

MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the
PLANNING & OPERATIONS COMMITTEE
July 6, 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:

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

P&O Committee:

Director Yoo Schneider, Chair
Director Nederhood
Director Seckel

Staff: R. Hunter, J. Berg, V. Osborn,
H. De La Torre, T. Dubuque,
D. Micalizzi, H. Baez, T. Baca

Ex Officio Member: Director Tamaribuchi

MWDOC Committee meetings are noticed and held as joint meetings of the Committee and the entire Board of Directors and all members of the Board of Directors may attend and participate in the discussion. Each Committee has designated Committee members, and other members of the Board are designated alternate committee members. If less than a quorum of the full Board is in attendance, the Board meeting will be adjourned for lack of a quorum and the meeting will proceed as a meeting of the Committee with those Committee members and alternate members in attendance acting as the Committee.

PUBLIC COMMENTS - Public comments on agenda items and items under the jurisdiction of the Committee should be made at this time.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED - Determine there is a need to take immediate action on item(s) and that the need for action came to the attention of the District subsequent to the posting of the Agenda. (Requires a unanimous vote of the Committee)

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>.

ACTION ITEM

1. WATER USE EFFICIENCY POTENTIAL AND OPPORTUNITIES STUDY
2. APPROVE THE REVISED SARCCUP-MET AGREEMENT & APPROVE THE SARCCUP EXCESS SALES AND WATER PURCHASE AGEEMENT

DISCUSSION ITEMS

3. UPDATE ON COVID-19 (ORAL REPORT)
4. MWDOC DROUGHT MESSAGING
5. MEMBER AGENCY LETTER OF SUPPORT RE WEROC EMERGENCY OPERATIONS CENTER

INFORMATION ITEMS (The following items are for informational purposes only – background information is included in the packet. Discussion is not necessary unless a Director requests.)

6. LOCAL LEGISLATIVE ACTIVITIES
 - a. County Legislative Report (Lewis)
 - b. Legal and Regulatory Report (Ackerman)
7. MWDOC CHOICE SCHOOL PROGRAMS UPDATE
8. OC WATER SUMMIT UPDATE
9. JULY 14 WATER POLICY FORUM FEATURING JEFF KIGHTLINGER
10. STATUS REPORTS
 - a. Ongoing MWDOC Reliability and Engineering/Planning Projects
 - b. WEROC
 - c. Water Use Efficiency Projects
 - d. Public and Government Affairs
11. 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

NOTE: At the discretion of the Committee, all items appearing on this agenda, whether or not expressly listed for action, may be deliberated, and may be subject to action by the Committee. On those items designated for Board action, the Committee reviews the items and makes a recommendation for final action to the full Board of Directors; final action will be taken by the Board of Directors. Agendas for Committee and Board meetings may be obtained from the District Secretary. Members of the public are advised that the Board consideration process includes consideration of each agenda item by one or more Committees indicated on the Board Action Sheet. Attendance at Committee meetings and the Board meeting considering an item consequently is advised.

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 telephoning 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.



ACTION 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

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

Committee recommends (To be determined at Committee Meeting)

SUMMARY

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).

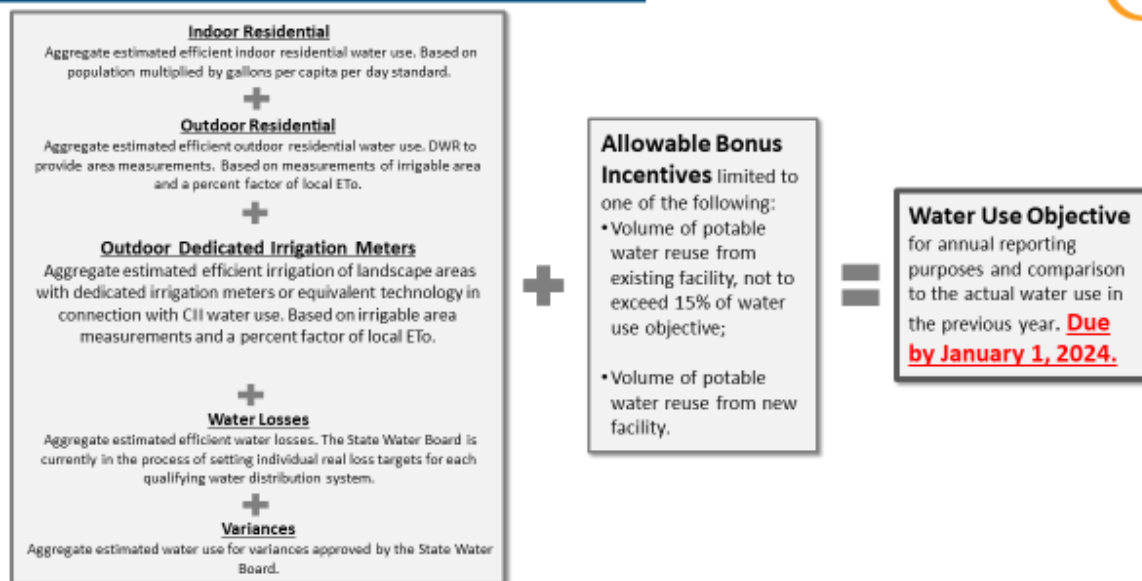
The Framework is focused on urban retail water suppliers serving 3,000 customers or 3,000 acre-feet of water annually. This captures all retail agencies in Orange County with the exception of Serrano Water District. Wholesale water agencies, like MWD OC, are not subject to the Framework. However, MWD 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

Budgeted (Y/N): Yes	Budgeted amount: \$100,000	Core <u> X </u>	Choice <u> </u>
Action item amount: \$100,800		Line item: 35-7040	
Fiscal Impact (explain if unbudgeted): 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.

Figure 1: Urban Water Use Objective Calculation



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

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

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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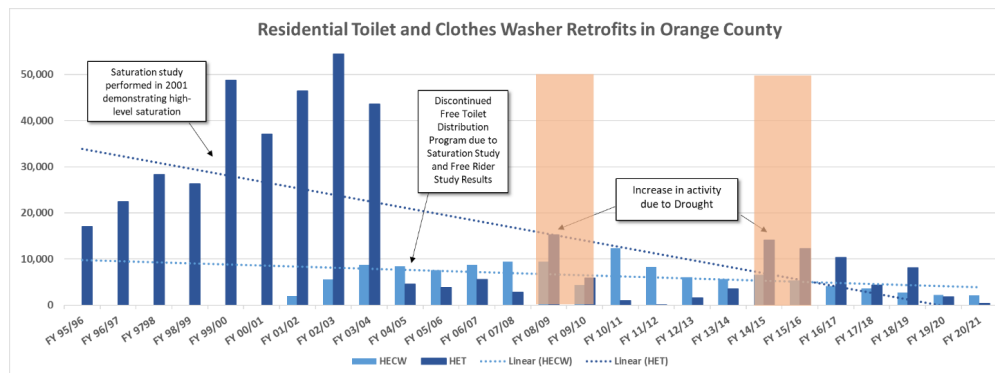
Robert J. Hunter
General Manager

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

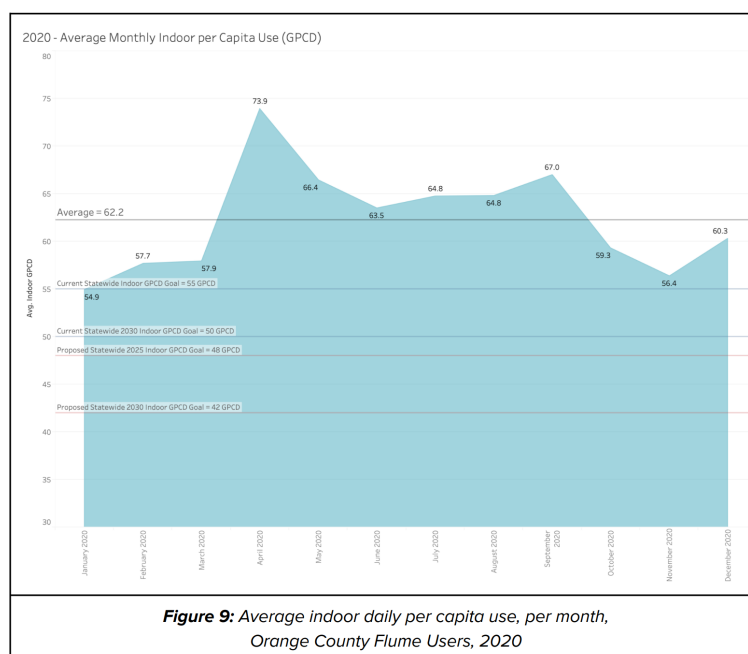
If You Build It, They May Not Come

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.



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



ACTION 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

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 MWD OC; 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 MWD OC.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The purpose of this report is to (1) highlight key revisions of the SARCCUP-MET Agreement since the MWD OC 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 MWD OC 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

The SARCCUP-MET Agreement will allow the four SARCCUP MET Member Agencies¹ 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.

¹ 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 OCWD²); 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.

² 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

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

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 1st 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 15th 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, 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

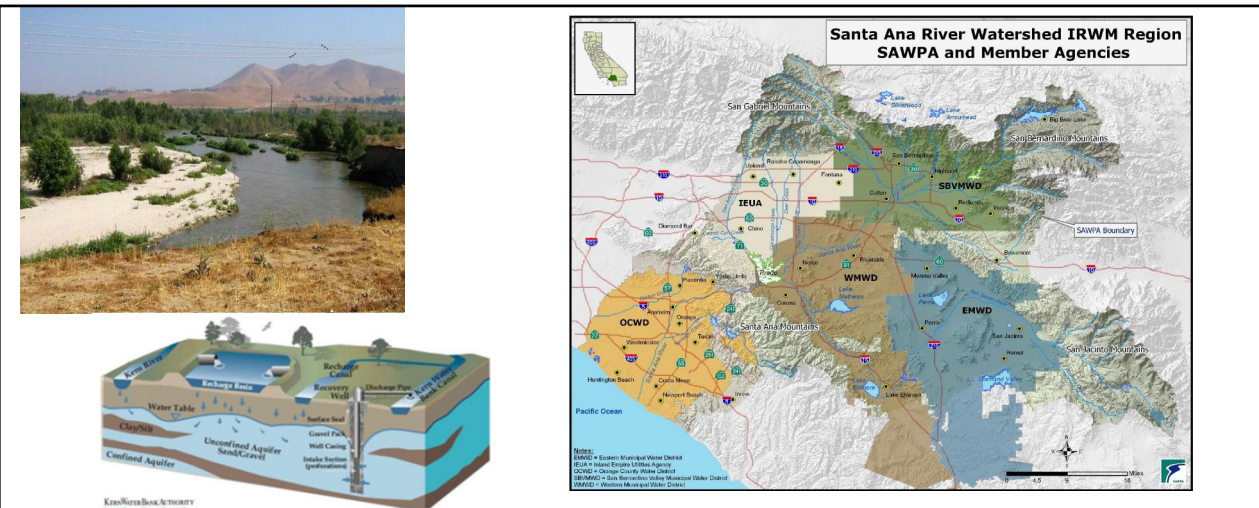
Dated

General Manager

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.

7

(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).

8

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 MWD OC under the Excess Sales Agreement:

- 💧 MWD OC 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.

9

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 MWD OC)
 - 💧 Access to Extraordinary Supply Credits
- 💧 Water can be stored locally (up to 36,000 AF in OCWD Basin)
- 💧 MWD OC would have opportunity to purchase excess SARCCUP water and have extraordinary supplies for its service area
- 💧 Also MWD OC would have the opportunity to participate in MET’s Extraordinary Supply Program
- 💧 Through a separate agreement between Metropolitan, MWD OC, 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:

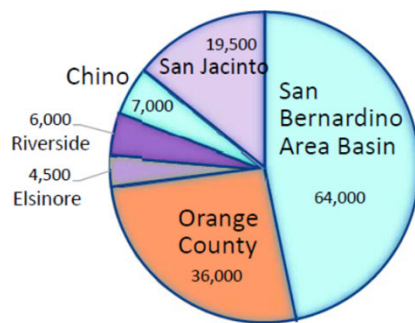
1. *Revised Santa Ana River Conservation and Conjunctive Use Program (SARCCUP) Metropolitan Agreement between Eastern Municipal Water District, Inland Empire Utilities Agency, Western Municipal Water District, Orange County Water District and MWDOC; and*
2. *SARCCUP Excess Water Sales and Purchase Agreement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

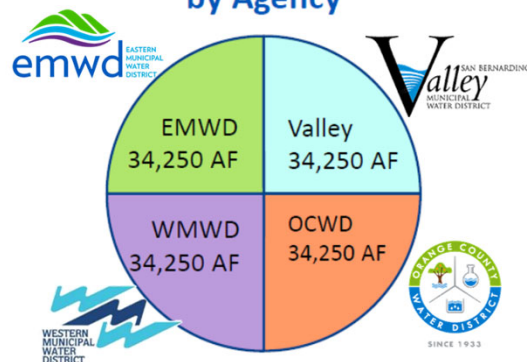


Storage by Location



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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DISCUSSION ITEM

July 6, 2021

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

FROM: Robert Hunter, General Manager

Staff Contact: Damon Micalizzi

SUBJECT: MWDOC DROUGHT MESSAGING

STAFF RECOMMENDATION

Staff recommends the Public Affairs & Legislation Committee: Receive and file the report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

Communicating effectively with our Orange County communities is critical as we enter another warm, dry summer in drought conditions. MWDOC Public Affairs has prepared and distributed a communications toolkit to assist our member agencies, stakeholders, and community partners when speaking with the public about current drought conditions.

Staff will provide a presentation highlighting MWDOC's messaging and strategies ensuring Orange County maintains a unified, regional voice on the drought.

For the Board's convenience, the 'Key Messages' that are at the core of these efforts are attached.

INTRODUCTION

Communicating effectively with the public, stakeholders, and the media is critical as we enter another warm, dry summer in drought conditions. MWDOC has prepared the following talking points to ensure Orange County preserves a unified, regional voice on the drought. Messaging has been categorized to make key topics easy to find, and points are delivered to offer assurance, encouragement, and direction.

KEY MESSAGES

CALIFORNIA DROUGHT

1. Once again California is experiencing drought conditions. After several exceptionally dry winters, the Department of Water Resources has marked 2021 as the third-driest year on record for the State.
2. By Executive Order, Governor Gavin Newsom directed state agencies to develop a roadmap assisting California cities and water agencies to adapt to impacts on water supply caused by climate change. California's [2020 Water Resilience Portfolio](#) outlines more than 100 specific actions to ensure the State's long-term water resilience in the face of more extreme droughts, floods, rising temperatures, and more.
3. In April 2021, Governor Gavin Newsom [declared a regional drought emergency](#) that has been extended to include one-third of the State. That declaration has not yet reached Southern California, where years of investments in water supply, infrastructure, and water use efficiency have enabled the region to successfully endure water supply challenges.
4. Southern California water providers learned many valuable lessons from the last drought that will help us endure this one. Securing additional storage, implementing operational changes to improve the flexibility of the system, and developing additional local water resources have made us more resilient.
5. The drought is a serious reminder that we must continue to work together to ensure our water supplies remain reliable.
6. While dry conditions are a normal pattern in Southern California, we can't predict with accuracy when drought begins or ends.
7. California's major reservoir conditions are updated daily. Visit mwdoc.com/drought to stay informed.

REGIONAL CLIMATE

1. The reality is that we live in a semi-arid area. Dry conditions are not unusual and drought is always on the horizon.
2. Historically, a typical California climate pattern is seven years: four dry years, two average years, and one wet year. However, climate change has made this pattern more unpredictable and we must continuously adjust and plan for changing conditions.
3. The Golden State gets 280-300 days of sunshine each year. Some years are dryer than others and periodic drought is a part of our climate cycle.
4. Increasingly unpredictable temperatures caused by climate change intensify droughts.

SERVICE

1. There is no immediate cause for water restrictions in Orange County. Other regions may be more severely impacted by the current drought conditions.
2. Orange County is prepared for drought, thanks to sound planning, wise investments in water supply and infrastructure, and water-smart behaviors adopted by residents and businesses.
3. Water is an essential service, and we need everyone's help to ensure long-term water reliability.

PLANNING EFFORTS

1. Water providers will continue to plan and prepare for changing weather patterns by conducting studies, modernizing existing infrastructure, investing in innovative and sustainable projects, and promoting water use efficiency as a way of life.
2. Water service is a long-term planning effort, and Orange County is prepared for this year's dry conditions thanks to sound planning and investments in our water supply.
3. Orange County water providers continue to monitor drought conditions daily to ensure we have adequate water supplies to meet the needs of our communities.
4. Given the semi-arid climate we live in, water providers must plan for periodic drought—a responsibility that is taken very seriously.
5. The [Urban Water Management Plan and Water Supply Contingency Plan](#) provide a roadmap for water agencies that include specific actions and help prioritize projects and programs to make the region more resistant to drought and climate change.

KEY MESSAGES CONT.

6. California water agencies are required to prove they can provide a 5-year supply of water to their customers under drought conditions. This “stress-test” includes submitting an annual [Urban Water Management Plan and Water Shortage Contingency Plan](#) to the State for approval.
7. A diverse water supply allows the region to have more flexibility to meet water needs, particularly in critically dry years.

INVESTMENTS

1. Over the past several decades, Orange County water providers have made significant investments in water recycling, water use efficiency, and groundwater storage programs to ensure a reliable water supply for the region.
2. Smart investments in water supply and infrastructure ensures regional reliability.
3. Over the past several decades, California has spent billions of dollars on water capture and storage to ensure reliability for times like these.
4. In addition to local investments, action must be taken at the state and federal levels to improve our aging water infrastructure and ensure a more reliable, resilient water supply for all Californians.
5. Uncertainties, like natural and human-made disasters, are constant reminders of how important it is to invest in diversified water supplies.

CONSERVATION AND WATER USE EFFICIENCY

1. A Southern California lifestyle includes using water efficiently every day. This simple practice is the least costly method we have to extend our water supply reliability.
2. Thanks to smart behavior changes and advanced technologies, Southern California is using nearly 40 percent less water today than we were using three decades ago, even though the population has increased by 785,000 people.
3. Orange County has done a tremendous job protecting and saving the water we have available. Investments in water conservation and water use efficiency have helped significantly preserve and protect our limited water supplies.
4. For decades, MWD OC has offered water-saving programs and incentives designed to encourage Orange County residents and businesses to use water wisely.
5. Since the early 1990s, Orange County has distinguished itself as a leader in water use efficiency. Through water-saving programs, incentives, and simple lifestyle changes, Orange County saves over 17 billion gallons of water each year. That’s a lot of water!

KEY MESSAGES CONT.

6. Eliminate water waste. It's the right thing to do. For information visit mwdoc.com/savewater.
7. While you can count on clean, safe, reliable water when you turn on the tap, water is not limitless. We must all do our part to reduce water waste.
8. We applaud the efforts of Orange County residents and businesses that have continued to use water more efficiently year after year.
9. Even with the Southland's healthy water reserves, the region must continue to use water wisely and develop more local resources.
10. Southern California is drier than most of the State and must import more than half of our water supply from other areas. It is important that, together, we preserve our limited water resources by using water as efficiently as possible.
11. MWD OC offers numerous rebate and incentive programs to help Orange County be more water-efficient. Visit mwdoc.com/savewater to learn more!
12. There are many ways we can all be more water-efficient. Here a few simple ways to take action (By selecting one tip, or a few at a time, messaging can be extended for several weeks):
 - Give plants only as much water as they need.
 - Repair leaks inside and outside the home.
 - Orange County is committed to saving water. Visit mwdoc.com/savewater for water-saving rebates, classes, and tips that also save time and money!
 - Replace thirsty turf with climate-appropriate plants that require less water. MWD OC has collaborated with top landscape designers to create FREE landscape designs for your use at mwdoc.com/freelandscapedesigns!
 - Replace traditional sprinkler heads with rotating sprinkler nozzles that water more evenly and efficiently than traditional pop-up spray heads. Rebates are available at mwdoc.com/savewater.
 - Convert spray heads to drip irrigation and deliver water directly to root zones where plants need it most. Rebates are available at mwdoc.com/savewater.
 - Install a smart sprinkler timer that automatically adjusts to changing weather conditions. Rebates are available at mwdoc.com/savewater.
 - Use a moisture sensor to identify whether a plant needs to be watered or not.
 - Check for overspray. Water should be hitting the plants, not streets or sidewalks.
 - Amend soils to retain soil moisture and prevent water run-off.
 - Add mulch to flower and vegetable beds to retain soil moisture, suppress weeds, prevent run-off, and improve soil nutrient levels.
 - Participate in a free California Friendly Landscape Training Class to learn more about water-wise gardening. Visit <https://www.bewaterwise.com/classes.html#find-classes-in-your-area> to sign up!
13. California has experienced many periods of drought. Continuing to use water wisely every day will help Orange County prepare for weather extremes as well as natural and human-made disasters.

IMPORTED WATER

1. The Sacramento-San Joaquin Bay Delta, located in the north, is the central water supply hub for the majority of the State. To ensure water reliability for Southern California, we have to invest in projects like the Delta Conveyance Project (mwdoc.com/deltaconveyance).
2. The Delta Conveyance Project (mwdoc.com/deltaconveyance) is the single most critical water infrastructure project in California for both this generation and the next.
3. About half of the water Orange County uses is imported from hundreds of miles away. When there is less rain and snow in Northern California and along the Colorado River, there is less water to meet our needs.
4. Significant water investments are needed to modernize our statewide water infrastructure. This includes the Delta Conveyance Project, which would capture more water in big storms and maintain an affordable water supply that serves about 3 million acres of farmland and 27 million Californians.
5. Nearly half of Orange County's total water supply is imported from Northern California or the Colorado River. A diverse imported water supply is critically important. When one water source is low, we can turn to the other to help meet water needs for the region.



COMMITTEE DISCUSSION ITEM

July 6, 2021

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

FROM: **Robert Hunter, General Manager**

Staff Contact: Vicki Osborn

SUBJECT: **MEMBER AGENCY LETTER OF SUPPORT REGARDING WEROC
EMERGENCY OPERATIONS CENTER**

STAFF RECOMMENDATION

Staff recommends the Planning & Operations Committee:
Discuss approaching the County of Orange Board of Supervisors and request funding to support the WEROC Emergency Operations Center Project. Discuss the amount of the request and if the attached draft letter should move forward for further action.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

The funding aspect of the WEROC Emergency Operations Center remains a priority to staff. At the end of April, WEROC working with the Government Affairs Manager, approached Senator Feinstein's office seeking FY22 Non-Defense Congressional Directed Spending Funding. At the time of this report, we have not heard a final decision on the very competitive process.

During the June MWD OC Board Meeting, it was requested a discussion item to continue this conversation was placed on the Planning and Operations Committee Meeting. The focus of this discussion item was to talk about the member agencies support in reaching out the County. Today, we are presenting a draft member agency support letter that could be used for this concept. Based on discussion between the Board of Directors and

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

member agencies in attendance, outline a plan moving forward to obtain a funding sponsorship from the County for the WEROC Emergency Operations Center.

Below a summary on WEROC as presented before in past meetings.

Under the California Emergency Services Act § 2409, the County and all of its political subdivisions compose an "Operational Area" to manage and coordinate information, resources, and priorities among the local governments within the geographic area of the County, and to serve as the coordination and communication link between the local government level and the regional level of the State; and to use multi-agency or inter-agency coordination to facilitate decisions for overall operational area level emergency response activities.

The Water Emergency Response Organization of Orange County (WEROC) Emergency Management Program, which is operated by the Municipal Water District of Orange County (MWDOC), is charged with supporting the resiliency of Orange County's water and wastewater agencies by working with these agencies and the County to build, sustain, and improve the capability to mitigate against, prepare for, respond to, and recover from threatened or actual natural disasters, acts of terrorism, or other man-made disasters.

Water infrastructure has been an increasing focus of hazard analysis and mitigation. Local efforts to assess the probability and impact of natural hazards and man-made threats has resulted in the science-based analysis of probabilities of existing hazards such as earthquakes, floods, and wildfires are now being measured. The threat of terrorism and cyber-attack incidents have challenged water agencies to adapt operations to new threat profiles. Climate change continues to produce demonstrable extreme weather effects including extreme peak rainfall intensity, or lack of rainfall leading to drought, potentially more significant wildland fire incidents, significant winter storms, increased extreme heat incidents, and coastal storm surge. WEROC provides support during any of these events and incidents.

WEROC provides information sharing and resource coordination when disasters impact the water and wastewater utilities of Orange County. WEROC is written into and fully integrated within the County's Operational Area Emergency Operations Plan. The WEROC program model has been proven so successful over the years that the concepts have been replicated in other California counties. The program is a recognized contributor for Environmental Protection Agency with the creation of the Water Desk Position to work within Emergency Operations Centers nationwide.

The County relies on WEROC during disasters to activate its Emergency Operations Center to provide the following essential services to support agency and community recovery efforts:

- Coordinate emergency communications among over 37 water and wastewater agencies
- Assess the condition of the Orange County water supply system

and wastewater management systems

- Identify needs of water and wastewater agencies by collecting damage assessment reports
- Coordinate mutual aid and quantify available resources and their optimal use
- Coordinate Policy and Strategies to establish repair priorities and establish water allocation schemes
- Provide a single point of contact for water agencies, Metropolitan Water District of Southern California, County Operational Area, California Office of Emergency Services, and the Department of Water Resources
- Serves as the Southern California Region mutual aid coordinator for the California Water and Wastewater Agency Response Network known as CalWarn
- Keep senior and elected officials informed

The WEROC Emergency Operation Center is a permanent, ready to use facility that supports critical infrastructure for communications, including radios that communicate directly with water and wastewater agencies, and with the County and State. Additional redundant, interoperable permanent communication systems are installed at the Emergency Operations Center to provide direct access to multiple responding partners.

Over the course of the past 15 years, all areas of the nation have seen a rise in natural and man-made disasters, Orange County, California is no different. The Water Emergency Response Organization of Orange County has responded to and supported recovery efforts for 15 Federally Declared Disasters and two California Disaster Assistance Act events in Orange County; moreover, this figure does not include the multitude of smaller events requiring Emergency Operations Center Coordination efforts which is why this Emergency Operations Center project is vital to the resiliency of the Critical Water and Wastewater Infrastructure and the community members of Orange County and throughout the Southern Region.

Water and wastewater systems are critical infrastructure. When disaster strikes these systems, it is imperative to effectively coordinate response and recovery of resources to community members and businesses. The proposed project is an investment in critical infrastructure that will provide regional benefit to accomplish stronger disaster response, recovery, and resilience.

Attachment A Draft Member Agency Support Letter

{Insert Date}

Supervisor XXXXXXX
County of Orange
Board of Supervisors
333 West Santa Ana Blvd.
Santa Ana, Ca 92701

Re: County of Orange Funding Support for the Water Emergency Response
Organization of Orange County, Emergency Operations Center

Dear Supervisor XXXXX:

I am writing you requesting County funding support for the Water Emergency Response Center of Orange County (WEROC) Emergency Operations Center (EOC).

WEROC, which is administered by the Municipal Water District of Orange County (MWDOC), supports and manages regional emergency preparedness, planning, response, and recovery efforts among Orange County water and wastewater utilities. To carry out its mission, WEROC provides essential resources, trainings, and exercises to water and wastewater agencies as well as to coordinating partners throughout the county and state.

To do so, the WEROC program actively maintains an EOC that is used to coordinate emergency response operations during threatened or actual natural disasters, acts of terrorism, or other manmade disasters. The trained WEROC EOC staff also provides information sharing and resource coordination when disasters affect the water and wastewater utilities of Orange County.

Unfortunately, California is all too familiar with natural disasters such as devastating wildfires. Moreover, when they occur, water is a critical necessity. It is imperative that our water providers are able to respond.

During a disaster, the WEROC EOC provides the following regionally relied upon essential services:

- Coordination of emergency communications and Identify needs of water agencies
- Assess to the condition of the Orange County water supply system
- Coordination of mutual aid and quantify available resources and their optimal use

- Coordination of policy and strategies to establish repair priorities and water allocation
- Collection of damage assessment reports and support agency and community recovery efforts
- Ability to provide a single point of contact for local water agencies, Metropolitan Water District of Southern California, County Operational Area, California Office of Emergency Services, and the Department of Water Resources.

The WEROC EOC is a permanent, ready to use facility that supports critical communications infrastructure, including radios that communicate directly with water and wastewater agencies, and with the county and state. The WEROC EOC must be flexible, sustainable, secure, and strategically located within the county.

In 2016, a site facility assessment conducted for WEROC's EOC highlighted the need to address the following operational capabilities:

- Structural enhancements
- Life safety modifications
- Building infrastructure improvements
- Furniture and equipment workspace upgrades

The total estimated cost for WEROC to construct a new structure that addresses the shortcomings identified in the site facility assessment, and to ensure that the EOC can continue provide critical public services is approximately \$3 million.

When an earthquake hits or wildfires are raging, water may not be your first thought when it comes to emergency response. However, it is an absolute critical component that cannot be overlooked. A safely functioning WEROC EOC is vital to the resiliency of water and wastewater infrastructure, to the community members of Orange County, and throughout Southern California.

I strongly encourage your support of the WEROC Emergency Operations Center in order to maintain the support to the County and local government agencies that rely on this infrastructure, and the community as a whole.

Respectfully,
XXXXXX

The County of Orange Report

Prepared for the MWD OC P&O Committee

June 29, 2021

by Lewis Consulting Group



Update

Board of Supervisors - June 22nd - A Meaty Marathon

The June 22nd Board of Supervisors meeting was long! The six hour meeting was divided in two by a two hour closed session dividing the morning and afternoon sessions.

The meeting commenced with a raucous start as Supervisor Wagner called for a point of order following Chairman Do's explanation that members of the public would not attend in the main meeting room. Supervisor Wagner expressed his view that it was time to allow the public in, masked or not masked. Supervisor Do disagreed with his opinion, prompting Supervisor Wagner to appeal the decision of the Chair. The appeal was not successful. Interestingly, during the discussion, Supervisor Foley opined that once the main room is open, individuals not wearing masks should be compelled to self-attest under penalty of perjury that they have been vaccinated.

The lengthy agenda of 83 items bogged down because of the several hundred public comments spread across the meeting. The meeting included these items of note:

ADOPTION OF COUNTY BUDGET

The County budget was adopted unanimously. A number of members of the public testified in opposition to the \$7.7 billion document, finding fault with its prioritization of spending for the Sheriff's Department and instead called for a redirection of resources to help Orange County's homeless population.

HEALTH CARE LOCAL EMERGENCY

Despite protestation from numerous public speakers, the Board voted to continue the local health emergency. By doing so, they continued to mirror State policy and avert the risk of losing public funding.

LARGE POTENTIAL LAND SALE

In 1994 the Army Corp of Engineers began construction of a large embankment dam in San Bernadino County. The dam, just north of Mentone, along with Prado Dam provide flood protection for 2 million residents in Orange, San Bernadino and Riverside counties. Completed in 1999 the dam has a capacity if needed of 145,000 acre feet. Funding for the dam was primarily provided by the federal government (70%) and

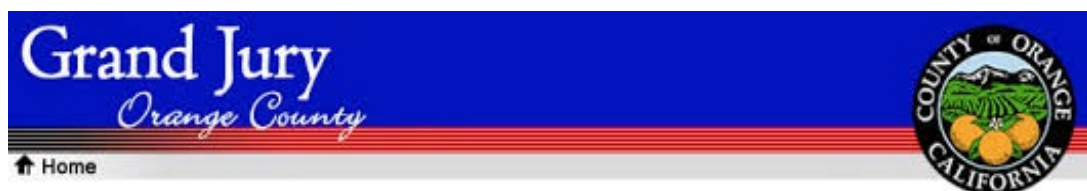
Orange County (27%) of the \$450 million project. The dam replaced the more controversial proposed Mentone Dam. Upon completion, the Army Corp transferred ownership of 1,547 nearby acres to the Orange County Flood Control District. The County attempted to sell part of the acreage to Lewis Homes for development but environmental litigation and a threatened referendum by residents in the City of Highland led to cancellation of that proposal. The County Board of Supervisors have just approved a second attempt to sell the 1,547 acres, this time to Park Place Partners.

COUNTY SUPERVISOR TERM LIMITS

The Board of Supervisors voted 3-2 to place a controversial term limit change on the ballot. Under existing county law, a Supervisor may serve two four-year terms, sit out for a four-year term or more, and if elected again, enjoy another two four-year term. The measure being presented to the voters would establish a three four-year term limit, but would prohibit future service. If passed in this form, it would also “restart the clock”, allowing current Supervisors to extend their terms. However, the Governor has just signed legislation prohibiting the term-limit measure from appearing on the same ballot as the recall. The practical effect is if term-limit measure goes forward on a future ballot, there will not be sufficient time for Supervisor Bartlett to seek a third consecutive term.

BOARD OF SUPERVISORS REDISTRICTING

The Board of Supervisors have adopted their time-line for the all-important redistricting of Orange County Board seats. Redistricting, which occurs every 10 years, following the census is more challenging this year because the usual transmission of population data, which normally takes place in July, is being delayed to October 2021 because of the COVID-19 challenge. In addition, the County has to wait for its apportioned number of incarcerated individuals. Against this backdrop, the final plan must be adopted by December 15, 2021. The County will be organizing numerous meetings, including workshops held in each of the five current Supervisor Districts. Among other criteria, population can deviate no more than 10% between the five new districts. With the Board currently comprised of three Republicans and two Democrats in a county turning increasingly blue, the potential stakes could not be greater.



Orange County Grand Jury Has Been Busy

The County Grand Jury has released five separate reports on subjects as diverse as marijuana retail sales in Santa Ana to Orange County Toll Road funding. The reports have been released between May 12 to June 21, 2021. A quick synopsis:

1. Orange County Pandemic Preparedness

As previously reported, the Grand Jury found multiple examples of a lack of preparation for the COVID-19 pandemic. Specifically singled out for criticism was the Orange County Health Care Agency.

2. Orange County Sheriff's Evidence Booking Issue

Although positive change has taken place, there are still "questions" whether current OCSD policies and procedures related to evidence booking and reporting are being followed.

3. "Pot Luck" - Santa Ana's Monopoly on Licensed Retail Adult-Use Cannabis in Orange County

The Grand Jury seems to have found success for the City of Santa Ana with its three year monopoly on Orange County legal cannabis sales. Under their commendation section, the Grand Jury noted additional tax revenue for the City of \$20 million, a reduction in the number of illegal / unlicensed cannabis shops and no corresponding increase in the crime rate.

4. A Look Behind the Bars of the Orange County Jails

The Grand Jury conducted an extensive look at Orange County's seven custodial facilities. Although the Grand Jury had a number of suggestions for improvements at various facilities, it also notes they found "the jails and facilities to be acceptable and in overall compliance with state and federal standards".

5. \$28 Billion for a \$2.8 Billion Road

The Grand Jury notes that the overall construction costs for Orange County's Toll Roads was \$2.8 billion. However, the underutilization of the roads for many years led to burgeoning debt which was re-financed utilizing capital appreciating bonds. With the addition of developer fees, it is estimated \$28 billion will have been spent by the time the debt is retired in 2053. The Grand Jury proposes paying off the debt by 2040 and the elimination of developer fees.

COVID-19 on the Retreat

The latest Orange County COVID-19 stats from June 28th show 4 new deaths, 11 cases in the ICU. Another 51 hospitalizations and 170 new cases out of 15,338 tests reported. Barring a new surge from a "variant", it appears for now we have weathered the storm. Beginning July 1, OC data will be updated once per week on Tuesdays by 5 p.m.

JULY MEETING



Cancelled

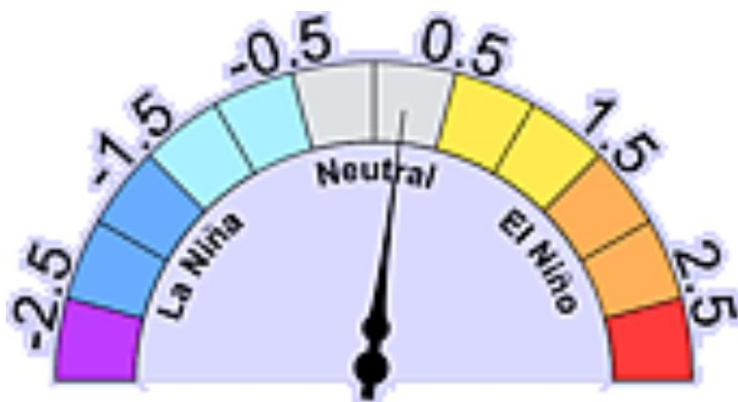
Polling - Recall Still Unlikely

With the exception of two Republican polling firms, every poll has shown the recall of Governor Gavin Newsom failing. The latest poll by Moore Information Group, one of the two aforementioned polling companies, indicated there is a large divide between registered voters and voters most likely to cast ballots.

Poll source	Date(s) administered	Sample size ^[a]	Margin of error	Yes on recall	No on recall	Other	Undecided
Moore Information Group (R) [A]	June 1–3, 2021	800 (RV)	± 3.0%	44%	50%	–	6%
		682 (LV)	± 4.0%	49%	46%	–	5%
Public Policy Institute of California [B]	May 9–18, 2021	1,074 (LV)	± 4.2%	40%	57%	–	3%
Berkeley IGS [C]	April 29 – May 5, 2021	10,289 (RV)	± 2.0%	36%	49%	–	15%
		7,943 (LV)	± 2.3%	42%	50%	–	8%
SurveyUSA [D]	April 30 – May 2, 2021	642 (RV)	± 5.3%	36%	47%	–	17%
McLaughlin & Associates (R) [B]	April 15–19, 2021	1,000 (LV)	± 3.1%	45%	45%	–	10%
Public Policy Institute of California [B]	March 14–23, 2021	1,174 (LV)	± 3.9%	40%	56%	–	5%
Probolsky Research (R) [D]	March 16–19, 2021	900 (RV)	± 3.3%	40%	46%	–	14%
		900 (LV) ^[b]	± 3.3%	35%	53%	–	13%
Emerson College [D]	March 12–14, 2021	1,045 (RV)	± 3.0%	38%	42%	6% ^[c]	14%
WPA Intelligence (R) [C]	February 12–14, 2021	645 (LV)	± 3.9%	47%	43%	–	10%
Berkeley IGS [D]	January 23–29, 2021	10,357 (RV)	± 2.0%	36%	45%	–	20%
		7,980 (LV)	± 2.4%	36%	49%	–	15%
Remington Research (R) [D]	March 17–18, 2019	1,303 (LV)	± 2.7%	31%	52%	–	17%

La Niña Ends For Now

ENSO METER



According to NOAA, the National Oceanic and Atmospheric Administration, the greatest probability exists for neutral conditions through August.

ACKERMAN CONSULTING

Legal and Regulatory

July 6, 2021

1. **Racism Allegations in Water:** The Klamath Lake water wars continue in this area near the California-Oregon border. Klamath Tribes claim that fish in the Upper Klamath Lake are part of their cultural and religious heritage and need to be protected at all costs. Local farmers, claiming their water rights, say the water must be used to support local agricultural uses. The federal government is allowing releases of water to protect downstream salmon. And, of course, the lake is at a very low level. While these battles have been going on for some time, the Tribes are now claiming that their inability to protect their sacred fish is racist. Younger tribe members watching the Black Lives Matter movements and other such protests have changed the tribe's attitude and approach in this matter. This has changed the dynamics on the farmers' side who are now threatening to take control of the control gates on the Lake. Overall, not a good situation. At the same time, the federal government is considering the elimination of recognition for the Klamath Tribes.
2. **Ancient Rivers Key to Recharge:** A UC Davis hydrogeologist has discovered a possible new way to recharge aquifers in the Central Valley. Some 16,000 years ago following our last ice age, river channels were formed from the melting glaciers. These paleo valleys are mainly sand and gravel which are very good for recharge purposes. Unfortunately, the valleys have been covered up with sediment and dirt and are hundreds of feet below ground level. They are also difficult to locate. However, using electromagnetic displays towed behind airplanes they can be identified. Water can soak through these areas 60 times faster than most of the silt and clay that make up the floor of the Valley. Diverting runoff to these areas can vastly enhance our ability to adequately recharge the Valley aquifers. The next challenge will be getting the water to these areas.
3. **Well Failure Increasing:** During the last drought, over 2600 wells in the State failed. Thus far, in June less than 40 household water well failures have been reported. The trend line is not good and the PPIC predicts that we could lose over 2700 this year. The cost of drilling a new well is expensive (around \$20,000) and the drillers are booked for well into the future. The Governor has included \$27 million in the budget to provide emergency drinking water. But delivery of water to many of these communities will be a challenge for county and state government.
4. **Quick Water Testing:** Cheap and easy testing methods for drinking water safety are being studied all over the world. This is particularly important for underdeveloped parts of the globe. Singapore University has come up with a process using the camera of your smartphone to determine if water is safe to drink. Most testing requires chemicals, special equipment or something else. This test requires only your phone. Capturing images of a microorganism known as Paramecia is all you need. (Remember Paramecia from high school biology?) Paramecia exist in all water bodies. Measuring the speed, the Paramecia travels through water can tell you how much heavy

metal exists in the water. The slower they go, the more contamination. This database and correlations are good around the world. It requires an App for your phone but we all know how to add that. (Call your grandkid)

5. **Asian Water Supply:** A recent study of the Himalayan and Karakoram mountain ranges which are the headwaters for water supply for over one billion folks has been completed. The main sources of water for the region is glacier melting and monsoonal rains. Climate change is impacting both in similar fashions to North America. However, one major source which we have to a much lesser degree is air pollution. Smog and soot which is not regulated there as it is here, is contributing greatly to glacier and snow melting. They are also studying the extent of climate and glacier melt on monsoonal patterns. Other unanswered questions are why some glaciers are growing while others are shrinking.
6. **Salmon in Danger:** The State and Federal Government are in agreement. Water from Shasta Lake will be released into the Sacramento River for the purpose of helping the salmon population. However, both agree that it could result in killing almost 90% of the winter run eggs and fish. The law requires the Bureau of Reclamation to maintain river temperatures below 56 degrees during spawning season. When it cannot, since Mother Nature also has a vote, it is supposed to come up with another plan. They did and now environmentalists, tribes and fisherman are all mad.
7. **Nevada Bans Grass:** A recently passed Nevada law will ban almost 1/3 of all grass in the Las Vegas area. The ban will take effect in 2027 and applies to non-functional turf but excludes homes, parks and golf courses. The Nevada legislature is urging other states who rely on Colorado River water to consider similar measures. Rebates for tearing out grass have not done enough, they say, so stronger measures were necessary.
8. **Less Water, Less Power:** Lake Oroville level is low and falling. It may approach 640 feet which would surpass its lowest mark of 645 feet in 1977. The power plant is at 20% capacity and may shut down totally in August. It normally provides power to over 800,000 homes. Lack of hydropower will need to be replaced by gas or coal fired power plants. This will also increase the cost of electricity. At the same time, we are entering wildfire season where power companies will have to reduce output when fires come close. One positive aspect is that as water movement is decreased due to lack of water, there is a corresponding decrease in electricity consumption for water pumps.
9. **More Water Clean Ups:** The University of Missouri has developed a low cost filter for removing arsenic and lead from single household applications. Their filter uses more common materials and is easy and cheap to produce. It is intended use is for poorer areas of the world and distressed areas in the US. Northwestern University has smart sponge to remove phosphate from water ways. Phosphorus is one of life's necessities but it is somewhat rare. Oddly enough is it piling up in lakes and other water bodies due to increased nutrients entering our water system. This build up produces much of the algae problems we are facing. A membrane has been developed which acts like a sponge and traps the phosphate and facilitates its removal. The method has shown success in trials in Lake Erie.
10. **Water Harvesting:** Caltech is working on a water harvesting combo. Fog collection methods have been around for a while. They usually operate at night and try to encourage water droplets in fog to get heavy enough to drop

out and form drinking water. Solar water generation has also been around and we have reported on it in the past. This usually involves using solar heat applied to air during the day to evaporate out water, collect it and use for drinking water. Because different methods are used to produce a result, they usually required two devices. Caltech has developed a cactus shaped material that does both. The cactus shaped hydrogel was inspired by cactus since they get along with very little water. The membrane has tiny spines that look like a Christmas tree crossed with a cactus. It collects water at night from fog and during day from solar steam. The hydrogel is a polyvinyl alcohol/polypyrrole commonly used in capacitors, temperature sensors and batteries. They are looking for a partner now to look at commercialization.



INFORMATION ITEM

July 6, 2021

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

FROM: Robert Hunter, General Manager

Staff Contact: Sarah Wilson

SUBJECT: MWDOC Choice School Programs Update

STAFF RECOMMENDATION

Staff recommends the Planning & Operations Committee receive and file this report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

SUMMARY

The 2020/21 school year has officially come to a close. With a record number of Orange County schools transitioning to distance learning, MWDOC Public Affairs (PA), participating Orange County cities and retail water agencies, and MWDOC Choice School Program contractors—Shows That Teach, Discovery Cube Orange County, and Bolsa Chica Conservancy—collaboratively worked together to engage students through live, interactive virtual water lessons that were accessible both in-class and at-home.

DETAILED REPORT

While the 2020/21 school year was filled with challenges like transitioning hands-on programming to virtual distance learning, it was also a year of successes. Together, MWDOC, participating Orange County water providers, MWDOC Choice School Program contractors, and Orange County teachers were able to bring water education to roughly 21,676 K-12 students across the region.

Budgeted (Y/N): Y	Budgeted amount: \$401,729	Core __	Choice <u>X</u>
Action item amount:		Line item: 63-7040	
Fiscal Impact (explain if unbudgeted):			

With the 2021/2022 school year on the horizon, MWDOC PA has continued to work closely with participating Orange County water providers to gauge their level of interest in participating in the upcoming school year. To date, MWDOC PA has gathered commitments from 22 member agencies and the Three Cities (Anaheim, Fullerton, and Santa Ana). Of the six (6) member agencies that do not currently participate in the programs (Emerald Bay Service District, Golden State Water Company, Irvine Ranch Water District, Orange County Water District, Yorba Linda Water District, and City of Newport Beach) many already administer their own education programs.

Looking ahead, the next couple of months will be spent preparing for the upcoming 2021/2022 school year. MWDOC PA will work closely with MWDOC Choice School Program Contractors, Shows That Teach and now Orange County Department of Education – Inside the Outdoors, to roll out K-12 programs that offer Orange County students the opportunity to participate in either in-person or virtual programs. The new suite of programs will continue to support California State Standards, including [Environmental Principles and Concepts \(EP&Cs\)](#), now integrated into the Science (Next Generation Science Standards – NGSS), History-Social Science, Health, and Arts Frameworks with Mathematics on the way. EP&Cs will enable MWDOC to expand its involvement in youth education beyond science classes, providing essential water-focused lessons in multiple core subjects. All programs will incorporate hands-on interaction, pre- and post-program activities, and opportunities for family and community engagement to ensure that Orange County K-12 students gain the interdisciplinary knowledge necessary to become thoughtful water stewards prepared for active citizenship and academic and career success.



INFORMATION ITEM

July 6, 2021

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

FROM: Robert Hunter, General Manager

Staff Contact: Damon Micalizzi

SUBJECT: OC Water Summit Update

STAFF RECOMMENDATION

Staff recommends the Public Affairs & Legislation Committee: Receive and file the report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

REPORT

More than \$24,000 has been secured in sponsorships for the 2021 OC Water Summit that will be held on Friday, October 15th at Disneyland's Grand Californian Hotel. Staff continues to book and confirm speakers for the event that will include sessions on water supply, Contaminants of Emerging Concern (CECs), technological advancements in weather forecasting, and local resources.

Newly appointed General Manager, Adel Hagekhalil will present on the future of the Metropolitan Water District of Southern California.

The next meeting of the OC Water Summit Ad Hoc Committee is scheduled for July 12th.



INFORMATION ITEM

July 6, 2021

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

FROM: Robert Hunter, General Manager

Staff Contact: Damon Micalizzi

SUBJECT: July 14th Water Policy Dinner Featuring Jeff Kightlinger

STAFF RECOMMENDATION

Staff recommends the Public Affairs & Legislation Committee: Receive and file the report.

COMMITTEE RECOMMENDATION

Committee recommends (To be determined at Committee Meeting)

DETAILED REPORT

More than 110 guests have registered for MWD OC's July 14th Water Policy Dinner featuring Jeff Kightlinger. The event will be held at the Westin in Costa Mesa.

MWD OC Director Karl Seckel will serve as the event's Master of Ceremonies and lead a discussion with the long-time General Manager of Metropolitan. They will look back on the highlights of his career and forecast the future as Southern California appears poised to handle this drought and, if necessity, may eventually pave the way for successfully completing the Delta Conveyance Project.

ENGINEERING & PLANNING	
Economic Benefit Studies and Modeling Work to Quantify the Benefits of Local Projects in the Context of MET's 2020 Integrated Resources Plan (IRP)	<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 are 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 served to support the 2020 Urban Water Management Plans and also provides information for the Economic Benefits study.</p> <p>Wallace Walrod, 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 completion of the survey of 400 Orange County businesses by September 2021 and completion of the economic studies report by November 2021.</p>
OC-70 Meter Testing Update	<p>MWDOC staff continue 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>
OC Hydraulic Model	<p>Black & Veatch has constructed and calibrated the hydraulic model using Innovyze's InfoWater modeling platform. Staff and B&V are currently working with member agencies to define potential project scopes of work. Staff has reviewed the draft hydraulic model report.</p>
Doheny Ocean Desalination Project	<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 on-line date of early 2026, if approved by the SCWD Board.</p>

SMWD San Juan Watershed Project	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.
Strand Ranch Project	IRWD will be presenting the Strand Ranch project at the July MWDOC Agencies Managers Meeting.
Poseidon Resources Huntington Beach Ocean Desalination Project	<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 to create an artificial reef offshore of Palos Verdes to restore 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>
Other Shutdowns	<p>Orange County Feeder</p> <p>MET is planning 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>Orange County Feeder Extension</p> <p>MET is planning 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>
Meetings	

	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.
	Charles Busslinger attended MET's Member Agency Engineering Managers Forum on June 24, 2021.
	Chris Lingad attended the Aliso Creek Watershed Collaboration Group meeting on June 24, 2021.
	Harvey De La Torre and Chris Lingad provided training to CBMWD staff regarding MET's capacity charge on June 29, 2021.

General Manager Report

WEROC Status Report

June 2021

COVID-19 (CORONA VIRUS) COORDINATION

- WEROC continues to monitor the State and County for changing information and is sharing information with agencies focused on the June 15th State re-opening changes and the Cal OSHA COVID Emergency Temporary Standards 3205 on June 17th.
- 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 this is not for employees/employers who still have to follow the OSHA guidance 3205 as also indicated in the CDPH guidance.
- 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 contacts 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
- ETS 3205 remained a moving target leading up to June 15th Reopening. At the 6/3 OSHSB Board Meeting, the Board originally 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 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.
- The bullets below outline the key changes in the ETS 3205 in which all business public or private including special districts and city agencies must follow:
 - Fully vaccinated employees do not need to be offered testing or excluded from work after close contact unless they have COVID-19 symptoms.
 - Fully vaccinated employees do not need to wear face coverings except for certain 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.
- Employees are not required to wear face coverings when outdoors regardless of vaccination status except for certain employees during outbreaks.
 - Employees are explicitly allowed to wear a face covering without fear of retaliation from employers.
 - Physical distancing requirements have been eliminated except where an employer determines there is a hazard and for certain employees during major outbreaks.
 - 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.
 - Employees who are not fully vaccinated and exhibit COVID-19 symptoms must be offered testing by their employer.
 - Employer-provided housing and transportation are exempt from the regulations where all employees are fully vaccinated.
 - Employers must review the Interim guidance for Ventilation, Filtration, and Air Quality in Indoor Environments.
 - Employers must evaluate ventilation systems to maximize outdoor air and increase filtration efficiency, and evaluate the use of additional air cleaning systems.
- 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 as targets vaccination in conjunction with the vaccine available thru medical providers and pharmacies.
 - WEROC continues to hold bi-weekly conference calls on Tuesdays with member agencies, as requested by the agencies to continue to support the sharing of information and WEROC is providing updated information as received.
 - WEROC continues to support agencies with COVID-19 related questions and guidance needs.
 - WEROC coordinated with the Statewide Logistics Task Force in conjunction with the California Governor's Office of Emergency Services who authorized all local government emergency management agencies to request a 30-day sustainment supply of Personal Protective Equipment (PPE). This 30-day supply may be used to stock disaster caches or used in daily operations, which supports 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 took delivery of over 340,000 pieces of PPE that has been already distributed to member agencies.

- On 6/24, VICKI attended the OCWD/MWDOC Building Management Committee so the MWDOC COVID Plan could be updated. Vicki worked with Paula from OCWD staff to ensure the appropriate documents being used to gain access to the campus is included and implemented. MWDOC Staff is being trained and updated on this plan during the staff meetings and by memo from HR regarding the vaccine verification process. Any staff member with to voluntarily use a respirator is being directed to WEROC for coordination.
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JUNE INCIDENTS/EVENTS

Chlorine and Sodium Hypochlorite Shortage

- 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. The root cause was an electrical failure at Westlake Chemical, a manufacturing facility in Longview, Washington, in mid-June caused a chlorine supply disruption to water and wastewater facilities in Washington, Oregon, Idaho and parts of California. 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 have been coordinating efforts via phone calls on 6/21, 6/23 and 6/28.
- On 6/17, WEROC conducted a survey of agencies who use Chlorine and/or Sodium Hypochlorite or other critical chemical regarding their supply chain impacts. WEROC made contact with those agencies who indicated they were at a critical supply shortage to ensure they had a contingency plan in place or if they needed mutual aid support.
- On 6/17, Vicki also spoke with MET who was inquiring on the agencies who use Chlorine Gas and their status. Vicki also provided the briefing on the coordination calls.
- On 6/23, by way of the Oregon Office of Emergency Management that Longview Westlake Chemical was "back up and running." It could take up to 20 days for supplies to return to normal levels. In the interim, member agencies were made aware of Section 1441 of the Safe Drinking Water Act (pg. 75 of the Act) sets the legal means for a water utility to have a supplier/manufacturer 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/manufacturer 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 by means of 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 with WEROC is important. WEROC will continue to monitor this situation throughout the summer.

June Heat Event – CAISO Flex Notifications

- 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.
- Vicki was monitoring the trigger levels for CAISO in the event any coordination needed to occur.

June 73 & 133 Fire

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.

Suspicious Activity

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.

CalWARN Mutual Aid Request - Drought

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 proclamation of emergency. Sonoma Water was specific materials prompted by a substantial time delay in delivery.

COORDINATION/PARTICIPATION WITH MEMBER AGENCIES AND OUTSIDE AGENCIES

- Cyber activity is still very active. Daniel continue to share information received from the OCIAC and DHS along with speaking with agencies regarding this issue and aiding with assistance as needed.

- On 6/2, Vicki attended AQMD Workshop affecting the process and procedure development in relation to Public Safety Power and the emergency generator use focusing on the amending rule 461 – gasoline transfer and dispensing.
 - On 6/3, Vicki and Daniel attended the virtual Orange County Emergency Management Organization (OCEMO) meeting. The training presentation focused on alert and warning and communications, the speaker was the PIO from the County of Riverside.
 - On 6/10, Vicki attended the OCEMO Leadership and Exercise Design Committee. The Operational Area Public Information Officer All Day workshop that was cancelled last year because of COVID is being rescheduled for the beginning of 2022.
 - On 6/10, Vicki has a meeting with the Cal Fire Chiefs new Emergency Management Section Leadership. While this meeting was prompted because of the California Emergency Management Association which 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 assist with the sworn personnel within the fire organizations to understand how to reach out to the all disciplines emergency managers to assist with coordination and understanding of duties.
 - 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.
 - 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.
 - 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 in regards to the current and future outlook of the water system. Vicki provided links to how the water system works statewide as there is many new emergency managers at the county level who were not around for the last drought. Part of this discussion also revolved around the coordination between the state and local entities including both water agencies and local government emergency managers.
 - On 6/23, WEROC attended the Operational Area Technology Subcommittee. This meeting covers the regional projects including AlertOC and WebEOC (See planning efforts section).
 - Daniel and Vicki reviewed SMWD's Upper OSO Dam Emergency Action Plan.
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AMERICA'S WATER INFRASTRUCTURE ACT (AWIA) PROJECT

- WEROC and its consultant, Herndon Solutions Group (HSG) continues to work with WEROC agencies to achieve compliance with America's Water Infrastructure Act (AWIA).
 - Tier II agencies. At the time of this report, all agencies are ready to submit their Emergency Response Plans due June 30, 2021.
 - Tier III agencies. At the time of this report, all agencies are ready to submit the RRA due June 30, 2021.
 - The last phase for Tier III ERPs are beginning for the last portion of the AWIA phase 3 work.
 - Vicki is working with HSG and will be scheduling final trainings 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 how to maintain the integrity of their documents including the handling of PRA requests for documents that contain confidential or sensitive information.
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PLANNING EFFORTS

- AlertOC - Janine has been working with the Operational Area on the list of current water district using the AlertOC system. WEROC will be coordinating the MOU with those agencies and requiring updated training for those using this system.
- 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 the enhancement of the position binders that is 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 and how to use the binder, and the EOP.
- Cyber Security – Daniel reached out to member agencies inquiring on who has specific cybersecurity analysts. This research is part of the regional cyber security annex in coordination with the OCIAC. This planning process will assist agencies at all levels in innovations and ever-evolving practices.
- 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.
 - AlertOC Water Agency Procedures and Notification Templates

- Disaster Finance Documents
 - WEROC Radio System SOP and Radio Protocols
 - Requesting Activation of the WEROC EOC
 - Requesting Mutual Aid
 - Water Liaison to an ICP
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EMERGENCY OPERATIONS CENTER READINESS AND SYSTEMS

- Daniel continues on-going maintenance of the EOC systems to ensure WEROC maintains the operational function for the EOC. During the month of June, Daniel repaired the aging UHF OA Radio power supply that is over 10 years old.
 - Janine continues to update member agency contact information, as there has been an increase in people leaving agencies this past month.
 - 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.
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TRAINING AND EXERCISES

- WEROC conducted/hosted the following training this past month:
 - 6/29 Fire Awareness and Safety Training
- Look ahead to July Trainings:
 - 7/27 G611M - EOC Management Section Overview
 - 7/28 G611O – EOC Operations Section Overview
 - 7/29 G611P – EOC Planning Section Overview
- Save the Date WEROC Symposium will be held, in person on September 29th. Vicki is currently finalizing the speakers for the event including:
 - Florida Water Agency Cyber Incident
 - Texas Warn and actions during the 2021 Freeze
 - Water Resource Typing Toolkit
 - Northern California Drought Response

- 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.
 - Daniel has completed is final paper for the National Emergency Management Advanced Academy (NEMAA) class he is currently enrolled in. Daniel has one more classes to complete before completing the academy training series. This academy course will further enhance Daniels' experience and professional career.
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**Status of Water Use Efficiency Projects
June 2021**

Description	Lead Agency	Status % Complete	Scheduled Completion or Renewal Date	Comments
Smart Timer Rebate Program	MWDSC	Ongoing	Ongoing	In May 2021, 140 residential and 20 commercial smart timers were installed in Orange County. To date, 30,534 smart timers have been installed through this program.
Rotating Nozzles Rebate Program	MWDSC	Ongoing	Ongoing	In May 2021, no rotating nozzles were installed in Orange County. To date, 571,951 rotating nozzles have been installed through this program.
SoCal WaterSmart Residential Indoor Rebate Program	MWDSC	Ongoing	Ongoing	In May 2021, 142 high efficiency clothes washers and 8 premium high efficiency toilets were installed in Orange County. To date, 123,970 high efficiency clothes washers and 60,726 high efficiency toilets have been installed through this program.
SoCal WaterSmart Commercial Rebate Program	MWDSC	Ongoing	Ongoing	In May 2021, no commercial devices were installed in Orange County. To date, 110,913 commercial devices have been installed through this program.
Industrial Process/ Water Savings Incentive Program (WSIP)	MWDSC	Ongoing	Ongoing	This program is designed to improve water efficiency for commercial customers through upgraded equipment or services that do not qualify for standard rebates. Incentives are based on the amount of water customers save and allow for customers to implement custom water-saving projects. Total water savings to date for the entire program is 1,284 AFY and 6,219 AF cumulatively.

Description	Lead Agency	Status % Complete	Scheduled Completion or Renewal Date	Comments
Turf Removal Program	MWD/DOC	Ongoing	Ongoing	<p>In May 2021, 7 rebates were paid, representing \$121,164 in rebates paid this month in Orange County.</p> <p>To date, the Turf Removal Program has removed approximately 23.4 million square feet of turf.</p>
Spray to Drip Rebate Program	MWD/DOC	Ongoing	Ongoing	<p>This is a rebate program designed to encourage residential and commercial property owners to convert their existing conventional spray heads to low-volume, low-precipitation drip technology.</p> <p>To date, the Spray to Drip Rebate Program has converted approximately 1,092,249 square feet of area irrigated by conventional spray heads to drip irrigation.</p>
Recycled Water Retrofit Program	MWD/DOC	Ongoing	Ongoing	<p>This program provides incentives to commercial sites for converting dedicated irrigation meters to recycled water.</p> <p>To date, 178 sites, irrigating a total of 1,654 acres of landscape, have been converted. The total potable water savings achieved by these projects is 3,646 AFY and 16,413 AF cumulatively.</p>

Public & Governmental Affairs Activities Report
June 9, 2021 – June 29, 2021

Member Agency Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Created content for regional Drought messaging and 2021 Drought Media Kit • Attended MWDOC Member Agency Managers meeting and provided an update on drought messaging and the upcoming MWDOC Water Policy Forum & Dinner <p>Government Affairs Staff:</p> <ul style="list-style-type: none"> • Circulated the monthly grants tracking and acquisition report with member agencies • Provided an update on the SCAQMD proposed amendments to amended Rule 1470/new rule 118.1 at the MWDOC Member Agency GM's meeting • Shared updated information with the member agency shutoffs group regarding funding for unpaid utility bills
Community Relations	<p>Public Affairs Staff:</p> <ul style="list-style-type: none"> • Delivered 2021 Water Awareness Poster Contest prizes to all 40 winners • Prepared a water 101+ presentation for Director Dick and the Lincoln Club of Orange County <p>Governmental Affairs Staff:</p> <ul style="list-style-type: none"> • 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
Education	<p>Public Affairs Staff</p> <ul style="list-style-type: none"> • 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 • Met multiple times with Don Jones, Center for Water Studies at Cuyamaca College to discuss his presentation at the WEEA Leadership Roundtable Meeting #8 • Prepared, hosted, and led the Water Energy Education Alliance (WEEA) Leadership Roundtable Meeting #8 • Prepared and distributed flyer with new sponsor levels for WEEA • Met with Metropolitan and Alison Loukeh & Associates to discuss two water workshops for high school science teachers this summer • Attended Metropolitan's Education Coordinators monthly meetings • Met with Orange County Department of Education regarding MWDOC Choice School Programs • Finalized MWDOC Choice School Program commitments with participating Orange County water providers • Attended Orange County Business Council's Workforce Development meeting

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