

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

February 3, 2021

At 8:30 a.m., President Tamaribuchi called to order the Regular Meeting of the Municipal Water District of Orange County via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

MWDOC DIRECTORS

Al Nederhood
Larry Dick*
Karl W. Seckel
Bob McVicker
Sat Tamaribuchi*
Jeffery M. Thomas
Megan Yoo Schneider

STAFF

Robert Hunter, General Manager
Harvey De La Torre, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Melissa Baum-Haley, Prin. Water Resource Analyst
Alex Heide, Water Resources Analyst
Chris Lingad, Associate Engineer
Kevin Hostert, Water Resources Analyst
Damon Micalizzi, Director of Public Affairs
Heather Baez, Government Affairs Manager
Joe Berg, Director of Water Use Efficiency Prog.
Vicki Osborn, Director of Emergency Management
Charles Busslinger, Principal Engineer

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Linda Ackerman

OTHERS PRESENT

Thai Phan
Dick Ackerman
Sara Tucker
Garrett Durst
Syrus Devers
John Lewis
Ed Means
Brandon Goshi
Brad Coffey
Demetry Polyzos
Kathryn Freshley
Mike Gaskins
Kay Havens
Mark Monin
Jose Vergara
Dennis Cafferty
Steve LaMar
Doug Reinhart
Peer Swan
Paul Weghorst

City of Santa Ana
Ackerman Consulting
NRR
NRR
Best, Best & Krieger
Lewis Consulting
Means Consulting
Metropolitan Water District of Southern Calif.
Metropolitan Water District of Southern Calif.
Metropolitan Water District of Southern Calif.
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District

Frank Prewoznik	Irvine Ranch Water District
Christine Compton	Irvine Ranch Water District
Jim Atkinson	Mesa Water
Paul Shoenberger	Mesa Water
Don Froelich	Moulton Niguel Water District
Matt Collings	Moulton Niguel Water District
Laura Rocha	Moulton Niguel Water District
Sherry Wanninger	Moulton Niguel Water District
Kelly Rowe	Orange County Water District
John Kennedy	Orange County Water District
Alicia Dunkin	Orange County Water District
Chuck Gibson	Santa Margarita Water District
Saundra Jacobs	Santa Margarita Water District
Betty Olson	Santa Margarita Water District
Dan Ferons	Santa Margarita Water District
Robert Grantham	Santa Margarita Water District
Jim Leach	Santa Margarita Water District
Greg Mills	Serrano Water District
Brad Reese	Serrano Water District
Dennis Erdman	South Coast Water District
Rick Erkeneff	South Coast Water District
Rick Shintaku	South Coast Water District
Sonja Morgan	South Coast Water District
Fernando Paludi	Trabuco Canyon Water District
Brooke Jones	Yorba Linda Water District
Wayne Miller	Yorba Linda Water District
Megan Couch	San Diego County Water Authority
Kristy Khachigian	KK Consulting

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

SMWD Director Jacobs announced that the South County Agencies formed a Nominating Committee to review potential candidates for the MWDOC MET Director vacancy (as a result of Larry McKenney’s resignation from the MET Board).

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

No items were presented.

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

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

No items were distributed.

ACTION ITEMS

President Tamaribuchi asked that the Board consider the two legislative action items in one motion.

**SB 222 (DODD) – WATER AFFORDABILITY ASSISTANCE PROGRAM
SB 223 (DODD) – DISCONTINUATION OF RESIDENTIAL WATER SERVICE**

Ms. Heather Baez, Government Affairs Manager, provided an overview of SB 222, noting that because there was no identified funding source, staff is suggesting the Board adopt a “watch” position.

Ms. Baez also advised that staff is recommending an “oppose” position on SB 223.

Considerable discussion ensued with Board members expressing concern with both pieces of legislation, noting they may have significant impacts on retail agencies, and that it may be better for retail agencies to implement such a programs rather than Sacramento. Staff was requested to poll the member agencies on their stances/needs with respect to the legislation; it was noted this would be added to an upcoming Member Agency Managers’ meeting.

Mr. Syrus Devers (BBK) suggested SB 223 be a main focus for the year.

Following discussion, and upon MOTION by Director Dick, seconded by Director Yoo Schneider, and carried (6-0), the Board adopted a “watch” position on SB 222 (Dodd-Water Affordability Assistance Program), and an “oppose” position on SB 223 (Dodd-Discontinuation of Residential Water Service), by the following roll call vote:

AYES:	Directors Nederhood, Dick, McVicker, Seckel, Tamaribuchi & Yoo Schneider
NOES:	None
ABSENT:	Director Thomas
ABSTAIN:	None

PRESENTATION / DISCUSSION / INFORMATION ITEMS**LEGISLATIVE ACTIVITIES****a. Federal Legislative Report (NRR)**

Ms. Sara Tucker provided an overview of Senate activities, committee assignments, nomination hearings, and budget reconciliation activities.

Mr. Garrett Durst highlighted the committee assignments of both the House and Senate, the President’s budget (to be introduced in late March), new legislation by Assemblymember Valadao (extending provisions of WIIN act) and Senator Feinstein (drought response).

Discussion ensued regarding President Biden’s appointments, Colorado River/Paradox Valley activities, and potential legislation regarding rebates/taxation.

The Board received and filed the report.

- b. **State Legislative Report**
- c. **MWDOC Legislative Matrix**

Mr. Syrus Devers of BBK, reviewed his report which was included in the packet, highlighting the legislative process and noting that February 16, 2021 is the deadline to introduce bills.

The Board received and filed the report.

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

President Tamaribuchi welcomed MET Director Thai Phan (MET Director for Santa Ana) to the meeting.

Director Ackerman highlighted Colorado River activities (chromium and perchlorate remediation, Moab clean-up, and Paradox Valley), as well as noting that MET's Operations, Personnel & Technology Committee approved outreach plans for the GM recruitment process. She also advised that Chairwoman Gray's Board/Committee appointments had been delayed, and she provided an overview of MET staff COVID statistics, and new MET Board members.

Director Dick advised that MWDOC's delegation is supporting Director Pressman for the MET Executive Committee, and that MET will be taking action on member agency stormwater recharge projects as part of the Stormwater Pilot Program. He then highlighted the MET GM recruitment process, and IRP discussions.

President Tamaribuchi reported on the GM recruitment process, noting that the recruitment firm is currently seeking applicants and that MET is hoping for a final selection in May.

Following discussion regarding Chairwoman Gray's Board/Committee appointments (and diversity), the Board received and filed the report.

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA INTEGRATED RESOURCES PLAN (IRP) DISCUSSION SERIES – PART 11 (SCENARIO'S KEY ASSUMPTIONS)

Dr. Melissa Baum-Haley, Principal Water Resources Analyst, provided an overview of the IRP's key scenario assumptions. Her presentation included an outline of the process timeline, an overview of each scenario, including detailed supply and demand assumptions for each scenario (State Water Project, retain demand, local supply), as well as an overview of the preliminary Gap analysis, IRP reliability analysis, and past and current IRP reliability goals.

Considerable discussion ensued with emphasis on cost (and consumer response), the importance of communicating the process with MWDOC's member agencies, whether population growth is factored into the scenarios, stranded assets, reliability, hydraulic trends, water quality, the importance of protecting water sources, and the need to treat local supply sources with the same importance as the State Water Project and the Colorado River.

The Board received and filed the report.

OVERVIEW OF MET'S RATE REFINEMENT PROCESS

Dr. Baum-Haley provided an overview of MET's Rate Refinement process and timeline which included information on demand management programs, rates and charges, and next steps.

Discussion was held regarding unbundling, wheeling charges, the need to maximize the ability to roll on and off the MET system, and the possibility of setting an exchange rate outside of the water rate.

The Board received and filed the report.

INFORMATION ITEMS

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET's Finance and Rate Issues
- b. MET's General Manager Recruitment Process
- c. MET's Water Supply Conditions
- d. Colorado River Issues
- e. Delta Conveyance Activities and State Water Project Issues

The Board received and filed the report as presented.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summaries regarding the January MET Board Meeting
- b. Review items of significance for the upcoming MET Board and Committee Agendas

The report was received and filed.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:39 a.m.

Maribeth Goldsby
Board Secretary