

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

September 1, 2021

At 8:30 a.m., President Tamaribuchi called to order the Regular Meeting of the Municipal Water District of Orange County both in the Board Room at the District facilities located in Fountain Valley, and via the Zoom Webinar application. Director McVicker led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

STAFF

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

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Linda Ackerman
Dennis Erdman

OTHERS PRESENT

Bill Hasencamp
Sara Tucker
Garrett Durst
Syrus Devers
Dick Ackerman
Ed Means
Dave Youngblood
Kathryn Freshley
Mike Gaskins
Kay Havens
Mark Monin
Dennis Cafferty
Steve LaMar
Peer Swan
Paul Weghorst
Frank Prewoznik
Jim Atkinson

Metropolitan Water District of So. California
NRR
NRR
Best, Best & Krieger
Ackerman Consulting
Means Consulting
East Orange County Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water

Paul Shoenberger
 Bill Moorhead
 Sherry Wanninger
 Laura Rocha
 Kaden Young
 Johnathan Cruz
 Kelly Rowe
 Mike Markus
 John Kennedy
 Alicia Dunkin
 Sandra Jacobs
 Chuck Gibson
 Justin McCusker
 Betty Olson
 Jim Leach
 Brad Reese
 Fernando Paludi
 Brooke Jones
 Tom Lindsey
 Wayne Miller
 Megan Couch
 Kristy Khachigian
 Lisa Ohlund
 Diane Rifkin
 Doug Francisco

Mesa Water
 Moulton Niguel Water District
 Moulton Niguel Water District
 Moulton Niguel Water District
 Moulton Niguel Water District
 Moulton Niguel Water District
 Orange County Water District
 Orange County Water District
 Orange County Water District
 Orange County Water District
 Orange County Water District
 Santa Margarita Water District
 Santa Margarita Water District
 Santa Margarita Water District
 Santa Margarita Water District
 Santa Margarita Water District
 Serrano Water District
 Trabuco Canyon Water District
 Yorba Linda Water District
 Yorba Linda Water District
 Yorba Linda Water District
 San Diego County Water Authority
 KK Consulting
 Ohlund Management & Technical Services
 Rifkin Consulting
 Resident

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

Director Jim Atkinson (Mesa Water) highlighted public outreach regarding the drought conditions and the importance of educating the legislative delegation on the successes (over the years) of the region’s water industry in addressing/handling drought conditions. Director Chuck Gibson (SMWD) agreed, highlighting water storage and recycled water issues.

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

No items were presented.

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

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

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

ACTION ITEMS

H.R. 4712 (LEVIN) – DESALINATION DEVELOPMENT ACT

Governmental Affairs Manager Heather Baez outlined the provisions of H.R. 4712 (Levin), noting that it is identical to H.R. 3723 from 2019 and would authorize \$260 million over the next five years for desalination projects and would create new environmental safeguards for the funded projects. Discussion ensued regarding the definition of a “desalination project”, the size of the project, and eligibility.

Responding to an inquiry by Director Dick, Ms. Baez confirmed that MWDOC’s suggested revisions to H.R. 3723 were included in this bill.

Upon MOTION by Director Yoo Schneider, seconded by Director Seckel and carried (7-0), the Board adopted a Support position on H.R. 4712, by the following roll call vote:

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

H.R. 3684 (DEFAZIO) – INFRASTRUCTURE INVESTMENT AND JOBS ACT

Ms. Baez advised that H.R. 3684 is a bipartisan effort and would establish the Infrastructure Development and Jobs Act (a comprehensive spending bill that includes \$550 billion over five years in new federal investments to infrastructure nationwide).

Considerable discussion ensued regarding the meaning of “natural infrastructure” (nature based infrastructure, e.g., using wetlands for flood protection), and “small water storage” (total project cost less than \$30 million), as well as concerns raised by Orange County Water District (OCWD), and how the bill will be funded.

SMWD Director Chuck Gibson commented that the bill was complex, and suggested the Board adopt a “support and seek amendments” position.

Mr. Garrett Durst (NRR) advised that there was no further opportunity to seek amendments.

Upon MOTION by Director Yoo Schneider, seconded by Director Seckel, and carried (6-1), the Board adopted a Support position on H.R. 3684 (DeFazio) by the following roll call vote:

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

PRESENTATION / DISCUSSION / INFORMATION ITEMS

LEGISLATIVE ACTIVITIES

a. Federal Legislative Report (NRR)

Mr. Garrett Durst advised that the legislature was still in its August recess. He then reported on the following: infrastructure package, and the appropriations bills (including an overview of the appropriations process).

The Board received and filed the report.

b. State Legislative Report

c. MWDOC Legislative Matrix

Mr. Syrus Devers of BBK, reviewed his report, highlighting the legislative process, media reports regarding lack of progress on storage projects, the drought conditions (and Northern California's efforts on recycling), and the Governor's recall election.

Discussion ensued regarding drought conditions, the need to educate the legislative delegation on how the region will handle the drought conditions, outreach messaging, and the importance of the local agencies handling versus statewide mandates. President Tamaribuchi suggested an ad hoc type committee (of the member agency elected officials) be formed for ideas on messaging, and informing not only the local legislative delegation, but the Board of Supervisors, etc.

Director of Public Affairs Damon Micalizzi advised that the member agency Public Affairs Workgroup has been meeting to develop ideas, and has developed a suite of materials on messaging that the agencies agree on.

The Board received and filed the report.

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

Director Ackerman highlighted the following MET activities: the ad valorem property taxes, MET's investment ratings (good/stable), an in-depth review of the MET Engineering & Operations Committee activities, the Colorado River Aqueduct activities (including the shortage declaration), the Real Property & Asset Management Committee activities/discussions, a drought presentation (including salinity control), and the SWP Voluntary Agreements.

Director Dick highlighted the ad valorem property taxes, the drought presentation, and employee classes/trainings (and his desire to give veterans priority in these training sessions).

Director Erdman reported on the Rate Refinement Process, the IRP schedule, the Delta Conveyance Project, and the Regional Recycled Water Project.

President Tamaribuchi noted that the IRP Committee would meet on September 28, 2021 wherein staff would present the Portfolio and Adaptive Management strategy. He suggested Brad Coffey present on this issue at the October 6, 2021 Workshop Board meeting.

The Board received and filed the reports.

DISCUSSION OF COLORADO RIVER ISSUES

- a. Status on Salinity Control – Sara Tucker**
- b. Colorado River Shortage Declaration**

Ms. Sara Tucker (NRR), Dr. Melissa Baum-Haley (MWDOC's Principal Water Resource Analyst), and Mr. Bill Hasencamp (MET) presented information regarding salinity control and the Colorado River Shortage Declaration. The information presented included overviews of the Salinity Control Forum, the Paradox Valley Unit, the Colorado River Shortage Declaration (the recent 24-month study triggered a Level 1 shortage condition for the first time), and the development of new Colorado River guidelines.

A discussion period ensued, with emphasis on the shortage and the ability to draw water from the river, salinity control as a top priority at MET, upper basin activities relative to water use efficiency efforts, the importance of a water quality committee (at MET) with monthly reporting requirements, and short-term (fallowing) and long-term options for improving river conditions.

The Board received and filed the report as presented.

INFORMATION ITEMS

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET Finance and Rate Issues
- b. MET General Manager Recruitment Process
- c. MET Review of Equal Employment Opportunity Policies and Practices
- d. MET Integrated Resources Plan Update
- e. MET Water Supply Conditions
- f. Colorado River Issues
- g. Delta Conveyance Activities and State Water Project Issues

Following an inquiry by Director Nederhood, Assistant General Manager Harvey De La Torre provided an overview on why MET's revenue increased while water sales were down (treated v. untreated water purchases, etc.)

The Board received and filed the report as presented.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

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

The report was received and filed.

CLOSED SESSION

At 10:56 a.m., Legal Counsel Byrne announced the Board would adjourn to closed session on the following matter:

CONFERENCE WITH LABOR NEGOTIATORS

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

RECONVENE

The Board reconvened at 11:10 a.m., and Legal Counsel Byrne announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business, the meeting adjourned at 11:11 a.m.

Maribeth Goldsby
Board Secretary