

**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 Distric
El Toro 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