

REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Fountain Valley, California  
August 17, 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#

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**AGENDA**

**MOMENT OF SILENCE**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**PUBLIC COMMENTS/PARTICIPATION**

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

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

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

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

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

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

**EMPLOYEE SERVICE AWARDS**

**NEXT RESOLUTION NO. 2129**

**CONSENT CALENDAR (Items 1 to 8)**

(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. July 6, 2022 Workshop Board Meeting
- b. July 20, 2022 Board Meeting

*Recommendation: Approve as presented.*

**2. COMMITTEE MEETING REPORTS**

- a. Planning & Operations Committee Meeting: July 5, 2022
- b. Administration & Finance Committee Meeting: July 13, 2022
- c. Executive Committee Meeting: July 21, 2022
- d. MWDOC/OCWD Joint Planning Committee: July 26, 2022

*Recommendation: Receive and file as presented.*

**3. TREASURER'S REPORTS**

- a. MWDOC Revenue/Cash Receipt Register as of July 31, 2022
- b. Disbursement Registers (July/August)

*Recommendation: Ratify and approve as presented.*

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of June 30, 2022
- d. PARS Monthly Statement (OPEB Trust)

*Recommendation: Receive and file as presented.*

**4. FINANCIAL REPORT**

- a. Draft Combined Financial Statements and Budget Comparative for the Period Ending June 30, 2022
- b. Quarterly Budget Review (deferred to FY 2021-22 Audited Annual Financials)

*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. 2022 CONFLICT OF INTEREST CODE -- BIENNIAL REVIEW**

*Recommendation: Approve and authorize staff to submit the 2022 Biennial Review Code changes (as recommended by the Administration & Finance Committee) to the Orange County Clerk of the Board of Supervisors.*

**7. AMEND ADMINISTRATIVE CODE SECTION 5003 - PAYMENT FOR WATER**

*Recommendation: Approve amendment to MWDOC Administrative Code Section 5003 (Payment for Water) as outlined in staff write up.*

**8. MWDOC'S RESPONSE LETTER TO ORANGE COUNTY GRAND JURY REPORT – WATER IN ORANGE COUNTY NEEDS “ONE VOICE”**

*Recommendation: Approve MWDOC's response letter on the Orange County Grand Jury's findings and recommendations, and have staff submit such letter to the Presiding Judge of the Superior Court before September 20, 2022.*

**End Consent Calendar**

**ACTION ITEM**

**9-1 ISDOC ELECTION CALL FOR NOMINATIONS**

**RES. NO. \_\_\_\_\_**

*Recommendation: Adopt a Resolution nominating Director Bobt McVicker to the position of ISDOC First Vice President.*

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

**10. GENERAL MANAGER'S REPORT, AUGUST 2022 (ORAL AND WRITTEN)**

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

**11. MWDOC GENERAL INFORMATION ITEMS**

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

*Recommendation: Receive and file as presented.*

**CLOSED SESSION ITEMS**

**12. PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: General Manager  
Government Code Section 54957

**13. CONFERENCE WITH LABOR NEGOTIATORS**

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

**RECONVENE FROM CLOSED SESSION**

**14. ANNOUNCEMENTS FROM CLOSED SESSION**

**15. CONSIDERATION OF AMENDMENTS TO GENERAL MANAGER CONTRACT**

*Recommendation: Discuss the General Manager's Employment Agreement and take action as appropriate.*

**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**

July 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 Ackerman led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Robert Hunter, General Manager (absent)  
Harvey De La Torre, Asst. Gen. Mgr.  
Ryan Guiboa, 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  
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**

Bill Hasencamp  
Sara Tucker  
Garrett Durst  
Syrus Devers  
Dick Ackerman  
Ed Means  
Paul Jones  
Doug Davert  
Kathryn Freshley  
Mike Gaskins  
Kay Havens  
Mark Monin  
Jose Vergara  
Dennis Cafferty  
Mike Dunbar  
Doug Reinhart  
Peer Swan  
Paul Cook  
Paul Weghorst

Metropolitan Water District of So. Calif.  
NRR  
NRR  
Best, Best & Krieger  
Ackerman Consulting  
Means Consulting  
Dopudja & Wells Consulting  
East Orange County Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
Emerald Bay Service District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District

Frank Prewoznik	Irvine Ranch Water District
Jim Atkinson	Mesa Water
Stacy Taylor	Mesa Water
Dick Fiore	Moulton Niguel Water District
Don Froelich	Moulton Niguel Water District
Bill Moorhead	Moulton Niguel Water District
Diane Rifkin	Moulton Niguel Water District
Sherry Wanninger	Moulton Niguel Water District
Jose Solorio	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
Chuck Gibson	Santa Margarita Water District
Sandra Jacobs	Santa Margarita Water District
Dan Ferons	Santa Margarita Water District
Jim Leach	Santa Margarita Water District
Chip Monaco	Santa Margarita Water District
Kelly Radvansky	Santa Margarita Water District
Greg Mills	Serrano Water District
Brad Reese	Serrano Water District
Rick Shintaku	South Coast Water District
Fernando Paludi	Trabuco Canyon Water District
Brooke Jones	Yorba Linda Water District
Wayne Miller	Yorba Linda Water District
Lisa Ohlund	Ohlund Management & Technical Services
Liz Mendelson-Goossens	San Diego County Water Authority
Charles Luas	

## **PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

No public comments were received.

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

No items were presented.

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

President 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.

**PRESENTATION / DISCUSSION ITEMS****PRESENTATION BY METROPOLITAN STAFF (BILL HASENCAMP) REGARDING COLORADO RIVER BASIN CONDITIONS**

Mr. Bill Hasencamp, MET Manager of Colorado River Resources, presented information relative to the Colorado River Basin conditions. His presentation included information regarding the Colorado River Drought Contingency Plan, water storage levels in Lake Mead (levels have dropped 25 feet since January), the U.S. Bureau of Reclamation Commissioner's call for 2-4M acre-feet reduction in water deliveries system wide (Upper and Lower Basin), and Lake Mead elevation projections. He advised that there were three main reasons for the critically low levels, which were (1) three consecutive years of drought and low runoff levels, (2) the Colorado River's oversubscription and over usage among the states compared to the past 20 years of average precipitation and runoff; and (3) the recent federal government action to protect Glen Canyon Dam by withholding storage in Lake Powell. Mr. Hasencamp then noted that the Basin states have been meeting almost weekly to develop a plan to address the commissioner's request, focusing on two positions (a shared approach, and a priority system). He also stated that the Bureau of Reclamation is assisting agencies in developing a plan.

Following his presentation, discussion ensued with emphasis on agricultural v. urban use, fallowing, possible ways for agricultural reduction in water, potential for partnerships on the river, the importance of including this scenario in the IRP, water quality impacts, and the importance of public outreach and messaging.

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

**LEGISLATIVE ACTIVITIES****a. Federal Legislative Report (NRR)**

Ms. Sara Tucker (NRR) provided an overview of her report included in the packet, highlighting federal efforts to assist with the Colorado River issues, the WEROC earmark funding, and her efforts on tracking appropriations.

The Board received and filed the report.

**b. State Legislative Report**

Mr. Syrus Devers of BBK, reviewed his report, noting the legislature is currently on break and he would have more information next month.

Following discussion, the Board received and filed the report.

**c. Legal and Regulatory Report (Ackerman)**

Mr. Dick Ackerman referenced his report, highlighting the Pacheco Dam lawsuit, and the Prop 26 ruling on rate structures.

The Board received and filed the report.

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

The Board received and filed the reports.

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

Director Ackerman provided an update on the Carson Regional Recycled Water Project (Now known as the Pure Water Project of Southern California).

Director Tamaribuchi reported that the Department of Water Resources would be releasing the Delta Conveyance EIR in July which will be followed by a ninety-day comment period; he encouraged all agencies to submit comments.

Director Erdman advised that MET is carefully reviewing/evaluating Colorado River issues.

**ACTION ITEMS**

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

President Yoo Schneider advised that the proposal to continue remote meetings was before the Board for consideration.

Director Seckel made a MOTION, which was seconded by Director Thomas, 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.

Director Nederhood expressed his desire for the Board to return to meeting in person. Discussion ensued regarding when the campus would re-open, and whether to hold hybrid meetings (in person and remote).

Director Seckel recommended the Board approve the item presented and that a discussion on holding in-person meetings be held in August, with the target of holding in-person meetings in August or September. It was noted that MWDOC would confer and coordinate with OCWD on this issue. This item was approved by the following roll call vote:

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

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

Governmental Affairs Manager, Heather Baez, advised that CSDA is holding an election for Southern Network, Seat B, and is requesting that MWDOC provide its designee for voting. It was generally stated that the majority of Board members present were not familiar with the

candidates running and recommended President Yoo Schneider conduct research for the best candidate(s) prior to voting.

Upon MOTION by Director Tamaribuchi, seconded by Director Nederhood, and carried (6-0), the Board authorized President Yoo Schneider, or her designee, to cast the District's ballot, by the following roll call vote:

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

## **INFORMATION ITEMS**

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

- a. MET Finance and Rate Issues
- b. MET Integrated Resources Plan Update
- c. MET Water Supply Conditions Update
- d. Water Quality Update
- e. Colorado River Issues
- f. 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 June MET Board Meeting
- b. MET 4-Month Outlook on Upcoming Issues
- c. Review items of significance for the upcoming MET Board and Committee Agendas

Director Seckel referenced the MET/SDCWA litigation and encouraged the MWDOC MET Directors to seek opportunities for settlement.

The report was received and filed.

## **ADJOURNMENT**

There being no further business, the meeting adjourned at 10:05 a.m.

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Maribeth Goldsby  
Board Secretary

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
July 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)). Director Tamaribuchi 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  
Kevin Hostert, Water Resources Analyst  
Charles Busslinger, Dir. of Engineering/Dist. Eng.  
Hilary Chumpitazi, Accounting Manager  
Damon Micalizzi, Director of Public Affairs  
Vicki Osborn, Director of Emergency Management  
Joe Berg, Director of WUE Programs

**ALSO PRESENT**

Dennis Erdman  
Linda Ackerman  
.Kathryn Freshley  
Mike Gaskins  
Kay Havens  
Mark Monin  
Jose Vergara  
Doug Reinhart  
Peer Swan  
Paul Weghorst  
Keith Van Der Maaten  
Stacy Taylor  
Sherry Wanninger  
Mike Markus  
John Kennedy  
Chuck Gibson  
Saundra Jacobs  
Justin McCusker  
Betty Olson  
Frank Ury  
Dan Ferons  
Jim Leach  
Chip Monaco  
Brad Reese

MWDOC/MET Director  
MWDOC/MET Director  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Laguna Beach County Water District  
Mesa Water  
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  
Santa Margarita Water District  
Serrano Water District

Jerry Vilander  
Bill Green  
Rick Shintaku  
Fernando Paludi  
Brooke Jones  
Tom Lindsey  
Wayne Miller  
Lisa Ohlund  
Kristy Khachigian  
Jennifer Lopez

Serrano Water District  
South Coast Water District  
South Coast Water District  
Trabuco Canyon Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Yorba Linda Water District  
Ohlund Management & Technical Services  
KK Consulting

### **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.

### **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.

No items were distributed.

### **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 asked that Item No. 5 (Approve Continuation of Remote Meetings Pursuant to AB 361 and Make Required Findings) be pulled from the Consent Calendar for further discussion.

Upon MOTION by Director Thomas, seconded by Director Seckel, and carried (7-0) the Board approved the balance of 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.

June 1, 2022 Adjourned Workshop Board Meeting  
June 15, 2022 Regular Board Meeting

## **COMMITTEE MEETING REPORTS**

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

Planning & Operations Committee Meeting:	June 6, 2022
Administration & Finance Committee Meeting:	June 8, 2022
Executive Committee Meeting:	June 16, 2022

## **TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of June 30, 2022  
MWDOC Disbursement Registers (June/July)

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 May 31, 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 May 31, 2022

## **SELECTION OF TWO MWDOC DIRECTORS TO SERVE ON AN AD HOC COMMITTEE FOR THE MEMBER AGENCY FACILITATED DISCUSSION – PHASE 2**

The Board authorized the Board President to select two members of the Board to serve on an Ad Hoc Committee to participate in the Facilitated Discussions (Phase 2) with the Member Agency Managers.

## **APPOINTMENT OF AD HOC COMMITTEE TO REVIEW GRAND JURY REPORT**

The Board ratified the appointment of Directors Seckel, Dick, and Tamaribuchi to an Ad Hoc Committee to review the Grand Jury Report findings.

**- END CONSENT CALENDAR -**



**ITEMS PULLED FROM CONSENT CALENDAR FOR FURTHER DISCUSSION****APPROVE CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND MAKE REQUIRED FINDINGS**

Director Nederhood expressed his desire to hold in-person meetings, noting the benefits of in-person meetings. Staff advised that the Building Management Committee would meet on July 29, 2022 to discuss re-opening the campus options. Several Board members commented that although they would like to hold in-person or hybrid meetings, due to the surge in new COVID-19 numbers, it may not be the right time.

Legal Counsel Byrne provided an overview of the Board's options for in-person and hybrid meetings; and Director of Emergency Management Vicki Osborn outlined the current surge in COVID-19 cases and the state and local government requirements.

Upon MOTION by Director Dick, seconded by Director Seckel, and carried (6-1), 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. 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

**ACTION CALENDAR****ADOPTION OF NORTH ORANGE COUNTY INTEGRATED REGIONAL WATERSHED MANAGEMENT PLAN**

Upon MOTION by Director McVicker, seconded by Director Seckel, and carried (7-0), the Board adopted RESOLUTION NO. 2127 adopting the OC Plan 2018, the Integrated Regional Water Management Plan for North and Central Orange County within the Santa Ana Funding Region, positioning MWDOC to be eligible for Proposition 1 Round 2 funding for North/Central Orange County, by the following roll call vote:

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

**BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION**

Upon MOTION by Director McVicker, seconded by Director Seckel, and carried (7-0), the Board adopted RESOLUTION NO. 2128 in support of MWDOC's 2022 WaterSMART Water and Energy Efficiency grant application to be submitted to the Bureau of Reclamation on July 28, 2022, by the following roll call vote:.

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

**INFORMATION CALENDAR****GENERAL MANAGER'S REPORT, JULY 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.

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), MET's Finance & Insurance Committee meeting, the MET Board meeting, the WACO Planning and WACO meetings, and the Water Education Foundation seminar regarding progress and weather forecasting.

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, five MET ad hoc committee meetings regarding legal issues, MET planning meetings, the WACO Planning and WACO meetings, the ACWA Region 9 event, a meeting with consultant Paul Jones, the MET Rate Workshop, and a MET real property briefing.

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 Board meeting and Regular Board meetings), two OC Water Summit planning meetings, the WACO meeting, the ISDOC Executive Committee meeting, the MET Committee meetings, the ad hoc committee regarding reserves, and the OCBC Infrastructure Committee meeting.

Director Seckel advised that he attended the most of the regularly scheduled MWDOC meetings for April and May (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the MET Committee meetings, the Mesa Water Board meeting, the OC Water Summit planning meetings, the WACO Planning meeting, the ad hoc committee meeting regarding reserves, and a meeting with staff regarding the reliability study assumptions. He announced that the August WACO meeting would feature a presentation by MET's Water Resources Group regarding Colorado River activities.

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, a meeting with staff regarding the reliability study assumptions, a meeting with MWDOC staff regarding rates, a DWR/Delta Conveyance briefing, the South Orange County Economic Coalition meeting, the IRWD Board meeting, MWDOC/MET Director meeting(s), the MET Caucus, the WACO meeting, the MNWD Board meeting, and a climate change presentation.

Director Thomas stated that he attended most of the regularly scheduled MWDOC meetings (the Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), and the OC Water Summit planning meeting(s).

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), a meeting with MWDOC staff, the SCWD Board meeting, the Water Environment Federation (WEF) Diversity, Equity & Inclusion Board Committee meeting, the SMWD Finance & Administration meeting, the ACWA Diversity, Equity & Inclusion meeting, and the WACO meeting.

**a. REQUESTS FOR FUTURE AGENDA TOPICS**

No requests for future agenda topics were received.

**CLOSED SESSION ITEMS**

At 9:07 a.m., Legal Counsel Byrne announced that the Board would adjourn to closed session to discuss the following item:

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

Title: General Manager

Government Code Section 54957

**RECONVENE**

The Board reconvened at 9:50 a.m., and Legal Counsel Byrne announced that no reportable action was taken in closed session.

**ADJOURNMENT**

There being no further business to come before the Board, President Yoo Schneider adjourned the meeting at 9:50 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary

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

Jointly with the  
**PLANNING & OPERATIONS**  
July 5, 2022 – 8:30 a.m. to 9:41 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,  
Damon Micalizzi, Heather Baez,  
Maribeth Goldsby, Michelle Decasas,  
Harvey De La Torre, Charles Busslinger, Rachel  
Waite, Katie Davanaugh, Joe Berg, Janine  
Schunk, Alex Heide, Vicki Osborn, Beth Fahl,  
Cathy Harris, Melissa Baum-Haley, Rachel  
Davis, Hilary Chumpitazi, Kevin Hostert, Sarah  
Wilson

**Also, Present:**

Director Larry Dick  
Director Megan Yoo Schneider  
Director Karl Seckel  
Director Jeff Thomas  
Linda Ackerman, MET Director  
Dennis Erdman, MET Director  
Doug Reinhart, Irvine Ranch WD  
Dick Ackerman, Ackerman Consulting  
Jose Vergara, El Toro WD  
Jim Atkinson, Mesa WD  
Brooke Jones, Yorba Linda WD  
Donal Froelich, Moulton Niguel WD  
Mike Gaskins, El Toro WD  
Kay Havens, El Toro WD

Paul Weghorst, Irvine Ranch WD  
Peer Swan, Irvine Ranch WD  
Saundra Jacobs, Santa Margarita WD  
Fernando Paludi, Trabuco Canyon WD  
Justin McCusker, Santa Margarita WD  
Stacy Taylor, Mesa WD  
Laura Rocha, Moulton Niguel WD  
Betty Olson – Santa Margarita WD  
Liz Mendelson-Goossens, SD Water Authority  
Mark Monin, El Toro WD  
Paul Brown, Redvers Brown  
Paul Jones, Irvine Ranch WD  
Sherry Wanninger, Moulton Niguel WD

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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.

**ACTION ITEM****ADOPTION OF NORTH ORANGE COUNTY INTEGRATED REGIONAL WATERSHED MANAGEMENT PLAN**

Mr. Joe Berg, Director of Water Use Efficiency, stated that the adoption of the North Orange County Integrated Regional Watershed Management Plan deals with Proposition 1, Round 2 funding for North/Central Orange County. Mr. Berg explained that to be eligible for this funding, the Board needed to adopt the 2018 OC Plan, which is the most recent Integrated Watershed Management Plan for North/Central Orange County. He highlighted the plan's objectives and how Water Use Efficiency fits into those objectives.

Upon MOTION by Director McVicker, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors consider adopting the 2018 OC Plan, making MWDOC eligible to receive Proposition 1 Round 2 funding for the proposed project titled "Making Conservation an Orange County Way of Life," if awarded.

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

**BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION**

Mr. Joe Berg, Director of Water Use Efficiency, stated that this is a Water and Energy Efficiency grant funding opportunity through the Bureau of Reclamation for 2023. He explained that due to the popularity and cost of MWDOC's Water Use Efficiency's comprehensive landscape programs, they would be applying for a \$3 million grant.

Upon MOTION by Director Nederhood, seconded by Director McVicker, and carried (3-0), the Committee recommended the Board of Directors consider adopting the resolution in support of MWDOC's 2022 WaterSMART Water and Energy Efficiency grant application to be submitted to the Bureau of Reclamation by July 28, 2022.

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

## **SELECTION OF TWO MWDOC DIRECTORS TO SERVE ON AN AD HOC COMMITTEE FOR THE MEMBER AGENCY FACILITATED DISCUSSION – PHASE 2**

Mr. Harvey De La Torre, Assistant General Manager, explained that in April, Consultant Paul Brown provided his comprehensive findings from Phase 1 of the Member Agency Facilitated Discussions. Since that time, MWDOC has met with the Member Agencies to get their understanding of the feedback and the approach to the purpose, objectives, and areas of topics for Phase II of the MA Discussions. This Phase will focus on policy and governance issues. Therefore, it is important to have the Board's opinion and direction. For the discussions to be productive and efficient, the staff and Mr. Brown recommended having two Board members to serve in the workgroup with the Member Agency Managers. This would allow a more transparent dialogue.

General Manager Rob Hunter stated the findings and statements from the Phase 1 interviews, which included the Member Agencies' concerns, said they would like the MWDOC Directors to be more active in the discussions. Therefore, forming an Ad Hoc Committee and including two MWDOC Directors to participate would address this concern.

Upon MOTION by Director McVicker, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors authorize the Board President to select two members of the Board to serve on an Ad Hoc Committee to participate in the Facilitated Discussions (Phase 2) with the Member Agencies.

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

## **DISCUSSION ITEMS**

### **ORANGE COUNTY GRAND JURY REPORT – WATER IN ORANGE COUNTY NEEDS “ONE VOICE”**

Mr. Harvey De La Torre, Assistant General Manager, noted on June 22, 2022, the Orange County Grand Jury released a 24-page report on the current wholesale water supplies, roles, responsibilities, and functions of Orange County Water District (OCWD) and the Municipal Water District of Orange County (MWDOC).

Mr. De La Torre summarized the report and explained that the report called for the formation of “One Voice” in the Orange County wholesale water structure. He noted that all comments on the report needed to be made no later than 90 days after the Grand Jury published its report. Thus, MWDOC and OCWD, as well as asked water agencies, must respond by September 20, 2022 to the Grand Jury's six findings and two recommendations.

General Manager Rob Hunter stated that MWDOC would enter into the evaluation with an open mind. He said the other aspect involved is for MWDOC to discuss the Grand Jury's findings and recommendations with OCWD. Therefore an Ad Hoc Committee is being formed to facilitate those discussions.

Director Tamaribuchi requested a copy of the analysis done on the 2013 Grand Jury report. Mr. De La Torre stated he would provide the report and the response from 2013.

Director Seckel requested that since the Grand Jury Report was not distributed to all MWDOC Member Agencies, he would like MWDOC to forward the report to them and ask for their input.

The Committee received and filed this report.

### **INFORMATION ITEMS**

#### **2022 OC WATER SUMMIT UPDATE**

The Committee received and filed this report.

#### **MWDOC CHOICE SCHOOL PROGRAM 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**

Director Tamaribuchi requested that staff look into any studies on the potential increase in heating of the environment due to turf removal in Southern California. Mr. Charles Busslinger, Director of Engineering, agreed to look into that information.

### **ADJOURNMENT**

There being no further business brought before the Committee, Chairperson Tamaribuchi adjourned the meeting at 9:41 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**

July 13, 2022 – 8:31 a.m. to 10:36 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:**

Robert Hunter, Alana Salas-Yoshii,  
Cathleen Harris, Charles Busslinger,  
Damon Micalizzi, Harvey De La Torre,  
Hilary Chumpitazi, Janine Schunk, Tina Fann,  
Katie Davanaugh, Katie Vincent, Kevin Hostert,  
Maribeth Goldsby, Michelle DeCasas,  
Pari Francisco, Rachel Waite, Sam Fetter,  
Sarah Wilson, Steven Hung, Tiffany Baca,  
Vicki Osborn, Christina Hernandez

**Also Present:**

Director Al Nederhood  
Director Bob McVicker  
Director Megan Yoo Schneider  
Director Sat Tamaribuchi

Dennis Erdman, MWDOC MET Director  
Brad Reese, Serrano Water District  
Christine Compton, Irvine Ranch Water District  
Dan Ferons, Santa Margarita Water District  
Dennis Cafferty - El Toro Water District  
Doug Reinhart, Irvine Ranch Water District  
Greg Mills, Serrano Water District  
Chuck Gibson, Santa Margarita Water District  
Jennifer Lopez, South Coast Water District  
Jim Atkinson, Mesa Water  
Johnathan Cruz, Moulton Niguel Water District  
Jim Leach, Santa Margarita Water District  
John Kennedy, Orange County Water District  
Jose Vergara, El Toro Water District  
Kay Havens, El Toro Water District  
Keith Vandermaaten, Laguna Beach County Water  
Lisa Ohlund  
Mark Monin, El Toro Water District  
Mike Gaskins, El Toro Water District  
Paul Weghorst, Irvine Ranch Water District (IRWD)  
Peer Swan, Irvine Ranch Water District  
Sandra Jacobs, Santa Margarita Water District

Sherri Seitz, El Toro Water District  
Stacy Taylor, Mesa Water

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 public 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**

No items were presented.

### **PROPOSED BOARD CONSENT CALENDAR ITEMS**

#### **TREASURER'S REPORT**

- a. Revenue/Cash Receipt Report – June 2022
- b. Disbursement Approval Report for the month of July 2022
- c. Disbursement Ratification Report for the month of June 2022
- d. GM Approved Disbursement Report for the month of June 2022
- e. Consolidated Summary of Cash and Investment – May 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 July 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

#### **FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period Ending May 31, 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 July 20, 2022 Board meeting. The vote was taken via roll call with Directors Seckel, Thomas and Dick all voting in favor.

**DISCUSSION ITEMS****MWDOC OUTREACH ACTION PLAN**

Damon Micalizzi, MWDOC Director of Public Affairs, provided a presentation on the MWDOC Outreach Action Plan which included three options for consideration on ways that MWDOC can enhance and improve drought awareness messaging. Some of the ideas listed were to elevate engagement with policy leaders, increase awareness to the general public, and to continue to develop common messaging among water providers and member agencies.

Mr. Micalizzi summarized each of the three options and spoke about various media channels, news articles, special events, tours, social media, inspection trips and elevated communications options available to the Board, and then solicited input from the Board on which projects and issues they would like to pursue. Each of the options was listed in the written staff report and was reviewed and included standard communications efforts, enhanced communication efforts or additional sponsored content which would include additional cost to the District. Each of the items were discussed at length by the Committee, Board and members present at the meeting, noting that collaboration between member agencies is critical. It was also noted that coordination with MET, ACWA, CMUA, the Southern California Water Coalition, Solve the Water Crisis, ACCOC and other outreach efforts are also essential to leveraging efforts.

Director Tamaribuchi expressed support for Option 2, noting the importance of collaboration from the Public Affairs workgroup; Director McVicker expressed support for Option 2 and maintaining infrastructure and storage as areas of importance in the messaging, increase state funding; Director Schneider expressed support for simplifying the messaging and get back to basics and with a collaborative approach; Director Dick would like to focus on education, Pure Water and Doheny; Director Nederhood requested additional details on the specific Action Plan that the Public Affairs department proposes to implement and stressed the importance of outreach to local stakeholders and requested that an Option 1a be developed; Director Thomas expressed support for increased messaging for desalination; and MWDOC Met Director Erdman expressed support for adding a conjunctive use project to decrease the dependence on imported water.

Comments from member agencies included Paul Wegworst (IRWD) noted the scope listed in the staff report was rather broad; Doug Reinhart (IRWD) noted that each agency has priorities of their own and suggested that a collaborative approach to messaging would be most effective, Sandra Jacobs (SMWD) also supported a collaborative approach and encouraged a cohesive working relationship in working with Metropolitan Water District; Dan Ferons (SMWD) indicated support for MWDOC working closely with member agencies to develop a list of priorities, keeping member agency priorities in mind; Peer Swan (IRWD), expressed support in working with member agencies to develop a consensus list of priorities.

The general consensus of the Committee was a blend of Option 1 and Option 2, however, a consensus was not reached upon which specific projects or communication points the District should undertake. General Manager Hunter concluded the discussion mentioning that the facilitated discussions with member agencies that are underway will be helpful in developing cohesive messaging and ultimately will be considered in the form of an updated Strategic Plan to be developed.

**INFORMATION ITEMS**

**GENERAL MANAGER AUTHORIZED AGREEMENTS**

The information was received and file.

**RESERVE FUND POLICY UPDATE**

Comments on the reserve fund policy update should be directed to staff for review and were encouraged.

**DEPARTMENT ACTIVITIES REPORTS**

- a. Administration
- b. Finance and Information Technology

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

All of the informational items were received and filed.

**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 10:36 a.m.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
jointly with the  
**EXECUTIVE COMMITTEE**  
July 21, 2022, 8:30 a.m. to 9:12 a.m.  
Zoom Webinar Application

**Committee:**

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

**Staff:**

R. Hunter, H. De La Torre, M. Goldsby,

**Also Present:**

Director Nederhood  
Director Seckel  
Director Dick  
Director Thomas  
Linda Ackerman, MWDOC/MET Dir.  
Dennis Erdman, MWDOC/MET Dir.  
Sherry Wanninger, MNWD  
John Kennedy, OCWD  
Chuck Gibson, SMWD  
Saundra Jacobs, SMWD  
Justin McCusker, SMWD  
Betty Olson, SMWD  
Jim Leach, SMWD  
Chip Monaco, SMWD  
Brad Reese, Serrano WD  
Kristy Khachigian, KK Consulting  
Dick Ackerman, Ackerman Consulting

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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**

No items were presented.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

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

**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

No new items were added to the agenda.

b. Planning & Operations Committee

No new items were added to the agenda, however Director Tamaribuchi asked that the OC Water Summit agenda be sent to the Board.

c. Workshop Board Meeting

Discussion ensued regarding the proposed presentation MET's drought outreach messaging, and asked that information/status update on the upcoming Upper Feeder shutdown be included in the presentation. Discussion ensued regarding the status of Colorado River Basin conditions and negotiations; staff advised that if any new information has developed it would be presented at the meeting.

d. Administration & Finance Committee

Although no new items were added to the agenda, the Committee discussed the response to the Grand Jury report. Committee also discussed the economic analysis of the State's proposed water use efficiency standards and Committee requested staff send the Board a copy of the Summary of the analysis in August, with the detailed report to the Planning & Operations Committee in September.

**DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE**

No new information was presented.

**MEMBER AGENCY RELATIONS**

Mr. De La Torre reported that the Building Management Committee (MWDOC/OCWD) would be meeting on July 29 to discuss the timeline and process/procedures for re-opening the campus. He also reported that the ad hoc committee meeting regarding the Grand Jury response would be scheduled soon, and that discussions are on-going regarding the reserves and facilitated discussions.

Mr. De La Torre also outlined the process for MWDOC agendas, noting that the draft agendas are presented to the member agency managers following the Executive Committee meeting. He noted that the managers have asked that the draft agendas be provided to the managers prior to the Executive Committee review; Committee approved.

**GENERAL MANAGER'S REPORTS**

Mr. De La Torre advised that due to the MET/SDCWA litigation matters, legal representation costs for Aleshire & Wynder would be over budget, however he noted that general legal services are below budget. It was determined that any overage from Aleshire & Wynder will be paid from the general legal budget line item.

Mr. Hunter encouraged all to attend the OC Water Summit and he outlined the agenda for the event.

**REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

Director Chuck Gibson (SMWD) announced that ACWA Region 10 would be holding its next event on August 2, 2022 and would feature Bill Hasencamp as speaker; he encouraged all to attend.

**ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:12 a.m.

**MEETING REPORT**  
**JOINT PLANNING COMMITTEE WITH BOARD OF DIRECTORS**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY and**  
**ORANGE COUNTY WATER DISTRICT**  
July 27, 2022 - 8:30 a.m. – 9:44 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  
Kevin Hostert  
Cathy Harris  
Heather Baez  
Charles Busslinger  
Sarah Wilson

**ALSO PRESENT**

Linda Ackerman  
Dennis Erdman  
Richard Bell  
Dennis Cafferty  
Doug Reinhart  
Peer Swan  
Paul Weghorst  
Stacy Taylor  
Dick Fiore  
Diane Rifkin  
Sherry Wanninger  
Laura Rocha  
Chuck Gibson  
Saundra Jacobs  
Justin McCusker  
Betty Olson  
Frank Ury  
Dan Ferons  
Chip Monaco  
Brooke Jones

**OCWD DIRECTORS**

Dina Nguyen (absent)  
Denis Bilodeau  
Roger Yoh  
Tri Ta  
Steve Sheldon  
Cathy Green  
Kelly Rowe  
Nelida Mendoza  
Gloria Ma'ae  
Bruce Whitaker

**OCWD STAFF**

Mike Markus  
John Kennedy  
Gina Ayala  
Alicia Dunkin

MWDOC/MET Director  
MWDOC/MET Director  
East Orange County Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Mesa Water  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel 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  
Santa Margarita Water District  
Yorba Linda Water District



Megan Couch  
Molly White  
S. Miller

San Diego County Water Authority  
CA Department of Water Resources

OCWD Director Cathy Green 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.

## **PRESENTATION ON THE OPERATION OF THE STATE WATER PROJECT (SWP)**

Ms. Molly White from the Department of Water Resources (DWR) presented information regarding the SWP Water Supply Allocation background, inputs, allocation process (storage conditions, forecasted hydrology, actual and forecasted demands, and state and federal environmental requirements), as well as water supply and climate change challenges.

A discussion period ensued with emphasis on ways to improve forecasting, temperature requirements along the Delta, the North Delta Agreement, demands, salinity levels and water quality parameters, the formulas used in forecasting models, and agricultural/urban allocations (30/70).

Responding to inquiries, Ms. White noted that teams of federal fisheries meet weekly to assess operations and risks to the fish population and to address biological aspects, in an effort to reach the allocation assessment. The Committee suggested a presentation on this issue of fisheries at the next meeting.

## **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.

## **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, the OCWD groundwater basin accumulated overdraft, and OCWD's plans to purchase MET untreated water.

## **UPDATE REGARDING AD-HOC COMMITTEE FORMED TO REVIEW THE GRAND JURY REPORT**

Mr. De La Torre reported that pursuant to President Yoo Schneider's correspondence, both Boards have appointed ad hoc committees to review this issue and that the first meetings of these ad hoc committees is in the scheduling process.

**FUTURE COMMITTEE MEETINGS: OCTOBER 26, 2022**

It was noted that the next MWDOC/OCWD Joint Planning Committee meeting would be held on October 26, 2022 and would be chaired by MWDOC.

**ANY FUTURE AGENDA ITEMS**

As stated above, it was noted that a biologist (likely from MET) would attend a future meeting to provide information regarding the fisheries and flow regulations in the Delta.

**ADJOURNMENT**

There being no further business to come before the Committee, the meeting adjourned at 9:44 a.m.

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

**WATER REVENUES**

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
7/01/2022	City of San Clemente	May 2022 Water deliveries	818,807.39
7/06/2022	City of La Palma	May 2022 Water deliveries	1,463.71
7/08/2022	City of Seal Beach	May 2022 Water deliveries	11,342.73
7/08/2022	South Coast Water District	May 2022 Water deliveries	517,416.75
7/11/2022	City of Buena Park	May 2022 Water deliveries	89,068.62
7/11/2022	East Orange Co Water District	May 2022 Water deliveries	880,282.45
7/11/2022	El Toro Water District	May 2022 Water deliveries	353,243.34
7/11/2022	Laguna Beach County Water District	May 2022 Water deliveries	373,288.04
7/11/2022	Santa Margarita Water District	May 2022 Water deliveries	2,790,319.49
7/11/2022	Santa Margarita Water District (ID9)	May 2022 Water deliveries	645,528.56
7/11/2022	Trabuco Canyon Water District	May 2022 Water deliveries	17,223.61
7/13/2022	City of Garden Grove	May 2022 Water deliveries	1,468,854.11
7/14/2022	City of Orange	May 2022 Water deliveries	1,146,714.57
7/14/2022	Yorba Linda Water District	May 2022 Water deliveries	438,073.61
7/15/2022	City of Brea	May 2022 Water deliveries	15,117.56
7/15/2022	Golden State Water Company	May 2022 Water deliveries	653,062.27
7/15/2022	Irvine Ranch Water District	May 2022 Water deliveries	3,333,064.16
7/15/2022	Moulton Niguel Water District	May 2022 Water deliveries	2,970,875.56
7/15/2022	Orange County Water District	May 2022 Water deliveries	423,775.93
7/15/2022	Serrano Water District	May 2022 Water deliveries	30,691.62
7/25/2022	City of Newport Beach	June 2022 Water deliveries	28,043.54
7/28/2022	City of Westminster	June 2022 Water deliveries	18,358.64
7/29/2022	City of San Clemente	June 2022 Water deliveries	832,126.28
7/25/2022	City of Huntington Beach	June 2022 Water deliveries	743,471.70

**TOTAL WATER REVENUES \$ 18,600,214.24**

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

**MISCELLANEOUS REVENUES**

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
7/06/2022	Orange County Water District	7/28/2022 ISDOC Luncheon	20.00
7/18/2022	Stan Sprague	August 2022 Retiree Health insurance	179.55
7/27/2022	Patricia Meszaros	August 2022 Retiree Health insurance	43.08
7/14/2022	Igoe and Company Inc	COBRA and Retiree Vision insurance	47.32
7/11/2022	Judy Pfister	Jul-Sep 2022 Retiree Health insurance	129.24
7/06/2022	Karl Seckel	July 2022 Retiree Health insurance	179.55
7/06/2022	Patricia Meszaros	July 2022 Retiree Health insurance	43.08
7/26/2022	US Bank Custodial Account	Sallie Mae, National Rural Utilities Coop, Capital One and Discover Bank inter	8,233.81
7/29/2022	US Bank	Monthly Interest	8.26
7/18/2022	Santa Margarita Water District	April 2022 Smartimer rebate program	39.99
7/06/2022	Irvine Ranch Water District	May 2022 Smartimer rebate program	693.23
7/18/2022	Santa Margarita Water District	May 2022 Smartimer rebate program	161.94
7/06/2022	City of Newport Beach	March 2022 Turf Removal rebate program	111.00
7/06/2022	City of Newport Beach	April 2022 Turf Removal and Spray to Drip rebate program	458.40
7/06/2022	2 Checks	May 2022 Turf Removal and Spray to Drip rebate program	4,465.40
7/08/2022	City of San Clemente	May 2022 Turf Removal and Spray to Drip rebate program	444.00
7/11/2022	City of Fountain Valley	May 2022 Turf Removal and Spray to Drip rebate program	333.00
7/22/2022	2 Checks	May 2022 Turf Removal and Spray to Drip rebate program	1,332.00
7/25/2022	City of Buena Park	May 2022 Turf Removal and Spray to Drip rebate program	333.00
7/18/2022	Laguna Beach County Water District	March 2022 Turf Removal, Spray to Drip and Rain Barrels rebate program	282.00
7/06/2022	Moulton Niguel Water District	May 2022 Smartimer, Rotating Nozzles, Turf Removal and Spray to Drip rebate program	49,465.65
7/21/2022	Mesa Water District	May 2022 Smartimer, Turf Removal and Spray to Drip rebate program	716.00
7/01/2022	City of San Clemente	May 2022 So Cal Watersmart rebate program	375.00
7/06/2022	El Toro Water District	May 2022 So Cal Watersmart rebate program	750.00
7/06/2022	Laguna Beach County Water District	May 2022 So Cal Watersmart rebate program	65.00
7/06/2022	Moulton Niguel Water District	May 2022 So Cal Watersmart rebate program	4,800.00
7/01/2022	City of San Clemente	Addition to the Choice School Program FY 21-22	987.00
7/15/2022	City of Fullerton	Jan-Jun 2022 School Billing	8,465.79
7/25/2022	City of Santa Ana	Jan-Jun 2022 School Billing	36,687.83
7/18/2022	Golden State Water Company	FY 2022-23 Annual Retail Service Connection Charge	520,681.73
7/20/2022	East Orange Co Water District	FY 2022-23 Annual Retail Service Connection Charge	255,018.57
7/20/2022	Serrano Water District	FY 2022-23 Annual Retail Service Connection Charge	27,783.36
7/21/2022	City of Westminster	FY 2022-23 Annual Retail Service Connection Charge	251,209.95
7/22/2022	City of Brea	FY 2022-23 Annual Retail Service Connection Charge	157,386.17
7/22/2022	City of Seal Beach	FY 2022-23 Annual Retail Service Connection Charge	65,698.62
7/22/2022	Trabuco Canyon Water District	FY 2022-23 Annual Retail Service Connection Charge	49,780.56
7/25/2022	City of La Habra	FY 2022-23 Annual Retail Service Connection Charge	186,658.80
7/25/2022	City of Newport Beach	FY 2022-23 Annual Retail Service Connection Charge	316,615.61
7/25/2022	Moulton Niguel Water District	FY 2022-23 Annual Retail Service Connection Charge	643,436.35
7/27/2022	City of Fountain Valley	FY 2022-23 Annual Retail Service Connection Charge	206,177.95
7/28/2022	Yorba Linda Water District	FY 2022-23 Annual Retail Service Connection Charge	310,512.06
7/15/2022	Orange County Water District	FY 2022-23 Groundwater Customer Charge	327,924.50
7/06/2022	California Water Efficiency Partnership	Partial refund for CalWep Peer to Peer Conference for Joe Berg	250.00
7/25/2022	City of Santa Ana	Participation in Streams of Hope Campaign	800.00
7/25/2022	Emerald Bay Service District	Water Loss Control Shared Services Year III	864.00
7/20/2022	East Orange Co Water District	2020 - 5 Year Update Urban Water Management Plan Final billing	2,850.00
7/25/2022	El Toro Water District	2020 - 5 Year Update Urban Water Management Plan Final billing	12,270.00
7/08/2022	City of La Palma	WEROC Emergency supplies for COVID-19	1,245.00
7/08/2022	South Coast Water District	WEROC Emergency supplies for COVID-19	3,765.00
7/11/2022	SOCWA	WEROC Emergency supplies for COVID-19	630.00
7/15/2022	Orange County Water District	WEROC Funding for FY 2022-23	134,825.50
7/25/2022	Orange County Sanitation District	WEROC Funding for FY 2022-23	52,851.60
<b>TOTAL MISCELLANEOUS REVENUES</b>			<b>\$ 3,649,085.45</b>
<b>TOTAL REVENUES</b>			<b>\$ 22,249,299.69</b>

  
Robert J. Hunter, General Manager

  
Hilary Chumpitazi, Treasurer

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

Vendor/ Invoice	Description	Amount to Pay
<b>Core Disbursements:</b>		
<b>Ace Print Agency-Francisco Flores</b>		
3487	Business cards for new staff member	67.43
***Total***		<u>67.43</u>
<b>Ackerman Consulting-Richard C Ackerman</b>		
1343	July 2022 Legal and regulatory specialized consulting services	3,500.00
***Total***		<u>3,500.00</u>
<b>Aleshire &amp; Wynder LLP</b>		
69037	June 2022 Legal Services	1,975.00
***Total***		<u>1,975.00</u>
<b>The Brattle Group Inc</b>		
68333	June 2022 Services for the Economic Benefit Studies and Modeling Work	2,300.00
***Total***		<u>2,300.00</u>
<b>California State University Fullerton</b>		
20220030	Leadership Development for Public Agencies Program class from February 15, 2022 to May 26, 2022 - Registration for H. Baez and M. Haley	3,136.00
***Total***		<u>3,136.00</u>
<b>CDM Smith</b>		
90157298	July 2022 Services for water resource planning	6,349.00
***Total***		<u>6,349.00</u>
<b>CDW Government</b>		
BG97526	ARCServe Backup licenses for Exchange online (7/6/2022-7/5/2025)	6,534.40
***Total***		<u>6,534.40</u>
<b>E Source Companies LLC</b>		
21327	June 2022 Services for leak detection survey	6,340.00
21359	June 2022 Technical Assistance Program services for Water Loss Control	3,000.00
***Total***		<u>9,340.00</u>
<b>GovConnection Inc</b>		
73048880	Windows Server Data Center license for new Hyper-V Virtual Server	6,225.84
***Total***		<u>6,225.84</u>
<b>Hashtag Pinpoint Corporation</b>		
1603	July 2022 Social Media consultation & service	7,913.00
***Total***		<u>7,913.00</u>



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

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>IDS Group</b>		
17x114.0-10	September 2021 Interior design for MWDOC office remodel	1,675.80
***Total***		<u>1,675.80</u>
<b>KP Public Affairs LLC</b>		
1032	Solve the Water Crisis Coalition Membership Fees	15,000.00
***Total***		<u>15,000.00</u>
<b>Lawnscape Systems Inc</b>		
428557	July 2022 Landscape Maintenance for Atrium	495.00
***Total***		<u>495.00</u>
<b>Means Consulting LLC-Edward G Means III</b>		
MWDOC-1104	July 2022 MET issues & strategic guidance to staff	1,000.00
***Total***		<u>1,000.00</u>
<b>Mega Maids Cleaning Service</b>		
12625	July 2022 Cleaning services for COVID-19 prevention	800.00
***Total***		<u>800.00</u>
<b>Natural Resource Results LLC</b>		
3974	July 2022 Federal legislative advocacy services	8,000.00
***Total***		<u>8,000.00</u>
<b>NDS</b>		
803902	7/8/22 Board packet delivery service	186.50
804047	7/15/22 Board packet delivery service	186.50
804180	7/29/22 Board packet delivery service	186.50
***Total***		<u>559.50</u>
<b>ODP Business Solutions LLC</b>		
253812461001	7/6/22 Office supplies	59.28
250323715001	7/11/22 Office supplies	101.10
***Total***		<u>160.38</u>
<b>Office Solutions</b>		
I-02029999	8/2/22 Office supplies	29.72
***Total***		<u>29.72</u>
<b>Orange County Water District</b>		
24444	June 2022 Postage, shared office and maintenance expense	12,125.71
***Total***		<u>12,125.71</u>

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

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>PARS</b>		
6746050100-2022	FY 2022-23 Unfunded pension liability contribution	207,000.00
***Total***		<u>207,000.00</u>
<b>Paul Redvers Brown Inc</b>		
DOC010	July 2022 MWDOC Facilitated Member Agency Discussions Project services	2,175.00
***Total***		<u>2,175.00</u>
<b>Ricoh USA Inc</b>		
1093488884	Ricoh color copier for MWDOC office	54,463.08
***Total***		<u>54,463.08</u>
<b>Mary Snow</b>		
8312022	June 2022 - August 2022 Retiree medical premium	510.30
***Total***		<u>510.30</u>
<b>Soto Resources-Joey C Soto</b>		
GA-JUL-63	July 2022 Grant Research and Acquisition Assistance	3,250.00
***Total***		<u>3,250.00</u>
<b>SPS Data Communications</b>		
72211	Television and cable installation for conference room 103	1,463.50
***Total***		<u>1,463.50</u>
<b>Water System Consulting Inc</b>		
6915	June 2022 Water Use Efficiency Economic Analysis	14,735.00
***Total***		<u>14,735.00</u>
<b>Total Core Expenditures</b>		<u>370,783.66</u>
<b>Choice Expenditures:</b>		
<b>Grainger</b>		
9378534573	Supplies for Water Loss Control Shared Services staff and vehicles	118.70
***Total***		<u>118.70</u>
<b>Mission RCD</b>		
3241	July 2022 Field inspection and verification for Water Use Efficiency rebate programs	2,820.00
***Total***		<u>2,820.00</u>

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

Vendor/ Invoice	Description	Amount to Pay
<b>Office Solutions</b>		
I-02023111	Bottled water for Water Loss Control Shared Services field staff	38.95
I-02023290	Gatorade for the Water Loss Control Shared Services field staff	81.25
***Total***		<u>120.20</u>
<b>Orange County Water District</b>		
24444	June 2022 Postage for Water Use Efficiency rebate programs	34.08
***Total***		<u>34.08</u>
<b>Total Choice Expenditures</b>		<u>3,092.98</u>
<b>Other Funds Expenditures:</b>		
<b>E Source Companies LLC</b>		
21359	June 2022 Technical Assistance Program services for Water Loss Control	18,440.00
***Total***		<u>18,440.00</u>
<b>EcoTech Services Inc</b>		
2368	July 2022 Landscape Design and Landscape Maintenance Assistance Program	11,764.10
***Total***		<u>11,764.10</u>
<b>Mission RCD</b>		
3241	July 2022 Field inspection and verification for Water Use Efficiency rebate programs	5,328.00
***Total***		<u>5,328.00</u>
<b>County of Orange</b>		
SC13626	7/1/22-9/30/22 WEROC Radio System operations and maintenance costs	486.00
***Total***		<u>486.00</u>
<b>The Plant Nerd</b>		
7348	July 2022 Landscape Design and Landscape Maintenance Assistance Program	30,420.00
***Total***		<u>30,420.00</u>
<b>TerraWorks Studio</b>		
MW0014	July 2022 Landscape Design and Landscape Maintenance Assistance Program	2,625.00
***Total***		<u>2,625.00</u>
<b>Total Other Funds Expenditures</b>		<u>69,063.10</u>
<b>Total Expenditures</b>		<u><u>442,939.74</u></u>



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

<b>Name/ Date</b>	<b>Check/ EFT</b>	<b>Invoice</b>	<b>Description</b>	<b>Amount</b>
<b>Core Disbursements:</b>				
<b>Hilary Chumpitazi</b>				
7/29/2022	EFT	62922	June 2022 Business expense	56.00
<b>***Total***</b>				<b>56.00</b>
<b>Corodata Records Management Inc</b>				
7/29/2022	EFT	RS4814716	June 2022 Records Storage Fees	58.22
<b>***Total***</b>				<b>58.22</b>
<b>Rachel Davis</b>				
7/29/2022	EFT	6302022	June 2022 Business expense	88.28
<b>***Total***</b>				<b>88.28</b>
<b>Lina Gunawan</b>				
7/29/2022	EFT	51922	May 2022 Business expense	20.00
7/29/2022	EFT	61922	June 2022 Business expense	20.00
<b>***Total***</b>				<b>40.00</b>
<b>Cathleen Harris</b>				
7/29/2022	EFT	72622	July 2022 Business expense	115.11
<b>***Total***</b>				<b>115.11</b>
<b>Al Nederhood</b>				
7/29/2022	EFT	60922	June 2022 Business expense	36.70
<b>***Total***</b>				<b>36.70</b>
<b>Judy Roberts</b>				
7/29/2022	EFT	61622	June 2022 Business expense	26.34
<b>***Total***</b>				<b>26.34</b>
<b>Refund for 2020 - Five Year Update Urban Water Management Plan Final billing</b>				
7/08/2022		17054	City of Brea	3,750.00
7/08/2022		17045	City of Buena Park	1,750.00
7/08/2022		17050	City of Fountain Valley	7,450.00
7/08/2022		17046	City of Fullerton	14,200.00
7/08/2022	EFT	17049	City of Huntington Beach	9,000.00
7/08/2022		17055	City of La Habra	5,300.00
7/08/2022		17051	City of Santa Ana	3,100.00
7/08/2022		17052	South Coast Water District	8,900.00
7/08/2022		17053	Trabuco Canyon Water District	2,500.00
7/08/2022		17047	City of Tustin	4,000.00
7/08/2022	EFT	17048	City of Westminster	7,100.00
<b>***Total***</b>				<b>67,050.00</b>

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Megan Yoo Schneider</b>				
7/29/2022	EFT	61122	June 2022 Business expense	7.14
<b>***Total***</b>				<b>7.14</b>
<b>Spectrum Business</b>				
7/18/2022	141102	343564071022	July 2022 Telephone expense for one analog fax line	39.99
7/05/2022	141078	375210063022	July 2022 Telephone and internet expense	1,423.48
<b>***Total***</b>				<b>1,463.47</b>
<b>US Bank</b>				
7/29/2022	141134	0208/4192/4279-JUN22	5/24/22-6/22/22 Cal Card Charges	18,861.13
<b>***Total***</b>				<b>18,861.13</b>
<b>Verizon Wireless</b>				
7/05/2022	141079	9909549871	June 2022 4G Mobile broadband unlimited service	114.03
<b>***Total***</b>				<b>114.03</b>
<b>Total Core Disbursements</b>				<b>87,916.42</b>
<b>Choice Disbursements:</b>				
<b>Rachel Davis</b>				
7/29/2022	EFT	6302022	June 2022 Business expense	3.98
<b>***Total***</b>				<b>3.98</b>
<b>US Bank Voyager Fleet Systems</b>				
7/29/2022	EFT	8694349932226	5/25/22-6/24/22 Fuel for Water Loss Control Shared Services vehicles	908.49
<b>***Total***</b>				<b>908.49</b>
<b>Total Choice Disbursements</b>				<b>912.47</b>
<b>Other Funds Disbursements:</b>				
<b>AT&amp;T</b>				
7/15/2022	141090	18399788	June 2022 Telephone expense for WEROC Primary & N. EOC	453.22
<b>***Total***</b>				<b>453.22</b>
<b>East Orange Co Water District</b>				
7/15/2022	EFT	10835A	Credit for Service Connection OC-70 Meter Discrepancy	1,479,781.42
<b>***Total***</b>				<b>1,479,781.42</b>

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

<b>Name/ Date</b>	<b>Check/ EFT</b>	<b>Invoice</b>	<b>Description</b>	<b>Amount</b>
<b>Mesa Water District</b>				
7/15/2022	EFT	10844	May 2022 Credit for Local Resources program	72,400.00
<b>***Total***</b>				<b>72,400.00</b>
<b>Metropolitan Water District</b>				
7/29/2022	EFT072922	10798	May 2022 Water deliveries	15,928,037.56
<b>***Total***</b>				<b>15,928,037.56</b>
<b>Santa Margarita Water District</b>				
7/29/2022	EFT	53122	May 2022 SCP Operation Surcharge	29,023.98
<b>***Total***</b>				<b>29,023.98</b>
<b>Santiago Aqueduct Commission</b>				
7/29/2022	141125	53122	May 2022 SAC Pipeline Operation Surcharge	6.79
<b>***Total***</b>				<b>6.79</b>
<b>Spray to Drip Rebate</b>				
7/29/2022	141111	S2D5-C-YLWD-44331-18486	Jondo Ltd (Yorba Linda)	1,674.50
7/29/2022	141131	S2D5-R-SM-46136-18468	C. Sun	132.50
<b>***Total***</b>				<b>1,807.00</b>
<b>Turf Rebate</b>				
7/29/2022	141103	TR15-C-MNT-44612-43258	Aliso Viejo Comm Assoc (Aliso Viejo)	35,956.00
7/29/2022	141105	TR15-C-MNT-45960-44603	Beacon Hill Planned Comm Assoc (Laguna Niguel)	22,800.00
7/29/2022	141128	TR15-C-SM-4463-44584	Sierra Verde Maintenance (Santa Margarita)	131,849.88
7/29/2022	141122	TR15-C-SOCO-42800-44924	Regatta Homeowners Assoc (Dana Point)	37,210.00
7/29/2022	141133	TR15-R-HB-46085-44721	M. Tabita	495.00
7/29/2022	141109	TR15-R-HB-46572-45215	D. Greenhut	264.00
7/29/2022	141129	TR15-R-MNT-44532-43183	A. Silbernagel	1,504.00
7/29/2022	141126	TR15-R-MNT-45933-44559	F. Saremi	800.77
7/29/2022	141127	TR15-R-MNT-46265-44901	D. Sawyer	5,680.00
7/29/2022	141123	TR15-R-MNT-46323-44950	M. Renert	4,712.00
7/29/2022	141116	TR15-R-O-44166-42818	A. Munoz	1,016.52
7/29/2022	141121	TR15-R-O-45985-44616	R. Ramirez	3,102.00
7/29/2022	141119	TR15-R-O-46829-45464	J. Occhipinti	942.00
7/29/2022	141135	TR15-R-SB-46202-44829	M. VanDine	1,575.00
7/29/2022	141124	TR15-R-SM-46124-44757	K. Roth	1,317.00
7/29/2022	141132	TR15-R-SM-46136-44767	C. Sun	1,656.00
7/29/2022	141117	TR15-R-SOCO-46126-44759	D. Nazarbegian	774.00
7/29/2022	141113	TR15-R-TUST-41594-40370	A. Martens	3,003.00
7/29/2022	141110	TR15-R-TUST-46410-45047	J. Haydel	7,458.00
<b>***Total***</b>				<b>262,115.17</b>

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>US Bank</b>				
7/29/2022	141134	6066-JUN22	5/24/22-6/22/22 Cal Card Charges	986.09
<b>***Total***</b>				<b>986.09</b>
<b>Verizon Wireless</b>				
7/05/2022	141079	9909549871	June 2022 4G Mobile broadband unlimited service	76.02
<b>***Total***</b>				<b>76.02</b>
<b>Total Other Funds Disbursements</b>				<b>17,774,687.25</b>
<b>Total Disbursements</b>				<b>17,863,516.14</b>

  
Robert J. Hunter, General Manager

  
Hilary Chumpitazi, Treasurer

**Cal Card Charges**  
**Statement Date: June 22, 2022**  
**Payment Date: July 29, 2022**

Date	Description	Amount
<b>R. Hunter Card:</b>		
5/24/2022	ACWA DC2022 Water Conference in Washington, DC from July 12-14, 2022 - Airfare for H. Baez	1,360.47
5/24/2022	ACWA DC2022 Water Conference in Washington, DC from July 12-14, 2022 - Registration for H. Baez & M. Baum-Haley	1,520.00
5/27/2022	Water Education Foundation: Making Progress on Drought Management Event on June 9, 2022 - Registration for Director Nederhood	84.02
5/31/2022	Partial refund CALWep Peer to Peer in Sacramento, CA from May 31 to June 2, 2022 - Airfare for J. Berg	(102.99)
6/01/2022	BIA Southern California Water Conference in Ontario, CA on August 12, 2022 - Registration for Director Nederhood	99.00
6/02/2022	CALWep Peer to Peer conference in Sacramento, CA from May 31 to June 2, 2022 - Accommodations for S. Fetter	392.74
6/08/2022	OCBS's Sacramento Advocacy Trip in Sacramento, CA from March 21 - March 22, 2022 - Registration for H. Baez	1,200.00
6/10/2022	ACWA DC2022 Water Conference in Washington, DC from July 12-14, 2022 - Airfare one-way for M. Baum-Haley	707.48
6/11/2022	ACWA DC2022 Water Conference in Washington, DC from July 12-14, 2022 - Airfare one-way for M. Baum-Haley	587.60
6/14/2022	Urban Water Institute Annual Water Conference in San Diego, CA from August 24-26, 2022 - Registration credit adjustment for A. Heide	(50.00)
6/14/2022	Urban Water Institute Annual Water Conference in San Diego, CA from August 24-26, 2022 - Registration for D. Micalizzi, A. Heide, Director Nederhood, Director McVicker, & Director Thomas	2,675.00
<b>Total:</b>		<b>8,473.32</b>
<b>C. Harris Card:</b>		
5/18/2022	5/23/22 Office supplies	253.02
5/20/2022	Two FedEx delivery charges on May 23, 2022	36.58
5/24/2022	4/25/22-5/24/22 Web hosting service for MWDOC website	15.65
5/26/2022	Los Angeles Times annual digital subscription renewal	103.48
5/31/2022	First Class pizza for staff baby shower	486.50
6/02/2022	Promotional Item: Toilet water saver kits	1,800.00
6/05/2022	Web camera purchase for Director of Human Resources & Administration	76.11
6/07/2022	Replacement AC adapters	115.98
6/07/2022	Replacement iPad keyboard for Director Yoo Schneider	194.66
6/09/2022	Sympathy flowers for non-staff member	70.55
6/10/2022	OCWatersurvey.com domain annual renewal	20.17
6/14/2022	25 year anniversary gift card for S. Hedges	125.00
6/20/2022	Sacramento Bee Newspaper annual subscription renewal	359.99
6/20/2022	Replacement batteries for UPS units	2,049.21
<b>Total:</b>		<b>5,706.90</b>



**Cal Card Charges**  
**Statement Date: June 22, 2022**  
**Payment Date: July 29, 2022**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b>Public Affairs Card:</b>		
5/26/2022	Art Kits for Poster Contest prizes	1,065.40
5/28/2022	Credit for 4/25/22 Fred's Mexican Cafe overcharge	(4.00)
6/01/2022	Yard Signs for Poster Contest	90.39
6/02/2022	6/2/22-7/1/22 Zoom Video Communications monthly fee with audio licenses	174.93
6/03/2022	June 2022 Public Storage Unit for Public Affairs	360.00
6/06/2022	Promotional item: Water Conservation playing cards	2,028.19
6/07/2022	CoSchedule annual subscription renewal	720.00
6/09/2022	CAPIO Webinar training: Reimagining Your Agency's Website on June 16, 2022 - Registration for S. Wilson	30.00
6/09/2022	WordPress annual subscription renewal for WEEA website	216.00
<b>Total:</b>		<b>4,680.91</b>
<b>WEROC Card:</b>		
5/24/2022	In-service staff meeting lunch	97.08
6/22/2022	Luncheon for WEROC Logistics Tabletop on June 22, 2022	889.01
<b>Total:</b>		<b>986.09</b>

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

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Core Disbursements:</b>				
<b>ACWA Joint Powers Ins Auth</b>				
7/29/2022	EFT	8834	7/1/22-6/30/23 Property insurance renewal	8,556.71
***Total***				<u>8,556.71</u>
<b>CDM Smith</b>				
7/29/2022	141107	90155491	June 2022 Services for water resource planning	9,749.50
***Total***				<u>9,749.50</u>
<b>County of Orange</b>				
7/29/2022	EFT	GA22230059	FY 2022-23 LAFCO Costs	38,264.25
***Total***				<u>38,264.25</u>
<b>Steven Enterprises Inc</b>				
7/29/2022	EFT	0001550-IN	Annual maintenance renewal for Plotter	634.00
***Total***				<u>634.00</u>
<b>Total Core Disbursements</b>				<u><u>57,204.46</u></u>
<b>Choice Disbursements:</b>				
<b>ACWA Joint Powers Ins Auth</b>				
7/29/2022	EFT	8834	7/1/22-6/30/23 Property insurance renewal	372.00
***Total***				<u>372.00</u>
<b>Total Choice Disbursements</b>				<u>372.00</u>
<b>Other Funds Disbursements:</b>				
<b>Total Other Funds Disbursements</b>				<u>-</u>
<b>Total Disbursements</b>				<u><u>57,576.46</u></u>

  
 Robert J. Hunter, General Manager

  
 Hilary Chumpitazi, Treasurer

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



## Municipal Water District of Orange County Consolidated Summary of Cash and Investment

June 30, 2022

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

Fund	Book Value	% of Portfolio
<b>Designated Reserves</b>		
General Operations	\$3,738,505	32.64%
Grant & Project Cash Flow	1,500,000	13.09%
Election Expense	461,678	4.03%
Building Repair	436,542	3.81%
OPEB	297,147	2.59%
<b>Total Designated Reserves</b>	<b>6,433,872</b>	<b>56.16%</b>
<b>General Fund</b>	<b>\$3,219,989</b>	<b>28.12%</b>
Water Fund	1,801,613	15.73%
Conservation Fund	(470,376)	(4.11%)
WEROC Fund	451,325	3.94%
Trustee Activities	18,655	0.16%
<b>Total</b>	<b>\$11,455,078</b>	<b>100.00%</b>

The funds are invested as follows:

Term of Investment	% of Portfolio	Book Value	Market Value
Cash	0.82%	\$201,426	\$201,426
<b>Short-term investment</b>			
• LAIF	12.57%	4,114,759	4,114,759
• OCIP	62.50%	4,038,983	4,038,983
<b>Long-term investment</b>			
• US Government Issues	1.94%	249,910	232,070
• Corporate Bond	10.89%	1,400,000	1,303,113
• Certificates of Deposit	11.28%	1,450,000	1,424,052
<b>Total</b>	<b>100.00%</b>	<b>\$11,455,078</b>	<b>\$11,314,403</b>

The average number of days to maturity/call as of June 30, 2022 equaled 143 and the average yield to maturity is 1.118%. During the month, the District's average daily balance was \$21,541,847.52. Funds were invested in US Bank Checking Account, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues, Local Agency Investment Funds (LAIF) and Orange County Investment Pool (OCIP) during the month of June 2022.

The (\$140,675) difference between the book value and the market value on June 30, 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

Street Address:  
18700 Ward Street  
Fountain Valley, California 92708

Mailing Address:  
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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





# MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

## Portfolio Management - Portfolio Summary June 30, 2022

6/30/2022	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,450,000.00	1,424,052.00	1,450,000.00	12.89	618	2.440
Corporate Bond	1,400,000.00	1,303,113.50	1,400,000.00	12.44	491	1.659
US Government Issues	250,000.00	232,070.00	249,910.52	2.22	57	0.860
Local Agency Investment Funds	4,114,758.94	4,114,758.94	4,114,758.94	36.56	1	0.858
Orange County Investment Pool	4,038,983.19	4,038,983.19	4,038,983.19	35.89	1	0.742
<b>Total Investments</b>	<b>11,253,742.13</b>	<b>11,112,977.63</b>	<b>11,253,652.65</b>	<b>100.00</b>	<b>143</b>	<b>1.118</b>

<b>Cash</b>						
Cash	201,425.78	201,425.78	201,425.78		1	0.00
<b>Total Cash and Investments</b>	<b>11,455,167.91</b>	<b>11,314,403.41</b>	<b>11,455,078.43</b>		<b>143</b>	<b>1.118</b>

Total Earnings	Month Ending June	Fiscal Year to Date
Current Year	17,046.97	140,233.19
Average Daily Balance	21,541,847.52	
Effective Rate of Return	1.118%	

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

  
Robert J. Hunter, General Manager

Date

08/4/22

  
Hilary Chumbitazi, Treasurer

Date

08/04/22

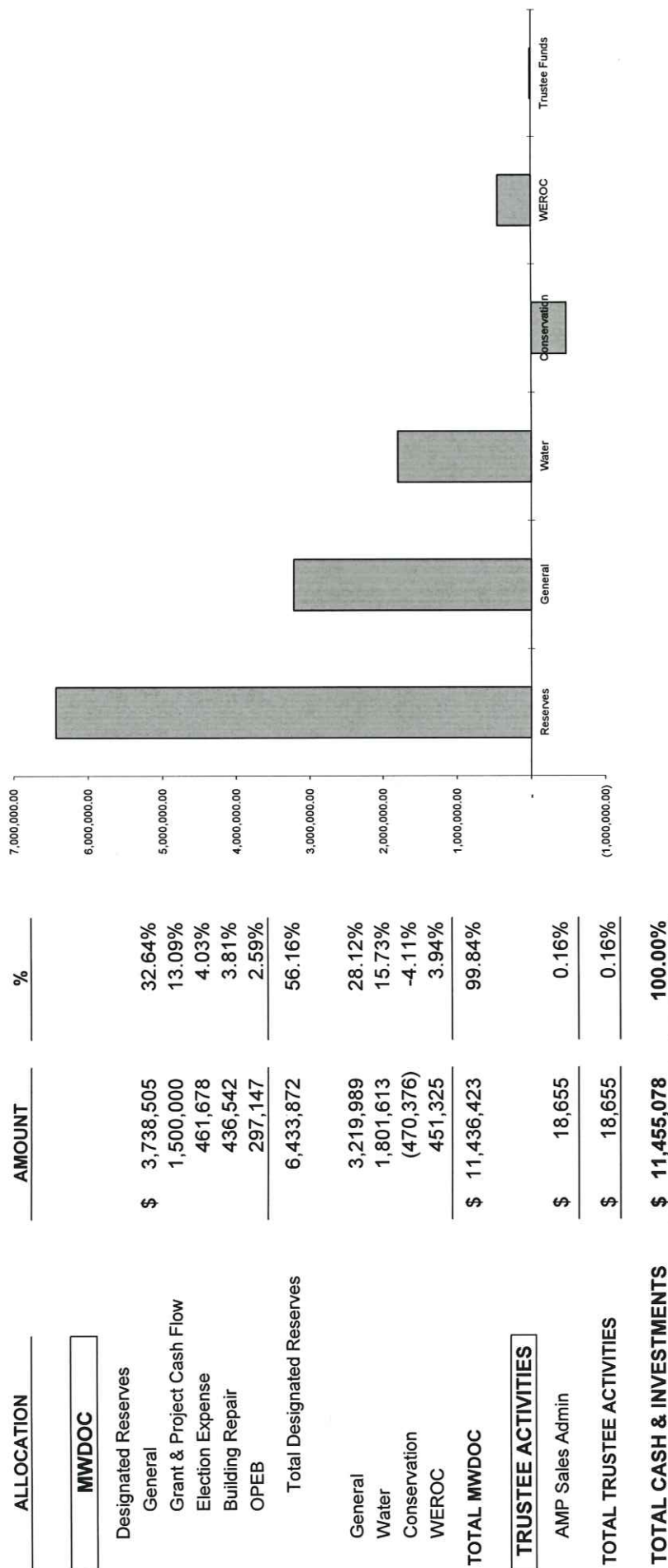
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Long-Term Portfolio Details - Investments**  
**June 30, 2022**

Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Negotiable Certificate Of Deposit</b>									
Barclays Bank	06740KKY2	9/27/2017	250,000.00	250,270.00	250,000.00	2.250	2.250	89	9/27/2022
Capital One Bank	14042TBQ9	8/7/2019	250,000.00	244,647.50	250,000.00	2.250	2.250	769	8/7/2024
Capital One NA	14042RMJ7	7/24/2019	250,000.00	244,515.00	250,000.00	2.200	2.200	755	7/24/2024
Discover Bank	254673RV0	7/25/2018	250,000.00	251,055.00	250,000.00	3.300	3.300	390	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	251,182.50	250,000.00	3.350	3.350	404	8/8/2023
Sallie Mae Bank	7954507A7	7/14/2021	200,000.00	182,382.00	200,000.00	1.000	1.000	1,475	7/14/2026
<b>Sub Total</b>			<b>1,450,000.00</b>	<b>1,424,052.00</b>	<b>1,450,000.00</b>	<b>2.440</b>	<b>2.440</b>	<b>618</b>	
<b>US Government Issues</b>									
FHLB	3130ALGR9	3/1/2021	250,000.00	232,070.00	249,910.52	0.850	0.860	57	2/26/2026
<b>Sub Total</b>			<b>250,000.00</b>	<b>232,070.00</b>	<b>249,910.52</b>	<b>0.850</b>	<b>0.860</b>	<b>57</b>	
<b>Corporate Bond</b>									
Bank of America Corp	06048WK41	12/7/2020	250,000.00	221,337.50	250,000.00	0.650	0.800	1,244	11/25/2025
Citigroup Global Markets	17328WFZ6	9/16/2020	250,000.00	223,715.00	250,000.00	1.000	1.000	78	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	228,235.00	250,000.00	0.800	0.800	780	8/18/2025
Morgan Stanley Fin LLC	61766YKH3	6/29/2022	200,000.00	201,248.00	200,000.00	4.500	4.500	730	6/29/2027
National Rural Util Coop	63743FE51	7/27/2017	200,000.00	199,808.00	200,000.00	2.500	2.500	15	7/15/2022
Societe Generale	83369MD25	8/19/2020	250,000.00	228,770.00	250,000.00	1.000	1.088	50	8/19/2025
<b>Sub Total</b>			<b>1,400,000.00</b>	<b>1,303,113.50</b>	<b>1,400,000.00</b>	<b>1.616</b>	<b>1.659</b>	<b>491</b>	
<b>Total Investments</b>			<b>3,100,000.00</b>	<b>2,959,235.50</b>	<b>3,099,910.52</b>	<b>1.940</b>	<b>1.960</b>	<b>515</b>	
<b>Total Earnings</b>									
Current Year			4,546.24		55,829.81				

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**June 30, 2022**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	4,114,758.94	4,114,758.94	4,114,758.94	0.854	0.854	1	N/A
Sub Total			4,114,758.94	4,114,758.94	4,114,758.94	0.854	0.854	1	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	4,038,983.19	4,038,983.19	4,038,983.19	0.742	0.742	1	N/A
Sub Total			4,038,983.19	4,038,983.19	4,038,983.19	0.742	0.742	1	
Total Investments			8,153,742.13	8,153,742.13	8,153,742.13	0.799	0.799		
<b>Cash</b>									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	200,925.78	200,925.78	200,925.78	0.000	0.000	1	N/A
Total Cash			201,425.78	201,425.78	201,425.78	0.000	0.000	1	
Total Cash and Investments			8,355,167.91	8,355,167.91	8,355,167.91	0.799	0.799	1	
<b>Total Earnings</b>									
Current Year			12,500.73		Fiscal Year To Date				
						84,403.38			

**Municipal Water District of Orange County**  
**Cash and Investments at June 30, 2022**



**MUNICIPAL WATER DIST OF ORANGE COUNTY**  
**PARS Post-Employment Benefits Trust****Account Report for the Period**  
**7/1/2021 to 6/30/2022**Hilary Chumpitazi  
Accounting Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708**Account Summary**

Source	Balance as of 7/1/2021	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 6/30/2022
OPEB	\$2,781,098.64	\$0.00	-\$356,247.25	\$16,252.13	\$0.00	\$0.00	\$2,408,599.26
PENSION	\$773,721.69	\$207,000.00	-\$127,611.02	\$5,457.63	\$0.00	\$0.00	\$847,653.04
<b>Totals</b>	<b>\$3,554,820.33</b>	<b>\$207,000.00</b>	<b>-\$483,858.27</b>	<b>\$21,709.76</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,256,252.30</b>

**Investment Selection****Source**

OPEB	<b>Moderate HighMark PLUS</b>
PENSION	<b>Moderate HighMark PLUS</b>

**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	-5.14%	-10.13%	-12.87%	3.47%	4.74%	6.11%	10/26/2011
PENSION	-5.14%	-10.13%	-12.89%	3.44%	-	-	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 DIST OF ORANGE COUNTY  
PARS Post-Employment Benefits TrustAccount Report for the Period  
6/1/2022 to 6/30/2022Hilary Chumpitazi  
Accounting Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708

## Account Summary

Source	Balance as of 6/1/2022	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 6/30/2022
OPEB	\$2,540,365.79	\$0.00	-\$130,533.14	\$1,233.39	\$0.00	\$0.00	\$2,408,599.26
PENSION	\$894,025.35	\$0.00	-\$45,938.24	\$434.07	\$0.00	\$0.00	\$847,653.04
<b>Totals</b>	<b>\$3,434,391.14</b>	<b>\$0.00</b>	<b>-\$176,471.38</b>	<b>\$1,667.46</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,256,252.30</b>

## Investment Selection

Source	
OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

## Investment Objective

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

## Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	-5.14%	-10.13%	-12.87%	3.47%	4.74%	6.11%	10/26/2011
PENSION	-5.14%	-10.13%	-12.89%	3.44%	-	-	7/31/2018

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

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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

# NET PERFORMANCE FEE ANALYSIS

As of June 30, 2022

Over 1 Year Over 3 Years Over 5 Years Over 10 Years

PARS/HIGHMARK		PARS/HIGHMARK		PARS/HIGHMARK		PARS/HIGHMARK	
<b>Moderate</b> (50% Fixed Income/Cash)	-12.97%	<b>Moderate</b> (50% Fixed Income/Cash)	3.51%	<b>Moderate</b> (50% Fixed Income/Cash)	4.77%	<b>Moderate</b> (50% Fixed Income/Cash)	6.01%
minus weighted PARS administration fee	(-) 0.25%	minus weighted PARS administration fee	(-) 0.25%	minus weighted PARS administration fee	(-) 0.25%	minus weighted PARS administration fee	(-) 0.25%
minus weighted HighMark investment management fee	(-) 0.35%	minus weighted HighMark investment management fee	(-) 0.35%	minus weighted HighMark investment management fee	(-) 0.35%	minus weighted HighMark investment management fee	(-) 0.35%
<b>1-Year Net Return</b>	<b>-13.57%</b>	<b>3-Year Net Return</b>	<b>2.91%</b>	<b>5-Year Net Return</b>	<b>4.17%</b>	<b>10-Year Net Return</b>	<b>5.41%</b>

CALPERS CERBT		CALPERS CERBT		CALPERS CERBT		CALPERS CERBT	
<b>Strategy 2</b> (48% Fixed Income/Cash)	-12.54%	<b>Strategy 2</b> (48% Fixed Income/Cash)	3.35%	<b>Strategy 2</b> (48% Fixed Income/Cash)	4.66%	<b>Strategy 2</b> (48% Fixed Income/Cash)	5.69%
minus fees	(-) 0.10%	minus fees	(-) 0.10%	minus fees	(-) 0.10%	minus fees	(-) 0.10%
<b>1-Year Net Return</b>	<b>-12.62%</b>	<b>3-Year Net Return</b>	<b>3.27%</b>	<b>5-Year Net Return</b>	<b>4.57%</b>	<b>10-Year Net Return</b>	<b>5.59%</b>

\* Subject to change due to rebalancing; fees are based on assets under \$5 million.  
Past performance does not guarantee future results.

## PARS DIVERSIFIED PORTFOLIOS MODERATE

Q2 2022

### WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

#### Comprehensive Investment Solution

HighMark® Capital Management, Inc.'s (HighMark) diversified investment portfolios are designed to balance return expectations with risk tolerance. Key features include: sophisticated asset allocation and optimization techniques, four layers of diversification (asset class, style, manager, and security), access to rigorously screened, top tier money managers, flexible investment options, and experienced investment management.

#### Rigorous Manager Due Diligence

Our manager review committee utilizes a rigorous screening process that searches for investment managers and styles that have not only produced above-average returns within acceptable risk parameters, but have the resources and commitment to continue to deliver these results. We have set high standards for our investment managers and funds. This is a highly specialized, time consuming approach dedicated to one goal: competitive and consistent performance.

#### Flexible Investment Options

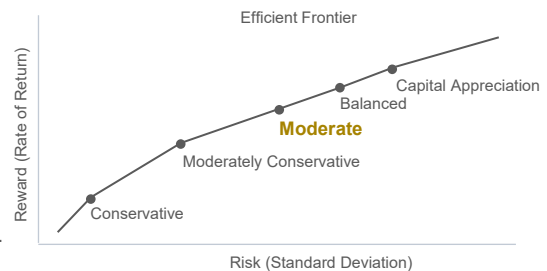
In order to meet the unique needs of our clients, we offer access to flexible implementation strategies: HighMark Plus utilizes actively managed mutual funds while Index Plus utilizes index-based securities, including exchange-traded funds. Both investment options leverage HighMark's active asset allocation approach.

#### Risk Management

The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process helps to drive return potential while reducing portfolio risk.

### INVESTMENT OBJECTIVE

To provide current income and moderate capital appreciation. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.



### ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	48%
Fixed Income	40 - 60%	45%	46%
Cash	0 - 20%	5%	6%

### ANNUALIZED TOTAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

#### HighMark Plus Composite (Active)

Current Quarter*	-10.16%
Blended Benchmark*, **	-9.86%
Year To Date*	-14.71%
Blended Benchmark*, **	-14.34%
1 Year	-12.97%
Blended Benchmark**	-11.49%
3 Year	3.51%
Blended Benchmark**	3.77%
5 Year	4.77%
Blended Benchmark**	4.92%
10 Year	6.01%
Blended Benchmark**	6.19%

#### Index Plus Composite (Passive)

Current Quarter*	-9.45%
Blended Benchmark*, **	-9.86%
Year To Date*	-14.32%
Blended Benchmark*, **	-14.34%
1 Year	-11.58%
Blended Benchmark**	-11.49%
3 Year	3.48%
Blended Benchmark**	3.77%
5 Year	4.59%
Blended Benchmark**	4.92%
10 Year	5.85%
Blended Benchmark**	6.19%

\* Returns less than one year are not annualized. \*\*Breakdown for Blended Benchmark: From 10/1/2012 – Present: 26.5% S&P500, 5% Russell Mid Cap, 7.5% Russell 2000, 3.25% MSCI EM (net), 6% MSCI EAFE (net), 33.50% Bloomberg US Agg, 10% ICE BofA 1-3 Yr US Corp/Govt, 1.50% ICE BofA US High Yield Master II, 1.75% Wilshire REIT, and 5% FTSE 1 Mth US T-Bill. From 4/1/2007 – 9/30/2012: the blended benchmark was 43% S&P 500; 2% Russell 2000, 5% MSCI EAFE (net), 15% ICE BofA 1-3 Year Corp/Govt, 30% Bloomberg US Agg, 5% FTSE 1 Mth US T-Bill. Prior to April 2007: the blended benchmark was 50% S&P 500, 15% ICE BofA 1-3Yr Corp/Govt, 30% Bloomberg US Agg, and 5% FTSE 1 Mth US T-Bill.

### ANNUAL RETURNS (Gross of Investment Management Fees, but Net of Embedded Fund Fees)

#### HighMark Plus Composite (Active)

2008	-22.88%
2009	21.47%
2010	12.42%
2011	0.55%
2012	12.25%
2013	13.06%
2014	4.84%
2015	0.14%
2016	6.45%
2017	13.19%
2018	-4.03%
2019	17.71%
2020	12.92%
2021	9.31%

#### Index Plus Composite (Passive)

2008	-18.14%
2009	16.05%
2010	11.77%
2011	2.29%
2012	10.91%
2013	12.79%
2014	5.72%
2015	-0.52%
2016	7.23%
2017	11.59%
2018	-4.03%
2019	17.52%
2020	11.23%
2021	10.18%

### PORTFOLIO FACTS

#### HighMark Plus (Active)

Composite Inception Date	10/2004
No of Holdings in Portfolio	20

#### Index Plus (Passive)

Composite Inception Date	05/2006
No of Holdings in Portfolio	13



## HOLDINGS

### HighMark Plus (Active)

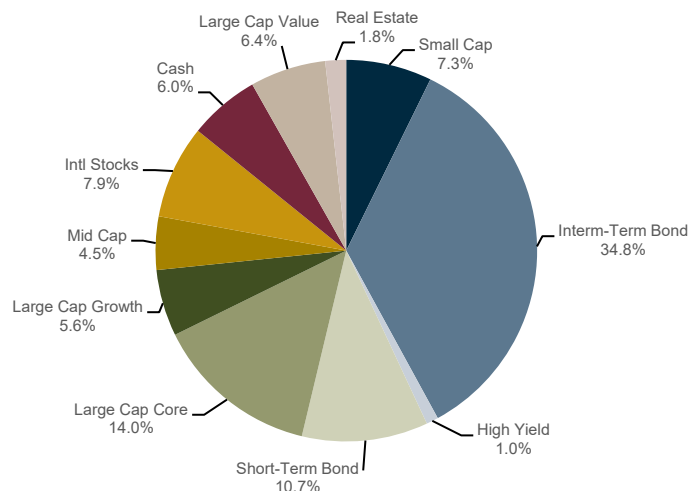
Columbia Contrarian Core I3  
Vanguard Growth & Income Adm  
Dodge & Cox Stock Fund  
iShares S&P 500 Value ETF  
Harbor Capital Appreciation - Retirement  
T. Rowe Price Growth Stock - I  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
Undiscovered Managers Behavioral Value-R6  
Vanguard Small Cap Growth ETF  
DFA Large Cap International Portfolio  
Dodge & Cox International Stock  
MFS International Growth - R6  
Hartford Schroders Emerging Markets Eq  
Vanguard Short-Term Invest-Grade Adm  
PIMCO High Yield Instl  
PIMCO Total Return Fund - Inst  
PGIM Total Return Bond - R6  
DoubleLine Core Fixed Income - I  
First American Government Obligations Z

### Index Plus (Passive)

iShares Core S&P 500 ETF  
iShares S&P 500 Value ETF  
iShares S&P 500 Growth ETF  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
iShares Russell 2000 Value ETF  
iShares Russell 2000 Growth ETF  
iShares Core MSCI EAFE ETF  
Vanguard FTSE Emerging Markets ETF  
Vanguard Short-Term Invest-Grade Adm  
iShares Core U.S. Aggregate  
Vanguard High-Yield Corp Adm  
First American Government Obligations Z

*Holdings are subject to change at the discretion of the investment manager.*

## STYLE



The performance records shown represent size-weighted composites of tax exempt accounts that meet the following criteria: Accounts are managed by HighMark with full investment authority according to the PARS Moderate active and passive objectives.

The adviser to the PARS portfolios is US Bank, and HighMark serves as sub-adviser to US Bank to manage these portfolios. US Bank may charge clients as much as 0.60% annual management fee based on a sliding scale. US Bank pays HighMark 60% of the annual management fee for assets sub-advised by HighMark under its sub-advisory agreement with US Bank. The 0.36% paid to HighMark, as well as other expenses that may be incurred in the management of the portfolio, will reduce the portfolio's returns. Assuming an investment for five years, a 5% annual total return, and an annual sub-advisory fee rate of 0.36% deducted from the assets at market at the end of each year, a \$10 million initial value would grow to \$12.53 million after fees (Net-of-Fees) and \$12.76 million before fees (Gross-of-Fees). Gross returns are presented before management and custodial fees but after all trading expenses and reflect the reinvestment of dividends and other income. A client's return will be reduced by the advisory fees and other expenses it may incur as a client. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request. Performance results are calculated and presented in U.S. dollars and do not reflect the deduction of investment advisory fees, custody fees, or taxes but do reflect the deduction of trading expenses. Returns are calculated based on trade-date accounting.

Blended benchmarks represent HighMark's strategic allocations between equity, fixed income, and cash and are rebalanced monthly. Benchmark returns do not reflect the deduction of advisory fees or other expenses of investing but assumes the reinvestment of dividends and other earnings. An investor cannot invest directly in an index. The unmanaged S&P 500 Index is representative of the performance of large companies in the U.S. stock market. The MSCI EAFE Index is a free float-adjusted market capitalization index designed to measure developed market equity performance, excluding the U.S. and Canada. The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Russell Midcap Index measures the performance of the mid-cap segment of the U.S. equity universe. The Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The ICE BofA U.S. High Yield Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Wilshire REIT index measures U.S. publicly traded Real Estate Investment Trusts. The unmanaged Bloomberg U.S. Aggregate Bond Index is generally representative of the U.S. taxable bond market as a whole. The ICE BofA 1-3 Year U.S. Corporate & Government Index tracks the bond performance of the ICE BofA U.S. Corporate & Government Index, with a remaining term to final maturity less than 3 years. The unmanaged FTSE 1-Month U.S. Treasury Bill Index tracks the yield of the 1-month U.S. Treasury Bill.

HighMark Capital Management, Inc. (HighMark), an SEC-registered investment adviser, is a wholly owned subsidiary of MUFG Union Bank, N.A. (MUB). HighMark manages institutional separate account portfolios for a wide variety of for-profit and nonprofit organizations, public agencies, and public and private retirement plans. MUB, a subsidiary of MUFG Americas Holdings Corporation, provides certain services to HighMark and is compensated for these services. Past performance does not guarantee future results. Individual account management and construction will vary depending on each client's investment needs and objectives. **Investments employing HighMark strategies are NOT insured by the FDIC or by any other Federal Government Agency, are NOT Bank deposits, are NOT guaranteed by the Bank or any Bank affiliate, and MAY lose value, including possible loss of principal.**

## HIGHMARK CAPITAL MANAGEMENT

350 California Street  
Suite 1600  
San Francisco, CA 94104  
800-582-4734

### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has over 100 years (including predecessor organizations) of institutional money management experience with \$8.8 billion in assets under management and \$8.8 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

Senior Portfolio Manager  
Investment Experience: since 1994  
HighMark Tenure: since 1997  
Education: MBA, University of Southern California; BA, University of Southern California

#### Salvatore "Tory" Milazzo III, CFA®

Senior Portfolio Manager  
Investment Experience: since 2004  
HighMark Tenure: since 2014  
Education: BA, Colgate University

#### J. Keith Stribling, CFA®

Senior Portfolio Manager  
Investment Experience: since 1985  
HighMark Tenure: since 1995  
Education: BA, Stetson University

#### Christiane Tsuda

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2010  
Education: BA, International Christian University, Tokyo

#### Anne Wimmer, CFA®

Senior Portfolio Manager  
Investment Experience: since 1987  
HighMark Tenure: since 2007  
Education: BA, University of California, Santa Barbara

### Asset Allocation Committee

Number of Members: 16  
Average Years of Experience: 27  
Average Tenure (Years): 15

### Manager Review Group

Number of Members: 7  
Average Years of Experience: 22  
Average Tenure (Years): 10

\*Assets under management ("AUM") include assets for which HighMark provides continuous and regular supervisory and management services. Assets under advisement ("AUA") include assets for which HighMark provides certain investment advisory services (including, but not limited to, investment research and strategies) for client assets of its parent company, MUFG Union Bank, N.A.

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

**UNAUDITED DRAFT  
COMBINED FINANCIAL STATEMENTS**

**AND**

**BUDGET COMPARATIVE**

**JULY 1, 2021 THRU JUNE 30, 2022**

**THE FOLLOWING IS SUBJECT TO CHANGE AND ACTUALS ARE DEFERRED TO THE  
AUDITED ANNUAL REPORT  
TO BE PRESENTED ON NOVEMBER 09, 2022**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of June 30, 2022**

	<u><b>Amount</b></u>
<b><u>ASSETS</u></b>	
Cash in Bank	201,425.78
Investments	11,253,652.65
Accounts Receivable	38,148,063.37
Accounts Receivable - Other	5,661.85
Accrued Interest Receivable	46,343.27
Prepays/Deposits	241,484.19
Leasehold Improvements	6,059,805.67
Furniture, Fixtures & Equipment	780,261.60
Less: Accumulated Depreciation	<u>(3,553,454.03)</u>
<b>TOTAL ASSETS</b>	<b><u><u>53,183,244.35</u></u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b><u>LIABILITIES</u></b>	
Accounts Payable	37,989,518.73
Accounts Payable - Other	157.50
Accrued Salaries and Benefits Payable	561,536.58
Other Liabilities	843,960.81
Unearned Revenue	<u>443,410.26</u>
<b>TOTAL LIABILITIES</b>	<b><u><u>39,838,583.88</u></u></b>
<b><u>FUND BALANCES</u></b>	
<b><u>Restricted Fund Balances</u></b>	
Water Fund - T2C	<u>1,036,919.10</u>
Total Restricted Fund Balances	<u>1,036,919.10</u>
<b><u>Unrestricted Fund Balances</u></b>	
<b><u>Designated Reserves</u></b>	
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>
<b><u>Excess Revenue over Expenditure</u></b>	
Operating Fund	(230,868.83)
Other Funds	<u>311,252.31</u>
<b>TOTAL FUND BALANCES</b>	<b><u><u>13,344,660.47</u></u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u><u>53,183,244.35</u></u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**July 1, 2021 thru June 30, 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>
<b>REVENUES</b>						
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
<b>Water Rate Revenues</b>	<b>0.00</b>	<b>8,692,617.00</b>	<b>8,692,617.00</b>	<b>100.00%</b>	<b>0.00</b>	<b>0.00</b>
Interest Revenue	17,429.17	140,273.46	220,000.00	63.76%	0.00	79,726.54
<b>Subtotal</b>	<b>17,429.17</b>	<b>8,832,890.46</b>	<b>8,912,617.00</b>	<b>99.11%</b>	<b>0.00</b>	<b>79,726.54</b>
Choice Programs	7,568.00	1,314,284.98	1,515,775.00	86.71%	0.00	201,490.02
Miscellaneous Income	1,281.53	7,339.33	3,000.00	244.64%	0.00	(4,339.33)
Revenue - Other	0.00	1,360.00	0.00	0.00%	0.00	(1,360.00)
School Contracts	1,243.59	65,906.69	120,895.00	54.52%	0.00	54,988.31
Delinquent Payment Penalty	0.00	84.79	0.00	0.00%	0.00	(84.79)
Transfer-In from Reserve	0.00	0.00	95,745.00	0.00%	0.00	95,745.00
<b>Subtotal</b>	<b>10,093.12</b>	<b>1,388,975.79</b>	<b>1,735,415.00</b>	<b>80.04%</b>	<b>0.00</b>	<b>346,439.21</b>
<b>TOTAL REVENUES</b>	<b>27,522.29</b>	<b>10,221,866.25</b>	<b>10,648,032.00</b>	<b>96.00%</b>	<b>0.00</b>	<b>426,165.75</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**July 1, 2021 thru June 30, 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>
<b>EXPENSES</b>						
Salaries & Wages	363,936.57	4,276,100.84	4,178,542.00	102.33%	0.00	(97,558.84)
Salaries & Wages - Grant Recovery	(2,107.27)	(37,825.12)	(18,665.00)	(202.65)%	0.00	19,160.12
Director's Compensation	22,265.24	260,961.71	288,800.00	90.36%	0.00	27,838.29
MWD Representation	12,442.34	144,069.20	165,029.00	87.30%	0.00	20,959.80
Employee Benefits	89,630.47	1,326,181.01	1,356,730.00	97.75%	0.00	30,548.99
Employee Benefits - Grant Recovery	(431.61)	(9,175.58)	0.00	0.00%	0.00	9,175.58
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	9,215.18	112,284.89	161,248.00	69.63%	0.00	48,963.11
Health Insurance for Retirees	12,351.50	85,275.16	101,099.00	84.35%	0.00	15,823.84
Training Expense	30.00	19,472.50	52,000.00	37.45%	908.10	31,619.40
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
<b>Personnel Expenses</b>	<b>507,332.42</b>	<b>6,384,344.61</b>	<b>6,501,783.00</b>	<b>98.19%</b>	<b>908.10</b>	<b>116,530.29</b>
Engineering Expense	42,490.62	396,196.87	380,000.00	104.26%	169,970.50	(186,167.37)
Legal Expense	11,764.37	153,239.38	225,000.00	68.11%	71,760.62	0.00
Audit Expense	0.00	57,566.00	30,220.00	190.49%	0.00	(27,346.00)
Professional Services	125,062.88	985,101.95	1,475,640.00	66.76%	646,811.08	(156,273.03)
<b>Professional Fees</b>	<b>179,317.87</b>	<b>1,592,104.20</b>	<b>2,110,860.00</b>	<b>75.42%</b>	<b>888,542.20</b>	<b>(369,786.40)</b>
Conference - Staff	3,770.00	15,084.00	44,560.00	33.85%	0.00	29,476.00
Conference - Directors	1,659.02	9,714.02	16,845.00	57.67%	0.00	7,130.98
Travel & Accom. - Staff	3,128.42	21,690.79	69,825.00	31.06%	0.00	48,134.21
Travel & Accom. - Directors	14.19	5,251.66	21,250.00	24.71%	0.00	15,998.34
<b>Travel &amp; Conference</b>	<b>8,571.63</b>	<b>51,740.47</b>	<b>152,480.00</b>	<b>33.93%</b>	<b>0.00</b>	<b>100,739.53</b>
Membership/Sponsorship	0.00	129,573.27	143,041.00	90.58%	0.00	13,467.73
CDR Support	0.00	55,189.31	65,249.00	84.58%	0.00	10,059.69
<b>Dues &amp; Memberships</b>	<b>0.00</b>	<b>184,762.58</b>	<b>208,290.00</b>	<b>88.70%</b>	<b>0.00</b>	<b>23,527.42</b>
Business Expense	28.39	1,223.90	2,500.00	48.96%	0.00	1,276.10
Office Maintenance	10,539.93	106,798.31	147,400.00	72.45%	38,359.50	2,242.19
Building Repair & Maintenance	3,904.31	38,630.14	15,000.00	257.53%	5,894.12	(29,524.26)
Storage Rental & Equipment Lease	58.22	1,732.84	1,800.00	96.27%	67.16	0.00
Office Supplies	978.76	18,264.79	35,000.00	52.19%	3,505.96	13,229.25
Supplies - Water Loss Control	132.20	3,960.39	4,000.00	99.01%	0.00	39.61
Postage/Mail Delivery	720.63	10,646.46	9,243.00	115.18%	680.60	(2,084.06)
Subscriptions & Books	463.47	1,162.47	1,000.00	116.25%	0.00	(162.47)
Reproduction Expense	56,409.57	65,558.15	82,700.00	79.27%	2,046.88	15,094.97
Maintenance - Computers	192.09	5,234.41	8,000.00	65.43%	0.00	2,765.59
Software Purchase	3,741.96	63,560.92	36,040.00	176.36%	0.00	(27,520.92)
Software Support	6,285.45	68,732.85	48,640.00	141.31%	(1,031.05)	(19,061.80)
Computers and Equipment	2,243.87	40,445.65	23,450.00	172.48%	0.00	(16,995.65)
Maintenance Expense	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Automotive Expense	129.13	1,527.80	16,000.00	9.55%	0.00	14,472.20
Vehicle Expense	918.49	5,391.61	5,800.00	92.96%	0.00	408.39
Toll Road Charges	7.56	294.62	1,250.00	23.57%	0.00	955.38
Insurance Expense	13,391.34	151,670.53	130,000.00	116.67%	0.00	(21,670.53)
Utilities - Telephone	1,577.33	35,318.12	42,840.00	82.44%	0.00	7,521.88
Bank Fees	0.00	2,339.61	3,200.00	73.11%	0.00	860.39
Miscellaneous Expense	2,025.34	46,728.47	85,181.00	54.86%	430.96	38,021.57
MWDOC's Contrb. to WEROC	21,695.50	260,346.00	260,346.00	100.00%	0.00	0.00
Depreciation Expense	5,860.59	70,327.46	0.00	0.00%	0.00	(70,327.46)
<b>Other Expenses</b>	<b>131,304.13</b>	<b>999,895.50</b>	<b>965,390.00</b>	<b>103.57%</b>	<b>49,954.13</b>	<b>(84,459.63)</b>
Capital Acquisition	10,478.53	281,547.14	267,256.00	105.35%	88,368.60	(102,659.74)
Building Expense	735.00	958,340.58	441,973.00	216.83%	34,453.76	(550,821.34)
<b>TOTAL EXPENSES</b>	<b>837,739.58</b>	<b>10,452,735.08</b>	<b>10,648,032.00</b>	<b>98.17%</b>	<b>1,062,226.79</b>	<b>(866,929.87)</b>
<b>NET INCOME (LOSS)</b>	<b>(810,217.29)</b>	<b>(230,868.83)</b>	<b>0.00</b>	<b>0.00%</b>	<b>(1,062,226.79)</b>	<b>1,293,095.62</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**July 1, 2021 thru June 30, 2022**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Budget Remaining</u>
<b><u>WATER REVENUES</u></b>					
Water Sales	18,931,818.10	183,013,058.50	155,126,337.00	117.98%	(27,886,721.50)
Readiness to Serve Charge	1,038,008.86	11,752,318.78	11,142,354.00	105.47%	(609,964.78)
Capacity Charge CCF	449,265.14	5,035,206.30	4,732,610.00	106.39%	(302,596.30)
SCP/SAC Pipeline Surcharge	16,957.30	329,762.70	315,000.00	104.69%	(14,762.70)
Interest Revenue	0.00	3,692.27	10,500.00	35.16%	6,807.73
<b>TOTAL WATER REVENUES</b>	<b>20,436,049.40</b>	<b>200,134,038.55</b>	<b>171,326,801.00</b>	<b>116.81%</b>	<b>(28,807,237.55)</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	18,931,818.10	183,013,058.50	155,126,337.00	117.98%	(27,886,721.50)
Readiness to Serve Charge	1,038,009.00	11,747,644.07	11,142,354.00	105.43%	(605,290.07)
Capacity Charge CCF	449,265.00	5,039,881.01	4,732,610.00	106.49%	(307,271.01)
SCP/SAC Pipeline Surcharge	16,957.30	329,762.70	315,000.00	104.69%	(14,762.70)
<b>TOTAL WATER PURCHASES</b>	<b>20,436,049.40</b>	<b>200,130,346.28</b>	<b>171,316,301.00</b>	<b>116.82%</b>	<b>(28,814,045.28)</b>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<b>0.00</b>	<b>3,692.27</b>	<b>10,500.00</b>	<b>35.16%</b>	<b>6,807.73</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Use Efficiency**  
**July 1, 2021 thru June 30, 2022**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<b>Spray To Drip Conversion</b>			
Revenues	294,279.58	117,480.00	250.49%
Expenses	350,700.19	117,480.00	298.52%
Excess of Revenues over Expenditures	(56,420.61)	0.00	
<b>Member Agency Administered Pass-Thru</b>			
Revenues	167,390.30	573,201.00	29.20%
Expenses	149,900.30	573,201.00	26.15%
Excess of Revenues over Expenditures	17,490.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	350.00	2,000.00	17.50%
Expenses	410.00	2,000.00	20.50%
Excess of Revenues over Expenditures	(60.00)	0.00	
<b>HECW Rebate Program</b>			
Revenues	59,431.53	84,300.00	70.50%
Expenses	58,940.00	84,300.00	69.92%
Excess of Revenues over Expenditures	491.53	0.00	
<b>CII Rebate Program</b>			
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	
<b>Turf Removal Program</b>			
Revenues	2,068,555.80	993,924.00	208.12%
Expenses	2,336,922.53	993,924.00	235.12%
Excess of Revenues over Expenditures	(268,366.73)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	857,987.46	303,100.00	283.07%
Expenses	306,225.95	303,100.00	101.03%
Excess of Revenues over Expenditures	551,761.51	0.00	
<b>Recycled Water Program</b>			
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	
<b>WSIP - Industrial Program</b>			
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	
<b>Land Design Program</b>			
Revenues	309,747.00	297,330.00	104.18%
Expenses	309,747.00	297,330.00	104.18%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Pressure Regulation Program</b>			
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	
<b>Smart Water Monitoring Devices(Flume)</b>			
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	
<b>Dedicated Irrigation Meters Measurement Project (DIMM)</b>			
Revenues	94,238.45	636,202.00	14.81%
Expenses	180,314.34	636,202.00	28.34%
Excess of Revenues over Expenditures	(86,075.89)	0.00	

**Municipal Water District of Orange County  
Revenues and Expenditures Budget Comparative Report  
Water Use Efficiency  
July 1, 2021 thru June 30, 2022**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<b>Total WUE Projects</b>			
Revenues	3,937,956.85	3,254,956.00	120.98%
Expenses	<u>3,796,627.04</u>	<u>3,254,956.00</u>	<u>116.64%</u>
Excess of Revenues over Expenditures	141,329.81	0.00	
 <b>WEROC</b>			
Revenues	520,692.00	520,692.00	100.00%
Expenses	<u>468,250.46</u>	<u>520,692.00</u>	<u>89.93%</u>
Excess of Revenues over Expenditures	52,441.54	0.00	

DRAFT





**CONSENT CALENDAR ITEM**

August 17, 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 August 3, 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**

August 17, 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: 2022 CONFLICT OF INTEREST CODE -- BIENNIAL REVIEW**

**STAFF RECOMMENDATION**

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Staff recommends the Board of Directors: (1) Review the District's Conflict of Interest Code; (2) determine whether updates are needed; and (3) authorize staff to submit the 2022 Biennial Review Code changes to the Orange County Clerk of the Board of Supervisors.

**COMMITTEE RECOMMENDATION**

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Committee concurred with the recommendations.

**SUMMARY**

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The Board of Supervisors for the County of Orange (MWDOC's Code Reviewing Body) assists the District in reviewing its Conflict of Interest Codes every two years, pursuant to Fair Political Practices Commission (FPPC) requirements.

At this time the Board is required to review the Code to determine whether changes are necessary, and direct staff to notify the County of Orange that changes to the Code are or are not necessary.

A preliminary staff and legal counsel review indicates that the addition of one position (Director of Engineering/District Engineer), and the deletion of other positions (as presented in the attached document) are necessary. These are the only changes recommended by staff.

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

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
ADMINISTRATIVE CODE**

<b>CONFLICT OF INTEREST AND DISCLOSURE OF PERSONAL FINANCES</b>	<b>§7000-§7006</b>
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**§7000 GENERAL REQUIREMENTS**

The Political Reform Act, Government Code Sections 81000, et seq., requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. Section 18730) which contains the terms of a standard Conflict of Interest Code, which may be incorporated by reference in an agency's code. After public notice and hearing it may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference.

**§7001 MWDOC CONFLICT OF INTEREST CODE**

MWDOC has adopted the Fair Political Practices Commission Model Code (2 Cal. Code of Regs., Section 18730) as its Conflict of Interest Code (Code) and has promulgated a list of Designated Positions and Disclosure Categories as required therein (see Appendix A to Section 7005). This Code incorporates, by reference, the definitions contained in the Political Reform Act of 1974, regulations of the Fair Political Practices Commission and any amendments to the Act or regulations. This regulation and the attached Appendix designating officials and employees and establishing disclosure categories, shall constitute the Conflict of Interest Code of the Municipal Water District of Orange County.

In accordance with Government Code 82011(b), the Board of Supervisors for the County of Orange (Board of Supervisors) has been designated as the Code Reviewing Body for MWDOC. Amendments to the MWDOC Conflict of Interest Code, including Appendix "A", will be submitted to the Board of Supervisors for approval within 90 days after the circumstances necessitating the amendments have become apparent. (Government Code Section 87306(a).)

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Res. No. 1874 – 2/17/10

**§7002 FILING OFFICER/OFFICIAL**

The District Secretary is designated as the filing official responsible for receiving and forwarding original statements of economic interest (statements) for MWDOC Directors to the Clerk of the Board of Supervisors. The District Secretary shall retain one copy of each such statement for MWDOC records. The District Secretary is designated as filing officer for all other designated filers of MWDOC and as such shall be responsible for receiving and retaining the original statements of such filers in the official records of MWDOC. The District Secretary shall follow the duties of filing officer denoted in Title 2, Section 18115(a) and of filing official denoted in Title 2, Section 18115(b).

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Motion - 4/20/94; Motion - 9/21/94; M – 9/20/06; M-9/21/16

**§7003 FILING OF STATEMENTS OF ECONOMIC INTERESTS**

Persons in designated positions are required to file statements with the District Secretary as follows:

- 1) Initial Statements - Within 30 days after adoption of the Code or amendments to the Code. Includes all reportable interests during 12 months prior to the effective date of the Code or

amendments thereto.

2) Assuming Office Statements - Within 30 days after assuming the designated position. Includes all reportable interests during the 12 months prior to the date of assuming office or date of appointment or nomination

3) Annual Statements - No later than April 1 each year. Includes all reportable interests during the previous calendar year.

4) Leaving Office Statements - Within 30 days after leaving office. Includes all reportable interests during period between the closing of the last statement filed and the date of leaving office.

Motion - 4/20/94;

#### **§7004 OPINIONS OF LEGAL COUNSEL**

A. Opinion Requests - Any designated employee who is unsure of any right or obligation arising under this Code may request an opinion from MWDOC's Legal Counsel or the Fair Political Practices Commission.

B. Evidence of Good Faith - If an opinion is rendered by the Fair Political Practices Commission, stating in full the facts and the law upon which the opinion is based, compliance by a designated employee with such opinion may be evidence of good faith in any civil or criminal proceeding brought pursuant to the Political Reform Act of 1974 or this Code. The designated employee's good faith compliance with the opinion of the Fair Political Practices Commission shall also act as a complete defense to any disciplinary action that MWDOC may bring under Section 91003.5 of said Act or this Code (Government Code Section 83114).

Motion 4/20/94

#### **§7005 DESIGNATED POSITIONS AND CATEGORIES**

Designated employees shall file statements of economic interests with the Municipal Water District of Orange County's Political Reform Act Filing Officer, District Secretary, who will make the statements available for public inspection and reproduction (Government Code Section 82008). This Conflict of Interest Code does not require the reporting of gifts from outside the District's jurisdiction if the source does not have some connection with or bearing upon the functions or duties of the position for which reporting is required (2 Cal. Code of Regs., Section 18730.1).

Upon receipt of the statements of the Members of the Board of Directors, General Manager, Treasurer, Deputy Treasurer, Director of Finance, and Legal Counsel the Filing Officer shall make and retain a copy and forward the original of these statements to the Clerk of the Orange County Board of Supervisors, who is the Filing Officer for these positions

Statements for all other designated employees will be retained by the Filing Officer.

Motion – 9/20/06; Res. No. 1861 – 11/18/09; Res. No. 1874 – 2/17/10; M-11/17/10; M-11/19/14; M-9/21/16

**APPENDIX A**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**CONFLICT OF INTEREST CODE**

<b>Designated Positions</b>	<b>Disclosure Categories</b>
Board Member	OC-01
General Manager	OC-01
Treasurer	OC-01
Deputy Treasurer	OC-01
Director of Finance	OC-01
Legal Counsel	OC-01
Accounting Manager	OC-01
<del>Administrative Services Manager</del>	<del>OC-02</del>
Associate General Manager	OC-01
Assistant General Manager	OC-01
Consultant	OC-30
Governmental Affairs Manager	OC-01
District Secretary	OC-02
<del>Director of Engineering/District Engineer*</del>	<del>OC-01</del>
Director of Public Affairs	OC-01
Director of Emergency Management	OC-02
Director of Human Resources and Administration	OC-02
Director of Water Use Efficiency	OC-02
<del>Principal Engineer</del>	<del>OC-02</del>
Principal Water Resources Analyst	OC-02
<del>Sr. Water Resources Analyst</del>	<del>OC-02</del>
<del>WEROC Programs Manager</del>	<del>OC-02</del>
New Position*	Oc-01**

\* Individuals serving in a new position created since this Code was last approved that make or participate in making decisions must file under the broadest disclosure set forth in this Code subject to the following limitation:

\*\* The General Manager may determine that, due to the range of duties, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.). The General Manager's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.).

**DISCLOSURE CATEGORIES**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

<b>Disclosure Category</b>	<b>Disclosure Description</b>
OC-01	All interests in real property in Orange County or the District, as well as investments, business positions and sources of income (including gifts, loans and travel payments).
OC-02	All investments, business positions and sources of income (including gifts, loans and travel payments).
OC-30	Consultants shall be included in the list of designated employees and shall disclose pursuant to the broadest category in the code subject to the following limitation: The Department Head/Director/General Manager/Superintendent/etc. may determine that a particular consultant, although a "designated position," is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements in this section. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure required. The determination of disclosure is a public record and shall be filed with the Form 700 and retained by the Filing Officer for public inspection.

Minute action - 6/24/81; R1132 - 6/23/82; R1306 - 6/4/86; R1386 - 7/5/89; Minute action - 4/3/91; R1468 - 9/2/92; Motion - 7/21/93; Motion - 3/16/94; Motion - 4/20/94; R1519 - 9/21/94; R1564 - 9/18/96; Motion – 11/15/00; Motion – 11/20/02; Motion – 9/20/06; Motion 9/19/12; Motion 11/19/14; Motion 9/21/16; Motion – 6/20/18; Motion – 07/15/20

#### **§7006 ARTICLE 2, POLITICAL REFORM ACT**

Pursuant to Article 2 of the Political Reform Act (Government Code Section 87200 et seq.) those positions which involve the management of public investments are required to report their economic interests under the provisions of Article 2 rather than under MWDOC's Conflict of Interest Code, on Form 700. Those positions with MWDOC who are required to report their economic interests are as follows:

- General Manager
- Members of the Board of Directors
- Treasurer
- Deputy Treasurer
- Director of Finance

Filing requirements will be followed as listed under Administrative Code §7003.

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R1519 - 9/21/94; R1538 - 4/19/95; R1564 - 9/18/96; Motion – 11/15/00; M-11/19/14



**CONSENT CALENDAR ITEM**

August 17, 2022

**TO:** Board of Directors

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

Robert J. Hunter, General Manager

Staff Contact: Charles Busslinger

**SUBJECT:** **Amend Administrative Code Section 5003 - Payment for Water**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors consider amending MWDOC Administrative Code Section 5003 (Payment for Water) as outlined below.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**SUMMARY**

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Staff recommends the Board approve a proposed amendment to MWDOC Administrative Code Section 5003 - Payment for Water, to align MWDOC's Administrative Code with MET's Administrative Code Sections 4506 and 4507 concerning discovery of mistakes or errors in the metering and billing of water.

**BOARD OPTIONS**

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**Option #1 Approve amendments to MWDOC Administrative Code Section 5003  
Payment for Water.**

**Fiscal Impact:**

**Business Analysis:** Aligns the duration of the period for reimbursement for any mistakes or errors in the metering and billing of water to match MET's Administrative Code.

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

**Option #2 Do not approve amendments to MWDOC Administrative Code Section 5003 Payment for Water.**

**Fiscal Impact:**

**Business Analysis:** Leaves MWDOC open to being responsible to pay the difference between durations called out in MET and MWDOC Administrative Codes for adjustments to charges due mistakes or errors in the metering and billing of water.

**Attachments:**

- Proposed revisions to MWDOC Administrative Code Section 5003 Payment for Water.
- Current version of MWDOC Administrative Code Sections 4000 & 5000 amended May 2021.
- MET Administrative Code Sections 4506 Metering of Water and 4507 Billing and Payment for Water Deliveries amended January 2022.



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**Patrick D. Skahan**  
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patrick.skahan@bbklaw.com

**Memorandum**

**To:** Charles Busslinger, District Engineer **File No.:** 55401.00000  
**From:** Patrick D. Skahan  
**Date:** July 1, 2022  
**Re:** Proposed Revision to MWDOC Administrative Code

**Proposed Revisions to § 5003 Payment for Water**

The Member Agency shall pay MWDOC for all quantities of water delivered subject to the price, rates, classification and conditions established by MWDOC from time to time according to the use to be made of such water. All deliveries shall be metered by MET and monthly statements will be presented by MWDOC to the Member Agency. Statements are due and payable within the time and according to the conditions established by MWDOC from time to time.

Any Member Agency may have any meter through which water is served from MET's facilities to any area within such Member Agency tested by MET at any time. Any Member Agency affected shall have the right to be represented by a qualified observer at and during any such tests. In the event that any such test shall disclose an error exceeding 2 percent, an adjustment shall be made in charges made to the affected Member Agency, covering the known or estimated period of duration of such error, but in no event exceeding six months, and the expenses of such test shall be borne by MET; otherwise, such expense shall be borne by the Member Agency requesting such test. This paragraph is consistent with MET Administrative Code Section 4506.

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
ADMINISTRATIVE CODE**

<b>WATER SERVICE, CLASSIFICATION AND RATES POLICIES</b>	<b>§4000 – 4001</b>
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**§4000 GENERAL WATER SERVICE POLICY**

Municipal Water District of Orange County is authorized and directed by Section 71616 of the California Water Code to establish water rates and charges for the sale of water which will result in revenues sufficient to meet the operating expenses of MWDOC, provide for repairs and depreciation of works, provide a reasonable surplus for improvements, extensions and enlargements, and cover principal and interest payments and costs associated with the bonded debt.

**§4001 CLASSIFICATION AND WATER RATES**

A copy of the current Ordinance on file with MWDOC establishing classifications and the current Water Rate Resolution may be obtained from the District Secretary.

The procedures for establishing water rates resolutions and ordinances are outlined under Section 1117.

**§4002 DISCOVERY OF MISTAKES OR ERRORS**

In the event a mistake or error is discovered in a District water sales record, the General Manager shall initiate appropriate corrective action. No mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District. In the event a mistake or error is discovered by a member agency in its water sales record or certifications, no mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District.

If an incorrect invoice has been issued to a member agency, the General Manager shall notify the affected agency of any adjustment and the manner of making any required credit or charge, neither of which shall bear interest.

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M-6/17/15

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
ADMINISTRATIVE CODE**

<b>SERVICE CONNECTIONS</b>	<b>§5000-§5013</b>
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**§5000 GENERAL**

Upon formal request by a Member Agency for a service connection, the General Manager is authorized to prepare for the Board's consideration, a formal agreement for the sale and delivery of water with the Member Agency being required to accept and comply with the terms and conditions of the Administrative Codes, rate resolutions, and rate ordinances put forth by MWDOC and MET which may be amended from time to time. MWDOC will furnish the Member Agency with the appropriate provisions and conditions with respect to completion of any service connection agreement.

The Member Agency shall make arrangements for the completion of service connections with MWDOC. The Member Agency shall make all deposits required and execute and furnish all necessary documents within sixty (60) days of notification by MWDOC. If necessary deposits and documents are not submitted within the required time, MWDOC will consider application for service connection canceled, no longer pending and of no force and effect.

The service connection agreements shall have provisions covering the topics in Sections 5001-5013.

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M-6/17/15

**§5001 DELIVERY OF WATER**

Upon completion of said connection, MWDOC will deliver from said connection such quantities of water as requested, subject to the capacity of the connection, the availability of the water and the terms and conditions subject to the agreements between MWDOC and MET. Delivery of water by MWDOC is subject to its ability to purchase said water from MET.

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M-6/17/15

**§5002 TITLE**

Delivery of water to Member Agency shall occur as the water is discharged from MET to MWDOC to the Member Agency, and thereafter such water shall be the property of the member agency, which shall be solely responsible for it.

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M-6/17/15

### **§5003 PAYMENT FOR WATER**

The Member Agency shall pay MWDOC for all quantities of water delivered subject to the price, rates, classification and conditions established by MWDOC from time to time according to the use to be made of such water. All deliveries shall be metered by MET and monthly statements will be presented by MWDOC to the Member Agency. Statements are due and payable within the time and according to the conditions established by MWDOC from time to time.

### **§5004 EQUIPMENT AND RIGHT OF WAY**

The Member Agency must furnish without cost to MWDOC and MET all facilities, including any rights of way, meter or meters or other measuring devices, vaults, facilities and equipment for the securing of water from the lines of MET and will pay all costs, charges and expenses incurred in connecting its lines to, maintaining said connection and disconnecting said lines from the lines of MET. The Member Agency must agree to install and maintain such flow control device or devices in connection with the service connection as required by MWDOC and MET.

The Member Agency must furnish, operate and maintain its own lines for the distribution of any water received by it from MET and MWDOC who shall not be under any duty relative thereto or obligated therefor in any way.

### **§5005 AMOUNT OF WATER DELIVERED**

If any question arises as to the amount of water delivered to the Member Agency and/or others, the decision of MWDOC's General Manager shall be final as to determining the amount and the apportionment thereof. The method of measure of water used by the member agency shall also be as determined by MWDOC's General Manager, who is also authorized and empowered to fix and apportion to the Member Agency the loss, if any, incurred in the transportation of water at and below the place of measuring of said water.

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M-6/17/15

### **§5006 RESPONSIBILITY FOR FACILITIES AND ACCESS**

MWDOC is not the owner of any meter, vaults, facilities and equipment, nor is it responsible in any way for any vaults, meter, facilities and equipment used in serving its Member Agencies. However MWDOC's General Manager shall have access at all times to any such facilities and equipment furnishing water to the Member Agencies and used in measuring water purchased by member agencies from MWDOC, whether connected to the source of supply of MET, or otherwise, and if such devices are under lock or located in any structure, MWDOC's General Manager shall have free and unobstructed access to any and all facilities in which such devices are kept. Said MWDOC General Manager has the right, power and authority to test any such device, used by the member agency or on its behalf, if it is believed to be inaccurate or faulty in any way, and any devices found defective shall be promptly repaired or replaced without cost to MWDOC.

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M-6/17/15

# **THE METROPOLITAN WATER DISTRICT ADMINISTRATIVE CODE**

## **Disclaimer**

**THIS ADMINISTRATIVE CODE REFLECTS THE ACTIONS OF METROPOLITAN'S BOARD OF DIRECTORS THROUGH ITS MEETING ON January 11, 2022, AND MAY NOT REFLECT THE MOST CURRENT ACTIONS OF METROPOLITAN'S BOARD. IN CASE OF ANY DISCREPANCY BETWEEN THIS ONLINE VERSION AND METROPOLITAN'S OFFICIAL RECORDS, THE OFFICIAL RECORDS WILL PREVAIL.**

## **§ 4506. Metering of Water.**

All water delivered by the District shall be metered. Meter readings shall be made on or about the last day of each calendar month for billing purposes. Meters and control valves on water lines of the District shall be owned and operated by the District. Any member public agency may have any meter through which water is served from the District's facilities to any area within such member public agency tested by the District at any time. Any member public agency affected shall have the right to be represented by a qualified observer at and during any such tests. In the event that any such test shall disclose an error exceeding 2 percent, an adjustment shall be made in charges made to the affected member public agency, covering the known or estimated period of duration of such error, but in no event exceeding six months, and the expenses of such test shall be borne by the District; otherwise, such expense shall be borne by the member public agency requesting such test.

Section 322.7 based on Res. 7260 - May 12, 1970; amended by M.I. 33642 - March 10, 1981. Section 322.7 repealed and Section 4506 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.

## **§ 4507. Billing and Payment for Water Deliveries.**

(a) **Timeframe for Billing and Payment.** Except as noted herein below, invoices shall be mailed electronically, or, if requested by the member agency, by hardcopy via United States mail, not later than the tenth day of the month following delivery to a member public agency. Each such invoice shall indicate the date of mailing and the date on which the payment thereunder becomes delinquent and shall show the total amount of water delivered for each class of service, the charges for water sold and delivered for each class, the readiness-to-serve and capacity charges, as applicable, and the total amount due and owing, all as determined by the General Manager. Payment of the amount shown on any such invoice shall be due on the last business day of that month and shall be delinquent if not received by the Treasurer of the District before the close of crediting activity on the last business day of the first month following such date of mailing. When making any such payment the member public agency shall specify the invoice or invoices to which the payment shall be credited by the District.

(1) For purposes of Section 4507(a), "business day" shall mean any day other than a Saturday, a Sunday, or a Holiday (as defined in Section 1106).

(2) For purposes of Section 4507(a), "received by the Treasurer of the District" shall mean receipt either (1) in the office of the Treasurer or (2) by crediting pursuant to advance agreement with the Treasurer to the District's general demand account at the District's principal depository bank, in such form that the funds are immediately available for investment or other use or disposal by the District.

(3) For purposes of Section 4507(a), "crediting activity" shall mean either (1) 2:00 p.m. if payment is delivered to the office of the Treasurer, or (2) the cutoff time for crediting by the District's principal depository bank of that day's transactions if payment is initiated by wire transfer, automated clearinghouse transfer, interbranch transfer, direct deposit, or by other means pursuant to advance agreement with the Treasurer.

If, under advance agreement with the Treasurer, a member agency has authorized payment of any invoice by automated clearinghouse transfer initiated by the Treasurer, the

Treasurer shall initiate such transfer for processing two business days prior to the business day on which such payment shall be delinquent. Failure of such transfer shall not relieve such member agency from liability for such payment or charges in the event such payment should become delinquent, except as specifically provided under advance agreement with the Treasurer.

**(b) Full Service and Emergency Storage Program Facility.** In cases where water through a particular facility is delivered during any month for full service or Emergency Storage Program Service, the bill for water delivered in such month will be prepared by applying the rates for water sold and delivered in full service to the total quantity of water delivered. If the member public agency desires to receive credit for water used in Emergency Storage Program Service, the facts concerning the quantities of water so used must be certified to the District via the District's electronic certification and billing system by an authorized user for the member public agency purchasing such water as provided for in Section 4507 (c). The amount of such credits shall be based on the difference in water rates in effect at the time the water is used.

**(c) Late Certifications.** Based on available information, the District will notify a member agency for any certification that it has not received, if known, three months from the end of the month for which the agency would normally certify. No certification received after six months following the end of any month in which such a credit is claimed will be accepted. Certifications must be received by Metropolitan before 3:30 p.m. on the third working day after the end of the month to receive credit for any preceding month on the next bill, subject to the provisions with respect to late certifications in this Section. This Section applies to all cases where a certification is required to receive a credit, whether or not specifically named in this Section, unless otherwise provided by this Code.

**(d) Determination by General Manager as to Type of Delivery.** In the event the respective quantities of water sold and delivered in any month on order of any member public agency for use therein in any water program or contract requiring certification, are not determinable to the satisfaction of the General Manager in time for preparing regular monthly bills, then billing and payment for all water sold and delivered in such month to such member public agency shall be made at the rates prescribed for water used in full service in Section 4401(a)(1) hereof. Upon the determination by the General Manager of the correct quantities of water sold and delivered and used in any water program or contract requiring certification, any adjustment which is necessary to give effect to the applicable credit for the water used in any water program or contract requiring certification, shall be made by application of credits on subsequent purchases of water from the District by such member public agency. Such adjustments shall not be made in cases where a claim for the applicable credit is not submitted within the period provided in Section 4507(c).

**(e) Obligation to Pay for Appropriate Class of Service.** If water has been sold and delivered at the rates prescribed for water sold in any water program or contract and appropriate certifications have been submitted for the water so used, but the water has in fact been used in full service or another class of service, the member public agency shall be obligated to pay the difference between the rates prescribed for water sold for the applicable water program or contract and the rates prescribed for the class of service actually used.

**(f) Submission of Documentation by Member Agency.** With respect to water sold and delivered at the rates prescribed for water sold under water programs or contract (unless otherwise specified in an agreement with the District), original documentation supporting the use

of such water as certified must be submitted no later than December 31 following the end of the fiscal year for which a certification is submitted, unless otherwise specified in an agreement with the District. If the documentation is not submitted by December 31 following the end of the fiscal year for which a certification was submitted, an agency will receive a late penalty of \$2,500. If the agency does not submit documentation by February 28/29 following the end of the fiscal year for which a certification was submitted, it shall be conclusively presumed that:

(1) The water sold from the District was used for full service, and the District's next monthly billing shall reflect such adjustment; or

(2) The yield was not produced as certified and the District's next monthly billing shall reflect such adjustment.

This provision will apply individually to each program or agreement that an agency or sub-agency participates in separately.

(g) **Review Process.** With respect to water sold and delivered at the rates prescribed for water sold under water programs or contract (unless otherwise specified in an agreement with the District) the District will complete its review within twelve months from date of receipt of the original supporting documentation.

(1) Should the District not complete its review within twelve months of the submittal of all source documentation, the review will be considered complete and the certifications final.

(2) When the review is completed, the District will notify the member agency of its initial findings for its comments. The member agency will provide its comments within 60 days. Metropolitan staff and the agency will work together to reconcile any differences.

(3) If the member agency and Metropolitan staff cannot reconcile the differences, Metropolitan's Water System Operations' Group Manager has the responsibility to consult with the member agency and make a final ruling, subject to the General Manager's oversight. If the ruling is unsatisfactory to the agency, it can be appealed to Metropolitan's Finance and Insurance Committee.

(4) If the member agency does not provide further documentation correcting Metropolitan staff findings within the 60 day comment period as specified in (g) (2), then it shall be conclusively presumed that the District's findings are correct and the District's next monthly billing shall reflect such adjustment.

(h) **Discovery of Mistakes or Errors.** In the event a mistake or error is discovered in a District water sales record, the General Manager shall initiate appropriate corrective action. No mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District. In the event a mistake or error is discovered by a member agency in its water sales record or certifications, no mistake or error made more than three years prior to its discovery shall be corrected unless otherwise specified in an agreement with the District.



(1) A District water sales record shall include a water billing invoice, or district invoice for other water-related charges.

(2) If the District finds the mistake or error, the discovery of the mistake or error shall be documented in writing to the member agency. The date of discovery for corrective action purposes shall be the date notice is sent to the member agency.

(3) If the member agency discovers the mistake or error, the discovery of the mistake or error shall be documented in writing to the District by either a revised certification form or letter, whichever is applicable. The date of discovery for corrective action purposes shall be the date the certification or letter is received by the District.

(4) If an incorrect invoice has been issued to a member public agency, the General Manager shall notify the affected agency of any adjustment and the manner of making any required credit or charge, neither of which shall bear interest.

(5) Mistakes or errors shall also include but are not limited to mistakes or errors in metering or recording deliveries to member agencies, entry or calculation errors in fixed charges, discovery of errors in either a member agency or sub-agency submitted certification(s), or processing of a certification(s) for the Local Projects Program, the Local Resources Program, the Groundwater Recovery Program, Conservation Credit Program, or any other water management program or storage programs or agreements unless specified otherwise in the contract.

(6) Any mistakes or error for a fiscal year period that is less than five acre-feet cumulative by agency or sub-agency, by program or agreement, shall be waived.

(i) **Rate Change.** In the event that deliveries of water are made by the District to member public agencies over a billing period during which the District's water rates change, the General Manager may cause the meters recording deliveries of water during such period to be read at the end of the period and the statement of charges for such deliveries of water may be based on a proration between the previous and new water rates for the periods of time during which each were in effect as determined by the General Manager.

Section 322.8 based on Res. 7291 – October 13, 1970; amended, paragraphs (c) through (h) [formerly Sections 322.8.3 through 322.8.8] added, and paragraph (i) [formerly Section 312.9] amended and renumbered by M.I. 33642 – March 10, 1981; paragraphs (c) and (f)(2) amended by M.I. 33691 – April 14, 1981; paragraph (a) [formerly Section 322.8.1] amended and paragraphs (a)(1) through (a)(3) added by M.I. 34215 – May 11, 1982; paragraph (d) amended by M.I. 35430 – December 11, 1984; paragraph (a) amended by M.I. 36374 – November 18, 1986. Section 322.8 repealed and Section 4507 adopted by M.I. 36464 – January 13, 1987, effective April 1, 1987; paragraph (a) amended by M.I. 37271 – August 23, 1988; amended by M.I. 37764 – July 11, 1989; paragraph (c) amended by M.I. 39082 – July 9, 1991; paragraph (f) amended by M.I. 40389 – August 24, 1993; paragraphs (a), (a)(2) and (3) amended by M.I. 40463 – September 21, 1993; paragraphs (c), (d), (f) through (i)(1) and (2) and (j), (k) and (l) amended by M.I. 40865 – June 14, 1994; paragraph (a) amended by M.I. 41468 – June 13, 1995; paragraphs (e) and (f) amended by M.I. 41617 – October 10, 1995; paragraphs (a), (b), (d)-(m) amended by M.I. 42278 – February 11, 1997; Titles added to paragraphs (a)-(n), original paragraphs (b)-(l) renumbered and amended, new paragraphs (k)-(m) (1)-(6) added, and paragraph (m) amended and (m) (1)-(6) added by M. I. 44005 – May 17, 2000; paragraph (l)(3) amended by M.I. 44582 – August 20, 2001; paragraphs (a) and (f) amended and new paragraph (o) added by M. I. 44812 – March 12, 2002; paragraphs (a), (d), (e), (i), (j), (k), (l), (m)(5) amended by M. I. 45249 – March 11, 2003; paragraphs (e), (i), and (j) amended by M.I. 45941 – October 12, 2004; paragraph (a) amended by M. I. 46148 – March 8, 2005; paragraph (l)(3) amended by M. I. 46983 – February 13, 2007; paragraphs (c), (i)(3), (j) amended, paragraph (g) added and renumbered by M. I. 47259 – October 9, 2007; paragraphs (l), (m), (n)(1)-(6), (o), (p) amended by M.I. 47672 – October 14, 2008; paragraphs (c), (e), (i)(3), (j) amended by M.I. 47998 – August 18, 2009;

paragraph (3) amended by M.I. 48534 - January 11, 2011; deleted paragraph (p) by M.I. 49952 - November 18, 2014; deleted former paragraphs (b), (c), (d), (g), (h), and (i), renumbered former paragraph (e) to current paragraph (b), renumbered former paragraph (f) to current paragraph (c), renumbered former paragraph (j) to current paragraph (d), renumbered former paragraph (k) to current paragraph (e), renumbered former paragraph (l) to current paragraph (f), renumbered former paragraph (m) to current paragraph (g), renumbered former paragraph (n) to current paragraph (h), renumbered former paragraph (o) to current paragraph (i), amended paragraphs (b), (d), (e), (f), (g), and (h) by M.I. 50323 - December 8, 2015.

#### **§ 4508. Additional Payment and Reporting in the Event of Delinquency in Payment for Water.**

In the event any member public agency shall be delinquent in the payment for water delivered and other charges as invoiced by the District, an additional charge equal to two (2) percent of such delinquent payment for each month or portion thereof that such payment remains delinquent shall be assessed, and the member public agency shall pay such charge to the District in addition to the amount of such delinquent payment. Notwithstanding the above, if the total period of delinquency does not exceed five (5) business days, the additional charge shall be equal to one (1) percent of such delinquent payment. Invoices for delinquencies including additional charges shall be mailed not later than the tenth day of each month. In the event any member public agency shall be delinquent for more than thirty (30) days in the payment for water, such delinquency shall be reported by the General Manager to the Board of Directors of the District at its next meeting. The Board, in its discretion and upon such other conditions as it may prescribe after giving the member public agency a reasonable opportunity to be heard, may order the termination of service to such member public agency until all delinquent payments, including additional charges, are made to the District or may authorize such other actions as may be legally available to effectuate collection.

Section 322.9 based on Res. 7291 - October 13, 1970; amended by M.I. 33642 - March 10, 1981; amended by M.I. 34215 - May 11, 1982 effective July 1, 1982. Section 322.9 repealed and Section 4508 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987; amended by M.I. 41468 - June 13, 1995.

#### **§ 4509. Water Restricted to Use Within the District.**

In order to insure that water served by the District is not used for the direct or indirect benefit of areas outside the District, the amount of water served by the District's facilities that shall be made available to any member public agency shall be limited to an amount equal to that required for uses within the area of the District lying within, or served by or through, such member public agency. No area lying outside the boundaries of the District shall be served with water from the District's facilities, except as service to such area may, when found to be such by the Board, be a reasonably unavoidable incident to the service of such water within the District, and under such circumstances the amount of water served by the District that shall be made available to any member public agency shall be limited to an amount equal to that required for uses within the area of the District lying within, or served by or through, such member public agency. Any question of fact involved in the application of this Section 4509 shall be finally determined by the Board, after giving the member public agency concerned adequate opportunity to present pertinent factual evidence and the views of such member public agency.

Section 312.10 based on Res. 7260 - May 12, 1970; amended by M.I. 33642 - March 10, 1981. Section 322.10 repealed and Section 4509 adopted by M.I. 36464 - January 13, 1987, effective April 1, 1987.



**CONSENT CALENDAR ITEM**

August 17, 2022

**TO:** Board of Directors

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

Robert J. Hunter  
General Manager

Staff Contact: Harvey De La Torre, Assistant General Manager

**SUBJECT: MWDOC'S RESPONSE LETTER TO ORANGE COUNTY GRAND JURY  
REPORT – WATER IN ORANGE COUNTY NEEDS "ONE VOICE"**

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors approve MWDOC's response letter on the Orange County Grand Jury's findings and recommendations, and have staff submit such letter to the Presiding Judge of the Superior Court before September 20, 2022.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation.

**REPORT**

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On June 22, 2022, the Orange County Grand Jury released a 24-page report titled **Water in Orange County Needs "One Voice."** The report included six findings and two recommendations calling for a "single leadership structure, whether through consolidation of existing dual entities (OCWD and MWDOC) or creation of a new water authority" to "lead all aspects of Orange County wholesale water" in order to "operate with 'one water voice.'"

MWDOC is required to provide a response letter to all of the report's findings and recommendation no later than September 20, 2022 (90 days after the report has been published).

Budgeted (Y/N): N/A	Budgeted amount: None	Core X	Choice _
Action item amount: None			
Fiscal Impact (explain if unbudgeted): Not applicable			

Our response letter will be send to the Board and posted for review and consideration on Monday, August 8.

**Attachments: MWDOC's Response Letter to the Orange County Grand Jury's findings and recommendations**

**Orange County Grand Jury Report – *Water in Orange County Needs "One Voice,"* June 2022**

## **BOARD OPTIONS**

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**Option #1 – Have the Board of Directors approve MWDOC's response letter on the Orange County Grand Jury's findings and recommendations, and have staff submit the letter to the Presiding Judge of the Superior Court before September 20, 2022**

**Fiscal Impact:** There is no financial impact identified

**Business Analysis:** Approving our response letter will allow other Orange County agencies, that fall under "request to respond" to the Grand Jury's Report, to review and analyze our position. Moreover, it will provide some guidance to our Ad Hoc Committee in the discussions with OCWD's Ad Hoc Committee on the Grand Jury Report.

**Option #2 – Not approve the response letter at this time and have staff modify the letter for review and approval next month.**

**Fiscal Impact:** There is no financial impact identified

**Business Analysis:** Delaying approval of MWDOC's letter may not give guidance to our Ad Hoc Committee in the early discussions with OCWD. It may also delay our retail agencies' responses to the Grand Jury's findings and recommendations by the submittal date.

## **STAFF RECOMMENDATION**

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**Option #1**



August 12, 2022

**DRAFT**

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Fountain Valley, California 92708

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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

The Honorable Erick L. Larsh  
Presiding Judge of the Superior Court  
700 Civic Center Drive West  
Santa Ana, CA 92701

#### **Subject: MWDOC Responses to the Orange County Grand Jury Report's Findings and Recommendations**

Dear Judge Larsh,

Please accept this letter as the Municipal Water District of Orange County's (MWDOC) timely response to the 2021-22 Orange County Grand Jury report, ***Water in Orange County Needs "One Voice."*** The responses to the Orange County Grand Jury Report's findings (F1-F6) and recommendations (R1-R2) are attached.

Water and the provision of water services at both the wholesale and retail level, are highly complex issues with multiple factors that must be fully assessed and understood when considering changes. MWDOC understands the Grand Jury has limitations on comprehensively researching the issue of consolidation or conducting the level of detailed analysis required to substantiate many of its findings. Potential consolidation of Orange County Water District (OCWD), and MWDOC has been evaluated and considered on numerous occasions in the past, and neither MWDOC nor OCWD have previously concluded that the benefits of consolidation are compelling enough to overcome the substantial financial, institutional, and statutory challenges.

While MWDOC appreciates the Grand Jury's time and efforts in preparing this report, we find the report did not conduct an in-depth analysis of the advantages and disadvantages of consolidation nor did it look at how the water providers and system interact and function. The simplicity of the report lacks compelling facts and evidence to support its findings and recommendations. Although MWDOC currently believes that consolidation is not in the best interest of the Orange County water providers and the public, we are committed to identify the avenues to improve its coordination, communication, and services and with OCWD and all the water providers throughout the county.

We thank the Grand Jury for its hard work on the report and interest in Orange County water issues.

Sincerely,

Megan Yoo Schneider, M.S., P.E.  
Board President

**RESPONSES TO THE ORANGE COUNTY GRAND JURY REPORT  
WATER IN ORANGE COUNTY NEEDS “ONE VOICE”  
FINDINGS AND RECOMMENDATIONS**

**F1 - A SINGULAR WATER AUTHORITY FOR ORANGE COUNTY’S WHOLESALE WATER SUPPLY LIKELY WOULD RESULT IN FURTHER OPPORTUNITIES AT THE LOCAL, STATE, AND FEDERAL LEVELS IN LEGISLATION, POLICY MAKING AND RECEIVING SUBSIDIES AND GRANTS.**

**RESPONSE: Disagree wholly with this Finding**

MWDOC does not agree with this finding. The state and federal advocacy efforts of MWDOC and OCWD, combined with our respective member retail agencies (many of which also have their own state and federal advocacy programs), have resulted in substantial influence with state and federal legislators, as well as numerous successes in obtaining outside subsidies and grants. A simple reason for this effectiveness stems from the fact that *multiple* voices advocating for Orange County water interests resonate with more influence. Having multiple agencies with their own staff and advocacy resources actively involved in water policy and legislation increases our collective success rate and enhances, rather than diminishes, the County’s influence. MWDOC, OCWD, and retail agencies each bring their own unique perspectives to the table on particular issues, whether those issues relate to imported water, groundwater, wholesale, or retail agency experience and knowledge. Recurring meetings and venues have been established in which MWDOC, OCWD and their member agencies actively collaborate on policy and legislative advocacy, as well as outside funding opportunities.

This coordinated structure has also resulted in numerous grant awards for groundwater clean-up, water use efficiency programs, and local water resource project development. This success is due to coordination among the agencies; and there is a long history of utilizing each agencies’ area of expertise, whether it be local versus regional and/or groundwater versus imported water. MWDOC retains a specialized consultant who produces a monthly tracking report and identifies matching grants for all water providers’ current infrastructure projects throughout the County. Upon request, the consultant assists agencies in applying for and securing available grants. This MWDOC cooperative service seeks to ensure that any available funding that will advance water interests in Orange County is identified and pursued by all interested agencies.

It should be noted, the Grand Jury report does not identify any specific instances in which there have been forgone grant opportunities, or conflicts in securing an outside funding among MWDOC or OCWD. Similarly, the report does not identify instances of materially conflicting policy positions among MWDOC and OCWD. As such, the conclusion of the Grand Jury that a single wholesale entity will improve legislative advocacy or the potential for securing outside funding is unfounded.

**F2 - THE CURRENT FRAGMENTED WATER SYSTEM STRUCTURE AND OPERATIONS PROVIDES CHALLENGES AS IT RELATES TO DEVELOPMENT OF NEW INTERCONNECTED INFRASTRUCTURE AS WELL AS MAINTENANCE OF EXISTING SYSTEMS.**

**RESPONSE: Disagree wholly with this Finding**

MWDOC disagrees with this finding and is unaware of any circumstance in which the presence of two wholesale agencies – one responsible for groundwater and one responsible for imported water – has created challenges in developing “interconnected infrastructure.” The imported water system is owned by the regional water supplier, Metropolitan Water District, while the groundwater replenishment infrastructure, owned by OCWD, provides water to the groundwater basin that is subsequently pumped and delivered by its retail agencies using their own infrastructure.

Several Orange County retail water agencies have implemented interconnected regional infrastructure, and there have been successful efforts among those agencies to complete joint water supply projects, emergency

interconnections and other system reliability initiatives. These initiatives have been supported by both MWDOC and OCWD.

Wholesale and retail water agencies are successfully working together under the existing governance structure to ensure all residents have enough water during an emergency. One such initiative currently being worked on among several retail water agencies is a pilot program on the East Orange County Feeder No. 2 to move local water during emergency conditions. This initiative is supported by both MWDOC and OCWD; and MWDOC is currently working with Metropolitan Water District to have an emergency connection for south Orange County during unexpected events. Another successful coordinated emergency planning effort took place during a recent emergency when the Upper Feeder shutdown by Metropolitan Water District affected imported water deliveries to all of Orange County. Retail agencies quickly organized as a collective group, along with MWDOC and OCWD, to coordinate messaging, system operations and contingency planning.

**F3 - THERE IS A GREAT DISPARITY BETWEEN THE NORTH/CENTRAL AND SOUTH ORANGE COUNTY WATER SOURCES, MANAGEMENT, AND OPERATIONS CARRIED OUT BY OCWD AND MWDOC.**

**RESPONSE: Disagree partially with this Finding**

MWDOC agrees with the general and rather obvious statement that there is “disparity” (or more accurately stated, a “difference”) in “...sources, management, and operations” provided by MWDOC and OCWD within North/Central and South Orange County. However, MWDOC does not agree with the implied conclusion of the finding – that the difference exists because of the presence of two wholesale agencies. Differences between the two agencies are the result of a variety of practical factors, including the geographical location of the Orange County Groundwater Basin and the different purposes for which the agencies were formed.

The sources of water supply used throughout Orange County are not uniform and, therefore, require different management at the wholesale level from MWDOC and OCWD. Retail agencies in North/Central Orange County overlay a groundwater basin that provides them exclusive access to groundwater to meet the majority of their demands, with the remaining balance coming from imported supplies. Further, it should be noted that the cities of Brea and La Habra get a significant proportion of their supplies from a groundwater basin that lies outside of the Orange County Basin.

In contrast, South Orange County agencies do not have access to a large naturally occurring groundwater basin, resulting in heavy reliance on imported water and the development of local supplies. In addition, pursuant to the OCWD District Act, South Orange County agencies do not have access to “water or water rights” from groundwater sources within OCWD’s service area to meet day-to-day demands.

Furthermore, South Orange County retail agencies are mostly comprised of independent special districts, while North Orange County agencies are primarily city water departments. The wholesale agency services needed by the special districts can be significantly different than those needed by city water departments. MWDOC supports this diversity of need by providing resources and certain services that can be selected and are tailored to the specific needs of retail agencies.

**F4 - SOUTH ORANGE COUNTY HAS MANY SMALLER RETAIL WATER DISTRICTS THAT LACK A FORMAL CENTRALIZED LEADERSHIP. NOTWITHSTANDING THIS LACK OF STRUCTURE, SOUTH ORANGE COUNTY RETAIL WATER DISTRICTS HAVE DISPLAYED EFFECTIVE COLLABORATION WHEN DEALING WITH ONE ANOTHER.**

**RESPONSE: Disagree wholly with this Finding**

MWDOC does not agree with this finding. At the outset it is important to clarify that South Orange County does not have “many smaller retail water districts” as stated in the Grand Jury report finding. In fact, South Orange County special districts (such as Santa Margarita Water District, Irvine Ranch Water District and Moulton Niguel Water District) cover a much larger geographical area than most of the North Orange County water districts and city water departments, with the remaining South Orange County agencies and cities being of comparable size.



Moreover, there is no supporting rationale that there is a need (or desire on behalf of the retail agencies) for increased “formal centralized leadership.” It has been our experience that retail agencies throughout Orange County value coordination efforts with MWDOC and OCWD, but wish to exercise autonomy on many water issues and are proud of their roles and responsibilities as independent local agencies. Agencies embrace their local viewpoint of water management and policymaking, and most do not find a single “centralized” voice best speaks for retail ratepayer needs and expectations because of their local diversity.

At the regional level, MWDOC ensures that in its role as the imported water wholesaler to Orange County, it provides coordinated leadership among its retail member agencies and OCWD on imported water issues through its representation on the Metropolitan Water District. This coordination includes access to and the ability to interface with MWDOC’s Metropolitan delegation through multiple open meetings and venues. MWDOC also provides regional leadership through offering multiple regionally based programs, services, and water resource planning support to retail agencies.

However, it is important to acknowledge that MWDOC concurs with the portion of the Grand Jury’s statement that: “South Orange County retail agencies have displayed effective collaboration when dealing with one another.” MWDOC sees this successful coordination among the agencies through multiple programs and projects, including but not limited to: local water supply development, water/wastewater treatment, storage, as well as shared recycling and emergency supply systems.

**F5 - ORANGE COUNTY WATER DISTRICT IS A RECOGNIZED WORLDWIDE LEADER IN GROUNDWATER RESOURCE MANAGEMENT AND RECLAMATION. ITS LEADERSHIP, INNOVATION, AND EXPERTISE CAN BE FURTHER UTILIZED TO SERVE ALL OF ORANGE COUNTY IN DEVELOPING ADDITIONAL INNOVATIVE AND BENEFICIAL PROGRAMS.**

**RESPONSE: Agree with this Finding**

MWDOC agrees with the finding. OCWD is clearly a recognized leader in groundwater resource management and water recycling. We encourage and support knowledge sharing between OCWD, MWDOC, and the Orange County retail water suppliers on resource management. The sharing of OCWD’s expertise and experience in groundwater management and water recycling is welcomed and can certainly be an asset for retail agencies developing innovative and beneficial projects within Orange County. Concurrently, it should be noted that many Orange County agencies are already at the forefront of innovation in local supply development with projects such as recycled seasonal storage reservoirs including Upper Oso Reservoir (Santa Margarita Water District and Moulton Niguel Water District), Trampas Canyon Reservoir (Santa Margarita Water District), in addition to Doheny Desalination Plant (South Coast Water District), and the Strand Ranch integrated groundwater storage and water banking program (Irvine Ranch Water District).

While it is valuable to leverage OCWD’s expertise in groundwater resource management and water recycling, it is also worthwhile to acknowledge MWDOC’s expertise and leadership on imported water resource management, representation at Metropolitan, and expertise in emergency planning and water conservation. MWDOC and OCWD each have distinctive areas of expertise, and that knowledge and leadership should be leveraged to benefit all of Orange County.

**F6 - ORANGE COUNTY CURRENTLY DOES NOT HAVE A COUNTYWIDE COORDINATED POLICY REGARDING WATER CONSERVATION, WHICH RESULTS IN DIFFICULTY WHEN COMPLYING WITH ANY NEW STATE-MANDATED CONSERVATION REGULATIONS.**

**RESPONSE: Disagree wholly with this Finding**

MWDOC has a long-standing history of leading and coordinating water use efficiency and conservation efforts and policy implementation throughout Orange County in partnership with the retail water agencies that are required to achieve water use efficiency targets with their customers. It is important to emphasize that the State mandated “Making Conservation a California Way of Life” water use efficiency regulations, are structured for compliance at a



retail agency level. While MWDOC has and will continue to provide resources and support locally appropriate responses to the regulations, a one-size fits all water conservation “policy” would neither be productive nor recognize the diversity of needs found throughout Orange County. Retail water agencies have independent relationships and unique understanding of their customer base and in many cases, uniform countywide policies or customer messaging may not be compatible with local needs. The Grand Jury report did not detail the “difficulty” experienced by retail water agencies in meeting state-mandated conservation regulations or support the conclusion that a county-wide conservation “policy” would address such difficulties. The finding does not support the Grand Jury’s broader recommendation for a change in Orange County’s wholesale water agency structure.

MWDOC provides leadership, coordination, and support to all the Orange County water suppliers on implementation of water use efficiency and conservation programs. Programs include both rebate incentives and customer education resources accessed by Orange County residents and businesses. In addition, MWDOC has been very successful in acquiring and managing local, state, and federal grant funding to implement water use efficiency programs. Many of these programs are implemented exclusively with a combination of grant funding acquired by MWDOC and availability of Metropolitan Water District funding, and therefore require minimal or no funding from the retail water agencies. Since 2001, MWDOC has brought in more than \$113 million in local, state, and federal grant funding for water use efficiency program implementation throughout Orange County. These investments are saving more than 57,000 acre-feet of water per year - enough water to serve 171,200 households per year.

Below are several significant milestones through the years that demonstrate MWDOC leadership in setting a coordinate effort among the agencies in the County regarding State Mandated Conservation regulations:

- 1991 MWDOC led the effort to voluntarily implement cost effective Best Management Practices within California Urban Water Conservation Council Memorandum of Understanding for urban water use efficiency standards.
- 2009 MWDOC led the formation of the Orange County Regional Alliance as part of the Conservation Act of 2009, known as 20% by 2020. The formation of the alliance allowed for Orange County retail agency investments in water use efficiency to be “pooled” for collective compliance with the law and successfully met the objective prior to 2020.
- 2018 “Making Conservation a California Way of Life” sought to take mandatory water use efficiency beyond the 20% by 2020 framework through implementing a retail agency budget-based approach. MWDOC has been a leader in the discussions with the California Department of Water Resources and State Water Resources Control Board in finalizing the details of this framework.
- 2018 Requirements focusing on distribution system water loss were enacted by the State through SB 555. In response, MWDOC developed a Technical Assistance Program to provide one-on-one technical assistance to comply with the regulations. To provide further services, MWDOC developed an innovative Water Loss Shared Services Program that provides specialized MWDOC staff to perform annual water balance validation, distribution system leak detection, customer water meter accuracy testing, and distribution system flushing.
- 2021 MWDOC and the retail agencies developed a model water conservation ordinance to have a coordinated, but locally appropriate response to water shortage conditions. Many of the retail agencies are currently implementing their ordinances with the Governor’s call for agencies to be at Level 2 of their Water Shortage Contingency Plans.
- 2022 MWDOC, in partnership with Santa Margarita Water District, is developing a tool for use by water agencies across the state to demonstrate the costs and efforts needed to meet the proposed new volumetric standards.

**R1 - BY JANUARY 2023, ORANGE COUNTY WHOLESALE WATER AGENCIES SHOULD FORMALLY BEGIN ANALYSIS AND COLLABORATION TOWARDS FORMING A SINGLE WHOLESALE WATER AUTHORITY OR COMPARABLE AGENCY TO OPERATE AND REPRESENT WHOLESALE WATER OPERATIONS AND INTERESTS OF ALL IMPORTED AND GROUND WATER SUPPLIES.**

**RESPONSE: Will not be Implemented**

MWDOC will not implement this recommendation because it places an arbitrary date by which MWDOC and OCWD should “formally” begin analysis and collaboration towards “forming a single wholesale water authority...,”

which as phrased, presumes consolidation is the ultimate goal of the formal process. As illustrated above and again below, the issue of consolidation has been discussed and studied many times in the past and MWDOC currently believes that consolidation is not in the best interest of the Orange County water providers and the public. Any solutions implemented should provide clear cost-saving benefits to the rate payers of Orange County; should enhance and/or improve services to the retail agencies; and have support from all the impacted agencies within Orange County.

However, MWDOC is committed to working in conjunction with OCWD to initially determine if conditions or cost considerations have materially changed since the last comprehensive review of consolidation in 2013. In July 2022, MWDOC and OCWD each formed Ad Hoc Committees to cooperatively review and discuss the Grand Jury's findings and recommendations. While MWDOC and OCWD will carefully evaluate the Grand Jury's report and recommendation for consolidation on its own merits, MWDOC will also be engaging with OCWD to investigate various options to improve services including functional consolidation opportunities and joint regionalization efforts. The goal will be to identify options that may offer comparable, or increased benefits, at a fraction of the cost to full consolidation, while specifically addressing concerns identified in the Grand Jury report and allowing the agencies to remain independent.

The Grand Jury report acknowledges the complexity of consolidating MWDOC and OCWD, and that full consolidation would be challenging from a staffing and governance standpoint, requiring state legislation. The primary goals of consolidating agencies should be to significantly enhance or improve the services provided to the residents, business, and agencies in the County, and provide clear and demonstrated cost savings to the ratepayers. When wholesale water service in Orange County was last examined in 2013, both agencies elected not to move forward with consolidation at that time. MWDOC determined that consolidation would not materially improve services or policy influence, provide substantive cost savings, or result in a more unified and coordinated approach to water resource management in the County. As highlighted in the responses to the Grand Jury's findings above, MWDOC does not believe overall services significantly improve with a single agency.

There are also multiple significant challenges that accompany a potential consolidation of MWDOC and OCWD that require further detailed analysis and consideration. These include but are not limited to:

- The statutory inability for OCWD to be a Metropolitan Water District member agency.
- The unique nature of OCWD's hybrid elected and appointed Board and incompatibility with provisions of the Municipal Water District Act.
- The potential losses of multiple Orange County Metropolitan Board representatives through the consolidation of the OCWD's service area (which includes the cities of Anaheim, Fullerton, and Santa Ana – each of which have a Metropolitan Board representative) with MWDOC's service area. Under a consolidation, it is unlikely the cities of Anaheim, Fullerton, and Santa Ana would be able to maintain their Metropolitan Board seats since the cities would overlap with the consolidated Metropolitan member agency.
- The incompatibility of the agencies' retirement and benefit programs. As of June 30, 2022, the estimated cost of unifying MWDOC's and OCWD's retirement systems through a buyout of MWDOC's CALPERS obligation and transition to OCWD's 401K retirement program would be between \$28-36 million.
- The issue of converting OCWD to a CALPERS agency has not been evaluated.

Further deliberation of consolidation should also be largely supported and endorsed by Orange County's retail water agencies that will be directly impacted by changes in wholesale service. The Grand Jury surveyed only a subset of the retail agencies, and MWDOC believes it would be prudent to solicit the opinion of all the retail agencies to determine their potential issues, concerns, and level of interest in advancing wholesale agency consolidation. Of note, several city water agencies were not surveyed. Their unique feedback is important as cities, due to their limited resources, often rely heavily on MWDOC's services and depend on MWDOC's leadership in water policy and management.

R2 – ANY FUTURE “ONE VOICE” CONSOLIDATION ORANGE COUNTY WHOLESALE WATER AUTHORITY SHOULD HAVE DIRECTORS THAT EXAMINE AND VOTE ON ISSUES CONSIDERING THE UNIQUE NEEDS OF ALL WATER DISTRICTS.

**RESPONSE: Will not be Implemented**

MWDOC agrees with this statement, however it is more of a general statement than a recommendation and it is premature for MWDOC to indicate that it will implement such a recommendation regarding a consolidated agency because it currently may not agree that consolidation is in the best interest of water providers or the public. If after further analysis and discussions, MWDOC and OCWD were to find that conditions have changed, consolidation may be the best avenue to pursue. Nonetheless, MWDOC agrees it is important that a regional water provider “director examine and vote on issues considering the unique needs of all water districts.”

In fact, among MWDOC’s Board of directors and Metropolitan Water District delegates, there has always been an understanding that issues acted upon by the Board must be evaluated and examined “considering the unique needs of all water districts.” This practice is a basic tenant of MWDOC, and any evaluation undertaken with OCWD of potential changes in the wholesale water service delivery model for Orange County would be viewed accordingly.

Finally, it is important to note that MWDOC has embarked on a collaborative process with all of its member agencies, including OCWD, to receive feedback and direction on how to improve services, increase collaboration and best meet the needs of the agencies and the customers they serve. This effort began in 2021 with a comprehensive engagement and interview process, which was conducted over several months and included 37 interviews involving the managers and elected officials from each of MWDOC’s retail agencies and OCWD. The second phase involves facilitated discussions, which commenced mid-2022, which seek to develop a “process” or list of actions designed specifically to improve the working relationship among MWDOC, OCWD and the agencies. This effort has already generated positive dialogue among the agencies and is anticipated to yield significant gains in communication, coordination and the refinement of MWDOC’s services.

# Water in Orange County Needs “One Voice”



GRAND JURY 2021-2022

# Water in Orange County Needs “One Voice”

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# Water in Orange County Needs “One Voice”

## SUMMARY

The future of a reliable water supply for California, as well as Orange County (OC), is at risk. The intense dry spell in the West, the worst in 1,200 years, is being labeled a “Mega Drought.”<sup>1</sup> Multiple years of drought and inconsistent availability of imported surface water from Northern California and the Colorado River should inspire OC leaders responsible for a reliable water supply to consider new ways to offset the likely depletion of aquifers and reservoirs.

Ronald Reagan once said: “No government ever voluntarily reduced itself in size.” However, it is important that Orange County water providers consolidate their resources and establish a unified voice to lead the County more efficiently in its water policies and planning. Multiple water experts agree it is time to coordinate strategies in water conservation, development of new supply and infrastructure, and preparation for the possibility of continued drought, disaster, and State-mandated water cutbacks.

Providing water to Orange County residents is a complicated process and requires the work of water wholesalers and retailers. Retail water agencies (districts and cities) are the direct link to residential and commercial customers. It is they who set the retail price for the water that is delivered. Providers of drinkable water to these retail entities are the wholesalers (suppliers) of imported and local groundwater from the aquifer.

The current structure of wholesale water supply and operations in Orange County, although fragmented between Orange County Water District (OCWD), Metropolitan Water District of Southern California (MET), and Municipal Water District of Orange County (MWDOC), has been successful in providing reliable, high-quality drinking water. While differences in geology and geography dictate different water supplies, no single governmental body is solely responsible for wholesale water policy and operations in Orange County, even though providing future reliable water supply is becoming more challenging.

While the processes of supplying wholesale groundwater and imported water are arguably dramatically different, complex, and should remain separated in OC, the Orange County Grand Jury (OCGJ) has determined that all sources of water are interconnected and would be best administered by one governmental entity. All the water flowing to OC taps looks the same, whether imported or groundwater, so why do we need two wholesale agencies?

This single leadership structure, whether through consolidation of existing dual entities (OCWD and MWDOC) or creation of a new water authority, is achievable through a combination of governance and local and State legislative changes that authorizes the single organization to lead all aspects of Orange County wholesale water. Although any consolidation or formation of a new water agency would pose political, administrative, and operational challenges, the OCGJ concluded that, at long last, it is time for Orange County to operate with “one water voice.”

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<sup>1</sup> February 14, 2022, Peer reviewed study published in the journal *Nature Climate Change*  
<https://doi.org/10.1038/s41558-022-01290-z>

# Water in Orange County Needs “One Voice”

## BACKGROUND

Multiple prior Grand Jury Reports have addressed water issues, including water challenges and opportunities jointly being faced by all of Orange County. One report pointed out disparities between the North/Central and South County’s water sources, the fragmented governance, and the significant differences in topography.<sup>2</sup> Another report informed the public about sustainability of the local water supply and future needs, along with evaluating the efforts of the two major wholesale water agencies in the County.<sup>3</sup>

Orange County relies heavily on imported water for its ongoing supply, as well as some of its groundwater storage replenishment needs. Metropolitan Water District of Southern California (MET) supplies imported water to Southern California. Municipal Water District of Orange County (MWDOC) buys imported water from MET and sells it to Orange County’s retail water agencies (cities and special districts). Orange County Water District (OCWD) supplies ground water to the retail water agencies and cities geographically served by the aquifer and wells.

## REASON FOR THE STUDY

The consolidation of OCWD and MWDOC has been explored in the past, debated by wholesale and retail water agencies, but ultimately never accomplished. The formation of a new Joint Powers Authority is one option. But no matter how a consolidation would be accomplished, the OCGJ concluded that now is the time to have a single wholesale water supply agency in Orange County. Based on statements made during numerous OCGJ interviews, multiple water professionals support moving from two to one wholesale entity for Orange County.

The OCGJ is concerned that opportunities to operate, innovate, lobby, capitalize and coordinate communication are not being optimized with Orange County’s current wholesale water structure, which is split between two key, but very different, agencies. This report will, among other things, address the merits related to the formation of “One Voice” in the Orange County wholesale water structure. It will highlight ways in which Orange County can better address water supply, operations, and infrastructure. The report will not recommend specifically how a single structure comes to fruition legislatively.

## METHOD OF STUDY

The Grand Jury evaluated the efforts of the existing primary water entities in Orange County—MWDOC and OCWD—to determine what is working well, and the challenges and opportunities currently existing. In its investigation, the OCGJ used the following sources.

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<sup>2</sup> 2009-2009 Grand Jury report titled *Paper Water*

<sup>3</sup> 2012-2013 Grand Jury report titled *Orange County Water Sustainability: Who Cares?*



## **Water in Orange County Needs “One Voice”**

- In-person and virtual interviews. Specifically, interviews of current and former Water District Managers, City and Regional Water Managers and other involved State entities and individuals.
- Water District website meeting minutes and document review.
- Independent research (articles, websites, reports, minutes, documents, etc.).
- Research of applicable State and local water-related statutes and ordinances.
- Site tours of water and sanitation districts’ operations.
- Past Grand Jury reports.
- 2021 Orange County Water Summit.

The interviews included personnel from water agencies that represented a cross section of regional and local wholesalers and retailers to obtain a diversity of perspectives based on geography, demographics, and practices. The investigation took into consideration the variety of characteristics that exist in the County, including:

- North compared to South County sources of water supply (reliance on imported water).
- Variety of projects to provide water supplies during normal and emergency times.
- Diversity of projects and plans to increase reliable sources of water supply including categories related to conservation, recycling for irrigation and potable use, storage, desalination options, etc.
- Multi-agency collaboration.

## **INVESTIGATION AND ANALYSIS**

Overall, California water sources come from imported supplies (State Water Project in Northern California and the Colorado River), groundwater, stormwater, water transfers, desalination, and water recycling. Orange County, like the rest of California, relies on a variety of sources, with the exception of desalination which is currently in the planning stage.

### **Status Quo**

To best understand the background of wholesale water in California, and specifically Orange County, one must examine the three major governmental agencies involved: Metropolitan Water District of Southern California (MET), Municipal Water District of Orange County (MWDOC), and Orange County Water District (OCWD). These agencies have similar names but very different responsibilities. The role of retail water districts will also be explained.

### **Metropolitan Water District of Southern California**

MET provides water from the Colorado River and the State Water Project from Northern California to Southern California. It wholesales this imported water to its Orange County member agencies, MWDOC and the independent cities of Anaheim, Fullerton, and Santa Ana.



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MET provides most of the water imported into Orange County. MET currently delivers an average of 1.7 billion gallons of water per day to a 5,200 square mile service area. MET is a group of 26 cities and water districts providing drinking water to over 19 million people in Los Angeles, Orange, San Diego, Riverside, San Bernardino, and Ventura counties.



### Municipal Water District of Orange County

MWDOC acts as a pass-through agency for MET’s imported water. This imported water is sold to MWDOC’s 27 member agencies which, except for Fullerton, Anaheim and Santa Ana, covers the entire County. MWDOC also sell untreated water to OCWD for ground water discharge. MWDOC does not own or operate any water infrastructure.

## Water in Orange County Needs “One Voice”

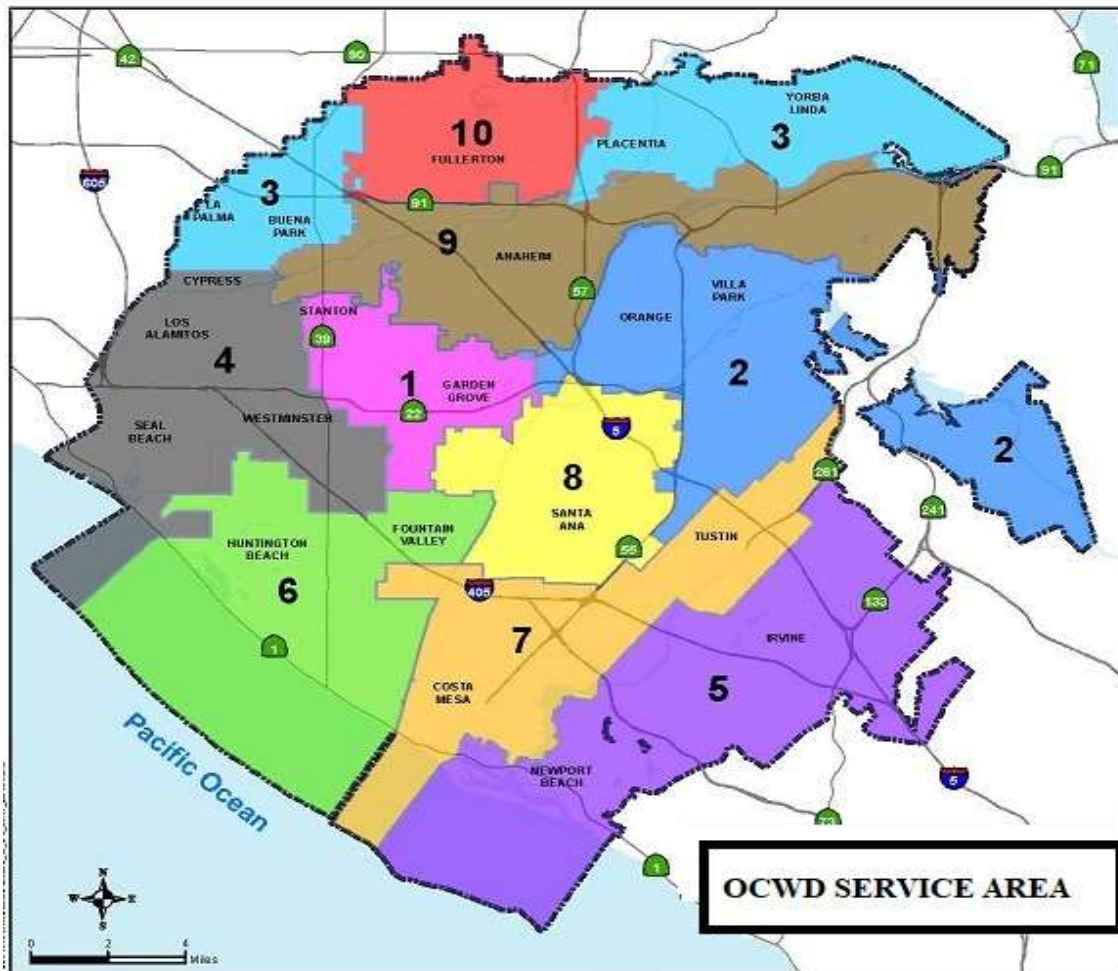


### Orange County Water District

OCWD manages the groundwater basin in the north and central part of the County. OCWD does not directly provide water to any residents or businesses, except treated wastewater for irrigation in the Green Acres Project. The Green Acres Project is a water reuse effort that provides recycled water for landscape irrigation at parks, schools and golf courses and some industrial

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uses.<sup>4</sup> OCWD's primary role is to manage the basin and provide local water retailers with a reliable, adequate, and high-quality supply of water.<sup>5</sup> In addition, OCWD operates the Groundwater Replenishment System (GWRS) in partnership with the Orange County Sanitation District (OCSAN). This state-of-the-art water purification project can produce over 100 million gallons of high-quality potable water per day for aquifer recharge. OCWD provides groundwater to 19 municipal and special water districts and supplies approximately 77 percent of the water



supply for North and Central Orange County. OCWD is the only wholesale groundwater agency for Orange County and is a customer of MWDOC for imported needs to supplement the aquifer recharge serving North/Central County. OCWD currently has \$1.5 billion in capital infrastructure assets.

<sup>4</sup> [www.ocwd.com/about/](http://www.ocwd.com/about/)

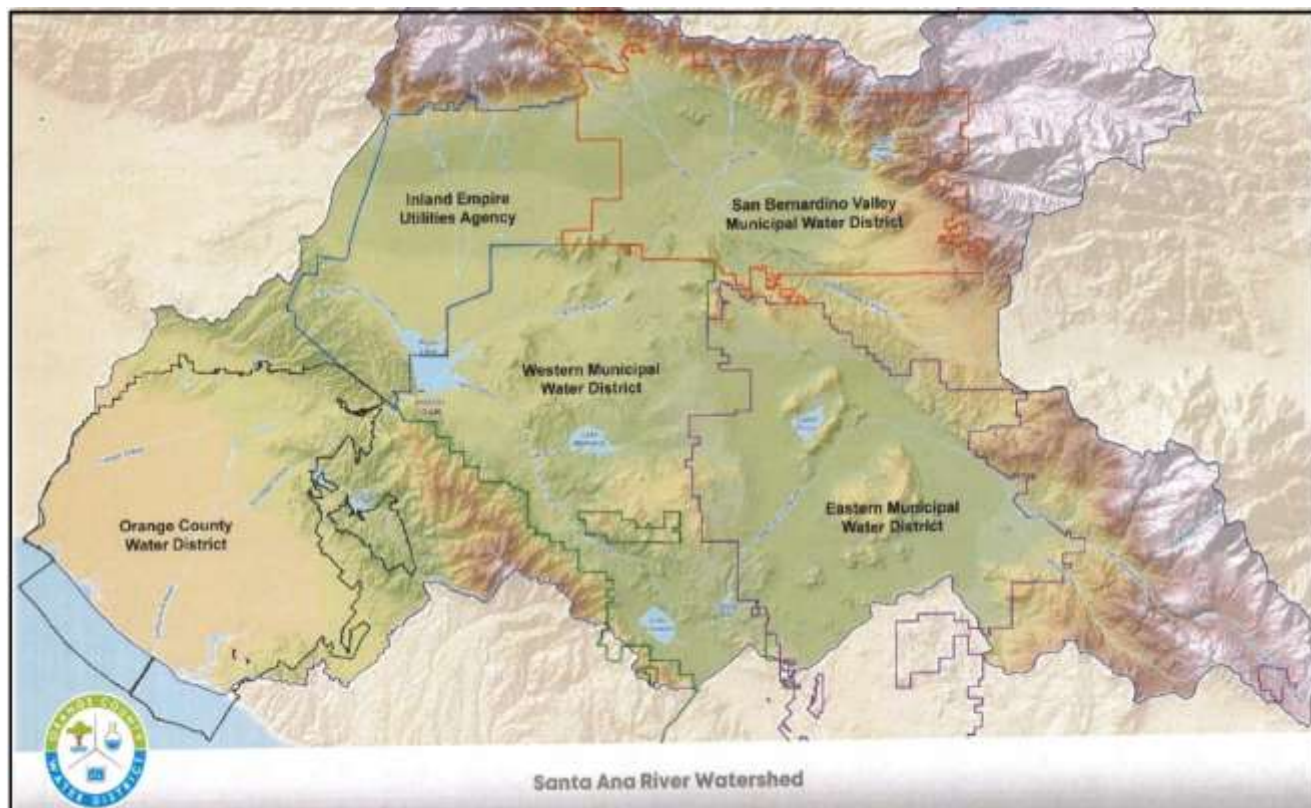
<sup>5</sup> *Ibid.*



## Water in Orange County Needs “One Voice”

### Additional Supply for OCWD

The Santa Ana River is the largest coastal stream in Southern California. Flowing west from the San Bernardino Mountains, the river winds through San Bernardino and Riverside Counties before reaching Orange County at Prado Dam, then traveling through the OCWD aquifer to supplement recharge, before terminating at the Pacific Ocean. The river is joined by Santiago Creek and flows to the ocean between Huntington Beach and Newport Beach.<sup>6</sup>



### Retail Water Districts

Retail water organizations are the direct connection of supplying water to residential and commercial consumers. There are 29 retail water providers throughout Orange County. These water providers include cities, special water districts/agencies and one private water company.

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<sup>6</sup> [www.ocwd.com/what-we-do/](http://www.ocwd.com/what-we-do/)

## Water in Orange County Needs “One Voice”



### Differences in Supply Sources

South Orange County’s approximate 600,000 residents rely primarily on imported water (70-100 percent of needed supply depending on location) from hundreds of miles away. The imported water is purchased through the Municipal Water District of Orange County (MWDOC).<sup>7</sup>

North and Central County’s roughly 2.8 million residents rely primarily (19-99 percent depending on location) on groundwater supplied OCWD, which refills the Orange County Groundwater Basin with many different water supplies: water from the Santa Ana River; local rainfall; treated and purified wastewater through the Groundwater Replenishment System (GWRs); and imported water from the Colorado River and Northern California.<sup>8</sup>

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<sup>7</sup> [www.ocwd.com/about](http://www.ocwd.com/about) & [www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf](http://www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf)

<sup>8</sup> [www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf](http://www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf)

# **Water in Orange County Needs “One Voice”**

## **History, Governance and Authorizing Legislation**

### **MET**

In 1928, the Metropolitan Water District Act was established by the California Legislature. The original purpose was to construct and operate the 242-mile Colorado River Aqueduct, which runs from an intake at Lake Havasu on the California-Arizona border to an endpoint at Lake Mathews reservoir in Riverside County. MET has a 38-member board of directors representing the district’s 26 agencies. Orange County is represented on the MET Board by seven Board members. MET has imported water from the Colorado River since 1941 and from Northern California since the early 1970s.<sup>9</sup>

### **MWDOC**

MWDOC is a wholesale water supplier and resource planning agency that was established in 1951. Governed by a seven-member Board of Directors,<sup>10</sup> MWDOC is MET’s third largest member agency and appoints four representatives to advocate the interests of Orange County on the Metropolitan Water District Board.<sup>11</sup>

### **OCWD**

The Orange County Water District was formed in 1933 by a special act of the California Legislature to protect Orange County’s rights to water in the Santa Ana River. OCWD is governed by a 10-member Board of Directors, seven of whom are elected, and three are appointed by the city councils of Anaheim, Fullerton, and Santa Ana.<sup>12</sup>

### **Retail Water Districts**

Each retail water district was established throughout Orange County’s history and provides water directly to consumers. They are each governed by an elected board of directors, respective city councils, or private investors.

### **Local Agency Formation Commission (LAFCO)**

As part of California’s water governance, LAFCO oversees geographic boundaries, evaluates cost-effective and efficient public service delivery, and explores potential alternatives to meet the service demands of the existing and future County population. Orange County LAFCO was founded in 1963 and strives to ensure the delivery of effective and efficient public services, including water, by local governments to the County’s residents.<sup>13</sup> Orange County water

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<sup>9</sup> [www.mwdoc.com/about-mwdoc](http://www.mwdoc.com/about-mwdoc); [www.mwdh2o.com/who-we-are/our-story/](http://www.mwdh2o.com/who-we-are/our-story/)

<sup>10</sup> [www.mwdoc.com/about-us/about-mwdoc](http://www.mwdoc.com/about-us/about-mwdoc)

<sup>11</sup> [www.mwdoc.com/wp-content/uploads/2017/06/So-Cal-Water-Wholesale-Retailers.pdf](http://www.mwdoc.com/wp-content/uploads/2017/06/So-Cal-Water-Wholesale-Retailers.pdf)

<sup>12</sup> [www.ocwd.com/about/](http://www.ocwd.com/about/)

<sup>13</sup> [www.oclafco.org/about-us/agency/](http://www.oclafco.org/about-us/agency/)

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professionals believe the process of creating one wholesale water agency would first go through LAFCO formation before moving on to State legislation and approval.

### **Services Provided by Wholesalers & Retailers**

The following water services are currently in operation for Orange County.

#### **MET**

- Delivering wholesale water supplies from the Colorado River and State Water Project.
- Managing water resources including water storage programs (groundwater banking and reservoir), transfers and exchanges, groundwater recovery, recycling, stormwater capture, and potential seawater desalination.
- Operating water system including treatment, quality monitoring, conveyance, distribution, and support.
- Engineering, safety, and regulatory services such as infrastructure protection, maintenance, and improvement programs.
- Managing energy operations.
- Planning for emergency water supply interruption due to earthquake, fire, power failure, public health, and other unexpected crises.
- Planning for capital investment.

#### **MWDOC**

- Purchases wholesale water from MET, approximately 70.2 billion gallons of water annually, and delivers to its 27 member agencies.
- Provides studies, analysis and programs related to water supply development, including desalination, and system reliability and use efficiency.
- Offers planning assistance and local resource development in areas of water recycling, groundwater recharge, and conservation.
- Offers residential and commercial rebate programs.
- Offers leak detection services to its members.
- Develops and administrates disaster preparedness, response, and recovery strategies through the Water Emergency Response Organization of Orange County (WEROC). This organization involves both water and wastewater agencies.
- Provides public education and community outreach.

#### **OCWD**

- Manages Orange County’s wholesale groundwater supplies: the basin consisting of a large underground aquifer to ensure a reliable supply, the Santa Ana River watershed, and the Groundwater Replenishment System (GWRS).

## **Water in Orange County Needs “One Voice”**

- Replaces groundwater that is pumped out of the basin every year with Santa Ana River watershed, recycled, imported, storm and natural incidental water recharge.
- Ensures groundwater supply safety and quality through monitoring and testing.
- Recycles water primarily through the GWRS which takes treated wastewater that otherwise would be sent to the Pacific Ocean and purifies it for aquifer recharge.
- Participates in legislative and community engagement and education.
- Develops additional innovative programs such as Forecast Informed Reservoir Operations (FIRO) at Prado Dam, capturing and recharging stormwater in the Santa Ana River, and anticipating and optimizing stormwater runoff.
- Coordinates contaminant treatment, financial resource needs, and policy such as for Per- and polyfluoroalkyl substances (PFAS) which enter the aquifer and wells primarily through the Santa Ana River flows. Additionally, organizes litigation and accountability for the contaminant sources.

### **Retail Water Districts**

In addition to being the direct link to consumers, retail agencies provide several additional services beyond those provided by wholesalers. Those services include maintaining water quality and testing throughout their distribution systems, repair and replacement of critical infrastructure, regulatory compliance, customer service, water use conservation, recycled water for irrigation or other non-potable uses, and public outreach and health-related services.

## **Where Do We Go from Here?**

### **Assessment of Current State**

Reliable sources shared opinions with the OCGJ that the current OC wholesale structure is “dysfunctional”, “prevents speaking with one voice for all of Orange County water interests” involving the aquifer and imported water sources, and “currently provides redundant services with redundant costs.” Also, multiple member agencies of MWDOC have expressed dissatisfaction with MWDOC’s operating effectiveness related to MET board and legislative representation, member charges for provided services, and the scope of emergency preparedness.<sup>14</sup>

In addition, this dual structure of MWDOC and OCWD has resulted in missed opportunities for the County in the form of more extensive multiple agency collaboration, increased operating efficiency, decreased reliance on imported water, and the creation of a more reliable water

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<sup>14</sup> Information based on multiple interviews, past agreements between MWDOC and MWDOC member agencies, and LAFCO Municipal Service Reviews.



## **Water in Orange County Needs “One Voice”**

supply.<sup>15</sup> Currently, many projects are undertaken by individual or small groups of retail agencies that could be more expansive if guided by a single wholesale water supplier providing diverse water sources.

Another missed opportunity is a lack of coordinated County analysis about the benefits and drawbacks related to potential desalination projects. Even though desalination projects potentially impact the water supply for all of Orange County, OCWD and MWDOC independently consider these desalination projects and their impact.

Furthermore, many water experts believe that this fragmentation results in less than optimum legislative lobbying effectiveness. This affects programs such as water conservation, related water consumption standards such as State storage projects to capture more water supply during wet years, contamination treatment standards, and the Delta Conveyance System, which is a proposed more efficient and effective system to move water from Northern California to the central and southern part of the State.

### **Benefits of a Single County Agency - “One Voice”**

The Orange County Grand Jury found that creation of a single County wholesale water agency to serve as a conduit for both imported and groundwater would be most effective in coordinating water supply diversification, major infrastructure investments, and developing forward-thinking policies and practices. This single agency would also help facilitate fiscal and environmental responsibility.

Orange County water agencies have earned a tremendous reputation for innovative projects and strategies related to increasing a reliable water supply, even in drought conditions. How do we leverage what already is exemplary and collaborative in Orange County water operations?

- Groundwater Replenishment System (GWRS)
- Santa Ana River Conservation and Conjunctive Use program (SARCCUP)<sup>16</sup>
- Inter-county perspective with neighboring jurisdictions of the Inland Empire, San Diego, and Los Angeles Counties.
- Purple water recycling for irrigation coming from treated waste and stormwater capture.
- Burris Basin conversion to Anaheim Coves Trail (OCWD / City partnership).<sup>17</sup>

Water experts believe “One Voice” would result in increased influence on the MET Board. The OCJG concluded that having all types (groundwater and imported water) of wholesale water

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<sup>15</sup> Information based on multiple water professional interviews.

<sup>16</sup> [www.ieua.org/read-our-reports/santa-ana-river-conservation-and-conjunctive-use-program/](http://www.ieua.org/read-our-reports/santa-ana-river-conservation-and-conjunctive-use-program/)

<sup>17</sup> [http://www.santa-ana-river-trail.com/trail/burris\\_basin.asp](http://www.santa-ana-river-trail.com/trail/burris_basin.asp)

## Water in Orange County Needs “One Voice”

providers occupy “seats at the table” would be beneficial to Orange County as a whole and for MET. Additional benefits of a one wholesale water entity include:

- Increased coordination of financial support and capital resources from local, State, and federal sources. An example is in the funding for well contamination remediation utilizing an ionization process.
- More influence at the local, State, and federal levels. Examples include the Delta Conveyance<sup>18</sup> system, additional storage capacity, and preservation of imported supplies from the State Water Project.
- Increased collaboration leading to additional infrastructure shared by wholesale and retail, both for emergency and longer-term everyday use, to move water around as needed.
- Centralized planning for emergency water supply interruptions rather than independent efforts of wholesale and retail water organizations.
- Increased coordination between North and South County for matters such as water banking in Central County for use in South County.
- Cost savings by eliminating duplication of administrative, professional, consultant, lobbying and other expenses currently existing at OCWD and MWDOC.
- Singular County leadership in forming conservation strategies, public outreach, and education.

### Concerns related to creating “One Voice”

The Orange County Grand Jury recognizes that with any governance or business model change obstacles will exist to forming a consolidated or new wholesale water agency. Overall, proponents of this change are concerned that there is a lack of political will and that “protecting my own turf” philosophies will get in the way of doing the right thing for reliable water supply in the future. Some additional hesitation exists from some Orange County water board and management professionals that believe:

- Imported versus groundwater requires specialized knowledge and a unique operational approach and should not be combined.
- Staff reductions will occur.
- Merging of retirement pension and benefit liabilities will be complicated and expensive.
- Development of a new Board of Directors structure may cause a loss of representation of the unique water needs of different parts of the County.

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<sup>18</sup> [www.mwdoc.com/wp-content/uploads/2020/06/Delta-Conveyance-Project-and-EcoRestore.pdf](http://www.mwdoc.com/wp-content/uploads/2020/06/Delta-Conveyance-Project-and-EcoRestore.pdf)

## Water in Orange County Needs “One Voice”

- Consolidation of the existing two wholesale water districts, OCWD and MWDOC, or the forming of a new agency would be complicated. The process would likely begin through Orange County LAFCO before moving to State legislative level, both of which would be divisive and risk political influence and interference when revising local and State water acts.

Despite these complications and challenges, the OCGJ concluded that the County will be better served by creating a “one voice” agency to lead and represent all aspects of wholesale water operations in Orange County.

### FINDINGS

- F1 A singular water authority for Orange County’s wholesale water supply likely would result in further opportunities at the local, State, and federal levels in legislation, policy making and receiving subsidies and grants.
- F2 The current fragmented water system structure and operations provides challenges as it relates to development of new interconnected infrastructure as well as maintenance of existing systems.
- F3 There is a great disparity between the North/Central and South Orange County water sources, management, and operations carried out by OCWD and MWDOC.
- F4 South Orange County has many smaller retail water districts that lack a formal centralized leadership. Notwithstanding this lack of structure, South Orange County retail water districts have displayed effective collaboration when dealing with one another.
- F5 Orange County Water District is a recognized worldwide leader in groundwater resource management and reclamation. Its leadership, innovation, and expertise can be further utilized to serve all of Orange County in developing additional innovative and beneficial programs.
- F6 Orange County currently does not have a countywide coordinated policy regarding water conservation, which results in difficulty when complying with any new State-mandated conservation regulations.

### RECOMMENDATIONS

- R1 By January 2023, Orange County wholesale water agencies should formally begin analysis and collaboration towards forming a single wholesale water authority or comparable agency to operate and represent wholesale water operations and interests of all imported and ground water supplies. (F1, F2, F3, F4, F6)

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- R2 Any future “One Voice” consolidated Orange County wholesale water authority should have Directors that examine and vote on issues considering the unique needs of all water districts. (F1, F2, F3, F4, F6)

### COMMENDATIONS

- Orange County Water District (OCWD) commitment to sound planning and state-of-the-art technology to provide water to the people of Orange County. Highly recognized, OCWD, along with Orange County Sanitation District, has the world’s largest Groundwater Replenishment System (GWRS).
- Municipal Water District of Orange County (MWDOC) for many provided services related to emergency planning, public education, water reliability and delivery reports, leak detection service, rebate and conservation programs and many other “choice” services.
- All the current wholesale and retail water districts in Orange County for their efforts to collaborate and strategize to better serve Orange County Citizens despite the lack of a centralized administration.

### RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made *no later than 90 days* after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such elected County official shall comment on the findings and recommendations pertaining to the matters under that elected official’s control *within 60 days* to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

(a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

(1) The respondent agrees with the finding.

## Water in Orange County Needs “One Voice”

- (2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

(c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary /or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

### Responses Required

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code §933.05 are required from:

90 Day Response Required	F1	F2	F3	F4	F5	F6
OCWD Board of Directors	X	X	X		X	X

90 Day Response Required	R1	R2
OCWD Board of Directors	X	X

## Water in Orange County Needs “One Voice”

90 Day Response Required	F1	F2	F3	F4	F5	F6
MWDOC Board of Directors	X	X	X	X	X	X

90 Day Response Required	R1	R2
MWDOC Board of Directors	X	X

### Responses Requested

90 Day Response Requested	F1	F2	F3	F4	F5	F6
East Orange County Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
East Orange County Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
El Toro Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
El Toro Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Emerald Bay Service District	X	X	X		X	X

90 Day Response Requested	R1	R2
Emerald Bay Service District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Golden State Water Co	X	X	X		X	X

90 Day Response Requested	R1	R2
Golden State Water Co	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Irvine Ranch Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Irvine Ranch Water District	X	X

## Water in Orange County Needs “One Voice”

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Laguna Beach County Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Laguna Beach County Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Mesa Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
Mesa Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Moulton Niguel Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Moulton Niguel Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Santa Margarita Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Santa Margarita Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Serrano Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Serrano Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
South Coast Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
South Coast Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Trabuco Canyon Water District	X	X	X	X	X	X

## Water in Orange County Needs “One Voice”

90 Day Response Requested	R1	R2
Trabuco Canyon Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Yorba Linda Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
Yorba Linda Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Anaheim	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Anaheim	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Fullerton	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Fullerton	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Santa Ana	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Santa Ana	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Brea	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Brea	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Metropolitan Water District	X	X				X

90 Day Response Requested	R1	R2
Metropolitan Water District	X	X



## Water in Orange County Needs “One Voice”

### GLOSSARY

AQUEDUCT	A structure for transporting water from one place to another by means of a pipeline, canal, conduit, tunnel, or a combination of these things.
AQUIFER	A geologic formation of sand, rock and gravel through which water can pass and which can store, transmit and yield significant quantities of water to wells and springs.
DELTA CONVEYANCE SYSTEM	Refers to State Water Project (SWP) infrastructure in the vast network of waterways comprising the Sacramento-San Joaquin Delta (Delta) that collects and moves fresh, clean, and affordable water to homes, farms, and businesses throughout major regions of the State from the Bay Area to Southern California.
FIRO	Forecast Informed Reservoir Operations is a flexible water management approach that uses data from watershed monitoring and improved weather forecasting to help water managers selectively retain or release water from reservoirs for increased resilience to droughts and floods.
GWRS	Groundwater Replenishment System. A process where water is replaced in the aquifer.
GREEN ACRES PROJECT	OCWD's Green Acres Project (GAP) is a water reuse effort that provides recycled water for landscape irrigation at parks, schools, and golf courses; industrial uses, such as carpet dying; toilet flushing; and power generation cooling.
GROUNDWATER BANKING	A process of diverting surface water into an aquifer where it can be stored until needed
JPA	Joint Power Authority. two or more public agencies to join together, under a joint powers authority (JPA), to provide more effective or efficient government services or to solve a service delivery problem.

## Water in Orange County Needs “One Voice”

LAFCO	Local Agency Formation Commission. Governed by State law, the Commission oversees proposed changes to local agency and county unincorporated boundaries and prepares special studies to encourage the orderly and efficient delivery of public services to Orange County residential and business communities.
MET	Metropolitan Water District, provides water from the Colorado River and the State Water Project from northern California to Southern California.
MWDOC	Municipal Water District of Orange County represents all of Orange County, excluding the three independent city members of MET, and acts as a pass-through agency for MET water sold to its constituent members and sells additional untreated water to OCWD for groundwater recharge.
OCSAN	Orange County Sanitation District treats and recycles sewer and grey water.
OCWD	Orange County Water District manages the groundwater basin of the north and central part of the County.
ONE VOICE	Orange County needs to have a central entity to speak for water and legislative matters.
PAPER WATER	Transfer water via paper, not physically.
PFAS	Per and polyfluoroalkyl substances chemical by product of past aerospace manufacturing in Orange County.
PURPLE WATER	Recycled water that has been treated for reuse in landscaping, agriculture, and commerce.
SAR	Santa Ana River.
SARCCUP	Santa Ana River Conservation and Conjunctive Use program. Guides the use and conservation of the Santa Ana River basin.
SPECIAL DISTRICTS	Special districts are public agencies created to provide one or more specific services to a community, such as water service, sewer service, and parks.

## **Water in Orange County Needs “One Voice”**

WATER TRANSFERS	A water transfer is a voluntary sale of water proposed and initiated by willing sellers who have legal rights to a supply of water to an interested buyer.
WEROC	Water Emergency Response Organization of Orange County, administered through MWDOC, develops disaster preparedness, response, and recovery strategies.



**ACTION ITEM**  
August 17, 2022

**TO: Administration and Finance Committee**  
(Directors Seckel, Thomas and Dick)

**FROM: Robert Hunter, General Manager**

Staff Contact: Heather Baez

**SUBJECT: ISDOC CALL FOR NOMINATIONS**

**STAFF RECOMMENDATION**

---

Staff recommends the Board of Directors discuss and determine if a member of the MWDOC Board would like to be nominated as a candidate for the ISDOC Executive Committee and direct staff as appropriate.

**COMMITTEE RECOMMENDATION**

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Committee recommended the Board adopt a Resolution nominating Director Robert McVicker to the position of ISDOC First Vice President for the 2023/2024 term.

**REPORT**

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The Independent Special Districts of Orange County (ISDOC) is holding its bi-annual officer elections via mail in September and October 2022. An official Notice of Election & Call for Candidates was recently distributed to all member districts. That notice along with an election timeline is attached for your reference.

Per the ISDOC Bylaws, officials who wish to seek election/appointment as an officer of ISDOC must first secure from their district an official endorsement in the form of a board resolution. In accordance with these Bylaws, the MWDOC Board must endorse a Director's candidacy through Resolution of the Board.

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

Nominations for the ISDOC Executive Committee close on September 14 and all Board resolutions must be received at that time. Ballots will be sent out via mail and email on September 16 and must be received no later than October 21.

## BOARD OPTIONS

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### Option #1

- Discuss if a member of the MWDOC Board of Directors would like to be considered for a position on the ISDOC Board.

**Fiscal Impact:** None

**Business Analysis:** MWDOC would have a member of their Board of Directors serving in a leadership position for ISDOC.

### Option #2

- Take no action

**Fiscal Impact:** None

**Business Analysis:** A member of the MWDOC Board will not have a position on the ISDOC Board.

## ATTACHED:

- ISDOC Call for Nominations
- 2022 Election Timeline

RESOLUTION NO. \_\_\_\_

RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
**NOMINATING DIRECTOR BOB MCVICKER  
TO THE OFFICE OF 1<sup>st</sup> VICE PRESIDENT  
ON THE INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY  
EXECUTIVE COMMITTEE**

**WHEREAS**, Municipal Water District of Orange County (MWDOC) is a member district of the Independent Special Districts of Orange County (ISDOC); and

**WHEREAS**, the bylaws of ISDOC provide that in order for a nomination to be made to ISDOC's Executive Committee, the official must first secure from his/her district an official endorsement of candidacy in the form of a board resolution; and

**WHEREAS**, the MWDOC Board of Directors has nominated Director Bob McVicker to the office of First Vice President on the ISDOC Executive Committee.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Municipal Water District of Orange County that Director Bob McVicker is hereby nominated to serve as 1<sup>st</sup> Vice President on the ISDOC Executive Committee for the 2023-2024 term.

**BE IT FURTHER RESOLVED** the District Secretary is hereby directed to transmit a certified copy of this resolution to ISDOC.

Said Resolution was adopted, on roll call, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

I hereby certify the foregoing is a true and correct copy of Resolution No. \_\_\_\_ adopted by the Board of Directors of Municipal Water District of Orange County at its meeting held on August 17, 2022.

ATTEST:

---

Maribeth Goldsby  
District Secretary



August 1, 2022

PLEASE DISSEMINATE TO ALL BOARD MEMBERS

**Mailing Address**

P.O. Box 20895  
Fountain Valley, CA 92728

**Meeting Location**

MWDOC/OCWD  
18700 Ward Street  
Fountain Valley, CA 92708

(714) 963-3058  
(714) 964-5930 fax

<https://isdoc.specialdistrict.org/>

**Executive Committee**

**President**

**Hon. Mark Monin**  
*El Toro Water District*

**1<sup>st</sup> Vice President**

**Hon. Arlene Schafer**  
*Costa Mesa Sanitary District*

**2<sup>nd</sup> Vice President**

**Hon. Bob McVicker**  
*Municipal Water District Orange County*

**3<sup>rd</sup> Vice President**

**Brooke Jones**  
*Yorba Linda Water District*

**Secretary**

**Hon. Greg Mills**  
*Serrano Water District*

**Treasurer**

**Hon. Bill Green**  
*South Coast Water District*

**Immediate Past President**

**Hon. Sandra Jacobs**  
*Santa Margarita Water District*

**Staff Administration**

**Heather Baez**

*Municipal Water District of Orange County*

**Tina Dubuque**

*Municipal Water District of Orange County*

This email shall serve as official notice and call for candidates for the positions of President, First Vice President, Second Vice President, Third Vice President, Secretary and Treasurer on the Executive Committee of the Independent Special Districts of Orange County (ISDOC).

Terms of office are for two years, commencing on January 1, 2023.

The election will be by mail ballot and new officers will be announced at the October 27, 2022 Quarterly Meeting. Ballots will be mailed to all regular ISDOC members in good standing on **Friday, September 16, 2022 and are due by October 21, 2022.**

**Nominations will close on Wednesday, September 14, 2022.** Any Board Member/Trustee of a regular ISDOC member agency is eligible for nomination to any of the open positions. Individuals who wish to be considered for a position should submit a letter of interest for that position, together with a resolution from their Board authorizing their candidacy.

Responsibilities of the positions are as follows:

**PRESIDENT:** The President is the chief executive officer of ISDOC. He or she presides at all meetings of the Board of Directors and the Executive Committee, appoints all committees, and represents ISDOC as its official spokesperson.

**FIRST VICE PRESIDENT:** The First Vice President chairs the Program Committee. Duties include planning the Quarterly Luncheon program, inviting and coordinating with the invited speaker, and in the absence of the President, shall perform all duties of the President.

**SECOND VICE PRESIDENT:** The Second Vice President chairs the Membership Committee. Duties include maintaining a list of current regular and associate members, follow up with any outstanding membership dues as needed, and in the absence of the President and First Vice President, shall perform all duties of the President.

**THIRD VICE PRESIDENT:** The Third Vice President chairs the Legislative Committee. Duties include providing a legislative update, making legislative position recommendations to the Executive Committee, and in the absence of the President, First Vice President, and Second Vice President, shall perform all duties of the President.

**SECRETARY:** The Secretary is responsible for all correspondence and the dissemination of information to members. Duties include preparing and distributing agendas and minutes for the Executive Committee meeting, and editing and publishing the quarterly newsletter. All official correspondence to the members will be approved in advance by the President or President's designee.

**TREASURER:** The Treasurer maintains the complete financial records and bank accounts in the name of the Organization, and pays all bills duly approved by the Executive Committee, with a report to be presented to the membership at the Organizations next membership meeting.

Meetings of the Executive Committee are held virtually on the first Tuesday of each month at 7:30 a.m. Please see ISDOC website for details. <https://isdoc.specialdistrict.org/>

If you are seeking nomination to a position on the Executive Committee, please send your letter/email of interest and a copy of your Board's authorizing resolution to Heather Baez at [hbaez@mwdoc.com](mailto:hbaez@mwdoc.com). All nomination requests must be received by **Wednesday, September 14, 2022.**

If you have any questions about the any of the positions or the election process, please contact either Heather Baez at [hbaez@mwdoc.com](mailto:hbaez@mwdoc.com) or Tina Dubuque at [tdubuque@mwdoc.com](mailto:tdubuque@mwdoc.com).

**Mailing Address**

P.O. Box 20895  
Fountain Valley, CA 92728

**Meeting Location**

MWDOC/OCWD  
18700 Ward Street  
Fountain Valley, CA 92708

(714) 963-3058  
(714) 964-5930 fax

**Executive Committee**

**President**

**Hon. Mark Monin**  
*El Toro Water District*

**1<sup>st</sup> Vice President**

**Hon. Arlene Schafer**  
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**Staff Administration**

**Heather Baez**

*Municipal Water District of Orange  
County*

**Tina Dubuque**

*Municipal Water District of Orange  
County*

# Independent Special Districts of Orange County

## 2022 Election Timeline

<b>August 1, 2022</b>	Call for nominations sent out for the 2023-2024 Executive Committee officer positions. We are seeking candidates for President, 1 <sup>st</sup> Vice President, 2 <sup>nd</sup> Vice President, 3 <sup>rd</sup> Vice President, Secretary, Treasurer, Programs, membership and legislation to the 1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> VP.
<b>September 14, 2022</b>	The Nomination period for Executive Committee officer positions closed. Nominations should include the following: <ol style="list-style-type: none"> <li>1. Board Resolution authorizing your candidacy;</li> <li>2. Position for which you are running;</li> <li>3. What you will bring to ISDOC, and;</li> <li>4. Introductory about yourself.</li> </ol>
<b>September 16, 2022</b>	Ballots sent out – Via US mail and email.
<b>October 21, 2022</b>	Ballots are due – Via US mail or email to Heather Baez: P.O. Box 20895 Fountain Valley, CA 92728 or <a href="mailto:hbaez@mwdoc.com">hbaez@mwdoc.com</a>
<b>October 27, 2022</b>	The names of officers elected announced at ISDOC quarterly meeting.
<b>January 1, 2023</b>	Executive Committee officers begin new term.





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## **GENERAL MANAGER REPORT OF STAFF ACTIVITIES**

**August 2022**

## **MWDOC AGENCIES MANAGERS MEETING**

MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on Thursday, July 21, 2022.

**In attendance were:** R. Correa – Brea, M. McGee – Buena Park, D. Youngblood – EOCWD, D. Cafferty – El Toro WD, M. Dunbar - Emerald Bay SD, M. Sprague & H. Lee – Fountain Valley, C. Pasillas – Garden Grove, K. Vecchiarelli & T. Moore – Golden State WC, A. Papa, C. Ramirez, & C. Davis – Huntington Beach, P. Cook & P. Weghorst – Irvine Ranch WD, K. Van Der Maaten – Laguna Beach CWD, J. Chavira – La Palma, P. Shoenberger, M. Khalifa, S. Taylor & P. Lauri – Mesa WD, J. Lopez, D. Atwater, J. Cruz, L. Rocha, K. Young & M. Collings – Moulton Niguel WD, S. Catron & M. Vukojevic – Newport Beach, M. Markus K. O'Toole, A. Hutchinson & J. Kennedy – OCWD, J. Diaz & S. Tran – Orange, L. Brotman, K. Lussier & D. Rebensdorf – San Clemente, E. Bauman – San Juan Capistrano, J. Leach & D. Ferons – Santa Margarita WD, I. Lee & S. Myter – Seal Beach, J. Vilander – Serrano WD, M. Serna, G. Pennington, C. Newton, T. Kjolsing & R. Shintaku – South Coast WD, F. Paludi & M. Perea – Trabuco Canyon WD, M. Grisso – Tustin, S. Miller – Westminster, D. Davert, J. DeCriscio & R. Weston – Yorba Linda WD, M. Moore – Anaheim, P. Brown – Paul Redvers Brown Inc.

**Staff in attendance were:** H. De La Torre, A. Heide, C. Lingad, C. Busslinger, V. Osborn, M. Baum-Haley, D. Micalizzi, K. Hostert, H. Baez, H. Chumpitazi, T. Baca, T. Dubuque, R. Hunter, and J. Berg

### **General Meeting Information/Discussion Items:**

- MWDOC Draft Agendas
- Grand Jury Report
- Facilitated Discussions Process Update
- Reserve Fund Policy Update
- Upper Feeder Shutdown
- WEROC Update
- Managers Meeting Contact List Clean-Up

### **Announcements:**

- OC Water Summit

The next meeting will tentatively be held on August 18, 2022.

## **ENGINEERING & PLANNING**

### **MEETINGS**

- Charles Busslinger, Joe Berg, Chris Lingad, and SMWD staff met with WSC/M.Cubed on June 29, 2022, to discuss the economic analysis of proposed State Water Use Efficiency standards. Preliminary results of the revised Urban Objective Analyzer (model) were discussed, and revisions were requested. A draft report of the analysis is pending in early August 2022.
- Charles Busslinger attended The CalDesal Regulatory Committee meeting on July 28, 2022.

### **RELIABILITY STUDY UPDATE**

Staff is working with CDM Smith on an update to the reliability study. The update will look at a total of 5 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 was given at the May 2022 MWDOC Member Agencies Managers meeting. The presentation was also presented to the Board at the P&O Committee on June 6, 2022. Several of the agencies provided their input which will be incorporated into the study.

A draft report of the demand-supply gap analysis portion of the study is expected by the end of August 2022.

### **WATER USE EFFICIENCY STANDARDS ANALYSIS**

On May 2, 2022, the Board approved entering into an agreement with Water Systems Consulting (WSC) and sub-consultant M. Cubed to complete an economic analysis of proposed State water use efficiency standards. MWDOC has partnered with SMWD in funding this project. There are four main components of the scope of work:

1. A customized version of the recently completed Urban Water Use Objective Analyzer (Model) developed by M. Cubed for the Department of Water Resources (DWR). M. Cubed will customize the Model to allow individual retail agencies to evaluate the impacts of the proposed standards on their operations and customers.
2. Evaluate the relative impact of the proposed standards on Disadvantaged Communities (DACs).
3. Evaluate compliance cost estimates for MWDOC retail water agencies with information on water service affordability.
4. Develop a web interface of the Model using a visual analytics platform (i.e., dashboard).

An updated version of the Model and initial report is currently under review. A revised draft report of the analysis is expected in August 2022.

## 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 approved by the SCWD Board.

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 1<sup>st</sup>-year water cost of \$1,928/AF in 2021\$ and a 5 MGD project with an estimated 1<sup>st</sup>-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.

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 potentially 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 the challenges of ocean desalination and DPR could offset each other's advantages. 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 in price 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 needed to determine the impacts on ocean desalination brine mixing in the San Juan Creek Ocean Outfall from reduced wastewater discharges.

SCWD anticipates Coastal Commission consideration of a Coastal Development Permit in October 2022.

## 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 program is intended to enhance water supply reliability in the event of a prolonged emergency. This is a multi-year effort. The intended outcome of this effort is establishing 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. Hazen & Sawyer is also providing technical assistance for this effort.

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 late 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.

Staff met with Moulton Niguel WD and Orange County WD on May 16, 2022, to discuss the scope of work developed with MET. MNWD is currently reviewing the scope to see how their design efforts with the City of Santa Ana will fit into the scope.

## **SAN JUAN BASIN AUTHORITY**

The San Juan Basin Authority (SJBA) has been conducting a hydrogeology study of the San Juan Basin to understand better how groundwater flows through the lower portions of San Juan Basin under various conditions. How groundwater flows in the vicinity of Stonehill Drive is important due to potential impacts on pumping within the basin and may potentially influence pumping for the Doheny Desalination project.

A technical review panel consisting of three teams of hydrogeologists presented their preliminary findings at a special meeting on May 12, 2022. The presentation is available from the SJBA website: <https://www.sjbauthority.com/meetings/meetings-2022.html> (2022-05-12 SJBA Board Meeting TRP).

The preliminary findings are:

1. The Basin behaves like two separate areas or 'buckets' that are connected by a bedrock ledge area in the vicinity of Stonehill Drive. The bedrock ledge operates similarly to a spillway, which, although not a boundary, somewhat restricts flows under normal groundwater conditions.
2. Groundwater flows through the bedrock ledge area (spillway) are greatly restricted between the upper and lower portions of the basin when groundwater levels are low. This occurs during dry or excessive pumping periods.
3. Pumping on either side of the spillway (north or south) influences portions of the basin on the other side of the spillway. Without recharge and continued pumping, groundwater levels at the divide could decline precipitously.
4. Saline intrusion in the basin result from seasonal or longer-term declines in freshwater recharge coupled with pumping. Pumping to the north contributes by restricting the flow of freshwater across the spillway. Pumping south of the spillway exacerbates saline intrusion more than pumping to the north.

The Technical Review Panel recommends additional geologic and geophysical assessments of the spillway area. They also recommend additional monitoring of groundwater levels and flow across the spillway. The July SJBA meeting has been canceled, and the next meeting is on August 24, 2022.

## **SHUTDOWNS**

### **Upper Feeder**

MET has sent notification of a pending emergency repair to the Upper Feeder at the Santa Ana River (which feeds the MET Weymouth Water Treatment Plant in La Verne). An expansion joint installed at the Santa Ana Bridge in 2018 developed a leak before Easter weekend in April 2022. After inspection in early June 2022, the leak had expanded and MET declared an emergency on June 8, 2022. Temporary repairs were made to keep the Upper Feeder operating at reduced flows.

A replacement joint will be installed during a 14-day shutdown of the Upper Feeder from September 6-20, 2022. Weymouth will switch to 100% State Project Water during the shutdown. MET media messaging for the shutdown will ask residents to voluntarily go to no outdoor watering to reduce demands on the system during the shutdown. Since OC is in a shared media market with LA, residents will also be directed to seek more information from their water provider. OC agencies are supportive of demand curtailment efforts and have been asked to “do what they can” to help. Information was passed along at the MWDOC Member agencies meeting, and a meeting has been scheduled for July 27, 2022, to explore ways OC agencies can reduce demands on the MET system.

### **Orange County Feeder**

MET has delayed the relining project by one year and has proposed new shutdown dates. MET has approved the construction contract for the relining and replacing valves in a section of the Orange County Feeder from the Willits Pressure Control Structure (north of South Coast Plaza) to Irvine Cross Feeder (south of UC Irvine).

This 9-month shutdown is scheduled to begin on September 18, 2022, through June 16, 2023. MWDOC staff has been working with the affected agencies in preparation for this shutdown.

### **Orange County Feeder Extension**

MET plans to reline the final 300-linear feet of the OC Feeder extension from the Irvine Cross Feeder to the terminus affecting the City of Newport Beach, IRWD, and LBCWD following completion of the up gradient portion of the OC Feeder.

MET has proposed new shutdown dates of June 18, 2023, through July 14, 2023. LBCWD has raised concerns about the shutdown timing given recent fire events. MWDOC staff is working with LBCWD and MET to find a shutdown date that works for everyone.

### **Lake Mathews Facility Shutdown**

The shutdown of the Lake Mathews Facility has been rescheduled for March 13-14, 2023. The following agencies will be affected during the shutdown: OCWD, YLWD, Serrano WD, IRWD, TCWD, ETWD, SMWD, MNWD, and the City of San Clemente.

### **Orange County Reservoir**

The decommissioning of the Orange County Reservoir has been rescheduled from March 20, 2023, through March 25, 2023. This work will affect the cities of Brea and La Habra.

### **Diemer Water Treatment Plant**

MET is planning to repair a chlorine diffuser pipe at the Diemer WTP, which will require a seven-day full-plant shutdown. Shutdown dates for the repair of the Diemer chlorine diffuser pipe are being reevaluated by MET staff at this time. A meeting was held on February 3, 2022 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.

Diemer also recently experienced a backwash valve failure in the filter backwash system. Two 48 filters will remain out of service through the summer, slightly limiting Diemer's maximum flow capacity by 4% to 498 MGD.

### **Allen-McColloch Pipeline**

MET has completed 50% of the preliminary design of the AMP Prestressed 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. Rehabilitation of individual reaches will be based on the ongoing condition assessments, priorities, and shutdown schedules. A draft project schedule will be developed at the completion of the preliminary design.

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 for the construction of a possible pump station to enhance the ability to accommodate longer shutdown durations for the rehabilitation project and provide continuing future 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. Staff looks forward to MET's response.

## STATE WATER RESOURCES CONTROL BOARD JUNE CONSERVATION SAVINGS UPDATE

With the Governor's Executive Order (N-7-22) going into effect in May and the State Water Resources Control Board's (SWRCB) emergency regulations requiring all agencies to be at Level 2 of their Water Shortage Contingency Plans taking effect on June 10, the SWRCB was hopeful to see additional conservation savings for June. Statewide total water savings doubled from May of 2022 to June of 2022, with June being **7.6%** lower than 2020 water use. Cumulative Statewide savings are now up to **2.7%**. For Orange County, potable water savings compared June of 2022 to June of 2022 were at **3.8%**. Variations largely influence conservation savings month-to-month in weather. However, Orange County saw savings in June of 2022, even with it being hotter than June of 2020. June of 2022 saw savings across all hydrologic regions of the state, with the San Francisco Bay Hydrologic Area having the most significant savings of 18%.



## EMERGENCY PREPAREDNESS

### COVID-19 (CORONA VIRUS) COORDINATION

As of this report on 7/27, Orange remains in a **High-Level** rate of community spread.

As of July 26, 2022

Orange County, California

[State Health Department](#) [🔗](#)

**COVID-19 Community Level** ● High

**Recommended actions based on current level**

Wear a mask indoors in public and on [public transportation](#). Stay [up to date](#) with COVID-19 vaccines. [Get tested](#) if you have symptoms. If you are at [high risk for severe illness](#), consider taking [additional precautions](#).

**Weekly Metrics Used to Determine the COVID-19 Community Level**

Case Rate per 100,000 population	319.05
New COVID-19 admissions per 100,000 population	15.7
% Staffed inpatient beds in use by patients with confirmed COVID-19	5.8%

As of July 12, 2022

Orange County, California

[State Health Department](#) [🔗](#)

**COVID-19 Community Level** ● High

**Recommended actions based on current level**

Wear a mask indoors in public and on [public transportation](#). Stay [up to date](#) with COVID-19 vaccines. [Get tested](#) if you have symptoms. If you are at [high risk for severe illness](#), consider taking [additional precautions](#).

**Weekly Metrics Used to Determine the COVID-19 Community Level**

Case Rate per 100,000 population	299.21
New COVID-19 admissions per 100,000 population	15.2
% Staffed inpatient beds in use by patients with confirmed COVID-19	5.6%

As of July 2, 2022

Orange County, California

[State Health Department](#) [🔗](#)

**COVID-19 Community Level** ● Medium

**Recommended actions based on current level**

Stay [up to date](#) with COVID-19 vaccines. [Get tested](#) if you have symptoms. Wear a mask if you have symptoms, a positive test, or exposure to someone with COVID-19. Wear a mask on [public transportation](#). You may choose to wear a mask at any time as an additional precaution to protect yourself and others. If you are at [high risk for severe illness](#), consider wearing a mask indoors in public and taking [additional precautions](#).

**Weekly Metrics Used to Determine the COVID-19 Community Level**

Case Rate per 100,000 population	280.44
New COVID-19 admissions per 100,000 population	8.3
% Staffed inpatient beds in use by patients with confirmed COVID-19	4.2%

- \*\* Note with many people continuing to use the at-home testing kits unless people are seeing their physician or self-reporting, it is hard to say exactly how accurate these numbers are.
- The key statistic to track continues to be the impact on our medical system and agencies reporting if they have operational impacts due to employees being out ill. The medical system on 7/21 reported 351 people hospitalized and 35 ICU patients compared to 7/14 reported 277 people hospitalized, and 35 were in the ICU compared to June reported 179 people hospitalized, and 25 were in the ICU compared to May where hospitalizations were at 140 people and 18 who required intensive care. Overall, the Orange County healthcare system remains stable.
- This statement was in last month's report and has not changed. With high levels of population immunity from both vaccination and infections, the risk of medically significant disease, hospitalization, and death from COVID-19 is significantly reduced for most people. While the severity of the current Omicron Strains (BA1, BA2, BA4, and the latest BA5) is not as severe for MOST people, creating a business continuity issue for many agencies

with a recent increase COVID cases and people being out sick for days. [Some people and communities](#), such as our oldest citizens, people who are immunocompromised, and people with disabilities, are at higher risk for serious illness and face challenging decisions navigating a world with COVID-19.

- People get COVID multiple times regardless of vaccination status from the current Omicron variants. I know of people who have had COVID 2/3 times, fully vaccinated, boosted, and have had COVID prior (including myself)
- An article on July 27 speaks to a recent study posted to the [bioRxiv](#)\* preprint server; researchers assessed the sensitivity of severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2) Omicron BA.2.75 variant to [neutralizing antibodies](#) (nAbs). BA.2.75 is an emerging sub-lineage of the Omicron variant and has been reported in multiple countries. BA.2.75 harbors nine additional mutations compared to BA.2. One amino acid substitution, G446S, has been implicated as a potential site for escape from vaccine-elicited nAbs and the monoclonal antibody (mAb), bebtelovimab (LY-CoV1404). This is concerning given that bebtelovimab is one of the few first-generation antibodies with cross-neutralizing activity against BA.2 and BA.4/5 variants. The study observed that SARS-CoV-2 Omicron BA.2.75 was less immune-evasive than the currently predominant BA.5 variant in the tested serum samples. WEROC will continue to track new variants as they are released so agencies can make changes as required.
- There are no changes to Orange County Health Officer orders.
- WEROC continues to host monthly coordination calls with member agencies to provide updates regarding COVID and other items occurring in the OA.
- CalOSHA Emergency Temporary Standards Update - On June 9, 2022, the Division of Occupational Safety and Health (Cal/OSHA) posted the proposed non-emergency [COVID-19 Prevention standards](#) on its [Cal/OSHA – Proposed Regulations webpage](#). The dates for the public hearing have not yet been set. WEROC will continue tracking and reporting on the new standards' progression. In reviewing the proposed language, the actions being administered by employers would be adopted for two years at a time. WEROC will provide more information as this changes.
- Remaining in effect is California's State of Emergency for COVID-19; therefore, the end date will be dependent on when the state feels the emergency is over. WEROC will continue to track this information
- AB 361 - Open meetings: state and local agencies: teleconferences.  
For those agencies continuing to protect employees' safety with the provisions of the use of teleconference for Board Meetings, the following is still effect for the requirements of AB 361

- The California State of Emergency is still active
- Vulnerable Populations and social distancing are still referenced in the Orange County Health Officer Order
- **For Vulnerable Populations**. In general, the older a person is, the more health conditions a person has, and the more severe the conditions, the more important it is to take preventive measures for COVID-19, such as getting vaccinated, including boosters, social distancing, and wearing a mask when around people who don't live in the same household and practicing hand hygiene. For more information, see <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/people-with-medical-conditions.html>.
- County justification for the above is also referenced in the County Health Officer Order According to the CDC and CDPH, older adults, individuals with medical conditions, and pregnant and recently pregnant persons are at higher risk of severe illness when they contract COVID-19. See <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/index.html>
- WEROC completed a 3<sup>rd</sup> round procurement of testing kits logistics for agencies who chose to participate. Seven agencies participated and we were able to procure testing kits at a respectable cost point. Delivery is taking place the week of July 18. Janine is taking the logistics lead.

## MonkeyPox Update

Current Situation in Orange County

(as of 7/26/2022)

### No. of Confirmed and Probable Cases

---

3

Orange County Health Care Agency (OCHCA) continues to investigate and conduct contact tracing on all confirmed and probable cases and continues to monitor and coordinate post-exposure prophylaxis for high-risk close contacts to known cases. The risk of monkeypox in the general population and community remains very low based on current information available. For national updates, including counts of cases by state, see the [CDC U.S. Monkeypox 2022: Situation Summary](#).

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## **JULY EVENT INCIDENTS/EVENTS (NON-COVID)**

**\*\*THE FOLLOWING EVENTS IN WHICH WEROC PROVIDED INFORMATION AND/OR COORDINATION OR RESPONSE TO THE EOC/CP.**

- Cyber Event - 1 Agency - Email Intrusion
- Suspicious Activity (Intruder, Site Break In, and Theft) (3 agencies)

Vicki can provide an additional oral update to WEROC activities specific to the event as required/requested.

## **COORDINATION/PARTICIPATION WITH MEMBER AGENCIES AND OUTSIDE AGENCIES MEETINGS OUTSIDE OF PROGRAMS AREAS AND EMERGENCY RESPONSE**

- On 7/5, Vicki attended the ISDOC meeting and provided an update on current OA Events and planning efforts.
- On 7/5, Vicki participated in the California Emergency Services Association (CESA) Emergency Management Certification Project coordination meeting.
- On 7/7, Vicki and Janine attended the Orange County Emergency Management Organization (OCOMO) meeting. CISA made a presentation focused on communication platforms, including the GETS program.
- On 7/7, Vicki participated in the OCOMO Exercise Design Planning Meeting. This group is focused on planning the countywide functional exercise in FY23. This was the kickoff meeting, and nothing was finalized to report on.
- On 7/18, Vicki had a meeting with the MNWD team to outline the requested training need of their agency focused on EOC training.
- On 7/19, Vicki had a CalWarn Board meeting.
- On 7/20, Vicki attended the County Disease Outbreak Response Annex revision meeting.
- On 7/21, Vicki attended the MWDOC Manager meeting.
- On 7/28, Vicki attended the quarterly MARAC meeting.
- On 7/28, Vicki attended the ISDOC Quarterly meeting.

## **PLANNING AND PROGRAM EFFORTS**

### **AlertOC**

Janine continues to work with special district member agencies participating in the AlertOC program. Currently, approximately 82% of the staff with access to the system to send messages have received training.

### **Cyber Security**

WEROC continues to send out important information to the Cyber Security Distribution Group as received from DHS or the OCIAC.

## **Logistics Planning**

Vicki is finalizing the After Action Report from the June Logistics Workshop/Tabletop Exercise. This AAR will aid in developing the Logistics Annex, including identification of the Planning Team, Conducting the Assessment, solutions to the gap analysis, and then beginning the plan development with the agencies.

## **Mutual Aid**

Working with MET, Vicki and Damon offered MET support if needed in requesting the use of the Changeable Message Signs (CMS) on the freeways and the Toll Roads. Vicki will assist with the request for use in the OC and LA Areas as required.

## **Training**

Vicki finalized the WEROC 2023-25 Integrated Preparedness Plan. This will encompass future planning and align the planning with both training and exercises. This document was submitted to the Operational Area for inclusion in the state report. Vicki is finalizing the fall training schedule.

Vicki is finalizing the Agency Representative Training (AREP) as requested by the agencies. This course will assist agencies when they send someone to interact at an Incident Command post (ex, wildland fire).

In partnership with MNWD, Vicki has scheduled a meeting with OCFA to discuss a training series for incoming fire candidates and OCFA engineers regarding water systems, how they work, and the information they need to understand. This was an outcome of the Coastal Hotwash, and OCFA was very receptive. The first planning meeting for the concept with OCFA is scheduled for 8/2.

## **WEROC Emergency Operations Center Project/Funding**

Both Senator Feinstein and Senator Padilla submitted the project for the FY23 appropriated directed funding

We are now waiting to see if the project continues progressing in the process and will update as we learn new information.

## **WEROC Personnel Update**

The vacant WEROC Specialist Position recruitment closed on 7/22. Interviews will be conducted in August.

## **Operational Area and Member Agency Plan Review/Working Groups**

Vicki has reviewed and provided written changes or feedback to the following Annexes/Plans. These are currently being reviewed in working group meetings focusing on 1-2 chapters at a time:

- Orange County Operational Area – Disease Outbreak Annex

- Orange County Operational Area – Recovery Annex Operational Area Alert & Warning Seminar After Action Report

## **MET ITEMS CRITICAL TO ORANGE COUNTY**

### **MET FINANCE AND RATE ISSUES**

#### **Current Update**

Water Transactions for May 2022 totaled 141.3 thousand acre-feet (TAF), which was 2.9 TAF higher than the budget of 138.4 TAF and translated to \$138.8 million in revenues for May 2022, which was \$7.5 million higher than the budget of \$131.3 million.

Year-to-date water transactions through May 2022 were 1,505.9 TAF, which was 52.9 TAF higher than the budget of 1,453.0 TAF. Year-to-date water revenues through May 2022 were \$1,383.4 million, which was \$46.7 million higher than the budget of \$1,336.7 million.

As of May 31, 2022, Metropolitan's investment portfolio balance was \$1.45 billion.

On May 12, 2022, Fitch Ratings completed a detailed rating surveillance review. It confirmed Metropolitan's senior lien bond rating at AA+, the subordinate lien bond rating at AA+, and the subordinate lien variable rate bonds at AA+/F1+. The surveillance review process incorporated the coordination and provision of responses to a wide array of questions related to Metropolitan's finances, operations, CIP, drought response, and conservation programs.

### **MET INTEGRATED RESOURCES PLAN UPDATE**

#### **No Update**

The Board adopted the 2020 IRP Regional Needs Assessment unanimously on April 12, 2022. As the first component of the 2020 IRP's development, the Regional Needs Assessment analyzed potential gaps between the expected supplies and the forecasted demands across four IRP scenarios. It presents key technical findings in five broad categories and examines the effectiveness of generalized portfolio categories. The Regional Needs Assessment will frame and guide the establishment of more specific targets to maintain water reliability through 2045 and inform the Board on resource investment decisions. Completion of this report concludes the 2020 IRP Regional Needs Assessment phase.

In the forthcoming One Water Implementation phase, appropriate actions and investment portfolios will be advanced by identifying policies, programs, and projects that provide regional solutions to the IRP Regional Needs Assessment findings. The One Water Implementation phase will develop a comprehensive, adaptive management strategy to guide these specific actions.

Concurrently, Metropolitan seeks to meet the following objectives concerning ongoing water resource management:

- Manage existing and develop new regional water management programs to maintain water supply reliability in the face of increasing water supply volatility.
- Participate in Federal, State, and Local Water-Energy Nexus processes to support Metropolitan Energy Sustainability and Climate Action Plans.

- Implement Regional Conservation Program.
- Collaborate with member agencies, water agencies, and associations, and provide leadership for policy development, advocacy, outreach, and education.
- Explore opportunities to leverage Metropolitan's SWP and Colorado River supplies and storage assets.

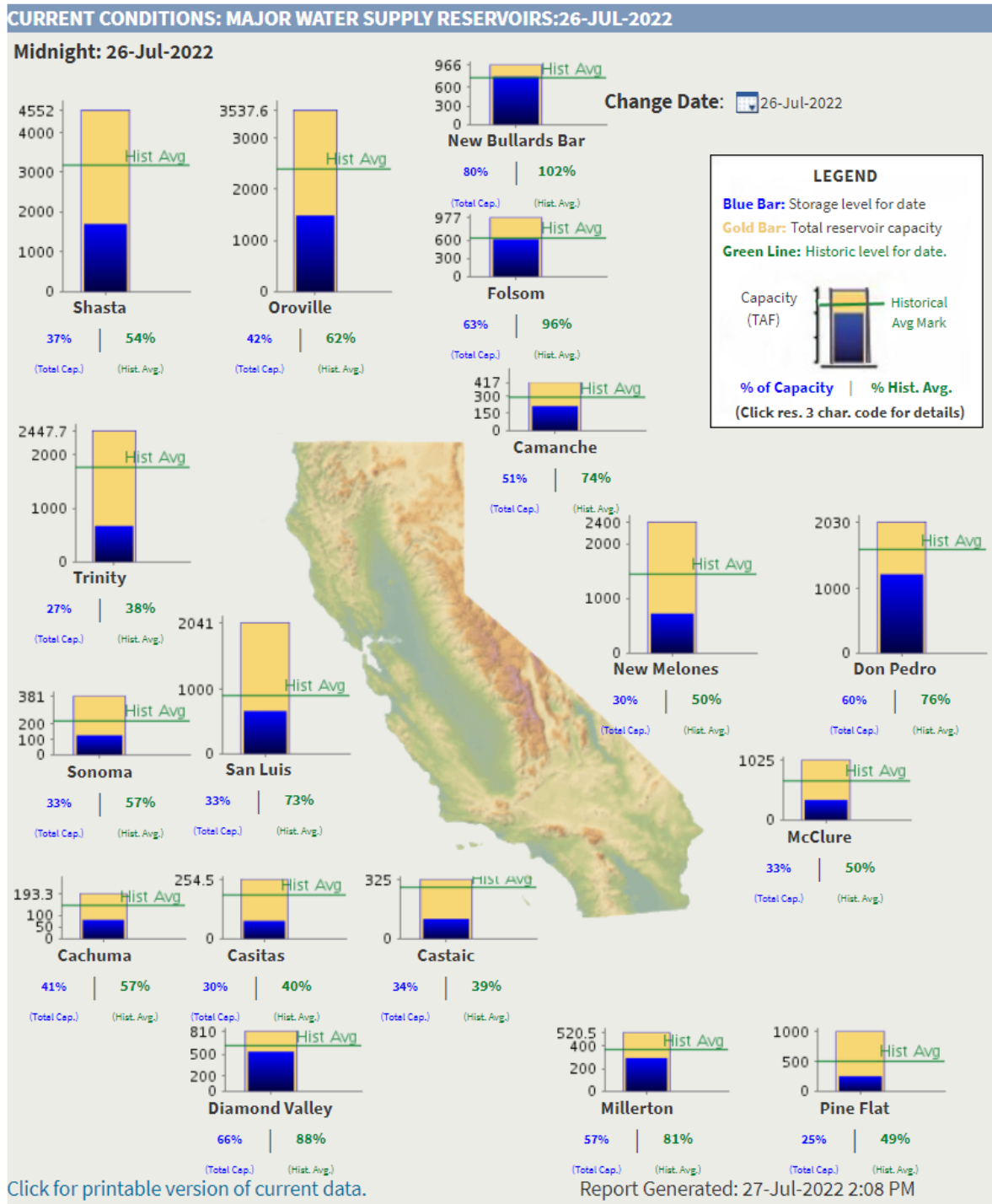
## MET'S SUPPLY CONDITION UPDATE

The 2021-22 Water Year (2021-22 WY) officially started on October 1, 2021. Thus far, Northern California accumulated precipitation (8-Station Index) reported **41.3 inches or 79% of normal** as of July 26. For 2021-22 WY, the Northern Sierra Snow Water Equivalent was at **7.7 inches on April 1**, which is **27% of normal** for that day. Due to historical low precipitation/snowfall from January to March 2022, the Department of Water Resources (DWR) has decreased the State Water Project (SWP) **"Table A" allocation to 5%**. This allocation provides Metropolitan with approximately **95,575 AF in SWP deliveries this water year**. DWR's SWP Allocation considers several factors, including existing storage in SWP, conservation reservoirs, SWP operational, regulatory constraints, and the 2022 contractor demands.

The Upper Colorado River Basin accumulated precipitation is reporting **22.2 inches or 91% of normal as of May 26**. Snowpack is measured across four states in the Upper Colorado River Basin on the Colorado River system. The Upper Colorado River Basin Snow Water Equivalent reported **17.2 inches as of April 15**, which is **86% of normal** for that day. Due to the below-average precipitation/snowfall in 2020-21 WY, the United States Bureau of Reclamation **declared a shortage at Lake Mead starting January 1, 2022**. There is a 100% chance of the shortage continuing in 2023.

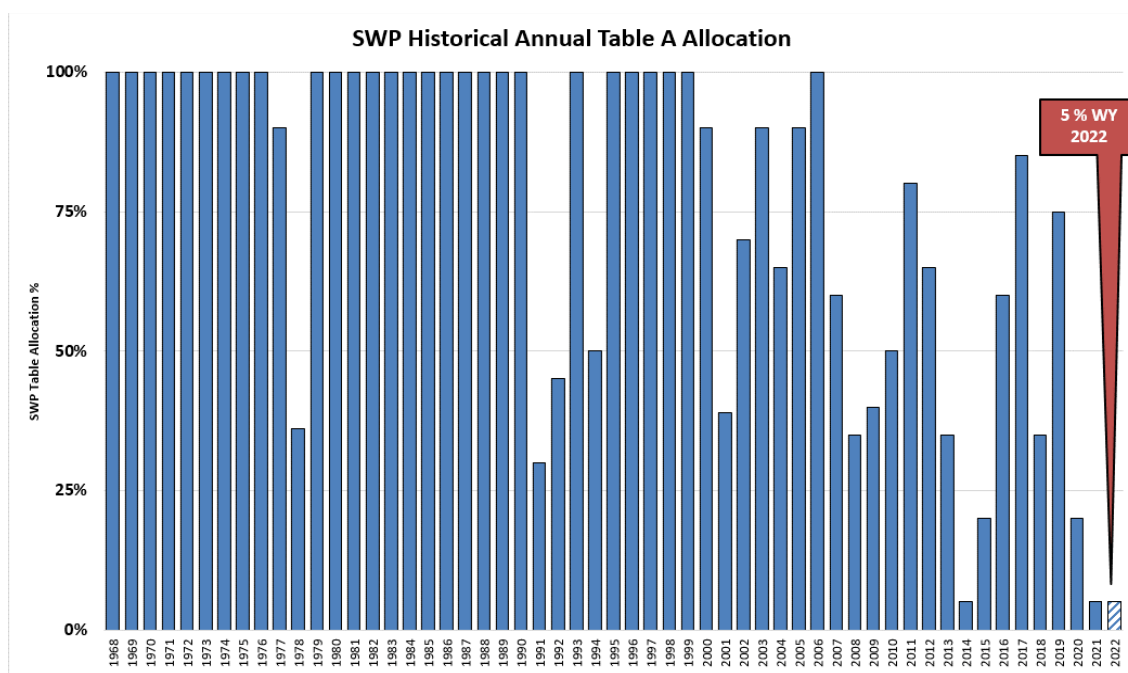
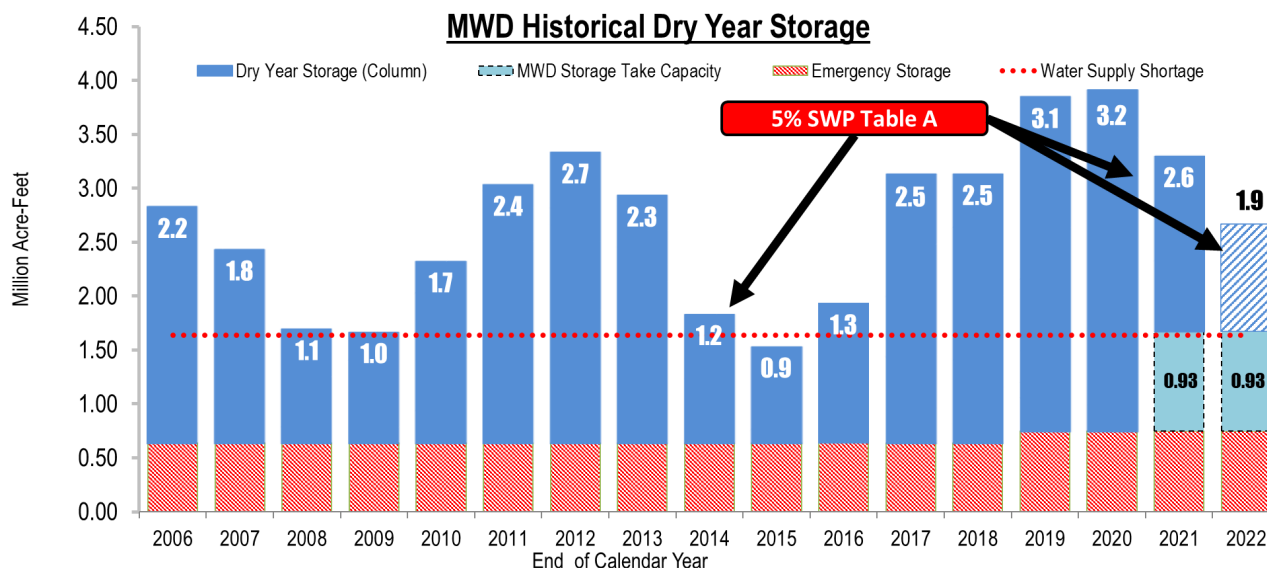
As of July 26, Lake Oroville storage is **42% of total capacity and 62% of normal**. As of July 26, San Luis Reservoir has a current volume of **33% of the reservoir's total capacity and is 73% of normal**.





With early CY 2022 estimated total demands and losses of 1.798 million acre-feet (MAF) and with a 5% SWP Table A Allocation, Metropolitan is projecting that demands will exceed supply levels in Calendar Year (CY) 2022. Based on this, the estimated total dry-year storage for Metropolitan at the end of **CY 2022 will go down to approximately 1.919 MAF.**

A projected dry-year storage supply of **1.919 MAF** would still be about **0.919 MAF** above where **MWD has historically declared a water supply allocation**. A large factor in maintaining a high water storage level is lower than expected water demands. We are seeing regional water demands reaching a 38-year low.



## **MET'S WATER QUALITY UPDATE**

### **Recent Activity**

Metropolitan staff received the final study deliverables for the Peer-2-Peer (P2P) Brine Management Partnership. The partnership brought together 12 water utilities across the United States with brine management challenges. Work included a global scan identifying almost 200 brine management technologies in several categories. The technologies ranged from those suitable for potable reuse brine applications to treatment technologies for salinity brine streams such as USBR's Paradox Valley Unit salinity control project. The P2P consultant generated a final list of 16 potential technologies to be considered by the study participants. Metropolitan staff worked with its innovation consultants to schedule P2P meetings on drought management, safety practices, and other topics. This includes two in-person visits by staff from Singapore PUB. The first will be held on October 7 at the RRWP demonstration facility. A second meeting will be held on November 10, covering conservation, large diameter pipe lead detection, and distribution system water quality monitoring.

### **Water Treatment and Distribution**

A significant amount of filter media was lost in 2021 at the Diemer plant because of severe air entrainment experienced on the Lower Feeder during higher flows. Filter media must be replaced to ensure optimal filter performance and to meet water quality objectives. Metropolitan staff used a crane to lower one-ton media bags into the filter bed. Each filter, on average, required approximately 20 tons of media to reach the proper levels. A total of 18 of the plant's 48 filters required additional media. Maintaining the filter media enables the plant to meet variable and peak operational conditions while ensuring system reliability and that water quality objectives are met.

### **Source Water Quality**

On June 13, Metropolitan staff participated in the Department of Water Resources' quarterly Specific Project Committee meeting for the Municipal Water Quality Investigations (MWQI) Program. A key highlight was an update on the completion of the State Water Project 2021 Watershed Sanitary Survey, which was submitted to the Division of Drinking Water in June 2022.

The Municipal Water Quality Investigations (MWQI) program provides water quality monitoring, forecasting, and reporting to support the effective and efficient use of the State Water Project as a municipal water supply. It conducts scientific studies, provides early warning of changing conditions in source water quality, and provides data and knowledge to support operational decision-making. Metropolitan is one of the State Water Contractors that voluntarily funds the MWQI program and will chair the Specific Project Committee for the fiscal year 2022/23, as well as help to plan and coordinate the annual MWQI meeting in October 2022.

### **Water Quality Compliance, Worker Safety, and Environmental Protection.**

Metropolitan complied with all water quality regulations and primary drinking water standards during May 2022.

Metropolitan hosted its regular quarterly meeting with the State Water Resources Control Board's Division of Drinking Water on June 28. Discussion topics included updates on regulatory matters and capital projects, domestic water systems at the desert pumping plants, and the Lake Perris seepage recovery project.

Metropolitan staff participated in the Environmental Laboratory Accreditation Program (ELAP) virtual conference from May 31 to June 3. The conference provided information on optimizing laboratory testing and a workshop on documentation under the newly adopted ELAP/TNI (The NELAC Institute) regulation. The conference also provided attendees with annual training on laboratory ethics, which is required under the recently adopted regulations.

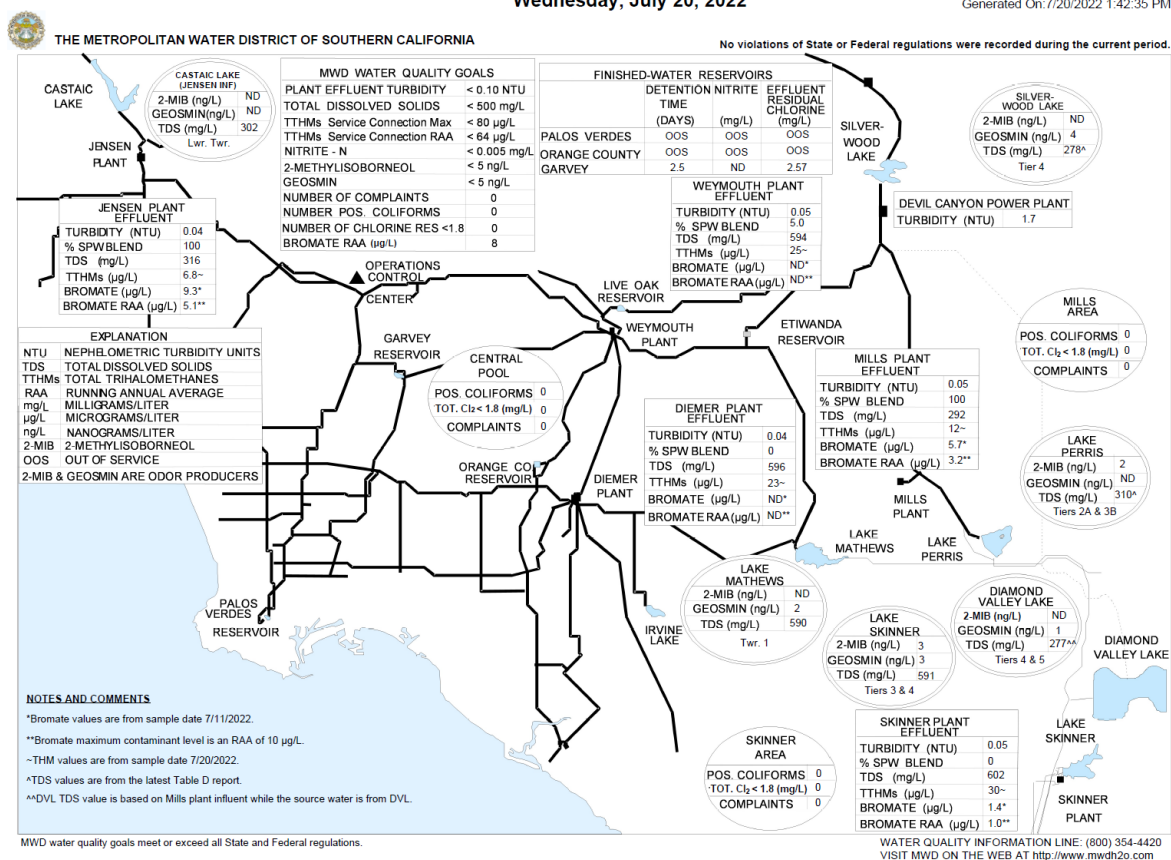
### Capital Project Planning and Execution

On June 8, Water Quality and Engineering staff met with consultants to initiate the preliminary design for the Water Quality Building Improvement capital project. The project covers seismic improvements, building and HVAC upgrades, redesign of laboratory space to improve workflow and functionality, and potential building expansion to accommodate additional laboratory activities associated with increased monitoring of emerging contaminants, applied research, and anticipated new regulations.

## Weekly Water Quality System Status

Wednesday, July 20, 2022

Generated On: 7/20/2022 1:42:35 PM



*The Metropolitan Water District of Southern California*

# GENERAL MINERAL AND PHYSICAL ANALYSIS OF METROPOLITAN'S WATER SUPPLIES

## TABLE D

April 2022

CONSTITUENTS	UNITS	SOURCE WATERS										TREATMENT PLANT EFFLUENTS			
		LAKE HAVASU	SAN JACINTO	LAKE MATHEWS	CASTAIC	SILVER- WOOD	LAKE PERRIS	DIAMOND VALLEY	LAKE SKINNER	WEY- MOUTH	DIEMER	JENSEN	SKINNER	MILLS	
			TUNNEL	LAKE	LAKE	LAKE	LAKE	LAKE	LAKE						LAKE
SILICA	mg/L	7.1	6.7	7.8	15.1	3.9	1.8	5.7	2.7	7.5	7.6	15.2	4.4	6.1	
CALCIUM	mg/L	71	72	69	30	26	27	24	59	68	66	32	63	25	
MAGNESIUM	mg/L	25	25	25	7	5	14	12	23	25	24	8	24	12	
SODIUM	mg/L	90	91	90	66	64	62	53	83	98	95	71	96	60	
POTASSIUM	mg/L	4.5	4.5	4.5	2.0	1.9	3.6	3.5	4.2	4.5	4.4	2.0	4.4	3.6	
ALKALINITY, CARBONATE AS CO <sub>3</sub>	mg/L	1	0	0	0	0	0	0	0	0	0	0	0	0	
ALKALINITY, BICARBONATE AS HCO <sub>3</sub>	mg/L	167	167	163	98	96	128	104	154	154	155	102	145	101	
SULFATE	mg/L	202	212	209	67	53	44	47	180	212	213	71	206	57	
CHLORIDE	mg/L	91	95	95	70	63	86	70	92	98	98	73	98	76	
NITRATE	mg/L	1.6	1.6	1.0	3.7	1.6	<0.1	0.2	0.4	1.1	1.1	3.8	0.5	0.5	
FLUORIDE	mg/L	0.3	0.3	0.3	0.2	0.2	0.1	0.1	0.3	0.7	0.7	0.7	0.7	0.8	
TOTAL DISSOLVED SOLIDS (TDS)	mg/L	577	592	583	310	267	302	268	522	592	587	327	570	292	
TOTAL HARDNESS AS CaCO <sub>3</sub>	mg/L	284	283	276	107	85	127	113	249	277	275	107	263	115	
TOTAL ALKALINITY AS CaCO <sub>3</sub>	mg/L	139	137	134	80	79	105	85	126	126	127	84	119	83	
FREE CARBON DIOXIDE	mg/L	1.3	1.2	1.5	2.0	0.9	1.5	1.5	1.6	1.9	1.9	0.9	1.8	0.7	
pH	pH	8.35	8.36	8.26	7.91	8.25	8.14	8.06	8.20	8.14	8.13	8.30	8.14	8.39	
SPECIFIC CONDUCTANCE	µS/cm	943	950	939	532	475	565	493	868	964	965	557	944	522	
COLOR	CU	3	3	3	5	5	3	5	3	1	1	1	1	1	
TURBIDITY	NTU	1.3	0.48	1.3	1.9	1.7	0.59	0.47	7.0	0.05	0.04	0.04	0.05	0.04	
TEMPERATURE	°C	18	18	17	13	12	14	16	20	17	18	17	21	19	
BROMIDE	mg/L	0.08	0.06	0.08	0.24	0.23	0.26	0.21	0.05	--	--	--	--	--	
TOTAL ORGANIC CARBON	mg/L	2.98	2.99	3.03	1.78	2.89	3.93	2.74	3.29	--	--	--	--	--	
SATURATION INDEX	--	--	--	--	--	--	--	--	--	0.56	0.56	0.27	0.58	0.34	
STATE PROJECT WATER	%	0	0	0	100	100	100	100	17	0	0	100	11	100	



## **COLORADO RIVER ISSUES**

### **Reclamation Urges States to Develop Water Use Reduction Plan**

At the June 14 Senate Energy and Natural Resources Committee hearing on Western Drought, the Bureau of Reclamation (Reclamation) Commissioner Camille Touton identified the need for Colorado River Basin water users to reduce their use by two to four million acre-feet of water per year to address critical reservoir elevations at Lake Powell and Lake Mead, starting in 2023. The Commissioner said that the Department of the Interior (Interior) would be working with states, tribes, and others to reach a consensus by August 2022 about how to make these reductions. In response to questions from Senators, the Commissioner stated that the Interior has the authority to act unilaterally, if needed, and will protect the system if consensus cannot be reached.

Reclamation described the modeling they developed to show the need for additional water to address critical reservoir elevations in Lake Powell and Lake Mead, water that Reclamation is calling “Protection Volumes,” at the Getches-Wilkinson Conference in Boulder, Colorado. At that conference, Assistant Secretary for Water & Science Tanya Trujillo made remarks about conditions in the Colorado River reservoirs and the need for Protection Volumes starting in 2023.

Metropolitan staff is working with its Colorado River Basin States partners to explore options and strategies to meet the Interior’s call for Protection Volumes by the August 2022 deadline, which would be in place starting next year. The Metropolitan Board will be kept informed as a plan is being pursued.

## **DELTA CONVEYANCE ACTIVITIES AND STATE WATER PROJECT ISSUES**

### **Resiliency**

Metropolitan staff continued to participate in the collaborative groups called for in the 2019 Biological Opinions for the State Water Project (SWP) and Central Valley Project and in the 2020 Incidental Take Permit for the long-term operation of the SWP to address science needs and inform management and operation of the water projects. In June, Metropolitan staff collaborated with state and federal agencies to develop a monitoring program for steelhead populations within the San Joaquin Basin. Efforts in June focused on developing a list of directed science studies that are needed to develop an estimate of juvenile steelhead production.

Metropolitan staff attended a Habitat Planning Workshop with representatives from the California Department of Water Resources (DWR, California Department of Fish and Wildlife, and others to discuss the status of proposed habitat restoration projects that can be constructed in the next three to five years. The workshop's purpose was to identify projects that are ready for implementation and to identify barriers to implementation, such as permitting, funding, equipment, or staffing resources, so that the agencies can identify areas where they can help.

### **Delta Conveyance**

DWR is continuing to develop a public Draft Environmental Impact Report under the California Environmental Quality Act for the Delta Conveyance Project (DCP). The U.S. Army Corps of Engineers (USACE), as part of its permitting review under the Clean Water Act and Rivers and Harbors Act, is preparing an Environmental Impact Statement to comply with the National Environmental Policy Act. DWR and USACE are planning to release draft environmental documents for public review in mid-2022.

Field activities under the Initial Study/Mitigated Negative Declaration for soil investigations in the Delta, including cone penetration tests, soil borings, and geophysical surveys, restarted in May 2022 after a wet season break.

### **Joint Powers Authority**

During the June 16 regularly scheduled Board of Directors Meeting, the Delta Conveyance Design and Construction Authority (DCA) Board of Directors approved a resolution to extend virtual board and committee meetings pursuant to AB 361. The DCA Board adopted the proposed \$31.16 million budget for 2022/23 by minute order. The DCA board also adopted a resolution to authorize the investment policy and the annual delegation to the DCA Treasurer for the fiscal year 2022/23. The work activities for fiscal year 2022/23 will focus on providing support to the DWR environmental planning and permitting efforts for the DCP, including continued implementation of field investigation programs.

The regularly scheduled June 16 meeting of the Delta Conveyance Finance Authority was canceled.

### **Sites Reservoir**

In their joint June meetings, the Sites Project Authority Board and the Sites Reservoir Committee authorized the Executive Director to submit the Project's 2023-2026 application to the U.S. Fish and Wildlife Service for a Bald and Golden Eagle Protection Act Short-Term Disturbance "Take" Permit for Geotechnical Activities.

### **Science Activities**

Metropolitan staff participated in several tours of the Delta with the General Manager and non-governmental organization (NGO) leaders to discuss and share science priorities and identify opportunities for collaboration. Metropolitan staff provided briefings on Bay-Delta science activities, management of the Delta islands, and proposed studies as part of the Delta Smelt and Native Species Preservation Project.

Metropolitan staff continued participating in the Collaborative Science and Adaptive Management Program (CSAMP), including participation in the Collaborative Adaptive Management Team (CAMT). In June, CAMT received a briefing on the Delta smelt entrainment studies and continued discussions on the CAMT monitoring assessment effort.

Metropolitan staff continued collaboration with the environmental organizations on the CSAMP Salmon Recovery Initiative. The project's purpose is to develop an effective and implementable strategy for recovering listed and non-listed salmonids in California's Central Valley while considering other social, ecological, and economic interests in the region. A series of workshops were held in June with interested parties to share stories on why each party cares or values salmon and translating these values into metrics that allow for evaluation of different salmon management actions. Over 70 individuals participated in the workshops; these interested parties represented NGOs, tribal governments, agriculture, water, fishing industries, and state and federal resource agencies. The next several months will be spent on developing and translating these values into metrics. In June, the San Francisco Estuary Magazine published an article about the Reorienting to Salmon Recovery project that includes input from Metropolitan staff and other members of the project team (<https://archive.estuarynews.org/reorienting-to-salmonrecovery/>).



## **PUBLIC/GOVERNMENT AFFAIRS**

### **MEMBER AGENCY RELATIONS**

#### Public Affairs Staff:

- Completed placement of Santa Ana Streams of Hope “Stella.”
- Developed a lawn sign for the City of Seal Beach
- Sent previous design files for door hangers to Moulton Niguel Water District
- Added a board member of El Toro Water District to the interest list for inspection trips

#### Government Affairs Staff:

- Worked with the City of San Clemente to have their infrastructure projects added to our potential grants projects list
- Circulated the monthly Grants Tracking and Acquisition report to member agencies

### **EDUCATION**

#### Public Affairs Staff

- Participated in the California Environmental Leadership Initiative Green Careers Innovation Hub meeting
- Met with Orange County Department of Education’s Inside the Outdoors to discuss MWDOC Grab and Go Activities opportunities
- Met with K-2 Choice School Program contractor, Shows That Teach, to discuss program promotion and offerings
- Worked with Choice School Program contractor and participating agencies to provide program information in the City of Santa Ana, Yorba Linda Water District, and City of La Habra service areas
- Met with Poseidon Education, Metropolitan Water District of Southern California, and OC Pathways to discuss a grant application to bring water and wastewater curricula and careers into Orange County middle and high schools
- Met with San Mateo County to discuss a grant application with the Orange County Department of Education to bring water and wastewater curricula and careers into middle schools
- Attended a 3-day Department of Water Resources Water Education Committee workshop

### **MEDIA RELATIONS**

#### Public Affairs Staff

- Prepared and distributed content for social media
- Prepared and submitted one article to Association of California Water Agencies News

- <https://www.acwa.com/news/water-and-wastewater-workforce-needs-assessment-survey-underway/>
- Distributed weekly news digests to MWDOC managers and Board
- Began promoting OC Water Summit on social media
- Prepared and distributed weekly news blast to MWDOC directors and managers
- Responded to various media inquiries

## SPECIAL PROJECTS

### Public Affairs Staff:

- Worked with Hashtag Pinpoint to complete #OCisGardenSmart three-part Succulent Series
- Participated in several OC Water Summit Planning committee meetings
- Coordinated with Orange County Water District in the planning and production of materials for the OC Water Summit
- Prepared and sent out the first invite for OC Water Summit
- Prepared and sent out sponsorship brochure for OC Water Summit
- Met with the event coordinator at the Grand Californian Hotel and Spa to discuss OC Water Summit event logistics
- Responded to MWDOC department requests for website information and published website updates
- Worked with MWDOC/Metropolitan Water District of Southern California directors to submit dates for shared inspection trips
- Met with Metropolitan Water District of Southern California to discuss current workforce development projects and potential partnerships
- Met with Ignited to discuss the potential for a statewide training and recruitment program for water and wastewater agencies
- Participated in a Metropolitan Water District of Southern California Public Information Officers working group to discuss the upper feeder shutdown
- Joined a California Municipal Utilities Association workforce development working group, attended a meeting and presented on the Centers of Excellence water and wastewater workforce needs assessment survey project initiated by the Water Energy Education Alliance
- Prepared **Speakers Bureau Presentation on current water issues** for retired State employees

### Governmental Affairs Staff:

- Staffed the ISDOC Executive Committee meeting
- Coordinated with MNWD for them to provide an update on the Coastal Fire to WACO
- Staffed the monthly WACO meeting featuring Sites Reservoir
- Met with OCCOG Executive Director Marnie Primmer re: increased yearly dues to ISDOC

- Provided background and contact information to the Orange County Farm Bureau on the Doheny Desalination Project
- Staffed the WACO Planning Committee meeting
- Began reaching out to speakers for the September and October WACO meetings
- Along with Tina Dubuque, put together materials for the ISDOC Quarterly Luncheon, including invites, speaker coordination, lunch menu, agenda, and reports
- Along with Tina Dubuque, prepared materials for the upcoming ISDOC Executive Committee election

## LEGISLATIVE AFFAIRS

### Governmental Affairs Staff:

- Participated in the ACWA Low Income Rate Assistance (LIRA) working group meeting
- Participated in the SB 1157 (Hertzberg) working group meeting
- Filed MWDOC's quarterly lobbying report
- Attended the ACWA State Legislative Committee meeting
- Attended the Governor's Office of Planning and Research webinar on Climate Change Assessment
- Participated in the OCBC Governmental Affairs Committee meeting
- Joined ACWA's SB 222 (Dodd) Oppose Unless Amended coalition
- Attended the ACWA D.C. Conference in Washington D.C., featuring speakers: Senator Alex Padilla, EPA Assistant Administrator Bruno Pigott, Bureau of Reclamation Deputy Commissioner David Palumbo, U.S. Forest Service Associate Deputy Chief John Crockett; plus panels from House staff members, Senate staff members, and lobbyists.
- Participated in the Metropolitan Water District legislative meeting
- Met with Albert Napoli of Metropolitan to discuss possible legislative outreach on the Upper Feeder shutdown
- Contacted all offices in the Orange County delegation to collect letters of support for a MWDOC WaterSmart grant application. As of this report, we have received letters from Congress Members Correa & Porter; Senator Min; and Assembly Members Chen, Petrie-Norris, and Davies
- Attended the Solve the Water Crisis Stakeholder Group meeting

## **WATER USE EFFICIENCY**

### **MWDOC WATER LOSS CONTROL WORKGROUP**

On July 12, Joe Berg and Rachel Davis hosted the Orange County Water Loss Control Workgroup meeting via Zoom. Approximately 36 agency staff attended this meeting. Items on the agenda included:

- Water Loss Updates
  - Technical Assistance and Shared Services Exhibits Due
  - DWR FWAS Version Requirements
  - Scheduling Validations
  - MET Meter Calibration Reports
- Team Building Module: Customer Metering Inaccuracy
- Water Loss Learning Module: Meter Calibration Procedure – Suhag Patel, Metropolitan Water District
- Discussion and Questions

The next workgroup meeting is scheduled for September 13.

### **CAL-NEV AWWA WATER LOSS COMMITTEE**

On July 13, Joe Berg attended the Cal-Nev AWWA Water Loss Committee Meeting. Agenda Items included:

- DWR timeline for transition to the V6 water loss audit software: Agencies reporting on a Calendar Year basis or a Fiscal Year basis will begin using version 6 of the Water Audit software starting January 1, 2024.
- SWRCB water loss regulation updates: SWRCB staff has not finalized any dates yet, but they are hoping to have the second public comment period and a workshop in August. Some of the main concerns from the first comment period include: remove small systems from the regulation, suggestions for calculating the target for suppliers with multiple systems, an extended timeline for service area consolidations, opening up changes to the model inputs past 2023 that are only approved by staff, not board members as currently proposed, expanding off-ramp options, apparent loss inventory and leak registry be limited to currently available supplier data.
- Agencies have until July 1, 2023, to provide documentation for changing the default inputs in Economic Model for Water Loss and submit changes to SWRCB staff. Changing the model default values has helped some suppliers substantially towards having a more reasonable target. *However, changing the model default input values to your agency-specific data does not guarantee a higher (more attainable) water loss performance standard.* Plug your agency inputs in the model to see the new standard before requesting to replace the default values.

- AWE survey for leak notification programs: The Alliance for Water Efficiency is conducting a survey to learn how water agencies using Automated Metering Infrastructure are notifying their customers of potential leaks on their properties. The survey will provide insight into the industry and help to quantify the leakage savings potential.
- Water Education Seminar (WES), August 17 at Santiago College, Orange, CA  
Approximately 35 water agency and consultant attendees participated from throughout the state.

The next Water Loss Committee meeting is scheduled for September 14.

## **NORTH ORANGE COUNTY INTEGRATED REGIONAL WATER MANAGEMENT (IRWM) AD HOC COMMITTEE**

On July 13, Joe and Rachel Waite attended the North OC IRWM Ad Hoc meeting as project proponents of MWD OC's project *Making Conservation an Orange County Way of Life*. Joe and Rachel presented the Project and fielded questions from the Ad Hoc committee.

On the dates listed below, Rachel W. attended the North OC IRWM Ad Hoc Committee meetings as a Committee member:

**Meeting 2, July 13:** Four Project Proponents presented their projects to the Committee; Committee members asked questions, requested more information (if applicable), and held project discussions.

**Meeting 3, July 27:** Committee reviewed and discussed Project eligibility and considerations, reviewed final project ranking criteria, and made progress toward finalizing ranking results and funding award allocations.

**Meeting 4, August 3:** Committee members continued discussion to finalize project ranking criteria and funding award allocations.

**Final Meeting, August 8:** Committee finalized project rankings, scores, and funding allocation. The Ad Hoc recommends MWD OC's project *Making Conservation an Orange county Way of Life* to receive \$780,275.

Currently, there are no Ad Hoc Committee meetings scheduled. Next, the Ad Hoc recommendation will go to the following committees for approval: Regional Water Management Group on September 1, SAWPA OWOW Steering Committee on September 22, and Department of Water Resources estimated in February 2023.

## **DWR CII WATER CONSERVATION WORKSHOP**

On July 19, Joe, Rachel W., and Sam Fetter participated in a CII Water Conservation Workshop hosted by the Department of Water Resources. The workshop's purpose was to

advance the CII Performance Measure component of the developing WUE Standards Framework. Agenda items included:

- Overview of Executive Order N-7-22 and DWR Conservation Strategies
- Spotlighting CII Sector Conservation Opportunities
- CII Sector Consultation – Breakout Session
  - How best to encourage and fund functional conventional turf conversion to climate-appropriate, efficient turf?
  - What more can we do to support non-function turf replacement with drought tolerant landscaping?
  - What is the best way to improve Indoor CII fixture replacement?
  - What training and technical assistance is needed?
- Report Out of Breakout Sessions and Additional Participants Input
- Wrap-Up and Next Steps

State agencies will consider the input received at this workshop while forming their final recommendations.

### **ORANGE COUNTY DATA ACQUISITION PARTNERSHIP (OCDAP)**

On July 19, Rachel W. 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:

- Consent Calendar
- Cycle 2 Aerial Capture and Online Platform Status
- Cycle 2 Website Changes
- Cycle 2 Participation Status
  - Cycle 2 Deliverables Status
  - Cycle 3 RFP Timeline
  - USGS FY22/23 Broad Agency Announcement (BAA) Application for Lidar Funding for 2024 Capture

The next meeting is scheduled for August 9.

### **PG&E WATER CONSERVATION SHOWCASE: WATER-ENERGY NEXUS IN CALIFORNIA**

On July 20, Joe attended the PG & E Water Conservation Showcase: Water-Energy Nexus in California. The Showcase included an updated model funded by the CPUC to calculate the embedded energy savings associated with urban and agricultural water use efficiency. The Pacific Institute and SBW Consulting collaborated on updating the Model for the CPUC. The update resulted in a 186% increase in embedded energy savings benefits. Staff will be working with the Pacific Institute to populate the model for various water use efficiency and water loss

programs with the ultimate intention of approaching Southern California Edison and San Diego Gas & Electric with a funding request. Staff is scheduled to meet with Heather Cooley of the Pacific Institute on August 12 to begin this process.

## **SOUTH ORANGE COUNTY IRWM MEETING**

On July 20, Rachel W. met with County of Orange staff to discuss MWD OC's submitted project for Prop 1 Round 2, *South Orange County Water Use Efficiency Program Phase II*. Rachel answered questions regarding the project and provided more details. The next step will be a presentation to the South OC IRWM Ad Hoc Committee on August 31.

## **METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA WATER USE EFFICIENCY WORKGROUP MEETING**

On July 21, Beth Fahl, Sam, Tina Fann, Rachel W., and Rachel D. participated in Metropolitan's Water Use Efficiency Workgroup meeting via Zoom. Topics on the agenda included:

- Welcome
- MWD Board - One Water Committees
  - June Conservation Update
  - July/August Board Items
- MWD Conservation and Water Supply Updates
  - External Affairs Update
  - Water Supply Update: "What's going on with the Colorado River?"
  - MAAP Invoices
  - New Website for Virtual Residential Surveys
- Member Agency Presentation
  - Device giveaways: a 21st-century solution – Western MWD
- Member Agency Roundtable
  - Drought Response Actions / Emergency Water Conservation Plan
  - Inquiries to additional rebate items

The next meeting is scheduled for August 18.

## **BUREAU OF RECLAMATION (BOR) WATERSMART GRANT SUBMISSION**

On July 28, Rachel W. and Beth submitted *Orange County Sustainable Landscapes Program Phase II (OCSL II)*, a landscape-focused water efficiency rebate program proposal, to BOR. It is anticipated that MWD OC staff will receive notice in winter 2022 or later if OCSL II has been selected for funding.



## **SENATE BILL 555 – DISTRIBUTION SYSTEM WATER LOSS STANDARD**

In anticipation of the SWRCB releasing the next iteration of the water loss standard shortly, on August 3, the Association of California Water Agencies met., and on August 4, the Cal-Nev AWWA Water Loss Committee met to discuss anticipated changes and strategize on how water agencies should respond, including the development of unified comments for further refinements. The SWRCB has informally indicated a workshop will be scheduled sometime in August to review the final draft regulation.

## **MWDOC ORANGE COUNTY WATER USE EFFICIENCY WORKGROUP MEETING**

On August 5, Joe, Beth, Tina, Rachel D., Sam, and Rachel W. hosted the Orange County Water Use Efficiency Workgroup meeting. Items on the agenda included:

- MWDOC Updates
- Agency Problem Solving Roundtable
- MET Emergency Repairs – Orange County Messaging
- Economic Analysis of Proposed WUE Standards
  - Zoom Workshop August 9
  - DIMM Program
  - CII Classifications
- Metropolitan Update
  - Conservation Update
  - NEW Website for Virtual Surveys
- Water Use Efficiency Updates
  - Water Loss Audit and Validation Season
  - Turf Removal Program Update
  - Grant Submittals
  - Grant Funding Update
  - Addenda Update and Changes
- SWRCB Conservation Workshop – WUE Standards, Natural Parklands, and Urban Tree Health
- CalWEP Update
- Future Agenda Items

The next meeting is scheduled for September 1.



**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