but not limited to, turf removal, devices, and other measures to reduce consumption of water or enhance the absorption and infiltration capacity of the landscape.
- Offering tax exemptions for water rebates could potentially increase participation in water savings programs throughout Orange County, reducing our reliance on imported and local water resources.

Option #2

- Take no action

Fiscal Impact: No federal revenue losses due to tax exemptions for water rebates.

Business Analysis:

- Taking no action on H.R. 2313 would not be in support of MWDOC's adopted policy principles that encourage water conservation, and more specifically, support legislation that provides tax exemptions for water conservation.

ATTACHED:

- H.R. 2313 Full Text

116TH CONGRESS
1ST SESSION

H. R. 2313

To amend the Internal Revenue Code of 1986 to expand the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.

IN THE HOUSE OF REPRESENTATIVES

APRIL 12, 2019

Mr. HUFFMAN (for himself and Mr. GOSAR) introduced the following bill;
which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to expand the exclusion for certain conservation subsidies to include subsidies for water conservation or efficiency measures and storm water management measures.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Water Conservation
5 Rebate Tax Parity Act”.

1 **SEC. 2. MODIFICATIONS TO INCOME EXCLUSION FOR CON-**
2 **SERVATION SUBSIDIES.**

3 (a) IN GENERAL.—Subsection (a) of section 136 of
4 the Internal Revenue Code of 1986 is amended—

5 (1) by striking “any subsidy provided” and in-
6 serting “any subsidy—

7 “(1) provided”,

8 (2) by striking the period at the end and insert-
9 ing a comma, and

10 (3) by adding at the end the following new
11 paragraphs:

12 “(2) provided (directly or indirectly) by a public
13 utility to a customer, or by a State or local govern-
14 ment to a resident of such State or locality, for the
15 purchase or installation of any water conservation or
16 efficiency measure, or

17 “(3) provided (directly or indirectly) by a storm
18 water management provider to a customer, or by a
19 State or local government to a resident of such State
20 or locality, for the purchase or installation of any
21 storm water management measure.”.

22 (b) CONFORMING AMENDMENTS.—

23 (1) DEFINITION OF WATER CONSERVATION OR
24 EFFICIENCY MEASURE AND STORM WATER MANAGE-
25 MENT MEASURE.—Section 136(c) of the Internal
26 Revenue Code of 1986 is amended—

1 (A) by striking “ENERGY CONSERVATION
2 MEASURE” in the heading thereof and inserting
3 “DEFINITIONS”,

4 (B) by striking “IN GENERAL” in the
5 heading of paragraph (1) and inserting “EN-
6 ERGY CONSERVATION MEASURE”, and

7 (C) by redesignating paragraph (2) as
8 paragraph (4) and by inserting after paragraph
9 (1) the following:

10 “(2) WATER CONSERVATION OR EFFICIENCY
11 MEASURE.—For purposes of this section, the term
12 ‘water conservation or efficiency measure’ means any
13 evaluation of water use, or any installation or modi-
14 fication of property, the primary purpose of which is
15 to reduce consumption of water or to improve the
16 management of water demand with respect to one or
17 more dwelling units.

18 “(3) STORM WATER MANAGEMENT MEASURE.—
19 For purposes of this section, the term ‘storm water
20 management measure’ means any installation or
21 modification of property primarily designed to re-
22 duce or manage amounts of storm water with re-
23 spect to one or more dwelling units.”.

24 (2) DEFINITION OF PUBLIC UTILITY.—Section
25 136(c)(4) of such Code (as redesignated by para-

graph (1)(C)) is amended by striking subparagraph (B) and inserting the following:

“(B) PUBLIC UTILITY.—The term ‘public utility’ means a person engaged in the sale of electricity, natural gas, or water to residential, commercial, or industrial customers for use by such customers.

“(C) STORM WATER MANAGEMENT PROVIDER.—The term ‘storm water management provider’ means a person engaged in the provision of storm water management measures to the public.

“(D) PERSON.—For purposes of subparagraphs (B) and (C), the term ‘person’ includes the Federal Government, a State or local government or any political subdivision thereof, or any instrumentality of any of the foregoing.”.

(3) CLERICAL AMENDMENTS.—

(A) The heading of section 136 of such Code is amended—

(i) by inserting “**AND WATER**” after “**ENERGY**”, and

(ii) by striking “**PROVIDED BY PUBLIC UTILITIES**”.

1 (B) The item relating to section 136 in the
2 table of sections of part III of subchapter B of
3 chapter 1 of such Code is amended—

4 (i) by inserting “and water” after
5 “energy”, and

6 (ii) by striking “provided by public
7 utilities”.

8 (c) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to amounts received after Decem-
10 ber 31, 2019.

11 (d) NO INFERENCE.—Nothing in this Act or the
12 amendments made by this Act shall be construed to create
13 any inference with respect to the proper tax treatment of
14 any subsidy received directly or indirectly from a public
15 utility, a storm water management provider, or a State
16 or local government for any water conservation measure
17 or storm water management measure before January 1,
18 2020.

○



ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Thomas and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: EXTENSION OF CONSULTING CONTRACT WITH ACKERMAN
CONSULTING**

STAFF RECOMMENDATION

Staff recommends the Board of Directors to consider extending the contract with Ackerman Consulting for specialized services.

COMMITTEE RECOMMENDATION

Committee will review this item on June 17, 2019 and make a recommendation to the Board.

REPORT

Ackerman Consulting has provided legal and regulatory consulting services to the Municipal Water District of Orange County (MWD OC) since 2009. This contract was sent out for competitive bid in 2018 for a one-year contract beginning in fiscal year 2018-2019, with the option to renew annually for four additional years. This is year two of the new contract. The proposed scope of services, provided by Mr. Ackerman, is included for your review, input, and approval.

SCOPE OF WORK

The following has been provided by Mr. Ackerman:

Budgeted (Y/N): Y	Budgeted amount: \$36,000	Core X	Choice ____
Action item amount: \$36,000	Line item: 31-7040		
Fiscal Impact (explain if unbudgeted):			

Scope of Work:

- Advise MWDOC on current legal, regulatory and other events bearing on water issues
- Monitor and keep MWDOC informed on opportunities to participate in various groups related to water, CEQA reform, and public works initiatives
- Monitor and advise MWDOC on issues of concern to its member agencies
- Work with the Board of Directors, staff, and member agencies on regional efforts in Orange County
- Assist in developing strategies and policies to raise awareness and support of issues relating to MWDOC and its member agencies
- Monitor, track, and analyze local issues that relate to MWDOC and its member agencies

Mr. Ackerman will continue working within the scope of services helping MWDOC identify priorities and opportunities in the outlined areas as needed. Compensation is to be on a “time and material” basis, not to exceed \$36,000 on an annual basis.

BOARD OPTIONS

Option #1

Approve contract extension for one year with Ackerman Consulting.

- **Fiscal Impact:**
\$36,000 for FY 2019-2020 (approved in the budget)
- **Business Analysis:**
Mr. Ackerman’s background, legal expertise, and community/industry relations provide MWDOC directors and staff with legal and regulatory events and information related to local, regional and statewide water issues. In addition, Mr. Ackerman provides assistance with CEQA reform, public works initiatives and issues of concern to MWDOC and its member agencies as needed.

Option #2

Do not approve contract extension with Ackerman Consulting.

- **Fiscal Impact:**
Reduced costs of \$36,000
- **Business Analysis:**
MWDOC will see a decrease in legal/regulatory information, along with a decrease in access to a specialized consultant with years of institutional knowledge and beneficial relationships.



ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Thomas and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) REGION 10
CALL FOR CANDIDATES**

STAFF RECOMMENDATION

Staff recommends that the Committee discuss and determine if a member of the MWDOC Board of Directors would like to be nominated and run for the ACWA Region 10 Board of Directors.

COMMITTEE RECOMMENDATION

Committee will review this item on June 17, 2019 and make a recommendation to the Board.

SUMMARY

The Region 10 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 10 for the 2020-2021 term. The Nominating Committee is currently seeking candidates for the Region 10 Board, which is comprised of Chair, Vice Chair and up to five Board Member positions for a total of seven.

These seats are split between Orange and San Diego counties. The two counties rotate between Chair and Vice Chair, with the county serving as Vice Chair having the extra seat. This term, Orange County will resume the Vice Chair position, adding an additional seat for

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

an Orange County director. Orange County will have four seats, San Diego County will have three.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 10 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 10. The members of the Region 10 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

Anyone interested in serving in a leadership role within ACWA by becoming a Region 10 Board Member, needs to familiarize themselves with the Role of the Regions and Responsibilities; the Election Timeline; and the Region 10 Rules and Regulations and complete the following steps:

- Complete the Region Board Candidate Nomination Form
- Obtain a Resolution of Support from your agency's Board of Directors
- Submit the requested information to ACWA as indicated by Friday, June 28, 2019

The Region 10 Nominating Committee is comprised of the following members:

- Gary Arant, Valley Center Municipal Water District
- Doug Davert, East Orange County Water District
- Doug Wilson, Padre Dam Municipal Water District
- Rick Shintaku, South Coast Water District

They will announce their recommended slate by July 31, 2019. On August 1, 2019, the election will begin with ballots sent to General Managers and Board Presidents. One ballot per agency will be counted. The election will be completed on September 30, 2019. On October 4, 2019, election results will be announced. The newly elected Region 10 Board Members will begin their two-year term of service on January 1, 2020.

The incumbents running for reelection for Region 10 include Jim Atkinson (Mesa Water District), Chuck Gibson (Santa Margarita Water District), and Cathy Green (Orange County Water District).

BOARD OPTIONS

Option #1

Discuss and determine if a member of the MWDOC Board would like to be nominated and run for the ACWA Region 10 Board of Directors.

- **Fiscal Impact:**
None
- **Business Analysis:**
ACWA is the leading statewide organization representing water agencies in Sacramento and Washington D.C. Having a Director from MWDOC in a position of

leadership helps not only elevate our agency's profile, it also puts Orange County's water interests and needs in the forefront of grassroots and outreach efforts.

Option #2

Take no action

Fiscal Impact:

None

Business Analysis:

MWDOC would not have an opportunity to have a Director on ACWA's Region 10 Board.

ATTACHED:

- ACWA Call for Region 10 Candidates
- 2019 ACWA Region Election Timeline
- Region Board Candidate Nomination Form
- ACWA Region 10 Rules & Regulations
- The Role of the Regions
- Sample Resolution of Support

MEMORANDUM

Date: May 1, 2019

To: ACWA REGION 10 MEMBER AGENCY PRESIDENTS AND GENERAL MANAGERS
(sent via e-mail)

From: ACWA REGION 10 NOMINATING COMMITTEE
Gary Arant, Valley Center Municipal Water District
Doug Davert, East Orange County Water District
Doug Wilson, Padre Dam Municipal Water District
Rick Shintaku, South Coast Water District

The Region 10 Nominating Committee is looking for ACWA members who are interested in leading the direction of ACWA Region 10 for the 2020-2021 term. The Nominating Committee is currently seeking candidates for the Region 10 Board, which is comprised of Chair, Vice Chair and up to five Board Member positions.

The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 10 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 10. The members of the Region 10 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

If you, or someone within your agency, are interested in serving in a leadership role within ACWA by becoming a Region 10 Board Member, please familiarize yourself with the Role of the Regions and Responsibilities; the Election Timeline; and the [Region 10 Rules and Regulations](#) and complete the following steps:

- **Complete the attached Region Board Candidate Nomination Form [HERE](#)**
- **Obtain a Resolution of Support from your agency's Board of Directors (Sample Resolution [HERE](#))**
- **Submit the requested information to ACWA as indicated by Friday, June 28, 2019**

The Region 10 Nominating Committee will announce their recommended slate by July 31, 2019. On August 1, 2019 the election will begin with ballots sent to General Managers and Board Presidents. One ballot per agency will be counted. The election will be completed on September 30, 2019. On October 4, 2019, election results will be announced. The newly elected Region 10 Board Members will begin their two-year term of service on January 1, 2020.

If you have any questions, please contact Regional Affairs Representative Brian Sanders, at brians@acwa.com or (916) 441-4545.

2019 ACWA Region Election Timeline 2020-2021 Term

February 28:

NOMINATING COMMITTEES APPOINTED

- With concurrence of the region board, the region chairs appoint at least three region members to serve as the respective region's Nominating Committee
- Those serving on nominating committees are ineligible to seek region offices
- Nominating Committee members are posted online at www.acwa.com

March 1-31:

NOMINATING COMMITTEE TRAINING

- Nominating Committee packets will be e-mailed out to each committee member
- ACWA staff will hold a training session via conference call with each nominating committee to educate them on their specific role and duties
 - Regions 1-10 Nominating Committees: via Go-to-Meeting

May 13:

CALL FOR CANDIDATES

- The call for candidate nominations packet will be e-mailed to ACWA member agency Board Presidents and General Managers

June 28:

DEADLINE FOR COMPLETED NOMINATION FORMS

- Deadline to submit all Nomination Forms and board resolutions of support for candidacy for region positions
- Nominating Committee members may need to solicit additional candidates in person to achieve a full complement of nominees for the slate

July 10:

CANDIDATE INFORMATION TO NOMINATING COMMITTEES

- All information submitted by candidates will be forwarded from ACWA staff to the respective region Nominating Committee members with a cover memo explaining their task

July 11 - 31:

RECOMMENDED SLATES SELECTED

- Nominating Committees will meet to determine the recommended individuals for their region. The slate will be placed on the election ballot.
- Nominating Committee Chairs will inform their respective ACWA Regional Affairs Representative of their recommended slate by July 24
- Candidates will be notified of the recommended slate by August 1
- The Nominating Committee Chair will approve the official region ballot

August 1:

ELECTIONS BEGIN

- All 10 official electronic ballots identifying the recommended slate and any additional candidates for consideration for each region will be produced and e-mailed to ACWA member agencies only
- Only one ballot per agency will be counted

September 30:

ELECTION BALLOTS DUE

- ***Deadline for all region elections. All region ballots must be received by ACWA by **September 30, 2019*****

October 4:

ANNOUNCEMENT OF ELECTION RESULTS

- Newly-elected members of the region boards will be contacted accordingly
- An ACWA Advisory will be distributed electronically to all members reporting the statewide region election results
- Results will be posted at acwa.com and will be published in the October issue of ACWA News



Name of Candidate: _____

Agency: _____ Title: _____

Agency Phone: _____ Direct Phone: _____

E-mail: _____ ACWA Region: _____ County: _____

Address: _____

Region Board Position Preference: (If you are interested in more than one position, please indicate priority - 1st, 2nd and 3rd choice)

☐ Chair _____

☐ Vice Chair _____

☐ Board Member _____

In the event, you are not chosen for the recommended slate, would you like to be listed on the ballot's individual candidate section? (If neither is selected, your name will **NOT** appear on the ballot.)

☐ Yes

☐ No

Agency Function(s): (check all that apply)

☐ Wholesale

☐ Sewage Treatment

☐ Flood Control

☐ Urban Water Supply

☐ Retailer

☐ Groundwater Management / Replenishment

☐ Ag Water Supply

☐ Wastewater Reclamation

☐ Other: _____

Describe your ACWA-related activities that help qualify you for this office:

In the space provided, please write or attach a brief, half-page bio summarizing the experience and qualifications that make you a viable candidate for ACWA Region leadership. Please include the number of years you have served in your current agency position, the number of years you have been involved in water issues and in what capacity you have been involved in the water community.

I acknowledge that the role of a region board member is to actively participate on the Region Board during my term, including attending region board and membership meetings, participating on region conference calls, participating in ACWA's Outreach Program, as well as other ACWA functions to set an example of commitment to the region and the association.

I hereby submit my name for consideration by the Nominating Committee.

(Please attach a copy of your agency's resolution of support/sponsorship for your candidacy.)

Signature Title Date

ACWA Region 10 Rules & Regulations

Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association (ACWA Bylaw V, 6.).

Officers

The chair and vice chair shall be from different counties.

At least one of the chair or vice chair positions must be an elected/appointed director from a member agency.

The region board members shall alternate every two years with three from one county and two from the other. The county from which the chair comes from shall have two region board members and the county from which the vice chair comes from shall have three region board members.

The chair will provide the region secretary.

Meetings

The region will hold at least quarterly meetings, including the ACWA spring and fall conferences.

The region chair will determine when and if nonmembers are invited to regional activities or events.

Attendance

If a region chair or vice chair is no longer allowed to serve on the Board of Directors due to his / her attendance, the region board shall appoint from the existing region board a new region officer. (ACWA Policy & Guideline Q, 1.)

If a region chair or vice chair misses three consecutive region board / membership meetings, the same process shall be used to backfill the region officer position. (ACWA Policy & Guideline Q, 1.)

If a region board member has three consecutive unexcused absences from a region board meeting or general membership business meeting, the region board will convene to discuss options for removal of the inactive board member. If the vacancy causes the board to fail to meet the minimum requirement of five board members, the region must fill the vacancy according to its rules and regulations. (ACWA Policy & Guideline Q, 3.)

Elections

All nominations received for the region chair, vice chair and board positions must be accompanied by a resolution of support from each sponsoring member agency, signed by an authorized representative of the Board of Directors. Only one individual may be nominated from a given agency to run for election to a region board. Agencies with representatives serving on the nominating committees should strive not to submit nominations for the region board from their agency. (ACWA Policy & Guideline P, 2.)

Election ballots will be e-mailed to ACWA member agency general managers and presidents.

The nominating committee shall consist of four persons, two from each county.

The nominating committee shall pursue qualified members within the region to run for the region board and consider geographic diversity, agency size and focus in selecting a slate.

A member of the nominating committee cannot be nominated by the committee for an elected position.

See current region election timeline for specific dates.

Endorsements

ACWA, as a statewide organization, may endorse potential nominees and nominees for appointment to local, regional, and statewide commissions and boards. ACWA's regions may submit a recommendation for consideration and action to the ACWA Board of Directors to endorse a potential nominee or nominee for appointment to a local, regional or statewide commission or board. (ACWA Policy & Guideline P, 3.)

Committee Recommendations & Representation

All regions are given equal opportunity to recommend representatives of the region for appointment to a standing or regular committee of the Association. If a region fails to provide full representation on all ACWA committees, those committee slots will be left open for the remainder of the term or until such time as the region designates a representative to complete the remainder of the term. (ACWA Policy & Guideline P, 4. A.)

At the first region board / membership meeting of the term, regions shall designate a representative serving on each of the standing and regular committees to serve as the official reporter to and from the committee on behalf of the region to facilitate input and communication. (ACWA Policy & Guideline P, 4. B.)

The chair and vice chair will recommend an official alternate for excused committee members.

Tours

ACWA may develop and conduct various tours for the regions. All tour attendees must sign a "release and waiver" to attend any and all region tours. Attendees agree to follow environmental guidelines and regulations in accordance with direction from ACWA staff; and will respect the rights and privacy of other attendees. (ACWA Policy & Guideline P, 6.)

Finances

See "Financial Guidelines for ACWA Region Events" document.

Amending the Region Rules & Regulations

ACWA policies and guidelines can be amended by approval of the ACWA Board of Directors.

The region 10 rules and regulations can be changed at any time with advanced written notice to member agencies.

THE ROLE OF THE REGIONS

Mission:

ACWA Regions will provide the grassroots support to advance ACWA's legislative and regulatory agenda.

Background:

As a result of ACWA's 1993 strategic planning process, known as Vision 2000, ACWA modified its governance structure from one that was based on sections to a regional-based configuration. Ten regions were established to provide geographic balance and to group agencies with similar interests.

The primary charge of regions:

- To provide a structure where agencies can come together and discuss / resolve issues of mutual concern and interest and based on that interaction, provide representative input to the ACWA board.
- To assist the Outreach Task Force in building local grassroots support for the ACWA Outreach Program in order to advance ACWA's legislative and regulatory priorities as determined by the ACWA Board and the State Legislative, Federal Affairs or other policy committees.
- To provide a forum to educate region members on ACWA's priorities and issues of local and statewide concern.
- To assist staff with association membership recruitment at the regional level.
- To recommend specific actions to the ACWA Board on local, regional, state and federal issues as well as to recommend endorsement for various government offices and positions.
 - *Individual region boards CANNOT take positions, action or disseminate communication on issues and endorsements without going through the ACWA Board structure.*

Region chairs and vice chairs, with support from their region boards, provide the regional leadership to fulfill this charge.

GENERAL DUTIES / RESPONSIBILITIES FOR REGION OFFICERS

Region Chair:

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Chair will also call at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Is a member of ACWA's Outreach Program, and encourages region involvement.
 - Appoints Outreach Captain to help lead outreach effort within the region.

- Presides over all region activities and ensures that such activities promote and support accomplishment of ACWA's Goals.
- Makes joint recommendations to the ACWA President regarding regional appointments to all ACWA committees.
- Appoints representatives in concurrence of the region board, to serve on the region's nominating committee with the approval of the region board.
- Facilitates communication from the region board and the region membership to the ACWA board and staff.

Region Vice Chair:

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Vice Chair will also participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- In the absence of the chair and in partnership with the chair, exercises the powers and performs duties of the region chair.
- Is a member of ACWA's Outreach Program, and encourages region involvement.
- Makes joint recommendations to the ACWA president regarding regional appointments to all ACWA committees.

Region Board Member:

- May serve as alternate for the chair and/or vice chair in their absence (if appointed) to represent the region to the ACWA Board.
- Will participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Supports program planning and activities for the region.
- Actively participates and encourages region involvement in ACWA's Outreach Program.

RESOLUTION NO. _____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
(DISTRICT NAME)
PLACING IN NOMINATION (NOMINEE NAME)
AS A MEMBER OF THE ASSOCIATION OF CALIFORNIA WATER AGENCIES
REGION ____ (POSITION)**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF (DISTRICT NAME) AS FOLLOWS:

A. Recitals

(i) The Board of Directors (Board) of the (District Name) does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA).

(ii) (Nominee Title), (Nominee Name) is currently serving as (Position) for ACWA Region ____

and/or

(iii) (Nominee Name) has indicated a desire to serve as a (Position) of ACWA Region ____.

B. Resolves

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF DIRECTORS OF (DISTRICT NAME),

(i) Does place its full and unreserved support in the nomination of (Nominee Name) for the (Position) of ACWA Region ____.

(ii) Does hereby determine that the expenses attendant with the service of (Nominee Name) in ACWA Region ____ shall be borne by the (District Name).

Adopted and approved this ____ day of ____ (month) 2019.

(SEAL)

(Nominee Name), (Title)
(District Name)

December 11, 2018

ATTEST:

(Secretary Name), Secretary

I, (SECRETARY NAME), Secretary to the Board of Directors of (District Name), hereby certify that the foregoing Resolution was introduced at a regular meeting of the Board of Directors of said District, held on the ____ day of ____ (month) 2017, and was adopted at that meeting by the following roll call vote:

AYES:

NOES:

ABSENT:

ATTEST:

(Secretary Name), Secretary to the
Board of Directors of
(District Name)



ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Thomas and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) 2019 BOARD OF DIRECTORS ELECTION – SOUTHERN NETWORK REGION, SEAT B

STAFF RECOMMENDATION

Staff recommends that the Board of Directors:

- Review and discuss the candidates running for the CSDA Board of Directors, Southern Network, Seat B
- Authorize President Barbre, or his designee, to cast the District's ballot

COMMITTEE RECOMMENDATION

Committee will review this item on June 17, 2019 and make a recommendation to the Board.

SUMMARY

CSDA is governed by an 18-member Board of Directors elected by mail ballots. The Board consists of three directors from each of the six networks (Northern, Sierra, Bay Area, Central, Coastal & Southern) throughout California. The Board meets bimonthly in Sacramento to guide the Association's legislative and member benefit programs.

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

Each CSDA member in good standing is entitled to vote for one director to represent its network. This year, CSDA will be using a web-based online voting system. Electronic ballots will be emailed on June 17, 2019. All votes must be received through the system no later than 5:00 p.m. August 9, 2019. MWDOC's electronic ballot will be sent directly to Cathy Harris, who is our designated CSDA staff contact.

There are seven candidates seeking election to fill Seat B on the CSDA Board of Directors, Southern Network, which includes Imperial, Los Angeles, Orange, Riverside, San Bernardino and San Diego Counties. Seat B is for a three-year term, ending in 2022. Incumbent Bill Nelson, Trustee at the Orange County Cemetery District has chosen not to seek reelection.

The following candidates are running for Seat B:

- Ronald Coats
Board Member, East Valley Water District
- Dennis LaMoreaux
General Manager, Palmdale Water District
- Michael Mack
Director, Rainbow Municipal Water District
- Greg Mills
Vice-President, Serrano Water District
- Kelly Rivers
Trustee, Orange County Cemetery District
- Kathleen Tiegs
Director, Cucamonga Valley Water District
- Lindsay Woods
General Manager, Hesperia Recreation and Park District

BOARD OPTIONS

Option #1

Review and discuss the candidates running for the CSDA Board of Directors, Southern Network, Seat B; additionally, authorize President Barbre or his designee to cast the District's ballot.

- **Fiscal Impact:**
None
- **Business Analysis:**
MWDOC has been a CSDA member in good standing for many years. Participating in the election process not only keeps our agency engaged in the organization, but helps ensure that CSDA continues with strong leadership on their Board of Directors with qualified representatives leading the organization.

Option #2

Take no action

- **Fiscal Impact:**

None

- **Business Analysis:**

Not participating in CSDA's election leaves the decision making to others. If the district does not vote on behalf of our interests, no one else will.

ATTACHED:

- Request for support from Greg Mills, Serrano Water District
- Request for support from Kathleen Tiegs, Cucamonga Valley Water District
- Request for support from Lindsay Woods, Hesperia Recreation and Park District



**California Special
Districts Association**

Districts Stronger Together

DATE: February 15, 2019

TO: CSDA Voting Member Presidents and General Managers

FROM: CSDA Elections and Bylaws Committee

**SUBJECT: CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS
SEAT B**

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2020 - 2022 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network that they seek to represent. (See attached CSDA Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

Commitment and Expectations:

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.
(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the fall.
*(CSDA does **not** reimburse expenses for the two conferences even if a Board or committee meeting is held in conjunction with the event)*
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected.
*(CSDA does **not** reimburse expenses for the Academy classes even if a Board or committee meeting is held in conjunction with the event).*

Nomination Procedures: Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the nomination. The deadline for receiving nominations is April 17, 2019. Nominations and supporting documentation may be mailed, faxed, or emailed.**

Mail: 1112 I Street, Suite 200, Sacramento, CA 95814
Fax: 916.442.7889
E-mail: amberp@csda.net

Once received, nominees will receive a candidate's letter in the mail. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

CSDA will begin electronic voting on June 17, 2019. All votes must be received through the system no later than 5:00 p.m. August 9, 2019. The successful candidates will be notified no later than August 13, 2019. All selected Board Members will be introduced at the Annual Conference in Anaheim, CA in September 2018.

Expiring Terms

(See enclosed map for Network breakdown)

Northern Network Seat B-Greg Orsini, GM, McKinleyville Community Services District*
Sierra Network Seat B-Ginger Root, GM, Lincoln Rural County Fire Protection District *
Bay Area Network Seat B-Ryan Clausnitzer, SDA, GM, Alameda County Mosquito Abatement District*
Central Network Seat B-Tim Ruiz, GM, West Niles Community Services District
Coastal Network Seat B-Jeff Hodge, SDA, GM, Santa Ynez Community Services District*
Southern Network Seat B-Bill Nelson, Director, Orange County Cemetery District
(* = Incumbent is running for re-election)

AGAIN, THIS YEAR!

This year we will be using a web-based online voting system, allowing your district to cast your vote easily and securely. *Electronic Ballots will be emailed to the main contact in your district June 17, 2019. All votes must be received through the system no later than 5:00 p.m. August 9, 2019.*

Districts can opt to cast a paper ballot instead; but you must contact Amber Phelen by e-mail Amberp@csda.net by April 17, 2019 in order to ensure that you will receive a paper ballot on time.

CSDA will mail paper ballots on June 17 per district request only. ALL ballots must be received by CSDA no later than 5:00 p.m. August 9, 2019.

The successful candidates will be notified no later than August 14, 2019. All selected Board Members will be introduced at the Annual Conference in Anaheim, CA in September 2019.

If you have any questions, please contact Amber Phelen at amberp@csda.net.



**California Special
Districts Association**
Districts Stronger Together

2019 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: _____

District: _____

Mailing Address: _____

Network: _____ (see map)

Telephone: _____

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: _____

E-mail: _____

Nominated by (optional): _____

Return this form and a Board resolution/minute action supporting the candidate and Candidate Information Sheet by fax, mail, or email to:

CSDA
Attn: Amber Phelen
1112 I Street, Suite 200
Sacramento, CA 95814
(877) 924-2732 (916) 442-7889 fax

amberp@csda.net

DEADLINE FOR RECEIVING NOMINATIONS – April 17, 2019



**California Special
Districts Association**
Districts Stronger Together

2019 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: _____

District/Company: _____

Title: _____

Elected/Appointed/Staff: _____

Length of Service with District: _____

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

3. List local government involvement (such as LAFCo, Association of Governments, etc.):

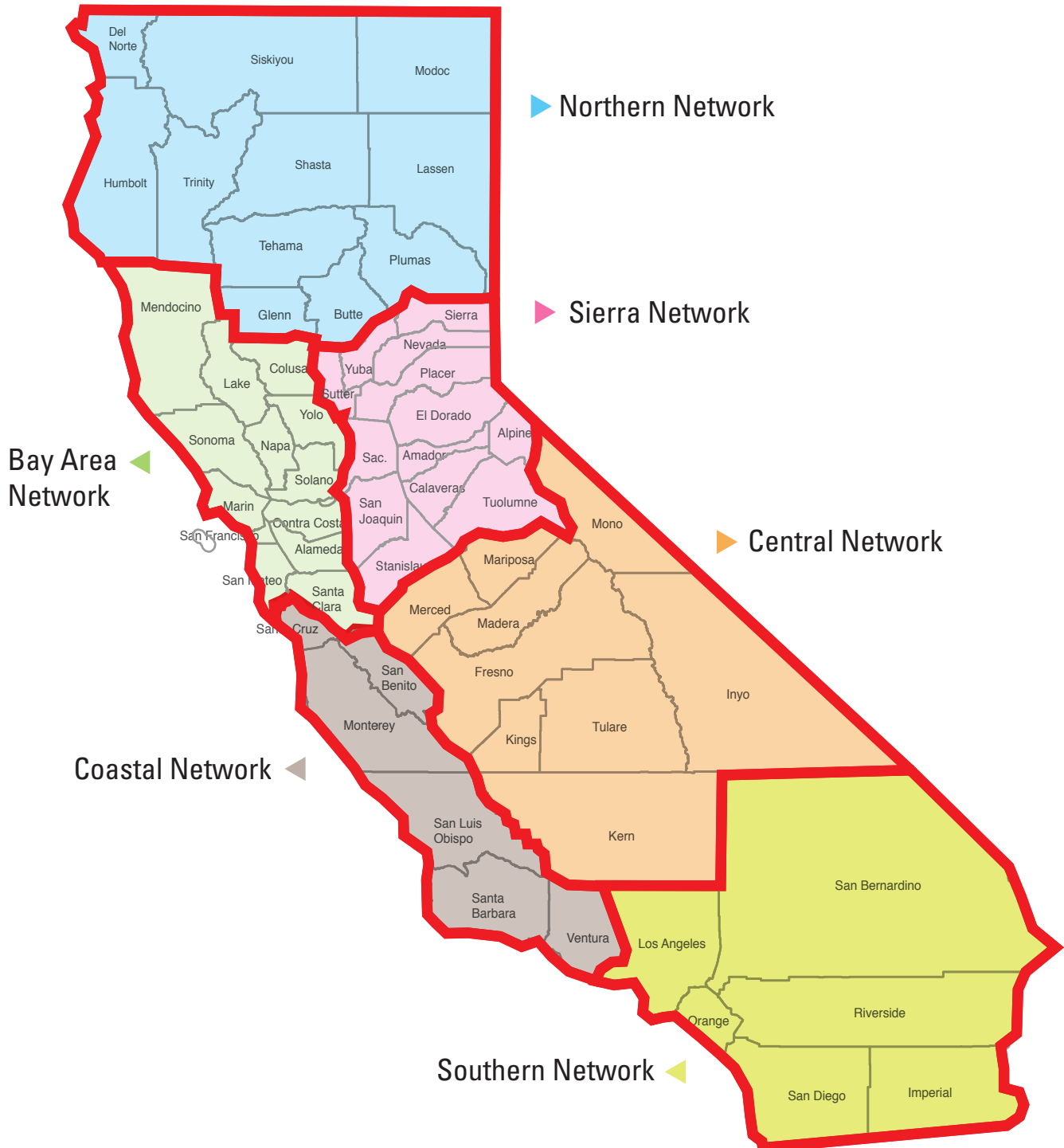
4. List civic organization involvement:

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after April 17, 2019 will not be included with the ballot.**



California Special Districts Association

DISTRICT NETWORKS





SERRANO WATER DISTRICT
18021 EAST LINCOLN STREET
VILLA PARK, CA 92861-6446
714-538-0079

RECEIVED

MAY 9 2019

MWD OF OC

Directors

C.L. "Larry" Pharris, Jr., President
Greg Mills, Vice President
Frank O. Bryant
Jerry L. Haight
Brad Reese

Jerry Vilander, General Manager

May 6, 2019

Dear President and/or General Manager:

It is my honor to request your agency's support and vote for election to CSDA Seat B (California Special Districts Association) for the 2020-2022 term. Please disseminate this letter and attached candidate statement of experience to your agency's governing board.

I have served on the Serrano Water District Board for over three years and am currently the Board Vice President providing solid leadership and guidance with the District's Finance and Insurance Committees. Additionally, I have served as the District's representative for the ACWA-JPIA Insurance Committee for the past year.

Previously, I served on the Villa Park City Council for a four-year term including one term as Mayor and another as Mayor Pro-Tem. During my tenure with the City of Villa Park, I was very involved and an active participant in many sensitive community issues including the Community Development Committee, shortening the permitting process. Additionally, I served on the Orange County Sanitation District as a Board Member for two years proactively involved in many of the improvements that residents benefit from today. I also served a three-year term on the Orange County Vector Control District.

During my tenure here at Serrano Water District, I have been instrumental in spearheading financial programs, planning and fiscal analysis including capital improvement programs and ensuring that the District is providing high-quality water to its constituents in the most cost-effective manner. My personal commitment to the Serrano Water Districts ratepayer is emblematic of the successful stewardship towards ensuring that all assets are maintained and replaced within best industry practices.

Additionally, I have been fundamentally involved with the District's long-term planning including common sense initiatives for maximum rate payer benefit at minimum cost. I possess a solid understanding of Special Districts and believe that they provide better governance and

May 6, 2019

Page 2

improved local control. Also, I am actively involved with attending LAFCO meetings which provides me with the knowledge and skills necessary to work collaboratively in the best interest of Special Districts. Again, I am requesting your vote for the CSDA Seat B position. I am committed to working with all of the voting agencies to accomplish their goals. My statement of qualifications is attached for your perusal.

If you have any questions, kindly contact our General Manager, Jerry Vilander, at (714) 538-0079 or through email at jerryv@serranowater.org. Thank you for considering me for the CSDA Seat B position.

Sincerely,

A handwritten signature in cursive script that reads "Greg Mills".

Greg Mills
Serrano Water District, Vice President

cc: Board of Directors
Jerry Vilander, General Manager

Attachment

Greg Mills

Seat B CSDA

EXPERIENCE

BUSINESS

- Small business owner – fifteen years
- Analytical Chemist – six years
- Process Engineer – six years
- Technical Marketing Manager – three years
- Marketing Director – three years
- Marketing Executive – five years

COMMUNITY INVOLVEMENT

- Board Member (Vice President) - Serrano Water District three years
- Villa Park City Councilman – four years; One term Mayor and one term Mayor Pro-Tem (one year each)
- Orange County Sanitation District - Director two years
- Orange County Vector Control District - Director three years
- ACWA-JPIA - Representative Serrano Water District
- Villa Park Family Picnic – five years
 - Chair – three years
- Eagle Scout
- Villa Park Rotary - Board member twenty-one years.
 - Club President; Paul Harris Fellow
- Indian Princess YMCA - seven years
- Orange Elks Lodge – seven years

PROFFESIONAL

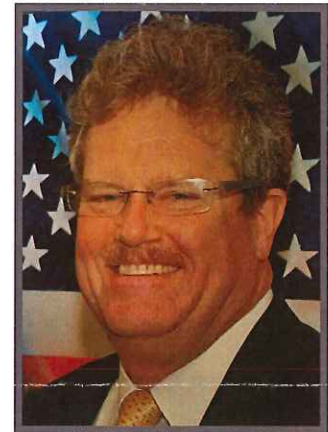
- American Chemical Society – thirty years
- CS Mantech – eleven years
- PDA (Parenteral Drug Association)– five years
- ISPE (International Society of Pharmaceutical Engineering – eight years
- SEMI (Semiconductor Equipment and Manufacturer Institute – nine years
- Optical Society of America – four years
- MEPTEC
- AVS (American Vacuum Society)
 - ICMCTF

EDUCATION

- B.A., Chemistry – Illinois College
 - Phi Alpha President/Vice President
- M.S., Engineering Management – Santa Clara University

PERSONAL

- Married – 25 years. Wife: Journalist and active member of the community. One daughter currently at university.



John Bosler
Secretary/General Manager/CEO

RECEIVED

April 19, 2019

APR 24 2019

Ms. Cathleen Harris
Municipal Water District of Orange County
Po Box 20895
Fountain Valley, CA 92708

MWD OF OC

Dear Ms. Harris,

It is with great pleasure that I forward for your consideration a candidate statement for Director Kathleen Tiegs who is seeking your support for the Southern Network (Seat B) of the California Special Districts Association Board of Directors.

Director Tiegs has served admirably on the Cucamonga Valley Water District Board of Directors since 2005. She is actively involved in CSDA, as well as with the Association of California Water Agencies, and has served in numerous leadership positions with both organizations.

Attached you will find a candidate's statement summarizing some of her many accomplishments. You will also get a true sense of her integrity as a leader and her passion as an advocate for special districts throughout California. Also, Director Tiegs will attend Special Districts Legislative Days being held in Sacramento May 21-22, 2019 if you would like to meet her in person and discuss her commitment to serving you and your district.

I encourage you to forward this information to your Board of Directors and consider supporting her candidacy for the 2019 elections which will take place June 17th to August 9th. Please do not hesitate to contact me, if you need additional information or if you would like her to contact your Board of Directors. Thank you for your consideration in this matter.

Sincerely,



John Bosler
General Manager/CEO

Kathleen J. Tiegs

2020-2022 California Special Districts Association
Board of Directors, Southern Network, Seat B



I am pleased to share with you my interest in serving as the Southern Network, Seat B, representative for the California Special Districts Association (CSDA) Board of Directors. Through my involvement with CSDA since 2011, I have served with great passion and commitment on the Board of Directors, and the Membership, Legislative, and By-laws Committees.

My experience on the Cucamonga Valley Water District (CVWD) Board of Directors has provided me with a solid foundation to lead. Elected to the CVWD in November 2005, I have served as the Board President and currently serve on the Legislative and Outreach, and Human Resources/Risk Management Committees. From 2014 to 2017 I was honored to serve in the capacity of President and Vice President of the Association of California Water Agencies (ACWA). My duties at ACWA provided me the extremely valuable opportunity to effectively dialogue with special districts across the state on the important issues they are facing and how we can solve them.

I also served on the Association of San Bernardino County Special Districts Board of Directors from 2010 – 2015 where I developed a network of colleagues in a variety of agencies with a common goal of serving the needs of our constituents. There are numerous critical issues that confront special districts today; these challenges will require strong, experienced leadership, as well as a commitment to preserving the special district's mission to make communities better by providing core local services and taking action through community collaboration.

Thank you for allowing me to share with you my experience, leadership and knowledge. I look forward to serving you and the entire CSDA organization.

With Best Regards,

Kathleen J. Tiegs



RECEIVED

MAR 04 2019

MWD OF OC

Post Office Box 401055 • Hesperia, California 92340-1055 • (760) 244-5488

February 26, 2019

Cathleen Harris
Municipal Water District of Orange County
Po Box 20895
Fountain Valley, CA 92708

Dear Cathleen:

I want to share my interest in serving you and your District as the Southern Network (Seat B) representative on the CSDA Board of Directors. In order to accomplish this I am asking for your consideration and hopefully your District's vote. Once the nominations close, April 17th, the ballots will be emailed to each district's CSDA contact person. The deadline for returning the ballot to CSDA's office is August 9th.

It has been a privilege and honor to be active with CSDA by serving at the committee level as a representative of the California Special Districts Association's Southern Network. I have served the Hesperia Recreation and Park District (HRPD) since 1987 in a variety of capacities which has given me a well-rounded foundation in the special district governance. HRPD was established in 1957 and now serves a diverse population of over 90,000. Our District provides a wide range of recreational, educational, social and other vital community services to our residents.

With your support I will serve you, your agency, and the other member districts of CSDA with the same high level of professionalism, dedication, service, and innovation that I have provided to the residents of Hesperia and HRPD. If elected, I will work cooperatively with the other CSDA Board of Directors to advance the work we do throughout the state as well as work with other organizations to protect our districts and the vital services we provide to our communities. We are all facing many of the same challenges and I want to be an active part of the future of CSDA as we work to educate, strengthen, and defend special districts both now and in the future. Lastly, I am committed to working hard to keep our Districts intact.

I would greatly appreciate your board of director's support in the coming election. Thank you for your consideration.

Sincerely,

HESPERIA RECREATION AND PARK DISTRICT

Lindsay Woods
General Manager

/ldw



ACTION ITEM

June 19, 2019

TO: Board of Directors

FROM: **Public Affairs & Legislation Committee**
(Directors Dick, Thomas and McVicker)

Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY (SDRMA) BOARD
OF DIRECTORS ELECTION 2020**

STAFF RECOMMENDATION

Staff recommends that the Board of Directors review the candidates and authorize President Barbre, or his designee, to cast the District's ballot for the SDRMA Board of Directors election.

COMMITTEE RECOMMENDATION

Committee will review this item on June 17, 2019 and make a recommendation to the Board.

SUMMARY

SDRMA is a Joint Powers Authority formed for the purpose of providing risk management and risk financing for California special districts and other government agencies. The SDRMA is governed by a seven member Board of Directors nominated and elected from the members who have executed the current operative agreement and are participating in a joint protection program. MWD OC participates in SDRMA's workers' compensation program and dental benefits.

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

Ballots for voting in the election must be received at the SDRMA office in Sacramento by August 21, 2019. The four-year terms will begin on January 1, 2020 and terminate on December 31, 2023.

There are five candidates running for four seats on the Board of Directors. SDRMA members in good standing may vote for up to three candidates.

Two incumbents are running for reelection:

- Bob Swain – Board Member, Groveland Community Services District
- Sandy Seifert-Raffelson – Finance Manager/Treasurer, Herlong Public Utility District

Also running for the SDRMA Board of Directors:

- Jesse D. Claypool – Board Chair, Honey Lake Valley Resource Conservation District
- Patrick K. O'Rourke, MPA/CFRM – Board Member, Redwood Region Economic Development Commission
- James (Jim) M. Hamlin – Board President, Burney Water District

BOARD OPTIONS

Option #1

Review the candidates and authorize President Barbre or his designee to cast the District's ballot for the SDRMA Board of Directors election

- **Fiscal Impact:**
None
- **Business Analysis:**
Participating in SDRMA's election gives our agency a voice in determining the leadership of the organization.

Option #2

Take no action

- **Fiscal Impact:**
None
- **Business Analysis:**
Not participating in SDRMA's election leaves the decision making to other members. However, we have not been contacted by any of the candidates asking for support nor do we work with any of their agencies.

Attached:

- Election Ballot Instructions
- Election Ballot (copy)
- Candidate's Statements of Qualifications

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Bob Swan

District/Agency Groveland Community Services District (GCSD)

Work Address P.O. Box 350, Groveland, CA 95321

Work Phone (209) 962-7161

Home Phone (408) 398-4731

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I am a current Board member. I would like to be elected to a second term because:

1. As a board member of Groveland CSD, I am particularly aware of the great value that smaller districts get from SDRMA, and I'd like to continue to do my part to make sure that this important agency continues to operate smoothly and stably into the indefinite future.
2. The insurance market in California (and nationwide) is going through a period of rapid change. The Board and staff are engaged in a major re-evaluation of SDRMA's approach to fulfilling its mission of providing cost-effective risk management services to its members. I believe that it is important to maintain Board continuity in this effort.
3. SDRMA Board members are either board members ("electeds") or employees of a member agency. I think there is value in having a balance between elected and employee Board members. The Board seats that are NOT up for election are currently 3 employees / 1 elected. I'd like to make sure the new Board has at least 2 elected members.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

1. SDRMA Board Member since 2016. This year (2019), I serve as Secretary. During our "no CEO" period in late 2017 - early 2018, I was a member of the ad hoc Personnel Committee. I am also a member of the Alliance Executive Council, and a backup member of the Legislative Committee.
2. Groveland CSD Board Member since I was appointed in June 2013. For the years 2014-2018, I served as Board President. (We finally implemented mandatory rotation of the office in 2019).
3. Member of the Board of Southside Community Connections, a local nonprofit in Groveland that provides educational, social, and recreational services to seniors, as well as free transportation to those who cannot drive.
4. Board Member (currently Treasurer) of Pine Cone Performers, a local choral and acting group, since 2010.
5. Back during my work life, I was a corporate representative on an IEEE standards committee concerned with wireless networking. It was very educational being on a committee where the members had widely differing (competing) goals.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

History: BS Physics, MS Computer Science. 3 years in USAF. 30 years in the semiconductor industry, first as an engineering manager, later as a business unit manager. Now retired (so I have plenty of time).

Skills, etc.: Very familiar with financial reports, cost accounting, quantitative analysis. Working knowledge of modern computer and communications technology. Managed distributed organizations with up to 150 technical people and up to \$120M in annual sales. Pretty good at listening to different views, and helping to achieve consensus (or, at least, compromise).


What is your overall vision for SDRMA? (Response Required)

Well, obviously I support our (newly revised) vision statement: "To be the exemplary public agency risk pool of choice for California special districts and other public agencies". In order to achieve this vision, I believe the key issues are:

1. Maintain long term financial stability. This includes ensuring that there is a fair allocation of cost versus risk across the pool membership.
2. Continue to retain / acquire highly qualified staff, and ensure that this is a desirable place to work.
3. Remember who are our target clientele, which in my opinion are small to mid-sized districts with limited options for insurance.
4. In light of ever-evolving California workers-compensation law, expand risk-management training even further than we now provide.
5. Maintain good relations with our re-insurers (who insulate us from catastrophe). In the long run, explore the possibility of joining a "captive" re-insurer to improve stability.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature

 Date 4-24-2019

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Jesse D. Claypool

District/Agency Honey Lake Valley Resource Conservation District

Work Address USDA Service Center 170 Russell Avenue, Suite C Susanville, CA 96130

Work Phone 530-257-7271 ext 100

Home Phone 530-310-0232

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

My interest for being on the SDRMA Board of Directors is because I believe it is imperative for there to be a knowledgeable and experienced voice on the Board with the perspective of the small to mid-size special district, working together with the other SDRMA Board Members, to ensure relevant—affordable solutions are available to all size special districts.

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

I am currently serving my fifth (5th) consecutive term as Chairman of the Board of a special district. I served two (2) yrs. on a Technical Advisory Committee for the prevention of violence against schools K-12. I served one (1) term on an elementary school board. I am currently serving my second (2nd) consecutive term on CSDA's committee for Professional Development. I am currently serving my sixth (6th) consecutive term on the board of a Regional Water Management Group. I am currently serving my second (2nd) consecutive term on CSDA's committee for Member Services. I am currently serving as a member of the County's Civil Grand Jury.

I have attended and completed the California School Board Association's New Board Member Training. I have Certificates of Completion from CSDA for General Manager Evaluation, Exercising Legislative Authority and Achieving Transparency. I attended and completed CSDA's Extraordinary Leader training. I attended and completed CSDA's Special District Leadership Academy and I have received CSDA's Recognition in Special District Governance certificate.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

**What special skills, talents, or experience (including volunteer experience) do you have?
(Response Required)**

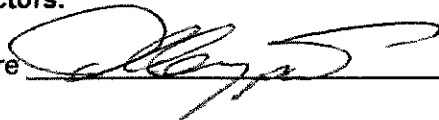
My experience with special districts and governance, belief in the importance of quality governing policies, the ability to work effectively with the other board members and staff and a desire to give back to SDRMA and its membership will be what I bring to the SDRMA Board of Directors.

What is your overall vision for SDRMA? (Response Required)

For SDRMA to continually advance as an industry leader providing affordable solutions for special districts of any size enabling them to be effective within the communities they serve.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

4-26-19

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates – no attachments will be accepted. No statements are endorsed by SDRMA.

Candidate* Patrick K. O'Rourke, MPA/CFRM

District/Agency Redwood Region Economic Development Commission (RREDC)

Work Address 520 E Street Eureka, CA 95501

Work Phone 707-445-9651

Home Phone 707-726-6700

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

I have considerable interest, knowledge, and experience in board leadership; board service; and board governance/policy development & oversight in for-profits, nonprofits, a joint powers authority/SDRMA member organization, and as an elected city councilman. I also have considerable experience (as a top-level executive board leader and manager) in organizational risk management and risk mitigation/prevention. I would like to share my knowledge, skills, abilities, and experience in service to SDRMA members, via my service on SDRMA's board of directors. I believe that my knowledge, experience, and dedication to excellence and implementation of best practices in governance and policy development/oversight will serve SDRMA well, and will assist SDRMA in maintaining its "Excellence" accreditation via the California Association of Joint Powers Authorities (CAJPA).

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization) (Response Required)

Having served in board leadership roles (25+ years in for-profit entities; 25+ years in nonprofit & private/public foundations; and 2+ years in a Joint Powers Authority [SDRMA member organization]), I am well-versed and experienced in board governance; policy development; financial statement analysis and budget review; executive management search/selection, oversight and evaluation; organizational risk management/mitigation; litigation oversight; and best practices in organizational governance. At SDRMA member organization, Redwood Region Economic Development Commission (RREDC), I have served as 2019 Immediate Past Chair; 2018 Board Chair; 2017 Vice Chair; Chair of Executive Committee; and Member of the Loan Committee. I have in-depth knowledge of policy governance (Culver, et al.); I am an advocate for transparency & best practices; and I am knowledgeable & experienced in California's Ralph M. Brown Act and Roberts Rules of Order. I have also served in board governance and board leadership roles in several nonprofit organizations and in both public and private foundations, including as Board Chair (12+ years) and in President & Vice President roles. I have also Chaired Search/Selection committees; Public Relations committees; Fund Development committees; and Finance/Audit committees.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have?

(Response Required)

Besides holding a Master of Public Affairs degree, with a specialty in nonprofit management; having completed all coursework and written/oral exams (all except dissertation) for a PhD in Mass Communication, with a specialty in public relations and a cognate in organizational communication management, I have several other directly-relevant skills/talents/experience including: I am expertly adept at executive-level relationship development and stewardship, and have served as an organizational & industry advocate and liaison working closely with community organizations, local/county/state elected officials, and public/private entities/organizations and foundations. I am expertly adept at financial and operational analysis, and at asset/portfolio management and risk mitigation. I have taught for-credit university courses in corporate leadership; in entrepreneurial leadership research and practice; as well as having published peer-reviewed academic research on leadership in public relations.

What is your overall vision for SDRMA? (Response Required)

My vision for SDRMA would be for SDRMA to continue to add value to its members; operate with the highest ethical practices and transparency; continue in providing excellence in service, education, safety and compliance training; help members to mitigate and reduce risk; provide expedient claims review and response; provide members with state-of-the-art education and information; educate members to minimize losses/risk in member workplaces; and to continue to provide members with comprehensive coverage for property/liability, workers comp, and health benefits.

I would envision SDRMA management and staff enjoying a quality of life that will ensure their happiness and continue an atmosphere of dedicated service to SDRMA members. I would also envision that SDRMA will continue to operate with efficiencies that minimize costs/expenses, continue to enable SDRMA to maintain competitive premium rates, and (when possible) lower organizational and member costs. I would also envision a governing board that embraces and employs best governing practices in all areas of policy development; executive management oversight; financial review/audit; and in investing and spreading portfolio assets to minimize portfolio investment risks and maximize return on investments. Finally, I would envision SDRMA, and its management team/staff, operating in ways that will continue to earn accreditation "Excellence" from the California Association of Joint Powers Authorities (CAJPA).

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature _____

Date _____

3/25/1959 2019

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates. No statements are endorsed by SDRMA.

Candidate* Sandy Seifert-Raffelson

District/Agency Herlong Public Utility District

Work Address 447-855 Plumas St., P o Box 115, Herlong, CA 96113

Work Phone (530) 827-3150 Cell Phone (530) 310-4320

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors?

I am a current Board member of SDRMA and feel that I have added my financial background to make better informed decisions for our members. As a Board member, I continue to improve my education of insurance issues and look forward to representing small District's and Northern California as a voice on the SDRMA Board. I feel I am an asset to the Board with my degree in Business and my 30 plus years' experience in accounting and auditing.

I understand the challenges that small District face every day when it comes to managing liability insurance, worker's compensation and health insurance for a few employees with limit revenue and staff. My education and experience give me an appreciation of the importance of risk management services and programs, especially for smaller District that lack expertise with insurance issues on a daily basis.

I feel I am an asset to this Board, and would love a chance to stay on 4 more years!

What Board or committee experience do you have that would help you to be an effective Board Member? (SDRMA or any other organization)

While serving on the SDRMA Board, I have been privilege to be Secretary of the Board for two years, and currently the Vice-President. I have served on CSDA's Audit and Financial Committee's for 6 years; I have served on the SDLF Board; Northeastern Rural Health Clinic Board; Fair Board; School and Church boards; 4-H Council and leader for 15 years; and UC Davis Equine Board. In the past 25 years, I have learn that there is no "I" in Board and it can be very rewarding to be part of a team that makes a difference for others.

As part of my many duties working with Herlong PUD, I worked to form the District and was directly involved with LAFCo, Lassen County Board of Supervisors and County Clerk to establish the initial Board of Directors and first Policies for HPUD. I have administered the financial portion of 2 large capital improvement project with USDA as well as worked on the first ever successful water utility privatization project with the US Army and Department of Defense. I am currently working on a 4.2 million grant from California for new infrastructure for the small District HPUD absorb through LAFCo in 2017. I am also the primary administrator of a federal contract for utility services with the Federal Bureau of Prison and the US Army.

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have?

I have my Bachelor's Degree in Business with a minor in Sociology. I have audited Small Districts for 5 years, worked for a Small District for almost 15 years and have over 30 years of accounting experience. I am a good communicator and organizer. I have served on several Boards and feel I work well within groups or special committee. I am willing to go that extra mile to see things get completed.

I believe in recognition for jobs well done. I encourage incentive programs that get members motivated to participate and strive to do their very best to keep all losses at a minimum and reward those with no losses.

I have completed my Certificate for Special District Board Secretary/Clerk Program in both regular and advance course work through CSDA and co-sponsored by SDRMA. I have completed the CSDA Special District Leadership Academy and Special District Governance Academy. I am in the processes of getting my small District re-certified for their District of Transparency and hope one day to attain our District of Distinction.

I work for a District in Northeastern California that has under gone major changes from a Cooperative Company to a 501c12 Corporation, to finally a Public Utility District. I have worked with LAFCo to become a District. Also our small District consolidated another small District into our District. Through past experience I feel I make a great Board member representing the small districts of Northern California and their unique issues and will make decisions that would help all rural/small districts.

What is your overall vision for SDRMA?

For SDRMA to be at the top of the risk management field and to continue communicating and listening to the needs of all California Special Districts and meeting those needs at a reasonable price that Special Districts can afford. I would like to continue education and rewards for no claims and explore avenues of financial endeavors that will benefit our customers.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature



Date

4/16/19

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

This information will be distributed to the membership with the ballot, "exactly as submitted" by the candidates
– **no attachments will be accepted.** No statements are endorsed by SDRMA.

Candidate* James (Jim) M. Hamlin
District/Agency Burney Water District
Work Address 20222 Hudson St. Burney, Ca. 96013
Work Phone (530) 335-3582 Cell Phone _____

*The name or nickname and any designations (i.e. CPA, SDA, etc.) you enter here will be printed on the official ballot, exactly as submitted.

Why do you want to serve on the SDRMA Board of Directors? (Response Required)

Hope to serve and help with decisions being made to both strengthen SDRMA and
move into new areas. Our districts are facing new challenges constantly.

**What Board or committee experience do you have that would help you to be an effective Board Member?
(SDRMA or any other organization) (Response Required)**

See Next

**Special District Risk Management Authority
Board of Directors
Candidate's Statement of Qualifications**

What special skills, talents, or experience (including volunteer experience) do you have? (Response Required)

September 1972 until January 2014, owned and operated a Insurance brokerage
Sold business and retired.

Board Member of Mayers Memorial Hospital District From 1990 until 2014
Served on the Associal of Hospital Districts for six years.

Served on the board of Burney Water District the previous six years. Current
Serving on Mayers Memorial Hospital Financial Board.

What is your overall vision for SDRMA? (Response Required)

SDRMA Board must be strong and protect the concerns of their members. Need
to have a listening ear for the districts that are represented. Need to
use caution when jumping into new areas, not jepordise their strong programs
and beliefs for new programs.

I certify that I meet the candidate qualifications as outlined in the SDRMA election policy. I further certify that I am willing to serve as a director on SDRMA's Board of Directors. I will commit the time and effort necessary to serve. Please consider my application for nomination/candidacy to the Board of Directors.

Candidate Signature James M. Hamble Date 3-27-2019



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

2019 BOARD OF DIRECTORS ELECTION

OFFICIAL ELECTION BALLOT ENCLOSED

This is an official election packet that contains items that require ACTION by your Agency's governing body for the selection of up to three (3) candidates to the SDRMA Board of Directors.

ELECTION PACKET ENCLOSURES

- ☐ Election Ballot Instructions
- ☐ Official Election Ballot (Action Required)
- ☐ Candidate's Statements of Qualifications (5)
- ☐ Self-addressed, Stamped Envelope

SDRMA'S BOARD OF DIRECTORS ELECTION BALLOT INSTRUCTIONS

Notification of nominations for three (3) seats on the Special District Risk Management Authority's (SDRMA's) Board of Directors was mailed to the membership in January 2019.

On May 2, 2019, SDRMA's Election Committee reviewed the nomination documents submitted by the candidates in accordance with SDRMA's Policy No. 2017-10 Establishing Guidelines for Director Elections. The Election Committee confirmed that five (5) candidates met the qualification requirements and those names are included on the Official Election Ballot.

Enclosed is the Official Election Ballot along with a Statement of Qualifications as submitted by each candidate. Election instructions are as follows:

1. The enclosed Official Election Ballot must be used to ensure the integrity of the balloting process.
2. After selecting up to three (3) candidates, your agency's governing body must approve the enclosed Official Election Ballot at a public meeting. **Ballots containing more than three (3) candidate selections will be considered invalid and not counted.**
3. The signed Official Election Ballot **MUST** be sealed and **received by mail or hand delivery at SDRMA's office on or before 4:30 p.m. on Wednesday, August 21, 2019 to the address below.** A self-addressed, stamped envelope is enclosed. Faxes or electronic transmissions are NOT acceptable.

Special District Risk Management Authority
Election Committee
1112 "I" Street, Suite 300
Sacramento, California 95814

4. The four-year terms for newly elected Directors will begin on January 1, 2020 and terminate on December 31, 2023.
5. Important balloting and election dates are:

August 21, 2019:	Deadline for members to return the signed Official Election Ballot
August 22, 2019:	Ballots are opened and counted
August 23, 2019:	Election results are announced, and candidates notified
September 25, 2019:	Newly elected Directors are introduced at the SDRMA Annual Breakfast to be held in Anaheim at the CSDA Annual Conference
November 6-7, 2019:	Newly elected Directors are invited to attend SDRMA board meeting (Sacramento)
January 2020:	Newly elected Directors are seated, and Board officer elections are held

If you have any questions regarding the election and balloting process, please do not hesitate to call SDRMA's Chief Operating Officer Paul Frydendal at 800.537.7790.

OFFICIAL 2019 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS

VOTE FOR ONLY THREE (3) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than three (3) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than three (3) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Wednesday, August 21, 2019. Faxes or electronic transmissions are NOT acceptable.

- ☐ **BOB SWAN (INCUMBENT)**
Board Member, Groveland Community Services District
- ☐ **JESSE D. CLAYPOOL**
Board Chair, Honey Lake Valley Resource Conservation District
- ☐ **PATRICK K. O'ROURKE, MPA/CFRM**
Board Member, Redwood Region Economic Development Commission
- ☐ **SANDY SEIFERT- RAFFELSON (INCUMBENT)**
Finance Manager/Treasurer, Herlong Public Utility District
- ☐ **JAMES (Jim) M. HAMLIN**
Board President, Burney Water District

ADOPTED this ____ day of _____, 2019 by the Municipal Water District of Orange County at a public meeting by the following votes:

AYES: _____
NOES: _____
ABSTAIN: _____
ABSENT: _____

ATTEST:

APPROVED:

GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES June 2019

MWDOC Agencies Managers Meeting	<p>The May meeting was cancelled.</p> <p>Next meeting will tentatively be held June 20, 2019.</p>
Meetings	<ul style="list-style-type: none"> ➤ Karl Seckel participated in a joint Vital Link/Santiago Canyon College Career Day aimed at linking students taking water courses with potential employers/mentors to provide job search and interviewing skills. Vital Link is a non-profit organization dedicated to preparing students for their future careers through experiential learning opportunities. This is the second year MWDOC participated. About 7 of our member agencies or other local agencies participated with about 30 students taking part in the half-day event. ➤ Karl Seckel participated in the May San Juan Basin Authority meeting. The bulk of the discussions centered on the 2019 Adaptive Pumping Management (APM) Plan and how basin operations occur in the two basin zones, the Stonehill Management Zone and the Inland Management Zone, divided by the recently investigated bedrock high area. Further monitoring of flows through the bedrock high are part of the monitoring for the 2019 APM Plan. ➤ Charles Busslinger participated, as a member of the South OC Watershed Management Area Prop 1 ad-hoc committee, in an inter-regional coordination meeting on May 16, 2019 of the Tri-County Funding Area Coordinating Committee (Tri-FACC) for the San Diego IRWM funding area. The three entities discussed coordination of their actions relating to upcoming Prop 1, Round 1 IRWM grant funding.
<h2 style="margin: 0;">MET ITEMS CRITICAL TO ORANGE COUNTY</h2>	
MET's Water Supply Conditions	<p>In comparison to last month, with the same Table A (1.34 MAF) and CRA (947 MAF) amounts, Article 21 water increased from 60 to 65 TAF resulting in a total supply of just under 2.4 MAF. The obligations and losses increased from 0.13 to 0.15 TAF, and the Member Agency Demand decreased from 1.44 to 1.37 TAF, resulting in an overall current demand of 1.52 MAF, which is slightly less than last month's projection of 1.57 MAF.</p> <p>Metropolitan continues to take actions to maximize storage of available supplies and anticipates a net storage gain in 2019, with a possible record storage balance going into 2020.</p>

MET's Water Supply Conditions - continued	<div>2019 Supply Demand Balances 70% SWP Allocation Scenario</div> <div></div>
MET's Finance and Rate Issues	<p>Water transactions through April were 122.9 TAF (9.3%) lower than budget and 3.1 TAF higher than the 5-year average. Since January water transactions have been trending below budget as a result of the wet winter. This is \$124.2 million less than the budget and \$85.9 million less than water revenues through April of last year. The annual water transactions were adjusted at the end of the third quarter to 1.46 MAF, it is anticipated that transactions will remain on target.</p> <div><div>Water Transactions Through April 2019⁽¹⁾ (AF in thousands)</div><div></div></div>
Colorado River Issues	<div><div>Federal Legislation Authorizing Drought Contingency Plan Implementation Passes Congress</div><div><p>The seven Colorado River Basin States sent a letter to Congress on March 19, 2019, asking for adoption of federal legislation that would direct the Secretary of the Department of Interior to sign and implement without delay four agreements related to the Upper and Lower Basin Drought Contingency Plans (DCP). On March 27, 2019 the Water and Power Subcommittee of the Senate Natural Resources Committee held an oversight hearing on the DCP. This hearing was followed the next day by the Water, Oceans and Wildlife Subcommittee of the House Natural Resources Committee's oversight hearing on the DCP. On April 10, 2019 the House and Senate passed identical bills authorizing the DCP. The House version was approved by the Senate on April 11 and signed by the President on April 16. It is anticipated that the Secretary of the Interior will sign the DCP during May, and it would become effective after that event.</p></div></div>

Colorado River Issues - continued	<p><u>Imperial Irrigation District Files CEQA Petition Against Metropolitan</u></p> <p>On April 16, the same day that the President signed the federal DCP legislation into law, the Imperial Irrigation District (IID) filed a petition for writ of mandate under the California Environmental Quality Act (CEQA) in California Superior Court in Los Angeles County against Metropolitan seeking to block implementation of the Lower Basin DCP. Specifically, IID asks the Court to vacate Metropolitan's December 2018 and March 2019 approvals of the Lower Basin DCP, suspend any actions related to furtherance of the Lower Basin DCP until Metropolitan has "complied with all requirements of CEQA and all other applicable laws," and seeks an injunction restraining Metropolitan from taking any action in furtherance of the Lower Basin DCP "pending full compliance with CEQA." The petition was served on Metropolitan on April 22, 2019, after which Metropolitan has sixty days to respond to the petition and provide information related to the administrative record.</p> <p><u>U.S. Bureau of Reclamation Issues April 24-Month Study</u></p> <p>Based on predictions of the most probable inflow into Lake Powell, the Bureau of Reclamation's releases from Lake Powell to Lake Mead will shift to balancing releases during the remainder of water year 2019. This operation is consistent with the Upper Elevation Balancing Tier. Total releases from Lake Powell will increase from the previously planned 8.23 MAF, and will most likely reach the maximum 9 MAF total release, depending on actual reservoir elevations during the remainder of the year. As a result, there is essentially no risk of shortages in the Colorado River Basin for 2020. The Bureau of Reclamation's April 24-Month Study Most Probable Inflow Scenario predicts similar releases will be made in 2020.</p>
Bay Delta/State Water Project Issues	<p><u>California EcoRestore</u></p> <p>California EcoRestore was launched in 2015 by the California Natural Resources Agency to accelerate the restoration of 30,000 acres of habitat across the Delta by 2020. The initiative's primary focus is coordinating state-led habitat restoration projects to accelerate on-the-ground results. In 2018, five restoration projects broke ground, which will create new tidal wetlands, establish new riparian upland habitats and address fish passage barriers. Many more restoration projects are in the planning phase.</p> <p>In an effort to communicate EcoRestore accomplishments, the Natural Resources Agency released a video on April 17 highlighting the benefits of the EcoRestore projects. The video includes speakers from state agencies and stakeholders. Alison Collins, Senior Resource Specialist in Bay-Delta Initiatives, is one of the speakers in the video.</p> <p>The video can be found at the following link: http://resources.ca.gov/ecorestore/2019/04/ecorestore-restoring-californias-great-estuary-videoreleased/.</p>

South Orange County Projects	<p><u>SMWD Trampas Canyon Recycled Water Reservoir</u></p> <p>Trampas Canyon Reservoir and Dam (Trampas Reservoir) is a seasonal recycled water storage reservoir, with a total capacity of 5,000 AF, of which 2,500 AF is available to meet Santa Margarita Water District's projected base recycled water demands, and 2,500 AF to meet future water supply needs. When completed, the Trampas Reservoir will allow SMWD to store recycled water in the winter and draw on that water during the peak summer months.</p> <p>The construction of the Trampas Canyon Recycled Water Seasonal Storage Reservoir consists of three main components:</p> <ol style="list-style-type: none"> 1) Trampas Canyon Dam (Dam) 2) Conveyance facilities to transport recycled water into and out of the Reservoir (Pipelines) 3) Trampas Canyon Pump Station (Pump Station) <p>The construction of the facilities is being completed in three phases:</p> <ol style="list-style-type: none"> 1) Preconstruction/Site Preparation for the Dam and Pump Station Construction 2) Dam and Pipelines 3) Pump Station <p><u>PROJECT STATUS</u></p> <p><u>Preconstruction/Site Preparation</u></p> <p>Complete</p> <p><u>Dam and Pipelines</u></p> <p>The Construction Contract was awarded in December 2017 and is approximately 42% complete.</p> <p><u>Pump Station</u></p> <p>The 90% design of this facility was submitted by AECOM on May 20th for District review and approval. The project will likely be available to start the construction bidding process in August 2019. Completion of the construction is expected to be in June 2020, about 2 months ahead of the Reservoir and Dam completion.</p> <p><u>San Juan Watershed Project</u></p> <p>The Draft Environmental Impact Report (DEIR) public review period was closed for comments on February 23, 2018. Ultimately twenty-one comment letters were received with the major topics of concern being characterized as relating to:</p> <ul style="list-style-type: none"> • Steelhead trout migration including the provisions of fish passages • Impacts on San Juan Creek Lagoon • Aesthetics and impacts of the various structures that may be required as part of the project on the surrounding neighborhoods • Sediment transport <p>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. An</p>
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South Orange County Projects - continued	<p>informational update on the project is scheduled for the June 2019 SMWD Board meeting.</p> <p><u>Other Information on South County Projects:</u></p> <p>If any agencies would like to have updates included herein on any projects within your service area, please email the updates to Karl Seckel at kseckel@mwdoc.com.</p> <div data-bbox="621 394 1198 779" data-label="Image"> </div> <p style="text-align: center;"><i>Main Dam: Scrapers Hauling in Embankment Fill</i></p>
<h2>ENGINEERING & PLANNING</h2>	
South Orange County Emergency Service Program	<p>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.</p> <p>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.</p> <p>This is a starting point of a discussion on cost-sharing facilities and operations that will ultimately involve negotiations directly between SOC Agencies and IRWD. These discussions could also involve discussions and negotiations between SOC and other groundwater producers as well.</p> <p>One of the summary conclusions of the study is that there are options available to secure emergency supplies for the SOC agencies either:</p> <ul style="list-style-type: none"> • From IRWD without using the EOCF#2 or • From IRWD, or other groundwater producers, by using the EOCF#2. <p>Follow-up Recommendations</p> <ol style="list-style-type: none"> 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. Dudek and IRWD staff met on May 6, 2019 to determine the scope of work for these improvements and will be bringing their findings back to the full group soon.

South Orange County Emergency Service Program - continued	<p>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. A meeting is being scheduled in June 2019 for the workgroup to discuss details.</p> <p>3. Agencies were asked to think about next steps and a follow-up meeting is being scheduled in June 2019 to get back with the full group</p>																		
Strand Ranch Project	<p>MWDOC is using the modeling from the Orange County Reliability Study to evaluate how “extraordinary supplies” from the Strand Ranch Project can be utilized by the MWDOC agencies to provide drought protection over the next 7 to 11 years or longer. 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.</p>																		
MET Evaluation of Regional Storage Portfolio (ERSP)	<p>MET’s emergency water storage objective is based on the potential for major earthquake damage to the State Water Project and Colorado River aqueducts that transport imported water supplies to Southern California (following a San Andreas M7.8 ‘Great ShakeOut’ scenario event developed by the US Geological Survey).</p> <p>MWDOC staff participated in 4 Member Agency Workgroup sessions to provide input on updating MET’s emergency storage objective.</p> <p>MET staff presented an update to the evaluation of emergency storage criteria at the May 13, 2019 Water Planning and Stewardship Committee, which included a presentation and a White Paper attachment.</p> <div><p>The infographic compares current and draft recommendations for emergency storage criteria. It includes a legend for CRA (Colorado River Aqueduct), EB (East Branch State Water Project), and WB (West Branch State Water).</p><table><tr><th></th><th>Current</th><th>Draft Recommendation</th></tr><tr><td>Outage Period</td><td>6 months</td><td>6 months: CRA, EB 12 months: WB, LAA</td></tr><tr><td>Retail demand Cutback</td><td>25%</td><td>Range: 25% to 35%</td></tr><tr><td>Local Supply Production</td><td>100% MAs reported in IRP</td><td>Range: 80% to 100%</td></tr><tr><td>Emergency Storage Capacity in Existing Reservoirs</td><td>DWR and Metropolitan surface reservoir</td><td>Follow-up: Spatial and System Analysis</td></tr><tr><td colspan="2"></td><td>Periodic Update of Emergency Storage</td></tr></table><p>Legend: CRA-Colorado River Aqueduct EB-East Branch State Water Project WB-West Branch State Water</p></div> <p>The MET staff recommendation is to increase MET’s emergency storage objective from 630,000 AF to 750,000 AF (19% increase) and to periodically revisit the objective. MET staff is currently reviewing and incorporating feedback to finalize the White Paper and then beginning a similar type of evaluation for dry year storage.</p>		Current	Draft Recommendation	Outage Period	6 months	6 months: CRA, EB 12 months: WB, LAA	Retail demand Cutback	25%	Range: 25% to 35%	Local Supply Production	100% MAs reported in IRP	Range: 80% to 100%	Emergency Storage Capacity in Existing Reservoirs	DWR and Metropolitan surface reservoir	Follow-up: Spatial and System Analysis			Periodic Update of Emergency Storage
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Poseidon Resources	<p>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.</p> <p>The Regional Board schedule for the permit is:</p> <p>Draft Permit July 2019, followed by a 30-day comment period.</p> <p>Public Workshop August 2, 2019</p> <p>Board Hearing October 25, 2019</p> <p>Assuming success, Poseidon would then seek a permit from the California Coastal Commission. The next meeting of the Santa Ana Regional Water Quality Control Board was held on June 14 and an anticipated Poseidon update is expected for the agenda.</p>
SMWD Rubber Dams Project (San Juan Watershed Project)	<p>SMWD has completed the necessary technical studies and will be issuing the response to comments on the Draft Environmental Impact Report (DEIR) soon and hope to be in front of their Board in June 2019.</p>
Doheny Ocean Desalination Project	<p>South Coast WD released the Doheny Ocean Desalination Project Draft Environmental Impact Report (EIR) on May 17, 2018 and the EIR public comment period closed on August 6, 2018. Consultant GHD has finished the additional technical studies needed to address the comments received. South Coast WD anticipates bringing the Final EIR to their Board for certification in late June 2019.</p> <p>South Coast WD staff submitted a grant application for up to \$20 million for project construction through Bureau of Reclamation 'Water SMART: Desalination Construction Projects under the WIIN Act'. 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.</p>

Water Quality and Other Integration Issues for Water Supply Projects in OC	<p>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 June along with recommendations made by both consultants.</p>
Phase 1 – Investigation Phase for a Hydraulic Model	<p>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.</p>
<h2 style="text-align: center;">EMERGENCY PREPAREDNESS</h2>	
Coordination with WEROC Member Agencies	<p>Ongoing: WEROC, with Michael Baker as the lead consultant, is facilitating 19 agencies through the process of updating the Orange County Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan. Update: The Hazard Mitigation Plan was approved by California 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 initial refusal to recognize our city partners within this plan. This issue was identified in the 2012 update and we believe that we met the expectations that were communicated to us at that time. Kelly Hubbard is working with the city participants, the consultant, CalOES and FEMA to resolve this issue. The plan with revisions and a letter addressing FEMA’s concern with the City Departments was resubmitted to FEMA on May 1, 2019.</p> <p>Ongoing: 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). March 31, 2020 for systems serving population of 100,000 or more. New actions: The RFP was posted to the MWDOC website and shared via LinkedIn and multiple social media websites on May 15, 2019. There is a mandatory pre-meeting on June 4th and Proposals are due by June 13th at 4:00pm. Participating Agencies have been asked to start gathering the documents needed for the first step of the process, which is to complete a compliance crosswalk.</p>

Coordination with WEROC Member Agencies – continued	<p>The WEROC Quarterly Coordination meeting was held on May 2. The meeting covered updates on various planning efforts, legislation impacting emergency management, a five-year training and exercise discussion, and a review of the draft AWIA RFP.</p> <p>Janine Schunk arranged for a thank you lunch for the operations crews from El Toro Water District. These crews assist WEROC staff on a regular basis with maintenance and generator support at the WEROC South EOC.</p> <p>Kelly met with both Moulton Niguel Water District and Orange County Water District on separate occasions to provide information and review of emergency planning efforts.</p>
Training and Programs	<p>Kelly participated in a planning conference call with EPA to facilitate an EPA hosted tabletop exercise in August. The exercise scenario will be focused on a power outage.</p> <p>Kelly with support from Bryan Lopez, City of Santa Ana Water Division, hosted the Orange County Water Association (OCWA) 11th Annual Safety Fest. Approximately 100 staff from OC water and wastewater utilities attended this full day of training which includes contact hours.</p>
Coordination with the County of Orange	<p>Kelly attended the May OCEMO meeting in Newport Beach. She provided a presentation on Lessons Learned for Joint Information Management from the Camp Fire. Delcie Hynes of Orange County Social Services Agency also presented on Lessons Learned regarding Shelter Response during the Camp Fire.</p> <p>Kelly attended the OC Urban Area Working Group meeting on May 8 which allocates and approves grant funding within OC. She spoke with several individuals on the Working Group to build support for potential future projects for water and wastewater agencies.</p> <p>Kelly attended the OC Operational Area Executive Board on May 8 as the voting representative of ISDOC. Of significance was an update on a request for a Presidential Declaration for the February 14, 2019 flood event. OC was turned down for the Presidential, but will receive CA Disaster Assistance funding for eligible expenses. Several WEROC agencies had significant damages and will be eligible for reimbursement. Additionally, the Executive Board and OC Emergency Management Council approved the joint body to be the new approval body for the County's newly formed OA Alert & Warning Advisory Committee.</p> <p>Ongoing: 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.</p>
EOC Readiness	<p>Janine participated in the OA and MET radio tests and WebEOC tests. She also facilitated the WEROC monthly radio test.</p> <p>Janine arranged for the cleaning of both the North and South EOC.</p> <p>Janine worked with AT&T to install additional phone lines at the South EOC. Functional exercises over the last couple of years have shown the need for more phone lines. Since moving the phone accounts to a new government rate program,</p>

EOC Readiness - continued	this is a manageable cost. The install took multiple appointments in order for AT&T to add lines coming into the property, as well as the building.
Coordination with Outside Agencies	<p>On-going: California Public Utilities Commission (PUC) proceedings regarding the Impacts from De-Energization with a Focus on First Responders and Local Government. MWDOC has received party status to these proceedings. Party Status ensures that we receive all communications regarding the proceedings and that our comments are included officially for consideration. Previous Actions Reported:</p> <ul style="list-style-type: none"> February 7, 2019 - MWDOC submitted comments to the PUC from 19 OC participating water and wastewater agencies. February 19, 2019 – Kelly represented MWDOC and the 19 agencies at the pre-conference hearing in Sacramento to provide support to the comments submitted and answer questions from the PUC. March 25, 2009 – MWDOC Comments to Phase 1 Scope and PUC Energy Division Staff Response. April 2, 2019 - Joint Reply Comments of Municipal Water District of Orange County, Valley Center Municipal Water District and Padre Dam Municipal Water District. <p>On May 15, 2019 BBK filed Joint Reply Comments on the Proposed Decision on behalf of MWDOC, Valley Center Municipal Water District and Padre Dam Municipal Water District. This was the final opportunity to provide input on the Proposed Decision. The Proposed Decision included many of the recommendations that MWDOC had requested to be incorporated. Staff believes that the decision will strengthen current Power Utility notification and coordination practices with Water Utilities to prepare their operations and facilities for a de-energization event. The joint comments addressed a few areas of technical clean-up of the language for clarity and believed intent. Once the Decision is formally adopted, staff can provide a more detailed report on impacts and next steps.</p> <p>Kelly attended the County hosted Southern California Edison PSPS meeting. Edison is adapting their plan to meet the soon to be adopted PUC ruling.</p>
WATER USE EFFICIENCY	
Orange County Water Loss Control Workgroup	<p>On May 14, Joe Berg hosted the Orange County Water Loss Control Workgroup meeting at the MWDOC offices. Thirty-two representatives from 23 agencies participated in the meeting. Beyond general business, the meeting focused on the State Water Resources Control Board's proposed 3-year average Real Loss Standard and a detailed review of Real Loss Component Analysis methodology. The next Workgroup meeting is scheduled for July 9th and will be hosted at MWDOC.</p>

California Water Efficiency Partnership (CalWEP) Peer to Peer Conference	On May 15 and 16, Joe, Steve Hedges, Beth Fahl, Rachel Davis, and Rachel Waite attended CalWEP's Peer to Peer 2019 conference hosted at Disney's Paradise Pier Hotel. This two-day conference provided tools and training for water conservation professionals from throughout the state. Each day had two concurrent tracks that attendees could select from - one focusing on Framing the Future of Water Conservation, and the other exploring Effective Program Management.
Metropolitan Water District of Southern California (Metropolitan) Water Use Efficiency Workgroup	<p>On May 20, Jonathan Meier attended Metropolitan's Water Use Efficiency Workgroup meeting. Approximately 30 member agencies participated in the meeting. Agenda items included:</p> <ul style="list-style-type: none"> • Introductions • May Metropolitan Board Presentation <ul style="list-style-type: none"> ○ Conservation Updates ○ Disadvantaged Community Program Updates ○ Finance Committee Demand Side Management Presentation ○ June Board Items • Innovative Conservation Program: A Solar Powered Grey Water System • Clothes Washer Rebate Activity Evaluation • Metropolitan External Affairs Update • Member Agency Roundtable/Updates • Future Meeting Items <p>The next Workgroup meeting is scheduled for June 20th at Metropolitan.</p>
Qualified Water Efficient Landscaper (QWEL) Training	On May 28, Rachel Davis proctored the QWEL exam at the San Juan Capistrano Community Center. The exam was taken by 20 individuals and marked the last of six classes offered in the San Juan Capistrano series.
Metropolitan Water District of Southern California (Metropolitan) Program Advisory Committee (PAC)	<p>On June 5, Rachel Waite attended Metropolitan's PAC meeting. Approximately 10 member agencies participated in the meeting. Agenda items included:</p> <ul style="list-style-type: none"> • High Efficiency Clothes Washers Rebate Review • Pressure Regulating Sprinklers • Commercial, Institutional, and Industrial Audits • New Devices and Technologies <p>The next PAC meeting will be held at Metropolitan on September 4th.</p>
Orange County Water Use Efficiency Coordinators Workgroup Meeting	<p>On June 6, Steve, Beth, Rachel D., and Rachel W. hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting at Santa Margarita Water District. Approximately 23 agencies participated in the meeting. Highlights on the agenda included:</p> <ul style="list-style-type: none"> • Discussion Items <ul style="list-style-type: none"> ○ MWDOC Updates ○ Agency Roundtable/Problem Solving • Public Affairs/Marketing

Orange County Water Use Efficiency Coordinators Workgroup Meeting - continued	<ul style="list-style-type: none"> • Landscape Change Study • Clothes Washer Rebate Activity Evaluation • Metropolitan Update <ul style="list-style-type: none"> ○ Conservation/DAC Update ○ Board Update ○ PAC Update • Water Use Efficiency Programs Update <ul style="list-style-type: none"> ○ SAWPA Update ○ QWEL Update ○ Supplemental Funding Addendums FY 19/20 ○ Turf Removal Program <ul style="list-style-type: none"> ▪ Commercial Inspections ▪ Turf and Drip Addendums ○ Landscape Design Assistance Program Update • CalWEP Update • Future Agenda Items <p>The next Workgroup meeting is scheduled for August 1st at MWDOC.</p>
<h2 style="margin: 0;">PUBLIC/GOVERNMENT AFFAIRS</h2>	
Member Agency Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Facilitated a Ricki the Rambunctious Raindrop appearance at the May 18 Yorba Linda Water District Open House • Designed and ordered summer bill inserts for MWDOC Water Use Efficiency department and participating member agencies • Provided Public Affairs update for Water Use Efficiency monthly workgroup meeting • Facilitated initial pocket park design meeting with the Wyland Foundation, Saddleback College design team, and City of Westminster • Relating to the City of San Clemente's award of the OC Pocket Park through their outstanding participation in the 2019 Wyland National Mayor's Challenge for Water Conservation: <ul style="list-style-type: none"> ○ Provided clarification text to the City of San Clemente news release ○ Provided a short blurb to the City of San Clemente's City Clerk for a presentation to the City Council on June 18 • Developed and distributed a cross-marketing email to rebate customers <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> • Provided an update on the water tax legislation to the OC MET Managers group • Sent update to MWDOC member agencies regarding the Senate Budget Subcommittee #2 action regarding the water tax • Updated the water tax PowerPoint for El Toro Water District • Sent update to MWDOC member agencies after the budget conference committee met and worked out a compromise on funding for safe drinking water (that did not include a water tax)

Community Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Hosted a Merit Badge clinic at El Toro Water District – nearly 60 Scouts attended to be awarded the Soil and Water Conservation Merit Badge • Hosted the 2019 Water Awareness Poster Contest at the Discovery Science Center – over 130 guests attended
Education	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Visited Clinton Elementary School in Garden Grove to celebrate their participation in the Poster Contest; Ricki Raindrop made an appearance • Provided school program targets to member agencies and collected commitments for the 2019-20 school year • Provided details for City of San Clemente regarding High School program expo • Provided details to Santa Margarita Water District regarding Mission Viejo High School's expo • Participated in and presented at Metropolitan's Member Agency Education Coordinator's meeting. Recommended speaker on the California Environmental Literacy Initiative, Dr. Gerald A. Lieberman who was in attendance. • Notified participating sponsors of the 2019 Be the Voice for the Planet winners • Observed high school program visit at Tesoro High School • Worked with contractor to develop new activities for the redesigned Ricki Raindrop education booklets • Provided details to El Toro Water District regarding El Toro High School expo • Provided new promotion video links and logistical information to Inland Empire Utilities Agency • Participated in California Environmental Literacy Community-Based Organization Training • Developed first draft of the (Boy) Scouts Soil and Water Conservation Merit Badge workbook
Media Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Developed and distributed news release "City of San Clemente wins MWDOC-Wyland OC Mayor's Challenge" • Developed and distributed news release "Municipal Water District of Orange County Appoints Robert R. McVicker as Director of Division 3" • Prepared social media content in concurrence with strategic digital communications contractor
Special Projects	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Staffed the 12th Annual OC Water Summit at Disney's Grand Californian • Working with Metropolitan and MWDOC-Metropolitan Directors to negotiate dates for the 2019/2020 Inspection Trip season • Completed multiple website updates • Completed mandatory harassment prevention training

Special Projects - continued	<ul style="list-style-type: none"> • Finalized Xtreme Water Makeover rules and promotional flyer • Provided information and tips for success to Citrus Heights Water District for website redesign • Provided information to Inland Empire Utilities Agency on mascot design and selection process • Prepared several certificates of recognition for students winning the Voice4Planet video contest, the City of San Clemente for success in the Wyland National Mayor's Challenge and OC Pocket Park breakaway competition, and El Toro Water District for hosting a (Boy) Scouts Soil and Water Conservation Merit Badge Clinic • Confirmed the 2020 Summit date with Disney Grand Californian (May 29) <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> • Staffed the ISDOC Executive Committee meeting • Staffed the WACO Planning Committee meeting • Drafted and scheduled the ISDOC Quarterly Luncheon Invitation • Invited Norberto Santana from the Voice of OC to speak at the July WACO meeting • Attended the OC Water Summit • Coordinated with the June WACO speaker, Phil Rosentrater, of the Salton Sea Authority • Staffed the June WACO meeting
Legislative Affairs	<p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> • Attended the ACWA Spring Conference in Monterrey and attended the following presentations: <ul style="list-style-type: none"> ○ Federal Affairs Committee ○ Securing Water for Future Generations ○ Keynote Speaker Joaquin Esquivel, SWRCB Chair ○ Keynote Speaker Jared Blumenfeld, CalEPA Secretary ○ Legislative Roundup ○ Safe and Affordable Drinking Water ○ Keynote Speaker Wade Crowfoot ○ Delta Voluntary Agreements • To support the Public Affairs Department, requested certificates of recognition for winners of the 2019 Be the Voice for the Planet, Water Category from the Orange County Legislative delegation • Participated in the Southern California Water Coalition Legislative Taskforce Meeting • Monitored the Senate Budget Sub-Committee #2 meeting where the water tax trailer bill language was discussed • Participated in the ACWA Region 10 State Legislative Committee pre-meeting conference call • Attended the ACWA State Legislative Committee meeting in Sacramento • Met with Wendy Ridderbusch, former ACWA State Government Relations Manager, re: ACWA engagement • Participated in the ACWA Federal Affairs meeting on May 22 • Met with staff from Congressman Harley Rouda's office to go over details for their upcoming Community Leaders Briefing on July 22

Legislative Affairs - continued	<ul style="list-style-type: none">• Along with Director Yoo Schneider, met with the Orange County staff from Congressman Mike Levin's office• Met with staff from Senator Pat Bates' office• Participated in the MET Member Agency Legislative conference call• Participated in the CalDesal Legislative Working Group• Met with staff from Congressman Lou Correa's office to review logistics for their upcoming Community Leaders Briefing on August 8• Sent update to the Board of Directors after the budget conference committee met and worked out a compromise on funding for safe drinking water (that did not include a water tax)• Attended a meet and greet with Assemblywoman Quirk-Silva's new district director• Met with staff from Congressman Gil Cisneros' office
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INFORMATION CALENDAR

**MWDOC GENERAL INFORMATION
ITEMS**

MWDOC BOARD OF DIRECTORS

- Brett R. Barbre
- Larry D. Dick
- Bob McVicker
- Joan Finnegan
- Sat Tamaribuchi
- Jeffery M. Thomas
- Megan Yoo Schneider