

REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Fountain Valley, California  
July 21, 2021, 8:30 a.m.

**Due to the spread of COVID-19 and as authorized by the Governor's Executive Order, MWDOC will be holding all upcoming Board and Committee meetings by Zoom Webinar and will be available by either computer or telephone audio as follows:**

Computer Audio: You can join the Zoom meeting by clicking on the following link:  
<https://zoom.us/j/8828665300>

Telephone Audio:           (669) 900 9128 fees may apply  
                                     (877) 853 5247 Toll-free  
Webinar ID:                 882 866 5300#

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**AGENDA**

**MOMENT OF SILENCE**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**PUBLIC COMMENTS/PARTICIPATION**

At this time, members of the public will be given an opportunity to address the Board concerning items within the subject matter jurisdiction of the Board. Members of the public may also address the Board about a particular Agenda item at the time it is considered by the Board and before action is taken. If the item is on the Consent Calendar, please inform the Board Secretary before action is taken on the Consent Calendar and the item will be removed for separate consideration.

The Board requests, but does not require, that members of the public who want to address the Board complete a voluntary "Request to be Heard" form available from the Board Secretary prior to the meeting.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

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

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

Pursuant to Government Code section 54957.5, non-exempt public records that relate to open session agenda items and are distributed to a majority of the Board less than seventy-two (72) hours prior to the meeting will be available for public inspection in the lobby of the District's business office located at 18700 Ward Street, Fountain Valley, California 92708, during regular business hours. When practical, these public records will also be made available on the District's Internet Web site, accessible at <http://www.mwdoc.com>.

**NEXT RESOLUTION NO. 2115**

**CONSENT CALENDAR (Items 1 to 7)**

(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. June 2, 2021 Workshop Board Meeting
- b. June 16, 2021 Regular Board Meeting

*Recommendation: Approve as presented.*

**2. COMMITTEE MEETING REPORTS**

- a. Planning & Operations Committee Meeting: June 14, 2021
- b. Administration & Finance Committee Meeting: June 9, 2021
- c. Executive Committee Meeting: June 17, 2021

*Recommendation: Receive and file as presented.*

**3. TREASURER'S REPORTS**

- a. MWDOC Revenue/Cash Receipt Register as of June 30, 2021
- b. MWDOC Disbursement Registers (June/July)

*Recommendation: Ratify and approve as presented.*

- c. Summary of Cash and Investment and Portfolio Master Summary Report  
(Cash and Investment report) as of May 31, 2021
- d. PARS Monthly Statement (OPEB Trust)

*Recommendation: Receive and file as presented.*

**4. FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period ending May 31, 2021

*Recommendation: Receive and file as presented.*

**5. WATER USE EFFICIENCY POTENTIAL AND OPPORTUNITIES STUDY**

*Recommendation: Authorize the General Manager enter into a contract with Flume, Inc. in the amount of \$100,800 to conduct the Water Use Efficiency Potential and Opportunities Study.*

**6. APPROVE THE REVISED SARCCUP-MET AGREEMENT & APPROVE THE SARCCUP EXCESS SALES AND WATER PURCHASE AGREEMENT**

*Recommendation: Authorize the General Manager to execute the following: (1) Revised Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) Metropolitan Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC; and (2) SARCCUP Excess Water Sales and Purchase Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC.*

**7. AUTHORIZE INCREASE IN PROJECT BUDGET FOR THE ADMINISTRATION BUILDING SEISMIC RETROFIT AND REMODEL PROJECT**

*Recommendation: Approve an increase in the project budget for the Administration Building Seismic Retrofit and Remodel Project to cover expenses for ADA compliance modifications to the entry door systems and additional work through the remainder of the project in the amount of \$227,711 with a break down as follows:*

- *Authorize an increase in the Project Contingency Budget in the amount of **\$199,711***
- *Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of **\$28,000** to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project. For a revised total Project Budget amount of \$2,266,483.*

**End Consent Calendar**

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

**8. GENERAL MANAGER'S REPORT, JULY 2021 (ORAL AND WRITTEN)**

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

**9. MWDOC GENERAL INFORMATION ITEMS**

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

*Recommendation: Receive and file as presented.*

**CLOSED SESSION ITEMS**

**10. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: General Manager  
Government Code Section 54957

**11. CONFERENCE WITH LABOR NEGOTIATORS**

District Designated Representatives: Joseph Byrne, Legal Counsel  
Unrepresented Employee: General Manager  
Government Code Section 54957.6

**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**  
June 2, 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). Director Thomas led the Pledge of Allegiance and 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  
Alisha Winterswyk, 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, Governmental Affairs Manager  
Joe Berg, Director of Water Use Efficiency  
Vicki Osborn, Director of Emergency Management  
Charles Busslinger, Principal Engineer

\*Also MWDOC MET Directors

**OTHER MWDOC MET DIRECTORS**

Linda Ackerman  
Dennis Erdman

**OTHERS PRESENT**

Stephen Faessel  
Fred Jung  
Dick Ackerman  
Syrus Devers  
Sara Tucker  
Garrett Durst  
Kathryn Freshley  
Mark Monin  
Jose Vergara  
Jim Atkinson  
Don Froelich  
Sherry Wanninger  
Matt Collings  
Laura Rocha  
Kaden Young  
Johnathan Cruz  
Mike Dunbar  
Doug Reinhart  
Paul Weghorst

MET Director/City of Anaheim  
MET Director/City of Fullerton  
Ackerman Consulting  
Best, Best & Krieger  
NRR  
NRR  
El Toro Water District  
El Toro Water District  
El Toro Water District  
Mesa Water  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Emerald Bay Service District  
Irvine Ranch Water District  
Irvine Ranch Water District

Frank Prewoznik  
Kelly Rowe  
Mike Markus  
John Kennedy  
Chuck Gibson  
Saundra Jacobs  
Justin McCusker  
Frank Ury  
Dan Ferons  
Jim Leach  
Greg Mills  
Taryn Kjolsing  
Fernando Paludi  
Brooke Jones  
Wayne Miller  
Tom Lindsey  
Ed Means  
Megan Couch  
Drew Atwater  
Paul Jones

Irvine Ranch Water District  
Orange County Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Serrano Water District  
South Coast Water District  
Trabuco Canyon Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Means Consulting  
San Diego County Water Authority  
Metropolitan Water District of Southern Calif.  
Eastern Municipal Water District

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

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

No public comments were received.

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

No items were presented.

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

President 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 less than 72 hours prior to the meeting.

### **ACTION ITEMS**

#### **H.R. 3404 (HUFFMAN) – FUTURE WESTERN WATER INFRASTRUCTURE AND DROUGHT RESILIENCY ACT**

Governmental Affairs Manager Heather Baez reviewed the benefits of H.R. 3404, and she provided an overview of the section-by-section breakdown of the bill.

Following discussion, and upon MOTION by Director Thomas, seconded by Director Seckel, and carried (7-0), the Board adopted a Support position on H.R. 3404 (Huffman), by the following roll call vote:

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

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

### **LEGISLATIVE ACTIVITIES**

#### **a. Federal Legislative Report (NRR)**

Ms. Sara Tucker provided an overview of President Biden's nominations for key positions within the Department of the Interior and the EPA, the appointment of the Bureau of Reclamation Commissioner (to be announced soon), Western Water legislation, and Colorado River spring run-off numbers (down to 26% of normal). She noted that MET is working with Senator Masto and Congresswoman Napolitano regarding a large scale water recycling bill.

Mr. Garrett Durst reported that Congressionally Directed Spending requests for WEROC's Emergency Operations Center were submitted through Senators Feinstein and Padilla's offices. He then highlighted the White House infrastructure packages. Discussion ensued regarding potential funding/earmarks for the Salton Sea and desalination projects.

The Board received and filed the report.

#### **b. State Legislative Report**

#### **c. MWDOC Legislative Matrix**

Mr. Syrus Devers of BBK, reviewed his report, highlighting the budget process, key issues with the budget, comments on the budget by the Legislative Analyst's office, as well as the California drought and associated issues.

The Board received and filed the report.

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

Director Ackerman highlighted MET's rate refinement and demand management funding process, noting that the MET Board adopted a resolution establishing its 2021-22 Standby Charges. She also highlighted various issues, including: employee injury reports, information on the Property & Casualty insurance (14% increase in premium), approval of an increase of \$200K to the Gary Avenue Pumping plant for improvements (along with \$1.2 million for engineering support), approval of \$2 million in flow monitoring equipment at Mile 12 of the Colorado River Aqueduct, approval of Santa Monica's LRP project on Sustainable Water Supply, authorization for the MET General Manager to enter into agreements with member agencies for net increased costs incurred for shifting operations from SWP to Colorado River water to improve regional reliability during the drought ("Cost-Offset Program"), and the approval of MET's 2020 UWMP. She then reported that the seismic retrofitting of MET's headquarters building is complete, and she provided brief updates on the Carson Recycling Project, MET's National Hazard Mitigation Plan (currently being developed), an update on demands on the MET system, an overview of water storage levels in Lake Mead, the Colorado

River Aqueduct run off shortages, drought issues, the IRP workshop held at the end of May regarding Climate Change's impacts to demands and supplies, and she advised that MET is looking at programs to save water along the Colorado river.

In addition to the information reported by Director Ackerman, Director Dick highlighted the importance of addressing and providing funding to address MET's Desert housing issues.

Director Erdman highlighted each of the 12 Consent Calendar items on the June 8, 2021 MET Board agenda.

Directors Faessel and Jung advised that all of the key issues were covered by Directors Ackerman, Dick, and Erdman above.

Director Tamaribuchi highlighted that the northern portion of MET's service area is reliant only on State Water Project (SWP) water, and he noted the importance of the City of Los Angeles taking water from the Colorado River as well (emphasizing such actions will leave greater amounts of storage for these exclusive SWP areas in the MET system).

Responding to an inquiry by Director Seckel (referring to an email sent by MET Director Adan Ortega regarding the MET General Manager recruitment process and actions taken by MWD OC), General Manager Hunter provided an overview of the publicly available information on the recruitment process, noting that the majority of discussions were held in closed session.

Discussion ensued regarding the MET General Manager recruitment process and salinity control efforts along the Colorado River.

The Board received and filed the reports.

#### **OVERVIEW OF WORKSHOP ON THE INTEGRATED RESOURCES PLAN (IRP) EXPERT PANEL ON CLIMATE CHANGE**

Dr. Melissa Baum-Haley, Principal Water Resources Analyst, provided an overview of the MET workshop with the expert panel on climate change. Her presentation included an overview of the panel members, warming trends across the western United States, the intensity and severity of climate change impacts, regional hydraulic changes, effects on the imported water supply due to evaporation (and decreasing runoff), effects on water demand, and climate change forecast models and ways to evaluate potential future impacts. Dr. Baum-Haley concluded her presentation stating that climate change will have implications on water management, specifically a need for increased flexibility within source limited areas which illustrates the need for more comprehensive consideration of dry-year storage to manage variability.

Discussion ensued with specific emphasis on the need for additional storage (and to preserve existing storage), increasing withdrawal capacity from MET's storage account along the State Water Project Aqueduct, climate change models and how they were developed, the importance of hydrologic independent supplies and infrastructure investments, and the importance of the Delta Conveyance Project.

Following discussion, the Board received and filed the report as presented.

## **INFORMATION ITEMS**

### **MWD ITEMS CRITICAL TO ORANGE COUNTY**

- a. MET Finance and Rate Issues
- b. MET General Manager Recruitment Process
- c. MET Review of Equal Employment Opportunity Policies and Practices
- d. MET Integrated Resources Plan Update
- e. MET Water Supply Conditions
- f. Colorado River Issues
- g. 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. Summary regarding the May 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 10:05 a.m.

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Maribeth Goldsby  
Board Secretary

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
June 16, 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). Following a moment of silence in memory of the recently deceased MET Director Don Galleano, Director McVicker led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Al Nederhood  
Larry Dick  
Bob McVicker  
Karl Seckel  
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 Resources Analyst  
Cathy Harris, Director of H.R. & Administration  
Joe Berg, Director of Water Use Eff. Programs  
Kevin Hostert, Water Resources Analyst  
Charles Busslinger, Principal Engineer  
Alex Heide, Water Resource Analyst  
Vicki Osborn, Director of Emergency Management  
Heather Baez, Governmental Affairs Manager  
Chris Lingad, Associate Engineer  
Tiffany Baca, Public Affairs Manager

**ALSO PRESENT**

Linda Ackerman  
Dennis Erdman  
Dick Ackerman  
Dave Youngblood  
Jose Vergara  
Kathryn Freshley  
Mike Gaskins  
Kay Havens  
Mark Monin  
Dennis Cafferty  
Doug Reinhart  
Peer Swan  
Paul Weghorst  
Jim Atkinson  
Don Froelich  
Bill Moorehead  
Sherry Wanninger  
Kelly Rowe  
Mike Markus  
John Kennedy

MWDOC/MET Director  
MWDOC/MET Director  
Ackerman Consulting  
East Orange County Water District  
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  
Mesa Water  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Orange County Water District  
Orange County Water District  
Orange County Water District

Saundra Jacobs	Santa Margarita Water District
Justin McCusker	Santa Margarita Water District
Betty Olson	Santa Margarita Water District
Frank Ury	Santa Margarita Water District
Jim Leach	Santa Margarita Water District
Greg Mills	Serrano Water District
Brad Reese	Serrano Water District
Fernando Paludi	Trabuco Canyon Water District
Brooke Jones	Yorba Linda Water District
Tom Lindsey	Yorba Linda Water District
Lisa Ohlund	Ohlund Management & Technical Services
Kristy Khachigian	KK Consulting

### **PUBLIC PARTICIPATION/PUBLIC COMMENT**

President Tamaribuchi 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. Tamaribuchi asked whether any member of the public had any comments on items that are not on the agenda.

No public comments were received.

### **ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were received.

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

President 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.

### **CONSENT CALENDAR**

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

Upon MOTION by Director Yoo Schneider, seconded by Director Thomas, and carried (7-0) the Board approved the following Consent Calendar items, by the following roll call vote:

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

## **MINUTES**

The following minutes were approved.

May 5, 2021 Workshop Board Meeting  
May 19, 2021 Regular Board Meeting

## **COMMITTEE MEETING REPORTS**

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

Planning & Operations Committee Meeting: May 3, 2021  
Administration & Finance Committee Meeting: May 12, 2021  
Executive Committee Meeting: May 20, 2021

## **TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of May 31, 2021  
MWDOC Disbursement Registers (May/June)

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 April 30, 2021  
  
PARS Monthly Statement (OPEB Trust)

## **FINANCIAL REPORT**

The following item was received and filed as presented.

Combined Financial Statements and Budget Comparative for the Period ending April 30, 2021

## **AWARD CONTRACT FOR PURCHASE OF DEMOUNTABLE GLASS WALLS TO INTERIOR OFFICE SOLUTIONS (IOS)/DBA PEOPLESPEACE UNDER THE COUNTY OF ORANGE REGIONAL COOPERATIVE AGREEMENT (RCA)**

The Board awarded a contract for the purchase of demountable glass walls to Interior Office Solutions, DBA PeopleSpace; under the County of Orange Regional Cooperative Agreement (RCA), in the amount of \$111,686 not to exceed the budgeted amount of \$125,000; in accordance with the District's Administrative Code regarding Cooperative Agreements.



**AUTHORIZE PURCHASE OF OFFICE FURNITURE THROUGH INTERIOR OFFICE SOLUTIONS (IOS)/DBA PEOPLESPLACE UNDER THE COUNTY OF ORANGE REGIONAL COOPERATIVE AGREEMENT (RCA)**

The Board approved a total amount of \$216,996 as follows: (1) authorized the General Manager to purchase office furniture for Phase 3 of the office remodel through Interior Office Solutions DBA PeopleSpace, under the County of Orange Regional Cooperative Agreement, in the amount of \$142,658 not to exceed budgeted amount of \$170,096; and (2) authorized the expenditure of \$46,900 from FY 20/21 Budget to cover the Phase 2 Furniture and additional Capital Expenses that may be necessary, upon completion of the construction phases.

**FACILITATED DISCUSSION WITH MEMBER AGENCIES PROJECT**

The Board approved Option #1 and authorized the General Manager to enter into a contract with Paul Redvers Brown, Inc. for facilitation services and report production for the first two phases of the project. Not-to Exceed cost of \$51,910.00 on a time and materials basis.

**- END CONSENT CALENDAR -**

**ACTION CALENDAR**

**EXTENSION OF CONSULTING CONTRACT WITH ACKERMAN CONSULTING**

President Tamaribuchi advised that the proposal to extend the contract with Ackerman Consulting was before the Board for consideration. Director Nederhood thanked Mr. Ackerman for his assistance with various issues.

Upon MOTION by Director Yoo Schneider, seconded by Director Seckel, and carried (7-0), the Board approved the contract extension for one year (FY 2021/22) with Ackerman Consulting for specialized services by the following roll call vote:

AYES: Directors Nederhood, Dick, McVicker, Seckel, Tamaribuchi, Thomas & Yoo Schneider

NOES:None

ABSENT: None

ABSTAIN: None

**CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) ELECTION**

Director Yoo Schneider advised that the Planning & Operations Committee recommended the Board authorize President Tamaribuchi to cast the District's ballot for Jo MacKenzie for CSDA Board of Directors, Southern Network, Seat A.

Upon MOTION by Director Yoo Schneider, seconded by Director Thomas, and carried (7-0), the Board authorized President Tamaribuchi, or his designee, to cast the District's ballot for Jo MacKenzie for CSDA Board of Directors, Southern Network, Seat A, by the following roll call vote:

AYES: Directors Nederhood, Dick, McVicker, Seckel, Tamaribuchi, Thomas & Yoo  
Schneider

NOES:None

ABSENT: None

ABSTAIN: None

### **AUTHORIZE CONTINUED PARTICIPATION IN THE UNIVERSITY OF CALIFORNIA LANDSCAPE PLANT IRRIGATION TRIALS**

Director Yoo Schneider advised that the Planning & Operations Committee recommended the Board approve this item.

Upon MOTION by Director Yoo Schneider, seconded by Director McVicker, and carried (7-0), the Board authorized an annual contribution of \$17,500 for four years for participation in the University of California Landscape Plant Irrigation Trials, which provide water agencies and consumers the information they need to choose proven water efficient plant species, by the following roll call vote:

AYES: Directors Nederhood, Dick, McVicker, Seckel, Tamaribuchi, Thomas & Yoo  
Schneider

NOES:None

ABSENT: None

ABSTAIN: None

## **INFORMATION CALENDAR**

### **GENERAL MANAGER'S REPORT, JUNE 2021**

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

Mr. Hunter highlighted the Water Policy Dinner scheduled for July 14, 2021 (in person), honoring retired MET General Manager Jeff Kightlinger, and the August 4, 2021 Workshop Board meeting wherein the new MET General Manager Adel Hagekhalil would attend.

Director Seckel commented on the AQMD workshop on stationary Emergency Standby Engines (generators) and the proposed Rule 118.1 (moving in the right direction), the progress on OC-70 (positive), and the number of productive meetings and information exchanges the Water Use Efficiency Department participates in.

President Tamaribuchi thanked Heather Baez for her efforts in securing a number of meetings with legislative representatives.

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. Due to COVID 19, most of the meetings outlined were attended virtually.

Director Nederhood advised that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the MET Board meeting, the ACWA Spring Conference, the MET Executive Committee meeting, the MET IRP Workshop, the WACO (featuring SDCWA General Manager) and WACO Planning meetings, and a meeting with Senator Newman.

Director Dick reported on attending all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the regularly scheduled MET Board and Committee meetings, MET caucus meeting, the OC Economic Coalition meeting, a redistricting webinar with our advocates, a meeting with the Nature Conservancy, a meeting with Congresswoman Porter, a meeting with the Chamber of Commerce Government Affairs committee regarding the AQMD, and the WACO and WACO Planning meetings.

Director McVicker reported that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the MET Board and Committee meetings, the Fountain Valley City Council meeting, the ISDOC Executive Committee meeting, the ACWA Water Quality Committee meeting, the OCBC Infrastructure Committee meeting, and the WACO meeting.

Director Seckel advised that he attended all of the regularly scheduled MWDOC meetings, except the Administration & Finance Committee (Planning & Operations, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the WACO and WACO Planning meetings, the OC Water Summit planning meeting, the MET IRP Workshop re Climate Change, the SWRCB meeting, the MET Board meeting, and the Southern California Water Dialogue Committee meeting regarding the drought.

Director Thomas stated that he attended all of the regularly scheduled MWDOC meetings, (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the virtual ACWA conference, the WACO meeting, the OC Water Summit planning meeting, and a meeting with Congresswoman Katie Porter.

Director Yoo Schneider advised that she attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the LBCWD Board meeting, the SCWD Board meeting, the SMWD Board meeting, the MNWD Board meeting, the MET Board meeting, a meeting with Congressman Levin, a meeting with the Nature Conservancy, several Diversity, Equity and Inclusion Committee meetings with California WEA as well as the WEF, the California

WEA Past Presidents meeting, the WEF Leaders meeting, and the OC Water Summit planning meeting.

Director Tamaribuchi reported on attending the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the regularly scheduled MET Board and Committee meetings, three MWDOC/MET Director meetings, a meeting with Nature Conservancy, a meeting with Congresswoman Porter, the South Orange County Economic Coalition meeting, the MET Caucus, and the WACO meeting.

**a. REQUESTS FOR FUTURE AGENDA TOPICS**

Director Dick requested that a discussion regarding gaining funding support from the County for the new WEROC Emergency Operations Center be agendized for discussion (July Planning & Operations Committee).

President Tamaribuchi requested a full report on Water Use Efficiency efforts be agendized for the Planning & Operations Committee meeting in July.

**ADJOURNMENT**

There being no further business to come before the Board, President Tamaribuchi adjourned the meeting at 8:51 a.m., in memory of the recently deceased MET Director Don Galleano.

Respectfully submitted,

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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**  
June 14, 2021 – 8:30 a.m. to 9:08 a.m.

In accordance with Executive Order N-08-21 issued by Governor Newsom, the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

**Committee:**

Director Yoo Schneider, Chair  
Director Nederhood  
Director Seckel

**Staff:**

Rob Hunter, Heather Baez, Pari Francisco  
Sarah Wilson, Melissa Baum-Haley,  
Maribeth Goldsby, Michelle Decasas, Harvey  
De La Torre, Chris Lingad, Bryce Roberto,  
Charles Busslinger, Rachel Davis, Rachel  
Waite, Tina Dubuque, Vicki Osborn, Beth Fahl,  
Joe Berg, Katie Vincent

**Also, Present:**

Director Sat Tamaribuchi  
Director Larry Dick  
Director Bob McVicker  
Director Jeff Thomas  
Linda Ackerman, MWDOC MET Dir.  
Dennis Erdman, MWDOC MET Dir.  
Dick Ackerman, Ackerman Consulting  
John Lewis, Lewis Consulting  
Jose Vergara, El Toro WD  
Mike Gaskin, El Toro WD  
Dennis Cafferty, El Toro WD  
Kathryn Freshley, El Toro WD

Sherri Seitz, El Toro WD  
Brad Reese, Serrano WD  
Peer Swan, Irvine Ranch  
Paul Weghorst, Irvine Ranch WD  
Fred Jung, Metropolitan Water District  
Charles Gibson, Santa Margarita WD  
Jim Leach, Santa Margarita WD  
Sherry Wanninger, Moulton Niguel WD  
Adam Hutchinson, Orange County WD  
Mike Markus, Orange County WD  
John Kennedy, Orange County WD  
Donald Froelich, Moulton Niguel WD  
Laura Rocha, Moulton Niguel WD

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Chairperson Yoo Schneider called the meeting to order at 8:30 a.m.

Secretary Goldsby conducted a roll call of the Committee members' attendance with Directors Yoo Schneider, Nederhood, and Seckel being present, as well as Directors Dick, Tamaribuchi, Thomas, and McVicker.

Chairperson Yoo Schneider outlined Zoom protocols in an effort to assist in keeping the meeting running smoothly.

At 9:01 a.m. Chairperson Yoo Schneider exited the meeting. Director Seckel assumed the Chairperson role, and Director Tamaribuchi joined the Committee.

**PUBLIC PARTICIPATION**

None.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were received too late to be agendized.

**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.

**ACTION ITEM****EXTENSION OF CONSULTING CONTRACT WITH ACKERMAN CONSULTING**

Ms. Heather Baez (Governmental Affairs Manager) explained that the Ackerman Consulting contract is a one-year contract (year four of the renewal options). She explained that retired Senator Ackerman provides consulting services for MWDOC on the local regulatory and environmental levels.

Mr. Robert Hunter (General Manager, MWDOC) noted that the cost for the Ackerman Consulting contract was approved in the 2021-2022 MWDOC budget.

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors consider extending the contract with Ackerman Consulting for specialized services for one year.

A roll call vote was taken, with Directors Yoo Schneider, Nederhood, and Seckel voting in favor. This item will be presented to the Board on June 16, 2021.

Chairperson Yoo Schneider noted that public comments could be made any time between now and the June 16, 2021 Board meeting.

**CSDA BOARD OF DIRECTORS, SOUTHERN NETWORK, SEAT A – ELECTION**

Ms. Heather Baez (Governmental Affairs Manager) explained that this item asks the Board to discuss the candidates for the CSDA Southern Network (Seat A) election and consider authorizing President Tamaribuchi, or his designee, to cast the District's ballot in this regard.

Ms. Baez stated that incumbent Jo MacKenzie, Director at the Vista Irrigation District, is seeking reelection along with eight other Special District board members. She highlighted that Jo-Anne Martin, President, Placentia Library District, is a candidate from Orange County.

Director Nederhood and Director Seckel stated they were familiar with candidate Jo MacKenzie but were unfamiliar with any other candidates. Director Nederhood asked for input from others due to his limited knowledge of the other candidates to broaden his perspective. However, if additional information could not be provided, he recommended MWDOC support, Jo MacKenzie; Chairperson Yoo Schneider and Director Seckel agreed. There was no input provided on the other candidates.

Upon MOTION by Director Nederhood, seconded by Director Seckel, and carried (3-0), the Committee recommended the Board of Directors authorize Director Tamaribuchi to cast the District's ballot in support of Jo MacKenzie, Director at the Vista Irrigation District for CSDA Board of Directors, Southern Network, Seat A.

A roll call vote was taken, with Directors Yoo Schneider, Nederhood, and Seckel voting in favor. This item will be presented to the Board on June 16, 2021.

### **CONTINUED PARTICIPATION IN THE UNIVERSITY OF CALIFORNIA LANDSCAPE PLANT IRRIGATION TRIALS**

Mr. Rob Hunter (General Manager) stated the Board originally authorized participation in the Landscape Plant Irrigation Trials in February of 2020 and that the intention was to participate in the trials for five years at an annual cost of \$17,500, for a five-year cost of \$87,500. The original staff report only authorized the first year of funding. As a result, staff is requesting the Board approve the remaining four years of participation

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors authorize an annual contribution of \$17,500 for four years for participation in the University of California Landscape Plant Irrigation Trials.

A roll call vote was taken, with Directors Yoo Schneider, Nederhood, and Seckel voting in favor. This item will be presented to the Board on June 16, 2021.

### **DISCUSSION ITEMS**

#### **UPDATE ON COVID-19 (ORAL REPORT)**

Ms. Vicki Osborn (Director of Emergency Management) reviewed Executive Order N-08-21 that Governor Newsom issued, dated June 11, 2021. Key areas noted were that the Brown Act Exemption (N-3520) and the Water Non-Payment and Disconnection (N-4220) executive orders would end on September 30, 2021. Ms. Osborn summarized the Occupational Safety and Health Administration's (OSHA) new guidance for businesses being presented to the OSHA Board for review and approval on Thursday, June 17, 2021. Included in those guidelines are new mask-wearing requirements for fully vaccinated and non-vaccinated employees. She also noted that the California Department of Public Health (CDPH) is guiding businesses regarding visitors and people attending onsite meetings, reporting this an area of interest for MWDOC due to the September 30 expiration of the Brown Act exemption and the return of in-person meetings.

#### **ADMINISTRATION BUILDING CONSTRUCTION UPDATE**

Director Nederhood inquired about the future improvements made to Conference Room 101 to serve as a backup WEROC emergency operations room noted in the packet and how that corresponds with the construction of the new South Emergency Operation Center (EOC). Mr. Rob Hunter (General Manager) responded that Conference Room 101 has always been discussed as the backup WEROC Operations Center. If something happened

to the South EOC and since Conference Room 101 is a multi-purpose room used for training and committee meetings, etc., it could efficiently serve as its backup.

### **UPDATE/REPORT RE MWDOC DROUGHT MESSAGING (ORAL REPORT)**

This item was deferred to the July 6, 2021 Planning & Operations Committee meeting.

### **INFORMATION ITEMS**

#### **LOCAL LEGISLATIVE ACTIVITIES**

- a. County Legislative Report (Lewis)
- b. Legal and Regulatory Report (Ackerman)

The Committee received and filed these reports.

#### **MWDOC CHOICE SCHOOL PROGRAMS UPDATE**

Director Dick asked for information on the number of participating students and cost per student for the MWDOC Choice School Programs, including comparing prior years. Director Seckel asked for final agency commitments for the 2021-2022 school year. Ms. Sarah Wilson (Public Affairs Specialist) said she would provide the information requested.

The Committee received and filed this report.

#### **2021 OC WATER SUMMIT UPDATE**

The Committee received and filed this report.

#### **STATUS REPORTS**

- a. Ongoing MWDOC Reliability and Engineering/Planning Projects
- b. WEROC
- c. Water Use Efficiency Projects
- d. Public and Government Affairs

The Committee received and filed these reports.

**REVIEW OF ISSUES RELATED TO PLANNING OR ENGINEERING PROJECTS, WEROC, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, PUBLIC AFFAIRS PROGRAMS AND EVENTS, PUBLIC INFORMATION PROJECTS, PUBLIC INFORMATION CONSULTANTS, DISTRICT FACILITIES, and MEMBER-AGENCY RELATIONS**

### **ADJOURNMENT**

There being no further business brought before the Committee, Director Seckel adjourned the meeting at 9:08 a.m.



MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Jointly with the  
**ADMINISTRATION & FINANCE COMMITTEE**  
June 9, 2021 – 8:30 a.m. to 9:25 a.m.

In accordance with Executive Order N-08-21 issued by Governor Newsom on June 11, 2021, the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

**A&F Committee:**

Director Bob McVicker, Chair  
Director Larry Dick  
Director Jeff Thomas

**Staff:**

Rob Hunter, Maribeth Goldsby,  
Katie Davanaugh, Pari Francisco,  
Michelle DeCasas, Hilary Chumpitazi,  
Melissa Baum-Haley, Vicki Osborn,  
Cathy Harris, Chris Lingad, Alex Heide,  
Charles Busslinger, Harvey De La Torre,  
Damon Micalizzi, Janine Schunk,  
Beth Fahl, Joe Berg

**Also Present:**

Director Sat Tamaribuchi  
Director Al Nederhood  
Director Megan Yoo Schneider

MWDOC MET Director Dennis Erdman

Jose Vergara, El Toro Water District  
John Kennedy, Orange County Water District  
Mark Monin, El Toro Water District  
Marwan Khalifa, Mesa Water  
Megan Couch, San Diego County Water Auth.  
Mike Markus Orange County Water District  
Mike Gaskins, El Toro Water District  
Saundra Jacobs, Santa Margarita Water District  
Stacy Taylor, Mesa Water  
Brad Reese, Serrano Water District

Kaden Young, Moulton Niguel Water District  
Fred Jung, City of Fullerton MET Director  
Dan Ferons, Santa Margarita Water District  
Jim Leach, Santa Margarita Water District  
Kristy Khachigian, San Diego Co. Water Auth.  
Don Froelich, Moulton Niguel Water District  
Fernando Paludi, Trabuco Canyon Water Dist.  
Peer Swan, Irvine Ranch Water District  
Greg Mills, Serrano Water District  
Jim Atkinson, Mesa Water

At 8:30 a.m., Director McVicker called the meeting to order, via the Zoom webinar application. Secretary Goldsby conducted a roll call attendance of the Committee members with Directors McVicker, Thomas and Dick acknowledging attendance for the Committee; and Directors Seckel, Nederhood, Tamaribuchi and Yoo Schneider also present.

**PUBLIC COMMENTS**

Saundra Jacobs, Santa Margarita Water District (SMWD), expressed appreciation for MWDOC's support on the SMWD LRP project at the recent Metropolitan Water District Board meeting. Additionally, she expressed support for holding the facilitated discussions with member agencies (item 5 on this agenda) sooner than later, and looks forward to being a part of the discussions.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

No items were distributed.

**PROPOSED BOARD CONSENT CALENDAR ITEMS****TREASURER'S REPORT**

- a. Revenue/Cash Receipt Report – April 2021
- b. Disbursement Approval Report for the month of May 2021
- c. Disbursement Ratification Report for the month of April 2021
- d. GM Approved Disbursement Report for the month of April 2021
- e. Consolidated Summary of Cash and Investment – March 2021
- f. OPEB and Pension Trust Fund monthly statement

The Committee reviewed the Treasurer's Report. Upon MOTION by Director Thomas seconded by Director Dick and carried (3-0), the Committee recommended approval of the Treasurer's Report at the June 16, 2021 Board meeting. The vote was taken via roll call with Directors Thomas, Dick and McVicker all voting in favor.

**FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period Ending April 30, 2021
- b. Quarterly Budget Report

The Committee reviewed the Financial Report. Upon MOTION by Director Thomas seconded by Director Dick and carried (3-0), the Committee recommended approval of the Financial Report at the June 16, 2021 Board meeting. The vote was taken via roll call with Directors Thomas, Dick and McVicker all voting in favor.

**ACTION ITEMS**

**AWARD CONTRACT FOR PURCHASE OF DEMOUNTABLE GLASS WALLS TO INTERIOR OFFICE SOLUTIONS (IOS)/DBA PEOPLESPLACE UNDER THE COUNTY OF ORANGE REGIONAL COOPERATIVE AGREEMENT (RCA)**

The Committee reviewed the Award of Contract for the Purchase of Demountable Glass Walls and upon MOTION by Director Dick seconded by Director Thomas and carried (3-0), the Committee recommended approval of the awarding the contract for the purchase of the demountable glass at the June 16, 2021 Board meeting. The vote was taken via roll call with Directors Thomas, Dick and McVicker all voting in favor.

Mr. Hunter noted that construction is moving along on schedule and that the glass is shatterproof and includes a sound-reducing factor. It was also noted that the savings by purchasing through the County of Orange Regional Cooperative Agreement is close to a 60% discount.

**AUTHORIZE PURCHASE OF OFFICE FURNITURE THROUGH INTERIOR OFFICE SOLUTIONS (IOS)/DBA PEOPLESPLACE UNDER THE COUNTY OF ORANGE REGIONAL COOPERATIVE AGREEMENT (RCA)**

The Committee reviewed the Purchase of Office Furniture through Interior Office Solutions and upon MOTION by Director Thomas seconded by Director Dick and carried (3-0), the Committee recommended the item for approval at the June 16, 2021 Board meeting. The vote was taken via roll call with Directors Thomas, Dick and McVicker all voting in favor.

It was noted that the furniture purchased has been well under what was originally budgeted for the project.

**FACILITATED DISCUSSION WITH MEMBER AGENCIES PROJECT**

Mr. Hunter noted that MWDOC member agencies have expressed support for facilitated discussions to review and determine “the role of MWDOC” as well as the relationships between MWDOC and member agencies. The cost is estimated at approximately \$50,000 for the two phases of the project which will include discussions with member agencies and MWDOC staff. Mr. Hunter noted that this is expected to involve a significant amount of time for MWDOC staff and member agencies so that all opinions, concerns and comments are heard. Director Dick expressed some concern with the cost and time involvement.

Mr. Hunter stated that Paul Brown, the proposed facilitator, is well known for his facilitator skills and knowledge of water in Southern California. He has broad experience; and his approach will be to facilitate the interviews with each member agency manager, MWDOC Board and staff as well as the MWDOC Met Directors. Saundra Jacobs reiterated her support for the facilitated interview project. Directors Seckel and Nederhood expressed support for the facilitated process and approach.

Upon MOTION by Director Thomas seconded by Director McVicker and carried (3-0), the Committee recommended approval of the Facilitated Discussion with Member Agencies Project at the June 16, 2021 Board meeting. The vote was taken via roll call with Directors Thomas, Dick and McVicker all voting in favor.

**INFORMATION ITEMS**

**DEPARTMENT ACTIVITIES REPORTS**

- a. Administration

## b. Finance and Information Technology

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

Director Seckel called attention to the chart on page 57 of 61 of the packet and remarked that the current snow water equivalent of 65% as of April 1<sup>st</sup> is historically low and he believes that the actual usable runoff is significantly lower than shown on the chart. It is anticipated that 2021 will be another very dry year. Director Nederhood expressed the importance of drought messaging and continued conservation efforts. Assistant General Manager Harvey De La Torre also noted the importance of drought messaging through Metropolitan Water District and its member agencies and reported that water usage is trending downward in response to these conservation efforts.

Vicki Osborn commented on the recent drought messaging efforts of the MWDOC WEROC and Public Affairs programs.

The informational reports were received and filed.

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

IRWD Director Peer Swan inquired when MWDOC intends to be open for public meetings with General Manager Rob Hunter responding that efforts are being coordinated and considered with Orange County Water District as both agencies share the same building and meeting rooms. Vicki Osborn also reported that meetings and discussions continue with OSHA and other state officials regarding protocol and safety standards across the state.

**ADJOURNMENT**

There being no further business brought before the Committee, the meeting was adjourned at 9:25 a.m.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
jointly with the  
**EXECUTIVE COMMITTEE**  
June 17, 2021, 8:30 a.m. to 9:19 a.m.  
Zoom Webinar Application

**Committee:**

Director Tamaribuchi, President  
Director Yoo Schneider, Vice President  
Director Dick, Immediate Past President

**Staff:**

R. Hunter, M. Goldsby, V. Osborn, C. Harris

**Also Present:**

Director Nederhood  
Director Seckel  
Director McVicker  
Director Thomas  
Dennis Erdman, MWDOC/MET Director  
Mike Markus, OCWD  
Chuck Gibson, SMWD  
Saundra Jacobs, SMWD  
Justin McCusker, SMWD  
Betty Olson, SMWD  
Jim Leach, SMWD  
Sherry Wanninger, MNWD  
Laura Rocha, MNWD  
Brad Reese, Serrano WD  
Fernando Paludi, TCWD  
Kristy Khachigian, KK Consulting

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At 8:30 a.m., President Tamaribuchi called the meeting to order 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.

**PUBLIC PARTICIPATION**

No public comments were made.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

General Manager Hunter advised that the draft agendas for the upcoming month were distributed to the Board and made available to the public.

In an effort to accommodate schedules, the agenda was reorganized as follows:

**REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

Director of Emergency Management, Vicki Osborn, provided an overview of the Governor's latest Executive Order (Order N-08-21), the guidelines for re-opening the campus and the Brown Act provisions. She advised that the Brown Act provisions would expire as of September 30<sup>th</sup>, thereby requiring the Board to meet in person in October.

General Manager Hunter noted that OCWD would be holding in-person Board meetings in July, however these would exclude the public as the campus would still be closed (until October); these would be hybrid Zoom/in-person meetings. Mr. Hunter asked the Board members present whether they would be interested in doing something similar with the majority of Board members expressing they would prefer to wait until the campus is open so that the public can attend. Several Board members did however express support for hybrid meetings (Board and Committee, not events) once meetings are held in person.

Responding to an inquiry by Director Seckel, Ms. Osborn then reviewed liability issues, processes to consider when allowing employees and the public back full time (proof of vaccination, masks, etc.), and the requirement to make available N-95 mask respirators for those who ask.

It was noted that the MWDOC/OCWD Building Management Committee would be meeting on June 24, 2021 to discuss the campus and any other issues that may arise.

Mr. Hunter highlighted the Water Policy Dinner scheduled for July 14, 2021 (in person), honoring retired MET General Manager Jeff Kightlinger, the August 4, 2021 Workshop Board meeting wherein the new MET General Manager Adel Hagekhalil would attend, and the Cal OSHA meeting later in the day.

**EXECUTIVE COMMITTEE REVIEW OF FUTURE AGENDAS**

The Committee reviewed and discussed the draft agendas for each of the meetings and made revisions/additions as listed below.

a. Planning & Operations Committee

No new items were added to the agenda.

b. Workshop Board Meeting

The Committee reviewed the proposed topics for discussion and suggested the agenda include a presentation on MWDOC and MET's Water Supply Allocation Plans (rather than Bay-Delta activities).

c. Administration & Finance Committee meeting

No new items were added to the agenda.

d. MWDOC/OCWD Joint Planning Committee

Director Seckel requested an update on the Groundwater Reliability Study; the Committee concurred and it was added to the draft agenda.

**DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE**

General Manager Hunter noted that many of these items were addressed above (Building Management Committee, Governor's Executive Order, Water Policy Dinner, and the August 4, 2021 Workshop Board meeting featuring Adel Hagekhalil).

**MEMBER AGENCY RELATIONS**

Mr. Hunter reported on the facilitated process (by Paul Redvers Brown) to work with member agencies and the Board regarding the "role of MWDOC."

(Director Yoo Schneider departed the meeting at 9:30 a.m.)

**GENERAL MANAGER'S REPORTS**

Mr. Hunter advised that due to the departure of Pat Shields, E.J. Caldwell was appointed as West Basin Municipal Water District's Interim General Manager.

**REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

The Committee then addressed the General Manager's evaluation process the new evaluation form being developed, dates for returning the form, and the schedule for completing the evaluation.

**ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:36 a.m.

**Municipal Water District of Orange County  
REVENUE / CASH RECEIPT REPORT  
June 2021**

**Item 3a**

**WATER REVENUES**

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
6/01/2021	City of Buena Park	April 2021 Water deliveries	194,156.99
6/01/2021	City of La Habra	April 2021 Water deliveries	146,791.11
6/01/2021	City of Seal Beach	April 2021 Water deliveries	9,032.18
6/03/2021	City of La Palma	April 2021 Water deliveries	2,955.49
6/03/2021	Trabuco Canyon Water District	April 2021 Water deliveries	153,727.88
6/04/2021	City of San Clemente	April 2021 Water deliveries	678,778.89
6/04/2021	Mesa Water District	April 2021 Water deliveries	1,519.95
6/08/2021	El Toro Water District	April 2021 Water deliveries	80,512.56
6/08/2021	Santa Margarita Water District	April 2021 Water deliveries	1,942,148.81
6/08/2021	South Coast Water District	April 2021 Water deliveries	437,852.98
6/09/2021	Laguna Beach County Water District	April 2021 Water deliveries	284,144.46
6/09/2021	Serrano Water District	April 2021 Water deliveries	488,474.90
6/14/2021	East Orange Co Water District	April 2021 Water deliveries	894,138.45
6/14/2021	City of Orange	April 2021 Water deliveries	484,963.30
6/14/2021	City of San Juan Capistrano	April 2021 Water deliveries	482,892.20
6/15/2021	City of Garden Grove	April 2021 Water deliveries	349,782.68
6/15/2021	Golden State Water Company	April 2021 Water deliveries	582,532.20
6/15/2021	Irvine Ranch Water District	April 2021 Water deliveries	1,069,856.32
6/15/2021	Moulton Niguel Water District	April 2021 Water deliveries	2,673,296.89
6/15/2021	Orange County Water District	April 2021 Water deliveries	419,106.01
6/15/2021	Yorba Linda Water District	April 2021 Water deliveries	1,853,128.84
6/25/2021	City of Huntington Beach	May 2021 Water deliveries	256,794.08
6/28/2021	City of Buena Park	May 2021 Water deliveries	139,619.39
6/28/2021	City of Fountain Valley	May 2021 Water deliveries	11,905.97
6/28/2021	City of Seal Beach	May 2021 Water deliveries	8,480.18
6/28/2021	Serrano Water District	May 2021 Water deliveries	192,748.70
6/30/2021	City of Brea	May 2021 Water deliveries	15,078.35

**TOTAL WATER REVENUES \$ 13,854,419.76**



**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**June 2021**

**MISCELLANEOUS REVENUES**

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
6/28/2021	Ackerman Consulting	7/14/21 Water Policy dinner registration	90.00
6/30/2021	Paypal	7/14/21 Water Policy dinner registrations	6,257.25
6/03/2021	Patricia Meszaros	May-June 2021 Retiree Health insurance	95.26
6/01/2021	Karl Seckel	June 2021 Retiree Health insurance	241.40
6/01/2021	Keith Lyon	June 2021 Retiree Health insurance	271.85
6/17/2021	Igoe and Company Inc	COBRA and Retiree Vision Insurance	70.98
6/01/2021	US Bank	CAL Card rebate check	333.12
6/02/2021	US Bank	Monthly Analysis refund - Scanner fee	35.00
6/30/2021	US Bank	Monthly Interest payment	3.55
6/01/2021	US Bank Custodial Account	Bank of America Interest payment	406.25
6/18/2021	US Bank Custodial Account	National Rural Utilities and Comenity Interest payment	756.40
6/09/2021	Tina Dubuque	Reimbursement for delivery charges	38.38
6/15/2021	Conseco Fair Fund	Distribution of VOYA funds	700.00
6/28/2021	Damon Micalizzi	Projector and Audio Visual Receiver purchase	180.00
6/01/2021	Irvine Ranch Water District	March 2021 Smartimer rebate program	3,600.98
6/14/2021	Moulton Niguel Water District	April 2021 Smartimer rebate program	41,979.44
6/16/2021	Trabuco Canyon Water District	April 2021 Smartimer rebate program	31.69
6/18/2021	City of Tustin	April 2021 Turf Removal rebate program	222.00
6/28/2021	City of Orange	April 2021 Turf Removal rebate program	333.00
6/01/2021	Irvine Ranch Water District	March 2021 Spray to Drip rebate program	312.00
6/14/2021	City of Fountain Valley	April 2021 Turf Removal and Spray to Drip rebate program	333.00
6/17/2021	City of Westminster	April 2021 Turf Removal and Spray to Drip rebate program	333.00
6/28/2021	Laguna Beach County Water District	April 2021 Rain Barrels rebate program	11.46
6/28/2021	El Toro Water District	April 2021 Smartimer and Rain Barrels rebate program	64.00
6/03/2021	Trabuco Canyon Water District	December 2020 So Cal Watersmart rebate program	340.00
6/28/2021	Laguna Beach County Water District	February 2021 So Cal Watersmart rebate program	195.00
6/28/2021	Laguna Beach County Water District	March 2021 So Cal Watersmart rebate program	65.00
6/04/2021	City of San Clemente	April 2021 So Cal Watersmart rebate program	1,125.00
6/14/2021	Moulton Niguel Water District	April 2021 So Cal Watersmart rebate program	12,200.00
6/28/2021	El Toro Water District	April 2021 So Cal Watersmart rebate program	805.00
6/28/2021	Laguna Beach County Water District	April 2021 So Cal Watersmart rebate program	390.00
6/01/2021	City of Anaheim	Oct 2020 - Jan 2021 Water Loss Control technical assistance - WSO, Inc.	880.00
6/11/2021	City of Huntington Beach	Leak Detection Shared Services Elections for FY 2020-21	419.00
6/14/2021	East Orange Co Water District	Leak Detection Shared Services Elections for FY 2020-21	9,925.00
6/01/2021	Yorba Linda Water District	2020 - 5 Year Update Urban Water Management Plan	24,650.00
6/03/2021	City of La Palma	2020 - 5 Year Update Urban Water Management Plan	24,950.00
6/08/2021	City of Fountain Valley	2020 - 5 Year Update Urban Water Management Plan	46,980.00
6/14/2021	City of Buena Park	2020 - 5 Year Update Urban Water Management Plan	34,450.00
6/28/2021	Laguna Beach County Water District	FY 2020-21 Choice Programs Billing Invoice	7,543.08
6/03/2021	City of La Palma	Addition to the Choice School Program for FY 2020-21	381.10
6/28/2021	Orange County Water District	Dec 2020 - April 2021 Services for Water Resource Planning - CDM Smith	18,866.26

<b>TOTAL MISCELLANEOUS REVENUES</b>	<b>\$ 240,864.45</b>
<b>TOTAL REVENUES</b>	<b>\$ 14,095,284.21</b>

  
 Robert J. Hunter, General Manager

  
 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

Item 3b

Vendor/ Invoice	Description	Amount to Pay
<b>Core Disbursements:</b>		
<b>ABSG Consulting Inc</b>		
5107352	May 2021 Owner's representative services for MWDOC office remodel	19,717.33
***Total***		<u>19,717.33</u>
<b>ACCO Engineered Systems Inc</b>		
20116814	HVAC air balance assistance with MWDOC office remodel	1,251.00
20120842	6/1-8/31/21 HVAC Preventative Maintenance	1,014.00
***Total***		<u>2,265.00</u>
<b>Richard C Ackerman</b>		
1307	June 2021 Legal and regulatory matters consulting	3,450.00
***Total***		<u>3,450.00</u>
<b>ACWA Joint Powers Ins Auth</b>		
8338	7/1/21-6/30/22 Property insurance renewal	6,626.20
O-0000007566	7/1/21-6/30/22 Annual Excess Crime program renewal	2,095.00
***Total***		<u>8,721.20</u>
<b>Aleshire &amp; Wynder LLP</b>		
62816	June 2021 Legal services	4,191.50
***Total***		<u>4,191.50</u>
<b>Arcadis US Inc</b>		
34240278	May 2021 Urban Wtr Management Plan Development services	76,116.24
***Total***		<u>76,116.24</u>
<b>Best Best and Krieger LLP</b>		
55401-MAY21	May 2021 Legal services	16,894.60
907474	May 2021 Services for State legislative advocacy	8,000.00
***Total***		<u>24,894.60</u>
<b>Black &amp; Veatch</b>		
1346095	May 2021 Services for Hydraulic Model Phase 2 build and model calibration	12,541.25
1348413	June 2021 Services for Hydraulic Model Phase 2 build and model calibration	1,147.50
***Total***		<u>13,688.75</u>
<b>The Brattle Group Inc</b>		
62609	May 2021 Services for the Economic Benefit Studies and Modeling Work	6,000.00
***Total***		<u>6,000.00</u>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>California Newspaper Partnership</b>		
11456668	Notice of Public Hearing for Urban Water Management Plan	1,680.00
***Total***		1,680.00
<b>CDW Government</b>		
F721820	1 year Renewal of Arcserve cloud storage 4TB	3,699.92
***Total***		3,699.92
<b>ComputerWorks NFP Solutions</b>		
4024	Annual Remote Access premium plan	450.00
***Total***		450.00
<b>Hunter T Cook</b>		
60421	April - June 2021 Retiree medical premium	1,536.00
***Total***		1,536.00
<b>County of Orange</b>		
GA21220059	FY 2021-2022 Allocation of LAFCO costs	36,716.20
***Total***		36,716.20
<b>Edward G Means III</b>		
MWDOC-1095	June 2021 Consulting on MET issues and guidance to Engineering staff	1,125.00
***Total***		1,125.00
<b>GovConnection</b>		
17001977	Windows OS, SQL server and Visual Studio for new WUE server and FORTECH	3,811.35
***Total***		3,811.35
<b>Hashtag Pinpoint Corporation</b>		
1438	June 2021 Strategic digital communications consulting services	7,913.00
***Total***		7,913.00
<b>Health Equity</b>		
jx34pfb	June 2021 HSA Administrative service fee	8.85
***Total***		8.85
<b>IDS Group Inc</b>		
18X093-0-11	April 2021 Seismic retrofit design and project support MWDOC office remodel	6,000.00
18X093.0-12	May 2021 Seismic retrofit design and project support MWDOC office remodel	7,310.00
18X093.02-7	May 2021 Seismic retrofit design and project support MWDOC office remodel	5,000.00
***Total***		18,310.00

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>Jill Promotions</b>		
11137	1,000 Pens for promotional items	1,169.65
11139	1,000 Post It notes for promotional items	429.02
11140	100 Power banks for promotional items	1,658.12
11141	100 Laser pointers for promotional items	2,159.47
11142	500 Hand sanitizers for promotional items	640.48
11143	510 Composition books for promotional items	3,059.38
11144	250 Hats for promotional items	4,098.55
11145	500 Seeded bomb bags for promotional items	1,990.64
11146	500 Seeded bookmarks for promotional items	480.20
11147	250 Pencils for promotional items	116.10
11148	250 Glue sticks for promotional items	416.84
11149	500 Hose Nozzles for promotional items	2,062.77
11151	500 Straw kits for promotional items	1,528.08
11152	503 Watering can grow kits for promotional items	2,209.07
11153	200 Magnifying glasses for promotional items	506.80
11154	500 Ricky socks for promotional items	2,773.76
11160	100 Picnic Blankets for promotional items	3,231.62
11161	250 Decals for promotional items	587.54
11162	MWDOC Brand apparel	568.27
11163	254 Journal Books for promotional items	2,383.42
11164	250 Colored Pencils for promotional items	1,255.87
11165	250 Rulers for promotional items	563.90
11166	1,000 Folders for promotional items	1,044.00
11167	250 Mood erasers for promotional items	286.86
11168	500 Bamboo USB for promotional items	4,159.69
<b>***Total***</b>		<b>39,380.10</b>
<b>Karens Detail Custom Frames LLC</b>		
3158	2021 Poster Contest artwork framing	1,737.62
<b>***Total***</b>		<b>1,737.62</b>
<b>Lawnscape Systems Inc</b>		
417955	June 2021 Landscape maintenance for atrium	495.00
418455	May 2021 Landscape maintenance for atrium	495.00
<b>***Total***</b>		<b>990.00</b>
<b>Lewis Consulting Group</b>		
2021-119	June 2021 Consulting services	3,625.00
<b>***Total***</b>		<b>3,625.00</b>
<b>Keith Lyon</b>		
63021	April-June, 2021 Retiree medical premium	891.00
<b>***Total***</b>		<b>891.00</b>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

Vendor/ Invoice	Description	Amount to Pay
<b>Mega Maids Cleaning Service</b>		
11905	June 2021 Cleaning services for COVID-19 prevention	782.00
***Total***		<u>782.00</u>
<b>Natural Resource Results LLC</b>		
3469	June 2021 Federal legislative advocacy services	8,000.00
***Total***		<u>8,000.00</u>
<b>NDS</b>		
785563	5/28/21 Board packet delivery service	186.50
786606	6/4/21 Board packet delivery service	186.50
786689	6/11/21 Board packet delivery service	186.50
***Total***		<u>559.50</u>
<b>Office Depot Inc</b>		
175782500001	6/7/21 Office supplies	266.13
2499854191	6/10/21 Office supplies	33.06
2502427014	2 pack of key rings	18.68
***Total***		<u>317.87</u>
<b>Office Solutions</b>		
I-01886838	6/25/21 Office Supplies	81.56
I-01887052	6/28/21 Office supplies	16.31
***Total***		<u>97.87</u>
<b>Optima RPM Inc</b>		
5000391	June 2021 Construction services for MWDOC office seismic Improvements and remodel	88,511.13
***Total***		<u>88,511.13</u>
<b>Orange County Fast Print Inc</b>		
59502	Business cards for S. Fetter-reprint	53.88
***Total***		<u>53.88</u>
<b>Orange County Water District</b>		
23047	May 2021 Postage, shared office and maintenance expense	4,224.46
***Total***		<u>4,224.46</u>
<b>Pacific Environmental Co</b>		
8227	June 17-23, 2021 Services for asbestos abatement air monitoring for MWDOC office remodel	3,900.00
***Total***		<u>3,900.00</u>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>Penn Corporate Relocation Services</b>		
120210685	6/10/21 Relocate furniture and remove surplus for MWDOC office remodel	2,221.00
***Total***		<u>2,221.00</u>
<b>Ricoh USA Inc</b>		
1088553771	Relocation of copier during MWDOC office remodel	300.00
***Total***		<u>300.00</u>
<b>Santa Ana Watershed Project Authority</b>		
63040	Fiscal Year Ended 2021 Aerial Imagery	50,000.00
***Total***		<u>50,000.00</u>
<b>Karl Seckel</b>		
73121	July 2021 Retiree medical premium	449.70
***Total***		<u>449.70</u>
<b>Joey C Soto</b>		
MWDOC #040	June 2021 Grant research and acquisition assistance	3,250.00
***Total***		<u>3,250.00</u>
<b>Sunbelt Controls</b>		
44355	June 2021 Services for HVAC Building Automation & Management system for MWDOC office remodel	797.60
***Total***		<u>797.60</u>
<b>Water Systems Optimization Inc</b>		
1990	June 2021 Services for Water Loss Control Shared Services template development	3,520.00
1988	June 2021 Technical Assistance Program services for Water Loss Control	20,290.00
***Total***		<u>23,810.00</u>
<b>Total Core Expenditures</b>		<u>468,193.67</u>
<b>Choice Expenditures:</b>		
<b>ACWA Joint Powers Ins Auth</b>		
8338	7/1/21-6/30/22 Property insurance renewal	310.00
***Total***		<u>310.00</u>
<b>Building Block Entertainment Inc</b>		
3421-2	June 2021 Choice Elementary School program for grades TK-2	1,890.00
***Total***		<u>1,890.00</u>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>Inland Group LLC</b>		
211534011	PRV Program door hangers for TCWD	312.48
***Total***		<u>312.48</u>
<b>Mission RCD</b>		
3007	May 2021 Field inspection and verification for Water Use Efficiency rebate programs	5,774.19
***Total***		<u>5,774.19</u>
<b>Orange County Water District</b>		
23047	May 2021 Postage for Water Use Efficiency rebate programs	8.94
***Total***		<u>8.94</u>
<b>US Bank Voyager Fleet Systems</b>		
8694349932126	5/25/21-6/24/21 Fuel for Water Loss Control Shared Services vehicles	236.62
***Total***		<u>236.62</u>
<b>Total Choice Expenditures</b>		<u>8,532.23</u>
<b>Other Funds Expenditures:</b>		
<b>Dude Solutions Inc</b>		
INV-92865	Annual Safety Center cloud-based mobile program for WEROC Member Agencies and MWDOC staff	8,781.41
***Total***		<u>8,781.41</u>
<b>EcoTech Services Inc</b>		
1941	May 2021 Services for Pressure Regulating Valve program	880.00
1969	June 2021 Services for Pressure Regulating Valve program	560.00
***Total***		<u>1,440.00</u>
<b>Herndon Solutions Group LLC</b>		
INV-0000001179	May 2021 Services to assist with America's Water Infrastructure Act compliance	62,948.26
***Total***		<u>62,948.26</u>
<b>Large Plumbing</b>		
25673	June 2021 Services for Pressure Regulating Valve program	5,275.00
***Total***		<u>5,275.00</u>
<b>Logic 1 Engineering</b>		
3401	July 2021 Service on WEROC Zcorr system, Loggers and Docking station	500.00
***Total***		<u>500.00</u>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of July 2021**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>Mission RCD</b>		
3007	May 2021 Field inspection and verification for Water Use Efficiency rebate programs	1,313.81
***Total***		1,313.81
<b>The Plant Nerd</b>		
6617	June 2021 Landscape Design and Maintenance Assistance programs	18,820.00
***Total***		18,820.00
<b>Joey C Soto</b>		
MWDOC #039	May 2021 Grant Administration Services for Prop 1 North	465.00
***Total***		465.00
<b>Total Other Funds Expenditures</b>		99,543.48
<b>Total Expenditures</b>		576,269.38



**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of June 2021**

<b>Name/ Date</b>	<b>Check/ EFT</b>	<b>Invoice</b>	<b>Description</b>	<b>Amount</b>
<b>Core Disbursements:</b>				
<b>Heather Baez</b>				
6/30/2021	EFT	52021	May 2021 Business expense	50.00
<b>***Total***</b>				<b>50.00</b>
<b>Corodata Records Management Inc</b>				
6/30/2021	EFT	RS4702388	May 2021 Archived document storage fees	114.05
<b>***Total***</b>				<b>114.05</b>
<b>Cort Business Services Corp</b>				
6/30/2021	140346	7580761	May 1-10, 2021 Furniture lease for 2 temporary workstations	51.26
<b>***Total***</b>				<b>51.26</b>
<b>Rachel Davis</b>				
6/30/2021	EFT	50121	May 2021 Business expense	100.00
<b>***Total***</b>				<b>100.00</b>
<b>Beth Fahl</b>				
6/30/2021	EFT	60421	June 2021 Business expense	123.68
<b>***Total***</b>				<b>123.68</b>
<b>Lina Gunawan</b>				
6/30/2021	EFT	41921	April 2021 Business expense	20.00
<b>***Total***</b>				<b>20.00</b>
<b>Cathleen Harris</b>				
6/30/2021	EFT	52021	May 2021 Business expense	160.91
<b>***Total***</b>				<b>160.91</b>
<b>Ricoh USA Inc</b>				
6/30/2021	EFT	5062106609	Mar.-May 2021 Reproduction costs	737.13
<b>***Total***</b>				<b>737.13</b>
<b>Bryce Roberto</b>				
6/30/2021	EFT	52721	May 2021 Business expense	50.00
<b>***Total***</b>				<b>50.00</b>
<b>Spectrum Business</b>				
6/24/2021	140316	343564061021	June 2021 Telephone expense for 1 analog fax line	39.99
6/08/2021	140302	375210053021	June 2021 Telephone and internet expense	1,411.54
<b>***Total***</b>				<b>1,451.53</b>

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of June 2021**


<b>Name/ Date</b>	<b>Check/ EFT</b>	<b>Invoice</b>	<b>Description</b>	<b>Amount</b>
<b>US Bank</b>				
6/15/2021	140312	0208/4192/4279-MAY21	4/23/21-5/24/21 Cal Card Charges	6,912.29
<b>***Total***</b>				<b>6,912.29</b>
<b>Verizon Wireless</b>				
6/08/2021	140303	9880463437	May 2021 4G Mobile broadband unlimited service	114.03
<b>***Total***</b>				<b>114.03</b>
<b>Total Core Disbursements</b>				<b>9,884.88</b>
<b>Choice Disbursements:</b>				
<b>US Bank</b>				
6/15/2021	140312	4279-MAY21	4/23/21-5/24/21 Cal Card Charges	217.38
<b>***Total***</b>				<b>217.38</b>
<b>Total Choice Disbursements</b>				<b>217.38</b>
<b>Other Funds Disbursements:</b>				
<b>AT&amp;T</b>				
6/15/2021	140314	291831812-JUN21	June 2021 U-Verse internet service for WEROC N. EOC	64.20
<b>***Total***</b>				<b>64.20</b>
<b>AT&amp;T</b>				
6/15/2021	140305	16524413	May 2021 Telephone expense for WEROC N. & S. EOC	390.51
6/15/2021	140305	16524414	May 2021 Telephone expense for WEROC N. EOC	117.75
<b>***Total***</b>				<b>508.26</b>
<b>City of Fountain Valley</b>				
6/30/2021	140347	60821	Refund unused portion of WLC Technical Assistance Program Year 1-5 funds	24,432.00
<b>***Total***</b>				<b>24,432.00</b>
<b>Metropolitan Water District</b>				
6/30/2021	EFT	10415	April 2021 Water deliveries	13,432,101.95
<b>***Total***</b>				<b>13,432,101.95</b>
<b>Santa Margarita Water District</b>				
6/30/2021	EFT	APR2021	April 2021 SCP Pipeline Operation Surcharge	16,273.50
<b>***Total***</b>				<b>16,273.50</b>

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of June 2021**

<b>Name/ Date</b>	<b>Check/ EFT</b>	<b>Invoice</b>	<b>Description</b>	<b>Amount</b>
<b>Santiago Aqueduct Commission</b>				
6/30/2021	140351	APR2021	April 2021 SAC Pipeline Operation Surcharge	3,047.96
<b>***Total***</b>				<b>3,047.96</b>
<b>Spray to Drip Rebate</b>				
6/28/2021	140341	S2D3-R-TC-38865-17600	N. Saenz	786.60
6/28/2021	140343	S2D4-R-IRWD-42095-17991	W. Shaffer	367.50
6/28/2021	140334	S2D4-R-O-41725-17900	K. Morishita	106.00
6/28/2021	140331	S2D4-R-SM-39266-17522	D. McNiel	244.00
6/28/2021	140325	S2D4-R-SM-41825-17921	J. Kutter	927.00
6/28/2021	140339	S2D4-R-SM-41886-17933	L. Rotolo	612.50
<b>***Total***</b>				<b>3,043.60</b>
<b>Turf Rebate</b>				
6/28/2021	140322	TR13-R-MNT-39941-38760	K. Houshang	684.16
6/28/2021	140329	TR13-R-SC-26689-38551	N. Marcisz	762.66
6/28/2021	140332	TR13-R-SM-39266-38131	D. McNiel	1,464.00
6/28/2021	140327	TR13-R-TUST-39663-38488	H. Leong	6,636.00
6/28/2021	140317	TR14-C-MESA-41420-40203	32nd District Agriculture (Costa Mesa)	4,860.00
6/28/2021	140342	TR14-C-SB-41911-40647	Seal Beach Mutual Two (Seal Beach)	11,886.00
6/28/2021	140328	TR14-C-SJC-26835-39863	Loma Vista HOA (San Juan Capistrano)	80,572.00
6/28/2021	140344	TR14-R-HB-41500-40287	S. Tsai	2,046.00
6/28/2021	140323	TR14-R-IRWD-41325-40112	I. Hwang	480.00
6/28/2021	140336	TR14-R-IRWD-41868-40604	P. Pappas	760.00
6/28/2021	140330	TR14-R-IRWD-42322-41040	S. Mardaresco	620.00
6/28/2021	140320	TR14-R-LH-41498-40285	E. Diaz	1,385.00
6/28/2021	140321	TR14-R-MNT-25471-40144	A. Fiore	2,662.00
6/28/2021	140338	TR14-R-MNT-41752-40503	M. Pham	2,525.40
6/28/2021	140319	TR14-R-MNT-41903-40636	R. Costanzo	1,396.00
6/28/2021	140333	TR14-R-O-41264-40052	J. Meyers	1,558.18
6/28/2021	140345	TR14-R-O-41316-40103	T. Tsai	1,144.00
6/28/2021	140335	TR14-R-O-41725-40481	K. Morishita	3,600.00
6/28/2021	140324	TR14-R-SM-41582-40360	J. Jennings	1,009.23
6/28/2021	140337	TR14-R-SM-41595-40371	E. Parmar	2,588.00
6/28/2021	140326	TR14-R-SM-41825-40565	J. Kutter	3,242.00
6/28/2021	140340	TR14-R-SM-41886-40617	L. Rotolo	2,450.00
6/28/2021	140318	TR14-R-WEST-41764-40514	P. Asher	1,584.00
<b>***Total***</b>				<b>135,914.63</b>
<b>US Bank</b>				
6/15/2021	140312	4279-MAY21	4/23/21-5/24/21 Cal Card Charges	3,631.28
<b>***Total***</b>				<b>3,631.28</b>

**Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of June 2021**

<b>Name/ Date</b>	<b>Check/ EFT</b>	<b>Invoice</b>	<b>Description</b>	<b>Amount</b>
<b>Verizon Wireless</b>				
6/08/2021	140303	9880463437	May 2021 4G Mobile broadband unlimited service	190.05
<b>***Total***</b>				<b>190.05</b>
<b>Total Other Funds Disbursements</b>				<b>13,619,207.43</b>
<b>Total Disbursements</b>				<b>13,629,309.69</b>

  
Robert J. Hunter, General Manager

  
Hilary Chumpitazi, Treasurer

**Cal Card Charges**  
**Statement Date: May 24, 2021**  
**Payment Date: June 15, 2021**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b>R. Hunter Card:</b>		
4/27/2021	4/27/21 Staples Office supplies	75.39
5/07/2021	ACWA Virtual Spring Conference on May 12 and May 13, 2021 - Registration for Director McVicker	375.00
5/17/2021	CSDA Legislative Days on May 18 and May 19, 2021 - Registration for H. Baez	225.00
5/20/2021	R. Hunter business lunch meeting	25.36
<b>Total:</b>		<b>700.75</b>

**C. Harris Card:**

4/21/2021	LG Gram laptop for staff checkout	1,538.36
4/24/2021	3/25/21-4/24/21 Web hosting service for MWDOC website	15.65
4/28/2021	Oil change for Water Loss Control Shared Services truck	49.38
4/29/2021	Harassment Prevention training for staff and Directors	134.37
4/30/2021	Job posting for Public Affairs intern position	50.00
5/03/2021	FedEx delivery charge on May 3, 2021	18.16
5/04/2021	Sympathy flowers for staff member	74.93
5/05/2021	AWWA Audit to Target: Essentials of Real Loss Reduction class from May 19-26, 2021 - Registration for J. Berg and R. Davis	300.00
5/06/2021	Neogov webinar on May 27, 2021 - Registration for K. Davanaugh	29.00
5/10/2021	4 Computer monitors for staff	434.96
5/12/2021	Network patch internet cables	173.19
5/12/2021	Symlicity Recruit job posting for intern position	110.00
5/12/2021	2 Computer monitors for staff	249.22
5/13/2021	4TB Hard Drive for SCAG OC Data	98.54
5/13/2021	2 Computer monitors for staff	249.22
5/13/2021	May 2021 Subscription for prework screening for COVID-19 prevention	175.56
5/17/2021	Squarespace/Acuity Scheduling annual license	168.00
5/18/2021	Replacement computer graphic card for P. Dinh	163.11
5/18/2021	FedEx delivery charge on May 18, 2021	25.73
<b>Total:</b>		<b>4,057.38</b>

**Cal Card Charges**  
**Statement Date: May 24, 2021**  
**Payment Date: June 15, 2021**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b>Public Affairs Card:</b>		
4/14/2021	Art Boxes for Poster Contest Prizes	1,601.59
5/01/2021	May 2021 Storage unit for Public Affairs department use during MWDOC office remodel	294.00
5/02/2021	5/2/21-6/1/21 Zoom Video Communications monthly fee with audio licenses	174.95
5/04/2021	LastPass Password Security annual renewal	96.00
5/18/2021	5/18/21-6/17/21 Paddle.com PDF converter online	6.00
5/19/2021	5/19/21-5/19/22 Dropbox Professional subscription renewal	199.00
<b>Total:</b>		<b>2,371.54</b>

**WEROC Card:**

4/28/2021	Satellite Phone annual fee for all WEROC communication stations	2,088.22
4/30/2021	ClassMarker annual subscription for WEROC training classes	198.00
4/30/2021	California Emergency Services Association conference and training from May 17-19, 2021 - Registration for V. Osborn	295.00
4/30/2021	Zoom Standard Pro annual subscription for WEROC	230.35
5/05/2021	Ring camera for EOC radio room	217.49
5/10/2021	OA1 radio repair at north logistics site	537.22
5/24/2021	Paddle.com Software online for WEROC LOGO Design	65.00
<b>Total:</b>		<b>3,631.28</b>

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the Month of June 2021**

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Core Disbursements:</b>				
<b>PeopleSpace</b>				
6/30/2021	EFT	DEPEST20422.1	50% Deposit for Demountable Walls for MWDOC office remodel	54,796.41
6/30/2021	EFT	DEPSO1030922.1	90% Progress payment for Phase 1 and 1a purchase and installation of office furniture for MWDOC office remodel	85,631.72
<b>***Total***</b>				<b>140,428.13</b>
<b>Petty Cash</b>				
6/30/2021	140350	NOV20-JUN21	Nov. 2020-June 2021 Petty Cash reimbursement	89.44
<b>***Total***</b>				<b>89.44</b>
<b>The Westin South Coast Plaza</b>				
6/11/2021	140313	M-LF4VE0L	Event facility deposit for MWDOC Water Policy Forum & Dinner on July 14, 2021	5,000.00
<b>***Total***</b>				<b>5,000.00</b>
<b>Total Core Disbursements</b>				<b>145,517.57</b>
<b>Choice Disbursements:</b>				
<b>Total Choice Disbursements</b>				-
<b>Other Funds Disbursements:</b>				
<b>Total Other Funds Disbursements</b>				-
<b>Total Disbursements</b>				<b>145,517.57</b>

  
 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** May 31, 2021

Item 3c

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](http://www.mwdoc.com)

Sat Tamaribuchi  
 President

Megan Yoo Schneider, P.E.  
 Vice President

Al Nederhood  
 Director

Larry D. Dick  
 Director

Bob McVicker, P.E., D.WRE  
 Director

Karl W. Seckel, P.E.  
 Director

Jeffery M. Thomas  
 Director

Robert J. Hunter  
 General Manager

## MEMBER AGENCIES

City of Brea  
 City of Buena Park  
 East Orange County Water District  
 El Toro Water District  
 Emerald Bay Service District  
 City of Fountain Valley  
 City of Garden Grove  
 Golden State Water Co.  
 City of Huntington Beach  
 Irvine Ranch Water District  
 Laguna Beach County Water District  
 City of La Habra  
 City of La Palma  
 Mesa Water District  
 Moulton Niguel Water District  
 City of Newport Beach  
 City of Orange  
 Orange County Water District  
 City of San Clemente  
 City of San Juan Capistrano  
 Santa Margarita Water District  
 City of Seal Beach  
 Serrano Water District  
 South Coast Water District  
 Trabuco Canyon Water District  
 City of Tustin  
 City of Westminster  
 Yorba Linda Water District

District investments and cash balances are held in various funds designated for certain purposes as follows:

Fund	Book Value	% of Portfolio
<b>Designated Reserves</b>		
General Operations	\$3,738,505	24.93%
Grant & Project Cash Flow	1,500,000	10.00%
Election Expense	1,333,000	8.89%
Building Repair	436,542	2.91%
OPEB	297,147	1.98%
<b>Total Designated Reserves</b>	<b>7,305,194</b>	<b>48.71%</b>
<b>General Fund</b>	<b>5,330,970</b>	<b>35.55%</b>
<b>Water Fund</b>	<b>1,376,706</b>	<b>9.18%</b>
<b>Conservation Fund</b>	<b>(583,707)</b>	<b>(3.89%)</b>
<b>WEROC Fund</b>	<b>1,571,565</b>	<b>10.48%</b>
<b>Trustee Activities</b>	<b>(4,734)</b>	<b>(0.03%)</b>
<b>Total</b>	<b>\$14,995,994</b>	<b>100.00%</b>

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.90%	\$135,313	\$135,313
<b>Short-term investment</b>			
• LAIF	16.71%	\$2,505,838	\$2,505,838
• OCIP	61.71%	9,254,508	9,254,508
<b>Long-term investment</b>			
• US Government Issues	1.67%	249,885	249,888
• Corporate Bond	9.34%	1,400,450	1,379,793
• Certificates of Deposit	9.67%	1,450,000	1,523,624
<b>Total</b>	<b>100.00%</b>	<b>\$14,995,994</b>	<b>\$15,048,964</b>

The average number of days to maturity/call as of May 31, 2021 equaled 113 and the average yield to maturity is 0.758%. During the month, the District's average daily balance was \$20,444,877.01. Funds were invested in US Bank Money Market, Negotiable Certificate of Deposit's, Corporate Bonds, US Government Issues, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of May 2021.

The \$52,970 difference between the book value and the market value on May 31, 2021 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

May 31, 2021

5/31/2021	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,450,000.00	1,523,624.00	1,450,000.00	9.76	762	2.578
Corporate Bond	1,400,000.00	1,379,793.00	1,400,450.02	9.42	390	1.341
US Government Issues	250,000.00	249,887.50	249,884.09	1.68	87	0.860
Local Agency Investment Funds	2,505,838.23	2,505,838.23	2,505,838.23	16.86	1	0.309
Orange County Investment Pool	9,254,508.31	9,254,508.31	9,254,508.31	62.28	1	0.503
<b>Total Investments</b>	<b>14,860,346.54</b>	<b>14,913,651.04</b>	<b>14,860,680.65</b>	<b>100.00</b>	<b>113</b>	<b>0.758</b>
<b>Cash</b>						
Cash	135,313.17	135,313.17	135,313.17		1	0.00
<b>Total Cash and Investments</b>	<b>14,995,659.71</b>	<b>15,048,964.21</b>	<b>14,995,993.82</b>		<b>113</b>	<b>0.758</b>

Total Earnings	Month Ending May	Fiscal Year to Date
Current Year	10,675.27	190,844.31
Average Daily Balance	20,444,877.01	
Effective Rate of Return	0.758%	

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 U.S. Bank. Per Resolution 2059 there are no compliance exceptions to report.

  
Robert J. Hunter, General Manager

Date

7-8-21

  
Hilary Chumbitazi, Treasurer

Date

07/08/2021

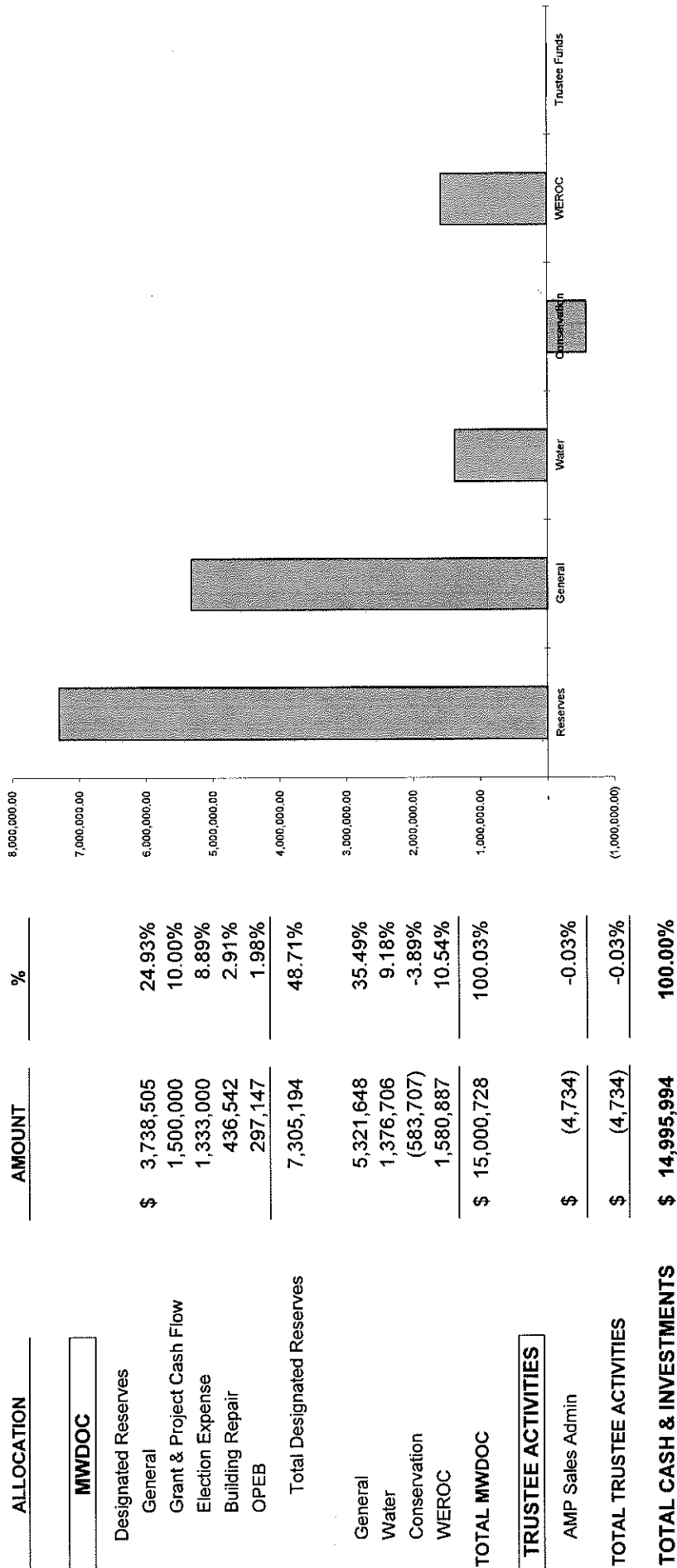
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**May 31, 2021**

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	257,212.50	250,000.00	2.250	2.250	484	9/27/2022
Capital One Bank	14042TBO9	8/7/2019	250,000.00	265,862.50	250,000.00	2.250	2.250	1,164	8/7/2024
Capital One NA	14042RMJ7	7/24/2019	250,000.00	265,310.00	250,000.00	2.200	2.200	1,150	7/24/2024
Comenity Capital	20033AUX2	7/25/2017	200,000.00	200,534.00	200,000.00	2.000	2.000	46	7/16/2021
Discover Bank	254673RV0	7/25/2018	250,000.00	267,075.00	250,000.00	3.300	3.300	785	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	267,630.00	250,000.00	3.350	3.350	799	8/8/2023
Sub Total			1,450,000.00	1,523,624.00	1,450,000.00	2.578	2.578	762	
US Government Issues									
FHFB	3130ALGR9	3/1/2021	250,000.00	249,887.50	249,884.09	0.850	0.860	87	2/26/2026
Sub Total			250,000.00	249,887.50	249,884.09	0.850	0.860	87	
Corporate Bond									
Bank of America Corp	06048WK41	12/7/2020	250,000.00	240,475.00	250,000.00	0.650	0.800	178	11/25/2025
Citigroup Global Markets	17328WFZ6	9/16/2020	250,000.00	244,035.00	250,000.00	1.000	1.000	108	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	243,852.50	250,000.00	0.800	0.800	1,175	8/18/2025
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	202,482.00	200,000.00	2.500	2.500	410	7/15/2022
Sodete Generale	83369MD25	8/19/2020	250,000.00	244,152.50	250,000.00	1.000	1.088	80	8/19/2025
Westpac Banking Corp	96121DQ03	7/25/2017	200,000.00	204,996.00	200,450.02	2.500	2.278	393	6/28/2022
Sub Total			1,400,000.00	1,379,793.00	1,400,450.02	1.330	1.341	390	
Total Investments			3,100,000.00	3,153,304.50	3,100,334.11	1.875	1.881	539	
Total Earnings									
Current Year			Month Ending May	Fiscal Year To Date					
			4,927.68	56,486.99					

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**May 31, 2021**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	2,505,838.23	2,505,838.23	2,505,838.23	0.309	0.309	1	N/A
Sub Total			2,505,838.23	2,505,838.23	2,505,838.23	0.309	0.309	1	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	9,254,508.31	9,254,508.31	9,254,508.31	0.503	0.503	1	N/A
Sub Total			9,254,508.31	9,254,508.31	9,254,508.31	0.503	0.503	1	
<b>Total Investments</b>			<b>11,760,346.54</b>	<b>11,760,346.54</b>	<b>11,760,346.54</b>	<b>0.462</b>	<b>0.462</b>		
<b>Cash</b>									
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	134,813.17	134,813.17	134,813.17	0.000	0.000	1	N/A
Total Cash			135,313.17	135,313.17	135,313.17	0.000	0.000	1	
<b>Total Cash and Investments</b>			<b>11,895,659.71</b>	<b>11,895,659.71</b>	<b>11,895,659.71</b>	<b>0.462</b>	<b>0.462</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year			5,747.59		134,357.32				

**Municipal Water District of Orange County  
Cash and Investments at May 31, 2021**



MUNICIPAL WATER DIST OF ORANGE COUNTY  
PARS Post-Employment Benefits TrustAccount Report for the Period  
5/1/2021 to 5/31/2021Rob Hunter  
General Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708

## Account Summary

Source	Balance as of 5/1/2021	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 5/31/2021
OPEB	\$2,731,749.22	\$0.00	\$20,313.62	\$1,335.95	\$0.00	\$0.00	\$2,750,726.89
PENSION	\$759,992.31	\$0.00	\$5,651.40	\$371.67	\$0.00	\$0.00	\$765,272.04
<b>Totals</b>	<b>\$3,491,741.53</b>	<b>\$0.00</b>	<b>\$25,965.02</b>	<b>\$1,707.62</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,515,998.93</b>

## 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	0.74%	4.47%	23.50%	10.35%	9.69%	-	10/26/2011
PENSION	0.74%	4.47%	23.35%	-	-	-	7/31/2018

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

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.  
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.  
Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
COMBINED FINANCIAL STATEMENTS  
AND  
BUDGET COMPARATIVE  
JULY 1, 2020 THRU MAY 31, 2021**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of May 31, 2021**

	<u><b>Amount</b></u>
<b><u>ASSETS</u></b>	
Cash in Bank	135,313.17
Investments	14,860,680.65
Accounts Receivable	29,949,276.28
Accounts Receivable - Other	216,425.10
Accrued Interest Receivable	36,823.11
Prepays/Deposits	270,367.62
Leasehold Improvements	4,284,127.08
Furniture, Fixtures & Equipment	649,773.62
Less: Accumulated Depreciation	<u>(3,357,824.14)</u>
<b>TOTAL ASSETS</b>	<b><u><u>47,044,962.49</u></u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b><u>LIABILITIES</u></b>	
Accounts Payable	31,602,402.18
Accrued Salaries and Benefits Payable	616,476.46
Other Liabilities	1,702,351.34
Unearned Revenue	<u>642,897.15</u>
<b>TOTAL LIABILITIES</b>	<b><u><u>34,564,127.13</u></u></b>
<b><u>FUND BALANCES</u></b>	
<u>Restricted Fund Balances</u>	
Water Fund - T2C	<u>1,032,478.49</u>
Total Restricted Fund Balances	<u><u>1,032,478.49</u></u>
<u>Unrestricted Fund Balances</u>	
<u>Designated Reserves</u>	
General Operations	3,738,505.00
Grant & Project Cash Flow	1,500,000.00
Election Expense	1,333,000.00
Building Repair	436,542.00
OPEB	<u>297,147.00</u>
Total Designated Reserves	<u><u>7,305,194.00</u></u>
General Fund	4,089,121.68
General Fund Capital	964,158.72
WEROC Capital	159,687.58
WEROC	<u>239,613.59</u>
Total Unrestricted Fund Balances	<u><u>12,757,775.57</u></u>
<b><u>Excess Revenue over Expenditure</u></b>	
Operating Fund	(955,405.88)
Other Funds	<u>(354,012.82)</u>
<b>TOTAL FUND BALANCES</b>	<b><u><u>12,480,835.36</u></u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u><u>47,044,962.49</u></u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**July 1, 2020 thru May 31, 2021**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
<b>REVENUES</b>						
Retail Connection Charge	0.00	7,837,792.40	7,837,792.00	100.00%	0.00	(0.40)
Ground Water Customer Charge	0.00	595,323.00	595,323.00	100.00%	0.00	0.00
<b>Water Rate Revenues</b>	<b>0.00</b>	<b>8,433,115.40</b>	<b>8,433,115.00</b>	<b>100.00%</b>	<b>0.00</b>	<b>(0.40)</b>
Interest Revenue	10,512.90	187,645.28	458,000.00	40.97%	0.00	270,354.72
<b>Subtotal</b>	<b>10,512.90</b>	<b>8,620,760.68</b>	<b>8,891,115.00</b>	<b>96.96%</b>	<b>0.00</b>	<b>270,354.32</b>
Choice Programs	1,021.55	1,205,469.09	1,510,618.00	79.80%	0.00	305,148.91
MWD Revenue - Shared Services	0.00	68,790.00	0.00	0.00%	0.00	(68,790.00)
Miscellaneous Income	0.00	12,018.93	3,000.00	400.63%	0.00	(9,018.93)
Revenue - Other	0.00	1,258.00	0.00	0.00%	0.00	(1,258.00)
School Contracts	2,559.55	31,425.30	120,376.00	26.11%	0.00	88,950.70
Delinquent Payment Penalty	0.00	116.50	0.00	0.00%	0.00	(116.50)
Gain on Sale of Asset	0.00	481.00	0.00	0.00%	0.00	(481.00)
Transfer-In from Reserve	0.00	0.00	97,415.00	0.00%	0.00	97,415.00
<b>Subtotal</b>	<b>3,581.10</b>	<b>1,319,558.82</b>	<b>1,731,409.00</b>	<b>76.21%</b>	<b>0.00</b>	<b>411,850.18</b>
<b>TOTAL REVENUES</b>	<b>14,094.00</b>	<b>9,940,319.50</b>	<b>10,622,524.00</b>	<b>93.58%</b>	<b>0.00</b>	<b>682,204.50</b>



**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**July 1, 2020 thru May 31, 2021**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
<b><u>EXPENSES</u></b>						
Salaries & Wages	322,473.00	3,825,496.95	4,152,072.00	92.13%	0.00	326,575.05
Director's Compensation	22,920.10	229,201.00	258,909.00	88.53%	0.00	29,708.00
MWD Representation	13,097.20	120,166.81	157,070.00	76.51%	0.00	36,903.19
Employee Benefits	95,163.66	1,253,008.38	1,335,387.00	93.83%	0.00	82,378.62
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	8,789.47	115,606.92	101,971.00	113.37%	0.00	(13,635.92)
Health Insurance for Retirees	9,605.81	67,280.35	87,449.00	76.94%	0.00	20,168.65
Training Expense	1,802.37	51,646.57	64,500.00	80.07%	8,895.60	3,957.83
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
<b>Personnel Expenses</b>	<b>473,851.61</b>	<b>5,869,406.98</b>	<b>6,374,358.00</b>	<b>92.08%</b>	<b>8,895.60</b>	<b>496,055.42</b>
Engineering Expense	28,893.10	369,258.41	340,000.00	108.61%	410,557.45	(439,815.86)
Legal Expense	20,078.60	176,921.95	210,500.00	84.05%	40,050.85	(6,472.80)
Audit Expense	0.00	26,724.00	29,725.00	89.90%	9,562.00	(6,561.00)
Professional Services	74,568.90	814,213.11	1,581,338.00	51.49%	948,627.29	(181,502.40)
<b>Professional Fees</b>	<b>123,540.60</b>	<b>1,387,117.47</b>	<b>2,161,563.00</b>	<b>64.17%</b>	<b>1,408,797.59</b>	<b>(634,352.06)</b>
Conference - Staff	1,650.00	4,714.00	26,515.00	17.78%	0.00	21,801.00
Conference - Directors	375.00	5,795.00	18,695.00	31.00%	0.00	12,900.00
Travel & Accom. - Staff	0.00	1,424.38	62,495.00	2.28%	0.00	61,070.62
Travel & Accom. - Directors	0.00	0.00	24,900.00	0.00%	0.00	24,900.00
<b>Travel &amp; Conference</b>	<b>2,025.00</b>	<b>11,933.38</b>	<b>132,605.00</b>	<b>9.00%</b>	<b>0.00</b>	<b>120,671.62</b>
Membership/Sponsorship	0.00	132,388.36	127,161.00	104.11%	0.00	(5,227.36)
CDR Support	0.00	53,100.32	53,158.00	99.89%	0.00	57.68
<b>Dues &amp; Memberships</b>	<b>0.00</b>	<b>185,488.68</b>	<b>180,319.00</b>	<b>102.87%</b>	<b>0.00</b>	<b>(5,169.68)</b>
Business Expense	25.36	25.36	4,500.00	0.56%	0.00	4,474.64
Office Maintenance	4,704.60	82,823.41	125,420.00	66.04%	49,686.59	(7,090.00)
Building Repair & Maintenance	427.97	16,395.70	15,000.00	109.30%	5,438.84	(6,834.54)
Storage Rental & Equipment Lease	114.05	1,703.56	1,750.00	97.35%	46.44	0.00
Office Supplies	770.90	6,741.50	39,000.00	17.29%	3,153.35	29,105.15
Supplies - Water Loss Control	0.00	8,444.82	10,000.00	84.45%	0.00	1,555.18
Postage/Mail Delivery	734.72	9,697.25	9,300.00	104.27%	905.85	(1,303.10)
Subscriptions & Books	8,500.00	9,285.92	1,000.00	928.59%	0.00	(8,285.92)
Reproduction Expense	4,076.34	11,872.17	83,700.00	14.18%	4,333.58	67,494.25
Maintenance - Computers	336.30	2,025.10	8,000.00	25.31%	0.00	5,974.90
Software Purchase	2,699.78	30,634.30	57,000.00	53.74%	0.00	26,365.70
Software Support	608.11	44,382.38	47,640.00	93.16%	107.54	3,150.08
Computers and Equipment	2,471.76	19,723.45	33,550.00	58.79%	0.00	13,826.55
Maintenance Expense	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Automotive Expense	0.00	123.46	20,000.00	0.62%	0.00	19,876.54
Vehicle Expense	221.14	3,094.80	6,350.00	48.74%	0.00	3,255.20
Toll Road Charges	0.00	0.00	2,300.00	0.00%	0.00	2,300.00
Insurance Expense	29,398.71	128,712.31	110,000.00	117.01%	0.00	(18,712.31)
Utilities - Telephone	4,285.56	35,094.98	30,850.00	113.76%	116.67	(4,361.65)
Bank Fees	0.00	2,488.63	1,200.00	207.39%	0.00	(1,288.63)
Miscellaneous Expense	1,297.91	28,658.98	113,800.00	25.18%	395.16	84,745.86
MWDOC's Contrb. to WEROC	20,103.00	221,133.00	241,236.00	91.67%	0.00	20,103.00
Depreciation Expense	4,485.39	49,339.07	0.00	0.00%	0.00	(49,339.07)
<b>Other Expenses</b>	<b>85,261.60</b>	<b>712,400.15</b>	<b>967,596.00</b>	<b>73.63%</b>	<b>64,184.02</b>	<b>191,011.83</b>
Election Expense	0.00	871,321.62	0.00	0.00%	0.00	(871,321.62)
Capital Aquisition	0.00	225,609.30	79,200.00	284.86%	222,211.63	(368,620.93)
Building Expense	187,300.68	1,632,447.80	726,883.00	224.58%	771,691.72	(1,677,256.52)
<b>TOTAL EXPENSES</b>	<b>871,979.49</b>	<b>10,895,725.38</b>	<b>10,622,524.00</b>	<b>102.57%</b>	<b>2,475,780.56</b>	<b>(2,748,981.94)</b>
<b>NET INCOME (LOSS)</b>	<b>(857,885.49)</b>	<b>(955,405.88)</b>	<b>0.00</b>	<b>0.00%</b>	<b>(2,475,780.56)</b>	<b>3,431,186.44</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**July 1, 2020 thru May 31, 2021**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Budget Remaining</u>
<b><u>WATER REVENUES</u></b>					
Water Sales	14,608,046.10	121,460,788.40	208,407,327.00	58.28%	86,946,538.60
Readiness to Serve Charge	928,529.00	10,426,049.46	11,583,326.00	90.01%	1,157,276.54
Capacity Charge CCF	394,384.17	3,918,040.87	3,892,240.00	100.66%	(25,800.87)
SCP/SAC Pipeline Surcharge	29,618.84	319,333.49	315,000.00	101.38%	(4,333.49)
Interest Revenue	379.40	6,224.95	22,000.00	28.30%	15,775.05
<b>TOTAL WATER REVENUES</b>	<b>15,960,957.51</b>	<b>136,130,437.17</b>	<b>224,219,893.00</b>	<b>60.71%</b>	<b>88,089,455.83</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	14,608,046.10	121,460,788.40	208,407,327.00	58.28%	86,946,538.60
Readiness to Serve Charge	928,529.00	10,426,049.46	11,583,326.00	90.01%	1,157,276.54
Capacity Charge CCF	394,384.17	3,918,040.87	3,892,240.00	100.66%	(25,800.87)
SCP/SAC Pipeline Surcharge	29,618.84	319,333.49	315,000.00	101.38%	(4,333.49)
<b>TOTAL WATER PURCHASES</b>	<b>15,960,578.11</b>	<b>136,124,212.22</b>	<b>224,197,893.00</b>	<b>60.72%</b>	<b>88,073,680.78</b>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<b>379.40</b>	<b>6,224.95</b>	<b>22,000.00</b>	<b>28.30%</b>	<b>15,775.05</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Use Efficiency**  
**July 1, 2020 thru May 31, 2021**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<b>Spray To Drip Conversion</b>			
Revenues	58,501.97	38,900.00	150.39%
Expenses	62,678.31	38,900.00	161.13%
Excess of Revenues over Expenditures	(4,176.34)	0.00	
<b>Member Agency Administered Pass-Thru</b>			
Revenues	7,480.00	175,000.00	4.27%
Expenses	0.00	175,000.00	0.00%
Excess of Revenues over Expenditures	7,480.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	1,160.00	2,000.00	58.00%
Expenses	1,160.00	2,000.00	58.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>HECW Rebate Program</b>			
Revenues	79,579.76	77,000.00	103.35%
Expenses	79,060.00	77,000.00	102.68%
Excess of Revenues over Expenditures	519.76	0.00	
<b>CII Rebate Program</b>			
Revenues	0.00	12,500.00	0.00%
Expenses	0.00	12,500.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Turf Removal Program</b>			
Revenues	1,373,254.97	648,000.00	211.92%
Expenses	1,419,879.27	648,000.00	219.12%
Excess of Revenues over Expenditures	(46,624.30)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	340,084.70	130,784.00	260.04%
Expenses	479,106.96	130,784.00	366.33%
Excess of Revenues over Expenditures	(139,022.26)	0.00	
<b>Recycled Water Program</b>			
Revenues	11,807.00	61,750.00	19.12%
Expenses	39,762.10	61,750.00	64.39%
Excess of Revenues over Expenditures	(27,955.10)	0.00	
<b>WSIP - Industrial Program</b>			
Revenues	13,471.46	30,000.00	44.90%
Expenses	28,471.46	30,000.00	94.90%
Excess of Revenues over Expenditures	(15,000.00)	0.00	
<b>Land Design Program</b>			
Revenues	111,005.00	404,000.00	27.48%
Expenses	222,695.00	404,000.00	55.12%
Excess of Revenues over Expenditures	(111,690.00)	0.00	
<b>Total WUE Projects</b>			
Revenues	1,996,344.86	1,579,934.00	126.36%
Expenses	2,332,813.10	1,579,934.00	147.65%
Excess of Revenues over Expenditures	(336,468.24)	0.00	
<b>WEROC</b>			
Revenues	467,692.33	482,472.00	96.94%
Expenses	442,122.19	482,472.00	91.64%
Excess of Revenues over Expenditures	25,570.14	0.00	



**CONSENT CALENDAR ITEM**

July 21, 2021

**TO:** Board of Directors

**FROM:** **Planning & Operations Committee**  
(Directors Yoo Schneider, Nederhood, Seckel)

Robert Hunter, General Manager    Staff Contact: Joe Berg, Director of WUE

**SUBJECT: Water Use Efficiency Potential and Opportunities Study**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize the General Manager enter into a contract with Flume, Inc. in the amount of \$100,800 to conduct the Water Use Efficiency Potential and Opportunities Study.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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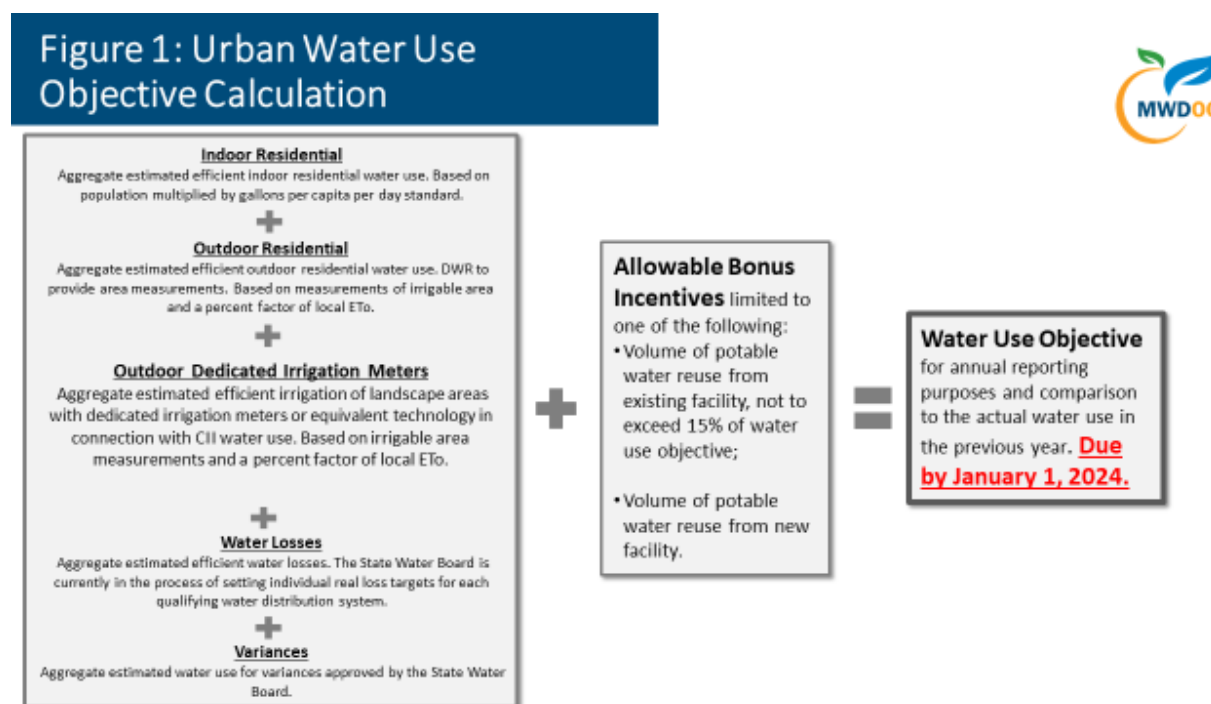
In 2018, the California State Legislature (Legislature) enacted two policy bills, Senate Bill (SB) 606 (Hertzberg) and Assembly Bill (AB) 1668 (Friedman), to establish a new foundation for long-term improvements in water efficiency. These bills are collectively known as the Water Use Efficiency Framework (Framework), and amend existing law to replace the 20% by 2020 framework adopted in 2009 (SBx 7-7).

The Framework is focused on urban retail water suppliers serving 3,000 customers or 3,000 acre-feet of water annually. This captures all retail agencies in Orange County with the exception of Serrano Water District. Wholesale water agencies, like MWD OC, are not subject to the Framework. However, MWD OC can continue to provide water use efficiency program implementation and grant acquisition to assist agencies with compliance.

The new Framework calls for efficiency standards for per capita indoor residential water use, outdoor residential water use, dedicated irrigation meter water use, and distribution system water loss. The Framework will allow agencies to apply for a variety of

<b>Budgeted (Y/N): Yes</b>	Budgeted amount: \$100,000	Core <u>  X  </u>	Choice <u>  </u>
<b>Action item amount: \$100,800</b>		Line item: 35-7040	
<b>Fiscal Impact (explain if unbudgeted):</b> Funds for the proposed study are budgeted however, the proposed cost exceeds budgeted funds by \$800.			

variances that will take into account unique water uses like dust control, seasonal population, evaporative cooling, and fire suppression to name a few. A Bonus Incentive for potable reuse (indirect or direct potable reuse) is also included in the Framework for water supply projects, such as the Groundwater Replenishment System. Each of these standards, variances, and the bonus incentive are aggregated into one Water Use Objective (WUO), as shown in Figure 1. Annually, urban water suppliers will report their WUO and Actual Water Use (AWU) to the State Water Board to gauge compliance with the Framework. If an agency's AWU is less than their WUO, they would be in compliance. Conversely, if an agency's AWU is more than their WUO, they would not be in compliance and would be required to provide additional reporting documenting why, along with a plan to gain compliance in the future. To assist with the Board's understanding of the Framework, Staff will provide the Committee a detailed presentation describing the overall Framework and a progress report describing each standard, variance, and the bonus incentive.



To engage in the rulemaking processes for adoption of the indoor standard, MWDOC has completed or initiated two studies. First, we have completed a **2020 Residential Water Use Study** to inform the Rule Making process for adoption of the indoor residential water use standard. The results of this study were incorporated into MWDOC's June 4 comment letter (provided as Attachment 1) to the Department of Water Resources in response to their *Public Review Draft Report to the Legislature of the Results of the Indoor Residential Water Use Study*. The results of MWDOC's 2020 Residential Water Use Study will be presented by our consultants (Flume, Inc. and Water Demand Management) at the July 2021 Planning & Operations Committee Meeting. This study collected residential water use from nearly 400 Flume I (first generation) Smart Home Water Monitor devices installed throughout Orange County (a high concentration of devices are installed in SMWD as a result of a local incentive program). The study broke out water use into indoor and outdoor

volumes. Indoor water use was then divided by the number of household occupants, reported by Flume users, to derive indoor per capita water use.

Secondly, we have embarked on an **OC Residential End Use Study** to measure indoor and outdoor water use and disaggregate indoor water use by type of use or plumbing fixture. This study is anticipated to be completed in the first quarter of 2022. More than 400 additional Flume II (second generation) Smart Home Water Monitor devices are currently being installed for this study. Santa Margarita and South Coast Water Districts have each hosted 100 Flume II installations, and two additional agencies, preferably in North County, can each host 100 additional Flume II installations for a total of 400 installations. This study will provide a benchmark of efficiency at one point in time and will be used to gauge compliance with the water efficiency standards being developed by the State. This data will also be very informative to MWDOC's next water demand forecasting effort.

The Public Review Draft Report to the Legislature of the Results of the Indoor Residential Water Use Study recommends *"A good way to understand why a service area demonstrates high (or low) residential indoor per capita water use, is through a comprehensive End Use study. A comprehensive End Use study can identify the household factors that influence indoor and outdoor residential water use and their specific effects on service area residential indoor per capita water use. End Use studies can identify the efficiency of a residence's fixtures and appliances, presence of leaks, and customer water use patterns, all of which affect indoor residential water use. End Use studies also allow for an estimation of what appropriate best practices might be and what effect those could have on the service area residential indoor per capita water use."*

## **DETAILED REPORT**

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To take these research activities one step further, staff is proposing a third effort, called a Water Use Efficiency Potential and Opportunities Study (Proposed Study) to guide future program implementation to maximize water savings opportunities and cost effectiveness of program implementation.

Staff is proposing this work as a sole source contract with Flume, Inc.; Water Demand Management and Erbeznik and Associates will be part of the Flume, Inc. team as sub consultants. Peter Mayer, of Water Demand Management, has considerable experience conducting residential end use studies sponsored by the American Water Works Association Research Foundation, and Maureen Erbeznik, of Erbeznik and Associates, has many years of experience specializing in water use efficiency program development and implementation. The primary reason for this sole source contract is the Proposed Study will build on the work Flume, Inc. is currently producing for the Residential End Uses of Water Study, approved by the MWDOC Board of Directors in February 2020. The Residential End Use Study will provide foundational data imperative to the completion of the Potential and Opportunities Study and uniquely positions the Flume, Inc. team to be vastly most knowledgeable of the end use study data.

The Proposed Study will evaluate the saturation of existing water efficiency measures in single-family homes in Orange County and chart a course for future water efficiency program implementation to maximize the available cost-effective water savings. The draft Scope of work is provided as Attachment 2.

In anticipation of the Proposed Study, staff budgeted \$100,000. The Flume, Inc. cost proposal for the Proposed Study is \$100,800, exceeding the budgeted funds by \$800. The study is proposed to be funded as a core water use efficiency activity that will benefit all member agencies. The Proposed Study will be completed in coordination with the Residential End Use Study that is currently underway. We anticipate completion of both studies within the first quarter of 2022.

As mentioned above, both South Coast (SCWD) and Santa Margarita Water Districts (SMWD) are hosting Flume II installations to enable the OC Residential End Use Study and the Proposed Study. Staff is also working with the Cities of Brea and Buena Park, who are considering hosting additional installations. Staff sought and received valuable input into the Proposed Study design from these host agencies.

## **BOARD OPTIONS**

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**Option #1:** Staff recommends the Board of Directors authorize the General Manager enter into a contract with Flume, Inc. in the amount of \$100,800 to conduct the Water Use Efficiency Potential and Opportunities Study.

**Fiscal Impact:** Minimal, all but \$800 of necessary funding for the Water Use Efficiency Potential and Opportunities Study are budgeted.

**Business Analysis:** The Water Use Efficiency Potential and Opportunities Study will provide valuable insight into remaining water efficiency potential and opportunities for future program implementation.

**Option #2:** Do not approve implementation of the Water Use Efficiency Potential and Opportunities Study.

**Fiscal Impact:** Budgeted funds will go unspent.

**Business Analysis:** An opportunity for insight into remaining water efficiency potential and opportunities for future program implementation will be missed.



June 4, 2021

Water Use Efficiency Branch  
Department of Water Resources  
P.O. Box 942836  
1416 9th St, Sacramento, CA 95814

Re: Indoor Residential Water Use Study

Dear Water Use Efficiency Branch,

The Municipal Water District of Orange County (MWD OC) appreciates the opportunity to provide comments to the California Department of Water Resources (DWR) on the *Public Review Draft Report to the Legislature on Results of the Indoor Residential Water Use Study* (Study). MWD OC provides imported water services to 3.2 million residents through 28 retail water suppliers throughout Orange County. MWD OC also leads implementation of a broad variety of water use efficiency programs regionally on behalf of our water agencies. The Water Code recognizes that our members, local urban retail water suppliers, have the primary responsibility of meeting standard-based water use targets. However, because of our regional role as an imported water wholesaler and lead agency implementing water use efficiency programs, we are very concerned with the indoor standard as proposed.

### Early Adopters Get Penalized

In 1991, MWD OC was a founding signatory to the California Urban Water Conservation Council and began voluntarily implementing Best Management Practices. These efforts focused heavily on indoor residential plumbing devices such as toilets, showerheads, and clothes washers because they were cost effective. More than 447,500 water-wasting toilets and 123,000 clothes washers have been replaced through these programs.

To measure our success, in 2002, MWD OC conducted an Orange County Plumbing Fixture Saturation Study (Saturation Study). Data used in this Saturation Study was collected in 2000 from 800 randomly selected single- and multi-family homes. The Saturation Study focused only on homes built prior to 1992 with 3.5 gallon per flush (gpf) or greater toilets (the plumbing code began requiring 1.6 gpf toilets and 2.5 gallon per minute showerheads in 1993). The Saturation Study found that 48.6% of all single-family and 37.6% of all multi-family toilets were already water conserving (1.6 gpf or less). The Saturation Study also found that that 67% of pre-1992 single-family households and between 53% and 66% of multi-family households had water-conserving showerheads. These efficiency gains were achieved just eight years after the 1992 plumbing code changes.

This Saturation Study demonstrates that Orange County is very highly saturated with water conserving plumbing fixtures in residential properties through the millions of dollars of investments to achieve these early efficiency gains by replacing 3.5 gpf or greater toilets. **With the very high levels of water efficient plumbing fixture saturation from 30 years of program implementation, the cost to achieve additional savings by replacing existing 1.6 gpf toilets with 1.28 or 0.8 gpf toilets would not be cost effective. The costs to achieve the standards must be considered when setting all water efficiency standards.**

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Director

Robert J. Hunter  
General Manager

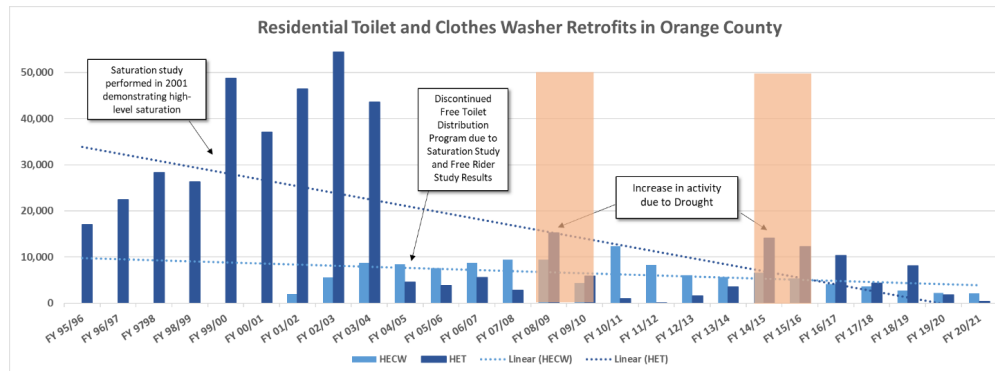
### MEMBER AGENCIES

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



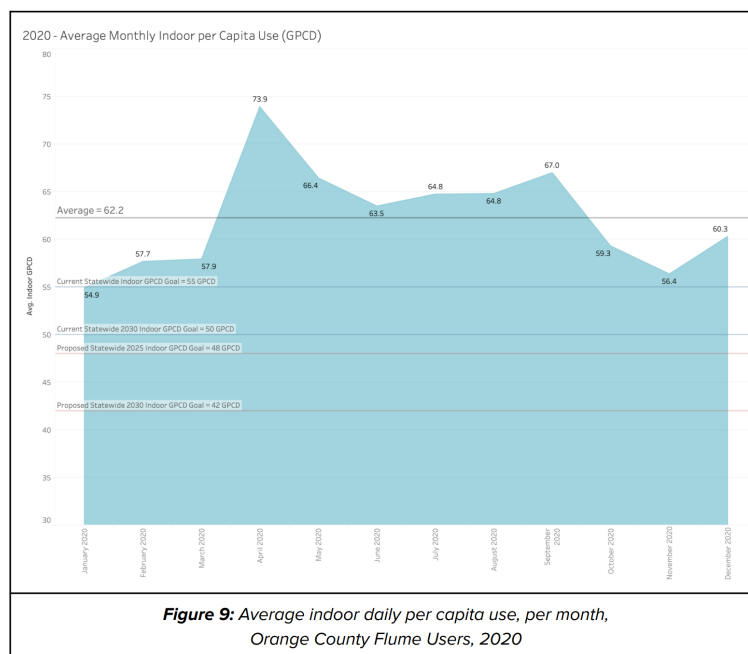
### If You Build It, They May Not Come

As mentioned above, today MWDOC continues to offer incentives for replacing older residential toilets and clothes washers. However, participation rates have dwindled over the years as shown in the graphic below. We have marketed these programs to residential consumers on a quarterly basis, and have for many years, using our most effective marketing tool - water bill inserts. Drought periods result in an increase in participation, as shown in 2009 and 2015. This reduction in participation signals that the potential for additional savings, due to our more than 30 years of active program implementation, is greatly diminished. Of greatest concern to us is our consumers' interest and ability to further increase efficiency inside their homes. **We cannot require customers to participate.**



### Our Pandemic Data Does Not Match, Not Even Close

MWDOC recently completed a Residential Water Use Study utilizing more than 375 Flume Water Smart Home Monitors placed on single family residential water meters throughout the county. This study found single-family residential water use to be between 55 and 58 gpcd prior to the pandemic (Q4 of 2019 and Q1 of 2020). During the pandemic, indoor residential water use peaked at nearly 74 gpcd in April 2020. The average monthly indoor use from April – September 2020 was nearly 76 gpcd; **a 19.5 gpcd increase due to the pandemic** (76 gpcd during the pandemic - 56.5 gpcd pre pandemic = 19.5 gpcd). The Water Use Study also found that not one participant's water use dropped below an average of 48 gpcd for any week during 2020. Based on our analysis, the pandemic has caused a significantly greater increase to indoor residential water use than the State's estimate of 3 – 5 gpcd simply because more residents are working and students attending school from home.



**Figure 9:** Average indoor daily per capita use, per month, Orange County Flume Users, 2020

The pandemic will likely result in fundamental and long-term changes in residential water use. Businesses and governmental agencies have recognized that employees can work from home and maintain or even increase productivity. As a result, employers will be allowing workers to work from home, which will increase residential water use. **Because of this, we firmly believe that it is too soon to set a new indoor use standard when this situation is still fluid.**

#### Supply Reliability Conflicts and Stranded Assets

Orange County has been making significant water supply reliability investments in water recycling since the early 1960s. While strategies differ in north and south Orange County, the result is the same: water is recycled to increase local water supply reliability and reduce imported water use to sustain the local economy. The differences are described below:

In northern Orange County, in the early days (1975), Water Factory 21 utilized recycled water as a salt-water intrusion barrier to protect the groundwater basin. More recently (2008), the Ground Water Replenishment System (GWRS) not only provides the same salt-water intrusion benefits, but also replenishes 100,000 acre feet per year (Phases I & II) into the basin. GWRS is the first Indirect Potable Reuse Project (IPR) in the country and allows for a well-managed basin that enables agencies overlying the basin to sustainably pump 77% of their demands. Unlike purple pipe recycling used primarily for irrigation, Orange County's GWRS, results in the reuse of wastewater infinite times; all water entering the wastewater system (indoor use) is recycled over and over.

Phase III of GWRS is currently under construction and is anticipated to begin production in 2023. Phase III will allow for recycling of 100% of the recyclable wastewater in north Orange County. We acknowledge and appreciate the inclusion of the Bonus Incentive in the Standards Framework: north Orange County agencies will benefit from both their reliability investments and the framework Bonus Incentive. However, the consequences of the proposed indoor standards create reduced wastewater availability over time, which will result in Phase III becoming a stranded treatment plant asset, resulting in less water to replenish the basin and the need for more imported water.

South Orange County is nearly 100% dependent on imported supplies for potable water. Because of this, water agencies have been using recycled water primarily for landscape irrigation – a sound investment that agencies began making over fifty years ago. Recycled water treatment plants and distribution systems continue to be built as communities grow. Approximately, 46% of all wastewater is currently being recycled in south OC, yet the Bonus Incentive does not apply to purple-pipe recycling. There is great regional interest to recycle 100% by expanding purple pipe systems and possibly building potable reuse. There are challenges including storage and limited potential for IPR (agencies have to supplement recycled water with potable water in the summer due to peak irrigation demand) that need to be overcome, but are actively being explored in the region.

For both north and south Orange County, the proposed indoor standards will reduce wastewater flows available for recycling, which conflicts not only with the State's long-term goals for water recycling, but also with local water supply reliability planning and investments. Conflicting State goals for water efficiency and recycling must be resolved. **Greater allowances for recycling, both purple-pipe and potable reuse, need to be a part of any changes to the standards, especially for agencies with the potential for stranded treatment and distribution assets.**

#### Qualitative Analysis was Enlightening, Quantitative Analysis is a Must

*Draft Appendix I Potential Benefits and Impacts of Changing Ri-gpcd* of the Study provides a qualitative analysis of the benefits and impacts of changing Ri-gpcd on water and wastewater utilities. This report acknowledges that the "study could be enriched through the collection of more quantifiable data." We strongly recommend that the state agencies now shift their focus to a quantitative analysis to better understand all the benefits and impacts of changing Ri-gpcd. A quantitative analysis should be completed before reducing the Ri-gpcd in 2025. Changing the current indoor standard without this analysis renders the findings incomplete.

**MWDOC highly encourages the inclusion of a quantitative analysis of the benefits and impacts to determine how changing standard for indoor residential water use will affect water and wastewater management before lowering the standard below 55 gpcd.** Quantitative analysis should be consistent with California Water Code Section 10609.4. The ultimate indoor residential goal, whatever it may be, does not need to be accomplished by 2030.

Once again, MWDOC appreciates the opportunity to provide these comments. Should you need any clarification regarding these comments and recommendations, please contact Joe Berg on my staff at (714) 593-5008 or jberg@mwdoc.com.

Sincerely,



Robert J. Hunter  
General Manager

## Orange County Residential Water Efficiency Potential & Opportunities Study

### Project Purpose

*The purpose of this study is to evaluate the saturation of existing water efficiency measures in single-family homes in Orange County and to chart a course for future water efficiency program implementation to maximize the available cost-effective water savings.*

### Background

California is implementing a new water efficiency standards-based framework as required by Senate Bill 606 and Assembly bill 1668. Urban retail water suppliers (but not wholesale suppliers) will be required to maintain Actual Water Use at or below an Urban Water Use Objective. The Objective is the aggregate efficient water use of indoor and outdoor residential, dedicated (meter) landscape irrigation and distribution system water loss.

The Municipal Water District of Orange County (MWDOC) and Metropolitan Water District of Southern California (Metropolitan) provide regional water use efficiency program implementation services on behalf of all retail water suppliers in their services areas. Water wholesalers not subject to the new standards mandate however, both MWDOC and Metropolitan plan to continue to implement programs regionally to assist retailers with compliance and seek guidance on how best to direct this assistance in the future.

The Orange County Residential Water Efficiency Potential Study will provide data and analysis on the level of existing water efficiency across Orange County and will identify the most promising and cost-effective methods for reducing water demand in the future.

During the fall of 2021, Flume will be conducting the Orange County Residential End Use Study which will measure fixture level water use at residences across the service area using the Flume 2 Smart Home Water Monitor. The data and information collected as part of this OC Residential End Use Study will be used to help inform key components of this water efficiency potential study including the existing efficiency level and utilization level of fixtures and appliances. The OC Water Efficiency Potential and Opportunities Study will build upon results from the end use study to assess both efficiency potential and the most likely and cost effective ways to achieve that potential.

### Goals of the Study

- Measure and assess the level of exiting water efficiency across Orange County and quantify the achievable and reasonable maximum potential demand reductions in the residential sector.
  - Measure the saturation of residential plumbing fixture flow rates including flush volumes, and flow rates for faucets, showerheads, clothes washers, and dishwashers.
  - Measure application of irrigation water on residential landscapes
  - Assess conservation potential
    - Cost-effective, achievable savings
    - Reasonable maximum achievable savings irrespective of cost
- Assess landscape irrigation practices and efficiency
  - Survey consumers to evaluate irrigation practices, hardware, and plant materials

- Survey regarding the use/presence of water efficient landscape irrigation practices including smart timers, drip irrigation, low precipitation sprinkler nozzles and California Friendly plant palates
- Identify the most promising and cost-effective methods for reducing residential demand in Orange County in the future
- Make recommendations to MWDOC and Metropolitan on how best to direct financial and technical assistance to retail providers and consumers for implementing water demand management.

### **Desired Research Results**

1. Quantify the Reasonable Maximum Potential and Achievable water use efficiency potential in Orange County:
  - a. Reasonable maximum potential = is the maximum water savings that can be achieved if all current code and standard based efficiency measures were implemented in all single-family homes in Orange County
    - i. Reasonable Maximum Potential shall be calculated for all residential indoor and outdoor water using activities
  - b. Achievable Potential = is the expected maximum potential that can be achieved through passive and active water use efficiency program implementation
    - i. Passive savings is achieved through the natural rate of replacement of inefficient water using devices to water efficient devices
    - ii. Active savings is savings achieved through active implementation of water use efficiency programs by water agencies.
  - c. Both Reasonable Maximum and Achievable water savings shall be characterized over time including both passive plumbing code generated savings and active incentive program implementation savings and be characterized relevant to the California Water Efficiency Standards
    - i. Indoor
    - ii. Outdoor
2. All Active water savings opportunities, indoor and outdoor, shall be evaluated in terms of both cost effectiveness and priority (water savings potential and likelihood of consumer action) in achieving compliance with California Water Efficiency Standards

### **Scope of Work**

#### **Task 1: Survey Flume Customers on Outdoor Irrigation Practices**

The goals of Task 1 are to assess customer landscape and irrigation practices and determine if the efficient equipment is installed and being used.

- Determine principal questions to be answered.
- Generate customer survey instruments (number TBD).
- Draft email invitations.
- Test and execute surveys.
- Analyze results.

- Produce a task report describing research and findings.

If possible the team is open to a broader survey beyond Flume customers, but this is contingent upon a member utility expressing interest.

### **Task 2: Incorporate Results from Flume End Use Study**

Existing efficiency levels of indoor and outdoor use will be explored through the Flume End Use Study MWDOC is already moving forward with. The following results will be incorporated into the efficiency potential study:

- Existing indoor use, existing efficiency, and saturation
  - Avg. and range of toilet flush volumes
  - Avg. and range of clothes washer volumes
  - Avg. and range of shower and faucet use
  - Analysis of household leakage
- Existing outdoor use and existing efficiency,
  - Avg. and range of outdoor water use
  - Avg. and range of irrigation application (water budget analysis)

The result from this task will be essential summary information and data from the MWDOC Residential End Use Study to establish the existing efficiency levels across the service area and a comparison of existing efficiency levels to the impending indoor and outdoor standards adopted by the SWRCB.

### **Task 3: Define Reasonable Maximum/Achievable and Active/Passive Savings**

The project team, working with MWDOC staff (and Metropolitan staff if available) and member agency staff will establish clear definitions for “reasonable maximum” and “achievable” water savings in the MWDOC context. The project team will propose a set of definitions which once approved for distribution by MWDOC will be shared with member agencies for final edits and approval.

The result from this task will be a clear set of agreed-upon definitions and explanation to establish a common understanding of the terms for MWDOC and Metropolitan:

- Reasonable maximum savings (indoors and outdoors)
- Achievable savings (indoors and outdoors)
- Passive savings (indoors and outdoors)
- Active savings (indoors and outdoors)

### **Task 4: Research and Screen Measures, Develop Future Portfolio Options**

This task will produce a well researched analysis of water efficiency and conservation programs measures that are likely to be utilized in the coming years by customers and by water utilities to reduce demand towards the achievable and maximum potential both indoors and outdoors. Importantly, this analysis will only include measures that are likely to be implemented and gain traction and acceptance broadly and achieve a minimum level of regional demand reduction.

An assessment of the cost, likely water savings, and implementation methods and barriers will be developed. Through this analysis only methods and approaches that reduce demand effectively for

Orange County residents will be included in the recommendations. Potential measures will be developed into actual program formats including best practice delivery mechanisms, incentive levels, and total costs.

### Task 5: Final Report and Recommendations

The team will prepare a final report and recommendations on the existing efficiency level at a regional level across the MWDOC service area, the approaches for reducing demand into the future, and the reasonable and technical minimum level of residential water use that should be planned for. The report will include recommendations to MWDOC and Metropolitan on how best to direct financial and technical assistance to retail providers for implementing water demand management. It will also include recommendations for design water use efficiency programs based on findings and recommendations for ongoing and future research based on the findings.

### Potentially Useful Publications

1. OC Residential End Use Study, anticipated in the first quarter of 2022
2. Flume 2020 Residential Water Use Study, 2021
3. MWDOC's Historic Program Implementation – Planning & Operations Committee Tables
4. Orange County Plumbing Fixture Saturation Study, 2002

### Project Team

The project team will consist of the following:

Peter Mayer, Principal, Water DM

Maureen Erbeznik

Joe Fazio, VP of Customer Success and Data Solutions, Flume

### Budget & Timeline

Task	Title	Team Lead	Labor	Timeline
1	Survey Flume Customers on Outdoor Irrigation Practices	Maureen	\$18,200	Q3 2021
2	Incorporate Results from Flume End Use Study	Flume	\$21,000	Q1 2022
3	Define Reasonable Maximum/Achievable and Active/Passive Savings	WaterDM	\$19,200	Q3 2021 thru Q4 2021
4	Research and Screen Measures, Develop Future Portfolio Options	WaterDM	\$23,800	Q4 2021 thru Q1 2022
5	Final Report and Recommendations	WaterDM	\$18,600	Q2 2022
	Total		\$100,800	

Flume will bill MWDOC upon completion of each task above.

DRAFT





**CONSENT CALENDAR ITEM**

July 21, 2021

**TO:** Board of Directors

**FROM:** **Planning & Operations Committee**  
(Directors Yoo Schneider, Nederhood, Seckel)

Robert Hunter, General Manager

Staff Contact: Harvey De La Torre

**SUBJECT: APPROVE THE REVISED SARCCUP-MET AGREEMENT & APPROVE  
THE SARCCUP EXCESS SALES AND WATER PURCHASE AGEEMENT**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors authorize the General Manager to execute the following:

1. Revised Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) Metropolitan Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC; and
2. SARCCUP Excess Water Sales and Purchase Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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The purpose of this report is to (1) highlight key revisions of the SARCCUP-MET Agreement since the MWDOC Board approval in October 2020, as well as (2) described key terms of the SARCCUP Excess Sales and Purchase Agreement. Board's authorization for the General Manager to execute both agreements, will allow MWDOC to purchase SARCCUP

Budgeted (Y/N): N	Budgeted amount: N/A	Core <u>X</u>	Choice <u>  </u>
Action item amount: None	Line item:		
Fiscal Impact (explain if unbudgeted):			

water from MET to enhance our region's local storage and improve our reliability during dry years.

On October 21, 2020, the MWDOC Board approved the General Manager to execute the SARCCUP-Metropolitan (MET) Agreement subject to "any non-substantive changes or modifications". However, during the completion of the agreement preparation, questions were raised regarding wording and interpretation of how MET and the SARCCUP agencies would allocate the San Bernardino Valley Municipal Water District's (Valley) surplus water among the participating MET member agencies. To clarify the intention of the language, consistent with the March 2021 MET Board Action, further explanation was needed within the agreement to avoid any confusion or misunderstanding in the allocation methodology.

During the revision process, additional edits were made to the agreement by the participating agencies as well as by MET legal staff. Among the additional revisions are: the inclusion of Orange County Water District (OCWD) to the MET Agreement; the limitation of SARCCUP agencies' purchase to no more than 50% of MET's Valley purchase; and the removal of a provision allowing MET to call upon water stored in Valley's water banking facility. As a result of these revisions, MWDOC staff finds these are "substantial" enough to warrant the MWDOC Board's re-review and approval.

Concurrently, while the SARCCUP-MET agreement was being revised, the participating agencies finalized an interagency SARCCUP Excess Sales and Water Purchase Agreement. This agreement outlines the terms and conditions of how MWDOC can purchase and acquire excess SARCCUP water. This separate agreement was developed because MWDOC is not a financial contributor in SARCCUP nor does MWDOC own any banking facilities. The intention is to provide the MWDOC member agencies, in particular South Orange County, the opportunity to purchase such water.

## **REPORT**

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The SARCCUP-MET Agreement will allow the four SARCCUP MET Member Agencies<sup>1</sup> participating the ability to purchase a portion (up to 50%) of the surplus water that San Bernardino Valley Municipal Water District (Valley) sells to MET for the purpose of storing such water in local groundwater basins throughout the Santa Ana River watershed and extract during dry years. Furthermore, this water purchased by the SARCCUP-MET Member Agencies can qualify as an "Extraordinary Supply" provided it meets the provisions of MET's Water Supply Allocation Plan.

### **Key Revisions to the SARCCUP-MET Agreement**

During the final stage of the SARCCUP-MET agreement preparation, a number of revisions were made to the agreement. While most of the revisions were minor edits, key revisions of substance were made to provide clarity and ensure the provisions of the agreement were consistent with the March 2021 MET Board action as well as the intent of the SARCCUP water banking program.

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<sup>1</sup> The four MET Member Agencies participating in the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) are Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, and MWDOC.

Below are the key revisions to note:

- **SARCCUP Water Allocation:** There was some confusion on how the Valley water offered by MET can be allocate among the SARCCUP agencies. Therefore, Section 1 (b) was rewritten to first give the purchasing opportunity (up to 50% of the water MET purchases from Valley) to the owners of the SARCCUP water banking facilities (Western MWD, Eastern MWD, and OCWD<sup>2</sup>); and upon their “unanimous written agreement” any remaining water could be offered to IEUA and/or MWDOC. This revision supports the concept of SARCCUP by giving the owners and operators of the SARCCUP banking facilities the responsibility for determining the amount of water they plan to purchase for storage in these Santa Ana watershed facilities.
- **Inclusion of OCWD in the SARCCUP-MET Agreement:** Due to revisions in Section 1 (b) regarding the water allocation among the SARCCUP agencies, it was determined that OCWD should be signatory to the SARCCUP-MET agreement.
- **Limiting the SARCCUP program purchases to no greater than 50%:** Language was removed to limit the total SARCCUP program purchase to 50%. This changed was made to remain consistent with MET’s March Board action on the terms and conditions of the SARCCUP and Valley purchase agreements.
- **Removal of a Section allowing MET to call on water stored in Valley:** A section was removed that would have allowed MET to call upon a SARCCUP agencies’ water stored in Valley’s banking facility. MET removed this section due to its complexity and to remain consistent with its policies.

### **Key Terms of the SARCCUP Excess Sales and Water Purchase Agreement**

During the development of the SARCCUP-MET Agreement it was recommended that the general managers of Eastern MWD, Western MWD, OCWD, and IEUA, worked with MWDOC on a separate agreement to describe the terms and conditions of how MWDOC can purchase and acquire excess SARCCUP water for its service area, in particular within South Orange County.

Below are the key terms of the SARCCUP Excess Sales and Water Purchase Agreement:

- Consistent with Section 1(b) of the SARCCUP-MET agreement, the owners and operators of the SARCCUP water banking facilities (Western MWD, Eastern MWD, and OCWD) shall first determine the amount of water they plan to purchase from MET for their water banks, and provide written notification to MWDOC and IEUA of the amount they plan to purchase no later than July 15 of each calendar year.
- Any portion of the SARCCUP water (50%) not designated for delivery into the SARCCUP water banking facilities, shall first be made available to IEUA; and then any remaining amount will be offered to MWDOC.

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<sup>2</sup> The agreement states that MWDOC will be the entity that purchases the water offered by MET on behalf of OCWD for the SARCCUP water banking program. OCWD will notify MWDOC of the amount of water they plan to purchase from MET; and such water will be stored in the OC Basin.

- Notification of the total purchase amount from all of the SARCCUP Agencies, including MWDOC, must be made to MET no later than August 15 of each calendar year.
- Similar to SARCCUP agency purchases, MWDOC's purchases of excess water will be at the MET full service untreated or full service treated water rate at the time of the purchase. The Capacity Charge will not apply. Only the RTS will be charged.
- MWDOC agrees that it will be fully responsible for arranging the storage and recovery of any excess water it purchases. None of the SARCCUP Agencies have an obligation to provide MWDOC with storage, recovery, or use of their facilities.
- MWDOC agrees that any excess water purchase must be "physically stored within the Santa Ana River Watershed, exchanged with, or loaned to MET under a separate agreement between MWDOC and MET"; and such water must be used within the MET service area.
- Any excess water MWDOC purchases may be eligible as Extraordinary Supply, provided it meets the provisions of MET's Water Supply Allocation Plan.
- The term of this agreement will coincide with to the terms of the SARCCUP-MET agreement.

There is also a provision in this agreement connected to MET's Extraordinary Supply Program, consistent with the March 2021 MET Board action. The MET Extraordinary Supply Program allows MET to provide its 50% share of the Valley water to Non-SARCCUP MET Member Agencies, and give interested MET member agencies the opportunity to purchase and store Valley water. This water has the ability to qualify as an extraordinary supply, if it is managed and used consistent with MET's Water Supply Allocation Plan provisions.

The MET Extraordinary Supply Program is mentioned in the SARCCUP Excess Agreement under Section 4. If MET does offer this program to its member agencies, then the following conditions apply to MWDOC:

- MWDOC will not be eligible to purchase SARCCUP Excess water from the SARCCUP agencies, and will be only eligible to participate in MET's Extraordinary Supply Program on behalf of its South Orange County Agencies; and
- If any excess water from the SARCCUP agencies does occur it will be revert to MET for inclusion in their Extraordinary Supply Program.

Staff supports these terms and conditions of the SARCCUP Excess Agreement. It provides MWDOC the opportunity to purchase water on its behalf of its member agencies (that cannot gain access to SARCCUP Water) and receive extraordinary supply credit. Although at this time there is no MWDOC storage program developed nor approved by the MWDOC Board, this provides an opportunity for MWDOC Board to consider exploring such a program for its service area.

## BOARD OPTIONS

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**Option #1: Authorize the General Manager to execute the Revised SARCCUP-MET Final Agreement; and the SARCCUP Excess Sales and Water Purchase Agreement, subject to any non-substantive changes or modifications**

**Fiscal Impact:** No fiscal impact to MWDOC

**Business Analysis:** Signing these two agreements will enhance our ability to add to our local storage and improve our reliability during multi-dry years. In addition, it give MWDOC the opportunity to purchase excess SARCCUP water and develop a program for its service area.

**Option #2: Not authorize the General Manager to execute these agreements**

**Fiscal Impact:** No fiscal impact to MWDOC

**Business Analysis:** Not signing these agreements could prevent the participation of MWDOC and OCWD in the Cooperative Water Banking Program of SARCCUP and limit the ability to enhance our local reliability with additional storage.

**STAFF RECOMMENDATION**

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**Option # 1**

**Attachments – (1) Background Information on SARCCUP**

**(2) Revised SARCCUP-MET Final Agreement, June 2021**

**(3) SARCCUP Excess Sales and Water Purchase Agreement**

**(4) PowerPoint Presentation on the SARCCUP-MET Agreement & Excess Water Agreement**

# Santa Ana River Conservation and Conjunctive Use Program (SARCCUP)

## **Background**

In 2013, five regional water agencies within the Santa Ana River Watershed came together in a collaborative effort to identify a watershed-scale program and developed SARCCUP. The initial group included representatives from the following five regional water agencies:

- Eastern Municipal Water District
- Inland Empire Utilities Agency
- Western Municipal Water District
- Orange County Water District (OCWD)
- San Bernardino Valley Municipal Water District (Valley)

In 2016, SARCCUP was successful in receiving \$55 million in grant funds from Proposition 84 through the California Department of Water Resources (DWR). The overall SARCCUP program awarded by Proposition 84, consists of three main program elements:

- Watershed-Scale Cooperative Water Banking Program
- Water Use Efficiency: Landscape Design and Irrigation Improvements and Water Budget Assistance for Agencies
- Habitat Creation and *Arundo Donax* Removal from the Santa Ana River

The Watershed-Scale Cooperative Water Banking Program is the largest component of SARCCUP.

Since 2016, Valley, Metropolitan, and the four SARCCUP-MET Member Agencies, with MWDOC representing OCWD, have been discussing terms and conditions for the ability to purchase surplus water from Valley to be stored in the Santa Ana River watershed. With the Valley and Metropolitan surplus water purchase agreement due for renewal, it was the desire of Valley to establish a new agreement with Metropolitan that allows a portion of its surplus water to be stored within the Santa Ana River watershed.

Therefore, in the terms of the proposed new Metropolitan and Valley agreement, which was approved by the Metropolitan Board on November 10, 2020, gives Metropolitan the right to purchase surplus Valley water under the condition that SARCCUP-MET Member Agencies may purchase from Metropolitan up to 50% of an equivalent amount of Valley water for storage in local banking facilities in the Santa Ana Watershed. Moreover, this water purchased by the SARCCUP-MET Member Agencies could qualify as an “Extraordinary Supply” provided it meets the provisions of Appendix G of Metropolitan’s Water Supply Allocation Plan.

## **Terms of the Metropolitan & SARCCUP-MET Member Agencies Agreement**

### **Length of the Agreement**

This agreement is for 15 years (December 31, 2035), with an extension clause that is tied to the State Water Contract agreement between Metropolitan and the State of California. In addition, this agreement aligns with the terms of the new Metropolitan/Valley agreement.

### **Purchasing Water**

In a year where Valley has surplus water available, Metropolitan will inform the SARCCUP-MET Member Agencies of the amount of water Metropolitan will purchase and offer no more than 50% of the equivalent amount purchased to the SARCCUP-MET Member Agencies.

Then, each SARCCUP member agency will inform Metropolitan of the amount they seek to purchase. Because this water is purchased directly from Metropolitan, this water is considered “Metropolitan Water” and all of the Metropolitan full-service volumetric rates and charges will apply at the time of delivery, like any other Metropolitan water purchased. This will include: System Power Rate; Supply Rate; System Access Rate; Readiness-to-Serve (RTS) Charge; and the Alternative to the Water Stewardship Rate (Once adopted by the Board).

The MET Capacity Charge will not apply because the water will be delivered at Metropolitan’s discretion. This is consistent with previous Metropolitan programs such as Conjunctive Use Program (CUP) and Cyclic water deliveries.

In addition, if such purchased water is stored and accounted for in accordance with Appendix G of the Metropolitan Water Supply Allocation Plan it can qualify as Extraordinary Supply.

To aid in the coordination of this program there will be a SARCCUP Operations & Finance Committee to convey the purchase amounts, delivery and recovery method, and accounting of the water to Metropolitan.

### **Delivery Methods**

Metropolitan will coordinate the delivery of such water with each SARCCUP-MET Member Agencies during the calendar year. There are three methods of delivering this water in a SARCCUP storage facilities:

- **Direct Metropolitan Delivery** – Water purchased by a SARCCUP-MET Member Agency for direct delivery to its SARCCUP banking facilities.
- **Indirect Metropolitan Delivery** – Water purchased for one SARCCUP-MET Member Agency for delivery to another SARCCUP-MET member agency’s storage facilities.
- **Delivery to Valley** – Delivery of a SARCCUP-MET Member Agency’s water to Valley’s SARCCUP recharge facilities (Metropolitan “virtual Meter”) for storage in the San Bernardino Basin Area (SBBA) bank (outside the Metropolitan service area).

All deliveries are through Metropolitan facilities or an agreed upon Metropolitan virtual meter, as would be the case for deliveries into the SBBA bank.

#### Ways to the Recover the Water

When a SARCCUP-MET Member Agency seeks to recover this banked water, there are two methods of recovery:

- **Direct Local Delivery** – Pumping and direct conveyance of stored water between SARCCUP-MET Member Agencies using local interagency conveyance facilities.
- **In-lieu Metropolitan Delivery** – Pumping and local use of water by a SARCCUP-MET Member Agency (pumping agency) that was stored on behalf of another SARCCUP-MET Member Agency (benefitting agency), with an equivalent reduction in the pumping agency's Metropolitan deliveries and an equivalent increase in the benefitting agency's Metropolitan deliveries.

None of the recovered water is conveyed through the Metropolitan system. Recovery of stored water is either In-lieu or direct deliveries using local conveyance facilities between SARCCUP-MET Member Agencies.

#### MWDOC's Involvement in the SARCCUP-MET Agreement

Although MWDOC was not originally involved in the formation of SARCCUP, and not a financial contributor to the program, MWDOC staff has been involved in the Watershed-Scale Cooperative Water Banking Program as it relates to the purchasing of Valley surplus water from Metropolitan. As OCWD's Metropolitan member agency representative, all purchases from Metropolitan will be coordinated through MWDOC.

More importantly, because this agreement primarily involves the billing of Metropolitan water and receiving of Extraordinary Supply during a Water Supply Allocation, MWDOC must be party to the SARCCUP-MET Agreement. Thus, OCWD and MWDOC staff have been working together, and in coordination with the other SARCCUP-MET Member Agencies, on the development of this agreement with Metropolitan.

Due to the unique arrangement in Orange County, to the coordinate purchasing, billing, and transfer of extraordinary supply credits, an additional SARCCUP agreement will also be developed between Metropolitan, OCWD, MWDOC, and the cities of Anaheim, Fullerton, and Santa Ana, which is reference in section 5 of the agreement. This additional agreement is necessary for the potential future distribution of any extraordinary supplies to the cities of Anaheim, Fullerton, and Santa Ana; as MWDOC can only distribute extraordinary supplies to its member agencies.

However, as part of the revised SARCCUP-MET Agreement MWDOC has an opportunity to purchase excess SARCCUP water on its behalf, if available. If the SARCCUP agencies Western MWD, Eastern MWD, OCWD and IEUA do not purchase all of the water MET offers, then MWDOC has the ability to purchase such excess water. This process is outline in the newly developed "SARCCUP Excess Water Sales and Purchase Agreement". The purpose of this agreement to provide the opportunity to



purchase and storage water for MWDOC member agencies not participating in SARCCUP such as South Orange County member agencies.

**Agreement Among The Metropolitan Water District of Southern California,  
Eastern Municipal Water District, Inland Empire Utilities Agency,  
Municipal Water District of Orange County, Western Municipal Water District, and  
Orange County Water District**

**Regarding the Santa Ana River Conservation and Conjunctive Use Program**

This Agreement among The Metropolitan Water District of Southern California (Metropolitan), Eastern Municipal Water District (Eastern MWD), Inland Empire Utilities Agency (IEUA), Municipal Water District of Orange County (MWDOC), Western Municipal Water District (Western MWD), and the Orange County Water District (OCWD) regarding the Santa Ana River Conservation and Conjunctive Use Program (Agreement) is hereby entered into as of \_\_\_\_\_, 2021. Metropolitan, Eastern MWD, IEUA, MWDOC, Western MWD, and OCWD are collectively referred to as “Parties” and individually as a “Party.”

**RECITALS**

A. Metropolitan is a metropolitan water district organized under the Metropolitan Water District Act, codified at section 109-1, et seq. of West’s Appendix to the California Water Code, and is engaged in developing, storing, and distributing water in the counties of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura. Metropolitan has a long-term contract with the California Department of Water Resources (DWR) which sets forth the terms and conditions of Metropolitan’s participation in the State Water Project (SWP).

B. Eastern MWD is a California municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for the purpose of providing water services and certain other services. Eastern MWD’s powers and purposes include the acquisition within or without the district’s boundaries

in the State of California of all necessary property or rights in property necessary or proper for the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes and the power to contract with one or more public agencies in carrying out any of its powers. Eastern MWD is a member agency of Metropolitan.

C. IEUA is a California municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for the purpose of supplying supplemental water to the Chino Basin and certain other services. IEUA's powers and purposes include the acquisition within or without the agency's boundaries in the State of California of all necessary property or rights in property necessary or proper for the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes and the power to contract with one or more public agencies in carrying out any of its powers. IEUA is a member agency of Metropolitan.

D. MWDOC is a municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for purposes that include providing its 28 member agencies in Orange County, with reliable, high quality supplies from Metropolitan and other sources to meet present and future needs, at an equitable and economic cost, and to promote water use efficiency for all of Orange County. MWDOC is a member agency of Metropolitan.

E. One of MWDOC's member agencies, OCWD, undertakes the responsibilities associated with actively managing the OCWD groundwater basin. OCWD was formed by an act of the California State Legislature in 1933 for the purpose of protecting and managing the Orange County groundwater basin.

F. Western MWD is a California municipal water district formed and existing under the California Municipal Water District Act of 1911, Sections 71000 et seq. of the California Water Code, for the purpose of providing water services and certain other services. Western MWD's powers and purposes include the acquisition within or without the district's boundaries in the State of California of all necessary property or rights in property necessary or proper for the production, storage, transmission and distribution of water for irrigation, domestic, industrial and municipal purposes and the power to contract with one or more public agencies in carrying out any of its powers. Western MWD is a member agency of Metropolitan.

G. In 2014, Eastern MWD, IEUA, OCWD, Western MWD, and the San Bernardino Valley Municipal Water District (Valley District) entered into a Memorandum of Understanding (2014 MOU). Valley District is engaged in developing, transporting, storing, treating, and wholesale delivery of water in portions of the counties of San Bernardino and Riverside. Like Metropolitan, Valley District has a long-term contract with DWR which set forth the terms and conditions of its participation in the SWP. Valley District recharges SWP water into the San Bernardino Basin Area (SBBA) for the benefit of its member agencies. The purpose of the 2014 MOU is to collaborate in the exploration, analysis and implementation of a large-scale, regional water supply reliability project, known as the Santa Ana River Conservation and Conjunctive Use Program (SARCCUP). The SARCCUP is a multi-agency, watershed-wide groundwater storage and recovery project involving multiple basins in the Santa Ana Watershed. The goal is to store available water during wet years in local groundwater basins throughout the watershed and extract the stored water during dry years to reduce the impacts from multi-year droughts. Eastern MWD, IEUA, MWDOC, and Western MWD are collectively referred to as the

“SARCCUP Metropolitan Member Agencies” and individually as a “SARCCUP Metropolitan Member Agency.”

H. The SARCCUP currently includes four water banking sites. Three of the sites are located within Metropolitan’s service area. More specifically, they are located in the service areas of Eastern MWD, Western MWD, and MWDOC. The facilities within MWDOC’s service area are located within, owned, and operated, by OCWD. The fourth site is the SBBA, which is located outside of Metropolitan’s service area and within Valley District’s service area. The owners of the four water banking sites are responsible for all operating decisions for those water banking facilities including the quantity of water that they store and extract within the water banks under the SARCCUP.

I. Valley District and Metropolitan entered into a Coordinated Operating and Surplus Water Agreement, dated \_\_\_\_\_, whereby Valley District may offer to sell to Metropolitan, and Metropolitan may purchase from Valley District, surplus water.

J. Under this Agreement, Metropolitan will offer to sell to the SARCCUP Metropolitan Member Agencies an amount of water equivalent to 50% of the amount of water Metropolitan purchases from Valley District for storage within the SARCCUP water banking sites and use within Metropolitan’s service area. Such water shall not count against a SARCCUP Metropolitan Member Agency’s annual Tier 1 limit or incurring Metropolitan’s capacity charge. Some of the water Metropolitan sells to the SARCCUP Metropolitan Member Agencies under this Agreement may be temporarily stored in the SBBA. An amount of water equivalent to up to half of the water that Metropolitan purchases from Valley District may qualify as Extraordinary Supply under Metropolitan’s Water Supply Allocation Plan.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals and the representations, warranties, covenants and agreements contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree to the following terms and conditions of this Agreement.

**1. Consultation between Metropolitan and the SARCCUP Metropolitan Member Agencies and OCWD**

A. By July 1<sup>st</sup> of each calendar year subsequent to the execution of this Agreement, Metropolitan will inform the SARCCUP Metropolitan Member Agencies and OCWD of the amount of water, if any, that Metropolitan will purchase from Valley District and, of that amount, how much water, if any, Metropolitan is willing to deliver to the SARCCUP Metropolitan Member Agencies at Valley District's connection to the SWP and/or Metropolitan's service connections to the SARCCUP Metropolitan Member Agencies. Metropolitan has discretion whether to purchase any or all of the water Valley District offers to Metropolitan within a calendar year. No SARCCUP Metropolitan Member Agency or OCWD may purchase water from Valley District.

B. Metropolitan will equally offer to Western MWD, Eastern MWD, and MWDOC for purchase an amount equivalent to 50% of the amount that Metropolitan purchases from Valley District during a calendar year for delivery to the SARCCUP water banking facilities. MWDOC will be purchasing water offered by Metropolitan on behalf of OCWD for the SARCCUP water banking program. As the owners and operators of the SARCCUP water banking facilities, Western MWD, Eastern MWD, and OCWD may, by unanimous written agreement, modify the delivery amounts. Modified amounts may include deliveries to IEUA or

MWDOC for their behalf. Western MWD, Eastern MWD, and OCWD will provide a copy of any such agreement to Metropolitan. OCWD will inform MWDOC of the amount to be delivered at the Valley District's service connection to the SWP and/or Metropolitan's service connections to MWDOC. Each SARCCUP Metropolitan Member Agency will inform Metropolitan of the amount that the SARCCUP Metropolitan Member Agency will purchase and accept for delivery at Valley District's connection to the SWP and/or Metropolitan's service connections to the SARCCUP Metropolitan Member Agencies. The SARCCUP Metropolitan Member Agencies will notify Metropolitan by August 15<sup>th</sup> of each year of these amounts.

**2. Delivery to SARCCUP Member Agencies at Valley District's Connection to the SWP**

Metropolitan will deliver to the SARCCUP Metropolitan Member Agencies at Valley District's connection to the SWP during a calendar year the amount that the SARCCUP Metropolitan Member Agencies previously notified Metropolitan they would accept under Section 1(B). Such deliveries will be scheduled and delivered at times and rates acceptable to Metropolitan, Valley District, and the relevant SARCCUP Metropolitan Member Agencies. Water that Metropolitan delivers to Valley District's connection to the SWP may be stored temporarily within Valley District's service area but must be used in Metropolitan's service area during the term of this Agreement.

**3. Billing and Payment**

Metropolitan will bill each SARCCUP Metropolitan Member Agency individually and each SARCCUP Metropolitan Member Agency will pay Metropolitan's full service untreated water or full service treated water Tier 1 or Tier 2 rate in effect at the time of the sale. Water purchased by a SARCCUP Metropolitan Member Agency will be counted as water delivered for

purposes of meeting that SARCCUP Metropolitan Member Agency's purchase order commitment. Upon Metropolitan's approval of a SARCCUP Metropolitan Member Agency certification of each monthly delivery, the following exceptions will apply: (a) such purchases will not count against a SARCCUP Metropolitan Member Agency's annual Tier 1 limit; and (b) Metropolitan's capacity charge will not apply to such purchases. The sale of water under this Agreement will be included in the calculation of the Ten-Year Rolling Sales Average for purposes of Metropolitan's Readiness-to-Serve Charge at the time water is sold to the SARCCUP Metropolitan Member Agencies. Metropolitan's invoices will separately identify the quantities of water subject to this Agreement.

**4. Extraordinary Supply Benefit**

Water made available under Section 1(B), if stored within the Santa Ana River Watershed during the same calendar year in accordance with Appendix G of Metropolitan's Water Supply Allocation Plan (or as any successor to such plan), will qualify as Extraordinary Supply. The amount of Extraordinary Supply available to each SARCCUP Member Agency under this Agreement may not exceed the allocation provided under Section 1(B).

**5. Extraordinary Supply Benefit Regarding OCWD**

Metropolitan will assign any Extraordinary Supply benefit that would accrue to MWDOC as result of actions taken by OCWD, in accordance with a separate written agreement among Metropolitan, MWDOC, OCWD, and the Cities of Anaheim, Fullerton, and Santa Ana.

**6. Record Keeping**

SARCCUP Metropolitan Member Agencies, OCWD, and Metropolitan will keep records of water purchased, delivered, and stored pursuant to this Agreement. The records of each Party relevant to this Agreement will be open to inspection by the other Parties upon reasonable notice.



The Parties will cooperate to develop coordinated administrative procedures for the tracking required under this Agreement.

**7. Metropolitan's Administrative Code**

Unless otherwise specifically provided for in this Agreement, Metropolitan's Administrative Code will continue to apply to the relationship between Metropolitan and the SARCCUP Metropolitan Member Agencies.

**8. Termination**

This Agreement will terminate on December 31, 2035 unless the State Water Contract between Metropolitan and the State of California is extended past 2035, in which case, this Agreement will have the same termination date.

**9. Late Arising Claims**

If a claim arising under or with respect to one or more terms of this Agreement has not been resolved when such term terminates, or if such a claim is brought after this Agreement has terminated, but within the period of time for bringing such a claim under California law (Late Arising Claim), the provisions of this Agreement shall continue in full force and effect for such additional period of time as is necessary to resolve such claims and to satisfy the rights and obligations of the Parties hereto with respect thereto.

**10. Indemnity Clause**

Liability and indemnification shall be determined pursuant to section 4502 of Metropolitan's Administrative Code. OCWD agrees that for the purposes of this Agreement, section 4502 of Metropolitan's Administrative Code applies to OCWD in the same manner as that section applies to Metropolitan's member agencies. Metropolitan provides no warranty or guarantee regarding the quality or content of its untreated water or the suitability of its use for

storage in groundwater basins. SARCCUP Member Agencies and OCWD acknowledge that they accept untreated water “as is.”

**11. Informal Mediation**

In the event of a dispute between the Parties regarding this Agreement, the Parties may attempt to resolve the dispute by using the services of a mutually acceptable mediator. If the Parties decide to use a mediator, they will equally share the mediator’s fees and expenses.

**12. Successors and Assigns**

This Agreement shall bind and inure to the benefit of the successors and assigns of the Parties; provided, however, no Party shall assign any of its rights or obligations under this Agreement without the prior written consent of the other Parties. Nothing in this Agreement is intended to confer any right or remedy under this Agreement on any person other than the Parties to this Agreement and their respective successors and permitted assigns, or to relieve or discharge any obligation or liability of any person to any Party to this Agreement, or to give any person any right of subrogation or action over or against any Party to this Agreement.

**13. Waiver/Cure of Defaults**

The failure of any Party to enforce against another Party a provision of this Agreement shall not constitute a waiver of that Party’s right to enforce such a provision at a later time. No Party shall be deemed to be in default of any provision of this Agreement unless the other Party has given written notice specifically stating the alleged default and the Party in default fails to cure the default within sixty (60) days of receipt of such written notice.

**14. Construction of Agreement**

The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties, and Section 1654

of the Civil Code has no application to interpretation of this Agreement. The recitals and all exhibits and schedules to this Agreement are part of this Agreement and are incorporated herein by this reference.

**15. Entire Agreement**

This Agreement constitutes the final, complete and exclusive statement of the terms of the agreement among the Parties pertaining to the matters provided herein during the term and supersedes all prior and contemporaneous understandings or agreements of the Parties related thereto. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty outside those expressly set forth in this Agreement.

**16. Severability**

In the event that a court of competent jurisdiction determines that a provision included in this Agreement is legally invalid or unenforceable and such decision becomes final, the Parties to this Agreement shall use their best efforts to (i) within thirty (30) days of the date of such final decision, identify by mutual agreement the provisions of this Agreement which must be revised, and (ii) within three (3) months thereafter promptly agree on the appropriate revision(s). The time periods specified above may be extended by mutual agreement of the Parties. Pending the completion of the actions designated above, to the extent it is reasonably practical and can be done without violating any applicable provisions of law, the provisions of this Agreement, which were not found to be legally invalid or unenforceable in the final decision, shall continue in effect. If the Parties cannot agree on appropriate revisions, this Agreement shall be terminated, and the Parties will return any water owed to each other.

**17. Force Majeure**

All obligations of the Parties other than monetary or payment obligations shall be suspended for so long as and to the extent the performance thereof is prevented, directly or indirectly, by earthquakes, fires, tornadoes, facility failures, floods, strikes, other casualties, acts of God, orders of court or governmental agencies having competent jurisdiction, or other events or causes beyond the control of the Parties. In no event shall any liability accrue against a Party, to its officers, agents or employees, for any damage arising out of or connected with a suspension of performance pursuant to this section. All time limits to perform and the term of the Agreement shall be extended by a period of time equivalent to the length of suspension.

**18. Notices**

All notices, requests, and demands hereunder (Notices) shall be in writing, including electronic communications, and shall be deemed to have been duly given when delivered (or, if mailed, postage prepaid, on the third business day after mailing, if that date is earlier than actual delivery). Notices shall be sent to a Party at the address of that Party set forth below or, if such Party has furnished notice of a change of that address as herein provided, to the address of that Party most recently so furnished.

Metropolitan Water District of Southern California  
Attention: General Manager  
P.O. Box 54153  
Los Angeles, CA 90054-0153

Eastern Municipal Water District  
Attention: General Manager  
P.O. Box 8300  
Perris, CA 92572-8300

Inland Empire Utilities Agency  
Attention: General Manager  
6075 Kimball Ave.  
Chino, CA 91708

Municipal Water District of Orange County  
Attention: General Manager  
P.O. Box 20895  
Fountain Valley, CA 92708

Western Municipal Water District  
Attention General Manager  
14205 Meridian Pkwy  
Riverside, CA 92518

Orange County Water District  
Attention: General Manager  
18700 Ward St  
Fountain Valley, CA 92708

**19. Further Assurances**

Each Party hereto, upon the request of the other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this instrument.

**20. Governing Law**

The validity, construction, and enforceability of this Agreement shall be governed in all respects by the laws of the State of California.

**21. Counterparts**

This Agreement may be executed in two or more counterparts, each of which, when executed and delivered, shall be an original and all of which together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

In WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the following duly authorized representatives.

**THE METROPOLITAN WATER DISTRICT  
OF SOUTHERN CALIFORNIA**

By: \_\_\_\_\_  
Jeffrey Kightlinger  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Marcia L. Scully  
General Counsel

**EASTERN MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Joe Mouawad  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Olivarez, Madruga, Lemieux & O'Neill

By: \_\_\_\_\_  
Steven O'Neill

**INLAND EMPIRE UTILITIES AGENCY**

By: \_\_\_\_\_  
Shivaji Deshmukh  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

JC Law Firm

By: \_\_\_\_\_  
Jean Cihigoyenetché

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

By: \_\_\_\_\_  
Robert Hunter  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Best, Best & Krieger

By: \_\_\_\_\_  
Joseph Byrne

**WESTERN MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Craig Miller  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Best Best & Krieger LLP

By: \_\_\_\_\_  
Jeffrey F. Ferre

**ORANGE COUNTY WATER DISTRICT**

By: \_\_\_\_\_  
Mike Markus  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Rutan &Tucker LLP

By: \_\_\_\_\_  
Jeremy Jungreis



**AGREEMENT AMONG  
EASTERN MUNICIPAL WATER DISTRICT, WESTERN MUNICIPAL WATER DISTRICT, INLAND  
EMPIRE UTILITIES AGENCY, ORANGE COUNTY WATER DISTRICT AND THE MUNICIPAL  
WATER DISTRICT OF ORANGE COUNTY, REGARDING SANTA ANA RIVER CONSERVATION  
AND CONJUNCTIVE USE PROGRAM (SARCCUP) EXCESS WATER SALES AND PURCHASE  
AGREEMENT**

This Agreement among Eastern Municipal Water District (“EMWD”), Western Municipal Water District (“WMWD”), Inland Empire Utilities Agency (“IEUA”), Orange County Water District (“OCWD”) and The Municipal Water District of Orange County (“MWDOC”) regarding Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) Excess Water Sales and Purchase Agreement (“Agreement”) is hereby entered into this \_\_\_\_ day of \_\_\_\_\_, 2021. EMWD, WMWD, IEUA, OCWD and MWDOC are collectively referred to as “Parties” and individually as “Party.”

**RECITALS**

1. The SARCCUP is a multi-benefit program for the Santa Ana River Watershed, as depicted in Exhibit A, developed by the five member agencies of the Santa Ana Watershed Project Authority: Eastern Municipal Water District (EMWD), Inland Empire Utilities Agency (IEUA), Orange County Water District (OCWD), Western Municipal Water District (WMWD), and San Bernardino Valley Municipal Water District (Valley District) to advance habitat restoration, water use efficiency and groundwater banking.
2. The groundwater banking component of the program currently includes four groundwater banking storage facilities, three of which are located within the Metropolitan Water District of Southern California’s (“MWD”) service area.
3. The three banking facilities in MWD’s service area are owned and operated by EMWD, WMWD and OCWD.
4. The fourth storage site is located in Valley District’s service area (“SBBA banking site”) and provides available storage capacity for EMWD, WMWD and OCWD.
5. IEUA does not currently have water banking facilities in its service area but is a partner in the program and anticipates participating in the groundwater banking component of the program in the future.
6. Valley District is a State Water Project (SWP) Contractor and has negotiated an agreement with MWD for the sale of Valley District’s surplus SWP supplies under certain conditions pursuant to the: “Coordinated Operating and Surplus Water Agreement between the Metropolitan Water District of Southern California and San Bernardino Valley Municipal Water District” dated \_\_\_\_\_ (“MWD-Valley District Agreement”).
7. MWD and Valley District have agreed that when Valley District’s SWP water is made available to MWD and MWD acquires that water, MWD will make available to the MWD

member agency Parties for the SARCCUP program a minimum amount of its Full Service supply equivalent to fifty-percent (50%), or more, of the water it acquires from Valley District ("Allocated Water").

8. The Allocated Water purchased from MWD and stored in the SARCCUP water banking facilities may qualify as Extraordinary Supply under MWD's Water Supply Allocation Plan provided that all program requirements are met.
9. The terms and conditions of MWD's agreement to provide a portion of its Allocated Water for the SARCCUP program, the designation of Extraordinary Supply, and certain other provisions are included in an agreement among MWD, EMWD, IEUA, WMWD, MWDOC and OCWD, entitled: "Agreement Among the Metropolitan Water District of Southern California, Eastern Municipal Water District, Inland Empire Utilities Agency, Municipal Water District of Orange County, Western Municipal Water District and Orange County Water District Regarding the Santa Ana River Conservation and Conjunctive Use Program" and dated \_\_\_\_\_ ("MWD SARCCUP Member Agency Agreement").
10. MWDOC's south Orange County retail agencies that are not OCWD groundwater producers may require supplemental dry-year water supplies for the future. EMWD, IEUA, WMWD and OCWD intend to jointly pursue additional supply options for the SARCCUP program and, in coordination with MWDOC, shall identify supplies for potential purchase by MWDOC to help mitigate shortage conditions in MWDOC's south Orange County service area.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals and the representations, warranties, covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties hereby agree to the following terms and conditions of this Agreement.

#### **1. MWD Agreement and Purchase of Allocated Water**

Attached to this Agreement as Exhibit B, and incorporated by reference, is the MWDSARCCUP Member Agency Agreement under which EMWD, IEUA, WMWD, OCWD and MWDOC are referred to as the "SARCCUP Member Agencies." EMWD, WMWD, IEUA and MWDOC are member agencies of MWD and are authorized to purchase Allocated Water from MWD under the MWD SARCCUP Member Agency Agreement. EMWD, WMWD and OCWD are owners and operators of the SARCCUP water banking facilities and are responsible for determining the amount of Allocated Water to be purchased for storage in those facilities. OCWD is not a MWD member agency and purchases of Allocated Water from MWD for storage in OCWD's SARCCUP water banking facilities must be made by MWDOC. For purposes of determining the allocation of water to the SARCCUP Member Agencies under Section 1.B. of the MWD SARCCUP Member Agency Agreement, the following shall apply:

- a. As owners and operators of the SARCCUP water banking facilities, WMWD, EMWD and OCWD shall determine the amount of the Allocated Water for purchase from MWD and delivery to each of the SARCCUP water banking facilities, and shall provide written notification thereof to MWDOC and IEUA no later than July 15 of each calendar year that MWD makes Allocated Water available.
- b. Any portion of the Allocated Water not designated for delivery to the SARCCUP water banking facilities by WMWD, EMWD or OCWD shall first be made available for delivery to IEUA, with any remaining amount ("Excess Allocated Water") made available for delivery to MWDOC.
- c. Based upon the notification by WMWD, EMWD and OCWD, and determinations by IEUA and MWDOC of their delivery amounts, each SARCCUP Member Agency in accordance with Section 1.B of the MWD SARCCUP Member Agency Agreement will inform MWD, no later than August 15 of each calendar year, of the amount, if any, of the Allocated Water the SARCCUP Member Agency will purchase.
- d. MWDOC will purchase the Excess Allocated Water from MWD at the same Full Service untreated water or Full-Service treated water rate in effect at the time of the purchase of all Allocated Water from MWD in accordance with Section 3 or the MWD SARCCUP Member Agency Agreement.

2. MWDOC Storage and Use of Excess Allocated Water

MWDOC acknowledges that it will be fully responsible for separately arranging the storage and recovery of the Excess Allocated Water it purchases and for the use, if any, of SARCCUP facilities. EMWD, WMWD, IEUA and OCWD have no obligation under this Agreement to provide MWDOC storage, recovery, or facility use for the Excess Allocated Water it purchases. MWDOC agrees and acknowledges that any Excess Allocated Water it purchases must be physically stored within the Santa Ana River Watershed or exchanged with or loaned to MWD under separate agreement between MWDOC and MWD. MWDOC may choose to apply eligible MWD Extraordinary Supply credits associated with the Excess Allocated Water it purchases throughout its service area.

3. Priority to Excess Allocated Water

EMWD, WMWD, and OCWD, as the water banking facility owners, and IEUA, agree not to enter into any other agreements that will supersede the priority for MWDOC's potential purchase of Excess Allocated Water under this Agreement.

4. MWD Extraordinary Supply Program

MWD in its sole discretion may establish a program with its portion of Valley District's SWP supply whereby non-SARCCUP MWD member agencies would have the option to purchase Full Service untreated or treated water from MWD for storage and potential designation as Extraordinary Supply ("Member Agency Extraordinary Supply Program"). If

in any year when MWD notifies the SARCCUP MWD member agencies of the availability of water under Section 1.B of the MWD SARCCUP Member Agency Agreement, MWD operates a Member Agency Extraordinary Supply Program, the following shall apply:

- a. MWDOC will not be eligible to purchase Excess Allocated Water under Section 2 of this agreement and will only be eligible to participate in MWD's Member Agency Extraordinary Supply Program on behalf of its south Orange County water agencies.
- b. Any Excess Allocated Water as determined by WMWD, EMWD and OCWD, and subsequently IEUA, under Section 2b, above, would revert to MWD for inclusion in its Member Agency Extraordinary Supply Program.

5. Potential Future Supply Acquisition by the Parties

WMWD, EMWD, OCWD and IEUA may consider seeking opportunities to acquire additional sources of water from outside the MWD service area for potential purchase and storage in the SARCCUP facilities. In pursuing such additional supply options, WMWD, EMWD, IEUA and OCWD will jointly work to identify additional supplies excess to the SARCCUP program for potential purchase by MWDOC to help mitigate shortage conditions in MWDOC's south Orange County service area.

6. Termination

This Agreement shall terminate concurrently and in accordance with the termination provisions in Section 10 of the MWD SARCCUP Member Agency Agreement, attached hereto as Exhibit B.

7. Indemnity

Each Party agrees that they shall be responsible for their own actions, and the actions of their officers, employees and agents, in performing their duties and obligations under this Agreement. Each Party agrees to indemnify and hold the other Parties and their officers and agents harmless, and agree to defend the other Parties against any claim or asserted liability arising out of their actions, either willful or negligent, or the actions of their officers, employees and agents, in performing duties and obligations pursuant to this Agreement. Such indemnity includes any losses relating to any claims made, whether or not a court action is filed, and attorney fees and administrative and overhead costs related to or arising out of such claim or asserted liability.

8. Informal Mediation

In the event of a dispute between the Parties regarding this Agreement, the Parties may attempt to resolve the dispute by using the services of a mutually acceptable mediator. If the Parties decide to use a mediator, they will equally share the mediator's fees and expenses.

9. Successors and Assigns

This Agreement shall bind and inure to the benefit of the successors and assigns of the Parties; provided, however, no Party shall assign any of its rights or obligations under this Agreement without the prior written consent of the other Parties. Nothing in this Agreement is intended to confer any right or remedy under this Agreement on any person other than the Parties to this Agreement and their respective successors and permitted assigns, or to relieve or discharge any obligation or liability of any person to any Party to this Agreement, or to give any person any right of subrogation or action over or against any Party to this Agreement.

10. Waiver/Cure of Defaults

The failure of any Party to enforce against another Party a provision of this Agreement shall not constitute a waiver of that Party's right to enforce such a provision at a later time. No Party shall be deemed to be in default of any provision of this Agreement unless the other Party has given written notice specifically stating the alleged default and the Party in default fails to cure the default within sixty (60) days of receipt of such written notice.

11. Construction of Agreement

The language in all parts of this Agreement shall be in all cases construed simply according to its fair meaning and not strictly for or against any of the Parties, and Section 1654 of the Civil Code has no application to interpretation of this Agreement. The recitals and all exhibits and schedules to this Agreement are part of this Agreement and are incorporated herein by this reference.

12. Entire Agreement

This Agreement constitutes the final, complete and exclusive statement of the terms of the agreement among the Parties pertaining to the matters provided herein during the term and supersedes all prior and contemporaneous understandings or agreements of the Parties related thereto. No Party has been induced to enter into this Agreement by, nor is any Party relying on, any representation or warranty outside those expressly set forth in this Agreement.

13. Severability

In the event that a court of competent jurisdiction determines that a provision included in this Agreement is legally invalid or unenforceable and such decision becomes final, the Parties to this Agreement shall use their best efforts to (i) within thirty (30) days of the date of such final decision, identify by mutual agreement the provisions of this Agreement which must be revised, and (ii) within three (3) months thereafter promptly agree on the appropriate revision(s). The time periods specified above may be extended by mutual agreement of the Parties. Pending the completion of the actions designated above, to the extent it is reasonably practical and can be done without violating any applicable

provisions of law, the provisions of this Agreement, which were not found to be legally invalid or unenforceable in the final decision, shall continue in effect. If the Parties cannot agree on appropriate revisions, this Agreement shall be terminated, and the Parties will return any water owed to each other.

#### 14. Force Majeure

All obligations of the Parties other than monetary or payment obligations shall be suspended for so long as and to the extent the performance thereof is prevented, directly or indirectly, by earthquakes, fires, tornadoes, facility failures, floods, strikes, pandemics, other casualties, acts of God, orders of court or governmental agencies having competent jurisdiction, or other events or causes beyond the control of the Parties. In no event shall any liability accrue against a Party, to its officers, agents or employees, for any damage arising out of or connected with a suspension of performance pursuant to this section. All time limits to perform and the term of the Agreement shall be extended by a period of time equivalent to the length of suspension.

#### 15. Notices

All notices, requests, and demands hereunder (Notices) shall be in writing, including electronic communications, and shall be deemed to have been duly given when delivered (or, if mailed, postage prepaid, on the third business day after mailing, if that date is earlier than actual delivery). Notices shall be sent to a Party at the address of that Party set forth below or, if such Party has furnished notice of a change of that address as herein provided, to the address of that Party most recently so furnished.

Eastern Municipal Water District  
Attention: General Manager  
P.O. Box 8300  
Perris, CA 92572-8300

Inland Empire Utilities Agency  
Attention: General Manager  
6075 Kimball Ave.  
Chino, CA 91708

Municipal Water District of Orange County  
Attention: General Manager  
P.O. Box 20895  
Fountain Valley, CA 92708

Western Municipal Water District  
Attention General Manager  
14205 Meridian Pkwy  
Riverside, CA 92518

Orange County Water District  
Attention: General Manager  
18700 Ward St  
Fountain Valley, CA 92708

16. Further Assurances

Each Party hereto, upon the request of the other, agrees to perform such further acts and to execute and deliver such other documents as are reasonably necessary to carry out the provisions of this instrument.

17. Governing Law

The validity, construction, and enforceability of this Agreement shall be governed in all respects by the laws of the State of California.

18. Counterparts

This Agreement may be executed in two or more counterparts, each of which, when executed and delivered, shall be an original and all of which together shall constitute one instrument, with the same force and effect as though all signatures appeared on a single document.

In WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the following duly authorized representatives.

**EASTERN MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Joe Mouawad  
General Manager

Dated \_\_\_\_\_

APPROVED AS TO FORM:

Olivarez, Madrugá, Lemiux & O'Neill

By: \_\_\_\_\_  
Steven O'Neill

**INLAND EMPIRE UTILITIES AGENCY**

By: \_\_\_\_\_  
Shivaji Deshmukh  
General Manager

Dated \_\_\_\_\_

APPROVED AS TO FORM:

JC Law Firm

By: \_\_\_\_\_  
Jean Cihigoyenetché

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

By: \_\_\_\_\_  
Robert Hunter  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Best, Best & Krieger

By: \_\_\_\_\_  
Joseph Byrne

**WESTERN MUNICIPAL WATER DISTRICT**

By: \_\_\_\_\_  
Craig Miller  
General Manager

\_\_\_\_\_  
Dated

APPROVED AS TO FORM:

Best Best & Krieger LLP

By: \_\_\_\_\_  
Jeffrey F. Ferre

**ORANGE COUNTY WATER DISTRICT**

By: \_\_\_\_\_  
Mike Markus  
General Manager

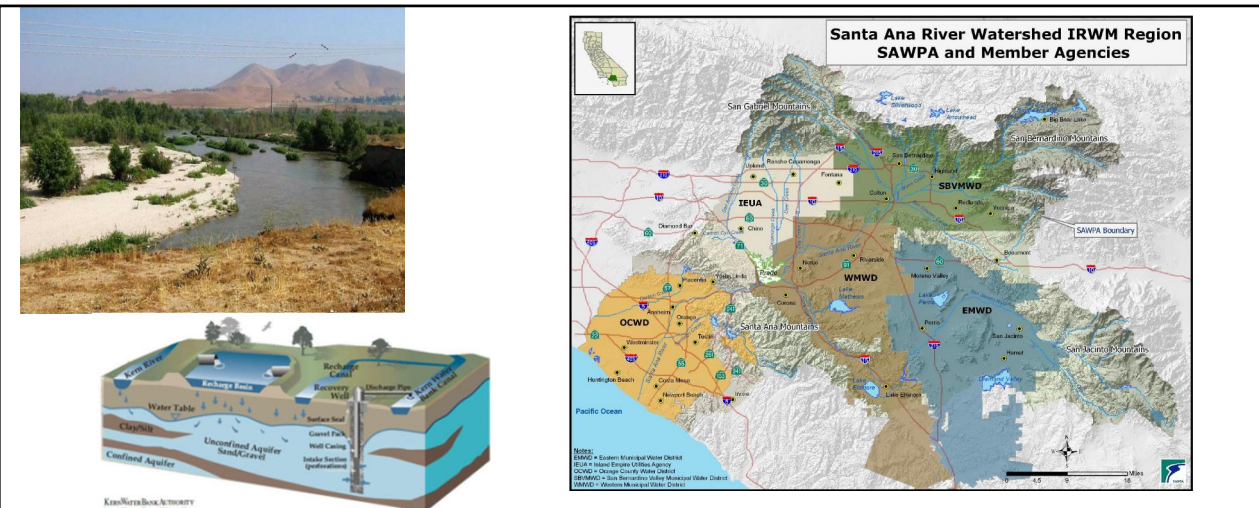
\_\_\_\_\_  
Dated



APPROVED AS TO FORM:

Rutan &Tucker LLP

By: \_\_\_\_\_  
Jeremy Jungreis



**Santa Ana River Watershed IRWM Region  
SAWPA and Member Agencies**

**REVISED SARCCUP-MET AGREEMENT &  
SARCCUP EXCESS SALES AND WATER PURCHASE AGREEMENT**

MWDOC Planning & Operations Committee Meeting  
July 6, 2021

## Agenda

- 💧 Background
- 💧 (1) Highlights of revisions to the SARCCUP-MET Agreement
- 💧 (2) Key terms of the SARCCUP Excess Sales and Purchase Agreement
- 💧 Benefits to Orange County

Agenda

## Background



- 💧 In October 2020, the MWD OC Board approved the GM to execute the SARCCUP-MET Agreement subject to “any non-substantive changes or modifications”
- 💧 Questions were raised about the agreement’s wording regarding the allocation methodology among the SARCCUP Agencies
- 💧 Parties agreed that revisions were needed to avoid any confusion or misunderstanding
  - 🟡 Additional edits were also made to other areas of the agreement
- 💧 Concurrently, the SARCCUP agencies finalized the interagency-SARCCUP Excess Sales and Water Purchase Agreement
  - 🟡 This outlines the terms and conditions of how MWD OC can purchase and acquire excess SARCCUP water

## Overview of SARCCUP Banking Program



- 💧 SARCCUP’s Banking Program is a watershed-scale program that allows imported water to be banked in wet-years to enhance water supply reliability and increase available during dry-year supplies
  - 🟡 Water banking facilities in four locations with coordinated operations can store water in wet years and provide Extraordinary Supply during a Metropolitan Allocation year
- 💧 In all cases, MET purchases surplus water from Valley District
  - 🟡 Metropolitan makes available an amount equivalent to 50% of the amount purchased to the SARCCUP-MET Member Agencies
- 💧 SARCCUP-MET Member Agencies pay MET the full service rate at time of delivery
  - 🟡 No Capacity Charge as the water is purchased at MET’s discretion
  - 🟡 These are MET purchases
    - 🟢 No SARCCUP-MET member agency can purchase water Directly from Valley

## (1) Revision Highlights to the SARCCUP-MET Agreement



### 💧 SARCCUP Water Allocation Methodology

- 🔥 Owners of the SARCCUP Banking Facilities (Western MWD, Eastern MWD, OCWD) are given first opportunity to purchase Valley water from MET
  - 🌱 Up to 50% share of the Valley
- 🔥 Upon “unanimous written agreement” any remaining water could be offered to IEUA and then MWDOC

### 💧 Inclusion of OCWD in the SARCCUP-MET Agreement

- 🔥 Due the revisions it was determined that OCWD should be signatory to the agreement

### 💧 Limiting the SARCCUP program purchases to no greater than 50%

- 🔥 Language was removed to remain consistent with MET’s March Board Action

### 💧 Removal of a Section allowing MET to call on water stored in Valley

- 🔥 MET removed this section due to its complexity and to remain consistent with its policies

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## (2) Key Terms SARCCUP Excess Sales & Water Purchase Agreement



This is a separate agreement describing the terms and conditions of how MWDOC can acquire and purchase excess SARCCUP water:

- 💧 Owners of the SARCCUP Banking Facilities (Western MWD, Eastern MWD, OCWD) shall provide written notification to MWDOC and IEUA of the amount of water they plan to purchase from MET no later than July 15 of each calendar year.
- 💧 Any excess SARCCUP water shall first be made available to IEUA and then MWDOC.
- 💧 Notification of the total purchase amount from all of the SARCCUP Agencies, including MWDOC, must be made to MET no later than August 15 of each calendar year.

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## (2) Key Terms SARCCUP Excess Sales & Water Purchase Agreement



- 💧 Similar to SARCCUP agency purchases, MWDOC's purchases will be at the MET full service untreated or full service treated water rate at the time of the purchase. The Capacity Charge will not apply. Only the RTS will be charged.
- 💧 MWDOC is fully responsible for arranging the storage and recovery of any excess water it purchases. None of the SARCCUP Agencies have an obligation to provide MWDOC with storage, recovery, or use of their facilities.
- 💧 MWDOC agrees that any excess water purchase must be "physically stored within the Santa Ana River Watershed, exchanged with, or loaned to MET under a separate agreement between MWDOC and MET"; and such water must be used within the MET service area.

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## (2) Key Terms SARCCUP Excess Sales & Water Purchase Agreement



- 💧 Any excess water MWDOC purchases may be eligible as Extraordinary Supply, provided it meets the provisions of MET's Water Supply Allocation Plan.
- 💧 The term of this agreement will coincide with to the terms of the SARCCUP-MET agreement (2035 with extension).

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## MET Extraordinary Supply Program Provision



As part of the March MET Board Action, MET created an “Extraordinary Supply Program” whereby allowing Non-SARCCUP Agencies the opportunity to purchase and store MET’s share of the Valley water. Similarly, this water has the ability to qualify as an Extraordinary Supply.

**If MET offer this program to its member agencies, the following conditions apply to MWDOC under the Excess Sales Agreement:**

- 💧 MWDOC will not be eligible to purchase SARCCUP Excess water from the SARCCUP agencies, and will only be eligible to participate in MET’s Extraordinary Supply Program on behalf of its South Orange County Agencies; and
- 💧 If any excess water from the SARCCUP agencies does occur it will be revert to MET for inclusion in their Extraordinary Supply Program.

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## Benefits to Orange County



- 💧 Orange County receives access to State Water Project water (Valley) for drought or emergency purposes
  - 🟡 Purchased from Metropolitan at the full-service rate (via MWDOC)
  - 🟡 Access to Extraordinary Supply Credits
- 💧 Water can be stored locally (up to 36,000 AF in OCWD Basin)
- 💧 MWDOC would have opportunity to purchase excess SARCCUP water and have extraordinary supplies for its service area
- 💧 Also MWDOC would have the opportunity to participate in MET’s Extraordinary Supply Program
- 💧 Through a separate agreement between Metropolitan, MWDOC, OCWD and the three cities. The three MET Cities can receive the benefits of SARCCUP within Orange County



## Next Steps



- 💧 SARCCUP Member Agencies will be executing the Revised SARCCUP-MET Agreement
- 💧 SARCCUP Member Agencies will be seeking approval for the SARCCUP Excess Sales and Water Purchase Agreement
- 💧 Metropolitan, MWDOC, OCWD, and the three cities will be developing a separate agreement on the distribution of extraordinary supplies



## Action Item



### MWDOC Staff Recommendation:

#### Option 1:

*Authorize the General Manager to execute the following:*

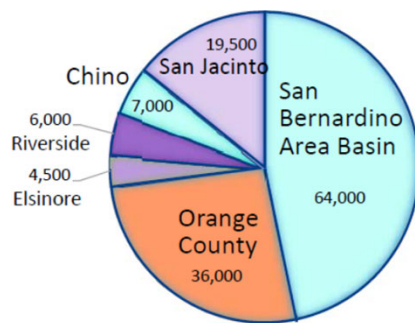
1. *Revised Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) Metropolitan Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC; and*
2. *SARCCUP Excess Water Sales and Purchase Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC.*

## Backup Slides

### SARCCUP Water Bank's Key Elements

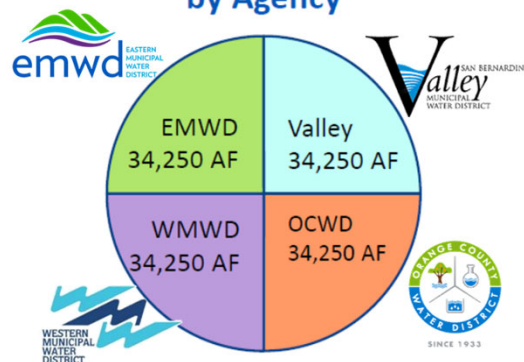


Storage by Location



Total = 137,000 AF

Storage Allocation by Agency



Total = 137,000 AF



## Delivery Methods



### 💧 “Put” Scenarios (Delivery):

- 🔥 **Direct Metropolitan Delivery** – Water purchased by a SARCCUP-MWD Member Agency for direct delivery to its SARCCUP storage facilities
- 🔥 **Indirect Metropolitan Delivery** – Water purchased for one SARCCUP-MWD Member Agency for delivery to another SARCCUP-MWD Member Agency’s storage facilities
- 🔥 **Delivery to Valley** – Delivery of a SARCCUP-MWD Member Agency’s water to Valley District’s SARCCUP recharge facilities (Metropolitan’s “virtual meter”) for storage in the SBBA bank (outside the Metropolitan service area)

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## Ways to Recover the Water



### 💧 “Take” Scenarios (Recovery):

- 🔥 **Direct Local Delivery** – Pumping and direct conveyance of stored water of a SARCCUP-MWD Member Agency using local interagency conveyance facilities
- 🔥 **In-lieu Metropolitan Delivery** – Pumping and local use of water by a SARCCUP-MWD Member Agency (pumping agency) that was previously stored on behalf of another SARCCUP-MWD Member Agency (benefitting agency), accompanied by an equivalent reduction in the pumping agency’s Metropolitan deliveries and an equivalent increase in the benefitting agency’s Metropolitan purchases

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**CONSENT CALENDAR ITEM**

July 21, 2021

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Charles Busslinger, Cathy Harris

**SUBJECT:** **Authorize Increase in Project Budget for the Administration Building Seismic Retrofit and Remodel Project**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors approve an increase in the project budget for the Administration Building Seismic Retrofit and Remodel Project to cover expenses for ADA compliance modifications to the entry door systems and additional work through the remainder of the project in the amount of \$227,711 with a break down as follows:

- Authorize an increase in the Project Contingency Budget in the amount of **\$199,711**.
- Authorize an increase in the IDS Architectural, Space Planning, Interior Design and Construction Administration Services Contract in the amount of **\$28,000** to include additional Architectural, Interior Design and Engineering support services through to the conclusion of the project.

for a revised total Project Budget amount of \$2,266,483.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

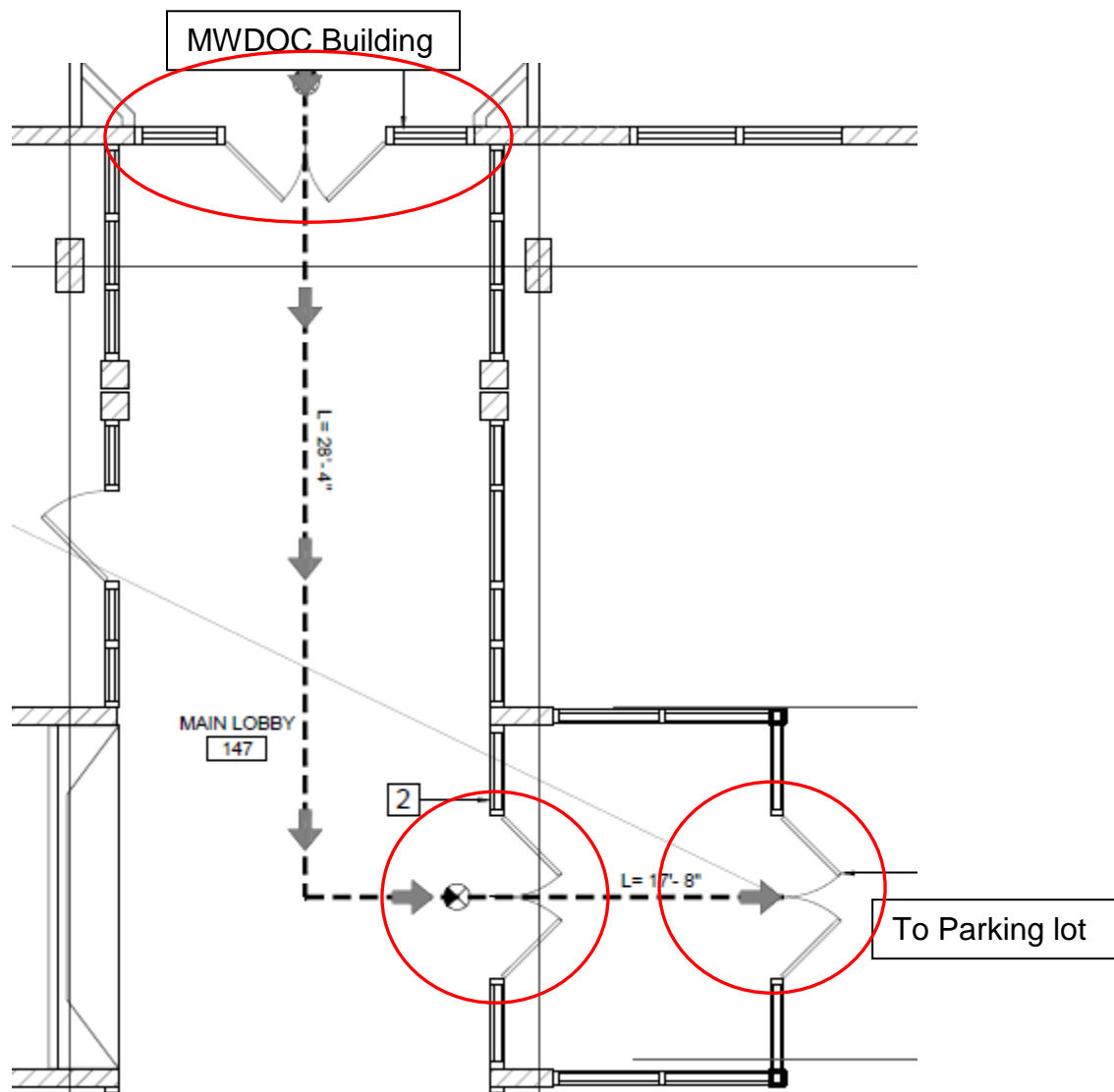
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On October 21, 2020, the Board awarded a construction contract for the MWDOC Administration Building Seismic Retrofit & Remodel Project (Project) in the lump sum amount of \$1,606,878 to Optima RPM, Inc. and established a 20% project contingency

<b>Budgeted (Y/N): N</b>	Budgeted amount:	\$2,038,772	Core X	Choice _
	Unbudgeted amount	<u>\$227,711</u>		
	New Total Project Budget:	\$2,266,483		
<b>Action item amount: \$227,711</b>		Line Item: 19-8811		
<b>Fiscal Impact (explain if unbudgeted):</b> The additional \$227,711 will be taken from reserves.				

budget in the amount of \$321,266. Additionally, the Board approved permitting fees, architectural and construction management support, and IT services for a total Project Budget amount of \$2,038,772. The contingency budget has been utilized during the project to cover multiple differing site conditions and additional work for the project. A summary of these costs are provided at the end of the report.

As stated during the original construction award, ADA compliance modifications to the main lobby double doors was not included in the original scope of work as insufficient information was available at the time of award. After detailed investigation by four teams of Architectural Hardware Consultants, it was determined that additional items are needed to meet both new ADA and fire code compliance requirements. These items include replacement of the MWDOC building doors, and upgrades to both sets of lobby entrance door operator systems which lead from outside of the building into the shared lobby. These doors constitute the main path of egress for the MWDOC building (see figure below).



It was determined that the most cost-effective method to meet ADA and Fire Code compliance is to replace the MWDOC Building entryway doors and sidelights which includes:

- new ADA compliant door hardware,
- additional ADA accessible push plates,
- new door operators that communicate with the fire alarm system,
- new 1-hr fire rated doors,
- new 1-hr rated frames and sidelights,
- a backup battery system to provide 100 door cycles during a power failure per ADA requirements.
- Replacement of a section of lobby tile immediately in front of the building doors

The two sets of lobby doors leading into the shared lobby also require updated ADA accessible push plates and their own door operator battery backup systems. Together all of these door system costs are approximately \$99,000.

Additionally, architectural support services from the Architect of Record, IDS Group, for the project (including services for the above ADA/Fire code door compliance issues, and redesign of structural support systems due to differing site conditions) resulted in the expenditure of more support hours than originally estimated. IDS anticipates needing another \$28,000 to provide construction support services through to the end of the project.

The following table summarizes the additional work completed beyond the original scope of work during Phases 1 & 2, as well as remaining work through to the end of the project. Expenditures for corrections to deficiencies in the existing building structural system discovered during construction, accounted for over 41% of the original contingency budget. With the project contingency budget of \$321,266, an additional \$160,711 is needed to cover the remaining work to complete the project. The majority of unforeseen site conditions have been addressed for all three phases of the project; however, a few additional issues may arise as work progresses to completion. For this reason, staff is recommending the Board authorize an increase of \$160,711 for known work plus an additional \$39,000 to cover any remaining unforeseen issues for a total contingency budget increase of \$199,711.

<b>Additional Project Costs Above Contract Amount</b>	
New Main Entrance and Lobby Door Upgrades	\$ 99,134
Seismic/Structural Work	\$ 134,220
Electrical & Lighting Modifications	\$ 116,031
Finishes (Carpet, paint, restrooms)	\$ 122,922
Additional Framing, Drywall & Soundproofing	\$ 45,646
Other (Building permit, misc. code items)	\$ 34,917
Credits	\$ (70,892)
<b>Balance</b>	<b>\$ 481,977</b>

Current Project Contingency Budget	\$ 321,266
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Difference Between Remaining Work Needed and Contingency Budget	\$ 160,711
Amount Requested to Cover Unforeseen Conditions for Remainder of Project	\$ 39,000
<b>Total Requested Contingency Budget Increase</b>	<b>\$ 199,711</b>
Additional Architectural, Interior Design and Engineering support services	<b>\$28,000</b>
<b>Total Project Budget Increase</b>	<b>\$227,711</b>

## BOARD OPTIONS

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### Option #1

- Approve the increase in project budget

**Fiscal Impact:** \$227,711

**Business Analysis:** Construction is currently underway, and the ADA door modifications are required to receive the certificate of occupancy from the City of Fountain Valley.

### Option #2

- Do not approve the project budget increase and direct staff to explore alternative ADA compliance solutions

**Fiscal Impact:** No increase to project contingency budget

**Business Analysis:** Staff explored a total of three alternative ADA / Fire Code compliance solutions for the building door systems. In addition to the recommended option, staff investigated a roll-up fire door alternative, and a non-glass 'storefront' alternative.

The roll-up fire door proved to be more costly than staff's recommendation as the roll-up fire door would also require an ADA compliant doorway through the fire door as well as a door operator with a 100-cycle battery backup.

A non-glass door and side light alternative is somewhat less expensive than the recommended option, but negatively impacts the look of the MWDOC entrance and therefore was not recommended.

## **STAFF RECOMMENDATION**

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### **Option #1**

# GENERAL MANAGER'S REPORT OF STAFF ACTIVITIES JULY 2021

<b>MWDOC Agencies Managers Meeting</b>	<p>MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on Thursday, June 17, 2021.</p> <p><b>In attendance were:</b> R. Correa – Brea, M. McGee – Buena Park, D. Cafferty – ETWD, M. Dunbar – Emerald Bay SD, K. Vecchiarelli – Golden State WC, A. Papa &amp; C. Davis – Huntington Beach, P. Weghorst – IRWD, K. Van Der Maaten – Laguna Beach CWD, P. Shoenberger – Mesa Water, J. Cruz, L. Rocha &amp; K. Young, M. Collings – Moulton Niguel WD, S. Catron – Newport Beach, M. Markus, K. O'Toole &amp; A. Hutchinson &amp; J. Kennedy – Orange County WD, J. Diaz – Orange, L. Brotman - San Clemente, D. Ferons &amp; J. Leach – Santa Margarita WD, S. Myrter – Seal Beach, G. Pennington – South Coast WD, F. Paludi – Trabuco Canyon WD, M. Grisso – Tustin, S. Miller – Westminster, R. Weston – Yorba Linda WD, M. Moore - Anaheim</p> <hr/> <p><b>Staff in attendance were:</b> R. Hunter, H. De La Torre, H. Baez, A. Heide, C. Lingad, C. Busslinger, T. Baca, D. Harrison</p> <p><b>Information/Discussion Items:</b></p> <ul style="list-style-type: none"> <li>• MWDOC Board Draft Agendas</li> <li>• MWDOC's Role &amp; Discussion Process</li> <li>• Metropolitan Updates <ul style="list-style-type: none"> <li>○ New General Manager</li> <li>○ Drought Messaging</li> </ul> </li> <li>• Value of Water Supply Reliability Orange County Business Survey</li> <li>• SCAQMD Proposed Amendment to Rule 1470</li> <li>• Emergency Backup Generator Use</li> <li>• COVID Update and Return to Office Discussion</li> </ul> <p><b>Update Items:</b></p> <ul style="list-style-type: none"> <li>• Water Policy Dinner</li> <li>• LRP Labor Hours Survey Reminder</li> </ul> <p>The next meeting will tentatively be held on July 22, 2021.</p>
<b>Meetings</b>	<ul style="list-style-type: none"> <li>• MWDOC staff, along with ABS Consulting, IDS Group, and Optima RPM, participated in several construction progress meetings in the month of June regarding the admin building seismic retrofit and remodel. Weekly progress meetings will continue through the completion of the project.</li> <li>• Charles Busslinger attended MET's Member Agency Engineering Managers Forum on June 24, 2021.</li> <li>• Chris Lingad attended the Aliso Creek Watershed Collaboration Group meeting on June 24, 2021.</li> <li>• Harvey De La Torre and Chris Lingad provided training to CBMWD staff regarding MET's capacity charge on June 29, 2021.</li> </ul>

## ENGINEERING & PLANNING

<b>Economic Benefit Studies and Modeling Work to Quantify the Benefits of Local Projects in the Context of MET's 2020 Integrated Resources Plan (IRP)</b>	<p>MWDOC staff is working with the Brattle Group and CDM Smith on the Economic Benefits Studies and modeling work. In this process, the consulting team is working with MWDOC and the member agencies regarding the survey of businesses in Orange County.</p> <p>CDM Smith completed modeling work for updated water demand analyses for Orange County retail agencies. Preliminary results were presented to MWDOC's member agencies at the Managers Meeting on January 21, 2021. Final reports have now been completed. These analyses support the 2020 Urban Water Management Plans and provide information for the Economic Benefits study.</p> <p>Wallace Walrod, an economist for Orange County Business Council and sub-consultant for the Brattle Group, is leading the business survey portion of the economic benefit studies. A draft of the business survey has been completed and presented to the member agencies to obtain input during the Member Agency Managers Meeting on June 17, 2021. Cal State University, Fullerton's Social Science Research Center, is conducting the business survey.</p> <p>Staff is meeting with a few member agencies who expressed interest in providing additional input for improvements to the survey.</p> <p>The current schedule anticipates completing the survey of 400 Orange County businesses by September 2021 and completing the economic studies report by November 2021.</p>
<b>OC-70 Meter Testing Update</b>	<p>MWDOC staff continues to work with staff from MET and EOCWD on finalizing the investigation of the accuracy of the billing meter at Service Connection OC-70. Final testing for the OC-70 meter at the Utah Water Research Lab (UWRL) has been completed. Staff is awaiting the final report from MET, which MET indicated would be available July 9, 2021.</p>
<b>OC Hydraulic Model</b>	<p>Black &amp; Veatch (B&amp;V) has constructed and calibrated the hydraulic model using Innovyze's InfoWater modeling platform. Staff and B&amp;V are currently working with member agencies to define potential project scopes of work. Staff has reviewed the draft hydraulic model report.</p>
<b>Doheny Ocean Desalination Project</b>	<p>South Coast Water District (SCWD) continues to develop the Doheny Ocean Desalination Project. SCWD is currently working through multiple due diligence items to move the project forward, including; permitting, plant sizing and siting, financing, and project delivery method. SCWD anticipates having all necessary permits by the end of the 1st Quarter of 2022 and estimates an online date of early 2026 if approved by the SCWD Board.</p>
<b>SMWD San Juan Watershed Project</b>	<p>Santa Margarita WD continues to focus on diversifying its water supply portfolio toward obtaining a goal of 30% local supplies. The San Juan Watershed Project is one project SMWD is working on toward that goal.</p>



<b>Strand Ranch Project</b>	IRWD will be presenting the Strand Ranch project at the July MWDOC Agencies Managers Meeting.
<b>Poseidon Resources Huntington Beach Ocean Desalination Project</b>	<p>On April 29, 2021, the Santa Ana Regional Water Quality Control Board (SARWQCB) conditionally renewed Poseidon's permit governing the seawater intake and waste discharges. The SARWQCB order requires Poseidon to minimize negative impacts on marine life by directing them to undertake a series of mitigation measures and prohibiting the intake of seawater and the discharge of concentrated brine until certain conditions are met.</p> <p>To comply with the plan's requirements, Poseidon agreed to install fine mesh, wedge wire screens on the plant's intake pipe and affix a diffuser to its discharge structure to reduce marine mortality and impacts of the brine effluent to the ocean. Poseidon also agreed to expand its mitigation plans at the Bolsa Chica Wetlands to achieve 59.2 acres of mitigation credit and create an artificial reef offshore of Palos Verdes to restore the rocky reef habitat buried by recent landslides for an additional 41.3 acres of mitigation credits.</p> <p>To incentivize Poseidon to implement the mitigation measures as quickly as possible, the order prohibits the facility from intaking seawater and discharging return water into the ocean until they have completed several permit requirements to the satisfaction of the SARWQCB, including; developing cost estimates, timeline estimates, and completing 60 percent design plans for the mitigation projects.</p> <p>The next step for Poseidon includes seeking permits from the California Coastal Commission (CCC).</p>
<b>Other Shutdowns</b>	<p><b>Orange County Feeder</b></p> <p>MET plans to reline and replace valves in a section of the Orange County Feeder from Bristol Ave to Corona Del Mar – this is the last section of this 80-year-old pipeline to be lined.</p> <p>MET has further delayed the relining project and has proposed new shutdown dates of September 15, 2022, through June 15, 2023.</p> <p><b>Orange County Feeder Extension</b></p> <p>MET plans to reline 300-linear feet of the OC Feeder extension affecting the City of Newport Beach, IRWD, and LBCWD.</p> <p>MET has delayed the relining project by one year and has proposed new shutdown dates of June 16, 2023, through July 10, 2023.</p>

## MET ITEMS CRITICAL TO ORANGE COUNTY

<b>MET Finance and Rate Issues</b>	<p><b><u>Current Update</u></b></p> <p>Water Transactions for April 2021 totaled 134.4 thousand acre-feet (TAF), which was 0.1 TAF lower than the budget of 134.5 TAF. This translates to \$119.2 million in revenues for April 2021, which were \$2.5 million lower than the budget of \$121.7 million.</p> <p>Year-to-date water transactions through April 2021 were 1,278.5 TAF, which was 38.0 TAF lower than the budget of 1,316.5 TAF. Year-to-date water revenues through April 2021 were \$1,127.4 million, which was \$42.2 million lower than the budget of \$1,169.6 million.</p> <p>On April 2, 2021, Metropolitan executed an extension of the term of the \$271,815,000 Special Variable Rate Water Revenue Refunding Bonds, 2020 Series B, to April 2, 2024, at a rate of 0.46 percent. The bonds were purchased by Wells Fargo Municipal Capital Strategies, LLC, for a one-year term, in April 2020, at a rate of 1.04 percent. Compared with last year's financing, Metropolitan's treasury staff locked in a 0.58 percent lower rate for an additional three-year term. The proceeds of that financing refunded all of Metropolitan's outstanding self-liquidity variable rate debt.</p> <p>Metropolitan staff prudently manages the investment of Metropolitan's funds in accordance with policy guidelines and liquidity considerations. As of April 30, 2021, Metropolitan's investment portfolio balance was \$1,341.1 million.</p>
<b>MET General Manager Recruitment Process</b>	<p>On June 8, the Metropolitan Board approved the contract for the new general manager, Adel Hagekhalil. Mr. Hagekhalil will be the 14<sup>th</sup> general manager of the district's 93-year history.</p> <p>Los Angeles Mayor Eric Garcetti appointed a registered civil engineer and board-certified environmental engineer, Mr. Hagekhalil, in 2018 to lead StreetsLA. This department manages and maintains Los Angeles' vast network of streets and urban forests, including climate adaptation and multi-benefit integrated active transportation corridors. Previously, he served for nearly ten years as assistant director of Los Angeles' Bureau of Sanitation, leading the city's wastewater collection system, stormwater and watershed protection program, water quality compliance, and facilities and advanced planning. Additionally, he helped develop the city's 2040 One Water LA Plan, which takes a regional watershed approach to integrate water supply, water reuse, water conservation, stormwater management, and wastewater facilities planning.</p> <p>Mr. Hagekhalil has also served for more than a decade as a board member on the National Association of Clean Water Agencies, including a term as president, and was named a Water Environment Federation fellow in 2019.</p>

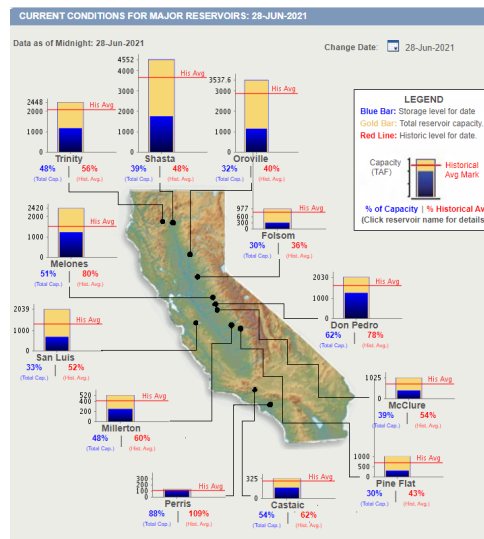
<b>MET General Manager Recruitment Process - continued</b>	Mr. Hagekhalil has been invited to speak at MWDOC's August 4 <sup>th</sup> Joint Board Workshop.
<b>MET Review of Equal Employment Opportunity Policies and Practices</b>	<p>Metropolitan's Board of Directors and executive management are taking steps to foster and ensure a workplace that values equity, inclusion, and diversity – both in policy and in practice.</p> <p>The Metropolitan Board responded to employee comments alleging systemic harassment by authorizing Metropolitan's Ethics Officer in November 2020 to enter into a contract with Shaw Law Group, a certified women-owned business enterprise with extensive expertise in Equal Employment Opportunity issues. The firm is currently conducting an independent and thorough review of allegations of systemic Equal Employment Opportunity-related discrimination, harassment, retaliation, and related concerns.</p> <p>To help ensure greater transparency and accountability, a <a href="#">microsite</a> has also been created on Metropolitan's website that includes information about the Board's actions, policies, correspondence, and related matters.</p> <p>Tentatively scheduled for July 22, there will be an update on the Diversity, Equity, and Inclusion Council and the Independent Review of Workplace Concerns with outside firm Shaw Law Group (SLG) at a Special Organization, Personnel and Technology Committee meeting. Due to Board availability, this meeting date may be modified.</p>
<b>MET Integrated Resources Plan Update</b>	<p>At the June 22 Integrated Water Resources Plan (IRP) Committee meeting, the Metropolitan staff presentation focused on the refined gap analysis for each of the four scenarios. Metropolitan staff also highlighted that the analysis, at this point, can be considered sufficient to allow resource portfolios (e.g., actions). The next steps will include the adaptive management approach and consideration of no-regrets actions.</p> <p>MWDOC's delegates touched on the importance of storage concerning climate change impacts. Noting that, experience has taught us that dry-year storage reserves can diminish quickly. There are portions of the Metropolitan system that specifically depend on State Water Project storage supplies.</p> <p>Metropolitan staff also highlighted in response that following the completion of the IRP, they would embark on a system overview study to address operational constraints.</p> <p>Below is a link to the full meeting broadcast  <a href="http://mwdh2o.granicus.com/MediaPlayer.php?view_id=12&amp;clip_id=9089">http://mwdh2o.granicus.com/MediaPlayer.php?view_id=12&amp;clip_id=9089</a></p> <p>More information and background on Metropolitan's IRP can be found at:  <a href="http://www.mwdwatertomorrow.com/IRP/index.html">http://www.mwdwatertomorrow.com/IRP/index.html</a></p>

### MET's Water Supply Conditions

The 2020-21 Water Year (2020-21 WY) officially started on October 1, 2020. Thus far, the Northern California accumulated precipitation (8-Station Index) reports **23.11 inches or 47% of normal** as of June 28th. For 2020-21 WY, the Northern Sierra Snow Water Equivalent peaked at **20.2 inches on March 24th**, which is **71% of normal** for that day. Due to the below-average precipitation/snowfall in 2020-21 WY, the Department of Water Resources (DWR) has set the State Water Project (SWP) **"Table A" allocation at 5%**. This allocation provides Metropolitan with approximately **96,575 AF in SWP deliveries this water year**. DWR's SWP Allocation considers several factors, including existing storage in SWP, conservation reservoirs, SWP operational, regulatory constraints, and the 2021 contractor demands. A Table A allocation of 5% is tied for the lowest allocation dating back to 1968. The last time DWR had a Table A Allocation of 5% was in 2014.

The snowpack is measured across four states in the Upper Colorado River Basin on the Colorado River system. The Upper Colorado River Basin Snow Water Equivalent reported 16.4 inches as of April 1st, which is 86% of normal for that day. The Upper Colorado River Basin accumulated precipitation is reporting 18 inches or 72% of normal as of June 28th. Due to the below-average precipitation/snowfall in 2020-21 WY, there is now a **97% chance of a shortage at Lake Mead in 2022** and a 94% chance of shortage in 2023.

As of June 28th, Lake Oroville storage is at **32% of total capacity and 40% of normal**. As of June 28th, San Luis Reservoir has a current volume of **33% of the reservoir's total capacity and is 52% of normal**.

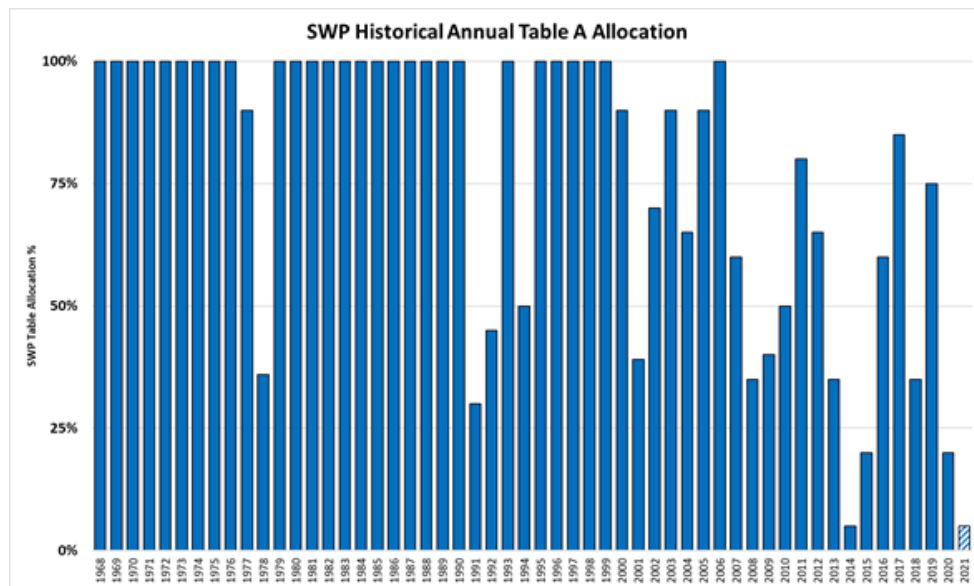
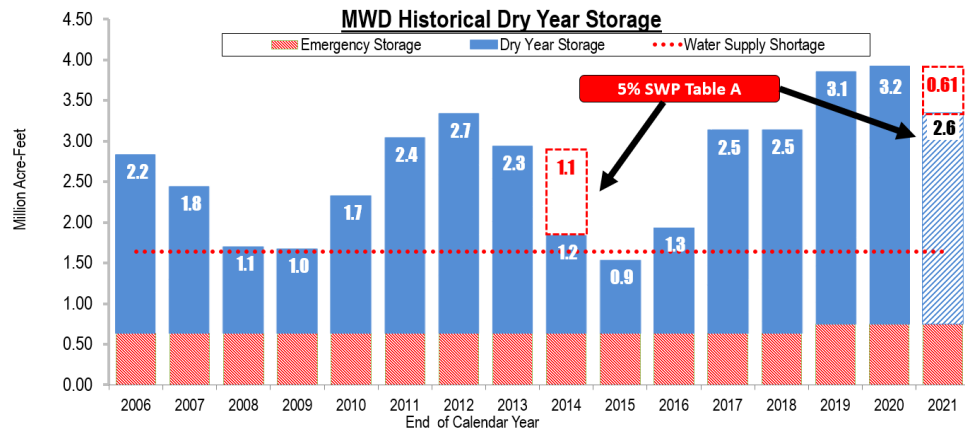


With estimated total demands and losses of 1.75 million acre-feet (MAF) and a 5% SWP Table A Allocation, Metropolitan is projecting that demands will exceed supply levels in Calendar Year (CY) 2021. Based on this, the estimated total dry-year storage for Metropolitan at the end of **CY 2021 will go down to approximately 2.6 MAF**.

A projected dry-year storage supply of **2.6 MAF will be the fourth-highest amount for Metropolitan, a very impressive accomplishment given that the last two years have been exceptionally dry in Northern California**. A large factor in maintaining a

### MET's Water Supply Conditions - continued

high water storage level is lower than expected water demands. We are seeing regional water demands reaching a 38-year low.



### Colorado River Issues

#### Agreement to Share Lake Mead Intentionally Created Surplus Storage Space

Metropolitan is working with the Arizona Department of Water Resources (Arizona), Southern Nevada Water Authority (SNWA), and the Colorado River Commission of Nevada to develop an agreement that would allow the parties to share Intentionally Created Surplus (ICS) accumulation space in Lake Mead through 2026. Currently, Lake Mead elevations are declining, while at the same time, Arizona and SNWA are close to running out of ICS accumulation space. Based on the U.S. Bureau of Reclamation's (Reclamation) May 2021, 24-Month Study, the first-ever shortage declaration is projected to happen in 2022. This agreement will encourage Arizona and SNWA to conserve and store ICS in Lake Mead, which will help to reduce the decline of Lake Mead elevations. This agreement protects Metropolitan's ability to store the full amount of ICS that it may create, as provided in the Lower Basin Drought Contingency Plan, and enhances flexibility for the parties to store ICS through the end of the Interim Period in 2026.

<b>Colorado River Issues - continued</b>	<p><b><u>Metropolitan and PVID Agree on Voluntary Fallowing Program</u></b></p> <p>In anticipation of implementing an agreement with Reclamation, SNWA, and Central Arizona Water Conservation District (CAWCD) to fund additional fallowing in the Palo Verde Valley this year, Metropolitan and Palo Verde Irrigation District (PVID) agreed on terms to implement a voluntary short-term fallowing program. Currently, due to Metropolitan's significant storage balance in Lake Mead, the fallowing call in PVID is set to be at the minimum level starting in August of this year. At the same time, Lake Mead's total storage is dropping and is anticipated to reach the lowest level on record this June. To augment Lake Mead storage, Reclamation, SNWA, CAWCD, and Metropolitan are considering a system conservation agreement to fund additional land fallowing in PVID, with the conserved water remaining in Lake Mead as system water. If approved, those parties would begin funding additional fallowing this August.</p> <p>In Metropolitan's fallowing agreement with PVID, Metropolitan makes a fallowing call one year in advance, and the fallowing level this August was made in July of 2020. To increase fallowing for a system conservation agreement this August, a new agreement is needed with PVID. Under the terms of the agreement, participating farmers would voluntarily fallow additional lands to meet the new fallowing call and have the option of beginning the additional fallowing the first of any month from August through December of 2021. Payments to the farmers would be prorated based on the number of months the land was fallowed. Lands that Metropolitan owns would also be included in the program at the same fallowing level. The new agreement will only be implemented if the agencies considering the system conservation agreement execute a funding agreement.</p>
<b>Delta Conveyance Activities and State Water Project Issues</b>	<p><b><u>Delta Regulatory Activities</u></b></p> <p>Metropolitan staff participates in the collaborative groups called for in the 2019 Biological Opinions (BiOp) for the State Water Project (SWP) and Central Valley Project, and in the 2020 Incidental Take Permit (ITP) for Long-term Operation of the SWP, to address science needs and inform management and operation of the water projects. In May, Metropolitan staff coordinated with state and federal agencies' staff to develop a Juvenile Production Estimate (JPE) for Spring-run Chinook salmon as a condition required by the ITP. The JPE is needed to provide the scientific basis for the "take" level at the export pumps. Metropolitan staff also participated in the Delta Coordination Group as part of the BiOp implementation and provided written comments on the summer/fall habitat action science and monitoring plans. These science planning and monitoring documents are being developed to guide the collection of data that are needed to assess the outcomes of BiOp and ITP actions.</p> <p><b><u>Delta Conveyance</u></b></p> <p>The California Department of Water Resources (DWR) is continuing to develop an Environmental Impact Report (EIR) under the California Environmental Quality Act (CEQA). DWR is continuing discussions with the local communities in the Delta to develop a Community Benefits Program as part of the Delta Conveyance Project to help protect and enhance the cultural, recreational, natural resource, and agricultural values of the Delta. DWR conducted interviews, one tribal workshop, and three public workshops to have discussions and obtain feedback.</p> <p>Field activities, including cone penetration tests, soil borings, and geophysical surveys, under the Initial Study/Mitigated Negative Declaration for Soil</p>

<b>Delta Conveyance Activities and State Water Project Issues – continued</b>	<p>Investigations in the Delta, are underway. DWR added a link<sup>1</sup> to their public website to help provide information to interested members of the public and will update a map weekly showing the near-term planned explorations.</p> <p>DWR is continuing to pursue permits for soil survey sites that fall under the jurisdiction of the Rivers and Harbors Act (Section 408). Additionally, DWR and the Delta Conveyance Design and Construction Authority (DCA) continue to obtain temporary entry for these soil surveys on private lands. Investigations at any given site will not occur until property owners are notified, and required permits and approvals for that site are obtained.</p> <p><b><u>Joint Powers Authorities</u></b></p> <p>During the May 20 DCA Board of Directors Meeting, the board continued to discuss the draft budget for the fiscal year 2021/22 in the amount of \$21.5 million. The final budget approval was scheduled for the June DCA meeting, which will reflect any refinements or modifications requested by the board or DWR and results from renegotiations of current contracts. There is currently an underspend of approximately \$1.5 million for this fiscal year, which could roll over to be available for the next fiscal year if the DCA Board approves. Planned technical work in the upcoming year will largely focus on studies to support preparing the Draft CEQA documents, continued execution of the geotechnical program, and consideration of a range of refinements to be further evaluated during the final design.</p> <p>The DCA Board approved a resolution modifying the DCA Stakeholder Engagement Committee (SEC) size to reduce the SEC from twenty members to its current size of seventeen, including the 15 SEC committee members, the Chair, and the Vice-Chair. This action was taken in response to three SEC members' recent resignations for various reasons, addressing a potential quorum issue and recognizing that the DCA has received SEC input and submitted most of its engineering work to DWR to support its environmental analysis.</p> <p>There were no DCA SEC meetings scheduled in May. Possible topics scheduled for the next SEC meeting scheduled for June 23, 2021, included the Community Benefits Framework and an update to design changes.</p> <p>The Delta Conveyance Finance Authority regularly scheduled May meeting was canceled.</p> <p><b><u>Sites Reservoir</u></b></p> <p>In their May meetings, the Sites Project Authority Board (Authority Board) and the Sites Reservoir Committee (Reservoir Committee) authorized the Executive Director to execute an amended Federal Financial Assistance Agreement with the U.S. Bureau of Reclamation (Reclamation). The 2020 federal budget appropriated \$13.7 million in Water Infrastructure Improvement for the Nation Act funds toward the Sites Reservoir Project (Project). Approximately \$10.4 million of the total appropriation is expected to be directly reimbursable to the Authority Board. The remaining \$3.3 million is retained for Reclamation staff.</p>
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<b>Delta Conveyance Activities and State Water Project Issues – continued</b>	<p>The Authority Board and Reservoir Committee also provided input on the fundamental elements of the water rights application being prepared for eventual submittal to the State Water Resources Control Board. These elements include the purpose of use and the points of redirection. A survey was sent to Reservoir Committee members to assess if any other additional points of redirection will be needed to ensure water can be delivered to Project participants.</p> <p>The Authority Board and Reservoir Committee heard an update on the Revised Draft EIR/Supplemental Draft Environmental Impact Statement on the approach for Project commitments, key outcomes of the construction-related chapters and, local issues and challenges. They also heard an update regarding the California Water Commission Proposition 1 Water Storage Investment Program Feasibility Report development.</p> <p><b><u>Science Activities</u></b></p> <p>Metropolitan staff continued participating in the Collaborative Science and Adaptive Management Program (CSAMP), including participation on the Collaborative Adaptive Management Team (CAMT). At the May 18 meeting, CAMT focused on Delta smelt science activities. CAMT reviewed a draft presentation on Delta smelt management and science activities, discussed the findings and recommendations of a report prepared for CAMT that assessed the pilot implementation of the Delta Smelt Science Plan completed in 2019, and provided input on the draft CSAMP Organizational Framework for Delta Smelt.</p> <p>Metropolitan staff is helping to lead a CSAMP effort to collaboratively develop a scientific definition of salmon recovery, expressed as a suite of clear, measurable objectives and landscape-level quantitative targets. A series of technical workshops to develop this definition is being planned for the following year.</p> <p>The California Department of Fish and Wildlife and Reclamation works with other state and federal agencies to conduct a Biological Monitoring Survey Design Review, focused on five pelagic Bay-Delta surveys of fish and their prey. The review's objective is to improve the utility, increase efficiency, reduce redundancy among the aquatic species surveys, and improve designs to better meet management needs. Metropolitan staff participated in meetings and coordinated with other water agencies to provide written comments on the review. Initial recommendations from the review are expected this summer.</p> <p><b><u>Delta Flood Emergency Management Plan</u></b></p> <p>DWR utilizes a real-time earthquake intensity notification system that sends alerts of ground motions at important locations throughout the Delta, providing essential information to emergency operations managers regarding potential impacts to Delta levees. This automated system, called the U.S. Geological Survey Earthquake Notification Service, is used by DWR and Delta emergency response partners. DWR is interested in Metropolitan's ShakeCast notification system, which provides earthquake intensity and damage assessments at identified Metropolitan infrastructure locations. Metropolitan staff collaborates with DWR on these efforts.</p> <p>In addition to major centralized stockpile sites currently in place to support flood-fighting and emergency freshwater pathway actions at Rio Vista and Stockton in the Delta, DWR plans to place flood fight supplies in the Delta at locations providing</p>
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<b>Delta Conveyance Activities and State Water Project Issues - continued</b>	<p>more localized access during future flood emergencies. A regional emergency material storage depot Memorandum of Agreement (MOA) has been approved by the Sacramento County Office of Emergency Services (grant administrator on behalf of DWR) and Reclamation District 756 for approximately \$1 million to place materials on Bouldin Island (Metropolitan owned), which is near potential channel closure locations that facilitate freshwater pathway flows along Middle and Old Rivers in response to large seismic emergencies.</p> <p>DWR hosts a Delta Working Group on Delta Emergency Preparedness every quarter at locations throughout the Delta region with the five Delta counties, California Office of Emergency Services (CalOES), DWR, and Metropolitan as participants to coordinate emergency planning activities and to understand the different roles and responsibilities during a catastrophic flood event in the Delta. A Delta Working Group tabletop flood emergency exercise was conducted through a series of four meetings throughout 2019-2021, focusing on the roles and responsibilities of levee maintaining agencies, operational area emergency responders, DWR, CalOES, and other state and federal agencies in response to a multi-hazard, multi-jurisdictional event in the Delta region.</p> <p>A DWR interdivisional flood emergency exercise was also conducted to address the Delta Flood Emergency Management Plan (DFEMP) implementation and include a subsequent after-action report. Information gathered from these exercises and other comments received on the DFEMP will be incorporated in supplements and revisions to the DFEMP.</p>
<h2 style="text-align: center;">EMERGENCY PREPAREDNESS</h2>	
<b>COVID-19 (Corona Virus) Coordination</b>	<ul style="list-style-type: none"> <li>• WEROC monitors the State and County for changing information and shares information with agencies focused on the June 15th State re-opening changes and the Cal OSHA COVID Emergency Temporary Standards 3205 on June 17th.</li> <li>• On 6/7, CDPH issued the updated mask guidance for the general population that aligns with the CDC. In this order, business, when the public enters, has a choice to implement the following: (1) allow people to self-attest they are vaccinated; (2) Check Vaccination Status; (3) require everyone entering to wear a mask. **Note that this is not for employees/employers who still have to follow the OSHA guidance 3205 as indicated in the CDPH guidance.</li> <li>• On 6/11, the Governor issued Executive Order N-08-21, which, ahead of the June 15th reopening of the state, outlines all the previous EO issues and which is remaining and what is terminating. The 13-page document has been sent to the WEROC point of contact and outlines important aspects of the documents, including the 9/30/21 termination for the Water non-payment and disconnection EO N-42-20 and the Brown Act Exception N-35-20</li> <li>• ETS 3205 remained a moving target leading up to June 15th Reopening. At the 6/3 OSHSB Board Meeting, the Board initially voted down the new regulations but rescinded that decision and approved the amended standards. On 6/7, the California Department of Public Health sent a letter to OSHSB regarding the amendments and the face-covering/mask and fully vaccinated requirements. A special meeting was then held on 6/9, where once again, the ETS was rescinded,</li> </ul>

<b>COVID-19 (Corona Virus) Coordination - continued</b>	<p>and another new version will come before the board on 6/17. The revised standard was approved on 6/17 and sent to the OAL, so the soonest it would be in effect is 6/28/21. To bridge this two-week gap, Governor Newsom issued Executive Order N-09-21, so the standard would go into effect immediately on 6/17.</p> <ul style="list-style-type: none"> <li>• The bullets below outline the key changes in the ETS 3205 in which all businesses, public or private, including special districts and city agencies, must follow: <ul style="list-style-type: none"> <li>○ Fully vaccinated employees do not need to be offered testing or excluded from work after close contact unless they have COVID-19 symptoms.</li> <li>○ Fully vaccinated employees do not need to wear face coverings except for specific situations during outbreaks and in settings where CDPH requires all persons to wear them. Employers must document the vaccination status of fully vaccinated employees if they do not wear face coverings indoors.</li> <li>○ Employees are not required to wear face coverings when outdoors regardless of vaccination status except for certain employees during outbreaks.</li> <li>○ Employees are explicitly allowed to wear a face-covering without fear of retaliation from employers.</li> <li>○ Physical distancing requirements have been eliminated except where an employer determines a hazard for certain employees during major outbreaks.</li> <li>○ Employees who are not fully vaccinated may request respirators for voluntary use from their employers at no cost and without fear of retaliation from their employers.</li> <li>○ Their employer must offer employees who are not fully vaccinated and exhibit COVID-19 symptoms testing.</li> <li>○ Employer-provided housing and transportation are exempt from the regulations where all employees are fully vaccinated.</li> <li>○ Employers must review the Interim guidance for Ventilation, Filtration, and Air Quality in Indoor Environments.</li> <li>○ Employers must evaluate ventilation systems to maximize outdoor air and increase filtration efficiency and evaluate the use of additional air cleaning systems.</li> </ul> </li> <li>• The County Vaccine Incident Management Team changed its structure from Orange County Fire Authority, leading the team back to the Health Care Agency with the closure of the County Mega PODs as the focus has transitioned to mobile PODs are targets vaccination in conjunction with the vaccine available thru medical providers and pharmacies.</li> <li>• WEROC continues to hold bi-weekly conference calls on Tuesdays with member agencies, as requested by the agencies, to support sharing information, and WEROC is providing updated information as received.</li> <li>• WEROC continues to support agencies with COVID-19 related questions and guidance needs.</li> <li>• WEROC coordinated with the Statewide Logistics Task Force in conjunction with the California Governor's Office of Emergency Services. They authorized all local government emergency management agencies to request a 30-day sustainment supply of Personal Protective Equipment (PPE). This 30-day</li> </ul>
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<b>COVID-19 (Corona Virus) Coordination - continued</b>	<p>supply may be used to stock disaster caches or used in daily operations, supporting the new ETS 3205 standards. For now, this is a one-time initiative planned to end June 30, 2021, but may be re-assessed later. Daniel ensured agencies were aware and supported the execution of the requests with the state. Additionally, WEROC, as the sponsor, was able to support non-government member agencies with requests to ensure they have PPE on hand for critical infrastructure staff. On 6/24, WEROC received over 340,000 pieces of PPE that have already been distributed to member agencies.</p> <ul style="list-style-type: none"> <li>On 6/24, Vicki attended the OCWD/MWDOC Building Management Committee to update the MWDOC COVID Plan. Vicki worked with Paula from OCWD staff to ensure that the appropriate documents to access the campus are included and implemented. MWDOC Staff is being trained and updated on this plan during the staff meetings and by a memo from HR regarding the vaccine verification process. Any staff member who wishes to use a respirator voluntarily is being directed to WEROC for coordination.</li> </ul>
<b>June Incidents/ Events</b>	<p><b>Chlorine and Sodium Hypochlorite Shortage</b></p> <ul style="list-style-type: none"> <li>On 6/17, WEROC's Department of Homeland Security Critical Infrastructure Point of Contact made notification of a chlorine shortage in California, which may affect water/wastewater operations. In mid-June caused a chlorine supply disruption to water and wastewater facilities in Washington, Oregon, Idaho, and parts of California. In mid-June, the root cause was an electrical failure at Westlake Chemical, a manufacturing facility in Longview, Washington. The Oregon Department of Emergency Management is reporting that the Longview plant is offline until the end of June and that Westlake Chemical is actively evaluating its options to bring this plant back online and help supply chlorine through the market. WEROC, also serving as the CalWarn Region 1 co-chair working with CA-NV AWWA, CWEA, CASA, ACWA, and California State Water Board Office of Emergency Services staff, has coordinated efforts via phone calls on 6/21, 6/23, and 6/28.</li> <li>On 6/17, WEROC surveyed agencies who use Chlorine and/or Sodium Hypochlorite or other critical chemicals regarding their supply chain impacts. WEROC contacted those agencies who indicated they were at a crucial supply shortage to ensure they had a contingency plan in place or if they needed mutual aid support.</li> <li>On 6/17, Vicki also spoke with MET, inquiring about the agencies who use Chlorine Gas and their status. Vicki also provided a briefing on the coordination calls.</li> <li>On 6/23, Longview Westlake Chemical was "back up and running by way of the Oregon Office of Emergency Management." It could take up to 20 days for supplies to return to normal levels. In the interim, member agencies were made aware that <a href="#">Section 1441 of the Safe Drinking Water Act</a> (pg. 75 of the Act) sets the legal means for a water utility to have a supplier/manufacture provide that utility with a product that is in short supply; it prioritizes critical utilities over other less essential items and is supported by the Defense Production Act. The entire process for an order to be issued to a producer/manufacture can take several days to a couple of weeks. Depending on the location of the supplier, delivery time and repackaging needs may also affect processing time. Agencies were briefed on this proceed utilizing email and during the WEROC Coordination Call on 6/22. It was stressed using this process could take up to weeks to go thru the federal channels, so planning is critical, and coordination</li> </ul>

<b>June Incidents/ Events - continued</b>	<p>with WEROC is important. WEROC will continue to monitor this situation throughout the summer.</p> <p><b>June Heat Event – CAISO Flex Notifications</b></p> <ul style="list-style-type: none"> <li>On 6/16, Vicki attended the National Weather Service Heat Update and Webinar for the June event, and this Webinar covered the outlook for the rest of June going into July.</li> <li>Vicki was monitoring the trigger levels for CAISO in the event any coordination needed to occur.</li> </ul> <p><b>June 73 &amp; 133 Fire</b></p> <ul style="list-style-type: none"> <li>On 6/16 at approximately 1545 hours, a brush fire started in the area of the 73 and 133 state routes. An agency inquired regarding the status of the fire. Vicki sent out an information update to the three main agencies surrounding the area and followed up with a phone call to OCFA and those agencies to ensure they did not have any needs or impacts.</li> </ul> <p><b>Suspicious Activity</b></p> <ul style="list-style-type: none"> <li>On 6/15, Vicki worked with a water agency that had a suspicious incident. Vicki coordinated information to the OCIAC, who was able to vet the information, and the suspicious activity was unfounded following investigation on the same day. This is an important example of the “See something, Say something” campaign.</li> </ul> <p><b>CalWARN Mutual Aid Request – Drought</b></p> <ul style="list-style-type: none"> <li>On 6/7, Vicki received a CalWARN request due to the drought from Sonoma County that was shared with all agencies. Sonoma County has proclaimed a local emergency due to drought conditions and is an affected county under the Governor’s emergency proclamation. Sonoma Water was specific materials prompted by a substantial time delay in delivery.</li> </ul>
<b>Coordination/ Participation With Member Agencies And Outside Agencies</b>	<ul style="list-style-type: none"> <li>Cyber activity is still very active. Daniel continues to share the information received from the OCIAC and DHS and speak with agencies regarding this issue, and aid with assistance as needed.</li> <li>On 6/2, Vicki attended AQMD Workshop affecting the process and procedure development concerning Public Safety Power and the emergency generator use focusing on the amending rule 461 – gasoline transfer and dispensing.</li> <li>On 6/3, Vicki and Daniel attended the virtual Orange County Emergency Management Organization (OCOMO) meeting. The training presentation focused on alert and warning and communications, and the speaker was the PIO from the County of Riverside.</li> <li>On 6/10, Vicki attended the OCOMO Leadership and Exercise Design Committee. The Operational Area Public Information Officer All Day workshop that was canceled last year because of COVID is being rescheduled for the beginning of 2022.</li> <li>On 6/10, Vicki has a meeting with the Cal Fire Chiefs' new Emergency Management Section Leadership. While the California Emergency Management Association prompted this meeting, Vicki is the current State Board President. It has a nexus for coordination with the water sector and the emergency management points of contact with CalWARN. Part of this is to</li> </ul>

<b>Coordination/ Participation With Member Agencies And Outside Agencies - continued</b>	<p>assist the sworn personnel within the fire organizations to understand how to reach out to all disciplines emergency managers to assist with coordination and understanding of duties.</p> <ul style="list-style-type: none"> <li>• On 6/16, Vicki attended the CAISO Summer Readiness Overview briefing. This presentation highlighted the different levels that CAISO works under and how communications would be made.</li> <li>• On 6/16, Vicki attended the National Weather Service Heat Update and Webinar for the first June event, and this Webinar covered the outlook for the rest of June going into July.</li> <li>• On 6/16, Vicki was invited and attended the Statewide OA Managers Meeting. Vicki was asked to speak about the drought and discuss the actions in which water agencies are currently taking and the current and future outlook of the water system. Vicki provided links to how the water system works statewide as many new emergency managers at the county level were not around for the last drought. Part of this discussion also revolved around coordination between the state and local entities, including water agencies and local government emergency managers.</li> <li>• On 6/23, WEROC attended the Operational Area Technology Subcommittee. This meeting covers the regional projects, including AlertOC and WebEOC (See planning efforts section).</li> <li>• Daniel and Vicki reviewed SMWD's Upper OSO Dam Emergency Action Plan.</li> </ul>
<b>America's Water Infrastructure Act (AWIA) Project</b>	<ul style="list-style-type: none"> <li>• WEROC and its consultant, Herndon Solutions Group (HSG), work with WEROC agencies to comply with America's Water Infrastructure Act (AWIA).</li> <li>• Tier II agencies. At the time of this report, all agencies are ready to submit their Emergency Response Plans due June 30, 2021.</li> <li>• Tier III agencies. At the time of this report, all agencies are ready to submit the RRA due June 30, 2021.</li> <li>• The last phase for Tier III ERPs is beginning for the last portion of the AWIA phase 3 work.</li> <li>• Vicki is working with HSG and will be scheduling final training on the project based on the AWIA contract scope of work, including an overview of any compliance changes from the AWIA 2020 update. Agencies will be briefed on maintaining the integrity of their documents, including handling PRA requests for documents containing confidential or sensitive information.</li> </ul>
<b>Planning Efforts</b>	<ul style="list-style-type: none"> <li>• AlertOC - Janine has been working with the Operational Area on the list of current water districts using the AlertOC system. WEROC will be coordinating the MOU with those agencies and requiring updated training for those using this system.</li> <li>• WEROC Emergency Operational Plan – Daniel has completed the main edits to the body of the document. Daniel and Janine are working on the position checklists and attachments, including enhancing the position binders that are one of the WEROC goals and part of the Assessment Report. Develop a "Just in Time" training guide for the front of the position guides explaining the contents, using the binder, and the EOP.</li> <li>• Cyber Security – Daniel reached out to member agencies inquiring on who has specific cybersecurity analysts. This research is part of the regional cybersecurity annex in coordination with the OCIAC. This planning process will assist agencies at all levels in innovations and ever-evolving practices.</li> </ul>

<b>Planning Efforts - continued</b>	<ul style="list-style-type: none"> <li>• Procedural Documents Updated – Vicki updated the following procedural documents, and Janine has uploaded them into Safety Center and is exchanging these in the EOC position binders.</li> <li>• AlertOC Water Agency Procedures and Notification Templates</li> <li>• Disaster Finance Documents</li> <li>• WEROC Radio System SOP and Radio Protocols</li> <li>• Requesting Activation of the WEROC EOC</li> <li>• Requesting Mutual Aid</li> <li>• Water Liaison to an ICP</li> </ul>
<b>Emergency Operations Center Readiness And Systems</b>	<ul style="list-style-type: none"> <li>• Daniel continues ongoing maintenance of the EOC systems to ensure WEROC maintains the operational function for the EOC. During June, Daniel repaired the aging UHF OA Radio power supply that is over ten years old.</li> <li>• Janine continues to update member agency contact information, as there has been an increase in people leaving agencies this past month.</li> <li>• Janine coordinated the transfer of the old MWDOC furniture no longer in use from the remodel. Repurposing this furniture at the WEROC EOC accomplished enhancing workstations from the old furniture capabilities that were in place before.</li> </ul>
<b>Training and Exercises</b>	<p>WEROC conducted/hosted the following training this past month:</p> <ul style="list-style-type: none"> <li>○ 6/29 Fire Awareness and Safety Training</li> </ul> <p>Look ahead to July Trainings:</p> <ul style="list-style-type: none"> <li>○ 7/27 G611M - EOC Management Section Overview</li> <li>○ 7/28 G611O – EOC Operations Section Overview</li> <li>○ 7/29 G611P – EOC Planning Section Overview</li> </ul> <p>Save the Date WEROC Symposium will be held in person on September 29th. Vicki is currently finalizing the speakers for the event, including:</p> <ul style="list-style-type: none"> <li>○ Florida Water Agency Cyber Incident</li> <li>○ Texas Warn and actions during the 2021 Freeze</li> <li>○ Water Resource Typing Toolkit</li> <li>○ Northern California Drought Response</li> </ul> <ul style="list-style-type: none"> <li>• Vicki procured technology equipment allowing WEROC to conduct classes in a hybrid format using both traditional classroom style and an online platform at the same time.</li> <li>• Daniel has completed his final paper for the National Emergency Management Advanced Academy (NEMAA) class he is currently enrolled in. This academy course will further enhance Daniels' experience and professional career. Daniel has one more class to complete before completing the academy training series.</li> </ul>

<b>WATER USE EFFICIENCY</b>	
<b>Project Agreement 22 Meeting</b>	<p>On June 8, Joe Berg and Rachel Waite attended the Project Agreement 22 Meeting, hosted by Santa Ana Watershed Project Authority (SAWPA). Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Water Efficiency Budget Assistance Project – Approval of Sub-Agreement Amendment with Orange County Water District to contract with the MWDOC for approximately \$118,000 in funding to implement the SARCCUP Water Use Efficiency Budget Assistance Task in North Orange County.</li> <li>• Enhancements to Watershed-Wide Water Budget Decision Support Tool Project Update</li> </ul> <p>The next meeting is scheduled for August 10.</p>
<b>Metropolitan Water District of Southern California Water Use Efficiency Program Advisory Committee</b>	<p>On June 9, Rachel W. attended the Metropolitan Water Use Efficiency Program Advisory Committee (WUE PAC). Topics discussed included:</p> <ul style="list-style-type: none"> <li>○ Metropolitan Support for Dedicated Irrigation Meter Area Measurements (as required by the Conservation Framework). Rachel W. presented an overview of the recommendations from the MWDOC-led sub-PAC on this topic</li> <li>• Two-tiered Large Landscape Surveys</li> <li>• Second Rebates for Devices</li> <li>• CII Washing Machines</li> </ul> <p>The next meeting is scheduled for September 1.</p>
<b>Department of Water Resources (DWR) Water Use Study Group - Variances and Bonus Incentives</b>	<p>On June 10, Joe, Rachel W., Andrea Antony-Morr, and Sam Fetter represented MWDOC at DWR's Variances and Bonus Incentives Water Use Study Group meeting. Member Workgroup meeting (in relation to the establishment of Conservation Framework standards and methodologies), a closed session meeting open only to working group members. Topics were discussed included:</p> <ul style="list-style-type: none"> <li>• Variance – Seasonal Population</li> <li>• Variance – Emergency (Earthquakes and Fire)</li> <li>• Variance – Dust Control</li> <li>• Potable Reuse Bonus Incentive</li> </ul> <p>Each topic was discussed in individual Zoom breakout rooms and was covered by an MWDOC Staff Member to provide feedback and input.</p> <p>Following the Workgroup Member closed session, Joe, Rachel W., Andrea, Sam, and Beth attended the open stakeholder meeting focused on the same topics. Summaries of the closed sessions were provided in addition to the next steps.</p> <p>The next Variances and Bonus Incentive meeting will be held on July 21.</p>

<b>Orange County Data Acquisition Partnership (OCDAP)</b>	<p>On June 14 and July 8, Rachel W. participated in the OCDAP working group, a regional effort to cost-share the acquisition of high-resolution aerial imagery and related products. Attendees included staff from MWDOC, Southern California Association of Governments, Center for Demographic Research, Orange County Fire Authority, Orange County Water District, Orange County Public Works, and the City of Yorba Linda. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Deliverables and Flight Status Update</li> <li>• Timeline to Receive Data</li> <li>• OCDAP Cycle 1 Participation Agreement Tracking Log</li> <li>• OCDAP Cycle 1 Payment Log</li> <li>• OCDAP Cycle 2</li> <li>• USGS FY20/21 Broad Agency Application for Lidar Funding</li> </ul> <p>The next meeting is scheduled for August 9</p>
<b>North Orange County Integrated Regional Watershed Management (IRWM) Ad Hoc Committee Meeting</b>	<p>On June 15, Rachel W. attended the North Orange County (OC) Integrated Regional Water Management (IRWM) Ad Hoc Committee meeting. The purpose of the Ad Hoc is to complete specific work products on behalf of the North OC IRWM Stakeholder group, which includes reviewing the procedure for prioritizing and selecting projects in preparation for the Proposition 1 Round 2 project selection process. The Ad Hoc is made up of staff from the following stakeholders: Orange County Public Works, Orange County Parks, MWDOC, Orange County Water District, Orange County Sanitation District, Irvine Ranch Water District, and the City of Santa Ana. The County is working with Geosyntec as a consultant on this project. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Scope of Enhancing Project Ranking Approach</li> <li>• Review of Implications of the Project Ranking Approach</li> <li>• Review and Selection of Enhancements to Project Ranking Approach</li> <li>• Populate Enhancements to Project Ranking Approach</li> <li>• Next Steps</li> </ul> <p>The next meeting is scheduled for August 10.</p>
<b>Metropolitan Water Use Efficiency Workgroup Meeting</b>	<p>On June 17, Joe, Rachel D., Beth, Rachel W., Sam, and Andrea participated in Metropolitan's Water Use Efficiency Workgroup meeting. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Conservation Board Report</li> <li>• DWR Indoor Water Use Study Comment Letter</li> <li>• Program and Inspections Updates</li> <li>• Long Beach Water's Direct Installation for Multi-Family Efficiency</li> <li>• San Diego County Water Authority's Stacked Incentives Program</li> <li>• Santa Margarita Water Districts Model of State's Water Use Objective Against Agency 2020 Water Use</li> </ul> <p>The next Workgroup meeting is scheduled for July 15.</p>



<b>Landscape Stakeholder Advisory Group</b>	<p>On June 22, Beth attended the Landscape Stakeholder Advisory Group. The purpose of this meeting was to discuss updates to the development of the MWELo Guidebook. Topics discussed included:</p> <ul style="list-style-type: none"> <li>• MWELo Guidebook for Local Agencies</li> <li>• MWELo Implementation Survey</li> <li>• Senate Bill 1383</li> <li>• Simplifying MWELo per the Governor's 2020 Directive</li> </ul> <p>This meeting occurs quarterly, and the next meeting is not yet scheduled.</p>
<b>Apartment Association of Orange County Utilities Webinar</b>	<p>On June 23, Rachel W. represented MWDOC on a panel hosted by the Apartment Association of Orange County. Rachel was joined by Southern California Edison and Southern California Gas representatives to present and discuss water and energy efficiency rebates and programs.</p>
<b>Orange County Water Use Efficiency Coordinators Workgroup</b>	<p>On June 23, Joe, Beth, Rachel W., Andrea, and Rachel D. hosted the Orange County Water Use Efficiency Coordinators Workgroup meeting via Zoom. Highlights on the agenda included:</p> <ul style="list-style-type: none"> <li>• MWDOC Updates</li> <li>• Agency Problem Solving Roundtable</li> <li>• Metropolitan Update <ul style="list-style-type: none"> <li>○ Inspections</li> </ul> </li> <li>• Residential Water Use Study Results</li> <li>• SB606/AB 16678 Standards Assessment</li> <li>• CalWEP Update</li> <li>• Future Agenda Items</li> </ul> <p>The next Workgroup meeting is scheduled for August 5.</p>
<b>California Water Efficiency Partnership (CalWEP) Program Committee Meeting</b>	<p>On June 24, Beth attended the CalWEP Program Committee meeting. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• CalWEP Updates <ul style="list-style-type: none"> <li>○ Implementation Guides Drought Toolkit</li> <li>○ Peer to Peer Highlights</li> <li>○ IRWUS Comment letter</li> <li>○ Leak Programs – Presentation w/ Q&amp;A</li> <li>○ MWD Leak Rebate</li> <li>○ CalWEP's Flume Direct Distribution Program &amp; Pilot Leak Detection Certification Training Program</li> </ul> </li> <li>• Task Force Updates</li> <li>• Roundtable: What are you doing to step up during the drought?</li> <li>• Announcements</li> </ul> <p>The next Program Committee meeting is scheduled for August 19.</p>

<b>Aliso Creek Watershed Collaboration Group Meeting</b>	<p>On June 24, Andrea and Sam attended the Aliso Creek Watershed Collaboration Group Meeting. This group is working with stakeholders to develop and implement a collaborative project coordination process that balances water resource and habitat priorities in the region, with an initial focus on the Aliso Creek Watershed. MWDOC participates in sharing information on reducing urban runoff. Topics discussed included:</p> <ul style="list-style-type: none"> <li>• Group Discussion: Next Steps of Mini Regional Curve and Example Concept Designs for Lower Aliso Creek</li> <li>• Additional Stakeholder Opportunities</li> </ul>
<b>SAWPA One Water One Watershed (OWOW) Stakeholder Meeting</b>	<p>On June 24, Rachel W. attended the SAWPA OWOW Stakeholder meeting, which is currently focused on Proposition 1 Round 2 funding. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Updated schedule from DWR regarding Proposition 1 Round 2 funding</li> <li>• Review of the available grant funding for Round 2 and the updated schedule for the OWOW process,</li> <li>• Review of possible updates from DWR that could modify some of the requirements for Round 2</li> <li>• Review of the Round 2 rating and ranking criteria, along with funding categories for small and large projects and Disadvantaged Communities</li> <li>• Input from Stakeholders</li> </ul> <p>The next meeting has not yet been scheduled.</p>
<b>DWR Water Use Studies Group – Commercial, Industrial, and Institutional (CII) Performance Measures Workgroup</b>	<p>On June 28, Joe and Rachel W. represented MWDOC at DWR's CII Performance Measures Workgroup meeting (in relation to the establishment of Conservation Framework standards and methodologies), a closed session meeting open only to working group members. Topics discussed included:</p> <ul style="list-style-type: none"> <li>• CII Water Classification Systems</li> <li>• Best Management Practices Related to CII Landscape with Dedicated Meters (specifically related to the threshold of requiring a dedicated meter for a landscape)</li> </ul> <p>Each topic was discussed in individual Zoom breakout rooms and was covered by an MWDOC Staff Member to provide feedback and input.\</p> <p>Following the Workgroup Member closed session, Joe, Rachel W., Andrea, Sam, and Beth attended the open stakeholder meeting focused on the same topics. Summaries of the closed sessions were provided in addition to the next steps.</p> <p>The next CII Performance Measures Workgroup meeting has not yet been scheduled.</p>
<b>DWR Standards and Methodologies Workshop – Outdoor Water Use Standard</b>	<p>On June 30, Joe, Rachel W., Andrea, and Sam attended the DWR Standards and Methodologies Workshop. This was the third meeting of the technical workgroup focused on informing stakeholders of the development of the outdoor water use standard recommendation. The meeting focused on recapping the methodologies used and efforts to develop the standard, presenting preliminary results and DWR's proposed provisional standard, and engaging stakeholders in the discussion. Agenda topics included:</p>

<b>DWR Standards and Methodologies Workshop – Outdoor Water Use Standard - continued</b>	<ul style="list-style-type: none"> <li>• Overview and Orientation to the Outdoor Water Use Standard Recommendation Development Process</li> <li>• Outdoor Water Use Standard Analytical Considerations <ul style="list-style-type: none"> <li>○ Current Status of Outdoor Water Use</li> <li>○ Model Water Efficient Landscape Ordinance (MWELO) Guidelines</li> <li>○ Land Cover Type</li> </ul> </li> <li>• Provisional Recommendation for the Outdoor Water Use Standard</li> <li>• Next Steps</li> </ul> <p>The next Outdoor Water Use Standard Workshop is not yet scheduled.</p>
<b>MWDOC Consultant Services for Dedicated Irrigation Meters (DIM) Area Measurements – Retailer Workshop</b>	<p>On July 1, Joe, Rachel W., and Andrea hosted a Workshop for MWDOC Consultant Services for DIM Area Measurements, which was attended by approximately 35 staff members representing 18 Orange County retailers. MWDOC has contracted with NV5 Geospatial (formerly Quantum Spatial) to provide the retailers with landscape area measurements for dedicated irrigation meters to support AB 1668 and SB 606 (Conservation Framework). The workshop goals were to share updates and details about the Project; introduce retailer staff to the consultant; provide high-level workflow concepts, answer questions and promote discussion about the Project. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Conservation Framework Overview</li> <li>• Project Overview <ul style="list-style-type: none"> <li>○ Costs</li> <li>○ Agency Onboarding</li> <li>○ Administrative Timeline</li> </ul> </li> <li>• Agency-NV5 Workflow <ul style="list-style-type: none"> <li>○ Source Data Gathering</li> <li>○ Deliverable Overview</li> <li>○ Agency Project Timeline</li> </ul> </li> <li>• Discussion and Questions</li> </ul>
<b>Flume, Inc., and City of Brea Discussion</b>	<p>On July 6, Joe and Rachel W. met with staff from Flume, Inc., and the City of Brea to discuss potentially expanding MWDOC's Flume Program into City of Brea's service territory. Topics discussed included an overview of Flume, marketing possibilities, and product-meter compatibility</p>
<b>Alliance for Water Efficiency (AWE) Research Committee Meeting</b>	<p>On July 8, Rachel W. attended the AWE Research Committee Meeting. Topics on the agenda included:</p> <ul style="list-style-type: none"> <li>• Research Committee Activity</li> <li>• Research Committee 2021 Work plan</li> <li>• AWE Project Updates</li> <li>• CalWEP Research and Evaluation Committee</li> <li>• Committee Member Research Activity Updates</li> </ul> <p>The next meeting is scheduled tentatively for August 18.</p>

<b>PUBLIC/GOVERNMENT AFFAIRS</b>	
<b>Member Agency Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>Created content for regional Drought messaging and 2021 Drought Media Kit</li> <li>Attended MWDOC Member Agency Managers meeting and provided an update on drought messaging and the upcoming MWDOC Water Policy Forum &amp; Dinner</li> </ul> <p>Government Affairs Staff:</p> <ul style="list-style-type: none"> <li>Circulated the monthly grants tracking and acquisition report with member agencies</li> <li>Provided an update on the SCAQMD proposed amendments to amended Rule 1470/new rule 118.1 at the MWDOC Member Agency GM's meeting</li> <li>Shared updated information with the member agency shutoffs group regarding funding for unpaid utility bills</li> </ul>
<b>Community Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>Delivered 2021 Water Awareness Poster Contest prizes to all 40 winners</li> <li>Prepared a water 101+ presentation for Director Dick and the Lincoln Club of Orange County</li> </ul> <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>Coordinated logistics with staff with the South Orange County Economic Coalition to have MWDOC participate in their monthly program – Navigating the Waters of South Orange County</li> </ul>
<b>Education</b>	<p>Public Affairs Staff</p> <ul style="list-style-type: none"> <li>Met with Metropolitan Water District of Southern California (Metropolitan), Los Angeles Department of Water and Power, and California Environmental Education Foundation to discuss speakers and logistics for the Water-Energy Education Alliance (WEEA) Leadership Roundtable Meeting #8</li> <li>Met multiple times with Don Jones, Center for Water Studies at Cuyamaca College, to discuss his presentation at the WEEA Leadership Roundtable Meeting #8</li> <li>Prepared, hosted, and led the Water-Energy Education Alliance (WEEA) Leadership Roundtable Meeting #8</li> <li>Prepared and distributed flyer with new sponsor levels for WEEA</li> <li>Met with Metropolitan and Alison Loukeh &amp; Associates to discuss two water workshops for high school science teachers this summer</li> <li>Attended Metropolitan's Education Coordinators monthly meetings</li> <li>Met with Orange County Department of Education regarding MWDOC Choice School Programs</li> </ul>

<b>Education - continued</b>	<ul style="list-style-type: none"> <li>• Finalized MWDOC Choice School Program commitments with participating Orange County water providers</li> <li>• Attended Orange County Business Council's Workforce Development meeting</li> <li>• Participated in California Environmental Literacy Initiative (CAELI) Career Technical Education (CTE)/Green Career Education Innovation Hub meeting</li> <li>• Attended and participated in CAELI Leadership Council meeting</li> </ul>
<b>Media Relations</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Prepared and distributed content for social media</li> </ul>
<b>Special Projects</b>	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Completed several website updates and created two (2) new landing webpages for Save Water and Drought information</li> <li>• Made several database contact list updates</li> <li>• Participated in the Fire Safety Training</li> <li>• Received all orders of MWDOC giveaway items for the 2020-2021 fiscal year</li> <li>• Attended Harassment Prevention with Liebert Cassidy Whitmore</li> <li>• Coordinated event logistics with The Westin South Coast Plaza Hotel for the July 14 Water Policy Forum &amp; Dinner</li> <li>• Accepted ongoing registration and completed a variety of event logistics for the July 14 Water Policy Dinner</li> <li>• Made several contact list updates</li> <li>• Updated landscape flags for Water Use Efficiency</li> </ul> <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Sent and responded to emails regarding ISDOC</li> <li>• Staffed the WACO Planning Committee meeting</li> <li>• Reviewed and edited the ISDOC Executive Committee minutes</li> </ul>
<b>Legislative Affairs</b>	<p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> <li>• Attended the CMUA Regulatory and Legislative Committee meetings</li> <li>• Worked with BB&amp;K on advocacy efforts for SB 323 (Caballero)</li> <li>• Attended the AWWEE Women in Policy virtual forum</li> <li>• Participated in the ACWA/CMUA SB 200 implementation working group meeting</li> <li>• Participated in the Metropolitan member agency legislative call</li> <li>• Attended the ACWA State Legislative Committee meeting</li> <li>• Participated in the Southern California Water Coalition Legislative Task Force</li> </ul>

**INFORMATION CALENDAR**

**MWDOC GENERAL INFORMATION  
ITEMS**

**MWDOC BOARD OF DIRECTORS**

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