

REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Fountain Valley, California
May 18, 2022, 8:30 a.m.

Due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e), MWDOC will be holding this Board and Committee meeting by Zoom Webinar and will be available by either computer or telephone audio as follows:

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

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

AGENDA

MOMENT OF SILENCE

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENTS/PARTICIPATION

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

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

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

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

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

EMPLOYEE SERVICE AWARDS

NEXT RESOLUTION NO. 2127**CONSENT CALENDAR (Items 1 to 13)**

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

1. MINUTES

- a. April 6, 2022 Workshop Board Meeting
- b. April 7, 2022 Special Board Meeting
- c. April 20, 2022 Board Meeting

Recommendation: Approve as presented.

2. COMMITTEE MEETING REPORTS

- a. Planning & Operations Committee Meeting: April 4, 2022
- b. Administration & Finance Committee Meeting: April 13, 2022
- c. Executive Committee Meeting: April 21, 2022
- d. MWDOC/OCWD Joint Planning Committee: April 27, 2022

Recommendation: Receive and file as presented.

3. TREASURER'S REPORTS

- a. MWDOC Revenue/Cash Receipt Register as of April 30, 2022
- b. Disbursement Registers (April/May)

Recommendation: Ratify and approve as presented.

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of March 31, 2022
- d. PARS Monthly Statement (OPEB Trust)

Recommendation: Receive and file as presented.

4. FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period ending March 31, 2022
- b. Quarterly Budget Review

Recommendation: Receive and file as presented.

5. APPROVE CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND MAKE REQUIRED FINDINGS

Recommendation: Vote to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) it has reconsidered the circumstances of the state of emergency for COVID-19, and (2) state and local officials continue to impose or recommend measures to promote social distancing.

6. AB 2639 (QUIRK) – SAN FRANCISCO BAY/SACRAMENTO-SAN JOAQUIN DELTA ESTUARY: WATER QUALITY CONTROL PLAN: WATER RIGHTS PERMITS

Recommendation: Adopt an Oppose Unless Amended position on AB 2639 (Quirk) and join the Association of California Water Agencies' (ACWA) coalition.

7. SB 1044 (DURAZO) – EMPLOYERS: STATE OF EMERGENCY OR EMERGENCY CONDITION: RETALIATION

Recommendation: Adopt an Oppose Unless Amended position on SB 1044 (Durazo) and send a letter to the author and the Orange County delegation.

8. MASTER AGREEMENTS FOR SHARED PROGRAMS AND SERVICES WITH ANAHEIM, SANTA ANA, AND FULLERTON

Recommendation: Authorize the General Manager to execute the Master Agreements for Shared Programs and Services with the cities of Anaheim, Santa Ana, and Fullerton, subject to any non-substantive changes or modifications.

9. ANNUAL APPROVAL OF DISTRICT SALARY SCHEDULE

Recommendation: Approve the proposed Salary Schedule, as presented, effective July 1, 2022; adjusting the District salary ranges by 3.84%, as approved during the budget process. (Option 1).

10. AUTHORIZE PURCHASE OF NEW COPIER

Recommendation: Authorize the General Manager to purchase a Ricoh Pro C5310S color copier at a cost of \$51,190.27 (including tax, software, installation and training) from Ricoh USA Inc., under the Sourcewell Regional Cooperative Purchasing Agreement.

11. APPROVE CHANGES TO RECORDS RETENTION SCHEDULE

Recommendation: Approve changes to the Records Retention Schedule and authorize staff to incorporate those changes into the Administrative Code.

12. ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND GUIDELINES

Recommendation: Receive and file Investment Policy Guidelines.

13. ELECTION INFORMATION (CANDIDATE'S STATEMENTS)

Recommendation: Authorize staff to submit the Transmittal of Election Information/Special District to the Orange County Registrar of Voters, indicating that the Candidate's Statement of Qualifications will be limited to 200 words, and that the District will not pay for the statements.

End Consent Calendar

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

14. GENERAL MANAGER'S REPORT, MAY 2022 (ORAL AND WRITTEN)

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

15. MWDOC GENERAL INFORMATION ITEMS

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

Recommendation: Receive and file as presented.

ADJOURNMENT

Note: Accommodations for the Disabled. Any person may make a request for a disability-related modification or accommodation needed for that person to be able to participate in the public meeting by contacting Maribeth Goldsby, District Secretary, at (714) 963-3058, or writing to Municipal Water District of Orange County at P.O. Box 20895, Fountain Valley, CA 92728. Requests must specify the nature of the disability and the type of accommodation requested. A telephone number or other contact information should be included so that District staff may discuss appropriate arrangements. Persons requesting a disability-related accommodation should make the request with adequate time before the meeting for the District to provide the requested accommodation.

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

April 6, 2022

At 8:30 a.m., President Yoo Schneider called to order the Regular Meeting of the Municipal Water District of Orange County via the Zoom Webinar application (due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e)). Director Erdman 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
Charles Busslinger, Dir. of Engineering/Dist. Eng.
Kevin Hostert, Water Resources Analyst
Damon Micalizzi, Director of Public Affairs
Chris Lingad, Associate Engineer
Joe Berg, Director of Water Use Efficiency
Heather Baez, Governmental Affairs Manager
Vicki Osborn, Director of Emergency Management

*Also MWDOC MET Directors

OTHER MWDOC MET DIRECTORS

Linda Ackerman
Dennis Erdman

OTHERS PRESENT

Katano Kasaine
Arnout Van Den Berg
Sara Tucker
Garrett Durst
Syrus Devers
Dick Ackerman
Ed Means
Dave Youngblood
Kathryn Freshley
Mike Gaskins
Kay Havens
Mark Monin
Dennis Cafferty
Mike Dunbar
Ken Vecchiarelli
Peer Swan
Paul Weghorst
Frank Prewoznik

Metropolitan Water District of So. Calif.
Metropolitan Water District of So. Calif.
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
Emerald Bay Service District
Golden State Water Company
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District

Jim Atkinson	Mesa Water
Stacy Taylor	Mesa Water
Bill Moorhead	Moulton Niguel Water District
Diane Rifkin	Moulton Niguel Water District
Sherry Wanninger	Moulton Niguel Water District
Joone Lopez	Moulton Niguel Water District
Drew Atwater	Moulton Niguel Water District
Laura Rocha	Moulton Niguel Water District
Kaden Young	Moulton Niguel Water District
Kelly Rowe	Orange County Water District
Mike Markus	Orange County Water District
John Kennedy	Orange County Water District
Saundra Jacobs	Santa Margarita Water District
Justin McCusker	Santa Margarita Water District
Frank Ury	Santa Margarita Water District
Dan Ferons	Santa Margarita Water District
Don Bunts	Santa Margarita Water District
Jim Leach	Santa Margarita Water District
Chip Monaco	Santa Margarita Water District
Jerry Haight	Serrano Water District
Brad Reese	Serrano Water District
Bill Green	South Coast Water District
Fernando Paludi	Trabuco Canyon Water District
Wayne Miller	Yorba Linda Water District
Lisa Ohlund	Ohlund Management & Technical Services
Paul Jones	Dopudja & Wells Consulting
Skylar Stephens	San Diego County Water Authority
Kristy Khachigian	KK Consulting

PUBLIC PARTICIPATION/PUBLIC COMMENTS

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

OCWD Director Kelly Rowe referenced the relationship between MWDOC and OCWD highlighting the 1986 Resolution between the two agencies, and the two recent letters OCWD sent to MWDOC (MET priorities and MWDOC Reserves); he noted OCWD's desire to have more involvement in MET 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 Yoo Schneider inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were reported.

ACTION ITEMS

APPROVE CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND MAKE REQUIRED FINDINGS

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (7-0), the Board voted to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) it has reconsidered the circumstances of the state of emergency for COVID-19, and (2) state and local officials continue to impose or recommend measures to promote social distancing, by the following roll call vote:

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

AB 2449 (RUBIO) – OPEN MEETINGS: LOCAL AGENCIES: TELECONFERENCES

Upon MOTION by Director Seckel, seconded by Director Thomas, and carried (7-0) the Board adopted a Support position on AB 2449 (Rubio) and authorized staff to send a letter to the author's office and Orange County delegation, by the following roll call vote:

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

SB 991 (NEWMAN) – PUBLIC CONTRACTS: PROGRESSIVE DESIGN BUILD: PUBLIC AGENCIES

Upon MOTION by Director Dick, seconded by Director Seckel, and carried (7-0), the Board adopted a Support position on SB 991 (Newman) and authorized staff to send a letter to the author's office and the Orange County delegation

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

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

Ms. Sara Tucker (NRR) provided an overview of her report included in the packet, highlighting the appropriations process, the President's budget, Senator Feinstein's proposed STREAM Act activities, WEROC appropriations funding request, and an overview of various legislation (including the Sunshine Protection Act). She concluded her report with an update on the Paradox Valley pumping, noting it is anticipated it will be functioning (at a reduced flow rate) sometime this year.

Discussion ensued regarding the STREAM Act (and differences between this Act, and RIFIA/WIFIA) and atmospheric rivers language. The Board received and filed the report.

b. State Legislative Report

Mr. Syrus Devers of BBK, reviewed his report, highlighting the upcoming elections, the state budget (and earmarks for recycling and other water projects), the status of the WEROC earmark request, and various pieces of legislation.

Following discussion, the Board received and filed the report.

c. Legal and Regulatory Report (Ackerman)

The Board received and filed the report.

d. MWDOC Legislative Matrix**e. Metropolitan Legislative Matrix**

The Board received and filed the reports.

DISCUSSION REGARDING MET'S BIENNIAL BUDGET

- a. Presentation by MET Chief Financial Officer regarding MET's Biennial Budget
- b. MWDOC Member Agency Budget Letters

Ms. Katano Kasaine (MET's Chief Financial Officer) and Mr. Arnout Van Den Berg (MET staff) provided an overview of MET's proposed Biennial Budget, with associated rates and charges for FY 2022/23 and FY 2023/24. The presentation included information on revenues and various scenarios (lower water demands and CIP expenditures), and the reasons surrounding the proposed 8% rate increases for each of the fiscal years (additional staff, etc.), noting the MET Board is considering/in the process of reducing the rate increases.

(President Yoo Schneider left the meeting at 10:00 a.m.; Vice President McVicker assumed the Chair position).

Considerable discussion ensued regarding lowering the rate increases, CIP expenditures, water demands, the status of the Lake Oroville spillway, Bay-Delta issues, avoiding increases by reducing the number of requested additional staff, reduced sales (and its effect on rates),

Tier 2 projections, the need for succession planning among MET staff, and the need to re-evaluate MET's rate structure.

Following discussion, 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 Seckel commented on the format for this meeting, whether to reorganize the agenda to allow more time for the main presentation, or whether to move the legislative items to a Committee. He also highlighted the facilitated discussions with the member agencies, noting that access to and information regarding MET issues is a high priority with the agencies; he encouraged agencies to contact him for further discussion on improving these issues.

Discussion ensued regarding MET Director reports, with audience members expressing desire for MET Directors to state their positions on various issues. Vice President McVicker suggested these issues be discussed by the Executive Committee.

Director Ackerman provided updates on the following issues: Sites Reservoir, MET Communications and Legislative Committee activities, the MET Biennial Budget, and the IRP.

Directors Erdman and Tamaribuchi had no further reports.

Director Dick highlighted MET General Manager Hagekhalil's efforts with labor organizations to enhance apprenticeships, the Community Workforce Agreement, Sites Reservoir, and MET's OPEB funding (64% funded).

INFORMATION ITEMS

WATER SUPPLY CONDITIONS UPDATE

The Board received and filed the report as presented.

MWD ITEMS CRITICAL TO ORANGE COUNTY

- a. MET Finance and Rate Issues
- b. MET Integrated Resources Plan Update
- c. MET Water Supply Conditions
- d. Colorado River Issues
- e. Delta Conveyance Activities and State Water Project Issues

The Board received and filed the report as presented.

METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding the March MET Board Meeting
- b. MET 4-Month Outlook on Upcoming Issues
- c. Review items of significance for the upcoming MET Board and Committee Agendas

The report was received and filed.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:53 a.m.

Maribeth Goldsby
Board Secretary

MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 7, 2022

At 6:00 p.m. President Yoo Schneider called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors, via the Zoom Webinar application (due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e)). Director Dick led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

ALSO PRESENT

Linda Ackerman
Art Brown
Kay Havens
Mark Monin
Dennis Cafferty
Alvin Papa
Karen McLaughlin
Debbie Baker
Jim Atkinson
Fred Bockmiller
Marice DePasquale
Jim Fisler
Richard Fiore
Don Froelich
Bill Moorhead
Diane Rifkin
Sherry Wanninger
Jose Solorio
Drew Atwater
Kelly Rowe
John Kennedy
Chuck Gibson
Saundra Jacobs
Betty Olson
Frank Ury
Jim Leach
Chip Monaco

STAFF PRESENT

Robert Hunter, General Manager (absent)
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Assistant General Manager
Joe Berg, Director of Water Use Efficiency
Heather Baez, Government Affairs Manager
Damon Micalizzi, Director of Public Affairs
Alex Heide, Water Resources Analyst
Vicki Osborn, Director of Emergency Mgmt.
Hilary Chumpitazi, Accounting Manager
Charles Busslinger, Dir. of Engineering/Dist.
Engineer

MWDOC/MET Director
City of Buena Park
El Toro Water District
El Toro Water District
El Toro Water District
City of Huntington Beach
Irvine Ranch Water District
City of La Palma
Mesa Water
Mesa Water
Mesa Water
Mesa Water
Moulton Niguel Water District
Moulton Niguel Water District
Moulton Niguel Water District
Moulton Niguel Water District
Moulton Niguel Water District
Moulton Niguel Water District
Moulton Niguel Water District
Orange County Water District
Orange County Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District

Brad Reese
Jerry Vilander
Doug Erdman
Bill Green
Glen Acosta
Stephen Dopudja
Rebecca Gomez
Brooke Jones
Wayne Miller
Kristy Khachigian

Serrano Water District
Serrano Water District
South Coast Water District
South Coast Water District
Trabuco Canyon Water District
Trabuco Canyon Water District
City of Tustin
Yorba Linda Water District
Yorba Linda Water District
Kristy Khachigian Consulting

PUBLIC COMMENTS

No public comments were received.

DISCUSSION ITEMS

DISCUSSION WITH REPRESENTATIVES FROM MWDOC'S MEMBER AGENCIES REGARDING KEY REGIONAL ISSUES AND KEY ORANGE COUNTY ISSUES, INCLUDING THE MWDOC (AND MET) BUDGET AND PROPOSED ACTIVITIES FOR FY 2022-23 (AND RESERVES), THE WEROC EMERGENCY OPERATIONS CENTER (EOC), AND WATER USE EFFICIENCY ACTIVITIES (PROPOSED STANDARDS AND WATER LOSS/LEAK DETECTION)

President Yoo Schneider stated that the evening would consist of short presentations, each followed by open dialogue/questions between the Board and audience. The following topics were covered:

- MWDOC FY 2022-23 Budget and Activities (as well as MET Biennial Budget) (H. De La Torre)
- WEROC Emergency Operations Center (EOC) (V. Osborn)
- Water Use Efficiency Activities (J. Berg)

Assistant General Manager De La Torre began the evening with a presentation and overview of MWDOC's FY 2022-23 proposed budget, as well as an overview of MET's proposed Biennial Budget. Considerable discussion was held regarding MET's proposed 8% rate increases (both years), as well as MWDOC's Reserve Policy.

SMWD Director Gibson addressed the Board, and asked that the following requests be incorporated into the meeting record: (1) MWDOC's third draft budget eliminate the proposed meter charge of .75 per meter, eliminating any increase of revenue from the meter charge, and that the Board also eliminate the proposed increase in groundwater customer charge, noting these changes could be made by recognizing and using the current balance in the Tier 2 Fund of \$1,035,035; and (2) MWDOC management continue to review other fund balances and the reserve policy to determine appropriate designations and whether a credit may be issued to member agencies, or reserve level be changed.

Director of Emergency Management Vicki Osborn, then provided an overview of the proposed WEROC Emergency Operations Center, costs, and earmarked appropriations funding through the legislature.

Director of Water Use Efficiency Joe Berg, concluded the evening with an update and overview of the State's proposed Water Use Efficiency Standards, as well as water loss/leak detection activities.

ADJOURNMENT

There being no further business to come before the Board, President Tamaribuchi adjourned the meeting at 8:04 p.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 20, 2022**

At 8:30 a.m., President Yoo Schneider called to order the Regular Meeting of the Municipal Water District of Orange County, via the Zoom Webinar application (due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e)). Following a moment of silence, General Manager Hunter led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

STAFF

Robert Hunter, General Manager
Harvey De La Torre, Assist. GM
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Melissa Baum-Haley, Prin. Water Resources Analyst
Heather Baez, Governmental Affairs Manager
Alex Heide, Water Resource Analyst
Cathy Harris, Dir. of HR & Administration
Joe Berg, Director of Water Use Efficiency
Kevin Hostert, Water Resources Analyst
Charles Busslinger, Principal Engineer
Hilary Chumpitazi, Accounting Manager
Damon Micalizzi, Director of Public Affairs
Vicki Osborn, Director of Emergency Management
Rachel Waite, Sr. WUE Analyst
Chris Lingad, Associate Engineer
Steven Hung, Financial/Database Analyst

ALSO PRESENT

Dennis Erdman
Linda Ackerman
Dennis Cafferty
Sherri Seitz
Kathryn Freshley
Mike Gaskins
Kay Havens
Keith Van Der Maaten
Jim Atkinson
Stacy Taylor
Dick Fiore
Bill Moorhead
Sherry Wanninger
Kaden Young
Kelly Rowe
Mike Markus
John Kennedy
Chuck Gibson
Saundra Jacobs

MWDOC/MET Director
MWDOC/MET Director
East Orange County Water District
East Orange County Water District
El Toro Water District
El Toro Water District
El Toro Water District
Laguna Beach County Water District
Mesa Water
Mesa Water
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
Santa Margarita Water District
Santa Margarita Water District

Justin McCusker	Santa Margarita Water District
Frank Ury	Santa Margarita Water District
Dan Ferons	Santa Margarita Water District
Chip Monaco	Santa Margarita Water District
Paul Pender	Santa Margarita Water District
Erica Castillo	Santa Margarita Water District
Greg Mills	Serrano Water District
Jerry Vilander	Serrano Water District
Bill Green	South Coast Water District
Rick Shintaku	South Coast Water District
Glen Acosta	Trabuco Canyon Water District
Fernando Paludi	Trabuco Canyon Water District
Brooke Jones	Yorba Linda Water District
Tom Lindsey	Yorba Linda Water District
Wayne Miller	Yorba Linda Water District
Dick Ackerman	Ackerman Consulting
Lisa Ohlund	Ohlund Management & Technical Services
Kristy Khachigian	KK Consulting
Charles Luas	

PUBLIC PARTICIPATION/PUBLIC COMMENT

President Yoo Schneider announced that members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Ms. Yoo Schneider asked whether any member of the public had any comments on items that are not on the agenda.

No public comments were received, however Director Nederhood suggested that in an effort to keep meetings running in a timely manner, presentations be kept to 15 minutes. It was noted this issue would be addressed by the Executive Committee.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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

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

General Manager Hunter advised that a Revised Water Rates Resolution was distributed to the Board and made available to the public (Item 10-2).

STAFF INTRODUCTION

Accounting Manager Hilary Chumpitazi introduced Steven Hung, the District's new Financial Analyst/Database Analyst to the Board (replacing Jeff Stalvey).

CONSENT CALENDAR

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

Director Nederhood requested Item No. 8 (Approve Continuation of Legal Services with Best, Best & Krieger) be pulled from the Consent Calendar for further discussion.

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

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

MINUTES

The following minutes were approved.

March 2, 2022 Workshop Board Meeting
March 16, 2022 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting:	March 14, 2022
Administration & Finance Committee Meeting:	March 9, 2022
Executive Committee Meeting:	March 17, 2022

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of March 31, 2022
MWDOC Disbursement Registers (March/April)

The following items were received and filed as presented.

MWDOC Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of February 28, 2022

PARS Monthly Statement (OPEB Trust)

FINANCIAL REPORT

The following item was received and filed as presented.

Combined Financial Statements and Budget Comparative for the Period ending February 28, 2022

APPROVE CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND MAKE REQUIRED FINDINGS

The Board voted to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) it has reconsidered the circumstances of the state of emergency for COVID-19, and (2) state and local officials continue to impose or recommend measures to promote social distancing.

**ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO)
ALTERNATE SPECIAL DISTRICT MEMBER SEAT - ELECTION**

The Board voted to support Kathryn Freshley from El Toro Water District for OC LAFCO Alternate Special District Member seat, authorized President Yoo Schneider and alternate Director McVicker to cast the District's ballot, and authorized staff to submit the appropriate forms to OC LAFCO by the deadlines outlined.

SELECTION OF ANNUAL FINANCIAL STATEMENT AUDIT SERVICES

The Board authorized the General Manager to enter into an audit contract with Davis Farr LLP, to perform an annual financial audit of the District's financial statements for FY 2021-22, in an amount of \$31,500, with an option to renew the agreement for up to four additional one-year terms at slightly higher amounts, not to exceed \$33,418/year.

- END CONSENT CALENDAR -

ITEM PULLED FROM THE CONSENT CALENDAR**APPROVE CONTINUATION OF LEGAL SERVICES WITH BEST, BEST & KRIEGER**

Director Nederhood expressed his concern with not following District policy and continuing with the same consultant without an RFP/Q process after five years; he outlined the value of following the process and encouraged the Board to follow the District's policy and conduct an RFP/Q process for legal services.

Several Directors commented that although they support the District's policy in most instances, they were pleased with BBK's representation and highlighted the value of institutional knowledge, noting the time and expense associated with the process, and that educating a new firm may not be in the District's best interests. It was noted that the contract could be terminated at any time if the Board was unhappy with the services rendered by BBK.

Discussion was then held regarding renewing the contract for less than five years (2 or 3), and following this discussion, upon MOTION by Director McVicker, seconded by Director Seckel and

carried (6-1), the Board approved foregoing the RFP/Q process and authorized staff to negotiate a contract with Best, Best & Krieger (BBK) for comprehensive and general District legal services for an additional five years, effective September 1, 2022. Said action was taken by the following roll call vote:

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

PUBLIC HEARING/ACTION ITEM

HOLD PUBLIC HEARING TO ADOPT ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 54 REGARDING COMPENSATION FOR DIRECTORS

President Yoo Schneider announced that the Board would hold a Public Hearing to receive comments on the proposal to adopt a new Ordinance (superseding and repealing Ordinance No. 54) increasing Compensation for Directors. President Yoo Schneider opened the public hearing and encouraged public comments.

No comments were received and President Yoo Schneider closed the Public Hearing and announced that the proposal to adopt Ordinance No. 54 was before the Board for consideration.

Directors Nederhood, Seckel, and Thomas each suggested the Board not increase its compensation for the upcoming year. Director Dick concurred, but noted that to keep potential Board candidates interested in running for the District, it would not be wise to defer an increase every year.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (7-0) the Board approved no increase in compensation, and no Ordinance was adopted. Said action was taken by the following roll call vote:

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

ACTION CALENDAR**ADOPTION OF THIRD DRAFT OF THE FY 2022-23 BUDGET & TIER 2 RESERVE ACTION**

President Yoo Schneider advised that adoption of the FY 2022-23 budget (and Tier 2 Reserves) was before the Board for consideration.

Director Seckel, as Chair of the Administration & Finance Committee, addressed statements made at the Committee meeting regarding allowing comments on the budget, noting that he did not intend to cut comments short at the meeting, but suggested it may be helpful to provide comments and thoughtful input earlier in the process.

Director Nederhood commented that the proposed budget/rates reflect a 5.6% increase, suggesting that the increase be limited to 5%. He suggested the budget be passed with a meter charge of \$13.65 (rather than \$13.75) to attain this goal.

Director Seckel confirmed his statements (from the Committee meeting) that the Tier 2 Contingency Reserve Fund be liquidated and return the funds to the member agencies, noting this would offset the \$.75 increase in the meter charge.

Discussion then ensued regarding the budget process, the Reserves Policy (currently under review by the Board and agencies), and the proposal to liquidate the Tier 2 Contingency Fund. Members of the audience expressed support for the liquidation.

It was suggested that the vote be separated between the budget, and the liquidation of the Tier 2 Contingency Fund.

Upon MOTION by Director Thomas, seconded by Director Dick, and carried (6-1), the Board adopted RESOLUTION NO. 2125 approving and establishing the MWDOC Budget for Fiscal Year 2022-23, including the General Fund, Reserve Fund, Water Fund, Water Use Efficiency Fund, WEROC Fund and AMP Fund, as presented, by the following roll call vote:

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

Upon MOTION by Director Seckel, seconded by Director Thomas, and carried (7-0), the Board voted to liquidate the Tier 2 Contingency Reserve Fund and return this amount (approximately \$1,035,567) to the member agencies via a credit on their FY 22/23 budget invoice, with the full understanding/implication that reserve levels will not be fully funded this fiscal year. Said action was taken by the following roll call vote:

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

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2022-23

President Yoo Schneider advised that the proposed Fiscal Year 2022-23 Water Rate Resolution was before the Board for consideration.

Director Nederhood expressed opposition to the proposed 5.6% rate increase (as stated above), noting his belief it was inappropriate and that any increases should be limited to 5%.

Following discussion, and upon MOTION by Director Seckel, seconded by Director Thomas and carried (6-1), the Board (1) increased the MWDOC Retail Meter Charge from \$13.00 to \$13.75 per meter, and increased the Groundwater Customer Charge from \$335,385 to \$368,722 effective July 1, 2022; and (2) adopted RESOLUTION NO. 2126 establishing water rates and charges to be effective July 1, 2022 and January 1, 2023 as identified in the Water Rate Resolution for Fiscal Year 2022-23. Said action was taken by the following roll call vote:

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

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, APRIL 2022**

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

Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS**a. BOARD OF DIRECTORS**

The Board members each reported on their attendance at the regular (and special) MWDOC Board and Committee meetings. In addition to these meetings, the following reports were made on conferences and meetings attended on behalf of the District. Due to COVID 19, many of the meetings outlined were attended virtually.

Director Nederhood advised that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the YLWD budget planning meetings, and the Elected Officials Forum.

Director Dick reported on attending all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Regular Board meeting) the regularly scheduled MET Board and Committee meetings, the Urban Water Institute planning meeting, an ad hoc meeting MET legal issues, the Southern California Water Dialogue meeting, the South Orange County Economic Coalition meeting, the Serrano

Water District Board room dedication event, the OC Taxpayers Association meeting, Special MET Board/audit meeting, the ISDOC Executive Committee meeting, the Urban Water Institute meeting, the MET Director meeting with Mesa Water, the WACO Planning meeting, and individual meetings with Deven Upadhyay, Larry Pharris, Carolyn Schaffer, and Congresswoman Kim.

Director McVicker reported that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the OCWA Webinar regarding Operation X (LA Recycled Water Project), OC Water Summit planning meeting, the WACO meeting, the Westminster Pocket Park groundbreaking ceremony (Wyland Foundation), the ISDOC Executive Committee meeting, a meeting with Supervisor Foley, the Elected Officials Forum, the MET Board and Committee meetings, the OCBC Infrastructure Committee meeting, and the Fountain Valley City Council/Streams of Hope Project presentation.

Director Seckel advised that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the WACO and WACO Planning meetings, the OC Water Summit planning meeting, the MET Board and Committee meetings regarding the budget, the Elected Officials Forum, the Southern California Dialogue meeting, the DWR Scoping meeting regarding long-term operations for the State Water Project and CVP, the Drought & Climate Outlook event (California and Nevada), and Joe McDivitt's retirement event (SCWD).

Director Tamaribuchi reported on attending the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the regularly scheduled MET Board and Committee meetings, the WACO meeting, two meetings with staff on the budget and water planning issues, two MWDOC/MET Director meetings, a meeting with Supervisor Foley re WEROC, a meeting with South County agencies, the MET Caucus, the MET Director meeting with Mesa Water, and the Elected Officials Forum.

Director Thomas stated that he attended all of the regularly scheduled MWDOC meetings (the Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the OC Water Summit planning meetings, the meeting with South County agencies, the WACO meeting, the Elected Officials Forum, and the cyber security training.

Director Yoo Schneider advised that she attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the SMWD Board meetings, the Water Environment Federation (WEF) Diversity, Equity & Inclusion Leadership Committee meetings, a meeting with MWDOC staff, the Westminster Pocket Park groundbreaking ceremony (Wyland Foundation), the Elected Officials Forum, the LBCWD Board meeting, and the SMWD Water Quality & Treatment Committee meeting.

a. REQUESTS FOR FUTURE AGENDA TOPICS

President Yoo Schneider noted that the Executive Committee will address whether to add the legislative advocacy reporting to a Committee meeting, as well as discuss the length of meetings and presentations.

ADJOURNMENT

There being no further business to come before the Board, President Yoo Schneider adjourned the meeting at 9:55 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary

**MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

Jointly with the
PLANNING & OPERATIONS
April 4, 2022 – 8:30 a.m. to 10:38 a.m.

Due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e), the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

Committee:

Director Tamaribuchi, Chair
Director McVicker
Director Nederhood

Staff:

Rob Hunter, Pari Francisco,
Heather Baez, Damon Micalizzi,
Maribeth Goldsby, Michelle Decasas,
Harvey De La Torre, Chris Lingad, Charles
Busslinger, Rachel Waite, Tina Dubuque,
Joe Berg, Daniel Harrison, Tiffany Baca, Bryce
Roberto, Janine Schunk, Alex Heide, Kevin
Hostert, Vicki Osborn

Also, Present:

Director Larry Dick
Director Yoo Schneider
Director Karl Seckel
Director Thomas
Linda Ackerman, MET Director
Dennis Erdman, MET Director
Doug Reinhart, Irvine Ranch WD
Alvin Papa, Huntington Beach
Dick Fiore, Moulton Niguel WD
Jim Atkinson, Mesa WD
Drew Atwater, Moulton Niguel WD
Kathryn Freshley, El Toro WD
Mike Gaskins, El Toro WD
Bill Green, South Coast WD
John Kennedy, Orange County WD
Matt Collings, Moulton Niguel WD
David Youngblood, East OCWD

Paul Weghorst, Irvine Ranch WD
Peer Swan, Irvine Ranch WD
Saundra Jacobs, Santa Margarita WD
Jim Leach, Santa Margarita WD
Justin McCusker, Santa Margarita WD
Keith Van Der Maaten, Laguna Beach CWD
Kelly Rowe, Orange County WD
Mike Markus, Orange County WD
Sherry Wanninger, Moulton Niguel WD
Donald Froelich, Moulton Niguel WD
Kay Havens, El Toro WD
Dennis Caffery, El Toro WD
Laura Rocha, Moulton Niguel WD
Yarib Dheming, OC Dept of Education
Joone Lopez, Moulton Niguel WD
Jerry Vilander, Serrano WD

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

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

PUBLIC PARTICIPATION

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received too late to be agendized.

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

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

PRESENTATION ITEMS**EARTH MONTH OUTREACH PRESENTATION**

Ms. Tiffany Baca, MWDOC Public Affairs Manager, provided a PowerPoint presentation highlighting MWDOC's outreach efforts to recognize Earth Day 2022.

Mr. Rob Hunter, MWDOC General Manager, shared that the goal of the presentation was to show how each of the programs is regionally supported.

Director Tamaribuchi requested that, in addition to the activities covered in the presentation, he would like to see information and outreach concerning imported water issues and concerns.

Mr. Damon Micalizzi, Director of MWDOC Public Affairs, stated that President Yoo Schneider and Director McVicker attended a press conference and that during that press conference, they conveyed specific needs for additional infrastructure and conveyance; however, these comments were edited out of the broadcast due to other news that took priority.

MWDOC MEMBER AGENCY FACILITATED DISCUSSION PROJECT PRESENTATION

Mr. Paul Redvers Brown from Paul Redvers Brown, Inc. provided a PowerPoint presentation summarizing the findings compiled from the facilitated discussions conducted with the leadership of member agencies comprising the Municipal Water District of Orange County.

ACTION ITEM**ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO)
ALTERNATE SPECIAL DISTRICT MEMBER SEAT - ELECTION**

Ms. Heather Baez, Governmental Affairs Manager, explained that the Orange County Local Agency Formation Commission (OC LAFCO) Alternate Special District Member Seat – election is coming up. The current Commissioner Director Kathryn Freshley from El Toro Water District is running for re-election.

Director Nederhood stated he would like MWDOC to support Director Kathryn Freshley in her bid for re-election.

Upon MOTION by Director Nederhood, seconded by Director McVicker, and carried (3-0), the Committee recommended the Board:

1. Support Director Kathryn Freshley from El Toro Water District for re-election for the Orange County Local Agency Formation Commission (OC LAFCO) Alternate Special District Member Seat;
2. Authorize President Yoo-Schneider with Director McVicker as an alternate to vote in the appointment process; and
3. Direct staff to submit the appropriate forms to OC LAFCO by the deadlines outlined.

A roll call vote was taken, with Directors Tamaribuchi, McVicker, and Nederhood voting in favor. This item will be presented to the Board on April 20, 2022.

DISCUSSION ITEMS

UPDATE ON COVID-19 (ORAL REPORT)

The Committee received and filed this report.

INFORMATION ITEMS

WEROC EOC PROJECT AND FUNDING UPDATE

The Committee received and filed this report.

MASTER AGREEMENTS FOR SHARED PROGRAMS AND SERVICES WITH ANAHEIM, SANTA ANA AND FULLERTON

The Committee received and filed this report.

2022 OC WATER SUMMIT UPDATE

The Committee received and filed this report.

MWDOC CHOICE SCHOOL PROGRAMS UPDATE

The Committee received and filed this report.

STATUS REPORTS

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

The Committee received and filed these reports.

REVIEW OF ISSUES RELATED TO PLANNING OR ENGINEERING PROJECTS, WEROC, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, PUBLIC AFFAIRS PROGRAMS AND EVENTS,

**PUBLIC INFORMATION PROJECTS, PUBLIC INFORMATION CONSULTANTS,
DISTRICT FACILITIES, and MEMBER-AGENCY RELATIONS**

ADJOURNMENT

There being no further business brought before the Committee, Chairperson Tamaribuchi adjourned the meeting at 10:38 a.m.

MINUTES OF THE MEETING OF THE BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Jointly with the

ADMINISTRATION & FINANCE COMMITTEE

April 13, 2022 – 8:31 a.m. to 10:56 a.m.

Due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e), the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

A&F Committee:

Director Karl Seckel
Director Larry Dick
Director Jeff Thomas

Staff:

Rob Hunter, Alex Heide, Beth Fahl,
Cathleen Harris, Chris Lingad, Sam Fetter,
Harvey De La Torre, Heather Baez, Joe Berg,
Hilary Chumpitazi, Katie Davanaugh,
Maribeth Goldsby, Melissa Baum-Haley,
Pari Francisco, Rachel Davis, Michelle DeCasas,
Steven Hung, Damon Micalizzi, Rachel Waite,
Hugo Escamilla, Trent Blue, Tina Dubuque,
Willie Zavala, David Bost, Charles Busslinger

Also Present:

Director Al Nederhood
Director Bob McVicker
Director Megan Yoo Schneider
Director Sat Tamaribuchi
Dennis Erdman, MWDOC Met Director
Linda Ackerman, MWDOC Met Director

Others Present:

Brian Thomas, Bell, Burnett & Associates
Chuck Gibson, Santa Margarita Water District
Doug Reinhart, Irvine Ranch Water District
Erica Castillo, Santa Margarita Water District
Fernando Paludi, Trabuco Canyon Water District
Frank Ury, Santa Margarita Water District
Jim Atkinson, Mesa Water
John Kennedy, Orange County Water District
Johnathan Cruz, Moulton Niguel Water District
Justin McCusker, Santa Margarita Water District
Kaden Young, Moulton Niguel Water District
Kay Havens, El Toro Water District
Mark Monin, El Toro Water District
Marwan Khalifa, Mesa Water
Michael Markus, Orange County Water District
Peer Swan, Irvine Ranch Water District
Stacy Taylor, Mesa Water
Brad Reese, Serrano Water District
Dennis Cafferty, El Toro Water District
Chip Monaco, Santa Margarita Water District
Dan Ferons, Santa Margarita Water District
Kristy Khachigian, KK Consulting

Keith Vandermaaten, Laguna Beach County Water
Mike Gaskins, El Toro Water District
Paul Weghorst, Irvine Ranch Water District

At 8:30 a.m., Director Seckel called the meeting to order, via the Zoom webinar application.

Secretary Goldsby conducted a roll call attendance of the Committee members with Directors Seckel, Thomas and Dick acknowledging attendance for the Administration and Finance Committee; and Directors McVicker, Nederhood, Tamaribuchi and Yoo Schneider also present.

PUBLIC COMMENTS

No comments were received

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

General Manager Rob Hunter reported that a revised Item 5 (Water Rate Resolution), Item 6 (a Letter from OCWD regarding MWDOC reserve policy), and Item 10 (an updated Water Supply Data) report were distributed to the Board and made available to the public.

STAFF INTRODUCTIONS

Rachel Davis, Water Loss Control Program Supervisor, introduced new staff members Willie Zavala (Water Loss Control Technician), Hugo Escamilla (Water Loss Control Technician), David Bost (Water Loss Control Intern) and Trent Blue (Water Loss Control Intern) who are new members of the Water Loss Control team.

PROPOSED BOARD CONSENT CALENDAR ITEMS

TREASURER'S REPORT

- a. Revenue/Cash Receipt Report – March 2022
- b. Disbursement Approval Report for the month of April 2022
- c. Disbursement Ratification Report for the month of March 2022
- d. GM Approved Disbursement Report for the month of March 2022
- e. Consolidated Summary of Cash and Investment – February 2022
- f. OPEB and Pension Trust Fund monthly statement

The Committee reviewed the Treasurer's Report and upon MOTION by Director Thomas, seconded by Director Dick and carried (3-0), the Committee recommended approval of the Treasurer's Report at the April 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

Brief discussion was held regarding investment strategies and the District's Investment Policy and it was noted that this is a topic of annual review and it will be discussed at the May Administration & Finance Committee meeting, and that it may also be appropriate to discuss during the upcoming discussions on the Reserve Policy.

FINANCIAL REPORT

- a. Combined Financial Statements and Budget Comparative for the Period Ending February 28, 2022

The Committee reviewed the Financial Report and upon MOTION by Director Thomas seconded by Director Dick and carried (3-0), the Committee recommended approval of the Financial Report at the April 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

ACTION ITEMS

REVIEW INFORMATION REGARDING PUBLIC HEARING (SCHEDULED FOR APRIL 20, 2022) TO ADOPT ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 54 REGARDING COMPENSATION FOR DIRECTORS

The Committee reviewed the information regarding the Public Hearing Scheduled for April 20, 2022 to Adopt an Ordinance Superseding and Repealing MWDOC Ordinance No. 54 Regarding Compensation for Directors and upon MOTION by Director Thomas seconded by Director Dick and carried (3-0), the Committee recommended the Board discuss and consider this item at the April 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

Peer Swan, Irvine Ranch Water District, requested that a listing of member agency Director compensation be included at the Public Hearing; Chair Seckel requested that staff provide information, if it is available.

ADOPTION OF THIRD DRAFT OF THE FY 2022-23 BUDGET

Chair Seckel, summarized the action before the Committee regarding the Adoption of the Third Draft Budget, and the liquidation of the Tier 2 reserve funds. The Committee and meeting participants held considerable and lengthy discussion on the process by which the member agencies should receive their refunds from the Tier 2 reserves.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (3-0) the Committee recommended that the Board (at its April 20, 2022 meeting): a) approve the third draft budget for FY 2022/23, as presented, and b) liquidate the Tier 2 Contingency Reserve Fund and return these funds (approximately \$1,035,567) to the member agencies by way of a credit to their annual invoices, understanding that reserve levels will not be fully funded. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2022-23

Assistant General Manager, Harvey DeLaTorre, noted that a revised staff report and Rate Resolution were distributed reflecting the MET Board action to adopt 5% rate increases for

each of the 2022/23 and 2023/24 fiscal years. Due to the late hour of the MET adoption, MWDOC staff will reconfirm the numbers prior to the April 20, 2022 MWDOC Board meeting.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (3-0) the Committee recommended approval of the MWDOC Water Rate Resolution for Fiscal Year 2022-23 at the April 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

SELECTION OF ANNUAL FINANCIAL STATEMENT AUDIT SERVICES

Hilary Chumpitazi, MWDOC Accounting Manager, provided a review of the audit selection and scoring process. Ms. Chumpitazi is looking forward to working with the proposed new auditor firm, Davis Farr.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (3-0) the Committee recommended approval of the Selection of the Annual Financial Statement Audit Services, at the April 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

APPROVE CONTINUATION OF LEGAL SERVICES WITH BEST, BEST & KRIEGER (BBK)

Chair Seckel noted that the Executive Committee recommended the Board forego the RFP/Q process and approve a contract extension with BBK for an additional five years. He noted the benefits of continuing with BBK and that the Board was happy with the services rendered. Director Nederhood expressed concern with forgoing the Board policy to conduct an RFP/Q process every five years, noting his preference for continuing with the process.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (3-0) the Committee recommended approval of the Continuation of Legal Services with Best, Best & Krieger at the April 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

DISCUSSION ITEMS

RESERVE AND FUND POLICY REVIEW

Ms. Chumpitazi provided a summary and breakdown of the District's General Fund, Balance Sheet, and Cash Balance in the Financial Report. General Manager Hunter reported that additional analysis will be conducted; which will include items such as carryover projects that need to be evaluated, pension liabilities, potential capital projects such as a new WEROC facility, grant project cash flow, natural disaster, etc.

Brian Thomas, MWDOC's consultant, who recently completed a study and conducted a risk profile, noted that while the District's financial risk is relatively low, certain variable unknown factors can create a financial liability and having an appropriate level of reserves is necessary and appropriate.

Considerable discussion was held by all on what the appropriate level of reserves is, noting that additional discussions, review and evaluations are necessary before any changes can be determined or implemented.

INFORMATION ITEMS

DEPARTMENT ACTIVITIES REPORTS

- a. Administration
- b. Finance and Information Technology

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

The informational reports were received and filed without discussion.

OTHER ITEMS

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

No information was presented.

ADJOURNMENT

There being no further business brought before the Committee, the Administration & Finance meeting was adjourned at 10:56 a.m.

MINUTES OF THE MEETING OF THE
BOARD OF DIRECTORS OF THE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
jointly with the
EXECUTIVE COMMITTEE
April 21, 2022, 8:30 a.m. to 9:33 a.m.
Zoom Webinar Application

Committee:

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

Staff:

H. De La Torre, M. Goldsby, J. Berg
C. Busslinger

Also Present:

Director Nederhood
Director Seckel
Director Dick
Director Thomas
Linda Ackerman, MWDOC MET Director
Dennis Erdman, MWDOC MET Director
Stacy Taylor, Mesa Water
Sherry Wanninger, MNWD
Chuck Gibson, SMWD
Saundra Jacobs, SMWD
Dan Ferons, SMWD
Chip Monaco, SMWD
Brad Reese, Serrano WD
Dick Ackerman, Ackerman Consulting

At 8:30 a.m., President Yoo Schneider called the meeting to order via the Zoom Webinar application (pursuant to the Governor's Executive Order due to the spread of the COVID-19 virus, the meeting was conducted via Zoom). Secretary Goldsby called the roll.

PUBLIC PARTICIPATION

SMWD Director Saundra Jacobs announced that ACWA would be holding a reception at the Hills Hotel in Laguna Niguel later in the day (5:30-7:30 pm) in honor of Pam Tobin and Cathy Green.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were presented.

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

Assistant General Manager De La Torre advised that the draft agendas for the upcoming month were distributed to the Board and made available to the public.

EXECUTIVE COMMITTEE REVIEW OF FUTURE AGENDAS

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

a. MWDOC/OCWD Joint Planning Committee

Discussion was held regarding the participation by both Boards in the meeting and whether to change the format of the meeting and/or whether to hold them less or more often. Several members of the Board expressed support for continuing the meetings as they are, but suggested asking the OCWD Board for feedback on the format and topics at April 27 meeting.

b. Planning & Operations Committee

Director of Engineering Charles Busslinger provided the reasons for asking for Board action at the Planning & Operations Committee meeting on the Economic Analysis of the Proposed State Water Use Efficiency Standards item (timing issue).

Director Tamaribuchi asked that an update on the O.C. Reliability Study be presented to the Committee in June.

Director Tamaribuchi also asked that an update on the Economic Value of Water be presented to the Committee at a future date.

c. Administration & Finance Committee

Director Seckel asked whether staff needed more time to prepare for the Reserve Fund Policy review. Following discussion regarding the importance of making sure enough time is spent obtaining information from both the Board and member agencies, the Committee recommended this item be deferred until June.

d. Workshop Board Meeting

Due to the cancellation of the May 4, 2022 Workshop Board meeting, no draft agenda was presented for review.

DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE

Mr. De La Torre advised that SMWD Director Chuck Gibson asked for monthly updates on the MET's water quality systems, in particular the salinity levels; the Committee suggested this item be added to the Workshop Board meeting matrix of critical items.

Discussion then ensued regarding the length and format of the Workshop Board meetings and whether to re-format the meetings and/or move the legislative activities to a Committee meeting. President Yoo Schneider commented that the member agencies asked that the legislative items be discussed at the Workshop Board meeting. Following discussion, the Committee recommended staff re-organize the meeting to allow for a more efficient flow.

The Committee then discussed the facilitated discussions with the member agencies, with Mr. De La Torre advising that Phase 2 of the discussions has commenced and staff is working with the agencies and Paul Brown to identify and prioritize issues after which time,

the implementation phase (Phase 3) will commence. Mr. De La Torre advised that Mr. Brown attended the Managers' meeting and reviewed the results of the interviews; the Committee asked that staff keep the Board apprised of feedback from the managers.

Mr. De La Torre reported that the District has been asked to sponsor a water conservation mural painting in Sacramento (\$500) and asked whether the Board was supportive. The Committee generally concurred with the sponsorship but asked that a sketch of the mural be provided to the Board prior to issuing the sponsorship funds.

Mr. De La Torre also reported that Central Basin Municipal Water District has asked for MWDOC to submit a letter of support for legislative appropriations for expansion of their recycled water project; the Committee concurred with sending the letter.

MEMBER AGENCY RELATIONS

No new information was presented.

GENERAL MANAGER'S REPORTS

Mr. De La Torre reported that MET's state audit report was released and is out for public review; the Committee asked that the report be distributed to the Board.

REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES

No new information was presented.

ADJOURNMENT

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

MEETING REPORT
JOINT PLANNING COMMITTEE WITH BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY and
ORANGE COUNTY WATER DISTRICT
April 27, 2022 - 8:30 a.m. – 10:17 a.m.
Zoom Webinar Application

MWDOC DIRECTORS

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

MWDOC STAFF

Rob Hunter
Maribeth Goldsby
Harvey De La Torre
Melissa Baum-Haley
Alex Heide
Chris Lingad
Kevin Hostert
Cathy Harris
Heather Baez
Joe Berg
Charles Busslinger
Damon Micalizzi

ALSO PRESENT

Linda Ackerman (absent)
Dennis Erdman
Dennis Cafferty
Doug Reinhart
Peer Swan
Paul Weghorst
Jim Atkinson
Paul Shoenberger
Stacy Taylor
Dick Fiore
Don Froelich
Sherry Wanninger
Matt Collings
Laura Rocha
John Kennedy
Frank Ury
Greg Mills
Brooke Jones

OCWD DIRECTORS

Dina Nguyen (absent)
Denis Bilodeau
Roger Yoh
Tri Ta (absent)
Steve Sheldon
Cathy Green
Kelly Rowe (absent)
Nelida Mendoza
Harry Sidhu
Bruce Whitaker

OCWD STAFF

Mike Markus
John Kennedy
Chris Olsen
Jason Dadakis

MWDOC/MET Director
MWDOC/MET Director
El Toro Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Mesa Water
Mesa Water
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
Santa Margarita Water District
Serrano Water District
Yorba Linda Water District

Tom Lindsey
Wayne Miller
Fernando Paludi
Megan Couch
Ian Castillo

Yorba Linda Water District
Yorba Linda Water District
Trabuco Canyon Water District
San Diego County Water Authority

MWDOC President Megan Yoo Schneider chaired the meeting. Due to the current state of emergency related to the spread of COVID-19 and pursuant to Government Code Section 54953(e), the meeting was held via the Zoom Webinar application; all Brown Act requirements were complied with.

PUBLIC COMMENTS

No public comments were received.

IMPORTED WATER SUPPLY UPDATE AND DROUGHT ACTIONS

MWDOC Water Resources Analyst Kevin Hostert updated the Boards on the current imported water supply conditions, highlighting the Northern California 8-station index's accumulated precipitation, snowpack, run-off percentages, key reservoir storage levels, Colorado River status and Lake Mead's storage levels, the current SWP Table "A" allocation of 5%, and the State's drought monitor conditions.

Discussion ensued regarding the formula on how the State Water Project Table "A" allocation percentage is calculated, key factors involved in its decision, as well as implementation. The Committee asked staff for a future presentation on this issue.

STATUS OF OCWD GROUNDWATER BASIN

OCWD Executive Director of Engineering and Water Resources John Kennedy updated the Committee on the status of OCWD operations, which included updates on the Prado Dam operations, MET replenishment water purchases, and the OCWD groundwater basin accumulated overdraft. He advised that the OCWD Board voted to set the BPP at 77%, increase the RA to \$558 per acre foot, and that OCWD plans to purchase 5000 acre feet of MET untreated water in the coming months.

METROPOLITAN WATER DISTRICT ISSUES UPDATE

Dr. Melissa Baum Haley provided an update on MET's current activities, which included an overview of MET's biennial budget and rates which was approved with rate increases of 5% each year, the ten-year financial and rate forecast, drought conditions (and the Declaration of State of Emergency for the SWP dependent areas), and the California Framework of Emergency Water Conservation (and its two paths for compliance for MET member agencies).

Following discussion regarding water sales projections/demands and how the assumptions were reached, as well as the rate structure, MET's budget, potential "new" water projects, and the State's Framework standards, the Committee received and filed the report.

SOC EMERGENCY WATER SUPPLY PROGRAM AND MNWD UPDATE

Mr. Kennedy provided an update on the South Orange County Emergency Water Supply Program, in particular the MNWD/OCWD pilot program, advising that the agreement between MNWD, OCWD and the City of Santa Ana was under development/processing which calls for designing facilities in Santa Ana to allow pumping through the East Orange County Feeder No. 2 (EOCF2). The agreement will be considered by the Santa Ana City Council in May, and if approved, the consultant will commence design of the facilities.

General Manager Hunter outlined two parallel endeavors/efforts: (1) OCWD/MNWD effort, and (2) participation by the owners of EOCF2. Discussion ensued regarding who would have access to the water under emergency conditions (since the agreement only involves MNWD), MET's (and MWDOC's) involvement, and the importance of a more transparent process.

PFAS UPDATE

Mr. Chris Olsen (OCWD staff) provided an update on Orange County Groundwater Basin's PFAS issues, including an overview of the treatment system design/construction status at each location.

Mr. Jason Dadakis (OCWD staff) then provided an update on the PFAS regulatory issues.

MWDOC OCWD BUILDING MANAGEMENT COMMITTEE

Mr. Markus reported that the revised Lease Agreement between the two agencies was currently under review by legal counsel from both agencies. Mr. Hunter advised that the Committee discussed MWDOC's future remodel projects (kitchen) and termite issues.

POSEIDON UPDATE

Mr. Kennedy advised that the Coastal Commission meeting is scheduled for May 12, 2022 of which the Coastal Commission staff is recommending against awarding a permit.

FUTURE COMMITTEE MEETINGS: JULY 27 AND OCTOBER 26, 2022

It was noted that the next MWDOC/OCWD Joint Planning Committee meeting would be held on July 27, 2022 and would be chaired by OCWD.

ANY FUTURE AGENDA ITEMS

Discussion ensued regarding the format for this meeting, the regularity of the meetings, and overall satisfaction among the Directors, with the Boards agreeing to the current format.

ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 10:17 a.m.

**Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
April 2022**

WATER REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
4/01/2022	City of Brea	February 2022 Water deliveries	15,117.56
4/01/2022	City of Seal Beach	February 2022 Water deliveries	11,457.03
4/04/2022	City of Buena Park	February 2022 Water deliveries	58,664.82
4/04/2022	City of Fountain Valley	February 2022 Water deliveries	10,421.94
4/04/2022	City of La Habra	February 2022 Water deliveries	7,041.95
4/04/2022	City of La Palma	February 2022 Water deliveries	1,463.71
4/06/2022	Trabuco Canyon Water District	February 2022 Water deliveries	138,369.84
4/07/2022	City of Westminster	February 2022 Water deliveries	17,585.80
4/07/2022	South Coast Water District	February 2022 Water deliveries	403,809.80
4/08/2022	City of San Clemente	February 2022 Water deliveries	660,438.87
4/11/2022	El Toro Water District	February 2022 Water deliveries	498,426.14
4/11/2022	Laguna Beach County Water District	February 2022 Water deliveries	292,820.84
4/11/2022	Santa Margarita Water District	February 2022 Water deliveries	1,781,369.74
4/11/2022	Santa Margarita Water District (ID9)	February 2022 Water deliveries	203,126.39
4/13/2022	City of Garden Grove	February 2022 Water deliveries	396,034.31
4/13/2022	East Orange Co Water District	February 2022 Water deliveries	707,966.60
4/14/2022	City of Orange	February 2022 Water deliveries	815,358.87
4/14/2022	Yorba Linda Water District	February 2022 Water deliveries	645,070.61
4/15/2022	Golden State Water Company	February 2022 Water deliveries	517,045.27
4/15/2022	Irvine Ranch Water District	February 2022 Water deliveries	1,007,750.60
4/15/2022	Moulton Niguel Water District	February 2022 Water deliveries	2,089,174.77
4/15/2022	Orange County Water District	February 2022 Water deliveries	423,775.93
4/28/2022	South Coast Water District	March 2022 Water deliveries	440,754.25
4/29/2022	City of Huntington Beach	March 2022 Water deliveries	631,527.66
4/29/2022	City of Seal Beach	March 2022 Water deliveries	11,342.73

TOTAL WATER REVENUES \$ 11,785,916.03

Municipal Water District of Orange County
REVENUE / CASH RECEIPT REPORT
April 2022

MISCELLANEOUS REVENUES

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
4/04/2022	Karl Seckel	April 2022 Retiree Health insurance	179.55
4/04/2022	Patricia Meszaros	April 2022 Retiree Health insurance	43.08
4/28/2022	Keith Lyon	May 2022 Retiree Health insurance	179.55
4/19/2022	Stan Sprague	Apr-May 2022 Retiree Health insurance	359.10
4/04/2022	Judy Pfister	Apr-Jun 2022 Retiree Health insurance	129.24
4/21/2022	Igoe and Company Inc	COBRA and Retiree Vision insurance	47.32
4/04/2022	LG Electronics USA, Inc.	Refund for defective laptop	1,538.36
4/25/2022	South Coast Water District	Reimbursement of Consultant Costs and use of the OC Regional Distribution System Hydraulic Model - Doheny Desalination plant	5,438.00
4/29/2022	Katie Vincent	Reimbursement for annual fee	151.16
4/26/2022	US Bank Custodial Account	National Rural Utilities Coop Interest payment	401.26
4/29/2022	US Bank	Monthly Interest	4.68
4/04/2022	City of Buena Park	January 2022 Turf Removal and Spray to Drip rebate program	333.00
4/08/2022	City of Tustin	February 2022 Turf Removal and Spray to Drip rebate program	555.00
4/11/2022	City of Orange	February 2022 Turf Removal and Spray to Drip rebate program	555.00
4/11/2022	Laguna Beach County Water District	February 2022 Turf Removal and Spray to Drip rebate program	838.43
4/04/2022	City of Newport Beach	October 2021 Turf Removal rebate program	111.00
4/04/2022	City of Newport Beach	December 2021 Turf Removal rebate program	222.00
4/07/2022	City of Fountain Valley	February 2022 Turf Removal rebate program	111.00
4/11/2022	Irvine Ranch Water District	February 2022 Turf Removal rebate program	1,863.00
4/15/2022	City of San Clemente	February 2022 Turf Removal rebate program	333.00
4/11/2022	Moulton Niguel Water District	February 2022 Smartimer and Turf Removal rebate program	14,344.96
4/11/2022	Irvine Ranch Water District	February 2022 Smartimer and Rotating Nozzle rebate program	692.99
4/21/2022	Mesa Water District	February 2022 Smartimer, Turf Removal and Spray to Drip rebate program	403.00
4/04/2022	El Toro Water District	February 2022 So Cal Watersmart rebate program	345.00
4/11/2022	Laguna Beach County Water District	February 2022 So Cal Watersmart rebate program	65.00
4/15/2022	City of San Clemente	February 2022 So Cal Watersmart rebate program	250.00
4/19/2022	Moulton Niguel Water District	March 2022 So Cal Watersmart rebate program	4,600.00
4/28/2022	Laguna Beach County Water District	March 2022 So Cal Watersmart rebate program	195.00
4/25/2022	Department of Water Resources	Apr-Jun 2021 Strategic Turfgrass Removal and Design Assistance program	6,671.25
4/15/2022	City of Fullerton	Dedicated Irrigation Meters Measurement Program FY 2021-22	20,000.00
4/15/2022	City of Seal Beach	Dedicated Irrigation Meters Measurement Program FY 2021-22	9,000.00
4/19/2022	City of Orange	Dedicated Irrigation Meters Measurement Program FY 2021-22	95,444.88
4/22/2022	Trabuco Canyon Water District	Dedicated Irrigation Meters Measurement Program FY 2021-22	18,049.58
4/29/2022	City of San Clemente	Dedicated Irrigation Meters Measurement Program FY 2021-22	80,000.00
4/25/2022	Laguna Beach County Water District	Dedicated Irrigation Meters Measurement Program FY 2021-22	11,662.80
4/18/2022	City of Newport Beach	Water Loss Control Shared Services Year III	324.00
4/18/2022	City of Newport Beach	Water Loss Control Shared Services - Suspected Leak Survey	419.00
4/22/2022	City of Fullerton	Jul-Dec 2021 School Billing	463.50
4/25/2022	City of Fountain Valley	Addition to Choice School program FY 2021-22	2,457.80
4/19/2022	Moulton Niguel Water District	FY 2020-21 O & M Costs of the EOCF No.2	116,156.81
4/13/2022	City of Lake Forest	WEROC Emergency Supplies for COVID-19	311.25

TOTAL MISCELLANEOUS REVENUES	\$	395,249.55
TOTAL REVENUES	\$	12,181,165.58


Robert J. Huhter, General Manager


Hilary Chumplitazi, Treasurer

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2022**

Item 3b

Vendor/ Invoice	Description	Amount to Pay
Core Disbursements:		
ABSG Consulting Inc		
5108025	March 2022 Owner's Representative services for MWDOC office remodel	9,551.73
Total		9,551.73
ACCO Engineered Systems Inc		
20240470	Service and repair VAV #28 and #42	1,383.70
Total		1,383.70
Ace Print Agency-Francisco Flores		
3031	Business cards for Director Seckel	67.43
3208	Business cards for two staff members	108.75
Total		176.18
Ackerman Consulting-Richard C Ackerman		
1332	April 2022 Legal Consulting on Water Issues	2,300.00
Total		2,300.00
Aleshire & Wynder LLP		
67081	March 2022 Legal Services	2,951.50
Total		2,951.50
Alta FoodCraft		
12221001	5/3/22 Coffee and creamer supplies	80.38
Total		80.38
The Brattle Group Inc		
66795	March 2022 Services for the Economic Benefit Studies and Modeling Work	27,243.75
Total		27,243.75
CDM Smith		
90148821	March 2022 Services for water resource planning	9,942.75
Total		9,942.75
CSU Fullerton ASC		
AR171880	4/1/22-6/30/22 Center for Demographic Research support	13,797.32
Total		13,797.32

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2022**

Vendor/ Invoice	Description	Amount to Pay
GovConnection Inc		
72671403	Two additional Adobe Acrobat licenses for new staff	181.34
72714443	April 2022 Exchange Online Migration services	5,683.45
Total		<u>5,864.79</u>
Hashtag Pinpoint Corporation		
1559	April 2022 Social Media consultation & service	7,913.00
Total		<u>7,913.00</u>
Jill Promotions		
11374	MWDOC Polo shirts for staff	663.07
Total		<u>663.07</u>
Lawnscape Systems Inc		
426739	April 2022 Landscape Maintenance for Atrium	495.00
Total		<u>495.00</u>
Mega Maids Cleaning Service		
12443	April 2022 Cleaning services for COVID-19 prevention	800.00
Total		<u>800.00</u>
Patricia Meszaros		
40522	January-March 2022 Retiree medical premium	510.30
Total		<u>510.30</u>
Natural Resource Results LLC		
3856	April 2022 Federal legislative advocacy services	8,000.00
Total		<u>8,000.00</u>
NDS		
800524	4/1 & 4/8/22 Board packet delivery service	373.00
800591	4/15/22 Board packet delivery service	186.50
800709	4/29/22 Board packet delivery service	186.50
Total		<u>746.00</u>
Office Solutions		
I-01992409	4/13/22 Office supplies	453.45
I-01997103	4/26/22 Display boards in copy room for Human Resources	924.38
I-01998772	4/29/22 Office supplies	35.96
Total		<u>1,413.79</u>

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2022**

Vendor/ Invoice	Description	Amount to Pay
Optima RPM Inc		
5000472	Partial retention payment for Construction services for MWDOC office seismic improvements and remodel	81,241.33
5000473	Final retention payment for Construction services for MWDOC office seismic improvements and remodel	22,700.00
Total		<u>103,941.33</u>
Orange County Water District		
24137	March 2022 Postage, shared office and maintenance expense	7,777.04
Total		<u>7,777.04</u>
Paul Redvers Brown Inc		
DOC007	3/28-4/21/22 MWDOC Facilitated Member Agency Discussions Project services	1,667.50
Total		<u>1,667.50</u>
Predict Success-Anne Sandberg		
42922	New hire assessments for three employees	300.00
Total		<u>300.00</u>
The Regents of the University of CA		
64684504	Year 3 Plant Irrigation Trials	17,500.00
Total		<u>17,500.00</u>
Soto Resources-Joey C Soto		
GA-APR-57	April 2022 Grant Research and Acquisition	3,250.00
Total		<u>3,250.00</u>
Sunbelt Controls		
63676	HVAC-AHU-5 service to replace faulty controller	3,898.00
Total		<u>3,898.00</u>
Vox Civic Communications-Saoirse LLC		
1530	Service to design OC Register Special two page insert	10,650.00
Total		<u>10,650.00</u>
Total Core Expenditures		<u>242,817.13</u>

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2022**

Vendor/ Invoice	Description	Amount to Pay
Choice Expenditures:		
Building Block Entertainment Inc		
3482-2	April 2022 Choice Elementary School Program grades K-2	13,750.00
Total		<u>13,750.00</u>
Jill Promotions		
11374	MWDOC Polo shirts for staff	120.56
Total		<u>120.56</u>
Mission RCD		
3195	April 2022 Field inspection and verification for Water Use Efficiency rebate programs	3,173.00
Total		<u>3,173.00</u>
Office Solutions		
I-02000226	Gatorade for Water Loss Control Shared Services staff	58.69
Total		<u>58.69</u>
Orange County Dept of Education		
94RI4175	March 2022 Choice School Programs for grades 3-5 and 6-8	16,486.58
Total		<u>16,486.58</u>
Orange County Water District		
24137	March 2022 Postage for Water Use Efficiency rebate programs	32.94
Total		<u>32.94</u>
Total Choice Expenditures		<u>33,621.77</u>

Other Funds Expenditures:

EcoTech Services Inc		
2265	March 15-30, 2022 Landscape Design and Landscape Maintenance Assistance Program	798.25
2296	April 2022 Landscape Design and Landscape Maintenance Assistance Program	3,321.75
Total		<u>4,120.00</u>
Mission RCD		
3195	April 2022 Field inspection and verification for Water Use Efficiency rebate programs	5,936.45
Total		<u>5,936.45</u>

**Municipal Water District of Orange County
Disbursement Approval Report
For the month of May 2022**

Vendor/ Invoice	Description	Amount to Pay
County of Orange		
SC13451	4/1-6/30/22 800 MHz radio operation maintenance and management cost share	312.00
Total		312.00
The Plant Nerd		
7162	April 2022 Landscape Design and Maintenance Assistance programs	27,470.00
Total		27,470.00
Soto Resources-Joey C Soto		
SA-APR-58	April 2022 Grant Administration Services for Prop 1 North	165.00
Total		165.00
Total Other Funds Expenditures		38,003.45
Total Expenditures		314,442.35

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of April 2022**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
Corodata Records Management Inc				
4/29/2022	EFT	4788469	March 2022 Records Storage fees	76.60
Total				76.60
Lina Gunawan				
4/29/2022	EFT	31522	March 2022 Business expense	47.08
Total				47.08
Ricoh USA Inc				
4/15/2022	EFT	5064250756	12/29/21-3/28/22 Ricoh copier maintenance	30.36
Total				30.36
Spectrum Business				
4/25/2022	140872	343564041022	April 2022 Telephone expense for 1 analog fax line	39.99
4/05/2022	140853	375210033022	April 2022 Telephone and internet expense	1,424.72
Total				1,464.71
US Bank				
4/1/2022	140852	0208/4192/4279-FEB22	1/25/22-2/22/22 Cal Card Charges	7,505.07
Total				7,505.07
US Bank				
4/29/2022	140930	0208/4192/4279-MAR22	2/23/22-3/22/22 Cal Card Charges	21,844.93
Total				21,844.93
Verizon Wireless				
4/05/2022	140854	9902565205	March 2022 4G Mobile broadband unlimited service	114.03
Total				114.03
Total Core Disbursements				31,082.78

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of April 2022**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Choice Disbursements:				
Rachel Davis				
4/29/2022	EFT	32922	March 2022 Business expense	33.23
Total				<u>33.23</u>
Home Depot Credit Services				
4/15/2022	140863	9612163	Water pumps and duct tape for Water Loss Control Shared Services	77.42
Total				<u>77.42</u>
US Bank				
4/29/2022	140930	4192-MAR22	2/23/22-3/22/22 Cal Card Charges	783.16
Total				<u>783.16</u>
US Bank Voyager Fleet Systems				
4/29/2022	EFT	8694349932213	2/25/22-3/24/22 Fuel for Water Loss Control Shared Services vehicles	437.81
Total				<u>437.81</u>
Total Choice Disbursements				<u>1,331.62</u>
Other Funds Disbursements:				
AT&T				
4/15/2022	140856	17965413	March 2022 Telephone expense for WEROC N. & S. EOC	433.50
Total				<u>433.50</u>
Mesa Water District				
4/15/2022	EFT	10763	February 2022 Credit for Local Resources Program	16,800.00
Total				<u>16,800.00</u>
Metropolitan Water District				
4/29/2022	EFT042922	10709	February 2022 Water deliveries	11,328,374.96
Total				<u>11,328,374.96</u>
Santa Margarita Water District				
4/29/2022	EFT	22822	February 2022 SCP Pipeline Operation Surcharge	21,407.39
Total				<u>21,407.39</u>

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of April 2022**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Santiago Aqueduct Commission				
4/29/2022	140928	22822	February 2022 SAC Pipeline Operation Surcharge	2,525.77
Total				2,525.77
Janine Schunk				
4/29/2022	EFT	20322	February 2022 Business expense	53.24
Total				53.24
Spray to Drip Rebate				
4/28/2022	140884	S2D4-C-O-41604-17876	Smoketree Orange HOA (Orange-4 water meters)	18,049.00
4/28/2022	140885	S2D4-C-O-41828-17916	Smoketree Orange HOA (Orange-4 water meters)	18,096.00
4/28/2022	140877	S2D4-R-O-42486-18078	J. Hong	1,202.50
4/28/2022	140876	S2D4-R-TUST-42129-18002	K. Holt	1,788.00
4/28/2022	140887	S2D5-C-IRWD-12274-18403	Irvine Company (16 Technology Dr)	4,810.00
4/28/2022	140888	S2D5-C-IRWD-12274-18441	Irvine Company (15326 Alton Parkway)	2,309.00
4/28/2022	140889	S2D5-C-IRWD-12274-18442	Irvine Company (18 Technology Dr)	4,136.50
4/28/2022	140878	S2D5-C-MESA-42684-18336	Instorage Costa Mesa Lp (Costa Mesa)	3,986.00
4/28/2022	140873	S2D5-C-NWPT-42970-18233	Big Canyon Community Assoc. (Newport Beach)	22,500.00
4/28/2022	140881	S2D5-C-SOCO-42533-18143	Niguel Beach Terrace Condominium Assoc. (Dana Point)	22,500.00
4/28/2022	140891	S2D5-R-HB-44136-18480	T. Warren	527.00
4/28/2022	140883	S2D5-R-HB-44267-18382	V. Schmidt	409.50
4/28/2022	140879	S2D5-R-HB-44402-18249	S. Khaled	369.00
4/28/2022	140874	S2D5-R-HB-45850-18357	K. Carlson	388.50
4/28/2022	140886	S2D5-R-HB-46187-18478	J. Taylor	240.50
4/28/2022	140880	S2D5-R-IRWD-46103-18447	P. Maimone	1,379.00
4/28/2022	140882	S2D5-R-LB-44716-18321	M. Rose	855.00
4/28/2022	140890	S2D5-R-LH-42759-18224	B. Wallace	417.50
4/28/2022	140875	S2D5-R-TUST-44659-18285	K. Cooper Wehage	135.00
Total				104,098.00
Turf Rebate				
4/28/2022	140902	TR14-R-O-42486-41192	J. Hong	2,948.00
4/28/2022	140915	TR14-R-TUST-41546-40327	S. Swentek	582.00
4/28/2022	140901	TR14-R-TUST-42129-40871	K. Holt	2,986.00
4/28/2022	140916	TR15-C-IRWD-12274-44569	Irvine Company (15326 Alton Parkway)	14,400.00
4/28/2022	140917	TR15-C-IRWD-12274-44571	Irvine Company (18 Technology Dr)	31,626.00
4/28/2022	140893	TR15-C-NWPT-4463-42970	Big Canyon Community Assoc. (Newport Beach)	146,454.00
4/28/2022	140920	TR15-R-HB-44136-42782	T. Warren	2,664.00
4/28/2022	140912	TR15-R-HB-44267-42901	V. Schmidt	2,457.00
4/28/2022	140903	TR15-R-HB-44402-43051	S. Khaled	2,214.00
4/28/2022	140909	TR15-R-HB-44458-43105	K. Moseley	1,122.00
4/28/2022	140897	TR15-R-HB-45850-44484	K. Carlson	2,331.00
4/28/2022	140904	TR15-R-HB-46495-45136	T. Kleinow	1,053.00
4/28/2022	140914	TR15-R-IRWD-44535-43186	M. Smith	1,800.00

**Municipal Water District of Orange County
Disbursement Ratification Report
For the Month of April 2022**

Name/ Date	Check/ EFT	Invoice	Description	Amount
Turf Rebate-Continued				
4/28/2022	140911	TR15-R-LB-43039-41696	M. Rose	2,300.00
4/28/2022	140919	TR15-R-LH-42759-41455	B. Wallace	2,225.96
4/28/2022	140910	TR15-R-MNT-44253-42888	P. Ronaghi	2,867.89
4/28/2022	140892	TR15-R-MNT-44326-42964	V. Balali	1,724.00
4/28/2022	140896	TR15-R-MNT-44346-42995	A. Buloushi	2,128.00
4/28/2022	140894	TR15-R-MNT-44618-43264	L. Bravo	3,564.00
4/28/2022	140895	TR15-R-MNT-44661-43304	G. Briggs	900.00
4/28/2022	140913	TR15-R-MNT-44669-43310	N. Shah	1,628.00
4/28/2022	140899	TR15-R-MNT-46015-44648	R. Cossentine	9,368.00
4/28/2022	140921	TR15-R-MNT-46016-44653	S. Yue	4,408.00
4/28/2022	140918	TR15-R-MNT-46095-44725	D. Van Der Weide	2,692.00
4/28/2022	140900	TR15-R-O-45925-44552	C. Daoussis	15,000.00
4/28/2022	140905	TR15-R-O-46075-44700	D. Klett	3,261.00
4/28/2022	140908	TR15-R-SC-45963-44596	J. Lyons	4,806.00
4/28/2022	140906	TR15-R-SM-44488-43140	E. Lewis	1,590.00
4/28/2022	140898	TR15-R-TUST-44659-43302	K. Cooper Wehage	810.00
4/28/2022	140907	TR15-R-TUST-45964-44597	D. Lopez Pinza	4,902.00
Total				276,811.85
US Bank				
4/1/2022	140852	6066-FEB22	1/25/22-2/22/22 Cal Card Charges	28,900.39
Total				28,900.39
US Bank				
4/29/2022	140930	4192/6066-MAR22	2/23/22-3/22/22 Cal Card Charges	4,784.36
Total				4,784.36
Verizon Wireless				
4/05/2022	140854	9902565205	March 2022 4G Mobile broadband unlimited service	76.02
Total				76.02
Total Other Funds Disbursements				11,784,265.48
Total Disbursements				11,816,679.88


Robert J. Hunter, General Manager


Hilary Chumpitazi, Treasurer

Cal Card Charges
Statement Date: February 22, 2022
Payment Date: April 1, 2022

Date	Description	Amount
R. Hunter Card:		
2/15/2022	The Toll Roads account payment	100.00
2/18/2022	R. Hunter business breakfast meeting	56.84
Total:		156.84
C. Harris Card:		
1/18/2022	Water Facilities Corporation biennial California Statement of Information form	20.00
1/24/2022	Price adjustment on ACWA Fall Conference in Pasadena, CA from 11/30/21-12/2/21 - Accommodations for H. De La Torre and H. Baez	(444.53)
1/24/2022	12/25/21-1/24/22 Web hosting service for MWDOC website	15.65
1/24/2022	Urban Water Institute Spring Conference webinar on February 16-17, 2022 - Registration for Director Nederhood & Director Thomas	500.00
1/25/2022	Renew Mwdoc.com domain 1/25/22-1/24/27	199.95
1/31/2022	Duplicate charge refund from Brown and Caldwell Water Jobs for 1/18/22 employment post for Water Loss Control Technician position	(200.00)
2/01/2022	Two Self inking MWDOC address stamps	54.39
2/02/2022	Water Audit Validator renewal workshop from February 24-25, 2022 - Registration for J. Berg	200.00
2/02/2022	Urban Water Institute Spring Conference webinar from February 16-17, 2022 - Registration for Director Seckel	250.00
2/03/2022	Price adjustment from CMUA Virtual Capitol Day on February 7, 2022 - Registration for H. Baez	(100.00)
2/08/2022	Excel: Useful Formulas webinar on February 10, 2022 - Registration for T. Dubuque, M. DeCasas, L. Fraizer, C. Hernandez, and K. Davanaugh	500.00
2/08/2022	AMWA Water Policy Conference in Washington, DC from March 7-9, 2022 - Registration for R. Hunter	925.00
2/08/2022	Additional six Security Awareness training annual software subscriptions	111.06
2/10/2022	DocuSign Business Pro annual subscription renewal	2,760.00
2/13/2022	February 2022 Pework Screen subscription for Covid-19 prevention	175.56
2/14/2022	South Orange County Economic Coalition Speaker Spotlight lunch at the San Juan Capistrano Community Center on February 25, 2022 - Registration for Director Tamaribuchi	75.00
Total:		5,042.08

Cal Card Charges
Statement Date: February 22, 2022
Payment Date: April 1, 2022

Date	Description	Amount
Public Affairs Card:		
1/25/2022	Kahoot online learning software annual subscription renewal	720.00
1/25/2022	Grammarly writing and editing software annual subscription renewal	450.00
2/02/2022	2/2/22-3/1/22 Zoom Video Communications monthly fee with audio licenses	174.93
2/03/2022	February 2022 Monthly Public Storage Unit for Public Affairs	360.00
2/10/2022	Table easels and sandbags for Poster Contest	225.02
2/10/2022	Easels for Poster Contest	326.20
2/17/2022	Speaker gift for 2/23/22 Water Policy Forum & Dinner	50.00
Total:		2,306.15

WEROC Card:

1/24/2022	Supplies for WEROC S. EOC	420.45
1/24/2022	1,800 COVID-19 antigen rapid test kits for member agencies	22,400.00
1/25/2022	Partial payment on 600 COVID-19 antigen rapid test kits for member agencies	5,730.00
2/10/2022	February 2022 California Specialized Training Institute Emergency Management training and certificates for member agencies	326.25
2/12/2022	Office supplies for office	23.69
Total:		28,900.39

Cal Card Charges
Statement Date: March 22, 2022
Payment Date: April 29, 2022

Date	Description	Amount
R. Hunter Card:		
2/23/2022	AMWA Water Policy Conference in Washington, DC from March 7-9, 2022 - Airfare for R. Hunter	872.20 ¹
3/18/2022	Two laptops for staff	1,749.98
3/18/2022	Three laptops for hybrid meetings	2,520.81 ²
Total:		5,142.99
C. Harris Card:		
2/22/2022	ACWA 2022 Virtual Legislative Symposium on March 10, 2022 - Registration for H. Baez	155.00
2/22/2022	ACWA Spring Conference from May 3-5, 2022 in Sacramento, CA - Registration for R. Hunter, H. Beaz, H. De La Torre, Director McVicker, Director Nederhood, and Director Seckel	4,650.00
2/22/2022	OCBC Sacramento Advocacy Trip from March 21-22, 2022 in Sacramento, CA - Airfare for H. Baez	371.96
2/22/2022	Duplicate charge refund from Brown and Caldwell Water Jobs for 1/18/22 employment post	(200.00)
2/24/2022	Year-end 2021 Tax Form Upload Fee	117.00
2/24/2022	1/25/22-2/24/22 Web hosting service for MWDOC website	15.65
2/28/2022	Five sets of wireless keyboards and mice for staff	179.40
3/02/2022	California Emergency Services Association Conference on May 2-5, 2022 in San Diego, CA - Registration for V. Osborn	724.00
3/04/2022	Government Finance Officers Association membership renewal for H. Chumpitazi	160.00
3/07/2022	Uniforms for Water Loss Control Shared Services Technician	414.74
3/07/2022	California Society of Municipal Finance Officers membership renewal for H. Chumpitazi	110.00
3/09/2022	Web camera upgrade and monitor privacy screen for staff	130.47
3/10/2022	Twelve wireless mice for laptops	88.56
3/10/2022	Five laptops for hybrid meetings	4,968.02 ³
3/10/2022	Two laptops for hybrid meetings	1,987.21 ⁴
3/10/2022	Stay Interviews Webinar on April 21, 2022 - Registration for C. Harris	219.00
3/13/2022	March 2022 Subscription for prework screening for COVID-19 prevention	175.56
3/14/2022	Wellness Incentive Grant cookbooks for all employees	637.99
3/14/2022	Computer for Water Loss Control Shared Services Interns	1,098.36
3/16/2022	Ten computer speakers for staff	219.10
3/16/2022	Headphones, chargers, and miscellaneous computer supplies for WEROC	294.21
3/17/2022	Pry bars for Water Loss Control Shared Services	53.21
3/17/2022	Wastebaskets for directors' office, privacy room & two conference rooms	119.92
3/17/2022	Supplies for Water Loss Control Shared Services	66.62
3/17/2022	OCFRIENDLYLANDSCAPES.COM domain renewal for 5 years	145.80
Total:		16,901.78

Cal Card Charges
Statement Date: March 22, 2022
Payment Date: April 29, 2022

Date	Description	Amount
Public Affairs Card:		
2/22/2022	Public Affairs Team Lunch	79.00
2/23/2022	2/23/22 Water Policy Forum & Dinner supplies	11.36
2/23/2022	Hotel Room for Speaker E. Esquivel for 2/23/22 Water Policy Forum & Dinner	321.39
2/25/2022	Golden State Water Company vehicle magnets for Water Loss Control Shared Services	136.84
3/02/2022	3/2/22-4/1/22 Zoom Video Communications monthly fee with audio licenses	174.93
3/03/2022	March 2022 Public Storage Unit for Public Affairs	360.00
3/03/2022	Ricky Raindrop cleaning and repairs at Alicia's Costumes	350.00
3/14/2022	Ricky Raindrop replacement clothing	63.57
3/18/2022	Summit Planning Committee Kickoff lunch	104.44
Total:		1,601.53
WEROC Card:		
2/22/2022	Final payment on 600 COVID-19 antigen rapid test kits for member agencies	1,800.00
2/25/2022	Credit from Walmart for 1/26/22 missing office supply item	(29.61)
3/08/2022	California Emergency Services Conference from May 2-5, 2022 in San Diego, CA - Registration for J. Schunk and D. Harrison	1,198.00
3/08/2022	Breakfast for WEROC Quarterly Cybersecurity Member Agency meeting	60.31
3/09/2022	California Emergency Services Conference from May 2-5, 2022 in San Diego, CA - Accommodation deposit for V. Osborn, J. Schunk & D. Harrison	639.57
3/16/2022	YubiKey 5 NFC two pack	97.88
Total:		3,766.15

¹ Received airline credit for cancelled flight.

² Three laptops returned for better pricing. Full refund received on 4/5/22.

³ Five laptops returned for better pricing. Full refund received on 3/31/22.

⁴ Both laptops returned for better pricing. Full refund received on 3/31/22.

Municipal Water District of Orange County
GM Approved Disbursement Report ⁽¹⁾
For the Month of April 2022

Name/ Date	Check/ EFT	Invoice	Description	Amount
Core Disbursements:				
The Westin South Coast Plaza				
4/01/2022	140851	84SC7013742	Event facility for February 23, 2022 Water Policy Forum & Dinner	18,930.44
Total				18,930.44
Total Core Disbursements				18,930.44
Choice Disbursements:				
Total Choice Disbursements				-
Other Funds Disbursements:				
Total Other Funds Disbursements				-
Total Disbursements				18,930.44


 Robert J. Hunter, General Manager


 Hilary Chumpitazi, Treasurer

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



Municipal Water District of Orange County Item 3c Consolidated Summary of Cash and Investment March 31, 2022

Street Address:
18700 Ward Street
Fountain Valley, California 92708

Mailing Address:
P.O. Box 20895
Fountain Valley, CA 92728-0895

(714) 963-3058
Fax: (714) 964-9389
www.mwdoc.com

Megan Yoo Schneider, P.E.
President

Bob McVicker, P.E., D.WRE
Vice President

Al Nederhood
Director

Larry D. Dick
Director

Karl W. Seckel, P.E.
Director

Sat Tamaribuchi
Director

Jeffrey M. Thomas
Director

Robert J. Hunter
General Manager

MEMBER AGENCIES

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

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

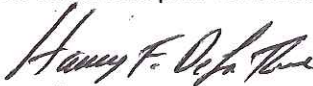
Fund	Book Value	% of Portfolio
Designated Reserves		
General Operations	\$3,738,505	27.84%
Grant & Project Cash Flow	1,500,000	11.17%
Election Expense	461,678	3.44%
Building Repair	436,542	3.25%
OPEB	297,147	2.21%
Total Designated Reserves	6,433,872	47.91%
General Fund	\$5,502,304	40.97%
Water Fund	1,779,594	13.25%
Conservation Fund	(1,511,190)	(11.25%)
WEROC Fund	1,205,776	8.98%
Trustee Activities	18,878	0.14%
Total	\$13,429,234	100.00%

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.47%	\$62,847	\$62,847
Short-term investment			
• LAIF	16.67%	2,238,158	2,238,158
• OCIP	59.77%	8,028,222	8,028,222
Long-term investment			
• US Government Issues	1.86%	249,905	235,588
• Corporate Bond	10.43%	1,400,102	1,314,977
• Certificates of Deposit	10.80%	1,450,000	1,449,770
Total	100.00%	\$13,429,234	\$13,329,562

The average number of days to maturity/call as of March 31, 2022 equaled 125 and the average yield to maturity is 0.724%. During the month, the District's average daily balance was \$19,379,076.76. Funds were invested in US Bank Money Market, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues, the Local Agency Investment Funds (LAIF) and the Orange County Investment Pool (OCIP) during the month of March 2022.

The (\$99,672) difference between the book value and the market value on March 31, 2022 represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.


Robert J. Hunter
General Manager


Hilary Chumpitazi
Treasurer



MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Portfolio Management - Portfolio Summary

March 31, 2022

3/31/2022	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,450,000.00	1,449,769.50	1,450,000.00	10.85	709	2.440
Corporate Bond	1,400,000.00	1,314,977.00	1,400,101.91	10.48	444	1.341
US Government Issues	250,000.00	235,587.50	249,904.43	1.87	56	0.860
Local Agency Investment Funds	2,238,158.38	2,238,158.38	2,238,158.38	16.74	1	0.358
Orange County Investment Pool	8,028,221.96	8,028,221.96	8,028,221.96	60.06	1	0.404
Total Investments	13,366,380.34	13,266,714.34	13,366,386.68	100.00	125	0.724
Cash						
Cash	62,847.18	62,847.18	62,847.18		1	0.00
Total Cash and Investments	13,429,227.52	13,329,561.52	13,429,233.86		125	0.724

Total Earnings	Month Ending March	Fiscal Year to Date
Current Year	10,727.91	98,903.55
Average Daily Balance	19,379,076.76	
Effective Rate of Return	0.724%	

We certify that this report reflects the cash and investments of the Municipal Water District of Orange County and is in conformity with the Government Code requirements and the District Investment Policy and Guidelines in effect at the time of investment. The Investment Program herein shown provides sufficient cash flow liquidity to meet the next six month's estimated expenditure. The source for the market values are from U.S. Bank. Per Resolution 2059 there are no compliance exceptions to report.


Robert J. Hunter, General Manager

5/5/2022
Date


Hilary Chumtazi, Treasurer

05/05/2022
Date

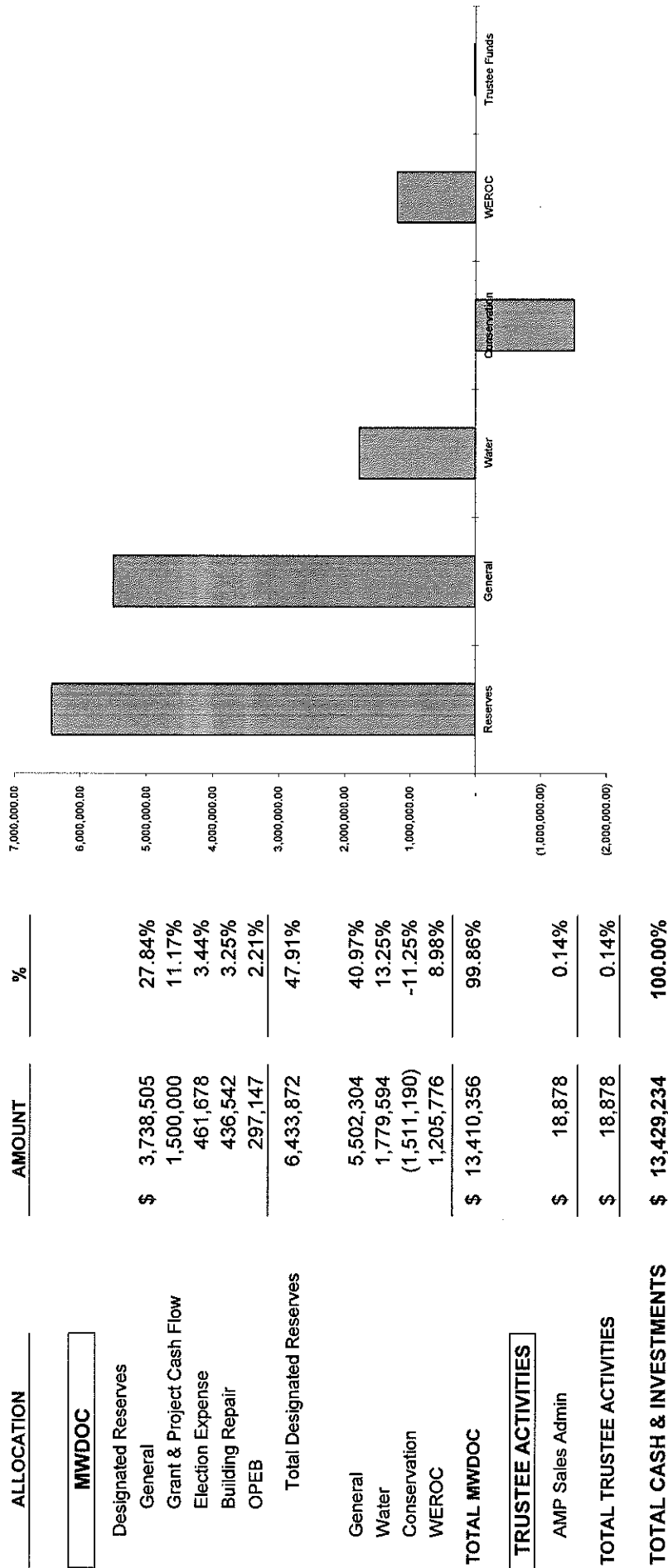
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Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	251,730.00	250,000.00	2.250	2.250	180	9/27/2022
Capital One Bank	14042TBQ9	8/7/2019	250,000.00	249,855.00	250,000.00	2.250	2.250	860	8/7/2024
Capital One NA	14042RML7	7/24/2019	250,000.00	249,667.50	250,000.00	2.200	2.200	846	7/24/2024
Discover Bank	254679RV0	7/25/2018	250,000.00	255,660.00	250,000.00	3.300	3.300	481	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	255,885.00	250,000.00	3.350	3.350	495	8/8/2023
Sallie Mae Bank	7954507A7	7/14/2021	200,000.00	186,972.00	200,000.00	1.000	1.000	1,566	7/14/2026
Sub Total			1,450,000.00	1,449,769.50	1,450,000.00	2.440	2.440	709	
US Government Issues									
FHLB	3130ALGR9	3/1/2021	250,000.00	235,587.50	249,904.43	0.850	0.860	56	2/26/2026
Sub Total			250,000.00	235,587.50	249,904.43	0.850	0.860	56	
Corporate Bond									
Bank of America Corp	06048WK41	12/7/2020	250,000.00	227,567.50	250,000.00	0.650	0.800	1,335	11/25/2025
Citigroup Global Markets	17328WZF6	9/16/2020	250,000.00	228,690.00	250,000.00	1.000	1.000	77	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	228,997.50	250,000.00	0.800	0.800	871	8/18/2025
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	199,558.00	200,000.00	2.500	2.500	106	7/15/2022
Societe Generale	83369MD25	8/19/2020	250,000.00	229,490.00	250,000.00	1.000	1.088	49	8/19/2025
Westpac Banking Corp	961214DQ3	7/25/2017	200,000.00	200,674.00	200,101.91	2.500	2.278	89	6/28/2022
Sub Total			1,400,000.00	1,314,977.00	1,400,101.91	1.330	1.341	444	
Total Investments			3,100,000.00	3,000,334.00	3,100,006.34	1.810	1.816	537	
Total Earnings			Month Ending March		Fiscal Year To Date				
Current Year			4,873.12		41,979.02				

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Portfolio Management
Short-Term Portfolio Details - Cash and Investments
March 31, 2022

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Local Agency Investment Funds									
LAIF LGIP	LAIF	6/30/2010	2,238,158.38	2,238,158.38	2,238,158.38	0.358	0.358	1	N/A
Sub Total			2,238,158.38	2,238,158.38	2,238,158.38	0.358	0.358	1	
Orange County Investment Pool									
County of Orange LGIP	OCIP	6/29/2005	8,028,221.96	8,028,221.96	8,028,221.96	0.404	0.404	1	N/A
Sub Total			8,028,221.96	8,028,221.96	8,028,221.96	0.404	0.404	1	
Total Investments			10,266,380.34	10,266,380.34	10,266,380.34	0.394	0.394		
Cash									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	62,347.18	62,347.18	62,347.18	0.000	0.000	1	N/A
Total Cash			62,847.18	62,847.18	62,847.18	0.000	0.000	1	
Total Cash and Investments			10,329,227.52	10,329,227.52	10,329,227.52	0.394	0.394	1	
Total Earnings									
Current Year			Month Ending March	Fiscal Year To Date					
			5,854.79	56,924.53					

**Municipal Water District of Orange County
Cash and Investments at March 31, 2022**



MUNICIPAL WATER DIST OF ORANGE COUNTY
PARS Post-Employment Benefits TrustAccount Report for the Period
3/1/2022 to 3/31/2022Hilary Chumpitazi
Accounting Manager
Municipal Water Dist of Orange County
18700 Ward Street
Fountain Valley, CA 92708

Account Summary

Source	Balance as of 3/1/2022	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 3/31/2022
OPEB	\$2,691,609.33	\$0.00	-\$5,917.97	\$1,350.46	\$0.00	\$0.00	\$2,684,340.90
PENSION	\$947,252.16	\$0.00	-\$2,082.70	\$475.26	\$0.00	\$0.00	\$944,694.20
Totals	\$3,638,861.49	\$0.00	-\$8,000.67	\$1,825.72	\$0.00	\$0.00	\$3,629,035.10

Investment Selection

Source	
OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

Investment Objective

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

Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	-0.22%	-4.97%	1.58%	8.34%	7.61%	7.05%	10/26/2011
PENSION	-0.22%	-4.97%	1.55%	8.31%	-	-	7/31/2018

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

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

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

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

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
COMBINED FINANCIAL STATEMENTS
AND
BUDGET COMPARATIVE
JULY 1, 2021 THRU MARCH 31, 2022**

**Municipal Water District of Orange County
Combined Balance Sheet
As of March 31, 2022**

	<u>Amount</u>
<u>ASSETS</u>	
Cash in Bank	62,847.18
Investments	13,366,386.68
Accounts Receivable	27,067,762.80
Accounts Receivable - Other	564,796.45
Accrued Interest Receivable	26,441.06
Prepays/Deposits	315,823.54
Leasehold Improvements	6,059,805.67
Furniture, Fixtures & Equipment	780,261.60
Less: Accumulated Depreciation	<u>(3,534,557.17)</u>
TOTAL ASSETS	<u><u>44,709,567.81</u></u>
<u>LIABILITIES AND FUND BALANCES</u>	
<u>LIABILITIES</u>	
Accounts Payable	25,547,034.97
Accounts Payable - Other	64.82
Accrued Salaries and Benefits Payable	676,836.09
Other Liabilities	2,784,600.34
Unearned Revenue	<u>443,410.26</u>
TOTAL LIABILITIES	<u><u>29,451,946.48</u></u>
<u>FUND BALANCES</u>	
<u>Restricted Fund Balances</u>	
Water Fund - T2C	<u>1,035,970.82</u>
Total Restricted Fund Balances	<u>1,035,970.82</u>
<u>Unrestricted Fund Balances</u>	
<u>Designated Reserves</u>	
General Operations	3,738,505.00
Grant & Project Cash Flow	1,500,000.00
Election Expense	461,678.00
Building Repair	436,542.00
OPEB	<u>297,147.00</u>
Total Designated Reserves	<u>6,433,872.00</u>
General Fund	5,028,867.71
General Fund Capital	373,228.00
WEROC Capital	145,193.58
WEROC	<u>246,196.60</u>
Total Unrestricted Fund Balances	<u>12,227,357.89</u>
<u>Excess Revenue over Expenditure</u>	
Operating Fund	1,988,635.71
Other Funds	<u>5,656.91</u>
TOTAL FUND BALANCES	<u><u>15,257,621.33</u></u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>44,709,567.81</u></u>

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2021 thru March 31, 2022

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
REVENUES						
Retail Connection Charge	0.00	8,357,232.00	8,357,232.00	100.00%	0.00	0.00
Ground Water Customer Charge	0.00	335,385.00	335,385.00	100.00%	0.00	0.00
Water Rate Revenues	0.00	8,692,617.00	8,692,617.00	100.00%	0.00	0.00
Interest Revenue	10,781.56	98,202.30	220,000.00	44.64%	0.00	121,797.70
Subtotal	10,781.56	8,790,819.30	8,912,617.00	98.63%	0.00	121,797.70
Choice Programs	0.00	1,264,125.23	1,515,775.00	83.40%	0.00	251,649.77
Miscellaneous Income	776.19	3,215.99	3,000.00	107.20%	0.00	(215.99)
Revenue - Other	0.00	1,360.00	0.00	0.00%	0.00	(1,360.00)
School Contracts	9,179.20	37,597.28	120,895.00	31.10%	0.00	83,297.72
Transfer-In from Reserve	0.00	0.00	95,745.00	0.00%	0.00	95,745.00
Subtotal	9,955.39	1,306,298.50	1,735,415.00	75.27%	0.00	429,116.50
TOTAL REVENUES	20,736.95	10,097,117.80	10,648,032.00	94.83%	0.00	550,914.20

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
General Fund
July 1, 2021 thru March 31, 2022

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
<u>EXPENSES</u>						
Salaries & Wages	402,651.77	3,207,347.40	4,178,542.00	76.76%	0.00	971,194.60
Salaries & Wages - Grant Recovery	(18,175.79)	(35,717.85)	(18,665.00)	(191.36)%	0.00	17,052.85
Director's Compensation	22,592.67	196,458.00	288,800.00	68.03%	0.00	92,342.00
MWD Representation	12,442.34	106,742.18	165,029.00	64.68%	0.00	58,286.82
Employee Benefits	124,278.48	1,004,403.07	1,356,730.00	74.03%	0.00	352,326.93
Employee Benefits - Grant Recovery	(4,263.46)	(8,743.97)	0.00	0.00%	0.00	8,743.97
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	9,248.19	84,869.23	161,248.00	52.63%	0.00	76,378.77
Health Insurance for Retirees	9,298.80	64,313.66	101,099.00	63.61%	0.00	36,785.34
Training Expense	219.00	17,527.50	52,000.00	33.71%	908.10	33,564.40
Tuition Reimbursement	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
Personnel Expenses	558,292.00	4,844,199.22	6,501,783.00	74.51%	908.10	1,656,675.68
Engineering Expense	41,624.00	314,386.50	380,000.00	82.73%	157,561.75	(91,948.25)
Legal Expense	10,376.30	125,461.36	225,000.00	55.76%	99,538.64	0.00
Audit Expense	0.00	39,066.00	30,220.00	129.27%	18,500.00	(27,346.00)
Professional Services	115,808.10	641,010.92	1,475,640.00	43.44%	776,215.31	58,413.77
Professional Fees	167,808.40	1,119,924.78	2,110,860.00	53.06%	1,051,815.70	(60,880.48)
Conference - Staff	2,480.00	10,524.00	44,560.00	23.62%	0.00	34,036.00
Conference - Directors	2,325.00	8,055.00	16,845.00	47.82%	0.00	8,790.00
Travel & Accom. - Staff	1,244.16	13,780.06	69,825.00	19.74%	0.00	56,044.94
Travel & Accom. - Directors	0.00	1,838.59	21,250.00	8.65%	0.00	19,411.41
Travel & Conference	6,049.16	34,197.65	152,480.00	22.43%	0.00	118,282.35
Membership/Sponsorship	270.00	128,892.27	143,041.00	90.11%	0.00	14,148.73
CDR Support	0.00	41,391.99	65,249.00	63.44%	13,797.32	10,059.69
Dues & Memberships	270.00	170,284.26	208,290.00	81.75%	13,797.32	24,208.42
Business Expense	0.00	1,156.03	2,500.00	46.24%	0.00	1,343.97
Office Maintenance	9,497.13	82,743.03	147,400.00	56.14%	59,814.78	4,842.19
Building Repair & Maintenance	2,894.25	30,180.97	15,000.00	201.21%	10,445.29	(25,626.26)
Storage Rental & Equipment Lease	76.60	1,558.18	1,800.00	86.57%	241.82	0.00
Office Supplies	2,155.54	10,936.16	35,000.00	31.25%	3,586.34	20,477.50
Supplies - Water Loss Control	1,071.07	2,230.12	4,000.00	55.75%	0.00	1,769.88
Postage/Mail Delivery	576.66	8,290.11	9,243.00	89.69%	1,028.73	(75.84)
Subscriptions & Books	0.00	120.00	1,000.00	12.00%	0.00	880.00
Reproduction Expense	186.96	3,055.07	82,700.00	3.69%	4,271.63	75,373.30
Maintenance - Computers	617.53	4,036.19	8,000.00	50.45%	1.08	3,962.73
Software Purchase	3,973.37	49,619.46	36,040.00	137.68%	524.79	(14,104.25)
Software Support	8,370.75	53,725.34	48,640.00	110.46%	6,771.40	(11,856.74)
Computers and Equipment	12,674.38	39,426.66	23,450.00	168.13%	4,525.53	(20,502.19)
Maintenance Expense	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Automotive Expense	118.37	1,008.15	16,000.00	6.30%	0.00	14,991.85
Vehicle Expense	437.81	2,603.59	5,800.00	44.89%	0.00	3,196.41
Toll Road Charges	0.00	287.06	1,250.00	22.96%	0.00	962.94
Insurance Expense	13,355.45	112,037.31	130,000.00	86.18%	0.00	17,962.69
Utilities - Telephone	2,938.74	26,354.72	42,840.00	61.52%	342.09	16,143.19
Bank Fees	0.00	1,817.55	3,200.00	56.80%	0.00	1,382.45
Miscellaneous Expense	5,733.41	34,107.42	85,181.00	40.04%	1,510.96	49,562.62
MWDOC's Contrb. to WEROC	21,695.50	195,259.50	260,346.00	75.00%	0.00	65,086.50
Depreciation Expense	5,860.67	52,745.62	0.00	0.00%	0.00	(52,745.62)
Other Expenses	92,234.19	713,298.24	965,390.00	73.89%	93,064.44	159,027.32
Capital Aquisition	0.00	270,307.36	267,256.00	101.14%	77,443.28	(80,494.64)
Building Expense	16,210.03	956,270.58	441,973.00	216.36%	35,788.76	(550,086.34)
TOTAL EXPENSES	840,863.78	8,108,482.09	10,648,032.00	76.15%	1,272,817.60	1,266,732.31
NET INCOME (LOSS)	(820,126.83)	1,988,635.71	0.00	0.00%	(1,272,817.60)	(715,818.11)

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Fund
July 1, 2021 thru March 31, 2022

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Budget Remaining</u>
<u>WATER REVENUES</u>					
Water Sales	12,199,084.10	134,842,732.90	155,126,337.00	86.92%	20,283,604.10
Readiness to Serve Charge	1,038,910.00	8,672,781.32	11,142,354.00	77.84%	2,469,572.68
Capacity Charge CCF	449,671.67	3,715,319.99	4,732,610.00	78.50%	1,017,290.01
SCP/SAC Pipeline Surcharge	25,359.25	257,113.70	315,000.00	81.62%	57,886.30
Interest Revenue	403.70	2,743.99	10,500.00	26.13%	7,756.01
TOTAL WATER REVENUES	13,713,428.72	147,490,691.90	171,326,801.00	86.09%	23,836,109.10
<u>WATER PURCHASES</u>					
Water Sales	12,199,084.10	134,842,732.90	155,126,337.00	86.92%	20,283,604.10
Readiness to Serve Charge	1,038,910.00	8,672,781.32	11,142,354.00	77.84%	2,469,572.68
Capacity Charge CCF	449,671.67	3,715,319.99	4,732,610.00	78.50%	1,017,290.01
SCP/SAC Pipeline Surcharge	25,359.25	257,113.70	315,000.00	81.62%	57,886.30
TOTAL WATER PURCHASES	13,713,025.02	147,487,947.91	171,316,301.00	86.09%	23,828,353.09
EXCESS OF REVENUE OVER EXPENDITURE	403.70	2,743.99	10,500.00	26.13%	7,756.01

**Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2021 thru March 31, 2022**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Spray To Drip Conversion			
Revenues	89,482.73	117,480.00	76.17%
Expenses	103,613.84	117,480.00	88.20%
Excess of Revenues over Expenditures	(14,131.11)	0.00	
Member Agency Administered Pass-Thru			
Revenues	64,512.00	573,201.00	11.25%
Expenses	47,022.00	573,201.00	8.20%
Excess of Revenues over Expenditures	17,490.00	0.00	
ULFT Rebate Program			
Revenues	290.00	2,000.00	14.50%
Expenses	350.00	2,000.00	17.50%
Excess of Revenues over Expenditures	(60.00)	0.00	
HECW Rebate Program			
Revenues	45,513.79	84,300.00	53.99%
Expenses	45,435.00	84,300.00	53.90%
Excess of Revenues over Expenditures	78.79	0.00	
CII Rebate Program			
Revenues	1,400.00	6,500.00	21.54%
Expenses	1,400.00	6,500.00	21.54%
Excess of Revenues over Expenditures	0.00	0.00	
Turf Removal Program			
Revenues	1,470,606.79	993,924.00	147.96%
Expenses	1,491,304.06	993,924.00	150.04%
Excess of Revenues over Expenditures	(20,697.27)	0.00	
Comprehensive Landscape (CLWUE)			
Revenues	233,713.19	303,100.00	77.11%
Expenses	242,629.00	303,100.00	80.05%
Excess of Revenues over Expenditures	(8,915.81)	0.00	
Recycled Water Program			
Revenues	13,406.25	40,000.00	33.52%
Expenses	13,406.25	40,000.00	33.52%
Excess of Revenues over Expenditures	0.00	0.00	
WSIP - Industrial Program			
Revenues	0.00	45,000.00	0.00%
Expenses	0.00	45,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
Land Design Program			
Revenues	215,278.75	297,330.00	72.40%
Expenses	215,278.75	297,330.00	72.40%
Excess of Revenues over Expenditures	0.00	0.00	
Pressure Regulation Program			
Revenues	5,555.00	66,919.00	8.30%
Expenses	23,045.00	66,919.00	34.44%
Excess of Revenues over Expenditures	(17,490.00)	0.00	
Smart Water Monitoring Devices(Flume)			
Revenues	65,615.48	89,000.00	73.73%
Expenses	65,615.48	89,000.00	73.73%
Excess of Revenues over Expenditures	0.00	0.00	
Dedicated Irrigation Meters Measurement Project (DIMM)			
Revenues	0.00	636,202.00	0.00%
Expenses	0.00	636,202.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	

Municipal Water District of Orange County
Revenues and Expenditures Budget Comparative Report
Water Use Efficiency
July 1, 2021 thru March 31, 2022

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
Total WUE Projects			
Revenues	2,205,373.98	3,254,956.00	67.75%
Expenses	<u>2,249,099.38</u>	<u>3,254,956.00</u>	<u>69.10%</u>
Excess of Revenues over Expenditures	(43,725.40)	0.00	
 WEROC			
Revenues	455,605.50	520,692.00	87.50%
Expenses	<u>401,983.48</u>	<u>520,692.00</u>	<u>77.20%</u>
Excess of Revenues over Expenditures	53,622.02	0.00	



Memorandum

DATE: May 11, 2022

TO: Administrative & Finance Committee
(Directors Seckel, Thomas, Dick)

FROM: Robert Hunter

SUBJECT: Quarter ending March 2022 Fiscal YTD Financials Actual versus Budget

The following reports are attached:

- Revenues and Expenditures Actual versus Budget for the General Fund
- Revenues and Expenditures Actual versus Budget Detailed Comparative Report for the General Fund
- Revenues and Expenditures Actual versus Budget for Water Funds
- Revenues and Expenditures Actual versus Budget for Other Funds
- Revenues and Expenditures Actual versus Budget for the Water Use Efficiency Projects

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget Summary Report
Fiscal Year to Date ending March 2022 (Unaudited)
(\$000 Omitted)
General Fund and Reserve Fund

GENERAL FUND

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail Connection Charge	8,357	8,357	100.00%
Ground Water Customer Charge	336	336	100.00%
Subtotal	<u>8,693</u>	<u>8,693</u>	<u>100.00%</u>
Other Revenues:			
Interest Income ⁽¹⁾	98	220	44.64%
Choice Programs	1,264	1,516	83.40%
School Contracts ⁽²⁾	38	121	31.10%
Other Income ⁽³⁾	4	3	135.87%
Transfer in from Reserve ⁽⁴⁾	0	95	0.00%
Subtotal	<u>1,404</u>	<u>1,955</u>	<u>71.81%</u>
TOTAL REVENUES	<u><u>10,097</u></u>	<u><u>10,648</u></u>	<u><u>94.82%</u></u>
<u>EXPENSES</u>			
Personnel Expenses (incl. Dir.)	4,844	6,502	74.51%
Professional Services ⁽⁵⁾	680	1,506	45.16%
Outside Engineering	315	380	82.79%
Legal Expense	126	225	55.80%
Travel & Conference ⁽⁶⁾	34	153	22.41%
Dues and Memberships	170	208	81.75%
General & Admin Expense	713	965	73.84%
Building Repair & Expense ⁽⁷⁾	956	442	216.36%
Capital Acquisition (not including building repairs) ⁽⁷⁾	270	267	101.14%
TOTAL EXPENSES	<u><u>8,108</u></u>	<u><u>10,648</u></u>	<u><u>76.15%</u></u>
EXCESS OF REVENUES OVER EXPENSES	<u><u>1,989</u></u>		

RESERVE FUND

Beginning Balance	7,305
Nov 2021 - draw from FY 2020-21 Reserves	(871)
TOTAL RESERVE FUND	<u><u>6,434</u></u>

- (1) Interest rates lower due to pandemic
(2) School Contracts began in September
(3) Other Income - JPIA Wellness Grant, sold furn/equip, CalCard Rebates
(4) Transfer in from Reserves is moved at year-end
(5) Professional Services - Projects in process
(6) Travel is lower due to pandemic
(7) Remodel is complete and used all carryover funds

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending March 2022 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
REVENUES			
Retail Connection Charge	8,357,232	8,357,232	100.00%
Ground Water Customer Charge	335,385	335,385	100.00%
Water Rate Revenues	8,692,617	8,692,617	100.00%
Choice Programs	1,264,125	1,515,775	83.41%
Interest Revenue	98,203	220,000	44.64%
Miscellaneous Income	4,576	3,000	152.53%
School Contracts	37,597	120,895	31.10%
Transfer in from Reserve	0	95,745	0.00%
Other Revenues	1,404,501	1,955,415	71.83%
TOTAL REVENUES	10,097,118	10,648,032	94.83%

OPERATING EXPENSES			
Salaries & Wages	3,207,347	4,178,542	76.76%
less Recovery's	(35,718)	(18,665)	191.36%
Directors' Compensation	196,458	288,800	68.03%
MWD Representation	106,742	165,029	64.68%
Employee Benefits	1,004,403	1,356,730	74.03%
less Recovery's	(8,744)	0	0.00%
CALPERS Unfunded Liability Contribution	207,000	207,000	100.00%
Directors Benefits	84,869	161,248	52.63%
Health Insurances for Retirees	64,314	101,099	63.61%
Training Expense	17,528	52,000	33.71%
Tuition Reimbursement	0	5,000	0.00%
Temporary Help Expense	0	5,000	0.00%
Personnel Expenses	4,844,199	6,501,783	74.51%
Engineering Expense	314,387	380,000	82.73%
Legal Expense	125,461	225,000	55.76%
Audit Expense	39,066	30,220	129.27%
Professional Services	641,011	1,475,640	43.44%
Professional Fees	1,119,925	2,110,860	53.06%
Conference-Staff	10,524	44,560	23.62%
Conference-Directors	8,055	16,845	47.82%
Travel & Accom.-Staff	13,780	69,825	19.74%
Travel & Accom.-Directors	1,839	21,250	8.65%
Travel & Conference	34,198	152,480	22.43%
Membership/Sponsorship	128,892	143,041	90.11%
CDR Support	41,392	65,249	63.44%
Dues & Memberships	170,284	208,290	81.75%

Municipal Water District of Orange County
Revenues and Expenditures Actual vs Budget Line Item Report
Fiscal Year to Date ending March 2022 (Unaudited)
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	1,156	2,500	46.24%
Maintenance Office	82,743	147,400	56.14%
Building Repair & Maintenance	30,181	15,000	201.21%
Storage Rental & Equipment Lease	1,558	1,800	86.56%
Office Supplies	10,936	35,000	31.25%
Supplies - Water Loss Control	2,230	4,000	55.75%
Postage/Mail Delivery	8,290	9,243	89.69%
Subscriptions & Books	120	1,000	12.00%
Reproduction Expense	3,055	82,700	3.69%
Maintenance-Computers	4,036	8,000	50.45%
Software Purchase	49,619	36,040	137.68%
Software Support	53,725	48,640	110.45%
Computers and Equipment	39,427	23,450	168.13%
Maintenance Expense	0	6,000	0.00%
Automotive Expense	1,008	16,000	6.30%
Vehicle Expense	2,604	5,800	44.90%
Toll Road Charges	287	1,250	22.96%
Insurance Expense	112,037	130,000	86.18%
Utilities - Telephone	26,355	42,840	61.52%
Bank Fees	1,818	3,200	56.81%
Miscellaneous Expense	34,107	85,181	40.04%
MWDOC's Contribution to WEROC	195,260	260,346	75.00%
Depreciation Expense	52,746	0	0.00%
MWDOC Building Expense	956,271	441,973	216.36%
Capital Acquisition	270,307	267,256	101.14%
Other Expenses	1,939,876	1,674,619	115.84%
TOTAL EXPENSES	8,108,482	10,648,032	76.15%
EXCESS OF REVENUES OVER EXPENSES	1,988,636	0	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Statement of Revenues and Expenditures
Fiscal Year to Date ending March 2022 (Unaudited)
Water Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<u>Water Revenues</u>			
Water Sales	134,842,733	155,126,337	(20,283,604)
Readiness to Serve Charge	8,672,781	11,142,354	(2,469,573)
Capacity Charge CCF	3,715,320	4,732,610	(1,017,290)
SCP/SAC Pipeline Surcharge	257,114	315,000	(57,886)
Interest	<u>2,744</u>	<u>10,500</u>	<u>(7,756)</u>
Total Water Revenues	<u>147,490,692</u>	<u>171,326,801</u>	<u>(23,836,109)</u>
 <u>Water Purchases</u>			
Water Sales	134,842,733	155,126,337	(20,283,604)
Ready to Serve Charge	8,672,781	11,142,354	(2,469,573)
Capacity Charge CCF	3,715,320	4,732,610	(1,017,290)
SCP/SAC Pipeline Surcharge	<u>257,114</u>	<u>315,000</u>	<u>(57,886)</u>
Total Water Purchases	<u>147,487,948</u>	<u>171,316,301</u>	<u>(23,828,353)</u>
 EXCESS OF REVENUES OVER EXPENDITURES	<u>2,744</u>	<u>10,500</u>	<u>(7,756)</u>

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2022 (Unaudited)
Other Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<u>WEROC</u>			
Revenues	455,606	520,692	(65,087)
Expenditures	401,983	520,692	(118,709)
Excess of Revenues over Expenditures	<u>53,622</u>	<u>0</u>	<u>53,622</u>

WUE Projects (details on next page)

Revenues	2,205,374	3,254,956	(1,049,582)
Expenditures	2,249,099	3,254,956	(1,005,857)
Excess of Revenues over Expenditures	<u>(43,725)</u>	<u>0</u>	<u>(43,725)</u>

Footnote:

- 1) The excess of expense over revenue is waiting for reimbursement.
- 2) USBR (Federal) Grant is billed in October and April with funds being received one month later.
- 3) DWR is billed quarterly to county and takes a few months to a year to receive funds.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2022 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %</u>	<u>Fiscal Year Budget</u>	<u>% of Budget</u>	<u>Projected Final FY Budget</u>
<u>Spray to Drip Conversion</u>					
Revenues	89,483		117,480	76.17%	247,335
Expenditures	103,614		117,480	88.20%	247,335
Excess of Revenues over Expenditures	(14,131)	-16%			

Actual Variance: All reporting current. Payments to Program Participants slightly ahead of Grant (DWR & USBR), Metropolitan (on water bill), and Retail Water Agencies reimbursements.

Budget Variance: This program is expected to end at a much higher level than when the Fiscal Year Budget number was developed last year. In updating the Final FY Budget, Staff used data from the program over the first 9 months of this FY; we also considered the amount of applications in the queue, projecting them out over the final 3 months of this fiscal year. Altogether this accounts for the increase to the Project Final FY Budget number.

Member Agency Administered Pass thru

Revenues	64,512		573,201	11.25%	438,728
Expenditures	47,022		573,201	8.20%	438,728
Excess of Revenues over Expenditures	17,490	27%			

Actual Variance: Some MWDOC projects have been billed to Metropolitan, others, like those for the Retail Water Agencies have not begun reporting their projects.

Budget Variance: Adjustments were made that reduced the amount of funds directed at this program. Retail Water Agencies have begun to invoice for their programs and MWDOC's programs are just now beginning to be reported to Metropolitan.

ULFT Rebate Program

Revenues	290		2,000	14.50%	2,000
Expenditures	350		2,000	17.50%	2,000
Excess of Revenues over Expenditures	(60)	-21%			

Actual Variance: This tracks MWDOC member agencies activities to provide supplemental funding to increase activity in their service territories.

Budget Variance: Stated budget number is a yearly number, actual number is for the 3rd quarter. It is anticipated that by year's end Actual will be closer to Budget.

HECW Rebate Program

Revenues	45,514		84,300	53.99%	56,415
Expenditures	45,435		84,300	53.90%	56,415
Excess of Revenues over Expenditures	79	0%			

Actual Variance: This tracks MWDOC member agencies activities to provide supplemental funding to increase activity in their service territories.

Budget Variance: Projected Final FY Budget was adjusted down by \$26,000. This was due to an anticipated lower overall number of HECW's when Staff tracked numbers from the first 3 quarters of the FY.

CII Rebate Program

Revenues	1,400		6,500	21.54%	1,000
Expenditures	1,400		6,500	21.54%	1,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: This tracks MWDOC member agencies activities to provide supplemental funding to increase activity in their service territory.

Budget Variance: Agencies have yet to provide their stated funding for activity in their service territory, and in discussing program activity with Agencies, it is expected the FY end number will be less.

Notes:

- 1) Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
- 2) Fiscal year budget versus Actual
- 3) With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2022 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %</u>	<u>Fiscal Year Budget</u>	<u>% of Budget</u>	<u>Projected Final FY Budget</u>
<u>Turf Removal Program</u>					
Revenues	1,470,607		993,924	147.96%	5,678,694
Expenditures	1,491,304		993,924	150.04%	5,678,694
Excess of Revenues over Expenditures	(20,697)	-1%			

Actual Variance: Posted revenues from Grants (DWR & USBR) lagging slightly behind expenses. All revenue reporting for reimbursement is up to date.

Budget Variance: This program is expected to end at a much higher level than when the Fiscal Year Budget number were developed last year. In updating the Final FY Budget, Staff used data from the program over the first 9 months of this FY; we also considered the amount of applications in the queue, projecting them out over the final 3 months of this fiscal year. Large commercial projects are beginning to finish which is also driving up the total. Altogether this accounts for the increase to the Project Final FY Budget number.

Comprehensive Landscape (CLWUE)

Revenues	233,713		303,100	77.11%	316,631
Expenditures	242,629		303,100	80.05%	316,631
Excess of Revenues over Expenditures	(8,916)	-4%			

Actual Variance: Grant funded program. Granting agencies (State) are slow to provide their funding. All reporting is current.

Budget Variance: Stated budget number is a yearly number, actual number is for the 3rd quarter. On track to meet budget.

Recycled Water Program

Revenues	13,406		40,000	33.52%	13,406
Expenditures	13,406		40,000	33.52%	13,406
Excess of Revenues over Expenditures	0	0%			

Actual Variance: Projects are currently being implemented with activity reported over the course of the fiscal year.

Budget Variance: Projected Final FY Budget adjusted down due to projects slow in developing. Projects thought to be paid this FY will come in next FY.

WSIP - Industrial Program

Revenues	0		45,000	0.00%	2,700
Expenditures	0		45,000	0.00%	2,700
Excess of Revenues over Expenditures	0	0%			

Actual Variance: Projects are currently being implemented with activity reported over the course of the fiscal year.

Budget Variance: Projected Final FY Budget adjusted down due to projects slow in developing. Projects thought to be paid this FY will come in next FY.

Land Design Program

Revenues	215,279		297,330	72.40%	331,303
Expenditures	215,279		297,330	72.40%	331,303
Excess of Revenues over Expenditures	0	0%			

Actual Variance: All local, State, and Federal Grant reporting is current.

Budget Variance: This program is tied directly to activity in the turf program. The turf program is expected to increase significantly and this program will increase proportionately. Analyzing the applications in the queue dictates the increase in the Projected Final FY Budget. Activity in this program is expected to come in as budgeted.

Notes:

- 1) Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
- 2) Fiscal year budget versus Actual
- 3) With each quarterly report the projected fiscal year end budget may be re-adjusted.

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
Revenues and Expenditures Actual versus Budget
Fiscal Year to Date ending March 2022 (Unaudited)
Water Use Efficiency Projects

	<u>Actual</u>	<u>Variance %</u>	<u>Fiscal Year Budget</u>	<u>% of Budget</u>	<u>Projected Final FY Budget</u>
<u>Pressure Regulation Valve Program</u>					
Revenues	5,555		66,919	8.30%	35,604
Expenditures	23,045		66,919	34.44%	35,604
Excess of Revenues over Expenditures	(17,490)	-315%			

Actual Variance: Expenses out ahead of grant reimbursements. All local, State, and Federal Grant reporting current.

Budget Variance: This program adjusted down due to slower than anticipated activity. Project is expected to come in at the new lower number.

<u>Smart Water Monitoring Devices (Flume)</u>					
Revenues	65,615		89,000	73.73%	99,998
Expenditures	65,615		89,000	73.73%	99,998
Excess of Revenues over Expenditures	0	0%			

Actual Variance: Funding to cover expenditures is current.

Budget Variance: Activity in the program adjusted slightly up. Actual is expected to come in as budgeted.

<u>Dedicated Irrigation Meters Measurement Project (DIMM)</u>					
Revenues	0		636,202	0.00%	318,101
Expenditures	0		636,202	0.00%	318,101
Excess of Revenues over Expenditures	0	0%			

Actual Variance:

Budget Variance: This is a new program developed this FY. Program is currently up and running and it is anticipated that activity at \$318,101 will materialize by the end of this FY.

Notes:

- 1) Variance from Revenues to Expenses. When greater than 5%, an explanation is provided.
- 2) Fiscal year budget versus Actual
- 3) With each quarterly report the projected fiscal year end budget may be re-adjusted.



CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

FROM: Joe Byrne, General Counsel

SUBJECT: APPROVE CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND MAKE REQUIRED FINDINGS

STAFF RECOMMENDATION

That the Board of Directors vote to continue virtual meetings pursuant to AB 361 for an additional 30 days based on the findings that (1) it has reconsidered the circumstances of the state of emergency for COVID-19, and (2) state and local officials continue to impose or recommend measures to promote social distancing.

COMMITTEE RECOMMENDATION

This item was not presented to a Committee.

SUMMARY

At the October 4, 2021 Board meeting, pursuant to AB 361, the Board of Directors adopted Resolution No. 2115 and authorized the Board to continue to have remote meetings based upon the continued state of emergency for COVID-19 and the finding that state and local officials have imposed or recommended measures to promote social distancing. At the past several meetings, including the April 20, 2022 Board meeting, the Board voted to continue such remote meetings for additional 30 day periods. As previously indicated, if the Board wishes to continue to hold remote meetings pursuant to AB 361, and assuming a state of emergency still is in place, it must make similar findings within every 30 days.

At the time this report was prepared, there is a continued state of emergency for COVID-19 and state and local officials continue to recommend measures to promote social distancing. This item is on the Agenda for the Board to consider whether to continue remote meetings pursuant to AB 361 for an additional 30 days and to make the appropriate findings.

Budgeted (Y/N): N/A	Budgeted amount: N/A	Core <u>X</u>	Choice <u> </u>
Action item amount:		Line item:	
Fiscal Impact (explain if unbudgeted):			



CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Tamaribuchi, McVicker, Nederhood)

Robert Hunter
General Manager

Staff Contact: Heather Baez

SUBJECT: AB 2639 (QUIRK) – SAN FRANCISCO BAY/SACRAMENTO-SAN JOAQUIN DELTA ESTUARY: WATER QUALITY CONTROL PLAN: WATER RIGHTS PERMITS

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt an Oppose Unless Amended position on AB 2639 (Quirk) and join the Association of California Water Agencies' (ACWA) coalition.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

BILL SUMMARY

Assembly Bill 2639 would require the State Water Resources Control Board to complete an update and implementation of the San Francisco Bay/Sacramento-San Joaquin Delta Estuary Water Quality Control Plan (Bay-Delta Plan) by December 31, 2023. In addition, it places a moratorium on new water rights permits resulting in increased diversions in the Sacramento River/San Joaquin River watershed after January 1, 2024, unless and until the update and implementation are completed.

BACKGROUND

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

The Bay-Delta Plan identifies beneficial uses of water, water quality objectives to protect those uses, a program of implementation to achieve the objectives, and monitoring and special studies. Relevant beneficial uses include domestic, municipal and industrial, agricultural, and preservation of fish and wildlife.

Bay-Delta Plan Status

The State Water Board adopted the Bay-Delta Plan in 1978. The last major update was in 1995. (There were some relatively minor updates in 2006.) The Board has been in the process of developing new updates to the Plan since 2009. Currently there are two phases for plan amendments.

Phase 1 - On December 12, 2018, through State Water Board Resolution No. 2018-0059, the State Water Board adopted the Plan amendments and Final Supplemental Environmental Document establishing the Lower San Joaquin River flow objectives and revised southern Delta salinity objectives. On February 25, 2019, the Office of Administrative Law approved the Plan amendments, which are now in effect.

Voluntary Agreements: The amended Bay-Delta Plan left room for potential Voluntary Agreements (VAs) by inclusion of the following statement: *The State Water Board encourages parties to present any executed voluntary agreement to the State Water Board for its review as soon as feasible to improve conditions in the watershed.*

Phase 2 - The State Water Board is also considering Plan amendments focused on the Sacramento River and its tributaries, Delta eastside tributaries (including the Calaveras, Cosumnes, and Mokelumne rivers), Delta outflows, and interior Delta flows.

ARGUMENTS IN SUPPORT

According to the author's office, "This bill acts directly on a recommendation from a group of water law experts convened by the Planning & Conservation League to set a hard deadline for adopting and implementing updates to the Bay-Delta Plan." The provisions of AB 2639 closely align with the recommendations in the paper [found here](#).

A coalition of dozens of supporters argues, "It has been 27 years since the [State Water Board] updated the [Bay-Delta Plan]. The State [Water] Board itself recognized the need for "urgent efforts in the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay Delta) to address prolonged and precipitous declines in native aquatic species and the ecosystem they depend on." Those declines now include several species on the precipice of extinction.

ARGUMENTS IN OPPOSITION

While having deadlines is good, the ones proposed in AB 2639 are not workable. The timing is a serious issue. For example, the proposed December 31, 2023 deadline for implementation of the Phase 1 Plan update is based on the use of a regulation as the implementation pathway. We need assurance that this deadline will accommodate Voluntary Agreements. Other timing issues need to be explored to determine which

deadlines would be workable to insure sufficient time for CEQA compliance and the impact of the federal process on the biological opinions.

The other concern is the water rights provisions. The proposed moratorium would prohibit the State Water Board from approving any new water right permits, or extensions of time for any existing permits, that would result in new or increased diversions to surface water storage from the Sacramento River/San Joaquin River watershed. The implications of this moratorium would affect water providers throughout most areas of the State. Water agencies are proactively evaluating the needs to their service areas for decades to come, and, as a result, many have water right applications currently pending before the State Water Board. Obtaining these rights is necessary to meet future demands from a growing population, respond to climate change, diversify water supplies, and more. Artificially tying these applications to the Bay-Delta Plan process endangers this forward-thinking approach and the ability of agencies to provide water for their customers and the environment. Prohibiting extensions of time would also imperil many ongoing projects and existing water right permits. There is no reason why the State Board cannot work on updates to the Bay-Delta Plan and the water rights simultaneously.

PROPOSED AMENDMENTS

ACWA's Suggested Amendments:

1. Delete the two December 31, 2023 deadlines and replace them with deadlines that are workable (e.g., from VAs and due process perspectives);

[Note – An alternative would be to include specific steps to make progress that the State Water Board would be required to take by December 31, 2023 (i.e., that are not the complete actions proposed currently in the bill).

2. Clarify that the final San Joaquin River/Southern Delta update includes the Plan amendment that the Office of Administrative Law approved in 2019; and

3. Strike the water rights provision (subdivision (c)) entirely from the bill.

BOARD OPTIONS

Option #1

- Adopt an oppose unless amended position on AB 2639 and join ACWA's coalition.

Option #2

- Take no action

STAFF RECOMMENDATION

Option #1

ATTACHED:

- AB 2639 Full Text

AMENDED IN ASSEMBLY APRIL 19, 2022

AMENDED IN ASSEMBLY MARCH 22, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL

No. 2639

Introduced by Assembly Member Quirk

February 18, 2022

An act to add Section 13170.6 to the Water Code, relating to water.

LEGISLATIVE COUNSEL'S DIGEST

AB 2639, as amended, Quirk. ~~Water—San Francisco Bay/Sacramento-San Joaquin Delta Estuary: water quality control plans and plan: water rights right permits.~~

Existing law establishes the State Water Resources Control Board and the 9 California regional water quality control boards as the principal state agencies with authority over matters relating to water quality. Existing law requires the state board to formulate and adopt state policy for water quality control. Existing law authorizes the state board to adopt water quality control plans for waters that require water quality standards pursuant to the Federal Water Pollution Control Act, and provides that those plans supersede any regional water quality control plans for the same waters to the extent of any conflict.

This bill would require the state board, on or before December 31, 2023, to adopt a final update of the 1995 Water Quality Control Plan for the ~~Bay-Delta, San Francisco Bay/Sacramento-San Joaquin Delta Estuary~~, as specified, and to implement the amendments to the ~~Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary plan~~ adopted by the state board pursuant to Resolution No. 2018-0059 on December 12, 2018. The bill would prohibit the state

~~board~~ board, on or after January 1, 2024, from approving ~~any~~ a new water right ~~permits or extensions of time for any existing permits~~ resulting permit that would result in new or increased diversions to surface water storage from the Sacramento River/San Joaquin River watershed until *and unless* the state board has taken those actions.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

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

1 SECTION 1. Section 13170.6 is added to the Water Code, to
2 read:

3 13170.6. (a) The board shall, on or before December 31, 2023,
4 adopt a final update of the 1995 Water Quality Control Plan for
5 the ~~Bay-Delta~~ San Francisco Bay/Sacramento-San Joaquin Delta
6 Estuary adopted by the board in Resolution No. 95-24 on May 22,
7 1995, as amended by the 2006 amendment adopted by the board
8 in Resolution No. 2006-0098 on December 13, 2006.

9 (b) The board shall, on or before December 31, 2023, through
10 regulation or other appropriate implementation methods, implement
11 the amendments to the Water Quality Control Plan for the San
12 Francisco Bay/Sacramento-San Joaquin Delta Estuary adopted by
13 the board pursuant to Resolution No. 2018-0059 on December 12,
14 2018.

15 (c) ~~The~~ On or after January 1, 2024, the board shall not approve
16 ~~any~~ a new water right ~~permits or extensions of time for any existing~~
17 ~~permits~~ resulting permit that would result in new or increased
18 diversions to surface water storage from the Sacramento River/San
19 Joaquin River watershed until *and unless* the board has taken the
20 actions described in subdivisions (a) and (b).

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CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Tamaribuchi, McVicker, Nederhood)

Robert Hunter
General Manager

Staff Contact: Heather Baez

**SUBJECT: SB 1044 (DURAZO) – EMPLOYERS: STATE OF EMERGENCY OR
EMERGENCY CONDITION: RETALIATION**

STAFF RECOMMENDATION

Staff recommends the Board of Directors vote to adopt an Oppose Unless Amended position on SB 1044 (Durazo) and send a letter to the author and the Orange County delegation.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

BILL SUMMARY

Senate Bill 1044 would:

- (1) Prohibit an employer from taking or threatening any adverse action against any employee for refusing to report to, or leaving, a workplace because the employee feels unsafe due to a state of emergency or an emergency condition.
- (2) Permit employees to access their mobile device or other communications device to use in emergencies to assess the situation, seek assistance or communicate with a person to verify their safety.

BACKGROUND

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

Under current law, California employers have a legal obligation to provide and maintain a safe and healthful workplace for their employees. Among other things, employers are required to have a written Injury and Illness Prevention Program (IIPP) with specific elements set forth in the Labor Code and Cal/OSHA regulations including, among other things, the following:

- (1) Safety communications system with employees,
- (2) System for assuring employee compliance with safe work practices,
- (3) Scheduled inspections/evaluation system,
- (4) Accident investigation, and
- (5) Procedures for correcting unsafe/ unhealthy conditions.

Employers must regularly review and update the IIPP in order for it to remain effective. Cal/OSHA has a duty and authority to investigate a workplace for safety and welfare of employees, on its own motion or upon complaints. Additionally, Cal/OSHA has various standards that employers must abide by in order to render employment safe for workers. Existing law prohibits an employee from being laid off or discharged for refusing to perform work in violation of prescribed safety standards, where the violation would create a real and apparent hazard to the employee or his or her fellow employees. Any employee, who is laid off or discharged in violation of the law, has a right of action for lost wages for the time the employee is without work as a result of the layoff or discharge.

ARGUMENTS IN SUPPORT

Proponents for SB 1044 say that this proposal will provide basic safety measures for California workers who face emergencies on the job. According to the sponsors of the measure, the Los Angeles County Federation of Labor and the California Teamsters Public Affairs Council, “ Over the past two years of the pandemic, worker health and safety has routinely been sacrificed in the pursuit of profits. Many companies have failed to inform workers of workplace outbreaks, permit them to use sick leave, or allow them to file workers compensation claims when they are exposed at the workplace. But Covid is far from the only threat to worker safety. With the effects of climate change impacting vulnerable communities most, workers in fields, food packing plants, and warehouses will again be on the frontlines. As wildfires increase in frequency and intensity, workers are often expected or required to continue working in extreme heat, unhealthy smoke, and dangerous conditions.”

ARGUMENTS IN OPPOSITION

A coalition of employer organizations, including the California Chamber of Commerce, are opposed to the measure arguing that existing Cal/OSHA regulations and state and federal law include substantial safety protections, provide employees the right to a safe workplace, and protect employees from retaliation if those laws are violated. They argue that across industries and workplaces, employers must at a minimum have 1) an Emergency Action Plan, 2) Fire Prevention Plan, and 3) Injury and Illness Prevention Program. Regarding existing Cal/OSHA regulations, they write, “More importantly – these regulations address the underlying workplace hazards, meaning that an employee

is already protected from these hazards in all but the most extreme cases. If an employee reasonably believes that their employer has violated any safety laws and that the work creates a real and apparent safety hazard or there is imminent danger of death or serious injury and the employer fails to eliminate the danger, under both California and federal law they can refuse to work. They are also protected from retaliation for reporting such conduct. Cal/OSHA or a court will evaluate whether there were legal violations or evidence of an unsafe workplace. Further, in 2020, the Legislature made it a crime to require an employee to remain in their place of work if there was a notice to evacuate or leave.”

One of the more concerning aspects of this proposal, and perhaps an unintended consequence is SB 1044 does not make exceptions for, or limit applicability to public employees who are mandated reporters in a state of emergency. This includes WEROC, and our ability to deploy employees as disaster service workers, and respond effectively in a disaster situation.

Opponents argue that, “Police, firefighters, healthcare workers, couriers, food service workers, agriculture workers and more all provide essential services that others depend on. Some sectors or professions even have legally mandated staffing ratio requirements, such as hospitals. SB 1044 contains no exceptions for those industries. By failing to consider the safety consequences of allowing emergency response personnel to walk-off the job, SB 1044 fails to take into account the safety of the public.”

PROPOSED AMENDMENTS

Engage with CSAC, via the County of Orange, along with other emergency response organizations, to have public employees exempted from SB 1044 for purposes of disaster response.

BOARD OPTIONS

Option #1

- Adopt an oppose unless amended position on SB 1044, and send a letter to the author’s office and the Orange County delegation with our concerns.

Option #2

- Take no action

STAFF RECOMMENDATION

Option #1

ATTACHED:

- SB 1044 Full Text

AMENDED IN SENATE MARCH 23, 2022

AMENDED IN SENATE MARCH 15, 2022

SENATE BILL

No. 1044

Introduced by Senator Durazo
(Coauthors: Senators Gonzalez, Leyva, and Wiener)
(Coauthor: Assembly Member Stone)

February 15, 2022

An act to add Chapter 11 (commencing with Section 1139) to Part 3 of Division 2 of the Labor Code, relating to employment.

LEGISLATIVE COUNSEL'S DIGEST

SB 1044, as amended, Durazo. Employers: state of emergency or emergency condition: retaliation.

Existing law establishes within the Department of Industrial Relations the Division of Labor Standards Enforcement, under the direction of the Labor Commissioner. Existing law authorizes the division to enforce the Labor Code and all labor laws of the state the enforcement of which is not specifically vested in any other officer, board, or commission. Existing law prescribes comprehensive requirements relating to minimum wages, overtime compensation, and standards for working conditions for the protection of employees applicable to an employment relationship.

This bill would prohibit an employer, in the event of a state of emergency or an emergency condition, as defined, from taking or threatening adverse action against any employee for refusing to report to, or leaving, a workplace within the affected area because the employee feels unsafe. The bill would also prohibit an employer from preventing any employee from accessing the employee's mobile device or other communications device for seeking emergency assistance, assessing

the safety of the situation, or communicating a person to confirm their safety. *The bill would require an employee to notify the employer of the state of emergency or emergency condition requiring the employee to leave or refuse to report to the workplace, as specified. The bill would clarify that these provisions are not intended to apply when an official state of emergency remains in place but emergency conditions that pose an imminent and ongoing risk of harm to the workplace, the worker, or the worker's home have ceased.*

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

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

SECTION 1. Chapter 11 (commencing with Section 1139) is added to Part 3 of Division 2 of the Labor Code, to read:

CHAPTER 11. ~~STATE~~ STATES OF EMERGENCY AND EMERGENCY
CONDITIONS

1139. (a) As used in this section, "state of emergency" means the existence of any of the ~~following~~ *following that is declared after enactment of this section, is in the county where a worker lives or works, and poses an imminent and ongoing risk of harm to the worker, the worker's home, or the worker's workplace:*

(1) A Presidential declaration of a major disaster or emergency, caused by natural forces, in accordance with the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. Sec. 5121 et seq.).

(2) Pursuant to Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code, a declared state of emergency or local emergency due to conditions of disaster or extreme peril to the safety of persons or property within the affected area caused by natural forces.

(3) A federal, state, regional, or county alert of imminent threat to life or property due to a natural disaster or emergency.

(b) As used in this section, "emergency condition" means the existence of either of the following:

(1) An event that poses serious danger to the structure of a workplace or to a worker's immediate health and safety.

1 (2) An order to evacuate a workplace, a worker's home, or the
2 school of a worker's child.

3 (c) In the event of a state of emergency or an emergency
4 condition, an employer shall not do either of the following:

5 (1) Take or threaten adverse action against any employee for
6 refusing to report to, or leaving, a workplace within the affected
7 area because the employee feels unsafe.

8 (2) Prevent any employee from accessing the employee's mobile
9 device or other communications device for seeking emergency
10 assistance, assessing the safety of the situation, or communicating
11 with a person to verify their safety.

12 *(d) (1) When feasible, an employee shall notify the employer*
13 *of the state of emergency or emergency condition requiring the*
14 *employee to leave or refuse to report to the workplace prior to*
15 *leaving or refusing to report.*

16 *(2) When prior notice described by paragraph (1) is not feasible,*
17 *the employee shall notify the employer of the state of emergency*
18 *or emergency condition that required the employee to leave or*
19 *refuse to report to the workplace after leaving or refusing to report.*

20 *(e) This section is not intended to apply when an official state*
21 *of emergency remains in place but emergency conditions that pose*
22 *an imminent and ongoing risk of harm to the workplace, the*
23 *worker, or the worker's home have ceased.*

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CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

FROM: **Planning & Operations Committee**
(Directors Tamaribuchi, McVicker, Nederhood)

Robert Hunter, General Manager

Staff Contact: Harvey De La Torre
Alex Heide

**SUBJECT: MASTER AGREEMENTS FOR SHARED PROGRAMS AND SERVICES
WITH ANAHEIM, SANTA ANA, AND FULLERTON**

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to execute the Master Agreements for Shared Programs and Services with the cities of Anaheim, Santa Ana, and Fullerton, subject to any non-substantive changes or modifications.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

REPORT

The Municipal Water District of Orange County (MWDOC) administers a wide variety of programs to its member agencies. These program include water use efficiency rebates and incentives, water loss control, school programs, joint water resources planning efforts, regional studies, engineering studies, and WEROC. MWDOC's administration of these programs achieve economies of scale efficiencies, while allowing for adaptability to suit each member agency's specific needs within their respective service areas.

Historically, MWDOC has worked closely with the cities of Anaheim, Fullerton, and Santa Ana (Three Cities) to extend the aforementioned MWDOC programs into their service territories. In addition to providing the same economies of scale efficiencies to the Three Cities, it has been beneficial to collaborate on pursuing joint external funding as a contiguous county for many of these activities.

Budgeted (Y/N): N/A	Budgeted amount: N/A	Core __	Choice_X
Action item amount: N/A	Line item:		
Fiscal Impact (explain if unbudgeted): These are funds the Three Cities are electing to utilize through MWDOC’s Choice services.			

MWDOC and the Three Cities' staffs have found it administratively efficient to streamline many of MWDOC's regional programs through their inclusion in a Master Agreement. This formalization allows for timely processing of payments, clear delineation of program participation, and delineation of the roles and responsibilities for both signatories.

In April of 2022, MWDOC staff brought an information item to the Board that discussed the background and key terms of the Master Agreements with the Three Cities. Since that time, MWDOC staff has been working cooperatively with each agency's staff and legal counsel on finalizing the key terms of the Agreements.

Key terms of the 2022 Master Agreements include:

- Participation by the Three Cities in Water Use Efficiency Programs, Water Loss Control, WEROC, School Programs, mutual study efforts, and other efforts as mutually agreed upon.
- Initial five-year term, with a second five-year extension.
- Not to exceed amount for costs set at \$500,000 (Fullerton), \$750,000 (Santa Ana), \$1,500,000 (Anaheim).
- Either party may terminate the Agreements in its entirety at any time upon thirty (30) days written notice to the other Party.

The Master Agreements are currently in their substantive draft form as seen in Attachment A, and are in the process of going to each agency's governing body for approval and are subject to non-substantive changes and/or revisions. Of note, each Master Agreement deviates slightly from the sample agreement due to agency specific requirements.

BOARD OPTIONS

Option #1: Authorize the General Manager to execute the Master Agreements for Shared Programs and Services with the cities of Anaheim, Santa Ana, and Fullerton, subject to any non-substantive changes or modifications.

Fiscal Impact: This agreement allows for the invoicing of the Three City's proportional share of the choice costs and programs, therefore there is no direct fiscal impact to MWDOC.

Business Analysis: Authorizing the Master Agreements allows MWDOC and the Three Cities to administer programs in an administratively efficient manner, save resources and staff time, limit legal liability, and achieve a greater economy of scale for MWDOC's programs.

Option #2: Do not authorize the General Manager to execute the Master Agreements for Shared Programs and Services with the cities of Anaheim, Santa Ana, and Fullerton.

Fiscal Impact: No fiscal impact to MWDOC

Business Analysis: Not authorizing the General Manager to execute the Master Agreements would result in a decrease in efficiency in the administration of MWDOC's regional programs and projects for the Three Cities, and could result in delays of payments and the inability to collaborate on grant funding opportunities.

STAFF RECOMMENDATION

Option #1

Attachments: (A) Sample Master Agreement

**MASTER AGREEMENT FOR SHARED PROGRAMS AND SERVICES BETWEEN
THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY &
THE CITY OF _____**

THIS AGREEMENT is made and entered into as of _____ 2022, by and between the Municipal Water District of Orange County (“MWDOC”) and the City of _____ (“City”) to provide for participation by the City in various programs and services administered by MWDOC, as described herein. The City and MWDOC are referred to jointly as “Parties” and individually as “Party.”

RECITALS

WHEREAS, the Parties are both member agencies of the Metropolitan Water District of Southern California (“Metropolitan”) and have many common interests related to water activities, programs and organizations within Orange County; and

WHEREAS, the Parties share many water planning characteristics, including location, climate history, demographics, water sources, water supplies and demand management measures; and

WHEREAS, the Parties share a long and successful history of collaborating on water resource activities, planning analysis and reports, water use efficiency programs, and other joint efforts; and

WHEREAS, the Parties desire to cooperate and pool resources to obtain economies of scale on joint studies and programs, share information developed independently, simplify the process of implementing water use efficiency measures, and maximize grant funding for all of these activities; and

WHEREAS, the Parties have prepared this Agreement to address the common goal of consolidating and streamlining the contracting procedures required for MWDOC’s administration of, and the City’s participation in, the programs and services referenced herein;

NOW, THEREFORE, the Parties agree as follows:

1. Water Use Efficiency Programs (“WUE Programs”)

1.1. Notice Procedures

1.1.1. Subject to the limitations set forth in this section, the Parties shall work together to make WUE Programs available to water users throughout the City’s water service area. In general, the City will have access to the same “choice”, or pay-for-service, WUE Programs that are currently available to MWDOC member agencies. Within thirty (30) days of the Effective Date, MWDOC shall send a written notice to the City listing all available WUE Programs and the requirements for each along with enrollment forms for participation in those WUE Programs. This written notice shall contain the estimated costs of the WUE Program as well as that program's specific requirements and terms and conditions. Thereafter, MWDOC shall provide a written notice with this information for every upcoming fiscal year at the time of MWDOC’s budget preparation or within thirty (30) days of new information being made available to MWDOC by Metropolitan. The notices to be provided by MWDOC shall be referred herein as the WUE Program Notice. MWDOC shall also provide the City with any other information or documents which are required for participation in WUE Programs or reasonably requested by the City in connection with WUE Programs. For each fiscal year,

the City shall review the WUE Program Notice and choose the WUE Programs and the level of its participation that the City deems beneficial. In connection with the foregoing, the City will notify MWDOC in writing by indicating in the WUE Program Notice the level of the City's participation in any WUE Program for each fiscal year ("WUE Participation Notice").

- 1.1.2. If a new WUE Program is introduced or a material amendment is made to an existing WUE Program during a fiscal year, MWDOC shall provide the City with a written notice thereof ("Amended WUE Program Notice") as soon as reasonably possible prior to the date the new program or amendment is scheduled to commence. This Amended WUE Program Notice shall contain the program's specific requirements and terms and conditions and any costs that may be ascertainable at such time. Within thirty (30) days of receiving the Amended WUE Program Notice, the City will notify MWDOC in writing whether the City will participate in the new or amended WUE Program and the level of its participation ("Amended WUE Participation Notice").
- 1.1.3. Except to the extent of the elections made in the WUE Participation Notice and the Amended WUE Participation Notice, the City shall have no obligation to participate in any WUE Program, including, but not limited to, any obligation to provide financial contribution to such program.
- 1.1.4. The City understands that specific requirements and terms of conditions may apply to each WUE Program that the City chooses to participate in and agreeing to such requirements and terms and conditions is a prerequisite to the City's participation in such WUE Programs. In connection with the foregoing, MWDOC shall provide the City with all applicable specific requirements and terms and conditions in a WUE Program Notice or Amended WUE Program Notice.
- 1.1.5. The City understands that by entering into this Agreement it agrees to pay MWDOC for its proportionate share of MWDOC's costs for administering MWDOC's WUE Program based on and to the extent of the City's level of participation as more particularly described in Section 1.8. If the City elects to participate in any or all MWDOC WUE Programs, MWDOC will invoice the City for such costs as described in Section 1.8.
- 1.1.6. The City is responsible for monitoring its level of participation in any WUE Program and is responsible for payment of all funding contributions required of the City by the WUE Program as authorized by a WUE Participation Notice or Amended WUE Participation Notice. In connection therewith, MWDOC is not responsible for any of the City's required payments or funding contributions even if they are above any cost estimate or the City's budgeted amounts authorized by a WUE Program Notice or Amended WUE Program Notice, except pursuant to the results of an audit by the City under Section 8.3.
- 1.1.7. In the event a WUE Program is terminated early, City is responsible for payment of any funding contributions required by the WUE Program to the extent of applications initiated prior to the effective date of the termination. For purposes of the preceding sentence, an

MASTER AGREEMENT FOR SHARED PROGRAMS MWDOC & City of _____

application is deemed initiated when an application has been received by Metropolitan's rebate vendor, EGIA, by MWDOC, or a reservation has been made within any of MWDOC's online application portals that is pursuant to any of the WUE Programs described within this Agreement.

- 1.1.8. Notwithstanding any other provision of this Agreement, MWDOC providing funds for any of the MWDOC WUE Programs is conditioned upon the availability of funds and MWDOC is under no obligation to provide funding to City for any WUE Program if MWDOC determines, in its own discretion, that such funding is exhausted, reduced, eliminated, or unavailable from any funding source, for any reason. In the event MWDOC determines funding for a WUE Program has been exhausted, reduced or unavailable, it will notify the City immediately and City may terminate its participation in that affected WUE Program upon MWDOC's receipt of the City's written notice.

1.2. WUE Programs Availability

- 1.2.1. Subject to the limitations set forth herein, the Parties agree that the WUE Programs chosen by the City for participation in the City's WUE Participation Notice or Amended WUE Participation Notice, shall be made available throughout the City's water service area for the Term, without the need for a separate agreement between the Parties in addition to this Agreement.
- 1.2.2. MWDOC shall involve the City in the WUE Program marketing to occur within the City, and the City agrees to assist in the marketing of WUE Programs it participates in under this Agreement; provided, City may terminate any MWDOC marketing efforts within the City's water service area which City deems contrary to its best interests. If any marketing efforts will extend to areas outside of the City's water service area, MWDOC will work with the City to address City's concerns. In those cases where MWDOC and City do not reach a mutually acceptable compromise, MWDOC will make all reasonable efforts to remove the City from such objectionable marketing efforts at the City's written request.

1.3. Grant Funding

- 1.3.1. Subject to any grant requirements and conditions, Grant funding obtained by MWDOC for WUE Programs may be made available to end water users within the City's water service area. In order for end water users within the City to be eligible to receive such grant funds from MWDOC, MWDOC will provide the City with the applicable grant terms and conditions and, if acceptable to the City, the City will provide MWDOC written notice of its acceptance of those terms and conditions. The administration of any MWDOC grant funding will be on a program by program basis, contingent upon the terms and conditions of each program.

1.4. MWDOC-Administered Programs.

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1.4.1. From time to time, funding may be made available from Metropolitan for MWDOC to operate a customized local water conservation incentive program or programs (“MWDOC Administered” or “MAA Program”) in its service area, with access to the Metropolitan Base Incentives for such. As City is also a Metropolitan member agency, in order for MWDOC to administer the MAA Program for City, City would be required to apply to Metropolitan separately for funding. If the City desires MWDOC to administer a MAA Program, City will provide MWDOC a WUE Participation Notice or an Amended WUE Participation Notice. In such cases, MWDOC will administer the MAA Program for City and invoice City for activity in City’s service area. City will reimburse MWDOC for any activity and the City is also responsible for seeking and securing reimbursement directly from Metropolitan. Specific terms and conditions will be provided by MWDOC to the City in the annual WUE Program Notice or an Amended WUE Program Notice.

1.5. Supplemental Funding

1.5.1. If the City elects to provide supplemental funding or enhanced incentives for a WUE Program provided under this Agreement, the City is responsible for tracking the use of and the remaining availability of such supplemental funds. MWDOC will assist in every reasonable way, but the ultimate responsibility for tracking all City funding is the responsibility of City, and City is responsible for any overuse of City funding. Supplemental funding designations should be indicated in the WUE Participation Notice or Amended WUE Participation Notice. In the event any City provided funding for any WUE Program is exhausted, and the City does not elect to add additional funding or transfer available funding from another WUE Program, MWDOC will discontinue offering the additional rebate funding for that Program in the City’s service area.

1.5.2. City may also choose to provide additional supplemental funding of its own to augment the Metropolitan Base Incentives offered through SoCal Water\$mart. City will coordinate any such supplemental funding directly with Metropolitan.

1.6. Installation Verification and Inspection

1.6.1. The City shall be responsible for conducting installation verifications/inspections of items and devices installed, distributed, and/or rebated pursuant to this Agreement to ensure compliance with program requirements, and/or for paying all costs associated with this verification/inspection. Installation verification/inspection measures shall conform with MWDOC’s Inspection and Verification Procedures attached hereto as Exhibit A (“Inspection and Verification Procedures”) and incorporated herein by reference.

1.6.2. In connection with any selected WUE Programs that require installation verifications/inspection and to ensure compliance with program requirements, the City may elect to (1) conduct its own installation verifications/inspections by either utilizing its in-house staff or contracting with a third party vendor of its choice; or (2) utilize MWDOC’s installation verification/inspection contractor to conduct the installation verification/

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inspections. MWDOC shall invoice the City monthly for any such inspection costs incurred by MWDOC on behalf of the City. In addition to the direct costs to MWDOC, reasonable staff time and overhead attributable to the verification/inspection services may be invoiced to the City.

- 1.6.3. Notwithstanding any other provision in this Agreement, City understands and agrees that if City utilizes MWDOC's verification/inspection vendor that MWDOC is in no way liable or responsible for the acts or omissions of such vendor and makes no representations or warranties regarding the quality of such vendor's work. City's sole recourse as to any action, claims or damages arising out of the acts or omissions of MWDOC's verification/inspection vendor is with the vendor and not with MWDOC.
- 1.6.4. MWDOC reserves the right to conduct installation verification/inspection of items and devices within the City's service area that are installed in connection with a WUE Program covered by this Agreement.
- 1.6.5. In connection with any WUE Program covered by this Agreement, the City acknowledges that any item or device receiving funding from Metropolitan may be subject to an installation verification/inspection to be performed by Metropolitan, or its agent(s), at Metropolitan's discretion.
- 1.6.6. The City shall promptly refund to MWDOC any amounts paid under any WUE Program for installed or distributed items or devices, including any grant funds, in the event MWDOC or Metropolitan establishes via installation verification/inspection and/or audit that the program items or devices were not installed in compliance with the requirements set forth in the Inspection and Verification Procedures and this Agreement. If the inspection/installation verification is conducted prior to the payment/rebate being issued to the customer, the customer may, at the discretion of MWDOC and/or MET, be offered an opportunity to remedy any installation deficiencies in order to receive the maximum eligible rebate. Installation deficiencies discovered post-payment will be addressed on a case-by-case basis and may require the reimbursement of any payment/rebate previously issued.
- 1.6.7. For this section 1.6, "items" and "devices" includes, but is not limited to, plumbing fixtures, irrigation devices, turf (removal and replacement), and any other items, devices or materials that are installed in connection with a WUE Program covered by this Agreement.
- 1.6.8. At the time this Agreement is made, both the Turf Removal Program and the Spray to Drip Rebate Program require inspection services from the City.

1.7. Program With Matching Contribution Requirement

- 1.7.1. From time to time, WUE Programs may be developed that require a matching contribution from the City in order for the City to participate in such WUE Programs.

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- 1.7.2. The amount of local match funding required for a particular device or program will be determined by the availability of other funding, and the City's share of the local match funding will be set forth in the WUE Program Notice or Amended WUE Program Notice.

1.8. WUE Program Cost Allocation and Invoicing

- 1.8.1. During its annual budget process, MWDOC shall allocate to the City a proportionate share of MWDOC's estimated WUE Program costs ("Choice Costs"). This share of MWDOC's estimated WUE Program costs shall be determined by dividing the total outside funding provided during the previous calendar year to WUE Program participants within the City's service area by the total outside funding provided during the previous calendar year to WUE Program participants within the service area of all MWDOC member agencies and other agency participants. That percentage is then applied to MWDOC's total WUE "choice" program budget, including personnel and overhead costs. An example of the annual reconciliation process is shown in Exhibit C.
- 1.8.2. MWDOC shall invoice the City for Choice Costs, which do not include the WUE Program administration and funding costs described below in Section 1.8.4, no later than September 30 of each year, and the City shall pay the amount due within forty-five (45) days of receipt of the invoice. MWDOC must be notified of any disputed invoice within thirty (30) days of receipt. An invoice template is shown in Exhibit B, which is attached hereto and incorporated by reference.
- 1.8.3. With regard to the Choice Costs referenced in Section 1.8.2 above, a reconciliation of actual WUE Program costs will be performed at the end of each year during MWDOC's budget process and any debts or credits will be reflected in the invoice sent to the City the following year.
- 1.8.4. MWDOC shall invoice the City on a monthly basis for supplemental funding or enhanced incentives pursuant to Section 1.5.1. These costs are separate from the Choice Costs.

2. Shared Consulting Services

- 2.1. The Parties shall continue to participate in and fund collective efforts in planning, research, policy development and other activities that require engagement of an outside consultant. MWDOC shall provide the City a copy of each consultant's proposal for review and comments. For each consultant so engaged, the City will notify MWDOC in writing if it elects to participate in the consulting services and the limit of its financial participation. The City shall have no obligation to pay for any consultant unless the City has agreed to participate in writing and shall not be responsible for paying any costs above the City's identified limit.

2.2. Water Resource Planning

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- 2.2.1. Subject to the first paragraph of this Section 2, the Parties may participate, without the need for an additional agreement, in joint activities and studies designed to ensure water supply and system reliability, including but not limited to, water reliability analyses, water supply and demand projections, master planning for water use efficiency, water system loss analysis and leak detection studies, preparation of urban water management plans and drought contingency plans, demand management studies, and studies related to water transfers, water recycling, groundwater recovery, and water storage programs.
- 2.2.2. The Parties may participate, without the need for an additional agreement, in joint activities and studies related to system reliability efforts for emergency response.
- 2.2.3. The City shall have no obligation to pay for consultant unless City has agreed to participate as set forth in the first paragraph of this Section 2.

2.3. Award and Administration of Consultant Agreements

- 2.3.1. When programs or services administered by MWDOC require MWDOC to engage a consultant, MWDOC will use its standardized professional services agreement as a form and will modify it as required for each particular engagement. MWDOC will award the agreement pursuant to its own Administrative Code and procedures, except as noted in this Agreement.
- 2.3.2. For each professional services agreement, MWDOC will determine appropriate insurance requirements. When MWDOC requires a consultant's insurer to name MWDOC, its directors, officers, agents, employees, attorneys, consultants and volunteers as additional insureds, the same requirement will be made for the City and its Council, officers, agents, employees, attorneys, consultants and volunteers. Other protections in MWDOC's insurance requirements, including waiver of subrogation rights, will also be extended to the City when practicable.
- 2.3.3. MWDOC shall administer such professional services agreements and coordinate all aspects of the proposed work. MWDOC shall communicate with the City regularly and upon request regarding the status of the agreement and the work for each professional services agreement in which the City has elected to participate.
- 2.3.4. MWDOC shall invoice the City for the City's share of total costs anticipated for each professional services agreement in which the City has elected to participate, as contemplated in this Agreement. Such invoices shall be mailed by the 10th day of each month for the preceding month and shall be paid by the City within forty-five (45) days. The City shall have no obligation to pay for consultant unless City has agreed to participate as set forth in the first paragraph of this Section 2.
- 2.3.5. MWDOC shall inform the City on a timely basis of any proposed extra work under any professional service agreement being administered by MWDOC that would result in an

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increase in the City's payment under this Agreement. MWDOC shall obtain input and written concurrence from the City and any other participating agencies prior to the authorization of extra work by the consultant. City shall not have any obligation to pay for any extra work unless the City Manager or his or her designee has provided to MWDOC a written notice of City's agreement for the performance of the extra work. MWDOC will be responsible for paying consultants directly.

3. Water Loss Control "WLC" Shared Services and Technical Assistance

- 3.1.1. MWDOC shall release WLC Shared Services and Technical Assistance Exhibits ("Exhibits") annually. In general, the City will have access to the same "choice" WLC Programs that are currently available to MWDOC member agencies. For each fiscal year, the City shall review the Exhibits and choose the WLC Programs and the level of its participation that the City deems beneficial. In connection with the foregoing, the City will notify MWDOC in writing by indicating in the Exhibits the level of the City's participation in any WLC Program for each fiscal year.
- 3.1.2. If a new WLC Program is introduced or a material change is made to an existing WLC Program during a fiscal year, MWDOC shall provide the City with updated written materials ("Amended WLC Exhibits") as soon as reasonably possible and prior to the date the new program or change is scheduled to commence. The Amended WLC Exhibits shall contain the program's specific requirements and terms and conditions and any costs that may be ascertainable at such time. Within thirty (30) days of receiving the Amended WLC Exhibits, the City will notify MWDOC in writing whether the City will participate in the new or amended WLC Program and the level of its participation.
- 3.1.3. Except to the extent of the elections made in the WLC Exhibits and amended WLC Exhibits, the City shall have no obligation to participate in any WLC Program, including, but not limited to, any obligation to provide financial contribution to such program.
- 3.1.4. The City understands that by entering into this Agreement it agrees to pay MWDOC for its proportionate share of MWDOC's costs for administering MWDOC's WLC Program based on and to the extent of the City's level of participation as more particularly described in Section 3.1.1. If the City elects to participate in any or all MWDOC WLC Programs, MWDOC will invoice the City for such costs as described in Section 3.1.1.
- 3.1.5. Funding may be made available from Metropolitan for MWDOC to operate a customized local water loss control incentive program or programs ("Grant" or "MAA Program") in its service area, with access to the Metropolitan Base Incentives for such. As City is also a Metropolitan member agency, in order for MWDOC to administer the MAA Program for City, City would be required to apply to Metropolitan separately for funding. If the City desires MWDOC to administer a water loss control MAA Program, City will provide MWDOC the WLC Exhibits or Amended WLC Exhibits. In such cases, MWDOC will administer the MAA Program for City and invoice City for activity in City's service area.

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City will reimburse MWDOC for any activity and the City is also responsible for seeking and securing reimbursement directly from Metropolitan. Specific terms and conditions will be provided by MWDOC to the City in the annual WLC Exhibits or Amended WLC Exhibits.

3.1.6. MWDOC shall invoice the City on a monthly basis for WLC Shared Services and Technical Assistance work completed.

4. MWDOC K-12 Water Education Programs ("Choice School Programs")

4.1. Choice School Programs. The Parties agree that the Choice, or pay-for-service, School Program offerings will be made available in the City's water service area for the Term of this Agreement, without the need for a separate agreement between the Parties in addition to this Agreement. The City sponsors program offerings within its service area at no cost to the schools or students by opting-in. The City will have no obligations to participate in any Choice School Program unless the City has agreed in writing to participate through the annual Choice School Programs Commitment Form.

There are multiple Choice School Program options: (a) a program for students in Kindergarten through Second Grade ("K-2 Choice Elementary School Program"); (b) a program for students in Third Grade through Fifth Grade ("3-5 Choice Elementary School Program"); (c) a program for students in Sixth Grade through Eighth Grade ("Choice Middle School Program"); and (d) a program for students in Ninth Grade through Twelfth Grade ("Choice High School Program"). Program offerings include options for in-person and live virtual lessons presented by trained education specialists. The school approved to receive any Choice School Program will determine whether the program can be delivered in-person or virtually.

Before the start of each school year and the commencement of any Choice School Program during the Term, MWDOC will provide the City with a detailed description of the program offerings and a complete price breakdown for each. The program description provided to the City will include budget recommendations and expected commitments and require written consent by the City before implementation. The City may request minor adjustments during the course of the program, and the City will not incur additional costs without the City's prior written consent.

4.2. Annually, the City will set Choice School Program commitments. MWDOC and its contractors will attempt to fulfill the commitment amounts. However, there is no guarantee as to the number of schools and students that will participate in the Choice School Programs. MWDOC will invoice the City for the total annual estimated costs. MWDOC will provide a reconciliation at year-end based on the actual services provided. The City will be responsible for paying MWDOC the difference if the estimate is lower than the actual costs and MWDOC will reimburse the City the difference if the estimate is higher than the actual costs.

4.3. Choice School Program Invoices. MWDOC will submit invoices to the City in January and July each year for the services provided in accordance with the Agreement. The City agrees to pay MWDOC for undisputed invoices within forty-five (45) days after receiving the submittal.

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4.4. Choice School Program Insurance. MWDOC agrees that all agreements with consultants, who will be performing the work on behalf of MWDOC, will include appropriate insurance levels and requirements. When MWDOC requires a consultant's insurer to name MWDOC, its directors, officers, agents, employees, attorneys, consultants and volunteers as additional insureds, the same requirement will be made for the City and its Council, officers, agents, employees, attorneys, consultants and volunteers. Other protections in MWDOC's insurance requirements, including waiver of subrogation rights, will also be extended to the City when practicable.

5. The Water Emergency Response Organization of Orange County ("WEROC")

5.1.1. The City of _____ is signatory to the 1983 Orange County Volunteer Emergency Preparedness Organization Agreement which was Amended in 1991 to change the name to WEROC (MWDOC Board Resolution 1623). MWDOC provides the overall staff and support for WEROC and has historically allocated the costs for WEROC among MWDOC, Orange County Water District, the Cities of Anaheim, Fullerton, and _____, the Orange County Sanitation District and the South Orange County Wastewater Authority. The purpose of WEROC is to support the resiliency of Orange County's 36 water and wastewater agencies, and the community of 3.2 million people it serves 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. Services include preparedness and response coordination for mutual aid and other services and to represent water and wastewater entities within the Orange County Operational Area. In order to build the relationships needed for effective response, WEROC works with MWDOC member agencies, Metropolitan, the County Operational Area, the State Office of Emergency Services, Department of Water Resources, EPA, FEMA and other emergency organization partners throughout the year to educate, network, provide training and when required advocate for water and wastewater agencies. WEROC staff works with its member agencies and the City on emergency plans and standard operating procedure development, review of state and federal required trainings for grant eligibility, disaster readiness, disaster exercise development, grant identification and applications and response and recovery coordination. WEROC provides information sharing and resource coordination when disasters impact the water and wastewater utilities of Orange County. Lastly, WEROC staff maintains a primary emergency operation center and alternate emergency operations center, its own response plans and ensures the WEROC radio communications system partnership with the County 800 MHz system remain intact.

5.1.2. By executing this Agreement, the City elects to participate in WEROC and MWDOC will charge the City a percentage of WEROC's annual budget to fund WEROC operations. The historical percentage allocated is 3.8% and is based on historical negotiations among the WEROC funding partners. In January of each year of the City's participation, the proposed program budget and funding agency charges will be submitted to the City for budgetary consideration. If approved by the City, MWDOC will invoice the City the

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approved amount at the beginning of the fiscal year. If the City requires additional conversation about the proposed budget prior to approval, these items will be addressed at the next MET Managers Meetings, or during a special scheduled meeting.

6. Term and Agreement Limit

- 6.1. This Agreement shall be effective immediately upon the Effective Date and shall continue through June 30, 2027 ("Term"). The City Manager or his or her designee is authorized, on behalf of the City, to approve the Term.
- 6.2. The City's total funding obligation for this Agreement shall not exceed (\$ _____) ("Agreement Limit") for all programs and services covered herein during the Term. The City is responsible for monitoring its costs pursuant to this Agreement and to the extent that it incurs obligations consistent with this Agreement that exceed the Agreement Limit, the City is responsible for paying such additional costs to MWDOC. If the City wishes to add or delete any programs, activities, or studies set forth in this Agreement, notice of such additions or deletions must be received by MWDOC prior to March 15th for the following fiscal year.
- 6.3. The City or MWDOC may terminate this Agreement in its entirety at any time upon thirty (30) days written notice to the other Party.
- 6.4. In the event either Party terminates this Agreement, any funds paid by the City in the year of termination for costs that had not yet been incurred by MWDOC as of the date of termination will be subject to reconciliation during MWDOC's budget process. At that time MWDOC will determine whether the funds will be credited or refunded to the City. Further, any costs incurred by MWDOC as of the date of termination that have not yet been invoiced to the City shall be invoiced by MWDOC promptly and paid by the City within thirty (30) days of invoice receipt.

7. Delivery of Notice

- 7.1. Except as expressly provided herein, all notices permitted or required under this Agreement shall be given to the respective Parties at the following address, or at such other address as the respective Party may provide in writing for this purpose:

7.1.1. If to MWDOC:
18700 Ward Street
Fountain Valley, CA 92708

Mailing Address: PO Box 20895
Fountain Valley, CA 92728
Phone: (714) 963-3058
Fax: (714) 964-9389

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Attention: General Manager

If to City:

P.O. Box 1988, M-24

_____, CA 92702

Attention: City Manager

7.1.2. Such notice shall be deemed made when personally delivered or when mailed, forty-eight (48) hours after deposit in the U.S. Mail, first class postage prepaid and addressed to the Party at its applicable address. Actual notice shall be deemed adequate notice on the date actual notice occurred, regardless of the method of service.

8. Accounting and City Manager Authorization

- 8.1. MWDOC shall keep a correct and current accounting of payroll costs, travel, subsistence, field and incidental expenses. MWDOC shall use recognized accounting methods in preparing such invoices and reports.
- 8.2. City reserves the right to request an audit of MWDOC records related to invoices prepared pursuant to this Agreement and to designate a representative(s) to examine any cost, revenue, payment, claim or any other records or procedures related to this Agreement. Any such audit(s) would be done at reasonable times with full cooperation from MWDOC. If MWDOC fails to provide supporting documentation for any costs charged City to the City's reasonable satisfaction, then MWDOC agrees to reimburse City for those disputed costs.
- 8.3. The right to audit shall be extended to three (3) years beyond the date of final payment, or longer if required by law. MWDOC agrees to retain all necessary records/documentation for the entire length of this audit period. Any required adjustments and/or payments resulting from the audit will be made within thirty (30) days of written notification to MWDOC.
- 8.4. The City Manager or his or her authorized designee is authorized to commit the City to any program or service covered by this Agreement as well as provide written notices on behalf of the City.

9. Independent Contractors

- 9.1. Any consultant engaged by MWDOC as contemplated in this Agreement will not be a party or third party beneficiary to this Agreement and will not be an employee or agent of MWDOC or the City, either as a result of this Agreement or as a result of any professional services agreement between MWDOC and the consultant. The professional services agreement between MWDOC and any consultant engaged by MWDOC as contemplated in this Agreement will specify that the consultant is an independent contractor. It is understood that these consultants may be required to enter into confidentiality agreements with the City in the event these consultants require

MASTER AGREEMENT FOR SHARED PROGRAMS MWDOC & City of _____

confidential information and/or critical infrastructure information from the City to perform a service.

10. Indemnification

10.1. When WUE Programs provided in the City's water service area require participants to sign an application form that contains a release, waiver and/or indemnification, the application form shall specify that the release, waiver and/or indemnification covers both MWDOC and the City.

10.2. To the extent that MWDOC, including its staff or consultants, or the City, including its staff or consultants, performs any activities in connection with the programs or services provided as contemplated in this Agreement, each agrees to indemnify and hold the other harmless from any and all liability, claims, obligations, damages, and suits arising out of the activities it performs.

11. Jurisdiction and Venue

11.1. In all matters concerning the validity, interpretation, performance, or effect of this Agreement, the laws of the State of California shall govern and be applicable. The Parties hereby agree and consent to the exclusive jurisdiction of the courts of the State of California and that venue of any action brought hereunder shall be in Orange County, California.

12. Joint Drafting

12.1. All Parties have participated in the drafting of this Agreement. The Agreement may be signed in counterpart to facilitate processing.

13. Electronic Signatures

13.1. Notwithstanding any grant obligation to the contrary, the Uniform Electronic Transactions Act, California Civil Code section 1633.1 et seq., authorizes Parties to conduct business electronically. In accordance with California Civil Code section 1633.5, Parties acknowledge, consent and agree that transactions subject to this Agreement may be effectuated by electronic means through the use of electronic and/or digital signatures. For purposes of this section, an electronic signature means an electronic symbol or process logically associated with the intent to sign an electronic record pursuant to Civil Code section 1633(h). A digital signature, which is a type of electronic signature, means an electronic identifier, created by a computer, that is intended to have the same force and effect as the use of a manual signature under Government Code 16.5(d). An example of an electronic signature would be a JPG of a manual signature imposed onto this Agreement, an example of a digital signature would be the use of DocuSign or similar provider that requires an encrypted key that certifies the authenticity of the signature.

MASTER AGREEMENT FOR SHARED PROGRAMS MWDOC & City of _____

14. Severability

14.1.1. If any provision of this Agreement shall be held illegal, invalid, or unenforceable, in whole or in part, the legality, validity, and enforceability of the remaining provisions shall not be affected thereby.

15. Effective Date.

15.1. The effective date of this Agreement shall be the latest date of execution hereinafter set forth opposite the names of the signators hereto ("Effective Date").

16. Entire Agreement

16.1. This Agreement contains the entire agreement of the Parties relating to the subject matter hereof, and the Parties have made no agreements, representations, or warranties, either written or oral, relating to the subject matter hereof that are not set forth herein. Except as provided herein, this Agreement may not be modified or altered without prior written approval from both Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement by and through their authorized officers.

1. MWDOC

Date _____

By: _____

Robert Hunter, General Manager
Municipal Water District of Orange County

Approved as to Form:

Date _____

By: _____

General Counsel

2. City of _____

Date _____

MASTER AGREEMENT FOR SHARED PROGRAMS MWDOC & City of _____

By: _____

City Manager, City of _____

Approved as to Form:

Date _____

By: _____

City Attorney

Internal Use Only:

Program No. _____

Line Item: _____

Funding Year: _____

Contract Amt.: _____

Purchase Order #: _____

MASTER AGREEMENT FOR SHARED PROGRAMS MWDOC & City of _____

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY INSPECTION AND VERIFICATION PROCEDURES

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Exhibit A

I. Purpose of this document

It is the practice of the Municipal Water District of Orange County (MWDOC) to ensure that public funds used to administer Rebate Programs are utilized for its intended purposes. Therefore, the purpose of this Inspection and Verification Procedures document (Inspection Procedures) is to establish a clear set of inspection procedures to be followed by MWDOC and/or its member agencies (hereafter “Participant Agency”) and inspection contractors when conducting pre- and/or post-installation verification inspections for all MWDOC-Administered and or Participant Agency-Administered Rebate Programs. These procedures are required regardless of the funding source (Grant funded, Metropolitan Water District of Southern California funded (Metropolitan), or fully funded by Participant Agency, etc.) and/or regardless of program administrator (MWDOC or Participant Agency). This Inspection Procedures document will be updated as needed to reflect new or modified inspection requirements, techniques, or procedures as they arise.

II. Program Implementation Process

For ease of explanation, this document categorizes the MWDOC Rebate Programs into the following rebate program types:

- Device-Based Rebate Programs
 - Residential
 - Commercial
 - Spray to Drip - Residential
- Area-Based Rebate Programs
 - Turf Removal
 - Spray to Drip - Commercial

The inspection procedures contained in this document have been developed in coordination with requirements from Metropolitan pursuant to its Residential and Commercial Water Conservation Funding Agreements and Addendums thereto, MWDOC, and/or supplemental grant funding agreements.

The following general rules apply for all programs types.

Application Package

When receiving an application package, **all** components should be examined before requesting an inspection. The application package currently requires, at a minimum, a fully completed application signed by the property owner and containing the following:

- Current water bill within 3 months of application date to determine:
 - Participant Agency is participating in the program
 - Project site is located within Orange County
 - Payee name matches the name on the water bill
- Device eligibility, if a device-based program
- Site plan for area-based rebates
 - Indicate the project area, location, and project intent

Exhibit A

- If receiving Metropolitan funding, indicate which sustainability feature will be installed
 - Please note that site plans are not required for Turf Removal applicants participating in the Landscape Design Assistance Program
- Pictures of the site for area-based and Spray-to-Drip rebates. Pictures to show
 - Current site condition
 - Complete area to be removed
 - Area complies with eligibility criteria

It is recommended that the application, terms and conditions, and program guidelines each contain language stating that on-site inspections (both pre and/or post may be performed) will be performed and are required for participation in any rebate programs.

Invoice Submission

Rebates may not exceed the total project/equipment costs nor the reserved rebate amount. For a receipt/invoice to be considered eligible it must include the following:

- Dated within the project period
- Marked “paid” or provided with proof of payment, (if applicable)
- Scope of work performed
- Signed by the customer/applicant/property owner and references site location (if applicable)
- Itemized to include make, model, SKU, quantity, price per item, total price
- If labor is to be considered, it must be listed on a separate line item and must be accompanied by the California State Contractor License Board (CSCLB) contractor license number

Once projects are completed, invoices and receipts are submitted to the program administrator and MWDOC, all invoices and receipts are to be carefully tabulated by program administrator and MWDOC to prevent payment for materials/costs not associated with the program; specific program eligible material/costs are based on program type.

Labor Costs

Due to California state law, all sites that are invoiced at \$500.00 or more require that work be performed by a contractor licensed by the California State Contractor License Board (CSCLB). If labor costs are invoiced by someone who is not licensed, those costs are not eligible. This labor cost provision is consistent with state law but, most importantly, protects Orange County consumers from unlicensed contractors. Materials utilized by the unlicensed contractor may be considered eligible costs. Additionally, there have been some instances where costs for landscape architectural drawings were submitted, but the drawings were not performed by a California State Licensed Landscape Architect. Those costs are also not rebate-eligible.

Federal, State, and Local Laws and Ordinances

All projects, including projects at historic sites, are subject to the terms of their local agency's ordinances and must comply with all applicable federal, state, and local laws, as well as applicable Covenants, Conditions & Restrictions (CC&R) and/or Homeowners Association (HOA) restrictions.

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Applicants must obtain all necessary approvals for their projects, prior to beginning their project, from their city's/county's code enforcement and/or HOA/CC&R board. It is the responsibility of the each applicant to ensure their project is in compliance. Customers must agree to adhere to their local rules and provisions in order to accept funding. Questions from program participants regarding compliance with any of the above laws, ordinances, and/or restrictions will be directed to Participant Agency for guidance.

Supplemental Inspections

Some sites may need to be re-inspected (ex. a secondary post inspection) by MWDOC and/or Metropolitan when unique circumstances arise. At these times, communication with the customer is vital in order to remain in adherence with the program intent while ensuring that projects are successfully completed. All inspection and verification procedures and invoice criteria described in this document must be adhered to. Participant Agency to work with MWDOC and Metropolitan to schedule supplemental Inspections. Inspection results may affect payment made to Participant Agency or may be billed to Participant Agency if already paid.

Inspection Confirmation Quality Control

In order for Participant Agency to be reimbursed for incentives, Participant Agency must certify on each invoice that the terms and conditions within each project have been met, all devices have been installed, and all work has been performed. Participant Agency must perform inspections and indicate the method of verification/inspection on each invoice.

Each Participant Agency performing their own inspections/verifications will be required to adopt these Inspection Procedures as their own or, alternatively, to develop and submit for approval by Metropolitan and/or MWDOC Participant Agency's own inspection and verification procedures document in line with the requirements and procedures contained in this document. All projects that require inspection must be inspected prior to Participant Agency invoicing MWDOC or MWDOC issuing a check. MWDOC/Metropolitan may request inspection reports from Participant Agency at any time. Installation vendors hired for project implementation cannot inspect their own installations.

Metropolitan and/or MWDOC reserve the right to verify and perform onsite inspections of any projects at any time. This can be before, during, and/or after project installation, and/or after the rebate payment, and results of these inspections may affect payment made to the applicant and/or Participant Agency or require a refund to be paid by Participant Agency to MWDOC. If installation cannot be verified, Participant Agency must reimburse MWDOC and/or Metropolitan, depending on the source of funds.

III. Device-Based Inspection Procedures

For residential and commercial devices rebated through Metropolitan's regional rebate program, device-based inspections will be conducted primarily by Metropolitan, at its discretion. On occasion, MWDOC and/or Participant Agency may be requested to conduct inspections for devices rebated through Metropolitan's regional rebate program. For devices rebated through a MWDOC and/or a Participant Agency-Administered Program (MAA Program), the inspection procedures are set forth below.

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Residential Devices

Residential device inspections must satisfy both the Metropolitan and MWDOC inspection procedures in place at the time of the post-inspection or issuance of the rebate check. Currently, those inspection procedures are as follows:

In order for Participant Agency to be reimbursed for incentives from MWDOC/Metropolitan, Participant Agency must certify on each invoice that the terms and conditions within each project have been met, all devices have been installed, and all work has been performed. The party signing each invoice must have signing authority to certify the invoice.

For residential device-based MAA Programs, Participant Agency shall utilize the sample size calculator provided by MWDOC or other methodology as may be required by MET, to assist in determining the appropriate number of devices to inspect to ensure a 98% installation rate given the overall quantity of devices. Participant Agency must report verification/inspection method employed on each invoice submitted.

Participant Agency must:

- a. Validate quantity of devices installed.
- b. Verify new device type, make, and model with Project information.
- c. Verify Installation address or specific locations within the address with Project documentation.
- d. With permission from the customer, take photographs relating to the devices installed to be included in Inspection report.
 - i. Indoor Inspection: Indoor inspection includes detailed fixture count of toilets and clothes washer(s). Access to fixture locations (such as bathrooms and laundry facilities) are required to perform the inspection, and property owner/applicant person should be made aware of this through the application.
 - ii. Outdoor Inspection: Outdoor inspection includes detailed fixture counts of installed and operating landscape devices such as rain barrels, cisterns, irrigation controllers, residential drip, and nozzles. For irrigation controllers, inspect the model to ensure it matches the rebate application, verify that it is operating as a “smart device” and is communicating with the onsite weather station or is receiving offsite/remote weather data and, if possible, have the contact person show the inspector how the controller has been programmed, and confirm quantity of stations of timer model.

Commercial Devices

Commercial MAA Program device inspections must satisfy both the Metropolitan and MWDOC inspection procedures in place at the time of the post-inspection or issuance of the rebate check. Metropolitan may require Participant Agency to submit inspection reports for specific projects, and Metropolitan/MWDOC reserves the right to perform onsite inspections of projects/sites prior to payment.

Exhibit A

To determine the amount of inspections required for commercial devices, Participant Agency must apply the following criteria (a-e below) to the project(s):

- a. Automatic Inspection: Regardless of the 5% rule listed in Section d below, Participant Agency must first determine if any site within the MAA Program Project requires an Automatic Inspection. Automatic Inspections are triggered when any site within an MAA Program Project has been approved for Metropolitan's funding in excess of \$10,000. All sites receiving \$10,000 or more in funding must be automatically inspected by Participant Agency. Participant Agency must also notify MWDOC/Metropolitan within 3 to 5 business days of upcoming inspection by Participant Agency for site(s) exceeding \$10,000. MWDOC, Metropolitan or a designated representative may attend inspection. Notification of upcoming inspection to be sent to bfahl@mwdoc.com and maconservation@mwdh2o.com

To determine how many devices need to be inspected at a \$10,000+ site, follow the next two points.

- i. If the site triggering an Automatic Inspection also meets the criteria for a Large Project, as described below, then Participant Agency must inspect a minimum of 10% of the devices installed.
 - ii. If the site triggering an Automatic Inspection does not meet the criteria for a Large Project, then the Participant Agency must inspect 100% of devices at the site.
- b. Large Project/Sites: Participant Agency must next determine if any of the sites meet the definition of a Large Project/Site. Regardless of the 5% rule listed in Section d below, any site with less than \$10,000 in funding but that receives the designation of Large Project/Site **must** be inspected. The total number of devices to be inspected for Large Projects/Sites will be a minimum of 10% of the total devices installed at each site. If any site within your overall MAA Program Project installs any combination of the following number of devices, you must conduct an inspection of a minimum 10% of any combination of the devices installed.

Large Projects/Sites are defined as:

- i. For plumbing devices – 50 device units or more at one installation address.
 - ii. For irrigation controllers – 20 controllers or more at one installation address. Note that irrigation controllers may be installed in different landscape areas inside a single complex.
 - iii. For sprinkler nozzles – 100 nozzles or more at one installation address.
- c. Regular Projects/Sites: For sites not meeting: (a) \$10,000+ in funding per site or (b) the Large Project/Site criteria above, Participant Agency must inspect 100% of devices at the site.
- d. For each MAA Program Project for which Participant Agency submits a Request, Participant Agency must physically inspect a minimum of 5% of the value of each device-based MAA Program Project approved by MWDOC/Metropolitan before invoicing. For example if the

Exhibit A

MAA Program Project is approved for \$100,000, then a minimum of \$5,000 worth of devices must be inspected.

- e. Inspections for Regular Projects/Sites: Sites defined as Automatic Inspections (mandatory), as well as those defined as Large Projects/Sites (mandatory) count towards the 5% (section d above) minimum of the value of each device-based MAA Program Project to be inspected. Participant Agency will report progress toward the 5% inspection requirement on each invoice for all inspections required by MWDOC/Metropolitan. The party signing each invoice must have signing authority to certify the invoice.

Inspection Requirements

Participant Agency inspection at a minimum will:

- a. Validate quantity of devices installed.
- b. Verify new device type, make, and model with Project information.
- c. Verify Installation address or specific locations within the address with Project documentation.
- d. With permission from the customer, take photographs relating to the devices installed to be included in Inspection report.
 - i. Indoor Inspection: Indoor inspection includes detailed fixture count of toilets, urinals, dry vacuum pumps, food steamers, and/or ice machines. Access to bathrooms, kitchens, eating facilities, and medical facilities are required to perform the inspection and property owner/applicant should be made aware of this at the application stage.
 - ii. Outdoor Inspection: Outdoor inspection includes count of installed and operating landscape devices such as irrigation controllers and nozzles; and cooling tower controllers. Access to either landscape area or rooftop is required to perform the inspection. For irrigation controllers, inspect the model to ensure it matches the rebate application, verify that it is operating as a “smart device” and is communicating with the onsite weather station or is receiving offsite/remote weather data and, if possible, have the contact person show the inspector how the controller has been programmed, and confirm quantity of stations of timer model.

Potential Inspection Results

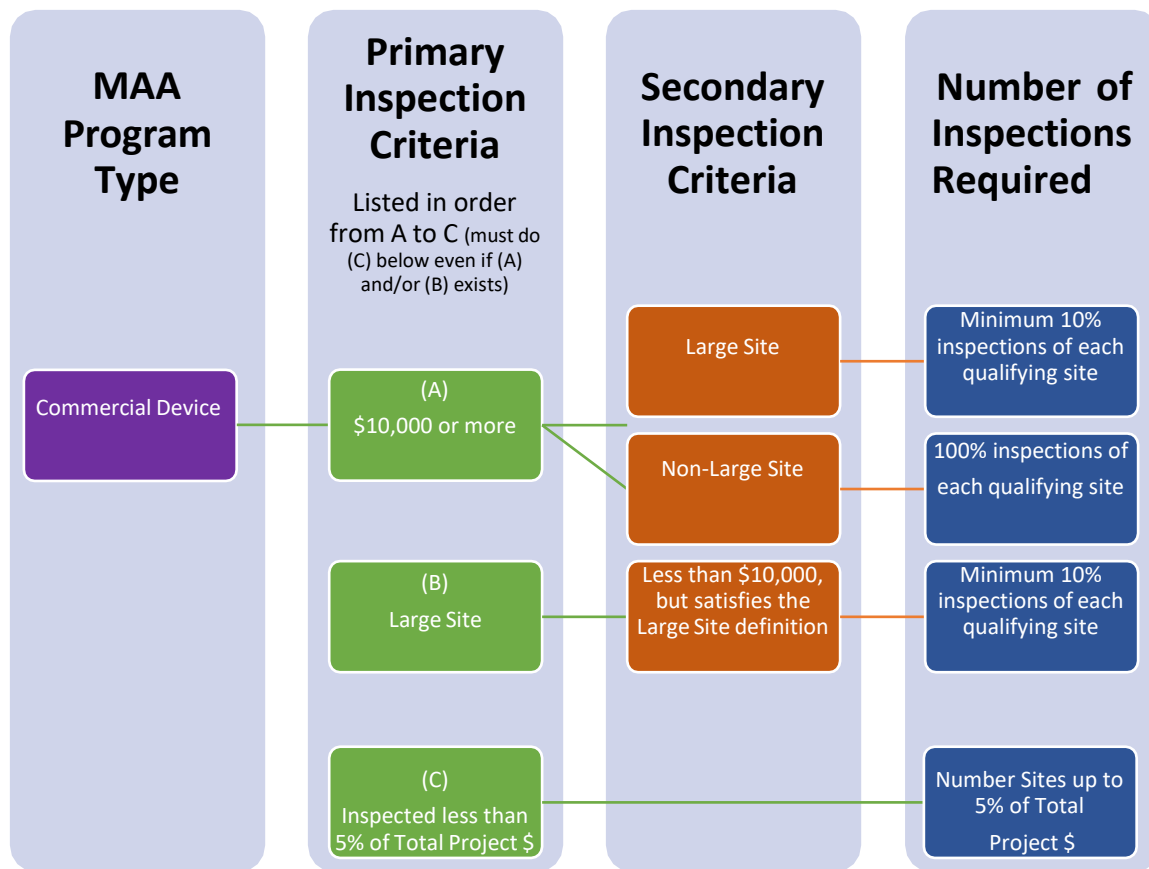
- a. Partial fail: Inspection completed with discrepancies between Project information and inspection process. Participant Agency to only bill MWDOC for verified quantity.
- b. Device(s) installed at a different location: The installation must be inspected prior to billing MWDOC. A substitute device cannot be included. If installation is verified at the different location, Project information must be revised to reflect new information.

Exhibit A

- c. Device count is different from the application:
 - i. If the count is more, only the amount approved in the Project will be reimbursed.
 - ii. If the inspection count is less, only the verified count will be billed to MWDOC. For Large Projects where the inspection count is less, the Participant Agency inspector will increase the inspection from 10% to 20% of total installations. The percentage found to be installed for Large Projects will be applied against the total and the total quantity will be reduced by that percentage. For example, after inspecting 20% of the total installations of 100 toilets, 15 out of 20 toilets were verified installed (75% installed); then the final approved count would be 75 toilets (75% of the 100 = 75), rather than 100. If inspection reveals a discrepancy as described in the example, Participant Agency may choose to inspect 100% of the project, otherwise the extrapolation as shown on the example must be taken and the amount revised prior to billing MWDOC.
- d. The make/model is different from the application: Verify that the different make/model is a Metropolitan approved device. If so, inspect as usual and revise information on Project documentation prior to billing MWDOC.
- e. Failed inspections will not be billed to MWDOC. Reasons for failure:
 - Device(s) not installed
 - Device(s) installed, but no working properly
 - For “smart” irrigation controllers, device(s) not operating as a “smart” device
 - Installed device(s) has been removed
 - Access to property not allowed
 - Device(s) installed at a different site
 - Unable to schedule inspection with Applicant.

MWDOC/Metropolitan reserves the right to verify and inspect any approved projects at any time. If installation cannot be verified, Participant Agency must reimburse MWDOC.

Exhibit A



IV. Area-Based Programs

Area-based programs include any program where the rebate amount is determined by an area measurement. Such programs currently include, but are not limited to, residential and commercial Turf Removal and residential and commercial Spray to Drip.

General Inspection Procedures

For all customer types, all sites will be measured by either Metropolitan, MWDOC, and/or the Participant Agency and/or its inspector for 100% of the sites for 100% of the project areas during both the pre- and post-inspections. Required minimum techniques for area measurements are described in Section V -Measurement Techniques. All inspection procedures/verifications must adhere to the following additional inspection and certification requirements:

- **Area-Based Inspections Exceeding \$10,000 in Metropolitan Funding:** For area-based inspections with an approved Metropolitan rebate amount exceeding \$10,000, Participant Agency must notify MWDOC five business days prior to upcoming post-inspection(s) by Participant Agency. MWDOC, Metropolitan or a designated representative may attend inspection. Notification of upcoming inspection to be sent to turfremoval@mwdoc.com.

Exhibit A

- Participant Agency will only bill MWDOC/Metropolitan for the square footage measured.
- Participant Agency must adopt these Inspection Procedures as their own or, alternatively, to develop and submit for approval by Metropolitan and/or MWDOC Participant Agency's own inspection and verification procedures document in line with the requirements and procedures contained in this document. MWDOC/Metropolitan Participant Agency to submit them. MWDOC/Metropolitan may perform onsite will require inspections of projects prior to payment. Result of the inspection may affect payment made to Participant Agency
- All projects that require inspection must be inspected prior to Participant Agency invoicing MWDOC. MWDOC may request inspection reports from Participant Agency at any time.

Turf Removal Participation Procedure

The Turf Removal Rebate Program Process, as it currently exists, is depicted in the following chart. The process flow is broken down into 11 distinct steps starting with the Customer Application Submittal and ending with Metropolitan and Participant Agency Invoicing. The 11 steps are as follows:

Step 1: On-line Application and Document Submittal Process

Performed by the Customer

Step 2: Application Review Process and Pre Inspection Distribution

Performed by MWDOC

Step 4: Pre-Installation Inspection Process

Performed by Participant Agency or Inspection Vendor and sent to MWDOC for review

Step 5: Letter to Proceed or Denial Letter to Customer

Performed by MWDOC

Step 6: Participant Project Installation and Project Completion Notification

Performed by Customer

Step 7: Initial Project review, Post-Work Order Generation and Distribution

Performed by MWDOC

Step 8: Post-Installation Inspection Process

Performed by Participant Agency, MWDOC, or Inspection Vendor and sent to MWDOC for review

Step 9: Application Approval or Denial and Invoice Review Process

Performed by MWDOC

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Step 10: The Rebate Check Run and W-9 Request Process

Performed by MWDOC

Step 11: Metropolitan Water District and Participant Agency Invoicing Process

Performed by MWDOC

Please note: a potential Step 12 would be a secondary Metropolitan post inspection.

Turf Removal Guidelines Specific to Residential Applicants

Project must have a minimum of 250 square feet of turf removed, or if the entire project area is less than 250 square feet, all turf must be removed.

Maximum of 5,000 square feet of turf eligible per home, per fiscal year. Limit of 1 application per home per fiscal year.

Eligible areas for transformation are all areas of live turf on the property.

Applicant to provide a simple landscape plan showing intended transformation, including the required storm water/sustainability feature.

Turf Removal Guidelines Specific to Commercial/Public Agency Applicants

Project must have a minimum of 250 square feet of turf removed, or if the entire site is less than 250 square feet, all turf must be removed.

Maximum of 50,000 square feet of turf eligible per water meter for funding per fiscal year (July to June). Limit of 1 application per water meter per fiscal year.

Applicant to provide a simple landscape plan showing intended transformation, including the required storm water/sustainability feature.

Proposed project areas irrigated with recycled water are eligible unless barred by Participant Agency.

Turf Removal Guidelines Specific to All Applicant Types

The converted area must be covered by at least three (3) plants per 100 square feet.

A three inch deep ring of mulch must surround all plants. Acceptable forms of organic mulch include shredded bark, bark nuggets, or wood chips. Organic mulch should not be placed around any plants installed in the bottom or sides of a vegetated swale. Therefore, the plants located within a vegetated swale are exempt from this requirement.

No bare soil is allowed. The use of organic materials is recommended as a groundcover for any bare spaces within the project area. Mulch or other permeable hardscape must cover any other bare spaces within the project area.

Irrigation modification or conversion required for all projects:

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- Convert over-head sprays to drip, micro-spray, bubblers, or rotating nozzles; whichever is applicable; or
- Cap sprinkler heads or remove irrigation equipment and hand-water
- No overhead spray sprinklers are allowed in the completed project.

No synthetic turf is allowed.

No plants that appears to be turf are allowed.

No plants categorized as invasive to Southern California are allowed.

Areas which have already been converted are not eligible.

Areas with structures such as decks, fire pits, etc. are not eligible.

Consumers are responsible for complying with all applicable laws, codes, policies, covenants, conditions and restrictions.

Program Recommendations

- Installation of a smart controller is recommended
- A recommended plant list is available.

The converted area must be designed to capture rainfall through infiltration or on-site storage for reuse. Infiltration and rainwater capture has to be achieved using one of the following techniques: rain gardens, rock gardens, dry river beds, rain barrels, cisterns, berms, vegetated swales, or grades. Selected method should allow infiltration or capture of rainfall/runoff and not channel to impervious surfaces and must meet all local and regional requirements. Project must include at least one of the following components, whichever is most desirable or feasible for project area:

Rain Gardens – a rain garden is a planted depression or a hole that allows rainwater runoff from impervious urban areas, like roofs, driveways, walkways, parking lots, and compacted lawn areas, the opportunity to be absorbed. Rainwater collects in the soil mix and ponding area and eventually seeps into surrounding soils over time. Plants are distributed throughout the garden. This reduces rain runoff by allowing storm water to soak into the ground (as opposed to flowing into storm drains and surface waters which causes erosion, water pollution, flooding, and diminished groundwater).

Rock Gardens – a rock garden is a shallow depression filled with 1-3 inch diameter gravel. Rainwater is stored in the space between the stones and eventually percolates into the soil. Plants are distributed throughout the rock garden and there is no ponding area.

Dry River Beds - a dry river bed or dry stream is an area designed to slow heavy flows from rainfall and correct erosion problems. It is made up of a shallow swale lined with stone substantial enough to withstand a serious downpour. Large chunks of stone are used to slow the speed of storm water and to prevent erosion. In a garden, the careful placement of water-worn stone, or river slicks, along a swale is aesthetically pleasing and also provides an ideal place for plants.

Exhibit A

Vegetated Swales – swales are shallow ditches that have gently sloping sides. In a vegetated swale, native perennial grasses are planted along the bottom and sides of the swale to slow runoff, filter sediments, and remove excess nutrients. A swale relies on gravity to move water and is designed to direct the water where you want it to go, such as flower or vegetable gardens, to limit runoff and to trap silt and pollutants in surface runoff. In order for the water to gravity flow, it is recommended that there be a minimum 2% slope from beginning to end. Organic mulch should not be placed around any plants in the bottoms or sides of the swale.

Berms – berms are mounds of earth with sloping sides that are located between areas of approximately the same elevation. Berms are constructed to direct or redirect water in order to keep water from flowing off the property.

Grades – grades are surface grading of an area so that water collects and flows to a lower elevation away from the water collection site. Regardless of surface characteristics, when planning to add a grade for surface drainage, slope is the most important consideration. For efficient drainage, paved surfaces are recommended to have a minimum 1% slope. Turf or landscaped areas are recommended to have a minimum slope of 2%.

Rain Barrel/Cisterns – rain barrels and cisterns are storage tanks that capture runoff water from downspouts from a non-permeable area catchment area such as a rooftop. Cisterns are a larger version of rain barrels, with a larger capacity for rainwater collection and storage. Rain barrels and cisterns must be connected to properly installed rain gutters and downspouts. In order for the rain barrel/cistern to qualify as a rainwater capture feature, the property must have existing gutters around the full perimeter of the roof and existing downspouts for adequate water collection. In the case of a partially flat roof, gutters and downspouts must be throughout all pitched areas in order to qualify. Rain barrels and cisterns must be properly installed and meet all local and regional requirements. Existing rain barrels and cisterns qualify provided they have been properly installed and provide water to the conversion/project area.

Pre-Inspection Procedures – Turf Removal

Customer is to provide photos of the turf area to be removed as part of the application process. Photos of project area (4 to 6) must reflect the current turf grass area at the time of applying. Google Earth/satellite images will not be accepted in place of photos. Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review

Pre-inspections will be conducted on 100 percent of total projects submitted. For commercial or public agency applications, Metropolitan, via Metropolitan's inspection contractor, will conduct the inspection at no cost to Participant Agency. For residential applications, Participant Agency or its inspector will conduct the pre-inspection.

After an application is received and the information has been verified, a project cannot be accepted and funding is not reserved until a "pre-inspection" is conducted by Metropolitan, MWDOC, the Participant Agency, or by a vendor inspector. The pre-inspection is a means to determine confirmation of eligibility. The pre-inspection process verifies that the project area

Exhibit A

contains live turf or sufficient evidence that live turf recently existed and that the requested square footage to be removed is consistent with the inspector's measurement. This requirement applies to both residential and commercial turf removal areas unless otherwise noted.

When establishing that areas are eligible, careful inspection with accurate, and precise measurements, as described in Section V, are always required. For Turf Removal, during the pre-inspection the total project area square footage is measured. Any non-eligible square footage is deducted, such as non-turf areas including bare soil, trees, shrubs, mulch, paving, and utility box footprint, etc. Refer to specific program terms and conditions for eligibility criteria.

Once the pre-inspection is complete, the inspector will complete the Pre-Inspection section in Droplet, in full, and upload all photos and documentation. Once the Pre-Inspection form has been submitted, it will be reviewed by MWDOC. The square footage listed on the application is to be used as a reference. The initial project area is to be based on the square footage as measured during the pre-inspection. Once the initial project area square footage has been determined, that number is used to reserve funding, and a Letter to Proceed (LTP) is generated and sent to the customer.

Metropolitan reserves the right to request application packages as necessary and may perform its own inspections of random residential applications. This is likely to be in addition to the required pre-inspection. For pre-inspections, Metropolitan will review the Participant Agency's physical pre-inspection reports.

On-Site Pre-Inspection

In-person pre-inspections must include:

- Visual verification of existing turf
- Physical/manual measurement of proposed turf removal area.
- Photos taken by inspector of project area (4 to 6), which must reflect the current turf grass area at the time of inspection. Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review.

Measuring Sites Aerially

Measuring sites aerially must include:

- GIS or equivalent aerial measurement
- Please note that measuring sites aerially is allowed for **pre-inspections only**
- Consumer is to provide photos of the turf area to be removed before starting the project (pre-project installation).
- The inspector should be capable of spotting abnormalities in pre-project photos submitted by customers, and if found, should perform mandatory on-site inspections.

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- If aerial review is not possible due to obstructions (tree coverage), or inconclusive, member agency should perform a physical pre-inspection as described above.

On-Site Inspections for Area-Based Rebates

Unless the program guidelines specifically state otherwise, on-site eligibility verification and area measurement for the pre-inspection is the method to be utilized by an inspection vendor performing inspections on behalf of a Participant Agency.

Condition of Turf at Pre-Inspection

If bare areas were included by the customer, the inspector must subtract those areas. In many cases, due to the drought or season, dormant or dead brown grass is present. Dormant or dead brown grass that appears to have been maintained in the recent past is still eligible. However sites where there is bare soil that appears compact and no turf was present in the recent past, are not eligible. In addition, moss areas where there is no turf or areas that have grown or mowed weeds would be ineligible. A lawn with weeds would still remain eligible. Photo documentation of the turf is required in order to approve the site. For on-site inspections, photos of the entire area should be taken, including detailed photos showing turf and bare soil conditions. For large sites with multiple separated areas (or sub-areas), a site map must be submitted identifying the area measured for each separate sub-area.

Multiple Applications under same Site

Residential sites have a limit of one application per home per fiscal year. Commercial sites have a limit of one application per water meter per fiscal year.

Modifications to Initial Project Area

If a customer wants to add or remove area(s) from their designated project area, they are free to do so up until their pre-inspection. The customer will need to submit by email to MWDOC a new site plan detailing the area to be added or removed. If a customer wishes to add an area to the project after the pre-inspection has been completed, they are only free to do so if the area was measured in the pre inspection. Any areas found to be converted during the post-inspection that were not included in pre-inspection measurements are not eligible for rebate. If a project area should fall below the minimum 250 square feet of project size, it may also be considered ineligible if it does not include the removal of all turf onsite.

Post-Inspection Procedures – Turf Removal

Consumer is to provide post-project installation photos (4 to 6). Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review

Prior to scheduling the post-inspection, the Application will be reviewed by MWDOC to confirm the following:

- Application is completed in full.
- Payee Name and Mailing Address for Rebate Check is provided and matches that on the water bill.
- Applicant has attached copies of any project related receipts or invoices. For a receipt/invoice to be considered eligible it must be:
 - Dated within the project period.

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- Signed by the customer/applicant/property owner and includes the site location, scope of work, and costs.
- Itemized to include make, model, SKU, quantity, price per item, total price.
- Include the actual quantity of drip equipment purchased and eligible for rebate.
- Labor is reimbursable if performed by a licensed C-27 contractor; it must be listed as a separate line item.
- Invoice must be marked “paid” or proof of payment must be provided.

If the Application is missing or does not comply with the requirements of any of the above, MWDOC/Participant Agency shall work with the applicant to obtain the information and or appropriate photos/documents prior to scheduling the post-inspection. If applicant is unable to provide receipts/invoices that meet the requirements set forth above, the post-inspection will be considered a fail, the application will be denied, no rebate will be issued, and no on-site post-inspection should be scheduled.

If the Application has satisfied all of the above requirements, MWDOC/Participant Agency and/or its inspector will work with Applicant to schedule the mandatory on-site post-inspection. The purpose of the on-site post-inspection is to serve as an independent verification of the information contained in the Application. As part of the on-site post-inspection, Participant Agency/inspector must verify the following:

Participant Agency or its inspector will conduct an **on-site** post-inspection on 100 percent of approved residential projects. On-site inspections will include:

- a. Validating square footage removed
- b. Verifying the number of plants installed meet Metropolitan’s minimum requirement of 3 plants per 100 square feet
- c. Verify that no invasive species were installed
- d. Verification that a sustainability feature has been included in project
- e. Verify mulch is around plants and that no bare soil exists
- f. Verify irrigation system modifications have been completed
- g. Photos of overall project area, sustainable landscape approach used, mulch, and a sample of the irrigation system modification. Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review

Metropolitan will perform its own inspections of random applications. This is likely to be in addition to the required post-inspections. Example: if a site is selected for a follow-up post inspection by Metropolitan, this may be conducted after the required post inspection. For post inspection, Metropolitan will pull random samples from MWDOC invoices. Metropolitan will conduct its own measurements and provide payment based on the following:

For Residential Applications - If the measurement taken by Metropolitan is within 10 percent of the Participant Agency’s measurement, Metropolitan will pay the amount measured by the Participant Agency. If the difference is greater than 10 percent, Metropolitan will pay at the square footage measured by Metropolitan.

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For Commercial Applications - The following applies for commercial applications inspected by Metropolitan:

Commercial turf removal inspections will fall into the pool of all required inspections at any given time. Although special circumstances appear from time to time, in general no special considerations are given to individual applications.

Any discrepancy found following a secondary inspection (i.e., an inspection of the inspector) or during an audit inspection will result in a Metropolitan staff and contractor resolution, and the financial liability associated with varied measurement of a site will not fall back on MWDOC or the Participant Agency for payment.

For both residential and commercial projects, unless otherwise noted, once the LTP has been issued, the initial project area square footage may not increase; however, it may decrease if the customer decides to remove less turf than what was measured, or converts some area to ineligible structures i.e. a deck.

After the customer has completed their project, a second on-site inspection (post-inspection) occurs to ensure that the renovated areas are in compliance with the program. Entire (100%) project re-measurement should occur during the post-inspection. Negative deviations between the pre- and post-inspections area measurements, as well as swapped areas occurring without a proper pre-inspection and approval from MWDOC, will result in a reduction of the rebate eligible area (meaning the lesser area measurement will be the basis for the rebate). All projects must be inspected prior to Participant Agency approving payment or invoicing MWDOC.

When establishing that areas are eligible, careful inspection with accurate, and precise measurements, as described in Section V, are always required. For Turf Removal, during the post-inspection the total converted area square footage must be measured. Any non-eligible square footage is deducted, such as remaining-turf areas, bare soil, or non-permeable area including hardscape and pools. Refer to specific program terms and conditions for eligibility criteria.

The initial project area square footage established during the pre-inspection is to be used as a reference, the final project area is to be based on the square footage as measured during the post-inspection. Once the final project area square footage has been determined, that number, if equal to or less than the approved square footage on the Letter to Proceed, is used to determine the actual potential rebate amount, so long as it does not exceed the total eligible project costs. Only that final project square footage measured by the Participant Agency/inspection vendor may be approved for payment by MWDOC.

Once the on-site post inspection is complete, inspector will complete the Post- Inspection section in Droplet, in full, and upload all photos and documentation. Once the Post- Inspection form has been submitted, it will be reviewed by MWDOC, along with copies of all receipts and invoices, and if the Turf Removal project has satisfied all the terms, conditions, guidelines, and requirements of the program, the application will be processed for rebate. If all the terms, conditions, guidelines, and requirements of the program have not been satisfied, the post-inspection will be considered a fail, and the application will be denied and no rebate funds will be issued.

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Project Extensions

In some instances, projects may experience delays. As all projects have a 60 day deadline to complete their project, an extension may be requested. Extensions are granted on a case by case basis and are not guaranteed. Extensions will only be granted to sites who are making progress to complete their project. Documentation or a site visit may be required for the purposes of verifying that progress is being made at a site. Examples of documentation are signed contracts with a landscape contractor, photos of the site with turf removed and work under way, or canceled checks to a contractor. This is an important step; if a site is not showing progress and there is no motivation to complete, it may be cancelled to allow the funding of other, more motivated, rebate customers.

Spray to Drip - Residential

The residential portion of the Spray-to-Drip Rebate Program is a device-based program with different inspection requirements and criteria than other device-based inspections. The inspection requirements for residential Spray-to Drip Rebate projects are described below:

Pre-Inspection Procedure

After an application is received, a project cannot be approved and no funding can be reserved until a “pre-inspection” is conducted, as follows:

MWDOC reviews the application to confirm:

- Program application is completed in full
- A copy of a current water bill (within 3 months for application date) is attached and confirms that
 - Participant agency is participating in the program
 - Project site is located within Orange County
 - Payee name matches the name on the water bill
- Applicant has attached at least 4 photos of the project area taken with the existing sprinkler system turned on and running. Photos must clearly show the sprinkler system in use and that the spray heads are functional. Photos must also contain identifying features (house in background, unique landscape/decorating features, etc.) to confirm that photos submitted are for the property/site listed in the application.
- The square footage of the area to be converted from spray irrigation to drip for which the applicant is applying/eligible.
- A simple site plan has been attached indicating the proposed Spray-to-Drip conversion areas.
- Any supplemental documents included have been reviewed.

After an application is received and the information has been verified, a project cannot be accepted and funding is not reserved until a “pre-inspection” is conducted by MWDOC, the Participant Agency, or by a vendor inspector. The pre- inspection visit is a means to determine confirmation of eligibility. The pre-inspection process verifies that the project area contains spray irrigation and that the requested square footage to be removed is consistent with the inspector’s measurement. This requirement applies to both residential and commercial irrigation conversion areas unless otherwise noted.

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When establishing that areas are eligible, careful inspection with accurate, and precise measurements, as described in Section V, are always required. For Spray to Drip, during the pre-inspection the total project area square footage is measured. Any non-eligible square footage is deducted, such as areas that already have drip irrigation or are hand watered by the customer.

Once the pre-inspection is complete, inspector will complete the Pre-inspection section in Droplet, in full, and upload all photos and documentation. Once the Pre-inspection form has been submitted, it will be reviewed by MWDOC. The square footage listed on the application is to be used as a reference. The initial project area is to be based on the square footage as measured during the pre-inspection. Once the initial project area square footage has been determined, that number is used to reserve funding, and a Letter to Proceed (LTP) is generated and sent to the customer.

If the applicant is applying for the Turf Removal Program simultaneously, a mandatory inspection will occur for the Spray to Drip application at the time of Turf Removal pre-Inspection.

On-Site Pre-Inspection

In-person pre-inspections must include:

- Visual verification of existing spray irrigation
- Physical/manual measurement of proposed irrigation conversion area.
- Photos taken by inspector of project area (4 to 6), which must reflect the spray irrigation at the time of inspection. Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review.

Measuring Sites Aerially

Measuring sites aerially must include:

- GIS or equivalent aerial measurement
- Please note that measuring sites aerially is allowed for **pre-inspections only**.
- Consumer is to provide photos of the spray to drip conversion area before starting the project (pre-project installation).
- The inspector should be capable of spotting abnormalities in pre-project photos submitted by customers, and if found, should perform mandatory on-site inspections.
- If aerial review is not possible due to obstructions (tree coverage), or inconclusive, member agency should perform a physical pre-inspection as described above.

Photo-based Pre-inspection

MWDOC can perform a photo-based pre-inspection for Spray to Drip applicants who have already received a pre-inspection for an accompanying Turf Removal application, as long as the requested square footage is the same. This occurs on case-by-case scenario.

If the application has satisfied all of the above requirements, a Letter to Proceed is generated by MWDOC and emailed to the applicant. The funding is reserved at this point and cannot increase. However, the funding amount may decrease if the applicant installs less drip equipment than was specified on the application or if the costs of the equipment are less than anticipated. Should the

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application fail the pre-inspection process, the application will be denied. MWDOC reserves the right to conduct, or to require Participant Agency to conduct, an on-site pre-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

If the applicant is applying for the Turf Removal Program simultaneously, an on-site inspection should occur for the Spray to Drip application at the time of Turf Removal pre-Inspection. Otherwise, a photo-based approval may be conducted by MWDOC for the application.

Post-Inspection Procedure

Consumer is to provide post-project installation photos (4 to 6). Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review

Prior to scheduling the post-inspection, the Application will be reviewed by MWDOC to confirm the following:

- Application is completed in full.
- Payee Name and Mailing Address for Rebate Check is provided and matches that on the water bill.
- Applicant has attached at least 3 completed conversion area pictures showing:
 - Wide angle view of completed project area(s)
 - Close-up(s) of installed pressure regulation/filtration component(s)
 - Close-up(s) of installed drip tubing
- Applicant has attached copies of any project related receipts or invoices. For a receipt/invoice to be considered eligible it must be:
 - Dated within the project period.
 - Signed by the customer/applicant/property owner and includes the site location, scope of work, and costs.
 - Itemized to include make, model, SKU, quantity, price per item, total price.
 - Include the actual quantity of drip equipment purchased and eligible for rebate.
 - Labor is reimbursable if performed by a licensed C27 contractor; it must be listed as a separate line item.
 - Invoice must be marked “paid” or proof of payment must be provided.

If the Application is missing or does not comply with the requirements of any of the above, MWDOC/Participant Agency shall work with the applicant to obtain the information and or appropriate photos/documents prior to scheduling the post-inspection. If applicant is unable to provide receipts/invoices that meet the requirements set forth above, the post-inspection will be considered a fail, the application will be denied, no rebate will be issued, and no on-site post-inspection should be scheduled.

If the Application has satisfied all of the above requirements, MWDOC/Participant Agency and/or its inspector will work with Applicant to schedule the mandatory on-site post-inspection. The purpose of the on-site post-inspection is to serve as an independent verification of the information contained in the Application. As part of the on-site post-inspection, Participant Agency/inspector must verify the following:

- The actual square footage of the conversion area. All residential spray-to-drip sites will be measured by the Participant Agency and or its inspector for 100% of the sites for 100% of

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the spray-to-drip conversion areas during the post-inspections. The required minimum techniques for area measurements are described in Section V -Measurement Techniques.

- That drip irrigation equipment has been installed. For residential on-site post-inspection, if microspray, point-source emitters, or any other type of drip irrigation other than embedded emitter tubing has been installed, this must be noted and photographed. Only embedded emitter tubing installations are eligible for rebates in residential settings.
- That pressure regulation/filtration components have been installed as part of the drip conversion. Manufacturer/make, model, model number/SKU, and quantity should be documented, and the equipment should be photographed.
- That drip tubing has been installed. The drip tubing should be photographed. If covered, a minimum of a 10-foot section must be uncovered for the photograph.
- That spray irrigation is no longer functional in the drip conversion area(s). Any remaining spray heads in the conversion area must be capped (no exceptions).

The initial project area square footage established during the pre-inspection is to be used as a reference, the final project area is to be based on the square footage as measured during the post-inspection. Once the final project area square footage has been determined, that number, if equal to or less than the approved square footage on the Letter to Proceed, is used to determine the actual potential rebate amount, so long as it does not exceed the total eligible project costs.

Once the on-site post inspection is complete, the inspector will complete the Post- Inspection section in Droplet, in full, and upload all photos and documentation. Once the Post- Inspection form has been submitted, it will be reviewed by MWDOC, along with copies of all receipts and invoices, and if the Spray-to-Drip project has satisfied all the terms, conditions, guidelines, and requirements of the program, the application will be processed for rebate. If all the terms, conditions, guidelines, and requirements of the program have not been satisfied, the post-inspection will be considered a fail, and the application will be denied and no rebate funds will be issued.

MWDOC reserves the right to conduct or attend any on-site post-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

Spray to Drip - Commercial

The commercial portion of the Spray-to-Drip Rebate Program is administered in a similar way to the residential portion. The inspection requirements for commercial Spray-to Drip Rebate projects are described below:

Pre-Inspection Procedure

Once an application is received, a project cannot be accepted and no funding is reserved until a “pre-inspection” is conducted, as follows:

MWDOC reviews the application to confirm:

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- Program application is completed in full.
- A copy of a current water bill is attached and confirms that
 - Participant agency is participating in the program
 - Project site is located within Orange County
 - Payee name matches the application name
- Applicant has attached at least 4 photos of the project area taken with the existing sprinkler system turned on and running. Photos must clearly show the sprinkler system in use and that the spray heads are functional. Photos must also contain identifying features (buildings in the background, unique landscape/decorating features, etc.) to confirm that photos submitted are for the property/site listed in the application.
- Applicant has provided the square footage of the proposed Spray-to-Drip conversion area.
- A simple site plan has been attached indicating the proposed Spray-to-Drip conversion areas.
- Any supplemental documents included have been reviewed.

Once MWDOC confirms that the application is complete and satisfies the above requirements, MWDOC will forward the application to the Participant Agency or Inspection contractor to conduct a mandatory pre-inspection. For commercial sites that are also participating in the Turf Removal Program and inspected by Metropolitan's inspection contractor, Participant Agency is required to perform the pre-inspection for the Spray-to Drip portion of the project.

On-Site Pre-Inspection

In-person pre-inspections must include:

- Visual verification of existing spray irrigation
- Physical/manual measurement of proposed irrigation conversion area.
- Photos taken by inspector of project area (4 to 6), which must reflect the spray irrigation at the time of inspection. Photos must be taken at appropriate angles, with visible points of reference, and at a sufficient distance to allow for review.

Measuring Sites Aerially

Measuring sites aerially must include:

- GIS or equivalent aerial measurement
- Please note that measuring sites aerially is allowed for **pre-inspections only**.
- Consumer is to provide photos of the spray to drip conversion before starting the project (pre-project installation).
- The inspector should be capable of spotting abnormalities in pre-project photos submitted by customers, and if found, should perform mandatory on-site inspections.

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- If aerial review is not possible due to obstructions (tree coverage), or inconclusive, member agency should perform a physical pre-inspection as described above.

Photo-based Pre-inspection

MWDOC can perform a photo-based pre-inspection for Spray to Drip applicants who have already received a pre-inspection for an accompanying Turf Removal application, as long as the requested square footage is the same. This occurs on case-by-case scenario.

Once the pre-inspection is complete, the inspector will complete the Pre-inspection section in Droplet, in full, and upload all photos and documentation. Once the Pre-inspection form has been submitted, it will be reviewed by MWDOC. If the application has satisfied all of the above requirements, a Letter to Proceed (LTP) is generated by MWDOC/Participant Agency and emailed to the applicant. The funding is reserved at this point and cannot increase. However, the funding amount may decrease if the applicant installs less drip equipment than was specified on the application or if the costs of the equipment are less than the estimated rebate amount. Should the application fail the pre-inspection process, the application will be denied.

Post-Inspection Procedure

Once the Spray-to-Drip Project is complete, applicant completes the Spray to Drip application to request a **mandatory on-site post-inspection**. Prior to scheduling the post-inspection, the application will be reviewed by MWDOC to confirm the following:

- Application is completed in full.
- Payee Name and Mailing Address for Rebate Check is provided.
- Applicant has attached at least completed conversion area pictures showing:
 - Wide angle view of completed project area(s)
 - Close-up(s) of installed pressure regulation/filtration component(s)
 - Close-up(s) of installed drip tubing
- Applicant has attached copies of any project related receipts or invoices. For a receipt/invoice to be considered eligible it must include the following:
 - Dated within the project period.
 - Marked "paid" or provided with proof of payment.
 - Signed by the customer/applicant/property owner and includes the site location, scope of work, and costs.
 - Itemized to include make, model, sku, quantity, price per item, total price. If microspray or point source emitters have been installed, the flow rate for each must be 2.5 gallons per hour or less, or per the terms and conditions of the Program.
 - Labor is reimbursable if performed by a licensed C27 contractor; it must be listed as a separate line item.

If the application is missing or does not comply with the requirements of any of the above, MWDOC/Participant Agency shall work with the applicant to obtain the information and or appropriate photos/documents/invoices prior to scheduling the post-inspection. If applicant is unable to provide photos/documents/invoices that meet the requirements set forth above, the application will be considered incomplete, the application will be denied, no rebate will be issued, and no on-site post-inspection should be scheduled.

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If the application has satisfied all of the above requirements, Participant Agency and/or its inspector will work with Applicant to schedule the mandatory on-site post-inspection. The purpose of the on-site post-inspection is to serve as an independent verification of the information contained in the application. For commercial sites that are also participating in the Turf Removal Program and inspected by Metropolitan's inspection contractor, Participant Agency is required to perform the on-site post-inspection for the Spray-to Drip portion of the project. As part of the on-site post-inspection, Participant Agency/inspector must verify the following:

- The actual square footage of the conversion area. All commercial spray-to-drip sites will be measured by the Participant Agency and or its inspector for 100% of the sites for 100% of the spray-to-drip conversion areas during the post-inspections. The required minimum techniques for area measurements are described in Section V -Measurement Techniques.
- That drip irrigation equipment has been installed. The type of drip equipment (embedded emitter tubing/microspray/point source emitters) must be noted and photographed. Please note that ineligible equipment, such as point source emitters, would invalidate the project.
- That pressure regulation/filtration components have been installed as part of the drip conversion. Manufacturer/make, model, model number/SKU, and quantity should be documented, and the equipment should be photographed.
- That drip tubing has been installed. The drip tubing should be photographed. If covered, a minimum of a 20-foot section must be uncovered for the photograph.
- That spray irrigation is no longer functional in the drip conversion area(s). Any remaining spray heads in the conversion area must be capped (no exceptions).

Once the on-site post inspection is complete, the inspector will complete the Post Inspection, in full, and upload all photos and documentation. Once the Post Inspection Form has been submitted, it will be reviewed by MWDOC, along with copies of all receipts and invoices, and if the spray-to-drip project has satisfied all the terms, conditions, guidelines, and requirements of the program, the application will be processed for rebate. If all the terms, conditions, guidelines, and requirements of the program have not been satisfied, the post-inspection will be considered a fail, and the application will be denied and no rebate funds will be issued.

MWDOC reserves the right to conduct or attend any on-site post-inspection of any Spray-to Drip application should MWDOC, in its best judgment, deem it necessary to do so.

V. Measurement Techniques- On Site

When measuring sites, tape measurers remain the most accurate method of measurement. Measuring wheels are nearly as accurate when rolling on a flat surface such as concrete or asphalt. Measuring wheels on turf or shrub areas run the risk of being inaccurate. Tape measurers are recommended whenever uneven surfaces are encountered. For large sites, a map should be provided indicating all the turf areas intended for removal and all project areas should be

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measured and noted with square footage.

Odd shapes are often hard to measure accurately. A series of methods of measuring odd shapes have been reviewed and below are a listing of acceptable measurement techniques of odd shapes. Alternative measuring techniques must be submitted to MWDOC for review and approval prior to implementation and must be at least as accurate as the techniques listed here.

Non-Uniform Rectangular

First measure the length of the longest axis of the area (line AB). This is called the *length line*. Next, divide the length line into equal sections, for example 13 ft. At each of these points, measure the distance across the area in a line perpendicular to the length line at each point (lines C through H). These lines are called *offset lines*. Finally, average the lengths of all offset lines and multiply the result times line AB (65 ft. in this example). This is most notably different from the Non-Uniform Ellipse method in that exactly one of the left or right edges is measured, in this case line "C."

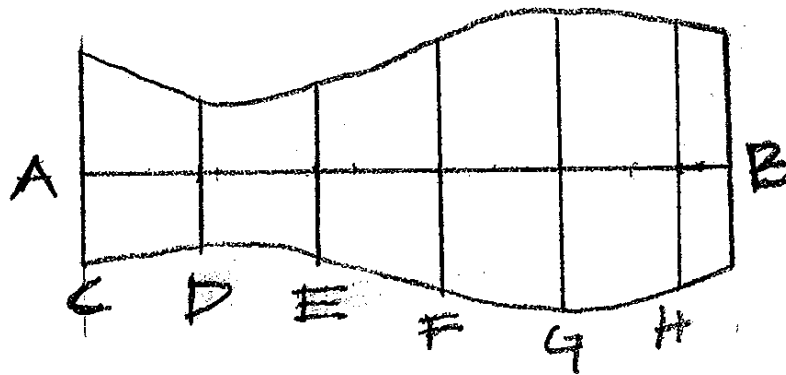


Exhibit A

Example: Non-Uniform Rectangular	
Length line (AB) = 65 ft	
Distance between offset lines is 13 ft apart	
Length of each offset line:	
C = 20 ft	F = 20 ft
D = 10 ft	G = 25 ft
E = 15 ft	H = 20 ft
Average length of offset lines = $\frac{(C + D + E + F + G + H)}{(\text{Number of offset lines})}$	
= $(20 + 10 + 15 + 20 + 25 + 20) / 6$	
= 18.3 ft	
Total Area = (Length line)	
x (Average length of offset lines)	
= 65 ft x 18.3 ft	
= 1189.5 ft ²	

Irregular Rhombus or Widening Rectangular

A fast way to measure irregular rhombi is shown in the example below. Stake one end of the measuring tape at point (A, B); measure line d and then line B. Without removing the stake measure line c and then line A. Using those four measurements you will be able to find line f and line e. The areas of triangle (fd), triangle (ce), and rectangle (cd) can now be calculated.

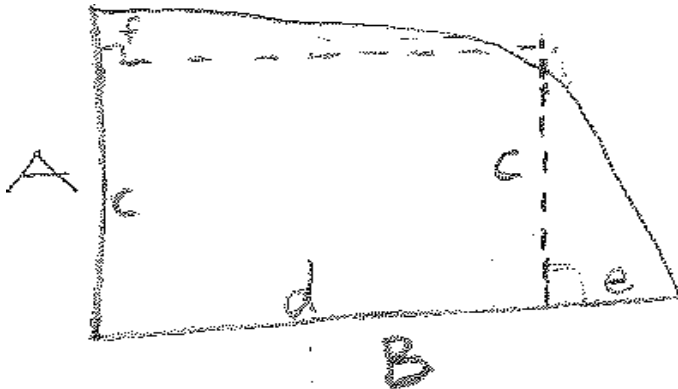


Exhibit A

Example: Irregular Rhombus or Widening Rectangular	
Length of each line:	
A = 20 ft	c = 18 ft
B = 25 ft	d = 21 ft
Line (f) = A - c	
= 20 ft - 18 ft	
= 2 ft	
Line (e) = B - d	
= 25 ft - 21 ft	
= 4 ft	
Area (cd) = c x d	
= 18 ft x 21 ft	
= 378 ft ²	
Area (ce) = (c x e) / 2	
= (18 ft x 4 ft) / 2	
= 36 ft ²	
Area (fd) = (f x d) / 2	
= (2 ft x 21 ft) / 2 = 21 ft ²	
Total Area = Area (cd) + Area (ce) + Area (fd)	
= 378 ft ² + 36 ft ² + 21 ft ²	
= 435 ft ²	

Non-Uniform Round

First measure 16 evenly spaced radii from the same center point (point A). This is called the *center point*. Next take the average of all the radii (B + C + D + E + F + G + H + I + J + K + L + M + N + O + P + Q) / 16. Use the average radii to calculate the area of a circle. (12.25 ft. in this example).

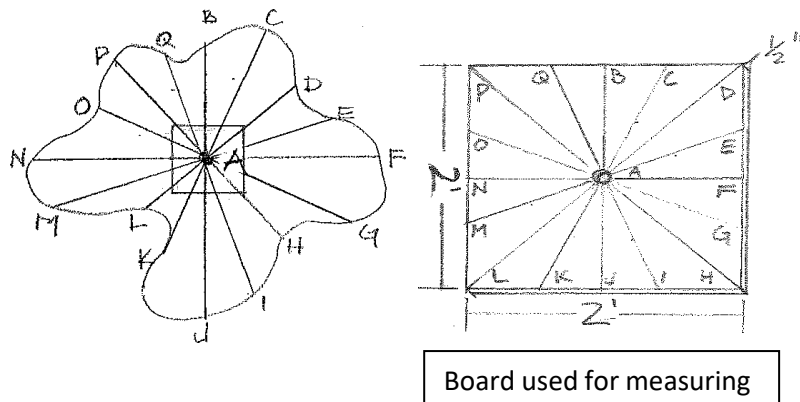
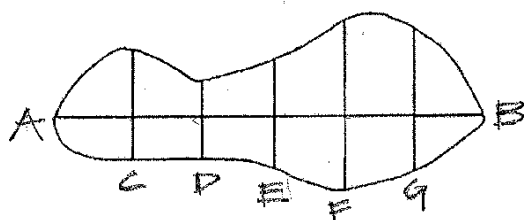


Exhibit A

Example: Non-Uniform Round							
Length of each offset line:							
B = 10 ft	E = 12 ft	H = 10 ft	K = 9 ft	N = 16 ft	Q = 9 ft	C = 15 ft	F = 15 ft
I = 15 ft	L = 8 ft	O = 10 ft	D = 10 ft	G = 13 ft	J = 17 ft	M = 15 ft	P = 12 ft
Number of radii = 16							
Average length of offset lines							
$= (B + C + D + E + F + G + H + I + J + K + L + M + N + O + P + Q)$ $/ (\text{Number of radii})$							
$= (10 + 15 + 10 + 12 + 15 + 13 + 10 + 15 + 17 + 9 + 8 + 15 + 16 + 10 + 12 + 9)$ $/ 16$							
= 12.25 ft							
Total Area = $\pi \times 12.25^2$ ft							
= 3.14 x 12.25 ft x 12.25 ft							
= 471 ft ²							

Non-Uniform Ellipses

The method used for irregular shaped areas is called the "offset method". First measure the length of the longest axis of the area (line AB). This is called the *length line*. Next, divide the length line into equal sections, for example 10 ft. At each of these points, measure the distance across the area in a line perpendicular to the length line at each point (lines C through G). These lines are called *offset lines*. Finally, add the lengths of all offset lines and multiply the result times the distance that separates these lines (10 ft. in this example). This is most notably different from Non-Uniform Rectangular in that neither the left or right edges of the shape are measured in the ellipse.

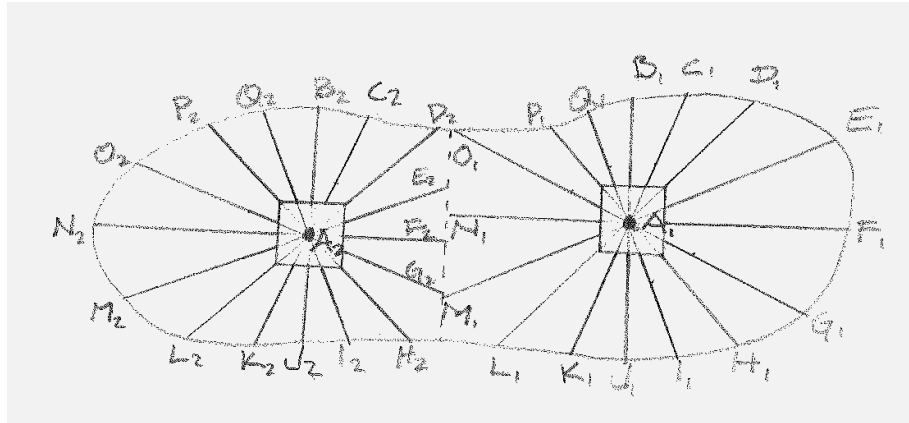


Example: Non-Uniform Ellipse	
Length line (AB) = 60 ft	
Distance between offset lines is 10 ft apart	
Length of each offset line	
C = 15 ft	F = 25 ft
D = 10 ft	G = 20 ft
E = 15 ft	
Total length of offset lines = C + D + E + F + G	
= 15 + 10 + 15 + 25 + 20	
= 85 ft	
Total Area = (Distance between offset lines)	
x (sum of the length of offset lines)	
= 10 ft x 85 ft	
= 850 ft ²	

Exhibit A

Non-Uniform Ellipses Alternate

An alternate method of measuring non-uniform ellipses is by dividing the ellipses in uniform parts and utilizing the non-uniform round method as described above. An example is shown below.



VI- Measurement Techniques - Aerial

Please note that aerial inspections are allowed for area-based **pre-inspections only**.

Aerial inspections must be performed using GIS software, such as ArcGIS, NearMap, or GoogleEarth. Imagery resolution should be at least 1 foot. Google MyMaps or Google Maps will not be sufficient for performing aerial inspections. If you would like an exception or have a question about a specific method please ask MWDOC.

When performing aerial inspections, please see the steps:

- Look up the site address in your GIS system
- If measuring aerially is difficult due to tree cover or other issues, you must perform an on-site pre-inspection
- Use the site plan and/or customer submitted photos as a guide for measuring the application areas
- Draw out one or more polygons measuring the area on the map
- Screenshot the aerial measurement with the polygons that must be uploaded to the Droplet portal
- Complete pre-inspection form and upload to Droplet portal.

Exhibit B



P.O. Box 20895
Fountain Valley, CA 92728
Phone: (714)963-3058
Fax: (714)964-9389

Invoice No. **16871**

EXAMPLE INVOICE

Customer

Name Agency
Street P.O. Box 30205
City Orange State CA ZIP 92607-0205
Attn: Accounts Payable

Date 8/29/2022
Due Date Upon Receipt

Description	Amount
<u>FY 2021-2022 Choice Programs Billing Invoice</u>	
Water Use Efficiency FY 21-22	\$ 101,507.28
WUE Adjustment for prior year FY 20-21	\$ (264.07)
School Program FY 21-22	\$ 7,455.93
School Program Adjustment for prior year FY 20-21	\$ -
Total Refund Due \$ 108,699.14	

Payment Details

Cust #: Example
GLA #:
GLA #:
GLA #:
GLA #:

Please direct your inquiries to the Accounting Department.

Exhibit C

MWDOC Water Use Efficiency Choice Allocation for FY 2019/20

Based on Outside Funding in December 1, 2017 - November 30, 2018

By Retail Agency	Metropolitan Incentives [1]	MWDOC Grants [2]	Vendor Fees [3]	Total Outside Funding	Percentage Share	Initial Choice Allocation	Prior Year Percentage Share	Ajustment for Prior year	Current Year Invoice Amount
Brea	\$26,115	\$15,123	\$1,766	\$43,004	1.12%	\$9,823.12	3.11%	(\$3,726.63)	\$6,096.49
Buena Park	\$19,930	\$4,369	\$1,463	\$25,762	0.67%	\$5,884.55	0.92%	(\$1,097.15)	\$4,787.40
East Orange County Water District	\$410	\$300	\$41	\$751	0.02%	\$171.43	0.16%	(\$196.59)	(\$25.16)
El Toro Water District	\$65,866	\$34,391	\$5,042	\$105,299	2.75%	\$24,052.89	1.99%	(\$2,380.27)	\$21,672.62
Fountain Valley	\$46,979	\$62,819	\$4,506	\$114,304	2.99%	\$26,109.82	1.55%	(\$1,857.63)	\$24,252.19
Garden Grove	\$13,396	\$619	\$1,381	\$15,396	0.40%	\$3,516.77	1.08%	(\$1,292.86)	\$2,223.91
Golden State Water Company	\$62,276	\$3,745	\$5,660	\$71,680	1.87%	\$16,373.53	1.23%	(\$1,470.08)	\$14,903.45
Huntington Beach	\$144,453	\$62,892	\$9,105	\$216,450	5.65%	\$49,442.39	9.99%	(\$11,957.47)	\$37,484.91
Irvine Ranch Water District	\$663,528	\$408,013	\$39,658	\$1,111,200	29.02%	\$253,824.61	28.02%	(\$33,530.90)	\$220,293.71
La Habra	\$5,562	\$3,679	\$454	\$9,695	0.25%	\$2,214.47	0.35%	(\$418.37)	\$1,796.10
La Palma	\$1,314	\$119	\$154	\$1,587	0.04%	\$362.52	0.31%	(\$373.10)	(\$10.58)
Laguna Beach County Water District	\$2,975	\$2,234	\$295	\$5,504	0.14%	\$1,257.14	0.31%	(\$367.14)	\$890.01
Mesa Water District	\$181,715	\$32,183	\$2,823	\$216,721	5.66%	\$49,504.18	5.17%	(\$6,183.03)	\$43,321.15
Moulton Niguel Water District	\$574,192	\$101,507	\$17,513	\$693,213	18.11%	\$158,346.39	11.06%	(\$13,237.59)	\$145,108.80
Newport Beach	\$21,491	\$39,755	\$616	\$61,861	1.62%	\$14,130.64	4.89%	(\$5,852.14)	\$8,278.50
Orange	\$115,332	\$34,292	\$5,442	\$155,066	4.05%	\$35,420.89	3.65%	(\$4,363.41)	\$31,057.48
San Clemente	\$77,211	\$39,850	\$6,517	\$123,577	3.23%	\$28,227.93	2.12%	(\$2,537.84)	\$25,690.10
San Juan Capistrano	\$76,813	\$15,423	\$2,803	\$95,040	2.48%	\$21,709.46	0.84%	(\$1,008.23)	\$20,701.23
Santa Margarita Water District	\$332,737	\$126,297	\$21,290	\$480,323	12.55%	\$109,717.36	10.92%	(\$13,069.56)	\$96,647.79
Seal Beach	\$10,286	\$0	\$989	\$11,275	0.29%	\$2,575.56	0.16%	(\$186.66)	\$2,388.90
Serrano Water District	\$2,824	\$3,817	\$146	\$6,788	0.18%	\$1,550.49	0.15%	(\$174.69)	\$1,375.80
South Coast Water District	\$63,420	\$14,353	\$2,849	\$80,622	2.11%	\$18,415.96	3.46%	(\$4,136.50)	\$14,279.46
Trabuco Canyon Water District	\$5,145	\$5,964	\$410	\$11,519	0.30%	\$2,631.20	0.76%	(\$913.77)	\$1,717.43
Tustin	\$28,933	\$21,410	\$2,398	\$52,741	1.38%	\$12,047.39	2.62%	(\$3,140.68)	\$8,906.71
Westminster	\$11,677	\$7,848	\$787	\$20,312	0.53%	\$4,639.70	1.31%	(\$1,568.69)	\$3,071.01
Yorba Linda Water District	\$71,214	\$17,196	\$4,781	\$93,191	2.43%	\$21,287.12	3.45%	(\$4,127.79)	\$17,159.33
Anaheim	\$0	\$3,504	\$0	\$3,504	0.09%	\$800.41	0.18%	(\$216.43)	\$583.99
Fullerton	\$0	\$1,538	\$0	\$1,538	0.04%	\$351.39	0.14%	(\$162.60)	\$188.79
Santa Ana	\$0	\$559	\$0	\$559	0.01%	\$127.69	0.09%	(\$109.07)	\$18.62
Orange County Total	\$2,625,795	\$1,063,799	\$138,888	\$3,828,482	100%	\$874,517.00	100.00%	(\$119,656.87)	\$754,860.13

[1] Incentive amounts funded through Metropolitan's Conservation Credits Program. Programs include Commercial, Industrial, Institutional, Residential, Landscape, and Recycled Water Conversion.

[2] Outside funding through grants awarded to MWDOC by the California Department of Water Resources, and US Bureau of Reclamation. Excludes member agency administrative and supplemental contributions.

[3] Vendor fees are administrative processing costs paid for by Metropolitan or through MWDOC grants.



CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Cathy Harris

SUBJECT: **Annual Approval of District Salary Schedule**

STAFF RECOMMENDATION

It is recommended that the Board of Directors approve the proposed Salary Schedule, as presented, effective July 1, 2022; adjusting the District salary ranges by 3.84%, as approved during the budget process. (Option 1).

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

Pursuant to the recently approved 2022-23 Budget and the information presented regarding the Compensation Pool Guidelines, attached is the proposed Salary Schedule, adjusting the District Salary Ranges by 3.84%. The schedule is effective as of July 1. This is an adjustment to the salary ranges only and not to individual salaries.

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

A 7.1% merit pool was approved in the 2022/23 MWD OC Budget. In accordance with District Policy, a comprehensive compensation survey is to be conducted every three years to evaluate the market practices and job grading. The next comprehensive salary survey will be initiated in November 2023 for completion in spring of 2024. The last comprehensive study was completed in spring 2021.

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

In addition, to the range adjustments a position was removed from the schedule. .

BOARD OPTIONS

- Option #1** Approve the proposed Salary Schedule, as presented, effective July 1, 2022; adjusting the District salary ranges by 3.84%, as approved during the budget process.
- Option #2** Do not approve.
This will cause the District's positions and Salary Ranges to fall behind the market, causing a future financial impact in having to make several position reclassification adjustments to salary ranges.

DRAFT

MWDOC PAY STRUCTURE - EFFECTIVE JULY 1, 2022 (3.84% range adjustment)

Grade	Status	Job Classification		Range Min \$	25th % \$	Mid \$	75th % \$	Range Max \$
INT		Intern (varies by department)	hourly	18.04	19.60	21.18	22.77	24.33
R1		Open	annually	40,325	43,845	47,366	50,908	54,407
			monthly	3,360	3,654	3,947	4,242	4,534
			hourly	19.39	21.08	22.77	24.48	26.16
R2	NE	Office Assistant	annually	43,349	47,128	50,908	54,731	58,489
R2	NE	Education Program Assistant	monthly	3,612	3,927	4,242	4,561	4,874
			hourly	20.84	22.66	24.48	26.31	28.12
R3		Open	annually	46,588	50,671	54,731	58,835	62,874
			monthly	3,882	4,223	4,561	4,903	5,240
			hourly	22.40	24.36	26.31	28.29	30.23
R4	NE	Database Coordinator	annually	50,087	54,472	58,857	63,219	67,647
			monthly	4,174	4,539	4,905	5,268	5,637
			hourly	24.08	26.19	28.30	30.39	32.52
R5	NE	Accounting Technician	annually	53,846	58,554	63,241	67,993	72,701
			monthly	4,487	4,880	5,270	5,666	6,058
			hourly	25.89	28.15	30.40	32.69	34.95
R6	NE	Administrative Assistant	annually	57,885	62,917	68,014	73,090	78,144
			monthly	4,824	5,243	5,668	6,091	6,512
			hourly	27.83	30.25	32.70	35.14	37.57
R7	NE	Sr. Admin Assistant	annually	62,204	67,690	73,112	78,576	83,997
R7	NE	Public Affairs Assist	monthly	5,184	5,641	6,093	6,548	7,000
R7	NE	Water Loss Control Programs Tech	hourly	29.91	32.54	35.15	37.78	40.38
R8	NE	Records Coordinator	annually	66,913	72,744	78,598	84,451	90,261
			monthly	5,576	6,062	6,550	7,038	7,522
			hourly	32.17	34.97	37.79	40.60	43.39
R9	NE	Public Affairs Coordinator	annually	71,924	78,187	84,473	90,779	97,086
			monthly	5,994	6,516	7,039	7,565	8,091
			hourly	34.58	37.59	40.61	43.64	46.68
R10	NE	WUE Analyst I	annually	77,280	84,084	90,823	97,605	104,365
R10	NE	Executive Assistant	monthly	6,440	7,007	7,569	8,134	8,697
R10	NE	Assoc. Water Resources Analyst	hourly	37.15	40.42	43.66	46.93	50.18
R10	NE	Accountant						
R10	NE	WEROC Emergency Coordinator						
R11	NE	Public Affairs Specialist	annually	83,112	90,391	97,605	104,883	112,162
R11	NE	WUE Analyst II	monthly	6,926	7,533	8,134	8,740	9,347
R11	NE	WEROC Specialist	hourly	39.96	43.46	46.93	50.42	53.92
R12	E	Water Resources Analyst	annually	89,332	97,151	104,948	112,767	120,586
R12	NE	Sr. Accountant	monthly	7,444	8,096	8,746	9,397	10,049
R12	NE	Sr. Executive Assistant	hourly	42.95	46.71	50.46	54.21	57.97
R13	E	Fin. Analyst/Database Analyst	annually	96,006	104,451	112,810	121,277	129,657
R13	E	Network Systems Engineer	monthly	8,001	8,704	9,401	10,106	10,805
R13	NE	Sr. WUE Analyst	hourly	46.16	50.22	54.24	58.31	62.34

DRAFT

MWDOC PAY STRUCTURE - EFFECTIVE JULY 1, 2022 (3.84% range adjustment)

Grade	Status	Job Classification		Range Min \$	25th % \$	Mid \$	75th % \$	Range Max \$
R13	E	Water Loss Control Programs Supv						
R13	E	Public Affairs Supervisor						
R14	E	Accounting Supervisor	annually	103,242	112,249	121,320	130,327	139,355
R14	E	Public Affairs Manager	monthly	8,604	9,354	10,110	10,861	11,613
R14	E	Sr. Water Resources Analyst	hourly	49.64	53.97	58.33	62.66	67.00
R14	E	Associate Engineer						
R14	E	District Secretary						
R15	E	WUE Program Supervisor	annually	110,996	120,672	130,391	140,111	149,809
R15	E	WEROC Programs Manager	monthly	9,250	10,056	10,866	11,676	12,484
R15	E	Sr. Fin. Analyst/Database Analyst	hourly	53.36	58.02	62.69	67.36	72.02
R16	E	Sr. Engineer	annually	119,290	129,744	140,176	150,608	161,018
			monthly	9,941	10,812	11,681	12,551	13,418
			hourly	57.35	62.38	67.39	72.41	77.41
R17	E	Principal Water Resources Analyst	annually	128,232	139,441	150,673	161,904	173,135
R17	E	WUE Program Manager	monthly	10,686	11,620	12,556	13,492	14,428
R17	E	Accounting Manager	hourly	61.65	67.04	72.44	77.84	83.24
R17	E	Governmental Affairs Mgr.						
R18	E	Principal Engineer	annually	137,865	149,917	161,990	174,064	186,116
R18	E	Administrative Services Manager	monthly	11,489	12,493	13,499	14,505	15,510
			hourly	66.28	72.08	77.88	83.68	89.48
R19	E	Director of Public Affairs	annually	148,210	161,148	174,129	187,110	200,026
R19	E	Director of Water Use Efficiency	monthly	12,351	13,429	14,511	15,593	16,669
R19	E	Director of Emergency Management	hourly	71.26	77.48	83.72	89.96	96.17
R19	E	Director of Human Resources & Administration						
R20	E	Director of Finance/IS	annually	159,334	173,243	187,196	201,127	215,080
R20	E	Associate General Manager	monthly	13,278	14,437	15,600	16,761	17,923
R20	E	Director of Engineering/District Engineer	hourly	76.60	83.29	90.00	96.70	103.40
R21	E	Open	annually	171,256	186,246	201,235	216,203	231,214
			monthly	14,271	15,521	16,770	18,017	19,268
			hourly	82.33	89.54	96.75	103.94	111.16
R22	E	Assistant General Manager	annually	180,285	198,298	216,354	234,368	252,381
			monthly	15,024	16,525	18,030	19,531	21,032
			hourly	86.68	95.34	104.02	112.68	121.34
		General Manager (eff. 7/1/2021)						
GM	E	\$329,071	annually					
REV:								

**CONSENT CALENDAR ITEM**

May 18, 2022

TO: Administration & Finance Committee
(Directors Thomas, Barbre, Finnegan)

FROM: Rob Hunter, General Manager

Staff Contact: Katie Davanaugh
Cathy Harris

SUBJECT: Authorize Purchase of New Copier

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to purchase a Ricoh Pro C5310S color copier at a cost of \$51,190.27 (including tax, software, installation and training) from Ricoh USA Inc., under the Sourcwell Regional Cooperative Purchasing Agreement.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

DETAILED REPORT

Background:

Historically, staff reviews the District's copy needs every 5 years to make an appropriate determination of the timing to purchase or lease a new copier. The District last purchased a color production copier in April 2016 from Ricoh USA, Inc. The current production copier (Ricoh model C5100) is the District's primary high-speed, multi-function copier and is used for copy/scan/print projects, production of packets for Board and Committee packets, Public Affairs and District-sponsored events materials such as fliers, collateral, briefing papers, hand-outs, etc., as well as day-to-day printing needs for all staff.

Staff attended two on-site demonstrations with Ricoh staff to review enhancements to the latest comparable C5310S model, as well as software upgrades. Discussions were held during the meetings to review the District's copy needs and expectations. Additionally, staff reviewed and analyzed the District's existing and proposed print and scan needs, and a review of the criteria and performance expectations, noting that the following factors were considered as important features and deliverables:

Budgeted (Y/N): Y	Budgeted amount: \$45,000 FY – 22/23	Core X
Action item amount: \$51,190.27	Line item: 8810 2000 19	
Fiscal Impact (explain if unbudgeted): Taking into consideration the total cost less the rebate, a total of \$2,190.27 will come from reserves.		

- Workflow production requirements, including large document management which includes Board and Committee packets; and other large document production prints including reports, booklets, manuals and handbooks.
- Contract and government pricing consideration: Ricoh participates in government pricing through the Sourcewell Regional Cooperative Purchasing Agreement.
- Upgrades to the software which are beneficial to staff in preparation of documents and files
- Prompt service call response time
- Reliability of the existing copier (also Ricoh)
- High level of customer service responsiveness
- Scanning capabilities
- Color copy needs
- Print speed
- The high level of satisfaction with product, services, and reliability with previous Ricoh products.
- Review of rebates/concessions. Of note is that Ricoh will be providing the District with a \$4,000 rebate which is valid through May 2022.
- The copier is available as a lease option as well. This option incurs interest which adds to the cost of the unit over time.
- A review of pricing for the annual maintenance agreement was negotiated at a 15% discount, and is based on copy usage volume.

In accordance with District Administrative Code Section 8002, regarding Cooperative Agreements, in an effort to obtain cost savings through economies of scale and improve efficiencies, staff may make use of Cooperative Agreements that would be beneficial for District use. Staff recommendation to purchase the copier from Ricoh USA Inc. is consistent with the District's Administrative Code.

Pricing Breakdown:

Item	Pricing
Ricoh Pro C5310S	\$37,295.09
5 Software and licensing (Fiery Compose & Training, EFI JobMaster	13,692.35
Data erase on current device (C5100)	202.83
Subtotal	51,190.27
Less rebate	-4,000
Total Cost	\$47,190.27

Based on the reliability of the product and the excellent customer service, staff is recommending purchasing a comparable machine with the latest technology through the same vendor.

Staff Recommendation:

It is recommended the Board of Directors authorize the General Manager to purchase a Ricoh Pro C5310S color copier at a cost of \$51,190.27 (including tax, software, installation and training) from Ricoh USA Inc., under the Sourcewell Regional Cooperative Purchasing Agreement.



CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

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

Robert J. Hunter
General Manager

Staff Contact: Maribeth Goldsby, District Secretary

SUBJECT: APPROVE CHANGES TO RECORDS RETENTION SCHEDULE

STAFF RECOMMENDATION

It is recommended that the Board of Directors: review and approve changes to the Records Retention Schedule and authorize staff to incorporate those changes into the Administrative Code.

COMMITTEE RECOMMENDATION

Committee reviewed and recommended the Board approve the proposed changes.

SUMMARY

During the annual review of the District's Records Retention Schedule (Schedule), the District's consultant, Dianne Gladwell (Gladwell Governmental Services), identified areas of the Schedule that need revision. The major changes are as follows:

Finance:

- FIN20 – W-9s are now required to be retained until the Vendor is Inactive + 3 years – this has been added as a new item.

Human Resources

- HR19 – Recruitment files are now required for 4 years

The remainder of the changes to the Schedule were repeals or additions to legal citations that do not affect retention requirements and are for reference purposes. The red-lined schedule is attached; legal counsel has approved these changes.

Budgeted (Y/N):	Budgeted amount:	Core	Choice _
Action item amount:			
Fiscal Impact (explain if unbudgeted): Not applicable			

RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
Cathy	Administration	ADM01	Drafts, non-District records, and transitory documents not retained in the ordinary course of business	Preliminary drafts, calendars, checklists, e-mail messages unrelated to District business, invitations for non-District events, logs, mailing lists, meeting room registrations, staff video conference chats, notes and recordings , supply inventories, telephone messages, text messages unrelated to District business, transmittal letters, undeliverable envelopes, visitors logs, voice mails,	CA GC 60201, AC 11102	AR	No			
Cathy	Administration	ADM02	Successful Proposals Relating to Real Property	Records related to bid invitations, RFP's, successful proposals and bids, drawings and specifications issued by the District for competitive bid, relating to real property. Successful bid is awarded a contract. This file does not include the original contract or insurance information.	CA GC 60201, CA CCP 337, AC 11100	PE	Yes (Finals Only)	X	X	
Cathy	Administration	ADM03	Successful Proposals Not Relating to Real Property	Records related to construction and service bid invitations, RFP's, successful proposals and bids, drawings and specifications issued by the District for competitive bid. Successful bid is awarded a contract. This file does not include the original contract or insurance information.	CA GC 60201, CA CCP 337, AC 11100	CL+10	Yes (Finals Only)	X	X	
Cathy	Administration	ADM04	Unsuccessful Proposals	Records related to Requests for Proposals issued for competitive bids received and not selected for services.	CA GC 60201, AC 11100	CL+2	No			
Cathy	Administration	ADM05	Business Plan Records	Reports describing long-range planning, District services, and goals of the District. Includes strategic plans and financial planning records	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	
Cathy	Administration	ADM06	Historical Records	Records related to the history of the District. Includes photos, anniversary celebrations, facility dedications, and awards.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		x	
Cathy	Administration	ADM07	Permits & Licenses	Records related to permits and licenses necessary for the operation of the facilities and District. Includes operating permits, NPDES permits, and Department of Health and Safety permits.	CA GC 60201, 40 CFR 122.41, AC 11100	PE	Yes (Finals Only)	x		
Cathy	Administration	ADM08	Administrative Policies and Procedures	Records providing documentation on the implementation of management and administrative policies Includes MWDOC's Rules and Administrative Code.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		x	
Cathy	Administration	ADM09	Safety	Records regarding District Safety Policy & training. Includes employee safety training, special skills of staff, OSHA inspections or citations.	8 CCR 3203, CA GC 60201, 29 CFR 1904.33, OMB 1220-0029, 8 CCR 14300.33, AC 11100	5	No	x		
Cathy	Administration	ADM10	Emergency & Security	Records providing instructions in the event of a disaster, including evacuation information, Emergency & Disaster Plans, Emergency Response Inspection Requirements, Security Policies, Continuity of Operations Plan and related correspondence.	CA GC 60201, AC 11100	SU+3	No	x		
Cathy	Administration	ADM11	Materials Safety Data Sheets / Safety Data Sheets	Records related to the use of hazardous substances.	AC 11103, 8 CCR 3204(d)(1)(A) et seq, (B)(2 and 3), AC 11100	PE	Yes (Finals Only)	x		
Cathy	Administration	ADM12	Public Records Requests	Requests for records under the Public Records Act, includes MWDOC response	CA GC 60201, AC 11100	CL+2	Yes (Finals Only)			
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Cathy	Administration	ADM13	Records Management Files	Records related to the management of District records: (a) Documentation of the transfer of records to an offsite records center (b) Destruction Certificates that certify (confirm) the destruction of official records that have been approved for destruction, and attests that destruction was accomplished in accordance with policies and procedures (c) Records Retention Schedule: a legal document listing record series maintained by the District, with associated retention periods, characteristics, the responsible department, and legal citations	CA GC 60201, AC 11100	PE	Yes (Finals Only)		x	

RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
Cathy	Administration	ADM14	District Insurance Records	Records related to insurance policies purchased by the District, includes the policies and any amendments. Excludes invoices, premium payment information, and general correspondence pertaining to insurance.	CA GC 60201 CCP 337, AC 11100	PE	Yes (Finals Only)	x		
Cathy	Administration	ADM15	Public Notices	Records announcing Requests for Proposals or Requests for Quotes including proofs of publication.	CA GC 60201, AC 11100	2	No			
Cathy	Administration	ADM16	General Correspondence	Records related to internal and external general communications. Includes memos and letters kept in chronological order as a convenience file.	CA GC 60201, 60203 , AC 11100	3	No (only project related is in LF)		x	
Cathy	Administration	ADM17	Reference Files (Not District Records)	Documents used for reference and research, such as books, technical journals, reference materials, reports, studies, magazines, periodicals, and presentations.		AR	No	insurance		
Cathy	Administration	ADM18	Equipment Maintenance & Warranty Information	Records related to the maintenance, & warranty information for equipment & furniture purchased by the District. Does not include purchase or repair invoices (see Finance section).	CA GC 60201 AC 11100	SA	No			
Cathy	Administration	ADM20	MWDOC Member Agencies	Correspondence to and from Member Agencies relating to issues directly impacting MWDOC business and information from Member Agency Manager's Meetings.	CA GC 60201 AC 11100	7	Yes (Finals Only)			
Cathy	Administration	ADM21	Other Agencies	Correspondence to and from other agencies relating to MWDOC business.	CA GC 60201 AC 11100	5	No			
Cathy	Administration	ADM22	Outside Agency Event Information (Not District Records)	Records related to events sponsored by other agencies attended by MWDOC Directors & Staff. Includes conference & seminar information and travel records. Does not include attendance records, expense reports, or payment records.		AR	No			
Cathy	Administration	ADM23	Copies	Photocopies or duplicates of any record	CA GC 60200, AC 11102	AR	No			
Cathy	Human Resources	HR01	Employee Benefit Plans & Programs	Records related to all employee benefits plans and programs, including health and life insurance policies & information, tuition reimbursement, eligibility, illness & Injury Prevention Plan (IIP), and retirement plans. Does not include employee enrollment or other individual forms.	29 CFR 1627.3, CA GC 12946, 12960 , 60201 29 USC 1027; AC 11100	CL+6	No			
Cathy	Human Resources	HR03	Salary Schedules	Records related to District Salary Schedules as established by the Board.	CA GC 60201(d)(12), 29 CFR 1627.3, AC 11100	SU+7	No	X		
Cathy	Human Resources	HR04	Medical Files	Records related to the medical history of employees, pre-employment physicals, required physicals or drug testing, doctor releases/notes for workers' compensation or other medical absences.	8 CCR 3204, 8 CCR 5144 , 8 CCR 15400.2 , 29 CFR 1910.1020(d)(1)(i); GC 12946, 12960 , 60201, AC 11100	TE+30	No	X		X
Cathy	Human Resources	HR05	Personnel Manual	Records related to Personnel Policies of the District.	CA GC 12946, 12960 60201, AC 11100	SU+3	No			
Cathy	Human Resources	HR06	Personnel Administration records	Records related to the overall administration of personnel activities. Includes studies, surveys, and reports.	CA GC 60201, AC 11100	4	No			
Cathy	Human Resources	HR07	Personnel Files	Records related to individual employees. Includes employment applications, training records, performance evaluations, driving records, awards or certificates, salary information, insurance enrollment, beneficiary designations and other forms, and separation documents.	CA GC 3105, 12946, 12960 , 60201, 29 CFR 1602.14, 1602.31 & 1627.3, 29 USC 1113, AC 11100	TE+7	No	X		X
Cathy	Human Resources	HR08	Deferred Compensation Statements, Pension Plan Statements	Employer Statements	GC 60201; AC 11100	7	No			X

RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
Cathy	Human Resources	HR09	Drug & Alcohol Tests	Employee Results (Positive & Negative)	29 CFR 1627.3(b)(1)(v), GC 12946, 12960 , 60201; 49 CFR 655.71 et seq.; 49 CFR 382.401 et seq. 49 CFR 653.71, AC 11100	5	No			X
Cathy	Human Resources	HR10	Employee Training Records (District-Sponsored)	Course Material and Sign In Sheets for employee training	8 CCR 3203 et seq., 29 CFR 1602.31, CA LC 6429(c); CA GC 12946, 12960 , 60201, 53235.2(b), AC 11100	5	No			X
Cathy	Human Resources	HR11	I-9s		INA 274A(b)(3); INS Rule 274a.1(b)(2); 29 CFR 1627.3(b)(1), CA GC 12946, 12960 , 60201; INA 274A(b)(3), AC 11100	TE+3	No			X
Cathy	Human Resources	HR12	Organizational Chart	Records related to District organizational structure.	CA GC 60201(d)(1), AC 11100	PE	No			
Cathy	Human Resources	HR13	Retiree Benefits	Records regarding benefits offered to retirees	CA GC 60201(d)(12), 29 CFR 1627.3, AC 11100	DEATH + 5 CL+7	No			
Cathy	Human Resources	HR14	Background Checks	Records related to background checks for newly hired employees.	CA GC 60201, AC 11100	TE+7	No			X
Cathy	Human Resources	HR16	Risk Management / Workers Compensation Claims	Records related to Worker's Compensation Claims, Disability Claims, and Incident/Accident Reports.	8 CCR 10102; 8 CCR 15400.2, 8 CCR 3204(d)(1) et seq., 29 CFR 1910.1020, CA GC 12946, 12960 , 60201, CA CCP 337, AC 11100	TE+30	No			X
Cathy	Human Resources	HR17	Employee Complaints	Records related to employee complaints, includes MWDOC response and disciplinary action.	CA GC 12946, 12960 , 60201, 29 CFR 1602.31, AC 11100	TE+5	No			X
Cathy	Human Resources	HR18	Recruitment Records	Records regarding the advertisement of available positions. Includes job descriptions, job postings, advertising, interviews, resumes, applications, testing questions and results.	29 CFR 1602.32, 29 CFR 1627.3. 2 CCR 11013(c) CA GC 12946, 12960 , 60201, AC 11100	CL+ 43	No			X
Cathy	Human Resources	HR19	COVID-19 Notifications to Employees		LC 6409.6(k), GC 60201	CL+3	No			X
Finance	Finance	FIN01	General Ledger	Financial records related to the general ledger posting. The Financial Database can re-create reports upon demand.	CA GC 60201, AC 11101	AU	No			
Finance	Finance	FIN02	Interim Financial Reports	Records describing the financial status of the District. Includes financial, fiscal, and monthly reports, worksheets, printouts, and statements on the financial position and condition of the District. The Financial Database can re-create reports upon demand.	CA GC 60201, AC 11102	AU+7	No			
Finance	Finance	FIN03	Audit Records	Records related to reviewing the District's activities to ensure compliance with policies, procedures, and standards.	CA GC 60201, AC 11100	AU+7	No			
Finance	Finance	FIN04	Annual Financial Report & Auditor Report	Records describing the financial status of the District, including the Annual Financial Report and the Final Audit Report.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	
Finance	Finance	FIN05	Draft MWDOC Budget	Records related to internal financial planning and management. Includes final budget vs. cost reports, summaries, worksheets, and goals and objectives.	CA GC 60201, AC 11102	AU	No			

RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche? (Finals Only)	V	H	C
Finance	Finance	FIN06	Final MWDOC Budget	Records related to the Final MWDOC Annual Budget and milestones for the final approved budget. Final budget is approved by the Board.	CA GC 60201, AC 11100	PE	Yes		X	
Finance	Finance	FIN07	Accounts Payable / 1099, 1096	Records related to payment of financial obligations (money owed by the District). Includes vendor invoices, bills, check requests, statements including credits/refunds, disbursement reports, completed purchase orders & purchase requisitions, travel & expense reports, membership renewal payments, and petty cash.	CA GC 60201, AC 11100	AU+7	No			
Finance	Finance	FIN08	Accounts Receivable	Records related to accounting for money owed to the District. Includes cash receipts, check copies, uncollectible debts, MWDOC invoices and bankruptcies. Excludes Water Billing.	CA GC 60201, AC 11100	AU+7	No	X		
Finance	Finance	FIN09	Payroll Records	Records related to payment of labor costs. Includes employee timesheets, completed request for leave forms, salary, wage, and deferred compensation; deduction, garnishment, and retirement contribution.	29 CFR 516.5; 29 CFR 516.6, CA GC 60201(d)(12) , 60203 IRS Reg 31.6001-1(e)(2), R&T 19530; LC 1174(d); 8 CCR 11040.7(7)(C), AC 11100	AU+7	No	X		X
Finance	Finance	FIN10	Payroll Tax Records	Records related to Annual & Quarterly payroll tax filings, includes W-2 forms.	CA GC 60201, 29 CFR 516.5, 516.6, AC 11100	AU+7	No			X
Finance	Finance	FIN11	Banking Record	Records related to bank transactions. Includes deposits of funds, cancelled checks, check registers, bank advices, wire transfers, bank statements, and reconciliations.	AC 11100, CA GC 60201, 26 CFR 31.6001-1	AU+7	No			
Finance	Finance	FIN12	Cash & Investment Record	Records related to portfolio investments. Includes cash flow statement, transaction records, and investment pool statements.	CA GC 60201, AC 11100	AU+7	No			
Finance	Finance	FIN13	Water Billing	Records related to the processing of the monthly water billing. Includes Metropolitan invoices, invoices issued, and reconciliation reports.	CA GC 60201, AC 11100	AU+7	No	X		
Finance	Finance	FIN14	Fixed Asset Record	Records related to the acquisition, depreciation, and accruals of fixed assets. Includes purchase and sale or disposition information.	CA GC 60201, AC 11100	SA+7	No			
Finance	Finance	FIN15	Grant Records / Conservation Grants	Records related to accepted/approved federal or state grants, includes financial records.	CA GC 60201, GC 8546.7; 2 CFR 200.33; 7-CFR-3046-42; 24 CFR 1403.36 & 1403.42(h); 24 CFR 95-42; 91.105(h), 92.505, 570.490, & 570.502(844), 28-CFR-66-42; 29 CFR 97.42; 40-CFR 31-42; 44-CFR 13-42; 45-CFR 92-42; OMB Circular A-110 & A-133 AC 11100	CL+5	No			
Finance	Finance	FIN16	Old Business	Records related to previously closed finance-related issues not included in other record categories. Includes the OC Bankruptcy.	CA GC 60201, AC 11100	AU+7	No			
Finance	Finance	FIN19	Payroll Report by Employee	Cumulative Report by Employee	CA GC 60201, AC 11100	PE	No		X	
Finance	Finance	FIN20	W-9s	Vendor W-9s Forms (Taxpayer ID Number and Certification)	CA GC 60201	CL+3	No		X	
Finance	Information Technology	IT01	Computer Systems Records	Records and manuals related to District hardware records, maintenance files, software application files, database programs and backup tapes. Excludes data contained in any of the above programs.	CA GC 60201, AC 11102	AR	No			
Finance	Information Technology	IT02	Network Operating Manual	Records related to the operation of the District Information Technology.	CA GC 60201, AC 11102	AR	No			

RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
Engineering	ENG01	Engineering Projects	Records related to major projects or capital improvements for District services.	CA GC 60201, CA CCP 337 AC 11100	PE	Yes (Finals Only)			
Engineering	ENG02	Local Water Operations and Water Usage Databases	Records related to non-Metropolitan water operations. Includes water usage & production information and joint facility operations & maintenance allocations.	CA GC 60201, AC 11100	PE	N/A	X		
Engineering	ENG03	Drawings & Maps	Record Drawings / As-Builts & As-Bids, Records of graphic depictions (drawings, sketches) of facilities. Includes bid set drawings marked up by contractors during construction to show how facility or component is actually constructed, base maps for service areas, Director divisions, and atlases.	CA GC 60201, AC 11100	PE	Yes (Finals Only)	X	X	
Engineering	ENG04	Facilities Maps	Record Drawings / As-Builts & As-Bids, Records related to planning of District facilities that are geographical in nature and show pipelines and other waterworks facilities.	CA GC 34090, AC 11100	PE	Yes (Finals Only)	X	X	
Engineering	ENG05	Research & Planning	Records related to planning of District projects and programs. Includes water reliability & drought issues, Water Demand Forecast, Five Year Water Projections, and water supply alternatives.	CA GC 60201, AC 11100	10+AR	No	X	X	
Engineering	ENG06	Service Connections & Plans & Specifications	Records related to service connections, local distribution systems, and Allen McColloch Pipeline (AMP). Does not include records regarding sale of AMP.	CA GC 60201, AC 11100	PE	Yes (Finals Only)	X	X	
Engineering	ENG07	Rates, Fees and Charge Records	Records related to determining rates and fees charged by the District, includes annual water rates survey, tracking budget.	CA GC 60201, AC 11100	10+AR	No	X		
Engineering	ENG08	Engineering Plans, Reports & Studies	Reports & Studies conducted by the Engineering Department, Water Rate Survey, Master Plans, Fixed Treatment Charge Project Files, Conveyance of Local Water, etc.	CA GC 60201, AC 11100	PE	Yes (Finals Only)			
Engineering	ENG09	Plan Checks - Pipeline	Construction within the District's Easements / Rights of Way	CA GC 60201, CA CCP 337, AC 11100	PE	Yes (Finals Only)	X		
Engineering	ENG10	Engineering Projects - Administration Files	Project Administration, Project Schedules, Certified Payrolls, Cost of Construction, Logs, Insurance Certificates from Contractors, Correspondence, Advertising, Labor Compliance, Temporary Encroachment Permits, etc.	CA GC 60201, CA CCP 337, AC 11100	CL+10	Yes (Finals Only)			
Engineering	ENG11	Connections & Interties - East Orange County, Doheny, etc.	Drawings and Specifications, etc.	CA GC 60201, CA CCP 337, AC 11100	PE	Yes (Finals Only)	X		
Metropolitan Water District of Southern California	MET01	Metropolitan Administrative Correspondence	Records related to Metropolitan issues of vital interest to MWDOC business that are not easily obtained or readily available through other means.	CA GC 60201, AC 11100	5+AR	(Selected Important Records)			
Metropolitan Water District of Southern California	MET02	Operations & Service Interruptions	Records related to Metropolitan water operations that are of vital interest to MWDOC business. Includes shutdown information & chlorination notifications & reports, treatment facilities, distribution system (including maps, capacity diagrams, & detailed schematics), water quality, and water reliability.	CA GC 60201, AC 11100	5+AR	No			
Metropolitan Water District of Southern California	MET03	Projects & Programs	Records related to Metropolitan projects and programs that are of vital interest to MWDOC business. Includes Capital Improvement Program, desalination projects, water supply projects, Interim Agricultural Water Program, Local Resources Program, power related projects, groundwater Conjunctive Use Programs, and Community Partnering Program.	CA GC 60201, AC 11100	CL of Met Contract + 5	Yes (Finals Only)			
Metropolitan Water District of Southern California	MET04	Water Transfers & Wheeling	Records related to Water Transfers and Wheeling that are of vital interest to MWDOC business.	CA GC 60201, AC 11100	PE	Yes (Finals Only)			
Board of Directors	BOD01	Board of Directors Administrative Records	Records related to the Board of Directors. Includes general correspondence and reports, Informal Proclamations	CA GC 60201, AC 11100	2	No			

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RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
Board of Directors	BOD02	Board and Internal Policies	Policy set by Board of Directors, Formal Proclamations	CA GC 60201, AC 11100	PE	Yes (Finals Only)	x	x	
Board of Directors	BOD03	Ordinances and Resolutions	Records related to regulations for the District that are approved or adopted by the Board of Directors, and the normal expression of the will, opinion, and intent voted by the Board of Directors.	CA GC 60201, AC 11100	PE	Yes (Finals Only)	x	x	
Board of Directors	BOD04	Board & Committee Meetings, Agendas, Packets	Records related to information provided to the official Board of Directors for consideration and action at official proceedings. Includes agendas, and staff reports ("Agenda Packet")	CA GC 60201	PE	Yes (Finals Only)	x	x	
Board of Directors	BOD05	Board & Committee Meeting Minutes	Records related to actions and decisions of the Board of Directors. Includes minutes, administrative orders, minute orders, and minute actions.	CA GC 60201, AC 11100	PE	Yes (Finals Only)	x	x	
Board of Directors	BOD06	Board & Committee Meeting Notes	Records include shorthand notebooks, stenotype records, and keys to audio tapes (Preliminary drafts)	CA GC 60201, AC 11102	EX	No			
Board of Directors	BOD07	Board & Committee Meeting audio recordings	Records include audio recordings of Board & Committee Meetings made for whatever purpose (e.g., minute preparation)	CA GC AC 11100, CA GC 54953.5(b)	30 days	No			
Board of Directors	BOD08	Election Records	Records related to the election process. Includes maps, directors' divisions, and election results.	CA GC 60201, CA EC 17100, AC 11100	PE	Yes (Finals Only)			
Board of Directors	BOD09	Oath of Office	Records of the Oaths of Office, Election Certificates, and related materials depicting the authenticity of the appointment of any of the Directors or Executive Officers of MWDOC.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		x	
Board of Directors	BOD10	Public Notices, Legal Advertising, Proof of Publication	Proof of publications, notices, Brown Act notices, mailing lists, etc.	CA GC 60201, AC 11100	2	No			
Improvement District No. 1	ID101	Improvement Bonds & COPS	Records related to interest-bearing certificates issued by the District to raise revenues. Includes certificates of participation (COPS).	CA GC 60201, CA CCP 336, 337.5, AC 11100	CL+10	No			
Improvement District No. 1	ID102	Property Tax Filing	Records related to the filing of Property Taxes with the County of Orange.	CA GC 60201, AC 11100	AU+7	No			
Legal	LGL01	Annexation Files	Records related to receiving or transferring land within District boundaries.	CA GC 60201	PE	Yes (Finals Only)		X	
Legal	LGL02	Formation Files	Records documenting the terms under which the District was formed, organized, re-organized or consolidated. Includes directives from LAFCO on boundaries or services.	CA GC 60201 AC 11100	PE	Yes (Finals Only)		X	
Legal	LGL03	Property Owned by the District	Records related to real property. Includes deeds, easements, and similar documents related to property which MWDOC holds or owns.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	
Legal	LGL04	Legal Opinions	Records related to legal opinions on issues, problems, and policies impacting the organization.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	X
Legal	LGL05	Litigation Files	Records related to threatened or actual litigation or government investigations. Includes subpoenas, pleadings, discovery files, work product, exhibits, final judgments, and court documents.	CA GC 60201, CA CCP 337 AC 11100	CL+5	No			
Legal	LGL06	Subpoenas	Records related to subpoenas received by the District, where MWDOC is a third party. Includes the District's response.	CA GC 60201, AC 11100	CL+2	No			
Legal	LGL07	Fair Political Practices Commission Filings (Form 700s)	Records related to annual conflict of interest filings (Form 700) for Board members, employees, and consultants; assuming/leaving statements; and lobbyist registration.	CA GC 81009(e)(g), AC 11100	7	No			
Legal	LGL08	Contracts & Agreements, Relating to Real Property - Includes RFPs, Final Award / Successful Proposal	Records related to obligations defined in contracts and agreements relating to real property. Includes promissory agreements, contracts for services, purchases and sales, certificates of insurance from vendors, and change orders.	CA GC 60201, CA CCP 337, AC 11100	PE	Yes (Finals Only)		X	

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MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
Maribeth	Legal	LGL09	Contracts & Agreements, Construction - Includes RFPs, Final Award / Successful Proposal	Records related to obligations defined in construction contracts and agreements. Includes promissory agreements, contracts for services, purchases and sales not relating to real property, certificates of insurance from vendors, and change orders.	CA GC 60201, CA CCP 337, AC 11100	PE	Yes - including addendums / amendments	X		
Maribeth	Legal	LGL10	Contracts & Agreements, General	Records related to obligations defined in contracts and agreements. Includes software licenses, promissory agreements, contracts for services, purchases, and sales, certificates of insurance from vendors, and change orders. Excludes construction contracts.	CA GC 60201, CA CCP 337, AC 11100	CL+10	Yes - including addendums / amendments	X		
Maribeth	Legal	LGL11	FPPC Campaign Statements (Forms 460, 470, 501, etc.) - Elected Officials		GC 81009(b)&(g), 60201	PE	No			
Maribeth	Legal	LGL12	FPPC Campaign Statements (Forms 460, 470, 501, etc.) - NOT Elected		GC 81009(b)&(g), 60201	5	No			
Maribeth	Legal	LGL13	FPPC Form 801 (Gift to Agency Report)		2 CCR 18944(c)(3)(G); CA GC 81009(e), 60201	7	No			
Maribeth	Legal	LGL14	FPPC Form 802 (Event Ticket / Pass Distributions Agency Report)		CA GC 81009(e), 60201	7	No			
Maribeth	Legal	LGL15	FPPC Form 803 (Behested Payment Report)		CA GC 81009(e), 60201	7	No			
Maribeth	Legal	LGL16	FPPC Form 804 (Agency Report of New Positions)		FPPC Regulation 18734(c); CA GC 81009(e), 60201	PE	No			
Maribeth	Legal	LGL17	FPPC Form 805 (Agency Report of Consultants)		FPPC Regulation 18734(c); CA GC 81009(e), 60201	PE	No			
Maribeth	Legal	LGL18	FPPC Form 806 (Agency Report of Public Official Appointments)		2 CCR 18702.5(b)(3) CA GC 81009(e), 60201	7	No			
Maribeth	Legal	LGL19	Ethics Training Certificates / Harassment Prevention Training Certificates	Ethics Training Certificates / Harassment Prevention Training Certificates for Board Members and Others	GC 53235.2(b), GC 53237.2(b) , AC 11100	5	No			
Maribeth	Legal	LGL20	Claims	Records related to Claims filed against, or by the District	CA GC 60201, CA CCP 337, AC 11100	CL+5	No			
Maribeth	Water Facilities Corporation	WFC01	Water Bonds & Certificates of Participation - Other Documents	Records related to interest-bearing certificates issued by the District to raise revenues. Includes interest & redemption vouchers and Certificates of Participation (COPS). Does not include Official Statement.	CA GC 60201 CA CCP 336, 337.5, AC 11103	CL+10	No			
Maribeth	Water Facilities Corporation	WFC02	Water Bonds & Certificates of Participation - Official Statement	Records including final official statement for Bond or COPS issuance.	CA GC 60201, CA CCP 336, 337.5, AC 11100	CL+10	No			
Maribeth	Water Facilities Corporation	WFC03	Allen McColloch Pipeline Sale to Metropolitan	Records related to the sale of the AMP to Metropolitan. Includes the Sales Proceed Agreement; RPOI distribution to the participants.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	
PA	Governmental Affairs	GA01	Federal Legislation	Information regarding House and Senate Bills.		AR	No			
PA	Governmental Affairs	GA02	State Legislation	Information regarding Assembly & State Senate Bills and Ballot Initiatives.		AR	No			
PA	Governmental Affairs	GA03	Legislative Correspondence	Records of correspondence related to State & Federal Legislation, including support & oppose letters and floor alerts.	CA GC 60201, AC 11100	2	No			
PA	Governmental Affairs	GA04	Lobbyist Correspondence	Information regarding lobbyist activities & related correspondence. Does not include FPPC filings/Lobbyist registrations.	CA GC 60201, AC 11100	2	No			
PA	Public Affairs	PA01	Inspection Trips & Events	Records related to District sponsored trips/tours and other events. Includes venue information, invitations, agendas, and final attendee list. Does not include expense or cost reports or other financial information (see Finance section).	CA GC 60201, AC 11100	CL+5	No			

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Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
PA	Public Affairs	PA02	Public Relations Information	Records related to preparing public information, brochures describing District activities, and advertising materials that promote District events or programs. Includes samples of promotional items, newspaper clippings and photographs, artwork, videos, news releases and newsletters.	CA GC 60201, AC 11100	4+AR	No			
PA	Public Affairs	PA03	MWDOC Website / Microsites	Records relating to the creation & maintenance of the official MWDOC website.	CA GC 60201, AC 11102	AR	No			
PA	Public Affairs	PA04	Public Complaint Files	Records related to verbal and written public complaints. Including water quality complaints (odor, color, etc.) Includes documentation regarding MWDOC's response. Does not include government and/or legal claims.	CA GC 60201, 40 CFR 122.41(j)(2) & 40 CFR 141.33(b), 22 CCR 66470, AC 11100	CL+5	No			
PA	Public Affairs	PA05	Speeches & Presentations	Records related to the preparation of presentation materials by staff. Includes text of speeches, presentation materials, and computer presentation software files.	CA GC 60201, AC 11102	AR	No			
PA	Public Affairs	PA06	School Program	Includes information from Discovery Science Center, contests, school presentations, and information from other education related events.	CA GC 60201, AC 11100	5+AR	No			
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER01	Program Organization & History	Records relating to the development and administrative functions of WEROC, including Steering Committee & Executive Committee Meeting information & minutes, and Indemnification Agreements.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER02	Emergency Response Plans	Records relating to the Standardized Emergency Management System, National Incident Management System, Hazard Mitigation Plan, and Vulnerability Assessments & Emergency Response Plans. Risk & Resiliency Assessment , Hazard Mitigation Plan .	CA GC 60201, AC 11100	SU+5	No	X		
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER03	Volunteer Information & Training Documentation	Records relating to WEROC volunteers & training. Includes contact information forms and training records.	CA GC 60201, AC 11100	TE+5	No			
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER04	Facilities / Listing of Equipment / Asset Lists	Records related to the Emergency Operations Center. Includes information on maintenance and maps & equipment, including radio systems. Retained for the Useful Life of the Equipment.	CA GC 60201, AC 11100	EX+5	No	X		
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER05	WEROC Member Agencies	Records related to communications, Quarterly Meetings	CA GC 60201, AC 11100	10	No			
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER06	County, State & Federal Emergency Services	Records related to Orange County Emergency Management Organization & Operational Area Executive Board, State of California Office of Emergency Services, Federal Emergency Management Agency, Water/Wastewater Agency Response Network, California Utility Emergency Association, and Infragard.	CA GC 60201, AC 11100	AR	No			

RECORDS RETENTION SCHEDULE
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

Responsible	Dept.	Code	Record Series	Definitions	Citations	Retention	Laserfiche?	V	H	C
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER08	Disaster Response	Records containing documentation for individual events that we have responded to, filed by incident. Includes activation records and communications. After action reports.	CA GC 60201, AC 11100	CL + 10	Yes (Finals Only)		X	
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER09	CalWARN	Agreements, communications related to CalWARN (MWDOC agreed to hold them verbally). If agency no longer exists, agreement can be destroyed.		T + AR	Yes (Finals Only)			
WEROC	Water Emergency Response Organization of Orange County (WEROC)	WER10	Grant Purchases	Agreements, Equipment lists, grant required documentation		CL + 10	Yes (Finals Only)			
WUE	Water Use Efficiency	WUE01	Conservation & Landscape Programs (Commercial & Residential)	Records related to conservation and landscape programs facilitated by the District to encourage efficient use of water. Includes exchange and rebate programs, turf removal, performance certification and training programs, and surveys.	CA GC 60201, AC 11100	CL of Met Contract + 5	LF - old Droplet new		X	
WUE	Water Use Efficiency	WUE02	Water Use Efficiency Administrative Records	Records related to general WUE program correspondence, Choice Program, and workgroup meeting information.	CA GC 60201, AC 11100	5+AR	No		X	
WUE	Water Use Efficiency	WUE03	Conservation Research Activities	Records related to District research activities in the area of conservation and water use efficiency.	CA GC 60201, AC 11100	10+AR	No		X	
WUE	Water Use Efficiency	WUE04	Grants - Unsuccessful / Unfunded	Applications, research, Grant Information, etc.	CA GC 60201, AC 11100	2+AR	No			
WUE	Water Use Efficiency	WUE05	Grants - Successful / Funded	Applications, Grant Reports, Grant Information, etc.	CA GC 60201, AC 11100	5+AR	Agreement only			
WUE	Water Use Efficiency	WUE06	Water Use Efficiency Plans, Studies and Reports	R3 Studies, etc.	CA GC 60201, AC 11100	PE	Yes (Finals Only)		X	

Code	Event Name	Description
+	Plus	Some retention periods consist of two or more components; i.e. CL+6 means they should be kept until closed plus 6 years.
AR	After Review	Subject to review to determine if record has continued value.
AU	After Audit	Retain until audit has been performed.
CL	Closed; Completed	Retain until closed or project completion date.
CU	Current Year	A period of time starting after the end of the current calendar year – December 31.
EX	Expiration / end of usefulness	Retain until file has expired or is no longer useful or relevant.
M	Month	Additional retention period of 1 calendar month
PE	Permanent	Record retained Permanently
SA	Sale or Disposal	Retain until item is sold, disposed, demolished or removed from service.
ST	Settlement	Final Settlement or Resolution
SU	Superseded	Record is maintained until made obsolete by the creation or receipt of a newer version.
TE	Termination	Retain until termination or separation from the District

Code	Characteristic Name	Description
V	Vital	A record identified as essential for the continuation or survival of the organization if a disaster strikes. Such records are necessary to re-create the organization's legal and financial status and to determine the rights and obligations of employees, customers, stockholders, and citizens.
H	Historical	The value attributed to a record which preserves documentation on significant historical events including the organization's operations, origin, policies, authorities, functions, and organizations, as well as significant administrative decisions.
C	Confidential	A record requiring protection against unauthorized disclosure, modification, or destruction. A document with restricted access.



CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Hilary Chumpitazi

SUBJECT: **Annual Review of District Investment Policy and Guidelines**

STAFF RECOMMENDATION

It is recommended that the Board of Directors receive and file Investment Policy Guidelines.

COMMITTEE RECOMMENDATION

Committee concurred with staff recommendation.

SUMMARY

MWDOC's Administrative Code requires an annual review of this policy and the Board Resolution No. 2114, May 2021, establishing the District's Investment Policy and Guidelines. The 2022 Local Agency Investment Guidelines had minor formatting and grammatical changes that do not affect our investment policy and the County of Orange did not have any changes. Attached is the resolution.

STAFF RECOMMENDATION

Staff recommends no changes at this time.

Budgeted (Y/N):	Budgeted amount:	Core	Choice _
Action item amount:			
Fiscal Impact (explain if unbudgeted): Not applicable			

**RESOLUTION NO. 2114
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
INVESTMENT POLICY AND GUIDELINES**

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**RESOLUTION NO. 2114
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
INVESTMENT POLICY AND GUIDELINES
2021**

BE IT RESOLVED by the Board of Director of the Municipal Water District of Orange County that the following is the policy and guidelines of the District for investment of funds and rescinds prior Resolution No. 2084, dated May 15, 2019.

SECTION 2100 - PURPOSE

The purpose of this policy is to set forth the investment and operational policies for the management of the public funds of Municipal Water District of Orange County. These policies have been adopted by, and can be changed only by a majority vote of the Board of Directors.

These policies are designed to ensure the prudent management of public funds, the safety of principal, the availability of operating funds when needed, and an investment return competitive with those of comparable funds and financial market indexes.

A copy of this policy will be provided to all investment brokers and investment managers doing business with the Municipal Water District of Orange County. Receipt of this policy, including confirmation that it has been reviewed by persons dealing directly with the Municipal Water District of Orange County's account will be received prior to any organization providing investment services to the Municipal Water District of Orange County.

SECTION 2101 - STATUTORY AND DELEGATED AUTHORITY

Authority to manage the investment of surplus funds is derived from California Government Code Sections 53601, et seq. In accordance with Section 53607 of the Government Code of the State of California, the authority of the Board of Directors to invest public funds may be delegated to the Treasurer for a one-year period, which may be renewed annually.

The Municipal Water District of Orange County (MWDOC) Board of Directors has expressly delegated the investment authority of the Board of Directors to the Treasurer pursuant to Resolution No. 1166. By Resolution No. 1277, the Board of Directors created the office of Deputy Treasurer and delegated to the Deputy Treasurer the authority to direct investment of MWDOC funds under the circumstances set forth in said Resolution, and to make a monthly report of those transactions to the Board. The Board of Directors created the office of Alternate Deputy Treasurer by Resolution No. 1434 and specified circumstances under which the Alternate Deputy Treasurer would have authority to direct the investment of MWDOC funds.

No person may engage in an investment transaction on behalf of MWDOC unless he or she has been duly appointed by the Board of Directors to the office of Treasurer, Deputy Treasurer, or Alternate Deputy Treasurer, and subject to the limitations and conditions set forth in the Resolutions establishing those offices and the terms of this policy. Notwithstanding the foregoing, upon the occurrence of a vacancy in the office of Treasurer, the Board of Directors may appoint an Acting Treasurer, who shall have and exercise the authority delegated to the Treasurer until appointment of a successor Treasurer by the Board of Directors.

The delegations in Resolution Nos. 1277 and 1434 are renewed on the adoption of this Policy. The Treasurer shall be responsible for all transactions undertaken and shall establish procedures and a system of internal controls to regulate the activities of subordinate officials.

SECTION 2101.5 – COMPLIANCE EXCEPTIONS REPORTING

Any compliance exceptions with the Investment Policy and Guidelines (IPG) will be reported within 72 hours to the General Manager, Board President, and the Chair of the Administration & Finance Committee. At the time of reporting, a recommended resolution to the matter shall be included. Notification shall also be included in the monthly Treasurer's Report to the Board of Directors with the resolution noted.

SECTION 2102 - ORGANIZATION

The organizational structure of the investment functions of MWDOC shall consist of the Board of Directors, the Administration & Finance Committee, the Treasurer and Deputy Treasurers. The responsibilities of these groups are as follows:

Board of Directors - the elected body responsible for the administration and investment of the assets of MWDOC. The Board may acquire, hold, manage, purchase, sell, assign, trade, transfer and/or dispose of any security, evidence of debt, or other investment in which MWDOC's assets may be invested by law. To assist them in discharging their responsibilities, the Board shall appoint a Treasurer, Deputy Treasurers and custodians of assets.

Administration & Finance Committee - appointed by the Board to review transactions, performance and asset mix, monitor, recommend policy, and propose adjustments for Board approval.

Treasurer - responsible for the administration and the investment of the funds, subject to the policies and restrictions set by the Board. The Treasurer as investment officer of MWDOC is granted full authority and responsibility by the Board in the purchase, sale, assignment, exchange and transfer of securities and for the safe custody of security holdings, subject to Board policies, rules, regulations and directives consistent with regulatory and statutory limitations. The Treasurer is responsible for interpreting, administering and advising on legal requirements, investment policies and strategies; collecting income, preparation of reports. Also responsible for Deputy Treasurer, and investment staff compliance with this Investment Policy and guidelines.

Deputy Treasurers - act in the absence of the Treasurer as specified within the Resolution of appointment to fulfill the duties and responsibilities as assigned by the Treasurer.

SECTION 2103- INVESTMENT PHILOSOPHY

Except where specifically directed by the State Constitution, statutes or regulations, the general investment policies of MWDOC will be guided by the prudent investor standard ("Standard") set forth in California Government Code Section 53600.3. Under this Standard, those with investment responsibility for public funds are trustees and, as trustees, shall act with care, skill, prudence and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of MWDOC, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a

like character and with like aims to safeguard the principal and maintain the liquidity needs of the agency.

This Standard shall be applied in the context of managing the overall investment portfolio. The investment officer, acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

SECTION 2104 - SCOPE

It is intended that this Investment Policy cover all funds and investment activities of MWDOC. Any reference to the portfolio shall mean the collection of MWDOC securities held by the Treasurer. Those securities held in Trust or escrow by a third-party Trustee or escrow agent on behalf of MWDOC are invested under the Treasurer's direction in accordance with this Investment Policy and the terms of the specific escrow or trust agreements related to the funds.

MWDOC funds are divided into two categories, and the investment objectives and policies vary with the nature of the fund.

- Operating and Fiduciary Funds - These funds are to provide for the ordinary annual operating expenses of MWDOC (General Fund, Water Fund) and Funds to provide for trustee functions and expenditures (WFC, with the exception of the Debt Service Reserve) and other specified recurring and non-recurring purposes where MWDOC serves in a fiduciary role. These funds are considered "short-term" for investment purposes and will be invested to provide the safety and liquidity to meet all anticipated expenditures.
- Reserve funds – These funds are designated for contingencies or emergencies and may be used to supplement the other funds as necessary. These funds may be invested "longer-term" as defined in this Investment Policy.

SECTION 2105- INVESTMENT OBJECTIVES

When investing, reinvesting, purchasing, acquiring, exchanging, selling or managing MWDOC's funds, the primary objective is to safeguard the principal of the funds. The secondary objective is to meet the liquidity needs of MWDOC. The third objective is to achieve a maximum return on invested funds (California Government Code Section 53600.5.). It is the policy of MWDOC to invest funds in a manner to obtain the highest yield possible while meeting the daily cash flow demands of MWDOC as long as investments meet the criteria established by this investment policy for safety and liquidity and conform to all laws governing the investment of MWDOC's funds.

Safety of Principal.

Safety of principal is the foremost objective of MWDOC. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they arise from securities defaults, institution default, broker-dealer default, or erosion of market value of securities. MWDOC shall mitigate the risk to the principal of invested funds by limiting credit and interest rate risks. Credit risk is the risk of loss due to the failure of a security's issuer or

backer. Interest rate risk is the risk that the market value of the MWDOC's portfolio will change due to an increase/decrease in general interest rates.

1) Credit risk will be mitigated by:

- (a) Limiting investments to only the most creditworthy types of permissible investments as described in Section 2106;
- (b) By pre-qualifying the financial institutions with which the Agency will do business; and
- (c) By diversifying the investment portfolio so that the potential failure of any one issue or issuer will not place an undue financial burden on the District.

2) Interest rate risk will be mitigated by:

- (a) Structuring the portfolio so that securities mature to meet the District's cash requirements for ongoing obligations, thereby reducing the possible need to sell securities on the open market at a loss prior to their maturity to meet those requirements; and
- (b) Investing primarily in shorter term securities.

Liquidity

Availability of sufficient cash to pay for current expenditures shall be maintained. An adequate percentage of the portfolio shall be maintained in liquid short-term securities which can be converted to cash as necessary to meet disbursement requirements. Since cash requirements cannot always be anticipated, sufficient investments in securities with active secondary or resale markets shall be utilized.

Rates of Return

Yield on investments shall be considered only after the basic requirements of safety and liquidity have been met. The investment portfolio shall be designed to attain a market average rate of return throughout budgetary and economic cycles, taking into account the MWDOC's risk constraints, the composition and cash flow characteristics of the portfolio, and applicable laws.

SECTION 2106- INVESTMENT POLICY GUIDELINES

MWDOC authorized investment types, amounts, maturities, and other characteristics are stated in the Government Code Section 53601 (as periodically amended), and with the following exceptions as noted below.

- Collective Investment Pools - Assets of any of the funds may be invested in collective investment pools run and managed by other public bodies and banks that are approved by the Board of Directors. However, no such investment shall be made in a pool where the investment objectives differ from the investment objectives listed in Section 2105 of this investment policy, nor should any investment be made in a fund that engages in market timing or anticipating interest rate changes or that uses derivatives or other securities other than as a hedge against interest rate risk. The investment shall not exceed 20% of portfolio in effect immediately after such investment and no more than 10% in one pool.

- Money Market Mutual Funds - Investment in shares of money market mutual funds may be made if the investments meet the same restrictions as those of collective investment pools. In addition, purchase of these funds must not result in payment of a purchase premium or commission. These mutual funds must attain the highest ranking of two nationally recognized ratings services and the investment adviser must be registered with the Securities and Exchange Commission (SEC) as an investment adviser with not less than five years' experience managing market mutual funds with investment portfolios of greater than \$500 million. An investment shall not exceed 20% of portfolio in effect immediately after such investment.
- Cash Holdings - The portfolio will hold sufficient cash equivalent investments to ensure availability of sufficient funds to meet known obligations for the next three months. Idle cash will be invested to the fullest extent practicable in interest-bearing investments.
- Other permissible investments for the Operating and Fiduciary funds are:
 - Bank checking accounts, time deposits or certificates of deposit not to exceed the current Federal Deposit Insurance Corporation (FDIC) limit without being collateralized.
 - Negotiable Certificates of Deposit shall not exceed 30% of portfolio in effect immediately after such investment and no more than 5% in one issuer.
 - U.S. Treasury obligations.
 - U.S. Government Agency obligations and, U.S. Government Instrumentality obligations. May not invest more than 50% of portfolio from one issuer.
 - Prime Commercial Paper rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch. May not exceed 25% of portfolio in effect immediately after such investment and may purchase no more than 10% of the outstanding commercial paper of any single issuer. The maximum maturity for Commercial Paper is 270 days.
 - Prime Banker's Acceptances rated A-1/P-1/F-1 by Moody's, Standard and Poor's or Fitch shall not exceed 40% of portfolio in effect immediately after such investment and no more than 5% may be of any one commercial bank. The maximum maturity is 180 days.
 - Corporate Securities (Medium-Term Notes) with a rating of "A" or better by at least two nationally recognized rating services. Shall not exceed 30% of portfolio in effect immediately after such investment with no more than 10% in one issuer.
 - Loans with an agreement for the collateral to be repurchased by the borrower (Repurchase Agreements); the amount of such instruments will not exceed 20% of the market value of the portfolio with no more than 10% from one issuer. Maximum maturity is 1 year. U.S. Treasury and Agency securities are acceptable collateral with a market value of at least 102% of the value of the Repurchase Agreement. Prior to investment, a Master Repurchase Agreement will be signed with the qualified counterparty.
- Permissible investments for Reserve Funds are:
 - All investments permitted for the Operating and Fiduciary funds, except maturities may not exceed five years without Board approval prior to investment.
- Prohibited Investments and Investment Practices - The following are prohibited:

- Purchases on margin or short sales.
 - "Derivative" securities of any type.
 - Lending securities with an agreement to buy them back after a stated period of time (Reverse Repurchase Agreements).
 - Futures, Options and Margin Trading
 - In no instance shall a swap be used in speculation. Losses are only acceptable if the proposed swap or trade can clearly enhance quality or yield (value) over the life of the new security on a Total Return basis.
 - Investments are limited to maturities of five years or less without express authorization of the Board prior to the investment.
- Diversification - The investment portfolio will be diversified to avoid undue concentration in securities of one type or securities of one financial institution, so that no single investment or class of investments can have a disproportionate impact on the total portfolio. This restriction does not apply to U.S. Treasury securities.
 - Exemptions - Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested only as provided by the current policy.

SECTION 2107 - EXECUTION

The responsibility for the execution of security transactions shall rest with such qualified members of the investment staff as designated by the Board. The selection of the broker-dealer for a specific transaction shall be based on price and yield quotations. Every effort shall be made to obtain appropriate discounts on individual orders.

Security orders shall be placed on the basis of accepted investment practices. All security transactions, including for repurchase agreements, entered into by MWDOC shall be on a Delivery-vs.-Payment (DVP) basis, i.e. payment will be made upon receipt of the securities to the safekeeping or trust account or custodial facility. All securities shall be held in MWDOC's name pursuant to an agreement and all financial institutions are instructed to mail confirmation and safekeeping receipts directly to MWDOC within three business days after the trade.

Receipts for the confirmation of trades of authorized securities will include information on trade date, par value, maturity, interest rate, price, yield, settlement date, description of securities purchased, agency's name, amount due, and third party custodial information.

SECTION 2108 - PERSONAL CONDUCT

The Board of Directors of Municipal Water District of Orange County is acutely aware of the responsibilities the staff has in administering the investment assets of MWDOC.

Members of the Board of Directors, the Treasurer, Deputy Treasurers and members of the investment staff may not have a direct or indirect interest in the gains or profits of any investment made by MWDOC and may not receive any pay or emolument (profit arising from office or employment usually in the form of compensation or perquisites) for services other than as designated by MWDOC for compensation and authorized expenses.

All persons responsible for investment decisions or who are involved in the management of MWDOC assets shall be governed in their personal investment activities by the codes of conduct established by the applicable state statutes, the Financial Industry Regulatory Authority (FINRA), the Securities and Exchange Commission, and the Code of Ethics and Standards of Professional Conduct of the Association for Investment Management and Research.

All persons responsible for investment decisions or who are involved in the management of MWDOC assets shall refrain from any personal business activity that could conflict with the proper execution and management of the MWDOC investment program, or that could impair their ability to make impartial investment decisions.

SECTION 2109 - REPORTING

The Treasurer shall prepare an investment report monthly, including a management summary that provides the status of the current investment portfolio and transactions made over the last month. The Report shall be submitted within forty-five (45) days following the month ended. The report should be provided to and reviewed by the General Manager, the Administration & Finance Committee and provided to the Board of Directors. The report will include the following:

- A listing of individual securities held at the end of the reporting period;
- Average weighted yield to maturity of portfolio on MWDOC investments;
- Listing of investments by maturity date;
- Market values of current investments;
- Percentage of the total portfolio which each type of investment represents.

This investment policy shall be reviewed by the Administration and Finance Committee annually and as frequently as necessary, to enable the Treasurer to respond to changing economic and market conditions.

SECTION 2110 - GLOSSARY

AGENCIES: Federal agency securities and/or Government-sponsored enterprises.

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BENCHMARK: A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for a commission.

BROKER-DEALER: A person or firm acting as a principal in securities transaction as either a broker or a dealer depending on the transaction. Technically, a broker is only an agent who executes orders on behalf of clients, whereas a dealer acts as a principal and trades from the

firm's own account. Transaction confirmations must disclose this information. Because most brokerage firms act as both brokers and principals, the term broker-dealer is commonly used to describe them.

CASH EQUIVALENTS (CE): Highly liquid and safe instruments or investments that can be converted into cash immediately. Examples include bank accounts, money market funds, and Treasury bills.

CERTIFICATE OF DEPOSIT (CD): A time deposit with a specific maturity that usually pays interest. Also referred to as Negotiable CD's, they are insured by FDIC up to \$250,000, but they are not collateralized beyond that amount.

COLLATERAL: Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMMERICAL PAPER: Short-term unsecured promissory note issued by corporations or municipalities with maturities ranging from 2 to 270 days.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DERIVATIVES: (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (e.g., *U.S. Treasury Bills*.)

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

DURATION: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

FEDERAL CREDIT AGENCIES: Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, e.g., S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per entity.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB): Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA): FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC): Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 3,543 commercial banks that are members of the system.

FITCH, INC.: (See Nationally Recognized Statistical Rating Organization)

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae): Residential mortgage-backed security (MBS) instruments influencing the volume of bank credit guaranteed by GNMA and issued by geographically diverse mortgage companies, commercial banks, and thrifts of all sizes, as well as state housing finance agencies.. Security holder is protected by full

faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term "pass-throughs" is often used to describe Ginnie Maes.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party's rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MEDIUM TERM NOTES: Debt securities issued by a corporation or depository institution with a maturity of five years or less. This can also include debt securities originally issued for maturities longer than five years, but which have now fallen within the five year maturity range. If issued by a bank they are also referred to as "bank notes".

MOODY'S INVESTORS SERVICES, INC.: (See Nationally Recognized Statistical Rating Organization)

MONEY MARKET: The market in which short-term debt instruments (bills, commercial paper, bankers' acceptances, etc.) are issued and traded.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION: Firms that review the creditworthiness of the issuers of debt securities and express their opinion in the form of letter ratings (e.g. AAA, AA, A, BBB, etc.). The primary rating agencies are the following Standard & Poor's Corporation, Moody's Investor Services, Inc., and Fitch, Inc.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect. Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

OPTIONS: A contract that gives the buyer the right to buy or sell an obligation at a specified price for a specified time.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit weekly reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (REPO): A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

REVERSE REPURCHASE AGREEMENT (REVERSE REPO): A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank’s vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION: Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SEC RULE 15(C) 3-1: See Uniform Net Capital Rule.

STANDARD & POOR'S CORPORATION: (See Nationally Recognized Statistical Rating Organization)

STRUCTURED NOTES: Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

TOTAL RETURN: A measure of performance, Total Return is the actual rate of return of an investment or a pool of investments, over a given evaluation period. Total Return accounts for two categories of return: income and capital appreciation. Income includes interest paid by fixed-income investments, distributions or dividends. Capital appreciation represents the change in the market price of an asset.

TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

TREASURY BONDS: Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

TREASURY NOTES: Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

TREASURY SECURITIES: Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

UNIFORM NET CAPITAL RULE: Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

U.S. GOVERNMENT AGENCY SECURITIES: Debt securities issued by U.S. Government sponsored enterprises and federally related institutions (FHLB, Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), FNMA).

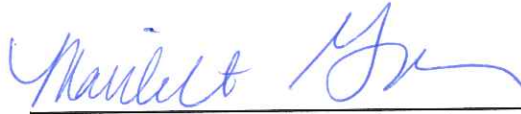
YIELD: The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

BE IT FURTHER RESOLVED the investment policy shall be reviewed by the Administration and Finance Committee annually, and as frequently as necessary, to enable the Treasurer to respond to changing market conditions;

Said Resolution was adopted, upon roll call, by the following vote:

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

I certify the foregoing is a true, full and correct copy of Resolution No. 2114 adopted by the Board of Director of Municipal Water District of Orange County at its Regular meeting held on May 19, 2021.



Maribeth Goldsby, District Secretary
Municipal Water District of Orange County



CONSENT CALENDAR ITEM

May 18, 2022

TO: Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Maribeth Goldsby, Board Secretary

SUBJECT: ELECTION INFORMATION (CANDIDATE'S STATEMENTS)

STAFF RECOMMENDATION

Staff recommends the Board of Directors review the information presented and decide whether to limit candidate statements to either 200 or 400 words and authorize staff to submit the information to the Registrar of Voters, along with a statement that the District will either pay or not pay for the statements.

COMMITTEE RECOMMENDATION

Committee recommended the Board authorize staff to submit the Transmittal of Election Information/Special District to the Orange County Registrar of Voters, indicating that the Candidate's Statement of Qualifications will be limited to 200 words, and that the District will not pay for the statements.

SUMMARY

Each election, the Registrar of Voters requests information relative to the Candidate's Statements. This information includes whether or not the District will pay the Candidate's Statement cost, and whether the District will limit statements to either 200 or 400 words.

Historically, the Board limits candidate statements to 200 words, and does not authorize payment by the District.

Attached is the paperwork received from the OC Registrar; it is due back by May 20, 2022.

Budgeted (Y/N): N	Budgeted amount:	Core ____	Choice ____
Action item amount:	Line item:		
Fiscal Impact (explain if unbudgeted): Candidate’s Statements range in price (depending on length and number of candidates). For a 200 word statement the range could run \$1500-2500 each.			



REGISTRAR OF VOTERS
1300 South Grand Avenue, Bldg. C
Santa Ana, California 92705
(714) 567-7600
FAX (714) 567-7627
ocvote.gov

BOB PAGE
Registrar of Voters

Mailing Address:
P.O. Box 11298
Santa Ana, California 92711

April 28, 2022

TO: General Manager/Director

FM: Marcia Nielsen, Candidate & Voter Services Manager

RE: Election Information for the November 8, 2022 General Election

Enclosed is a Transmittal of Election Information form to be completed and returned to the Registrar of Voters' office by **May 20, 2022**.

On the Transmittal of Election Information form, please **list the name(s) of Director(s)** whose term(s) expire and whose seat(s) will be scheduled for election on November 8, 2022. This would include any Director(s) appointed since your last election. Appointed Directors must file for the two-year unexpired term if they were appointed to fill a vacancy which would not have been scheduled for election until 2024.

We also need to know if your District **will** or **will not** pay for a Candidate's Statement of Qualifications and if the **District is authorizing 200 or 400 words** to be used in that statement.

Please send the completed Transmittal of Election Information form to me at Registrar of Voters, 1300 South Grand Avenue, Building C, Santa Ana, CA 92705 or email to **Marcia.Nielsen@ocvote.gov**.

Pursuant to Elections Code § 10522, the District is required to submit a map showing the current district boundary lines, with divisions (if any), regardless if changes have occurred by May 20, 2022. We would prefer to receive the map in **shape file format** by email to Matthew Eimers at **Matthew.Eimers@ocvote.gov**.

Candidate Filing for the November 8, 2022 General Election will be July 18, 2022 through August 12, 2022, 5:00 p.m. The Candidate's Handbook will be on our website before the filing period begins. We ask that you post this information to advise your members of these important dates.

If you have any questions, please contact me at **Marcia.Nielsen@ocvote.gov** or (714) 567-7568. Thanks for your assistance.

Enclosure





GENERAL MANAGER REPORT OF STAFF ACTIVITIES

MAY 2022

MWDOC AGENCIES MANAGERS MEETING

MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on Thursday, April 21, 2022.

In attendance were: R. Correa – Brea, M. McGee – Buena Park, D. Youngblood – EOCWD, D. Cafferty – El Toro WD, M. Sprague & H. Lee – Fountain Valley, C. Pasillas – Garden Grove, K. Vecchiarelli – Golden State WC, A. Papa & C. Davis – Huntington Beach, P. Cook & P. Weghorst – Irvine Ranch WD, P. Shoenberger – Mesa WD, J. Cruz, L. Rocha, K. Young & M. Collings – Moulton Niguel WD, S. Catron – Newport Beach, J. Kennedy – OCWD, S. Tran – Orange, D. Rebensdorf – San Clemente, D. Ferons – Santa Margarita WD, I. Lee – Seal Beach, R. Shintaku – South Coast WD, R. Shintaku – South Coast WD, F. Paludi & M. Perea – Trabuco Canyon WD, M. Grisso – Tustin, S. Miller – Westminster, D. Davert – Yorba Linda WD, P. Brown – Paul Redvers Brown, Inc., Brian Thomas – Consultant

Staff in attendance were: H. De La Torre, A. Heide, C. Lingad, C. Busslinger, V. Osborn, M. Baum-Haley, J. Berg, K. Hostert, H. Baez, H. Chumpitazi, and T. Dubuque

General Meeting Information/Discussion Items:

- MWDOC Draft Agendas
- MWDOC Facilitated Discussions Presentation & Report
- MWDOC FY2022-23 (Final) Budget
- MWDOC Reserve Discussion
- Annual Water Loss Control Technical Assistance & Shared Services
- Metropolitan Updates
 - a. Metropolitan FY 2022-23 & 2023-24 Budget
 - b. Drought & SWP Issues
- Water Use Efficiency Standards Economic Analysis

Announcements:

- Annual Water Supply Workshops - May 2 & 11, 2022
- CDR Service Area Boundary - Service Connection Address Request

The next meeting will tentatively be held on May 19, 2022.

ENGINEERING & PLANNING

MEETINGS

- Charles Busslinger, Vicki Osborn, and Chris Lingad attended a meeting with CalOES on March 30, 2022, to discuss the Benefit-Cost Analysis for the WEROC Primary EOC Hazard Mitigation Grant application.
- Charles Busslinger, Joe Berg, and Chris Lingad attended several meetings with SMWD and consultants Water Systems Consulting and M. Cubed in March and April to discuss a scope of work to look at the economic impacts on both the State as a whole and Orange County of proposed long-term conservation legislation and upcoming rulemaking.
- Charles Busslinger and Chris Lingad attended a meeting with ETWD and MET on April 13, 2022, to discuss the comparative risks associated with postponing a Diemer shut down for the repair of a chlorine diffuser pipe compared to delaying the ETWD R-6 Reservoir Rehabilitation; which includes replacement of the lining and cover which have both reached the end of their useful life. The R-6 Reservoir will be out of service from October 2022 to July 2023. ETWD and other agencies who depend on the R-6 Reservoir will not be able to withstand a Diemer shutdown while the reservoir is out of service. Upon review by all parties, there was consensus that MET should re-schedule the Diemer shutdown following the completion of the R-6 reservoir rehab work.
- The MWDOC Engineering and Metropolitan and Water Issues departments held a meeting with CDM Smith on April 15, 2022, to discuss the initial results of the reliability study update.

EAST ORANGE COUNTY FEEDER NO. 2 (EOCF#2) EMERGENCY PILOT PROGRAM

Staff and Means Consulting are working with Metropolitan (MET) on defining and phasing a scope of work for emergency pump-in of local water supplies into EOCF #2 under MET Admin Code 4519: Emergency Deliveries of Member Agency Water Supplies in Metropolitan's System. The intended outcome of this effort is the establishment of an emergency pump-in program for EOCF#2 as provided by MET Admin Code 4519 and a set of guidelines for MET member agencies to use to establish their own emergency pump-in programs. The program is intended to enhance water supply reliability in the event of a prolonged emergency. Hazen & Sawyer is also providing technical assistance for this effort. This is a multi-year effort.

The staff has also been working with MET staff on a potential cost-share for the project.

Staff met with the Orange County EOCF #2 Joint Power Agreement members and capacity right holders to discuss the pilot project on March 31, 2022. Background information and key points/questions were presented to the group. A follow-up meeting will be scheduled in June once JPA members have had a chance to review the

information, discuss clarifications of key points, and determine how best to move forward with the Pilot Project.

ECONOMIC BENEFIT STUDIES AND MODELING WORK TO QUANTIFY THE BENEFITS OF LOCAL PROJECTS IN THE CONTEXT OF MET'S 2020 INTEGRATED RESOURCES PLAN (IRP)

MWDOC staff is finishing up work with the Brattle Group on the Economic Benefits Studies. The studies will be useful in helping MWDOC and our agencies better understand the reliability benefits provided by potential supply investments at both the MET level and at the Orange County level by quantifying economic benefits for Orange County. The studies look at two main sectors of the OC economy: Residential and Business sectors. The benefits are quantified by looking at the 'avoided costs' of water shortages to both of these sectors of the OC economy.

Wallace Walrod, the economist for Orange County Business Council and sub-consultant for the Brattle Group, is leading the business portion of the economic benefit studies, including a survey of the business community, to quantify how OC businesses would be impacted by water shortages of varying severity (i.e., 15% and 30% shortages for one year). Those losses are then multiplied by the probability of such a situation occurring to determine the economic impact on OC. Dr. Walrod and Dr. Boarnet have completed their preliminary report.

The residential impact analysis portion of the study is conducted by David Sunding and Dr. Oliver Browne of the Brattle Group, using available literature information from the 2020 Urban Water Management Plans.

The residential portion of the study includes an analysis of residential consumers' willingness to pay (WTP) to avoid either 15% or 30% water use reductions for one year in each of the three OC study areas (Brea/La Habra, OC Basin, and South OC). Dr. Sunding and Dr. Browne have completed their preliminary report. Their work determines total annual consumer 'welfare' losses (the difference between what consumers are willing to pay minus the cost of each additional unit of water supply) for each service area and per person's willingness to pay to avoid those losses. These per-capita losses can then be used to determine per household WTP on both a monthly and annual basis to provide context and guidance for funding of local project investment decisions.

Dr. Walrod and Dr. Browne will be presenting the preliminary findings to the MWDOC Member Agencies Managers Meeting in May 2022, followed by a presentation to the P&O Committee in June.

RELIABILITY STUDY UPDATE

Staff is working with CDM Smith on an update to the reliability study. The update will look at a total of 6 scenarios that include recent information, including; demand forecasts from the 2020 Urban Water Management Plans, information from MET's 2020

IRP process, increased uncertainty with the Delta Conveyance Project, improved climate change impact information, and updated project cost information where available.

A presentation on the scope and status of the Reliability Study update will be given at the May 2022 MWDOC Member Agencies Managers' meeting. A 2nd presentation will be given at the June P&O Committee meeting.

DOHENY OCEAN DESALINATION PROJECT

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 summer 2022 and estimates an online date of 2026 if the SCWD Board approves.

SCWD held a Special Board Meeting on September 2, 2021, to discuss the financial implications of the project. Clean Energy Capital (CEC) presented a water cost analysis for the project where CEC presented cost projections for a 2 MGD project with an estimated 1st-year water cost of \$1,928/AF in 2021\$ and a 5 MGD project with an estimated 1st-year water cost of \$1,479/AF in 2021\$ (later updated to \$1,807/AF in 2027\$ vs. \$1,545/AF MET Rate in 2027\$).

On March 9, 2022, the San Diego Regional Water Quality Control Board approved the Tentative Orders related to the NPDES permits for discharge associated with the Doheny Desalination Project operation. This is an important step forward toward the realization of this project.

The third-party hydrogeology study of the San Juan Basin has been extended and includes work optimizing the north and south portions of the basin.

On April 14, 2022, Dudek presented information to the SCWD Board on a conceptual study of Ocean Water Augmentation for the Doheny Desalination Project. The study considered utilizing Direct Potable Reuse (DPR) source water by two alternative methods from the JB Latham Wastewater Treatment Plant to augment raw ocean water supplies to the proposed Doheny Desalination Project. The proposed conceptual raw water augmentation could become a future phase of the ocean desalination project and was identified by the name: Doheny Ocean Pure Water Augmentation (DOPWA). This concept was based on the proposition that each other's advantages could offset the challenges of ocean desalination and DPR. The conceptual project proposes 5 MGD of product water from each source (recycled and ocean source water) to produce a combined total of 10 MGD of potable water. The report indicated that the gross cost of water in 2021 dollars for the DOPWA concept is similar to the cost of desalinated water from the Doheny Desalination Project, as shown below.

	Gross Water Cost (without MET LRP incentive)
• 5 MGD Doheny Ocean Desalination Project	\$2,081/AF
• DOPWA Raw Water Augmentation	\$2,227/AF
• DOPWA Treated Water Augmentation	\$1,954/AF

Further study is also needed to determine the impacts on ocean desalination brine mixing in the San Juan Creek Ocean Outfall from reduced wastewater discharges.

POSEIDON RESOURCES HUNTINGTON BEACH OCEAN DESALINATION PROJECT

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 next step for Poseidon is to seek a Coastal Development Permit (CDP) from the California Coastal Commission (CCC). The CCC hearing will be held on Thursday, May 12, 2022, at 9:00 am.

SHUTDOWNS

Diemer Water Treatment Plant

MET is planning to repair a chlorine diffuser pipe at the Diemer WTP, requiring a seven-day full-plant shutdown. On February 3, 2022, a meeting was held to inform MET of the agencies' local supply conditions for this calendar year. MET reported that the diffuser pipe was not an imminent failure issue. Shutdown dates for repairing the Diemer chlorine diffuser pipe are being reevaluated by MET staff.

Orange County Feeder

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.

MET has delayed the relining project and has proposed new shutdown dates of September 18, 2022, through June 16, 2023.

Orange County Feeder Extension

MET plans to reline 300-linear feet of the OC Feeder extension affecting the City of Newport Beach, IRWD, and LBCWD. MWDOC and the City have held meetings with MET staff and MET's traffic consultant to review the Traffic Control Plan details.

MET has delayed the relining project by one year and has proposed new shutdown dates of June 18, 2023, through July 14, 2023.

Orange County Reservoir (OC Feeder)

The decommissioning of the Orange County Reservoir has been rescheduled to March 20, 2022, through March 25, 2022. This work will affect the cities of Brea and La Habra.

Lake Mathews Facility Shutdown

MET has canceled the Lake Mathews Facility shutdown, previously scheduled to begin on March 14, 2022, due to low State Water Project supplies. This shutdown will be rescheduled for the 2022-2023 shutdown season. During the shutdown, the following agencies will be affected: OCWD, YLWD, Serrano WD, IRWD, TCWD, ETWD, SMWD, MNWD, and the City of San Clemente.

Allen-McColloch Pipeline

MET has completed 50% of the preliminary design of the AMP Pre-stressed Concrete Cylinder Pipe (PCCP) rehabilitation and is expected to complete the design by 2023. Preliminary design work currently underway includes identifying priority reaches, developing access locations, conducting geotechnical assessments, modeling a surge analysis, conducting real property assessments, identifying permitting requirements, and developing a feeder isolation plan. A draft project schedule will be developed at the completion of the preliminary design. Rehabilitation of individual reaches will be based on the ongoing condition assessments, priorities, and shutdown schedules.

MET plans to inspect additional PCCP sections of the AMP in FY 2023-24.

MWDOC staff continues to lead working group meetings with the impacted AMP agencies to discuss options to reduce the number of shutdowns needed for the AMP PCCP rehabilitation project while also helping to increase reliability toward future MET shutdowns. Two potential sites have been identified to construct a possible pump station to enhance the ability to accommodate longer shutdown durations for the rehabilitation project and provide long-term reliability benefits for future MET shutdowns.

MWDOC has formally proposed to MET staff a conceptual cost-share savings incentive approach following well-established public works contractor cost-share incentive programs that would allow for a sharing of realized cost savings. The staff looks forward to MET's response.

EMERGENCY PREPAREDNESS

COVID-19 (CORONA VIRUS) COORDINATION

- As of 4/26, the seven-day average COVID-19 case rate in Orange County was 3.6 per 100,000 people; the positivity rate was 1.9 percent, and hospitalizations were at 66, with ICU admissions at 13. Unvaccinated individuals consist for 86% of the hospitalization and ICU cases.

On April 21, 2022, the California Occupational Safety & Health Standards (Cal/OSHA) Board voted to readopt its COVID-19 prevention emergency temporary standards (ETS), incorporating changes Cal/OSHA posted in preparation for its business meeting on April 21, 2022. If approved by the Office of Administrative Law (which is expected), the revised ETS will become effective upon filing by the Office of Administrative Law with the Secretary of State. This is the third re-adoption of the ETS, which was authorized by Gov. Gavin Newsom's Executive Order and will be in place until December 31, 2022.

The third revised ETS (which will make changes to California Labor Code Sections 3205 through 3205.4) will further require and clarify that guidance from the California Department of Public Health (CDPH) is controlling. In addition, these revisions mean that many of the benefits like testing and requesting a respirator apply regardless of vaccination status under certain circumstances.

The notable changes in the third revised ETS are provided below.

- **Definitions:** The third revised ETS has made several changes to specific definitions, including:
 - **Close contact:** The third revised ETS redefine "close contact" as "being within six feet of a COVID-19 case for a cumulative total of 15 minutes in any 24 hours within or overlapping with the infectious period [see new definition below] regardless of the use of face coverings unless the close contact is defined by regulation or order of the CDPH. If so, the CDPH definition shall apply."
 - **COVID-19 hazard:** The third revised ETS removes references to objects or surfaces that may be contaminated.
 - **COVID-19 test:** For purposes of return to work, "...a COVID-19 test may be both self-administered and self-read only if another means of independent verification of the results can be provided (e.g., a time-stamped photograph of the results)."
 - **Face covering:** The third revised ETS no longer requires the fabric to pass the light test to qualify as a face covering.
 - **Infectious period:** The third revised ETS added the term "infectious period," which has the same meaning as "high-risk exposure," except that if the CDPH provides a different definition, the definition provided by the CDPH will control. References to "high-risk exposure" are replaced with "infectious period."
 - **Returned case:** The third revised ETS defines "returned case" as "a COVID-19 case who returned to work [after meeting the return to work criteria] and did not

develop any COVID-19 symptoms after returning. A person shall only be considered a returned case for 90 days after the initial onset of COVID-19 symptoms or, if the person never developed symptoms, for 90 days after the first positive test. If a period of other than 90 days is required by a CDPH regulation or order, that period shall apply.”

- The definition of “fully vaccinated” is removed.
- **COVID-19 testing:** As with the prior ETS, employers are required to make COVID-19 testing available at no cost and during the paid time to all employees who had close contact, but employers are not required to make COVID-19 testing available to returned cases.
- **Training and instruction:** Employers are required to provide training on the employer’s policies for providing respirators to all employees regardless of vaccination status. Relatedly, employers must provide training on the conditions when face coverings must be worn in the workplace, with no obligation to provide training on using face masks outdoors.
- **Face coverings:** Employers are no longer required to provide face coverings or ensure unvaccinated employees wear them independently, but employers must continue to follow face-covering orders issued by the CDPH. In addition, employees that are exempt from wearing a face covering and cannot tolerate a nonrestrictive alternative or cannot wear a face covering under another exception are no longer required to socially distance or be vaccinated. However, the employee must still be tested weekly at the employer’s expense during the employee’s paid time.
- **Other engineering controls, administrative controls, and personal protective equipment (PPE):** The third revised ETS made several changes to controls and PPE, including:
 - **Cleaning and disinfection:** Cleaning and disinfecting procedures are no longer required. Employers do not need to continue implementing procedures to identify and regularly clean frequently touched surfaces or other objects.
 - **Respirators:** Upon request, employers will now be required to provide respirators for voluntary use to all employees regardless of vaccination status.
 - **COVID-19 testing:** Employers must make COVID-19 testing available to all symptomatic employees regardless of vaccination status at no cost to the employee during the employee’s paid time.
- **Exclusion of COVID-19 cases:** Instead of providing independent criteria for exclusion, the third revised ETS explains that employers must review the current CDPH guidance related to quarantining persons with close contact and implement procedures to prevent transmission of COVID-19 by close contacts. It is worth noting that employers are still required to provide exclusion leave benefits to employees when they are not permitted to be in the workplace.
- **Return to work criteria:** The third revised ETS provides updated return to work criteria that apply to COVID-19 cases and employees excluded under multiple COVID infections and outbreaks (section 3205.1) and major outbreaks (section 3205.2). The criteria are similar but include some notable revisions.

- **No symptoms or improvement:** An employee, regardless of vaccination status or previous infection, that develops no symptoms or symptoms are improving may return to work when: (1) at least five days have passed from the date when COVID-19 symptoms began or the date of the first positive test if there are no symptoms; (2) at least 24 hours have passed since a fever of at least 100.4 degrees Fahrenheit broke without a fever-reducing medication; and (3) the employee tested negative on day five or later, or if the employer chooses not to require a test, ten days have passed since the symptoms began or the employee tested positive.
- **Symptoms with no improvement:** An employee, regardless of vaccination status or previous infection, whose symptoms are not resolving, may return to work when: (1) at least 24 hours have passed since a fever of at least 100.4 degrees Fahrenheit broke without a fever-reducing medication; and (2) symptoms are resolving, or ten days have passed since symptoms started.

These requirements will apply regardless of whether the employee was previously excluded or other precautions were taken to limit the employee's close contact or membership in an exposed group.

- **Multiple COVID-19 infections and COVID-19 outbreaks (section 3205.1):** The third revised ETS changes include:
 - **COVID-19 testing for return to work employees:** Employers are not required to provide COVID-19 testing to returned cases that did not develop symptoms after meeting the return to work criteria.
 - **COVID-19 testing for exposed employees:** Employers must now make testing available to all employees in the exposed group regardless of vaccination status. In addition, employees with close contact must test negative within three to five days of the close contact, or they must be excluded and follow the return-to-work criteria.
 - **Respirators:** Employers must now give notice to all employees in the exposed group, regardless of vaccination status, of their right to request a respirator.
 - **Use of solid partitions and social distancing:** Employers are no longer required to utilize cleanable solid partitions when social distancing is impossible. Instead, employers must evaluate whether to require social distancing or maintain as much distance as feasible if a full six feet is impossible.

Major COVID-19 Outbreaks (section 3205.2): The third revised ETS changes include:

- **COVID-19 testing and return to work criteria:** Employers must comply with the requirements for multiple COVID-19 outbreaks, except that testing will be required for all employees in the exposed group, and employees in the exposed group will be required to follow the return to work criteria starting the date the outbreak begins.
- **Use of solid partitions:** Employers are no longer required to utilize cleanable solid partitions around employees' workstations in the exposed group.

- There is no update as to the status of the State of Emergency Proclamation at this time.

COORDINATION/PARTICIPATION WITH MEMBER AGENCIES AND OUTSIDE AGENCIES MEETINGS OUTSIDE OF PROGRAMS AREAS

- On 4/1, Vicki attended Waco and Provided a WEROC update
- On 4/5, Vicki attended the ISDOC Executive Meeting and provided an Operational Area Update.
- On 4/7, Vicki and Janine attended the OCEMO meeting, with regular subcommittee report-outs. Additionally, there was a presentation from OCTA on their services and response during a disaster.
- On 4/7, Vicki attended the OCEMO Exercise Design Meeting. The group did an after-action meeting during the March Public Information Seminar, and a presentation was made on the Homeland Security Exercise and Evacuation Program (HSEEP).
- On 4/7, Vicki attended the Elected Officials Forum and presented on WEROC and the EOC project to date.
- On 4/12, Vicki attended the San Diego Gas and Electric annual briefing on their emergency plans and resources available to their partner agencies.
- On 4/12, Vicki attended the OCEMO Training Subcommittee. The meeting focused on the training need throughout the Operational Area and how we can better support each other's needs.
- On 4/14, Vicki attended the ACWA Emergency Response Session and presented on the CalWARN Mutual Aid system with the other CalWARN Board Members.
- On 4/15, Vicki attended the planning meeting with the Orange County Intelligence Assessment Center (OCIAAC) for a Cyber Security Tabletop Exercise. WEROC will be participating with the OCIAAC during this process in preparation for a Tabletop Exercise (TTX) to be held with the WEROC member agencies in the fall of 2022. After receiving the scenario and injects, Vicki and the County Emergency Manager discussed with the OCIAAC the scenario being presented. WEROC sent an email to the member agencies and briefed on this item at the MWDOC managers' meeting after learning more about the intent. Daniel will be the point of contact for this event.
- On 4/18, Vicki attended a CESA Legislative meeting regarding AB 2238
- On 4/19, Vicki attended the UASI Threat and Hazard Risk Assessment (THIRA) meeting. This joint planning effort is reported to the state and federal governments as part of our readiness and capabilities here within Orange County. This process is tied to grant funding via Homeland Security
- On 4/19, Vicki attended the CalWarn Board Meeting. The meeting focused on a discussion regarding the organization and changes, including a discussion based on input received at the ACWA conference presentation.
- On 4/20, Vicki attended the California Emergency Services Association (CESA) Southern Chapter Spring Workshop, which has a presentation on virtual platforms and their use during emergency operations center activations, and the 2022 award recipients for the Southern Chapter.

- On 4/20, Janine attended the Operational Area planning meeting focused on the Disease Outbreak Response Annex revision. Lessons learned from the COVID-19 response will be incorporated into the revision process.
- On 4/21, Vicki attended the MWDOC Managers' meeting and provided information regarding the upcoming cyber TTX with the OCIAC.
- On 4/27, Daniel attended the final planning meeting for the cyber TTX.
- On 4/27, Vicki attended the MET Hazard Mitigation Plan Kickoff meeting
- On 4/27, Vicki attended the Operational Area Technology Subcommittee meeting to discuss changes to AlertOC and WebEOC.
- On 4/28, Vicki attended Southern Region Mutual Aid Regional Advisory Committee (MARAC) meeting. The agenda included: MARAC Board Elections; Emergency Operations Plan Legislation & Review; 2022 State Emergency Plan draft review; Superbowl 2022 – Joint Information Center presentation; Orange County/San Diego County Oil Spill Response presentation; Power Company Mutual Assistance; NextGen 911 Alert & Warning; MARAC Subcommittee Report Outs (SEMS Refresh) and Roundtable of Elected Positions and Operational Area Emergency.

PLANNING AND PROGRAM EFFORTS

Cyber Security

- Daniel sends out important information to the Cyber Security Distribution Group as received from the DHS or the OCIAC. There has been a lot of cyber activity and notifications received over the past month. There have not been any events reported by any agencies.
- Daniel has completed the draft update of the MWDOC Cyber Plan and has shared this with Vicki. MWDOC Finance and IT will also be reviewing this procedural document.
- On 4/28, Vicki attended the meeting with Tevora, the cyber contracted services reviewing the IT services at MWDOC. Finance and IT personnel were a part of this meeting, looking at the current infrastructure and services within the IT systems.
- Daniel is working on the draft regional coordination cyber response plan for use between all our member agency stakeholders.

WEROC EMERGENCY OPERATIONS CENTER PROJECT/FUNDING

- WEROC Emergency Operations Center Funding continues to be pursued by WEROC Staff. This includes the submission of the project for Federal grants and appropriation opportunities.
- Both Government Affairs and WEROC have jointly been seeking funding from other sources, including:
 - Federal - FY 2023 Homeland Security Appropriations Bill
 - State – Hazard Mitigation Grant Program
 - State – Department of Water Resources
 - County – American Recovery Act Funding
- Phase 1 Design – Continues, and the 30% design report has been received. See 3/28/22 P&O Committee Item #5 for Staff Report and PPT presentation.

- Both Engineering and WEROC were working on the Hazard Mitigation Grant Application, which was due to the State on April 8. However, after meeting with CalOES and finalizing the scope of work, this project does not meet the category within the Hazard Mitigation realm due to new construction.
- On 4/14, Vicki and Heather from Government Affairs met with Senator Feinstein and Padilla's Office as a refresher to WEROC Project. Change in FY 23 appropriations requests requires a letter of eligibility from CalOES (State) for the project to move forward. office

At one point in the meeting with Senator Feinstein's office, they alluded to the State being unsure if the WEROC EOC would be eligible. Vicki followed up with the State CALOES Office, Director of Emergency Services Mark Ghilarducci, Deputy Director Ed Westfall, and Policy Advisor Sarah Poss. They indicated they had not made a final decision. Vicki sent them additional information on the WEROC EOC and eligibility criteria, including the 1999 SEMS Guidance for Special Districts created by CalOES, which has the best practices of having a water coordination center and an EOC is. As of the time of this report, we are still waiting to hear additional information.

OPERATIONAL AREA AND MEMBER AGENCY PLAN REVIEW

Vicki has reviewed and provided written changes or feedback to the following:

- City of Anaheim – Hazard Mitigation Plan
- Orange County Sanitation District - Tsunami Annex and Response Plan
- Orange County Operational Area – Power Outage Annex
- Orange County Operational Area – Tsunami Annex

TRAINING AND EXERCISES

- On 4/12, Vicki conducted an ICS 100/700/SEMS Combined course at the MNWD campus. There were 123 people between the two classes who received this training.
- On 4/26, Daniel attended the California Southern Planning Area Interoperable Communications TTX held up at the County of Orange EMD offices.
- On 4/27, Vicki provided WEROC 101 and 800 MHz Training to the new staff at Huntington Beach.

****Look ahead.** Ninety-one people registered for the WEROC Logistics Workshop/TTX on May 10. There will be 33 of the 36 WEROC member agencies stakeholders and emergency managers from the cities where special districts provide services to have an in-depth conversation on logistics communication; coordination will serve as the launch point for regional fuel planning. Special Thank You to Moulton Niguel Water District, which provides the meeting space for this WEROC event.

PUBLIC/GOVERNMENT AFFAIRS

MEMBER AGENCY RELATIONS

Public Affairs Staff:

- Completed voting and chose Poster Contest Grand Prize winners for 2022
- Coordinated the artists, delivery, and pick up of “Stella’s” with local artists, member agencies, Orange County Department of Education, and the Wyland Foundation
- Interviewed and filmed a teacher at Hope School for the City of Buena Park’s participation in the Streams of Hope campaign
- Interviewed Mayor Delgleize and local artist Dave Reynolds for the City of Huntington Beach’s participation in the Streams of Hope campaign
- Interviewed Laguna Beach County Water District staff for their participation in the Streams of Hope campaign
- Interviewed Laguna Woods Art Association members for El Toro Water District’s participation in the Streams of Hope Campaign
- **Speakers Bureau:** Coordinated speakers for a Fountain Valley city council meeting to promote MWDOC and a local artist for the Streams of Hope campaign. Vice President McVicker attended and participated.
- **Speakers Bureau:** Coordinated a press conference and the reveal of three (3) Stella art pieces for the City of Huntington Beach. Director Seckel attended and participated.
- Coordinated an Earth Day beach clean-up in Huntington Beach with the Wyland Foundation and the Orange County Conservation Corps
- Prepared and delivered 35 Earth Day Kits to Serra Preschool in San Clemente
- **Speakers Bureau:** Coordinated and attended the Westminster Pocket Park Groundbreaking event and press conference with the Wyland Foundation, City of Westminster Council, staff, local media, CBS2, and other project partners. President Schneider and Vice President McVicker also attended and participated.
- Staffed a booth at the City of Garden Grove’s Re: Imagine Garden Grove Open Streets event
- Met with the Metropolitan Water District of Southern California and Irvine Ranch Water District staff regarding the Cool City Challenge program
- Coordinated meetings with Member Agencies to discuss Consumer Confidence Reports

Government Affairs Staff:

- Attended the MWDOC Elected Officials Forum
- For the LIHWAP, reached out to various member agencies to confirm if they are participating in the program, obtained updated contact info, and sent it to CSD
- Distributed the monthly Grants Tracking and Acquisition report to member agencies

COMMUNITY RELATIONS

Public Affairs Staff:

- Met multiple times with Streams of Hope (SoH) partners the Wyland Foundation, Orange County Conservation Corps, and Orange County's Adopt a Channel program to discuss SoH's progress and next steps

Governmental Affairs Staff:

- Attended the OCBC Infrastructure Committee meeting

EDUCATION

Public Affairs Staff

- Provided information to the City of Garden Grove, City of Fountain Valley, and City of San Clemente regarding school program interest
- Coordinated with Orange County Department of Education's Inside the Outdoors to provide MWDOC Choice School Program based on the request received through MWDOC.com

MEDIA RELATIONS

Public Affairs Staff

- Prepared and distributed content for social media
- Prepared and submitted three articles to ACWA:
 - <https://www.acwa.com/news/fountain-valley-artist-katy-wright-ready-to-reveal-stella/>
 - <https://www.acwa.com/news/groundbreaking-water-wise-pocket-park-unveiled-in-westminster/>
 - <https://www.acwa.com/news/buena-park-school-is-hopeful-for-a-water-wise-future/>
- Prepared and distributed April's MWDOC eCurrents Newsletter
- Wrote an article for California Special District Association's CA Special Districts magazine on helping districts tell their story.
- Speakers Bureau: Participated in the Water Zone radio program with the City of Westminster's Mayor Ta and staff and the Wyland Foundation President to discuss drought and the Westminster Pocket Park project.
- Prepared and Published OC Register Insert and Digital Content [California Water OC](#)

SPECIAL PROJECTS

Public Affairs Staff

- Responded to MWDOC department requests for website information and published website updates
- Participated in a Supervisors Academy training presented by The Centre for Organization Effectiveness
- Participated in several preliminary OC Water Summit Planning Meetings
- Met with the Centers of Excellence, BAYWORK, IEWORKS, Cuyamaca College, and San Diego County Water Authority to review survey questions for the statewide water and wastewater workforce needs assessment project initiated by MWDOC through the Water-Energy Education Alliance (WEEA).

Governmental Affairs Staff:

- Staffed the WACO meeting featuring speaker Frank Ury on cybersecurity for water providers
- Staffed the ISDOC Executive Committee meeting
- Completed the CSUF Course – Financial Management for Non-Financial Managers
- Invited speakers for the May WACO program on drought/water supply/community outreach
- Completed the CSUF Course – Influencing Skills for Greater Results
- Staffed the WACO Planning Committee meeting

LEGISLATIVE AFFAIRS

Governmental Affairs Staff:

- Participated in the ACWA Region 10 State Legislative Committee pre-meeting
- Attended the ACWA State Legislative Committee meeting
- Attended the CSDA Legislative Committee meeting
- Along with Directors McVicker and Tamaribuchi, Charles Busslinger and Vicki Osborn met with Supervisor Katrina Foley to discuss potential funding for the WEROC EOC
- Completed the quarterly state lobbying report to be filed with the Secretary of State
- Participated in the Southern California Water Coalition Legislative Task Force meeting
- Met with Supervisor Do's staff to talk about potential funding for the WEROC EOC
- Along with Vicki Osborn, met with staff at Senator Feinstein's office to discuss the WEROC EOC Congressionally Directed Spending request
- Attended the CMUA Regulatory Committee meeting
- Along with Vicki Osborn, met with staff from Senator Alex Padilla's office to discuss the WEROC EOC Congressionally Directed Spending request

- Attended the CMUA Legislative Committee meeting
- Participated in the Metropolitan Member Agencies Legislative Update meeting
- Participated in the Cal-Desal Legislative Committee meeting

WATER USE EFFICIENCY: APRIL – MAY 2022

ORANGE COUNTY DATA ACQUISITION PARTNERSHIP (OCDAP)

On April 12, Rachel Waite attended the OCDAP Working Group Meeting. The working group collaborates on and organizes a regional effort to cost-share the acquisition of high-resolution aerial imagery and related products. Topics on the agenda included:

- Status of RFP for Cycle 2
- Group Discussion on Cycle 2 Agreements
- OCDAP Data Sharing Efforts and Projects Underway

The next meeting is scheduled for May 10.

CALIFORNIA LANDSCAPE CONTRACTORS ASSOCIATION ORANGE COUNTY CHAPTER- UNIVERSITY CLASS 1

On Wednesday, April 13, MWDOC hosted the California Landscape Contractors Association Orange County Chapter (CLCA-OC) University Class 1. This is the first in-person class conducted by CLCA-OC since early 2020. The topics were irrigation regulations, MWELO, and new plant introductions. Approximately 25 students attended the class

CONSERVATION FRAMEWORK DISCUSSION WITH THE DEPARTMENT OF WATER RESOURCES (DWR) AND NV5

On April 15, Joe Berg and Rachel W. met with DWR and NV5 staff to discuss the Conservation Framework standards and implementation. Topics discussed included:

- Special Landscape Areas (SLA) definition, determination, and engineered slopes
- DWR guidance on single or multi-family residential parcels irrigating with dedicated meters
- Plan for guidance to be drafted and provided by the State

On May 5, Shem Stygar at DWR requested additional information from staff based on comments MWDOC submitted regarding the proposed outdoor water use efficiency standard. Shem was looking for backup documentation for more than 2,000 irrigation system distribution uniformity (DU) tests MWDOC performed between 2012 and 2017 and turf removal rebate program cost data. Our DU test data shows that average uniformities are 55% and 57% for residential and commercial properties, respectively. These are far lower than the uniformity of 80% proposed by DWR and the SWRCB. With regard to the MWDOC turf removal rebate program, the average participant cost is approximately \$6,600 for a project area of 1,200 square feet, and the rebate is

approximately \$3,842, or about 58% of the total cost. Ultimately, Shem planned to present this real-world data to DWR management to justify a higher standard in 2030.

Follow-up meetings will be scheduled as needed.

WATER SAVINGS INCENTIVE PROGRAM (WSIP) DISCUSSION WITH BREA POWER II, LLC

On April 20, Sam Fetter and Rachel W., along with staff from the City of Brea, Orange County Sanitation District, and Orange County Public Works, met with staff from Brea Power II, LLC and project consultants about a large water savings project being planned for the Brea Power II site. The discussion focused on potential water savings, additional benefits, and how Brea Power II could participate in WSIP to help incentivize the project.

There is no follow-up meeting scheduled; staff will stay engaged on this topic.

METROPOLITAN WATER USE EFFICIENCY WORKGROUP

On April 21, Joe, Rachel W., Andrea Antony-Morr, Rachel Davis., and Sam attended Metropolitan's Water Use Efficiency Workgroup meeting. Topics on the agenda included:

- March Board Items
 - Conservation Update
- Upcoming April Board Items
 - Update on New and Modified Programs and Current Activity
 - Update on SNWA Progress in Eliminating Non-Functional Turf
 - Governor's Executive Order and MWD Non-Functional Turf Efforts
 - RFP for Regional Vendor Services
- Marketing Campaign Update
- AWWA AMI Study
- MWD Updates
 - External Affairs Update
 - Metropolitan Drought Response Planning
- Member Agency Roundtable
 - Drought Response Actions

The next meeting is scheduled for May 19.

STATE WATER RESOURCE CONTROL BOARD (SWRCB) EMERGENCY REGULATIONS PUBLIC MEETING

On April 21, Joe and Rachel W. attended the SWRCB Emergency Regulations webinar. The purpose of this webinar was to provide an overview of the draft emergency

regulation proposal for future consideration by SWRCB in response to the Governor's March 28, 2022, Executive Order (EO). Specifically, the EO directs the State Water Board to consider adopting a new water conservation emergency regulation to prepare for and mitigate the effects of worsening drought conditions. State Water Board staff discussed and received input on topics covered in the proposed emergency regulation, including banning irrigation of and defining "non-functional turf" and requiring all urban water suppliers to implement at least Level 2 of their Water Shortage Contingency Plan actions. The webinar provided feedback and questions about the staff proposals before the State Water Board's formal emergency rulemaking process.

ORANGE COUNTY WATER USE EFFICIENCY WORKGROUP

On May 5, Joe, Steve Hedges, Beth Fahl, Rachel D., Andrea, Sam, and Rachel W. hosted the Orange County Water Use Efficiency Workgroup meeting. Items on the agenda included:

- MWD OC Updates
- Agency Problem Solving Roundtable
- Governor's Executive Order N-7-22
- Drought Response Planning
- Metropolitan Update
 - MWD Water Shortage Emergency Declaration and Mandatory Conservation Plan Restricting Outdoor Watering in the State Water Project Exclusive Areas of the Metropolitan Service Area
 - Conservation Update
 - Update on New and Modified Programs and Current Activity
 - RFP for Regional Vendor Services
 - Update on Addenda Status
- Water Use Efficiency Updates
 - Grant Funding Update
 - Staffing Changes
 - Turf Removal Program Update
 - Survey on Future of WUE Meeting
- CalWEP Update

The next meeting will be held on June 2.

INFORMATION CALENDAR

**MWDOC GENERAL INFORMATION
ITEMS**

MWDOC BOARD OF DIRECTORS

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