

WORKSHOP MEETING OF THE
BOARD OF DIRECTORS WITH MET DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
18700 Ward Street, Board Room, Fountain Valley, California
January 4, 2023, 8:30 a.m.

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

Computer Audio: You can join the Zoom meeting by clicking on the following link:

<https://zoom.us/j/8828665300>

Telephone Audio: (669) 900 9128 fees may apply
(877) 853 5247 Toll-free

Webinar ID: 882 866 5300#

AGENDA

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC PARTICIPATION/COMMENTS

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.

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 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.)

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>.

NEXT RESOLUTION NO. 2132

PRESENTATION/DISCUSSION ITEMS

1. PRESENTATION BY MWDOC STAFF REGARDING OUTLOOK OF UPCOMING MET ISSUES AND ACTIVITIES FOR 2023

Recommendation: Review and discuss the information presented.

2. OCWD & MWDOC AD HOC COMMITTEES ON GRAND JURY REPORT – REVISED DEAL POINTS FROM OCWD

Recommendation: Review and discuss the recent events and revisions to the Ad Hoc Committees Deal Points, and take action as appropriate.

3. LEGISLATIVE ACTIVITIES

- a. Federal Legislative Report (NRR)
- b. State Legislative Report (BBK)
- c. Legal and Regulatory Report (Ackerman)
- d. MWDOC Legislative Matrix

Recommendation: Review and discuss the information presented.

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

Recommendation: Receive input and discuss the information presented.

ACTION ITEMS

5. CONSIDER CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND 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. AUTHORIZE THE GENERAL MANAGER TO SUBMIT A LETTER ASKING FOR METROPOLITAN PARTNERSHIP IN SOUTH COAST WATER DISTRICT'S DOHENY DESALINATION PROJECT

Recommendation: Authorize the General Manager to send a letter to Metropolitan Water District seeking their interest in a partnership with South Coast Water District on a future regional expansion phase of the Doheny Ocean Desalination Project and to facilitate supply "exchanges" with other agencies in the Metropolitan service area interested in participating in the project.

INFORMATION ITEMS

- 7. MET ITEMS CRITICAL TO ORANGE COUNTY** (The following items are for informational purposes only – a write up on each item is included in the packet. Discussion is not necessary unless requested by a Director)

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

Recommendation: Review and discuss the information presented.

8. METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS

- a. Summary regarding December MET Board Meetings
- b. MET 4-Month Outlook on Upcoming Issues
- c. Review items of significance for MET Board and Committee Agendas

Recommendation: Review and discuss the information presented.

ADJOURNMENT

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



DISCUSSION ITEM

January 4, 2023

TO: Board of Directors

FROM: Robert Hunter, General Manager

Staff Contact: Melissa Baum-Haley

**SUBJECT: PRESENTATION BY MWDOC STAFF REGARDING OUTLOOK OF
UPCOMING METROPOLITAN ISSUES AND ACTIVITIES FOR 2023**

STAFF RECOMMENDATION

Staff recommends the Board of Directors discuss and file this information.

REPORT

The purpose of this Board Memo and presentation is to lay out the key issues and activities anticipated for 2023. MWDOC staff is seeking further engagement through this Joint Board Workshop discussion and feedback.

As stated in the 2019 white paper *Charting Metropolitan's Second Century*, "Metropolitan's founding principle is regionalism, which reflects the interdependence among the member agencies for water reliability." Metropolitan's purpose and focus has always been to provide regional benefits for all of the District's member agencies.

The Metropolitan Board of Directors in the 1990s was deeply concerned with member agencies relying too much on importing supplies from Northern California and the Colorado River. Programs to regionalize conservation efforts and to incentivize new local supplies such as the Local Resources Program (LRP) were developed. This approach was developed through regional long-term planning via Metropolitan's Integrated Water Resources Plan (IRP) initiated in 1996.

Metropolitan finds that its challenges and goals are evolving. There are strains on imported supplies exacerbated by climate impacts, population growth and water demands (in large part due to tremendous strides in efficiency) are far less than once predicted, water transactions

Budgeted (Y/N): N/A	Budgeted amount: None	Core <u>X</u>	Choice <u> </u>
Action item amount: N/A	Line item:		
Fiscal Impact (explain if unbudgeted):			

(sales, exchanges, and wheeling) have trended downward, and a new generation of larger local supply projects are in the planning stages.

Delivery of imported supplies will always be foundational to meeting ongoing regional demands, even with climate change, and importantly so will storage of imported water for droughts and emergencies. The upcoming Metropolitan Board policies and decisions should consider how the mix of our region's water portfolio may be impacted and evolve.

Water Supply Outlook

State Water Project and Colorado River

Metropolitan must prepare for potential limitations to its core supplies from both the Colorado River and the State Water Project (SWP) in 2023. Metropolitan projected ending calendar year 2022 with approximately 2.3 million AF of region-wide dry-year storage. However, much of these storage reserves may not be accessible in 2023. While Metropolitan's storage supplies are distributed across State Water Project (SWP), Colorado River, and in-region assets; most dry-year reserves today are concentrated in Intentionally Created Surplus (ICS) in Lake Mead.

Extended drought on the Colorado River may result in Metropolitan taking actions to preserve ICS to support Lake Mead's elevation and mitigate deeper shortages that could require additional contributions under the 2019 Drought Contingency Plan. As a result, Metropolitan is not planning to have a full CRA during either 2023 or in subsequent years through 2026. Metropolitan's constraints on filling the CRA in 2023 result from future obligations, Lake Mead elevation objectives, and a possible mandate on reducing Colorado River diversions.

On December 1, 2022, Metropolitan received a low initial SWP "Table A" allocation of 5% for 2023, as well as Health and Human Safety (HH&S) supplies. A low initial "Table A" allocation combined with very limited SWP storage, including depleted flexible storage and carryover accounts, means that the acute shortage of SWP supplies will persist at least into the first part of 2023. For this reason, the Emergency Water Conservation Program (EWCP) will continue in the SWP-dependent portion of Metropolitan's service area, and new agency-specific volumetric limits will be established for the first half of 2023.

SWP Dependent Area member agencies were allocated agency-specific volumetric limits of SWP supply under the EWCP, and they will receive new volumetric limits for January 2023 through June 2023. Based on the collective experience gained during the first seven months of the EWCP, combined with changing water supply conditions in early 2023, Metropolitan has been closely coordinating with the SWP-dependent member agencies regarding any needed adjustments to the EWCP.

Potential Implementation of Water Supply Allocation Plan

Although total dry-year storage reserves of 2.3 million AF would ordinarily cover the projected regional supply-demand gap of 322,000 AF in 2023, stored Colorado supplies are inaccessible to the SWP-dependent portion of Metropolitan's service area due to infrastructure limitations. Moreover, Metropolitan intends to minimize the delivery of water from ICS for reasons noted previously. These risks may necessitate mandatory region-wide

restrictions on imported water use through the implementation of Metropolitan's Water Supply Allocation Plan (WSAP) in 2023.

Should drought conditions persist, Metropolitan's Board may consider declaring a WSAP shortage allocation for all member agencies by April 2023 which would become effective from July 2023 to June 2024. Substantial and timely voluntary conservation and local supply production now could help mitigate the region's need for a deeper WSAP allocation next year. Between now and April 2023, agencies are advised to begin preparations for mandatory imported water restrictions in their communities.

The WSAP is Metropolitan's Board-adopted policy and formula for equitably allocating limited available water supplies to the member agencies during severe water shortages when Metropolitan determines it cannot meet all of its wholesale demands. The WSAP was adopted in 2008 and has been implemented three times, most recently during the previous California drought in 2015.

The WSAP is a powerful resource management tool, as it mitigates the potential for future deeper and more disparate shortage impacts. The allocation is not necessarily triggered by only specific storage conditions, but by a full consideration of the water supply risks facing the region in the future.

Business Model

The General Manager's Strategic Priorities guide actions during the biennial budget period of fiscal years 2022/23 and 2023/24. Examples of initiatives and processes that advance the Strategic Priorities during the biennial budget period include the 2020 Integrated Resources Plan, Climate Action Plan, rate refinement and cost-of-service process, and long-range financial plan. These board processes will collectively define Metropolitan's role as it approaches 100 years, including adjustments to its business model, if needed, consistent with the Metropolitan Water District Act.

One of the General Manager's strategic priorities is to sustain Metropolitan's mission with a strengthened business model. This is intended to manage rate pressure on member agencies through attention to programmatic costs, organizational efficiencies and efforts to secure external funding for projects with broad and multi-purpose benefits.

Some anticipated activities of the business model evaluation are still under development, with timelines that are not yet established. That said, it is known that Metropolitan must make ongoing, significant investments to maintain and continue improving its vast infrastructure, robust water supply portfolio, and long-term water supply contracts. Amid changing conditions, Metropolitan must also consider the predictability of rate requirements, strategies to ensure cost-effectiveness, and how member agencies rely upon Metropolitan financial forecasts to inform their own resource and financial planning.

Board Engagement Outlook

Board Retreat

Metropolitan's Board will have a Visioning Board Retreat on February 13-14 in Temecula. The retreat is intended to provide direction to Metropolitan staff from the Board

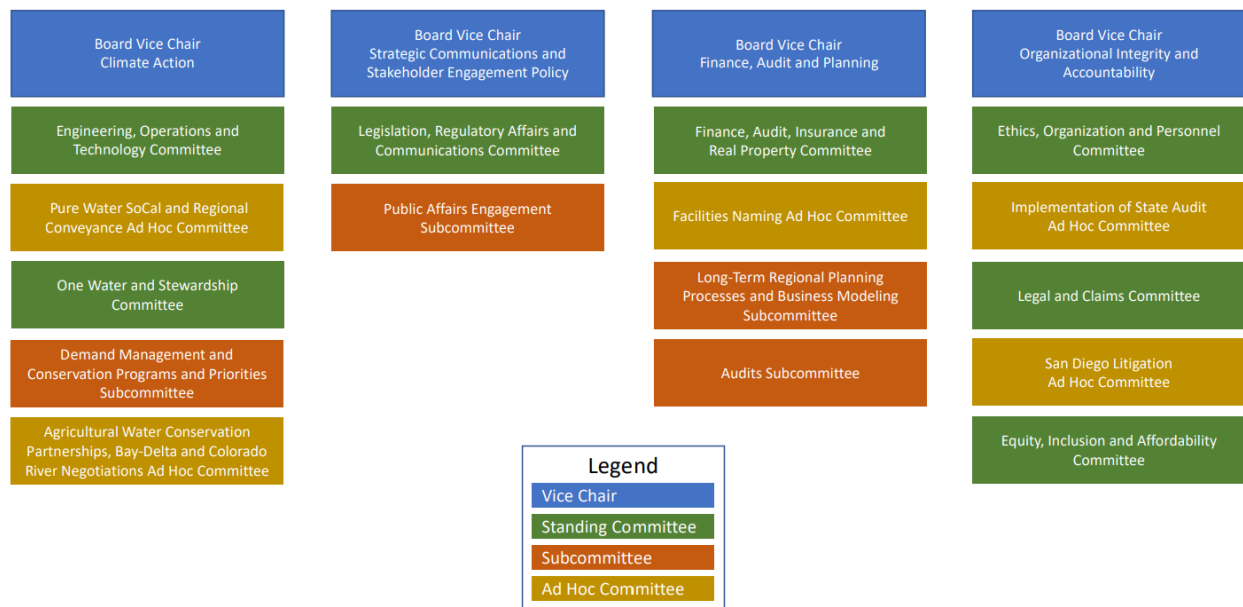
of Directors through agreement on a vision and planning framework as Metropolitan and its member agencies pursue a master plan for water and climate resiliency in its Second Century. This effort is meant to build on the last retreat in October 2019. The 2019 white paper *Charting Metropolitan's Second Century*, which was developed as preparatory report by Metropolitan staff is still considered relevant background ([LINK](#)).

New Governance Structure

In order to facilitate Board discussion about policies and strategies, Chair Ortega created four Board Vice Chair roles which will each focus on the specific policy portfolios set forth below to work with and through the Board Chair in providing feedback to Department Heads about matters coming before the committees and the Board, while informing and guiding the relevant committees.

Further, to encourage meaningful discussion and deliberation at committee meetings, time will be allocated for board members who do not serve on the committee to comment on matters on the agenda at the conclusion of the public comment period rather than during deliberations by committee members. Further, presentations will be limited to no more than half of the time allocated for the entire committee meeting to allow time for board members to deliberate the issues. If more detailed presentations are needed, or education of the entire board about an issue is urgent, workshops will be scheduled.

PROPOSED COMMITTEE STRUCTURE



Board Action Outlook

Over the next four months, the Metropolitan Board will address a wide range of key issues, including consideration on the Pure Water Program Management Agreement, Colorado River Issues, and a Delta Conveyance Project Follow-up Workshop. In the latter half of 2023, the Board will also review and discuss Metropolitan's Storage Portfolio.

January	<ul style="list-style-type: none"> • Pure Water Program Management Agreement • Nomination and Election of nonofficer members of the Executive Committee for two-year term effective January 10, 2023
February	<ul style="list-style-type: none"> • Board Report on Portfolio of Recommended Actions for State Water Project Dependent Areas • Authorize Colorado River Protection Volume Agreements • Board Retreat (Metropolitan Priorities Visioning)
March	<ul style="list-style-type: none"> • Report on Alternatives being Considered by Reclamation in Supplemental EIS for Colorado River Basin Operations
April	<ul style="list-style-type: none"> • Delta Conveyance Project Follow-up Workshop

(Efforts underway to have a 12-month look-ahead)

The schedule of the following upcoming board items has not yet been determined:

May - December	<ul style="list-style-type: none"> • Metropolitan Storage Portfolio Workshop • Sustainability, Resiliency, and Innovation Strategic Plan Workshop • Board Consideration Related to VA Package - (draft agreements and appendices, coupled with potentially required federal legislation) • Federal Grants for Large Recycled Water Projects
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Next Steps

The purpose of this memo is to lay out the key Metropolitan water supply issues and Board activities anticipated for 2023. MWDOC staff is seeking healthy discussion at this Joint Board Workshop. The general feedback received will aide in consensus building within Orange County and the Inland Metropolitan Member Agency Caucus. This will provide an opportunity for engagement amongst the MWDOC-MET Directors with fellow Metropolitan Board members at the upcoming Board retreat.



DISCUSSION ITEM

January 4, 2023

TO: Board of Directors

FROM: Robert Hunter, General Manager

Staff Contact: Harvey De La Torre

SUBJECT: OCWD & MWDOC AD HOC COMMITTEES ON GRAND JURY REPORT – REVISED DEAL POINTS FROM OCWD

STAFF RECOMMENDATION

It is recommended that the Board of Directors review and discuss the recent events and revisions to the Ad Hoc Committees Deal Points, and take action as appropriate.

REPORT

Background

At the December 14, 2022 Administrative & Finance (A&F) Committee, MWDOC staff provided a status update on the recent discussions with the MWDOC & OCWD Ad Hoc Committees regarding the OC Grand Jury Report. As previously mentioned, the Ad Hoc Committees have been discussing “Deal Points” as an alternative approach to consolidation (Attachment 1). The purpose of these Deal Points are to set the framework of an agreement between the two agencies.

The Ad Hoc Committees collectively supported all of the proposed Deal Points with the exception of the first bullet point - OCWD’s proposed language pertaining to the Metropolitan director selection process:

- The OCWD and MWDOC Boards agree to work collaboratively so that OCWD can nominate a designate representative that will serve on the MWD Board. To accomplish this, they further agree that the OCWD Board shall nominate its designee ~~according to the North County selection process~~, subject to the ratification by a simple majority of the MWDOC north county member agencies, as one of MWDOC’s appointed MWD directors. The recommended designee shall be

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

appointed by the MWDOC Board subject to Section 1500 of its Administrative Code. Such an appointment shall not be unreasonably withheld.

MWDOC's position is that further work is still needed to ensure two key points: (1) the language aligns with the MWDOC Administrative Code Section 1500 and (2) that the North County MWDOC agencies fully understand and have general consensus/agreement with all of the Deal Points.

To ensure understanding among the agencies, the A&F committee requested MWDOC staff hold a meeting with the member agencies and report back their feedback. The meeting with the MWDOC agencies has been scheduled for January 12, 2023 (OCWD staff has also been invited to this meeting).

Ad Hoc Committees Meeting 4 (December 20)

Since the last A&F Committee meeting, the MWDOC & OCWD Ad Hoc Committees met for the fourth time on December 20 to continue discussions of the Deal Points. Issues remain associated with OCWD's proposed language pertaining to the Metropolitan Nominee/Appointment, in particular MWDOC's current administrative Code provision that gives MWDOC discretion to approve the nominee.

The primary focus of the December 20 Ad Hoc Committees meeting was on the addition of three new Deal Points:

- OCWD inquired on the timing and implementation of a new MWDOC-MET Director. Requesting that a new Deal Point be added that generally states, ***upon mutual approval of the Agreement, OCWD nominate a MWDOC-MET Director with ratification within 60 days.*** Whereas, MWDOC has consistently stated such a nominee would be presented to the MWDOC Board only upon the vacancy of the North County seat.
- OCWD requested that a new Deal Point be added that generally states both agencies support legislation that would ***change the OCWD Act to allow an OCWD Board Member to sit on the MET Board.*** Such legislation would remove the OCWD Incompatibility of Office provision.
- Lastly, OCWD requested that a ***term of agreement*** be set (20-25 years) to ensure the agreement is long lasting and not revisited in the short-term.

OCWD staff presented these newly requested Deal Points (Attachment 2, slide 12) to their Board of Directors on December 21, 2022. OCWD emphasized the reason for their need of a MWDOC-MET Director is to help them have better access and relations with MET due to their joint MET programs (Conjunctive Use Agreement, Cyclic Delivery Agreement, SARCCUP Storage Program). To allow for additional discussion on these newly requested Deal Points, OCWD continued the item on the Deal Points until their January 4, 2023 Board of Directors Meeting.

MWDOC submitted a letter to the OCWD Board on December 21 (Attachment 3) asking them to delay action on the Deal Points until their January 18, 2023 Board of Directors

Meeting. This would allow for the MWDOC Board to provide input on these newly requested Deal Points as well as provide an opportunity for North County agencies to review and discuss them at the January 12 meeting.

Attachments:

- (1) Current “Deal Points” under Discussion**
- (2) OCWD Presentation to OCWD Board of Directors – Agreement Deal Points between OCWD and MWDOC, December 21, 2022**
- (3) MWDOC Letter to the OCWD Board of Directors – Seeking to delay action until January 18**

MWDOC/OCWD Deal Points

Ad Hoc Committee Proposed Modifications

December 21, 2022

- The OCWD and MWDOC Boards agree to work collaboratively so that OCWD can nominate a designate-a representative that will serve on the MWD Board. To accomplish this, they further agree that the OCWD Board shall nominate its designee according to the North County selection process, subject to the ratification by a simple majority of the MWDOC north county member agencies, as one of MWDOC's appointed MWD directors. The recommended designee shall be appointed by the MWDOC Board in accordance with ~~subject to the objective criteria contained within~~ Section 1500 of its Administrative Code. Such an appointment shall not be unreasonably withheld.
- MWDOC and OCWD will jointly advocate for the organization of a Groundwater Committee at Metropolitan.
- MWDOC and OCWD staff will work together on the development of a new South County emergency water supply program.
- When needed, MWDOC and OCWD staffs shall hold a "Common Joint Member Agency/Producers Meeting" to improve cross-communication among various staffs and agencies.
- Neither OCWD nor MWDOC will pursue or support any consolidation efforts as long as the agreement is in place.
- MWDOC and OCWD staff will commit to participate and provide all necessary information for regional studies and/or plans.
- NEW ITEM – Term of the Agreement – Tied to MWDOC Building Lease or 25 years
- NEW ITEM – Support Legislation to allow Director to serve as MET Director – Eliminate the Incompatibility of Office provision

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Agreement Deal Points Between Orange County Water District and the Municipal Water District of Orange County

Board of Directors Meeting

December 21, 2022



1

JUNE 2022 ORANGE COUNTY GRAND JURY REPORT

- Assessment of Orange County wholesale water agencies (OCWD & MWDOC)
- The Grand Jury reviewed OCWD & MWDOC operations and interviewed many water managers in the County
- Conclusion: OCWD and MWDOC should consolidate
- Third time a Grand Jury has reviewed this issue and made this recommendation



2

MEETINGS WITH MWDOC

- Ad-Hoc Committee formed - Three Board members of each agency
- Three meetings were held this past fall
- MWDOC does not agree a consolidation would be beneficial
- Alternative approach was discussed - OCWD and MWDOC would enter into an agreement to improve coordination and address specific issues.



3

DEVELOPMENT OF AGREEMENT DEAL POINTS

- Ad-Hoc Committee discussed and edited potential Deal Points at two meetings
 - Did not reach full consensus on all of the deal points
 - MWDOC Administration Finance Committee reviewed the Deal Points on December 14 at 8:30 a.m.
- Discussed and edited the Deal Points with the Groundwater Producers
- Discussed with the MWDOC Member Agencies



4

STRUCTURE OF FOUR MWDOC MWD DIRECTORS

Structure when 2010 Agreement was entered into with MWDOC Agencies

1. MWDOC Board member – Larry Dick
2. MWDOC Board member – Brett Barbre
3. At large appointment – Jack Foley
4. At large appointment – Linda Ackerman



5

STRUCTURE OF FOUR MWDOC MWD DIRECTORS

Current MWDOC Appointments to MWD – 2022

1. MWDOC Board Member – Larry Dick
2. MWDOC Board Member – Vacant (formerly Sat Tamaribuchi)
3. South County Agency Selection – Dennis Erdman
4. At large appointment Linda Ackerman (Since Mrs. Ackerman has not vacated the seat, North County agencies were never able to make their agreed to appointment to MWD). The 2010 agreement is now expired



6

DEAL POINTS

- The OCWD and MWDOC Boards agree to work collaboratively so that OCWD can designate a representative that will serve on the MWD Board. To accomplish this, they further agree that the OCWD Board shall nominate its designee, subject to the ratification by a simple majority of the MWDOC north county member agencies, as one of MWDOC's appointed MWD directors. The recommended designee shall be appointed by the MWDOC Board in accordance with the objective criteria contained within Section 1500 of its Administrative Code.
- MWDOC and OCWD will jointly advocate for the organization of a Groundwater Committee at MWD.



7

DEAL POINTS

- MWDOC and OCWD staff will work together on the development of a new South County emergency water supply program. (MWDOC requested)
- When needed, MWDOC and OCWD staffs shall hold a "Common Joint Member Agency/Producers Meeting" to improve cross-communication among various staffs and agencies. (MWDOC requested)
- MWDOC and OCWD staff will commit to participate and provide all necessary information for regional studies and/or plans. (MWDOC requested)
- Neither OCWD nor MWDOC will pursue any consolidation efforts as long as the agreement is in place.



8

SURVEY OF MWDOC NORTH ORANGE COUNTY AGENCIES

- OCWD administered an informal survey of the 17 MWDOC North Orange County agencies to get their opinion of the deal points
 - 11 agencies approved
 - Five agencies objected
 - One agency did not respond

Three cities not solicited - not MWDOC member agencies



9

WHY IS BETTER ACCESS AND RELATIONS WITH MWD IMPORTANT

- OCWD has programs with MWD that can significantly impacts its finances and operations
 - MWD can store up to 66,000 acre-feet of water in the basin
 - OCWD typically annually purchase 50,000 to 60,000 acre-feet of water
 - MWD can pre-deliver up to 100,000 acre-feet of water
 - Potentially purchase 30,000 to 50,000 acre-feet per year of recycled water from MWDs Pure Water Project
 - MWD is involved in the SARCCUP storage program
- OCWD needs to have a very good working relationship with MWD staff
- Changes to these programs get discussed at MWD
- OCWD should have a seat at the table



10

PREVIOUS OCWD MWD INTERACTION

- 1986 Resolution to improve OCWD, MWDOC & MWD access and coordination
- An OCWD Director was on the MWD Board from 1996 to 2005.
- An OCWD employee worked at MWD for a few days a week during the summer of 1995 to improve relations
- OCWD is no longer invited to participate in MWD meetings and work directly with MWD staff
- OCWD is no longer invited to MWD monthly meetings or to participate in special MWD workshops
- MWD staff is currently directed by MWDOC not to directly communicate with OCWD staff



11

DECEMBER 20 OCWD MWDOC AD-HOC COMMITTEE MEETING

- Discussed the proposed Deal Points
- Remaining issues
 - Term of Agreement
 - MWDOC discretion to not approve OCWD nominee
 - Implementation:
 - Scenario 1: Upon mutual approval of the Agreement, OCWD can nominate a Director to MWD with ratification within 60 days. (*OCWD preferred*)
 - Scenario 2: Upon mutual approval of the Agreement, OCWD can nominate a Director to MWD upon a vacancy of the At Large MWD appointment at an undefined time in the future. (*MWDOC Preferred*)
- Change in OCWD Act to allow OCWD Board Member to sit on the MWD Board - Incompatibility of office issue



12

RECOMMENDATION

Original Recommendation from Water Issues Committee

Agendize for the December 21 Board meeting: Approve the described Deal Points for a possible agreement with the Municipal Water District of Orange County

New Staff Recommendation

Continue item to January 4, 2023 Board meeting to give staff additional time to modify the Deal Points





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Director

Jeffery 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

December 20, 2022

Stephen R. Sheldon, President
Orange County Water District
18700 Ward Street
Fountain Valley, 92708

Subject: Item 19 to Consider Approval of the described Deal Points for a possible agreement with the Municipal Water District of Orange County

President Sheldon:

In July 2022, MWDOC and OCWD each formed Ad Hoc Committees to cooperatively review and discuss the findings and recommendations from the Orange County Grand Jury Report titled *Water in Orange County Needs "One Voice."* During the meetings of these Ad Hoc Committees, we have had productive discussions identifying how the two agencies could increase a collaborative working relationship. As such, a set of "Deal Points" are being crafted to serve as the framework of an agreement to be adopted by both Boards.

At the December 14 MWDOC Administrative and Finance (A&F) Committee, we reviewed and discussed these Deal Points. In particular, the proposed language for OCWD to nominate a representative to serve on the Metropolitan Board as an appointed MWDOC-MET director when available (i.e. North County MWDOC-MET seat). The proposed language called for the ratification of the OCWD Board's nominee by MWDOC's North County Member Agencies. As noted on page 115 of your December 20 OCWD Board Packet, some of the North County Agencies expressed concerns over this language and how it includes them in the selection process.

To ensure a clear understanding of the proposed Deal Points and confirm a general consensus among the North County Agencies, our A&F Committee directed MWDOC staff to hold a MWDOC Member Agency meeting, scheduled for January 12.

Therefore, we respectfully request that the OCWD Board consider action on these Deal Points at your January 18 Board meeting rather than the December 21 Board meeting; which would allow for MWDOC North County Member Agencies to meet collectively on this matter. The additional time will also make certain these agency's concerns are addressed and any recent revised Deal Point language from the Ad Hoc Committee is thoroughly reviewed and understood. Moreover, this will uphold both MWDOC's and OCWD's commitment to a fully transparent and collaborative process.

Much progress has been made thus far and we are committed to continue these discussions to improve the working relationship between the agencies.

Sincerely,

Larry D. Dick
Ad Hoc Committee Member

Karl W. Seckel, P.E.
Ad Hoc Committee Member



To: Board of Directors, *Municipal Water District of Orange County*

From: Natural Resource Results

RE: Monthly Board Report – January 2023

FY23 Appropriations

Congress finally wrapped up the FY23 appropriations process by passing an omnibus spending bill on DATE. The bill will fund the federal government through then end of September 2023 and includes several legislative proposals relevant to MWDOC and the Colorado River, including:

- \$50 million to implement the Colorado River DCP
- \$38 million for drought response under the WaterSMART Program
- \$65 million for WaterSMART grants
- \$12 million for WIIN Act Desalination and Water Purification projects
- \$17 million for desalination and water purification research
- \$134 million for WIIN Act storage projects
- \$60 million for Title XVI projects and
- \$33 million for CALFED and legislative language extending the CALFED authorization
- \$20 million for Salinity Control Title I
- \$6 million for Salinity Control Title II
- \$80 million for Sites Reservoir

S. 2693/H.R. 3877, Salton Sea Projects Improvement Act – this bill authorizes \$10 million for Salton Sea restoration projects. The bill originally authorized \$250 million for the same purpose but the authorization was reduced to ease the bill’s path through Congress. This was done with approval from Reclamation since there is significant funding available for the same purpose from the Inflation Reduction Act.

S. 4579/H.R. 9173, Colorado River System Conservation Pilot Program (SCPP) – this bill extends Reclamation’s authorization to participate in SCPP for 2 years. The program provides payments to Upper Basin water users for voluntary reductions in consumptive use. The Upper Colorado River Commission has recently restarted the program and will use funding from the Inflation Reduction Act. This bill gives Reclamation explicit authority to participate.

Colorado River Water Users Association (CRWUA)

Earlier this month, the seven basin states met at CRWUA in Las Vegas and agreed to come up with an alternative to reduce demand on the Colorado River. This alternative, if agreed to by all states, would be shared with the Bureau of Reclamation by the end of January 2023, and would be considered as part of their Supplemental Environmental Impact Statement following their Notice of Intent to re-examine the 2007 Guidelines. The states feel somewhat optimistic that they can come up with an alternative before the deadline.



To:	MWDOC
From:	Syrus Devers, Best Best & Krieger
Date:	January 4th, 2023
Re:	State Legislative Report

Legislative Report

Final election update: Senator Melissa Hurtado (D) in SD 16 (Fresno, Kern, And Tulare Counties) led challenger David Shepard (R) by 20 votes once the election results were certified; Shepard launched a recount that began on the 20th. The recount will continue until the Shepard campaign either calls off the recount or fails to pay the daily fee required to continue the process. It will cost a little over \$6,500 per day to keep the recount going in all three counties within the Senate district. As far as BB&K staff is able to determine, a recount has resulted in a member of Legislature being removed from office after having been sworn in only one time. In 1980, Patrick Johnson (D) was sworn into office on January 1st after his Republican opponent had already been sworn into office. Johnson lost by 18 votes after final vote certification, but the recount gave him the victory by a handful of votes.

Legislature reconvenes: On January 4th the Legislature will reconvene for the 2023-24 biennial session. Since this is the start of the session, there are no bills carried over from last year. Members will have until January 20th to submit bill proposals to Legislative Counsel (Leg Counsel) for processing¹, but this is not a firm deadline; it is the date by which Leg Counsel promises to return the processed bill proposal before the February 17th deadline to introduce a new bill. A new bill cannot be heard in committee or amended for 30 days after introduction. Although it varies each year and by committee, bill hearings usually begin the 3rd or 4th week of February.

The Budget: the first major event of the legislative year is the introduction of the Governor's Budget on January 10th. In an attempt to influence the Governor's proposal, each house of the Legislature publishes its budget priorities for the upcoming year. Reflecting the anticipated budget deficit, the list of priorities were far less ambitious than prior years. Unlike last year, neither house listed drought relief as a top priority except to preserve the progress made in previous years. Also unlike previous years, neither

¹ A bill proposal, which can take almost any form, delivered to Leg Counsel is said to be "into Leg Counsel." This means Leg Counsel has not decided how the bill should be drafted and it may or may not suit the wishes of the author. Many interested parties will refrain from taking a position on a bill until it is in "Leg Counsel form," which means the bill has been processed and is ready to be introduced.



house put much effort into publicizing the priorities. Both houses emphasized cautiously drawing down budget reserves and putting off “out year” spending. This is potentially bad news for water interests. Out year spending refers to planned spending in future budgets, which includes the majority of the funds allocated for water infrastructure in the previous budget. Unless funds are appropriated for specific projects, any planned spending can be delayed indefinitely.

The question, therefore, is whether or not there will be a budget deficit. The consensus opinion, including that of the Legislative Analyst's Office, is that the state will likely see a deficit of \$24 billion, but there are contrary opinions. The Director of UCLA's Anderson School of Management noted in a recent presentation that California is benefitting from investments in the tech, defense, and construction industry, and is not suffering the loss of jobs hitting the rest of the country. It is possible that California may avoid a recession even if the U.S. economy turns negative. The full UCLA report can be viewed here:

<https://www.anderson.ucla.edu/about/centers/ucla-anderson-forecast/events/december-2022-economic-outlook>.

BB&K is hoping for the best and has relaunched its efforts to get funding in the budget for a permanent home for the WEROC Emergency Operations Center. The focus this year will be on getting one member of the O.C. Delegation to champion the budget request and asking the other members to join in support. Last year, every member of the O.C. Delegation signed the budget request, but no one member made it a personal priority. Redistricting has opened up new options for 2023 which BB&K is pursuing.

Legal and Regulatory

January 4, 2023

1. **Mega-flood Readiness:** It is estimated that more than 7 million Californians are in harm's way for a flood event. The most at-risk area is the Sacramento-San Joaquin Valley. They have already endured the Oroville Dam failure. Most of this area is located at or below normal water level, so when flood or rain events occur, they are automatically at risk. Levees are the first line of defense. Natomas, West Sacramento, the city of Sacramento, Stockton, Lathrop and Manteca are all high growth areas. Over \$8 billion is being spent on levee improvements now. About half of the 300 miles of levees are improved with the balance in process. Another aspect is moving waterways away from the high-risk areas. The Yolo Bypass is being moved west another 1500 feet along with the Sacramento Bypass to push the water further away. This also help agriculture and the environment.
2. **Dry Wells:** The number of wells going dry in California is increasing at an alarming rate. An additional 1,394 wells have gone dry in the last year, which is a 40% increase over last year. About 31 million folks get some portion of their home water from a groundwater source. These wells are located around the State with the Fresno area having the most.
3. **Snow Flight Detection:** Accurate data is very important in determining amount of snowfall and rate of melting. The Department of Water Resources is inspecting practically all the watershed snow conditions with a twin-engine prop plane equipped with Lidar and imaging spectrometry that can measure snow depth within 2 inches. The yearly cost for the 12 watersheds is under \$11 million. The cost including number analysis is about \$90,000 per flight. This forecasting tool is proving invaluable compared to having people hike out to locations and take physical measurements. These projections are also used in flood control decisions that can help prevent unnecessary releases.
4. **Money from Toilets:** West Virginia University is studying ways to make your toilet a profit center. They have a technology that can process urine at your toilet, recover nitrogen, which can then be sold. The existing system does all this at a wastewater treatment plant that has its own issues, greenhouse gas emissions, distance from source, higher energy costs. This process called "circular sanitation" is not yet ready for prime time. It is more costly for the toilet and some local jurisdictions do not allow it. They are presently in use in Oregon, Vermont, Kenya and Paris.
5. **Megadrought Impact on Atmosphere:** We have all learned of the impact of the Earth's atmosphere on weather patterns. We are now learning of the impact of the megadrought on the atmosphere. Colorado State University has been using sodium resonance laser radar (Lidar) to measure the movement of cosmic dust particles. These particles are basically sodium derivatives that are broken up when they hit our atmosphere. Their movement in combination with temperature is traced and correlates with weather events on Earth. They have determined that

drought conditions reflected by waves in the ocean have had a 30% impact decreasing the movement of the cosmic dust. This will in turn change the weather patterns we will experience. In addition, the ocean wave impact on the space weather could influence satellite orbits and other space exploration. Fine-tuning the influence of the ocean and atmospheric conditions will help us in dealing with both areas.

6. **Arsenic Predictor:** Arsenic is tested in public systems but not always in private water wells. Rutgers has generated an algorithm to predict presence of arsenic in private wells. Arsenic occurs naturally but can also be a byproduct of human activity. The formula created considers the soil type, bedrock, drainage patterns, known contaminants, abandoned mines, current land cover and a few other factors. The model has proven to be very accurate without doing actual, onsite testing. The ability to ascertain with predictability areas of concern makes it easier to do follow up actual testing to determine toxic levels and mitigation required.
7. **Europe Drought:** Europe is experiencing drought conditions like our southwest coast. Dried up rivers, depleted aquifers, reduced rainfall, and greater demand has led to their current condition. On the Elbe River in the Czech Republic there is the "Hunger Stone", a rock on an exposed bank of the River which reads "If you see me, then weep." Riverboat tours are being cancelled due to low river levels. The whole continent, except Scandinavia, is losing more water than the normal recharge level.
8. **Rainfall and Algae Blooms:** The general rule particularly on lakes is that large rainfalls create large algae blooms. The rains create runoff that usually carries agricultural fertilizer containing phosphorus. Phosphorus is only one factor that contributes to the bloom. Wind conditions, warm waters and presence of zooplankton also contribute. Wind tends to dissipate the mix. Warm water makes it worse. In addition, a lot of zooplankton usually eats up many of the nutrients reducing the bloom. The combinations of these factors make it difficult to predict the presence or extent of a bloom. The main factor we can control is the amount of phosphorous the system is subjected to. The agricultural community is working on it.
9. **Magnets and PFAS:** RMIT University in Australia is developing a system to speed up removal of PFAS from our water flow and make it cheaper to do so. RMIT has introduced absorbents using nanomaterials containing lead which when mixed with water grab the PFAS and other pollutants. They are then removed from the system for reuse. The process is very quick (1 hour) and is much cheaper than other systems currently in use. They are looking for commercial partners to determine the financial success of using it on a larger scale. This method can capture smaller particles than other processes.
10. **Mud Batteries:** University of California, Santa Cruz is working on mud batteries to power sensors in the ground to tell farmers when and how much to water their crops. Soil moisture detection systems are very useful but difficult to power without running extension cords all over the acres of farmland. UCSC had developed microbial fuel cells, which develop and harness small amounts of electricity and use them to power the sensors. The fuel cells gather energy from types of soil bacteria (exoelectrogens) which eat nutrients and exhale electron receptors. Most of our electronic gear and chips require higher voltage to function. The research showed common, old school resistors, can deal with low voltage, and make "mud batteries" work. These batteries are in use in the Santa Cruz area and are being tested in different locals, soils, and temperatures. This system is renewable and can produce large water savings for the farmers.

11. **Harnessing Megafloods:** Certain areas of California are prone to being too dry to farm one season and getting flooded next season. One such area is Huron near the Arroyo Pasajero Creek in Fresno County. A group of local farmers who grow hemp and tomatoes are working on turning their fields into giant recharge basins during the flood season. The underground aquifers have a very large capacity that they hope to take advantage of. So far there are about 340 such recharge systems in process in California. Their potential storage capacity is over 2-million-acre feet. Some of the recharge basins are being used only for recharge while others will alternate with being growing areas. MWD is currently building a large 1500-acre recharge pond near Palmdale in conjunction with local agencies.
12. **San Diego Rates Up:** San Diego water rates are predicted to increase almost 18% over the next 2 years. The primary drivers cost of buying imported water from IID, cost of sewage recycling plant, and old pipe replacement. It would have been much higher had they not sold some land they had to San Diego State University for \$78 million. They still have a number of consultants working on the final product, but all agree the rates will go up substantially. Water usage has gone down over 15% in the past few years.

MWDOC Workshop

Item No. 3d

Bill Matrix

Prepared by Best Best & Krieger, January, 2023

B. Watch

Measure	Author	Topic	Status	Brief Summary	Position	Priority
AB 66	Mathis R	Natural Resources Agency: water storage projects: permit approval.	12/7/2022-From printer. May be heard in committee January 6.	Current law establishes the Natural Resources Agency, composed of departments, boards, conservancies, and commissions responsible for the restoration, protection, and management of the state's natural and cultural resources. Current law establishes in the agency the Department of Water Resources, which manages and undertakes planning with regard to water resources in the state. This bill would require the agency, and each department, board, conservancy, and commission within the agency, to approve the necessary permits for specified projects within 180 days from receiving a permit application, and would deem those permits approved if approval does not occur within this time period.		B. Watch
ACA 2	Alanis R	Public resources: Water and Wildfire Resiliency Act of 2023.	12/6/2022-From printer. May be heard in committee January 5.	Would establish the Water and Wildfire Resiliency Fund within the State Treasury, and would require the Treasurer to annually transfer an amount equal to 3% of all state revenues that may be appropriated as described from the General Fund to the Water and Wildfire Resiliency Fund. The measure would require the moneys in the fund to be appropriated by the Legislature and would require that 50% of the moneys in the fund be used for water projects, as specified, and that the other 50% of the moneys in the fund be used for forest maintenance and health projects, as specified.	Out for Analysis	B. Watch
SB 3	Dodd D	Discontinuation of residential water service: community water system.	12/6/2022-From printer. May be acted upon on or after January 5.	The Water Shutoff Protection Act prohibits an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, from discontinuing residential service for nonpayment, as specified, and requires specified procedures before it can discontinue residential service for nonpayment. Current law defines a community water system as a public water system that serves at least 15 service connections used by yearlong residents or regularly serves at least 25 yearlong residents of the area served by the system. This bill	Out for Analysis	B. Watch

				would expand the scope of the Water Shutoff Protection Act by requiring that it instead apply to a community water system, defined to have the same meaning as existing law. The bill would require a community water system that supplies water to 200 service connections or fewer to comply with the act's provisions on and after August 1, 2024.		
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C. Spot Bill

Measure	Author	Topic	Status	Brief Summary	Position	Priority
SB 23	Caballero D	Water supply and flood risk reduction projects: expedited permitting.	12/6/2022-From printer. May be acted upon on or after January 5.	The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various duties and responsibilities for the regulation and control of drinking water in the state, including, among other things, overseeing the issuance and enforcement of public water system permits, as provided. Current law authorizes specified works of improvement for the control, conservation, and utilization of destructive flood waters and the reclamation and protection of lands that are susceptible to overflow by flood waters. This bill would express the intent of the Legislature to enact subsequent legislation to expedite the regulatory permitting process for water supply and flood risk reduction projects, as provided.	Watch	C. Spot Bill

Total Measures: 4

Total Tracking Forms: 4



ACTION ITEM
January 4, 2023

TO: Board of Directors

FROM: Joe Byrne, General Counsel

SUBJECT: CONSIDER CONTINUATION OF REMOTE MEETINGS PURSUANT TO AB 361 AND 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

AB 361 allows the Board during declared emergencies to hold remote Board meetings without having to comply with certain provisions of the Brown Act, the most significant of which are the provisions that requires public access to every location where a member of the Board is participating remotely and the listing of that remote location on the agenda.

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 December 21, 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. The current 30 day extension is effective until January 21, 2023.

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

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):			

pursuant to AB 361 for an additional 30 days and to make the appropriate findings.

If the Board does not take action to extend the AB 361 authorization to hold remote meetings, then Board meetings held after January 21, 2023 will have to comply with the normal Brown Act requirements (pre-COVID-19). Again, the most significant of these requirements is that if a member of the Board would like to participate from a teleconference (or remote/virtual) location, (1) the address of every location where a Board member participates remotely from must be posted on the agenda and (2) the location must be made open to the public to attend. Regarding the virtual participation of the public, there are no specific posting or public access requirements and if the District provides a hybrid option, the public may continue to participate remotely.

Lastly, the Governor has announced that he intends to terminate the emergency order in place regarding COVID-19 at the end of February 2023. While this is not a guarantee, assuming he does that, all meetings held starting on March 1, 2023 will be held pursuant to the regular requirements of the Brown Act described above and AB 361 will no longer be an option for the Board.

However, the Legislature adopted AB 2449 during the last session and it went into effect on January 1, 2023. AB 2449 amended certain provisions of the Brown Act to allow Directors to participate remotely without having to post the agenda at their remote location and not having to allow public access at the remote location. However, a Director has limited circumstances in order to participate remotely, these are: (1) for just cause, defined as caregiving, contagious illness, physical or mental disability, and travel on District business (may be used no more than 2 times per year); and (2) emergency circumstances, defined as a physical or family emergency that prevents a member from attending (requires Board approval and may not be used for three consecutive months or more than 20% of regular Board meetings). Legal counsel will provide a summary of this new law at a later time.



ACTION ITEM
January 4, 2023

TO: Board of Directors

FROM: Robert Hunter, General Manager

Staff Contact: Harvey De La Torre

SUBJECT: AUTHORIZE GENERAL MANAGER TO SEND LETTER OF SUPPORT TO METROPOLITAN PARTNERSHIP WITH SCWD'S DOHENY OCEAN DESALINATION PROJECT

STAFF RECOMMENDATION

Staff recommends the Board of Directors authorize the General Manager to send a letter to Metropolitan Water District seeking their interest in a partnership with South Coast Water District on a future regional expansion phase of the Doheny Ocean Desalination Project and to facilitate supply "exchanges" with other agencies in the Metropolitan service area interested in participating in the project.

REPORT

At the December 5, 2022 MWD OC Planning and Operations Committee, South Coast Water District (SCWD) provided a presentation (See Attachment) updating the Board on the current status and activities regarding the Doheny Ocean Desalination Project. SCWD is currently advancing the first phase of the project which would produce 5.0 million gallons per day (MGD) of potable water. SCWD has also identified and received programmatic environmental clearance for future regional expansion of the ocean desalination facility up to 15.0 MGD and has analyzed options for a blended potable reuse component in the future expansion.

As part of the presentation, SCWD General Manager Rick Shintaku requested MWD OC staff to continue to work with Metropolitan to help advance the Doheny Ocean Desalination Project. In particular, SCWD is asking MWD OC's General Manager to submit a letter to Metropolitan staff, on behalf of SCWD, to develop a Memorandum of Intent (MOI) for Metropolitan to potentially partner in a future regional expansion of the project. Additionally, several Inland Empire agencies (Eastern MWD, Lake Elsinore WD and Rancho California WD) have expressed interest in potentially partnering in either the initial 5 MGD phase or

Budgeted (Y/N): N/A	Budgeted amount: None	Core <input checked="" type="checkbox"/>	Choice <input type="checkbox"/>
Action item amount: N/A		Line item:	
Fiscal Impact (explain if unbudgeted):			

future expansion of the project. To enable these agencies' participation, SCWD has also asked MWDOC to engage Metropolitan and its member agencies in a policy discussion on how to facilitate supply "exchanges" among non-contiguous agencies in Metropolitan's service area for drought and supply benefits.

Submitting such a letter to Metropolitan is timely in light of the upcoming Board discussions on Metropolitan's business model, its role in further development of new local supplies, and IRP implementation phase.

BOARD OPTIONS

Option #1: Authorize the General Manager to send a letter to Metropolitan Water District seeking their interest in developing an MOI with South Coast Water District on a future regional expansion phase of the Doheny Ocean Desalination Project and engage in discussions to facilitate supply "exchanges" with other agencies in the Metropolitan service area interested in participating in the project.

Fiscal Impact: No fiscal impact identified at this time.

Business Analysis: Submitting a letter to Metropolitan supports MWDOC's goal of improving water supply reliability for our service area and reinforces our partnership with our member agencies in developing local supplies.

Option #2: Do not authorize the General Manager to send a letter to Metropolitan on the Doheny Desalination Project.

Fiscal Impact: No fiscal impact identified at this time.

Business Analysis: Such action is inconsistent with MWDOC's goals and policies of improving water supply reliability for our service area.

Attachment: South Coast Water District Presentation – *Project Update to MWDOC P&O Committee Doheny Ocean Desalination Project Overview*, Dec. 5, 2022



Project Update to MWDOC P&O Committee Doheny Ocean Desalination Project Overview

Rick Shintaku, General Manager
South Coast Water District

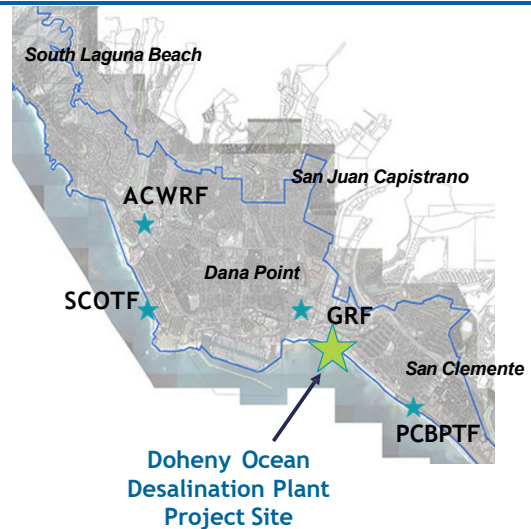
December 5, 2022

South Coast Water District (SCWD)

**Water, Recycled Water,
and Wastewater Public Agency
serving:**

- South Laguna Beach
- Dana Point
- Portions of San Clemente
- Portions of San Juan Capistrano

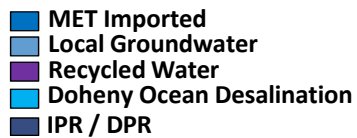
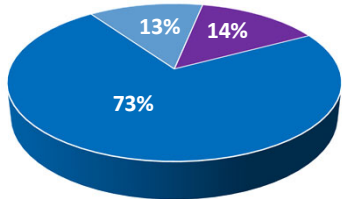
- ▶ ~40,000 Residents
- ▶ 1,000 Businesses
- ▶ Over 2 Million visitors per year



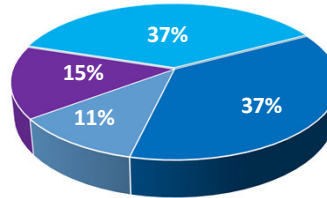
Water Supply Portfolio

Doheny Project would provide up to 5 MGD

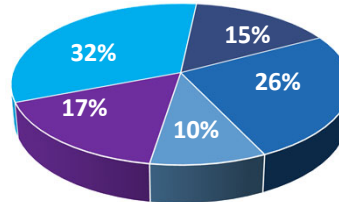
SCWD Water Supply (2019-20)



2027 PORTFOLIO



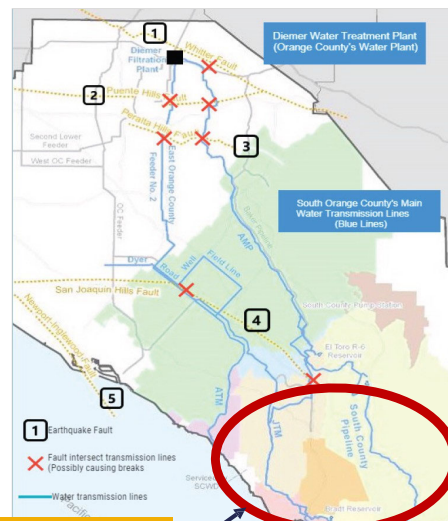
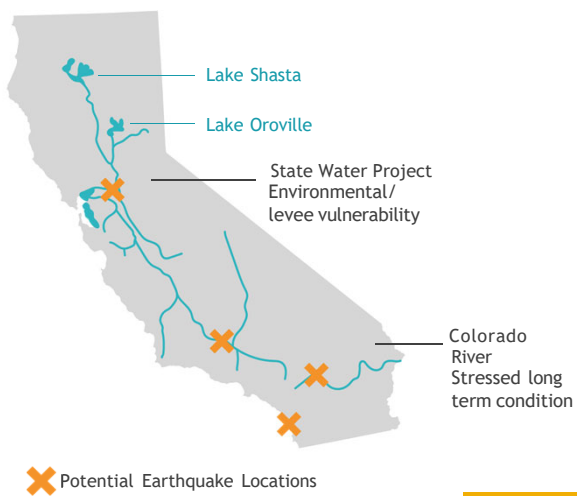
2035 PORTFOLIO



South Coast Water District – SCWD.ORG/DohenyDesal



Water Reliability for Seismic Risks



South OC - 90% Dependent on MWD Imported Supply

South Coast Water District – SCWD.ORG/DohenyDesal



Doheny Ocean Desalination Project

Why Ocean Desalination?



- System and Supply Reliability - Drought and Earthquakes
- Drought Proof and Resilient to Climate Change
- Sustainable Local Water at a Reasonable Cost
- Up to 5 MGD of drinking water supplies
- Potential Long-Term Local and Regional Benefits

South Coast Water District – SCWD.ORG/DohenyDesal



Project Cost

Grants Secured:

California Department of
Water Resources
Desalination Construction
Grant

\$10M

+

US Bureau of Reclamation
Water Infrastructure Improvement
for the Nation (WIIN) Act Grants
(Sponsor: Congressman Levin)

\$20M

+

EPA Grant – Slant Well
(Sponsor: Senator Padilla)

\$2.4M

SCWD will continue to pursue grants up to Federal Cap of \$30M

Capital Cost \$140 Million

Grants Received
\$32.4 Million

Potential
Grants
~\$10
Million

\$97.6 Million

South Coast Water District – SCWD.ORG/DohenyDesal



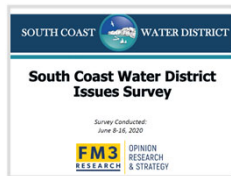
Doheny Ocean Desalination Customer Survey

SCWD Customer Survey

- During pandemic & recession

Results:

- 74% favor Project after Description
- 80% favor Project after Education
- 72% favor Project after Critical Statements

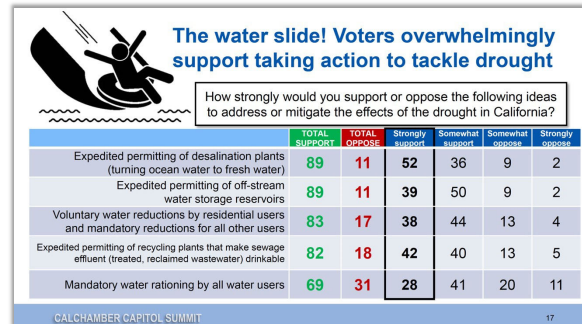


South Coast Water District – SCWD.ORG/DohenyDesal

Statewide Survey among CA June primary likely voters

Results:

- 89% favor expedited permitting of desal plants



Ratepayer Reception of Cost

Ratepayer Survey Findings

78% willing to pay \$5 more per month

76% willing to pay \$7 more per month

69% willing to pay \$10 more per month

63% willing to pay \$15 more per month

SCWD Residential Cost Comparison in First Full Year of Operation (FY 2026–2027)

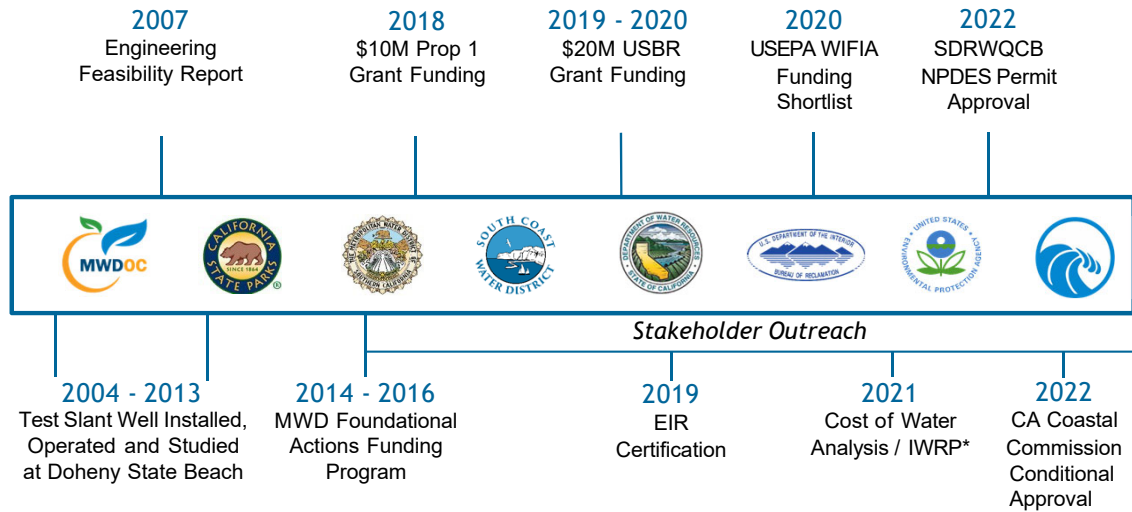
Residential Customer	
5 MGD Project (2 MGD for SCWD; 3 MGD for partners)	
Monthly additional cost	\$2.38 (additional 2%)

Economies of scale beneficial for the region

South Coast Water District – SCWD.ORG/DohenyDesal



Project History



*IWRP: SCWD's 2021 Integrated Water Resource Plan

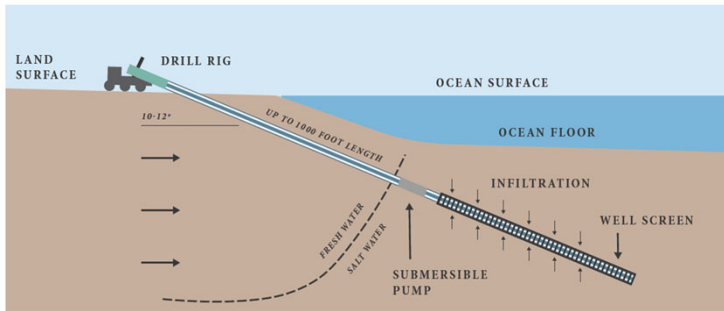
South Coast Water District - SCWD.ORG/DohenyDesal



State Ocean Plan Preferred Methods: Subsurface Intake & Commingled Discharge

Subsurface Water Intake - Slant Well Technology

- Intake method preferred by regulators and Ocean Plan Desalination Amendment
- Wells draw ocean water from below the ocean floor
- Slant Wells fully buried at Doheny State Beach
- Submersible pumps reduce noise
- Subsurface intakes avoids all impacts to marine life



South Coast Water District - SCWD.ORG/DohenyDesal



Commingled Discharge

- Brine diluted with treated wastewater through existing San Juan Creek Ocean Outfall more than two miles offshore
- Blended effluent would minimize impact on coastal and marine water quality



Benefits of Modified Project - Doheny State Beach

- Collaborative effort - Align Project construction with State Parks DSB General Plan implementation
- Repair and restoration of DSB Campground:
 - New water sewer and electrical hookups
 - Improvements to pedestrian/bike access and circulation
 - Replace interpretive area, landscape, and restrooms



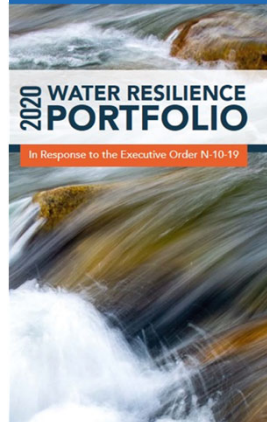
South Coast Water District - SCWD.ORG/DohenyDesal

Bi-partisan and Collaborative Support

Bi-partisan Elected Official Support

- US Senator Feinstein
- US Senator Padilla
- Congressman Mike Levin
- Congresswoman Michelle Steel
- CA State Senator Pat Bates
- CA State Senator Dave Min
- CA State Assemblymember Cottie Petrie-Norris (AB-1752)
- CA State Assemblymember Laurie Davies
- Supervisor Lisa Bartlett
- Bipartisan House and Senate - Appropriations Bill

Environmental and Regulatory Support



State and Federal Grant Funding Support

California Department of Water Resources Desalination Construction Grant

\$10M

US Bureau of Reclamation Water Infrastructure Improvement for the Nation (WIIN) Act Grants (Sponsor: Congressman Levin)

\$20M

EPA Grant – Slant Well (Sponsor: Senator Padilla)

\$2.4M

Community Support and Potential Partner Letters of Interest

CA State Parks

South Laguna Water & Sewer Advisory Committee

LA and OC Building and Construction Trades Council

HOAs: Cape Cove, Harbor Creek, Regatta

Cities of:

- Dana Point, Laguna Beach, San Juan Capistrano, San Clemente

Neighboring Agencies & Utilities:

- MWD OG & ISDOC, ETWD, MNWD, IRWD, EBSD, IEUA, LVMWD, Mesa Water, MWD, TCWD, SMWD, Rancho Water, Western,

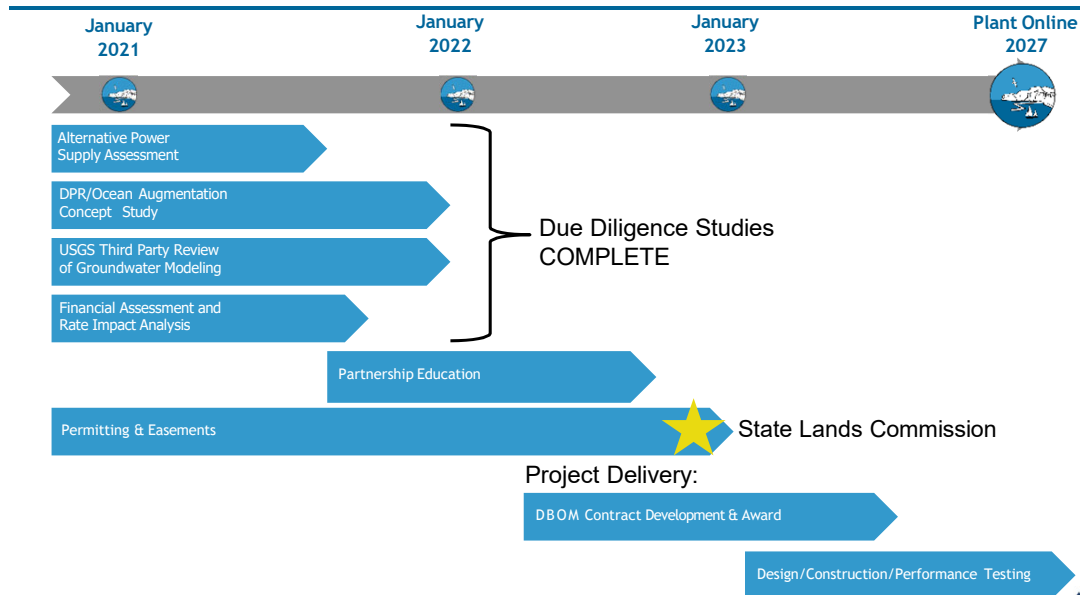
Letters of Interest

- City of San Clemente
- Laguna Beach County Water District
- Eastern Municipal Water District

South Coast Water District – SCWD.ORG/DohenyDesal

13 **DOHENY DESALINATION PROJECT**
Joint Water Board Council
 Approved 12/28/2022

Anticipated Implementation Schedule



South Coast Water District – SCWD.ORG/DohenyDesal

14 **DOHENY DESALINATION PROJECT**
Joint Water Board Council
 Approved 12/28/2022

SCWD Requests MWDOC staff continue to work with MWD to help advance Doheny Ocean Desalination Project

- Inland agencies are inquiring about the potential to partner with SCWD on the Project:
 - Received Letter of Interest from Eastern MWD approved by their Board.
 - Elsinore MWD provided letter of support for CCC and potentially interested.
 - Rancho Water has expressed interest.
- Need MWD policy to facilitate supply “exchanges” to inland agencies for drought and supply benefits.
 - Other MWD agencies potentially interested in a MWD exchange policy.
- MWD has also expressed interest in partnering in future regional expansion of the Doheny Desalination Project.

SCWD Requests of P&O Committee

- Support MWDOC staff working with MWD and member agencies to develop local project supply exchange policy.
- Support on-going discussions with MWD regarding development of a Partnering Memorandum of Intent (MOI) for regional expansion.

South Coast Water District – SCWD.ORG/DohenyDesal

15



**SOUTH COAST
WATER DISTRICT**
Partnering With The Community

Thank You!

South Coast Water District – SCWD.ORG/DohenyDesal





DISCUSSION ITEM

January 4, 2023

TO: Board of Directors

**FROM: Robert Hunter,
General Manager**

Staff Contact: Melissa Baum-Haley

**SUBJECT: METROPOLITAN WATER DISTRICT (MET) ITEMS CRITICAL TO ORANGE
COUNTY**

STAFF RECOMMENDATION

Staff recommends the Board of Directors to review and discuss this information.

DETAILED REPORT

This report provides a brief update on the current status of the following key MET issues that may affect Orange County:

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

ISSUE BRIEF #A**SUBJECT: MET Finance and Rate Issues****RECENT ACTIVITY**

Water Transactions for October 2022 totaled 161.6 thousand acre-feet (TAF), which was 7.9 TAF higher than the budget of 153.7 TAF and translates to \$150.0 million in revenues for October 2022, which were \$2.5 million higher than budget of \$147.5 million.

Year-to-date water transactions through October 2022 were 601.6 TAF, which was 29.6 TAF higher than the budget of 572.0 TAF. Year-to-date water revenues through October 2022 were \$561.7 million, which were \$2.9 million higher than the budget of \$558.8 million.

Metropolitan's Treasury team worked with an external Investment Advisor to develop a reallocation strategy of Liquidity and Core Portfolio balances to meet district cash flow needs as well as enhance investment returns given changing market conditions. Implementation of this strategy is anticipated to begin in December 2022.

Metropolitan prudently manages the investment of funds in accordance with policy guidelines and liquidity considerations. As of October 31, 2022, Metropolitan's investment portfolio balance was \$1.2 billion.

ISSUE BRIEF #B

SUBJECT: MET Integrated Resources Plan Update

RECENT ACTIVITY

To provide member agency access to an equivalent level of water supply reliability through necessary adaptive implementation of the IRP findings:

- Metropolitan staff met multiple times with State Water Project-dependent area agencies to plan for 2023 and develop volumetric limits for SWP Table A, Human Health & Safety, and Water Surplus & Drought Management (WSDM) supplies. Overall State Water Project use remains under the volumetric limits set in collaboration with the SWP-dependent area agencies.
- In a joint press release, more than 30 water agencies and providers across the West announced their commitment to take additional actions to protect the Colorado River system through reducing water demands. This commitment is made in an MOU that Metropolitan helped organize, that includes a number of agencies in Southern California, and that was delivered to the Bureau of Reclamation Commissioner Camille Touton.
- On November 1 Metropolitan launched an increase in turf removal rebates of \$1 for CII, residential and public agency consumers. The public agency rebate went from \$3 to \$4 per sq ft as result of a \$2 million grant from the United States Bureau of Reclamation. The residential and CII rebate went from \$2 to \$3 per sq ft due to a separate \$2 million grant from the Department of Water Resources.

To advance the long-term reliability and resilience of the region's water sources through a One Water approach that recognizes the interconnected nature of imported and local supplies, meets both community and ecosystem needs, and adapts to a changing climate:

- Metropolitan is developing a district-wide Sustainability, Resiliency and Innovation (SRI) Strategy through work across multiple groups within Metropolitan, including with Engineering Services, which is assessing opportunities to incorporate sustainability measures into design, capital projects and operations, is assisting with the review of options to pursue solar and renewable energy on Metropolitan property, and has secured a consultant to help create an Infrastructure Resilience Strategic Plan.
- As part of implementation of Metropolitan's Climate Action Plan, Operations assigned two lead Metropolitan staff to help advance the transition of Metropolitan's fleet to zero emission vehicles and facilitate a Zero Emission Vehicle ZEV Task Force.
- In support of stormwater capture strategies, Metropolitan staff met with Anaheim to discuss their forthcoming State College Boulevard Stormwater Capture Project, which is receiving matching funds through Metropolitan's stormwater recharge pilot program. This

innovative project will use an abandoned wastewater pipe and dry well field to divert and infiltrate stormwater.

- The Notice of Preparation comment deadline closed for Pure Water Southern California, and Metropolitan staff is reviewing public comments. Potential program manager consultants are being interviewed, and the RFP for preliminary design of the Carson Lakewood pipelines is ready for distribution.

ISSUE BRIEF #C

SUBJECT: MET's Supply Condition Update

RECENT ACTIVITY

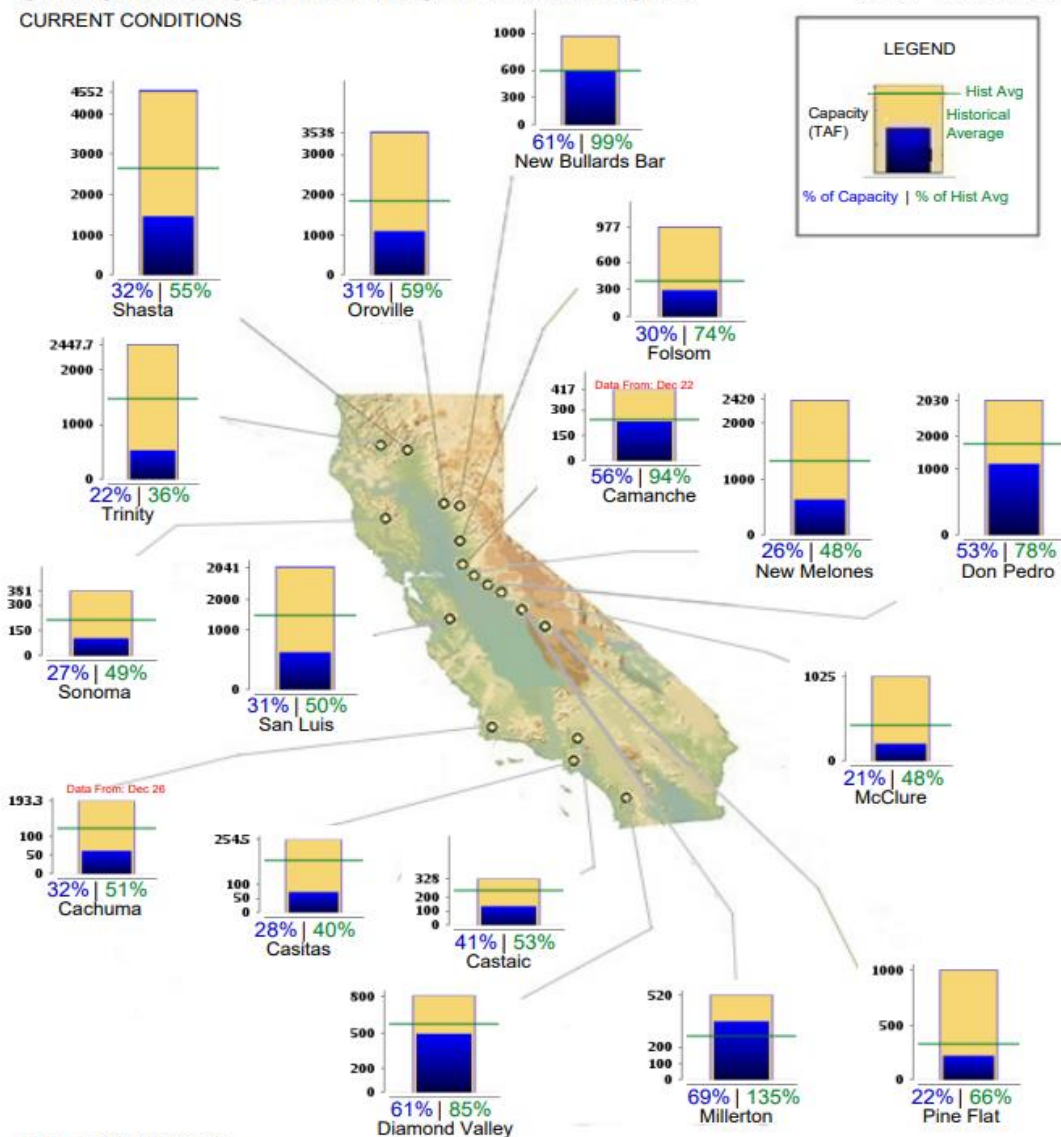
The 2022-23 Water Year (2022-23 WY) officially started on October 1, 2022. Thus far, Northern California accumulated precipitation (8-Station Index) reported **15.7 inches or 92% of normal** as of December 28th. The Northern Sierra Snow Water Equivalent was at **11.5 inches on December 28th**, which is **119% of normal** for that day. Due to historical low precipitation/snowfall from January to March 2022, the Department of Water Resources (DWR) has set the State Water Project (SWP) initial "Table A" allocation at 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 2023 contractor demands. In addition, Metropolitan received **134,000 AF for Human Health and Safety Supply in CY 2022**.

The Upper Colorado River Basin accumulated precipitation is reporting **7.1 inches or 92% of normal as of December 28th**. On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. The Upper Colorado River Basin Snow Water Equivalent was reporting **7.9 inches as of December 28th**, which is **101% 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 1st, 2022. There is and a 100% chance of shortage continuing in 2023.

As of December 27th Lake Oroville storage is at **31% of total capacity and 59% of normal**. As of December 27th San Luis Reservoir has a current volume of **31% of the reservoir's total capacity and is 50% of normal**.

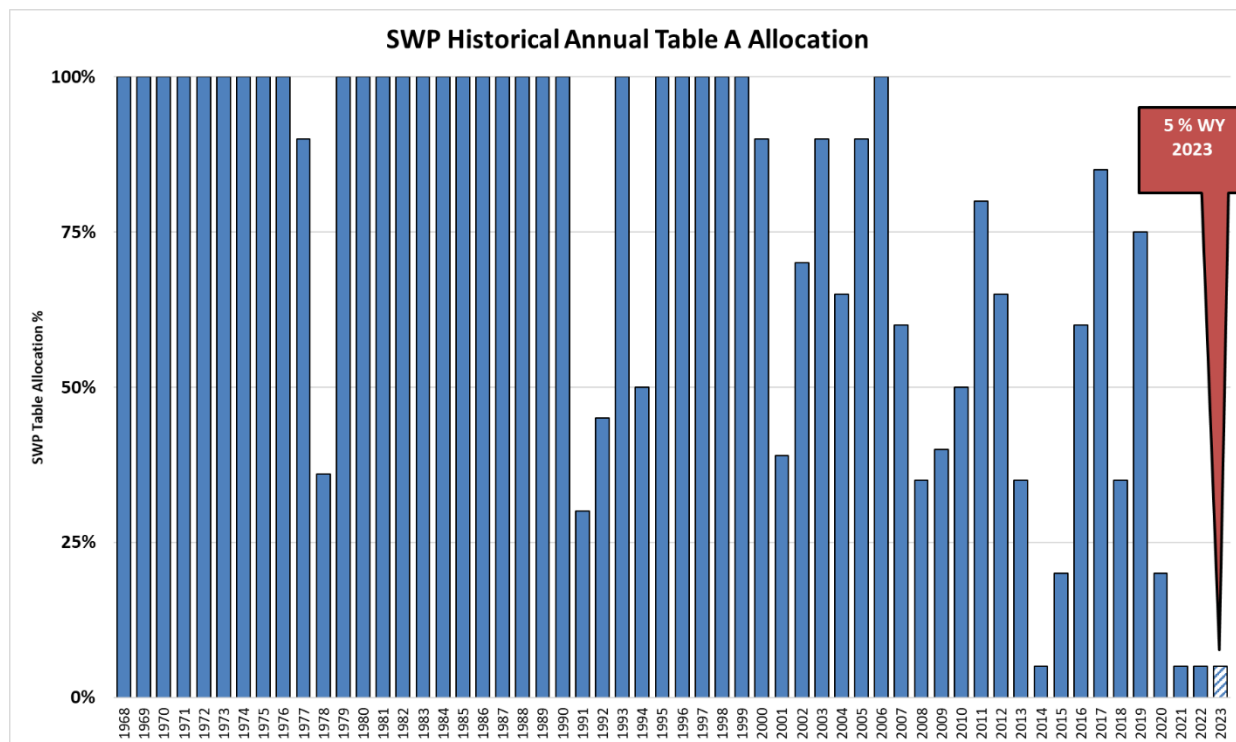
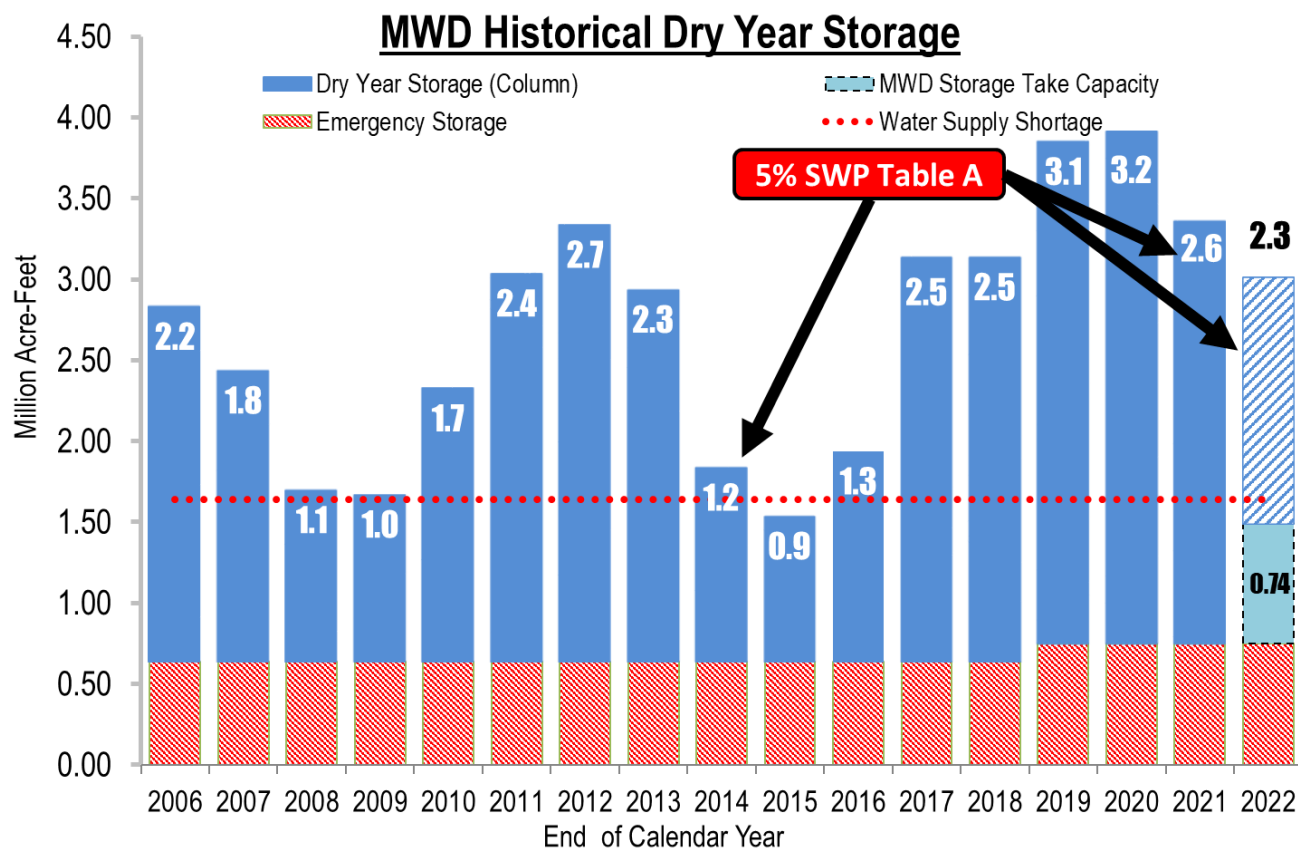
CALIFORNIA MAJOR WATER SUPPLY RESERVOIRS CURRENT CONDITIONS

Midnight - December 27, 2022



With CY 2022 estimated total demands and losses of 1.664 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, estimated total dry-year storage for Metropolitan at the end of **CY 2022 will go down to approximately 2.26 MAF.**

A projected dry-year storage supply of **2.26 MAF would still be about 1.26 MAF above where MWD has historically declared a water supply allocation.** A large factor in maintaining a high water storage level are lower than expected water demands. We are seeing regional water demands reaching a 38-year low. **With a majority of MWD's water supplies stored in Lake Mead and the uncertainty of another dry year in California there is potential for Water Supply Allocation in CY 2023.**



2022 WSDM Storage Detail

WSDM Storage	1/1/2022 Storage Levels	Net Projected Storage Action Put (+) / Take (-)	Projected End of Year 2022 Balance ¹	2022 Total Storage Capacity
Colorado River Aqueduct Delivery System	1,252,000	-53,000	1,199,000	1,657,000
Lake Mead ICS	1,252,000 ²	-53,000	1,199,000	1,657,000
State Water Project System	636,000	-157,000	479,000	1,879,000
MWD SWP Carryover ³	38,000	-23,000 ⁴	15,000	350,000
DWCV SWP Carryover ³				
MWD Articles 14(b) and 12(e)	0	0	0	N/A
Castaic and Perris DWR Flex Storage	49,000	-46,000 ⁵	3,000	219,000
Arvin Edison Storage Program	136,000	-17,000 ⁶	119,000	350,000
Semitropic Storage Program	218,000	-51,000 ⁷	167,000	350,000
Kern Delta Storage Program	149,000	-20,000	129,000	250,000
Mojave Storage Program	19,000	0	19,000	330,000
AVEK Storage Program	27,000	0	27,000	30,000
In-Region Supplies and WSDM Actions	795,000	-101,000	694,000	1,246,000
Diamond Valley Lake	600,000	-109,000	491,000	810,000
Lake Mathews and Lake Skinner	179,000	17,000	196,000	226,000
Conjunctive Use Programs (CUP) ⁸	16,000	-9,000	7,000	210,000
Other Programs	674,000	-11,000	663,000	1,181,000
Other Emergency Storage	381,000	0	381,000	381,000
DWCV Advanced Delivery Account	293,000	-11,000	282,000	800,000
Total	3,357,000	-322,000	3,035,000	5,963,000
Emergency	750,000	0	750,000	750,000
Total WSDM Storage (AF) ⁹	2,607,000	-322,000	2,285,000	5,213,000

¹ Preliminary end of year balances, subject to DWR adjustments and USBR final accounting in May 2023.

² Reflects USBR's final accounting for 2021, released in May 2022. This amount is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.

³ Total storage capacity varies year to year based on prior year remaining balance added to current year contractual limits.

⁴ Net storage action of withdrawing 38,000 AF from carryover and adding/repositioning 15,000 AF of previously banked groundwater into carryover storage.

⁵ Available for withdrawal from Castaic Lake in 2022 pursuant to an MWD-DWR agreement.

⁶ Take amounts dependent on exchange capabilities.

⁷ Includes leasing 5,000 AF of return capacity from SDCWA. This provides Metropolitan the ability to withdraw more of its groundwater stored in the program.

⁸ Total of all CUP programs including IEUA/TVMWD (Chino Basin); Long Beach (Central Basin); Long Beach (Lakewood); Foothill (Raymond and Monk Hill); MWDOC (Orange County Basin); Three Valleys (Live Oak); Three Valleys (Upper Claremont); and Western.

⁹ Total WSDM Storage level subject to change based on accounting adjustments.

ATTACHMENT: WATER SUPPLY CONDITIONS POWERPOINT – DECEMBER 28TH



Water Supply Conditions

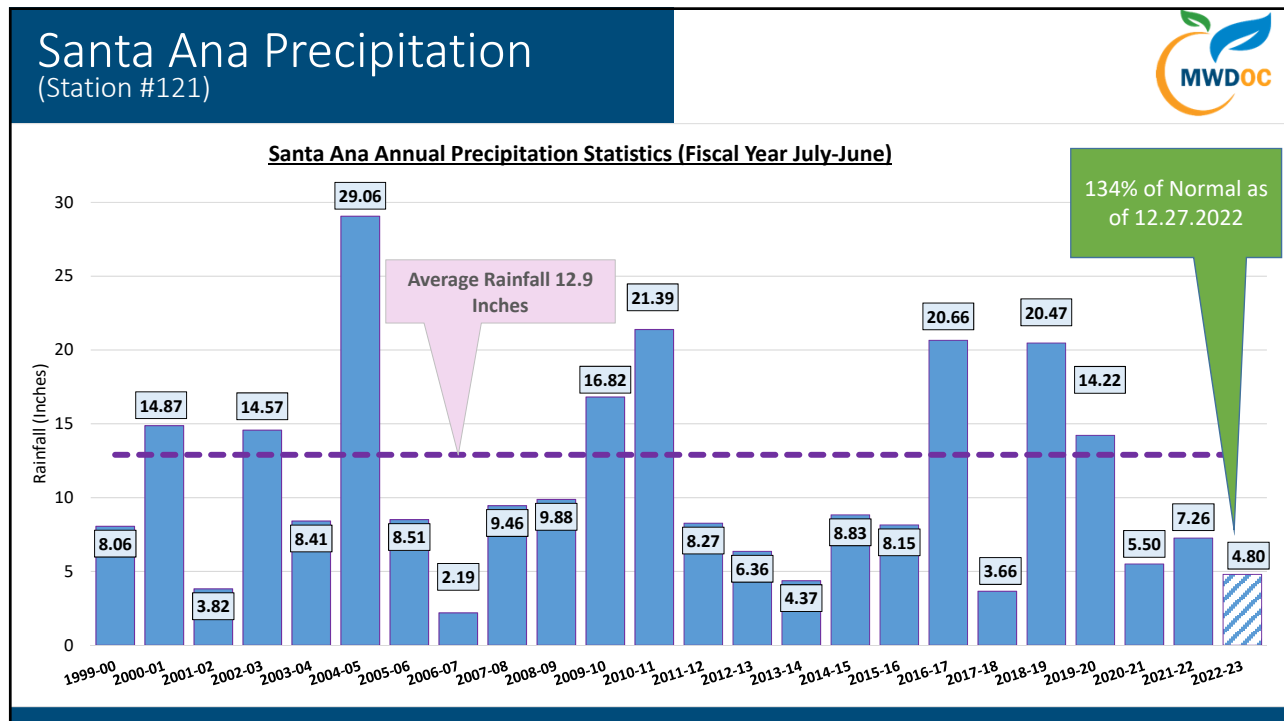
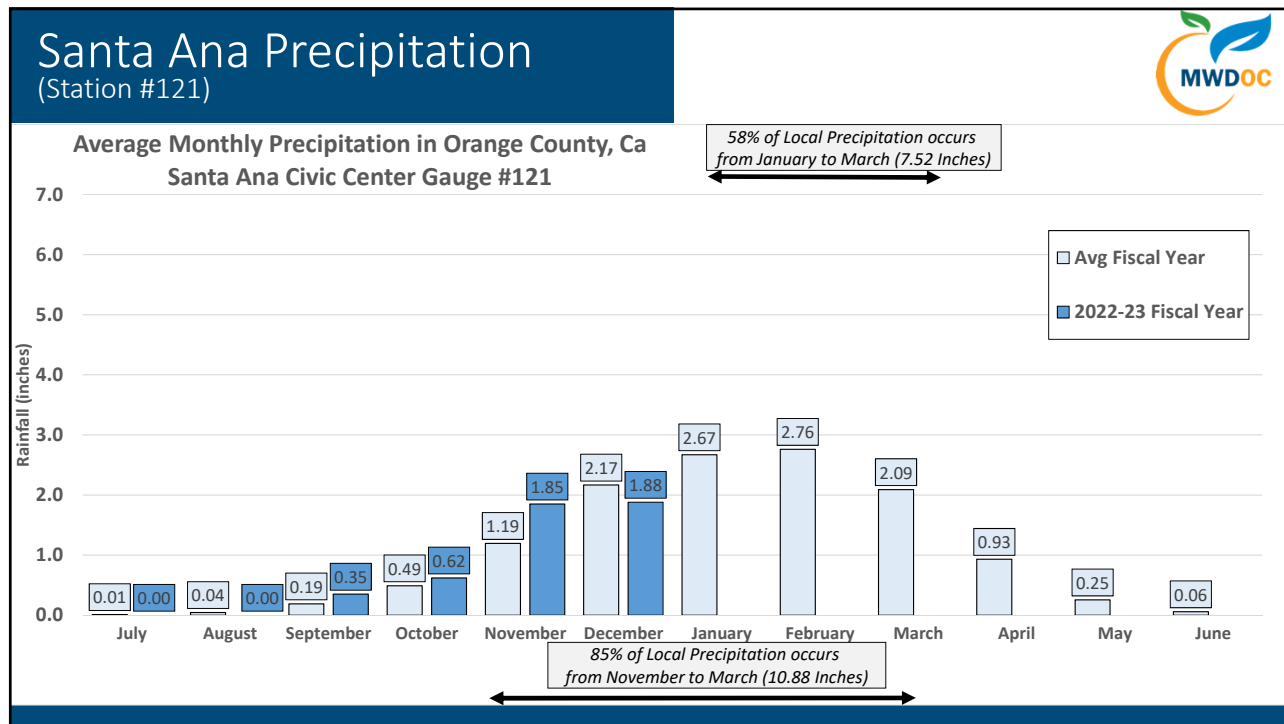
Kevin Hostert, Water Resources Analyst
Municipal Water District of Orange County

January 4th 2023



Orange County Weather and Water Supply Conditions

Insight to local weather conditions that affect Orange County's water supply and water demand



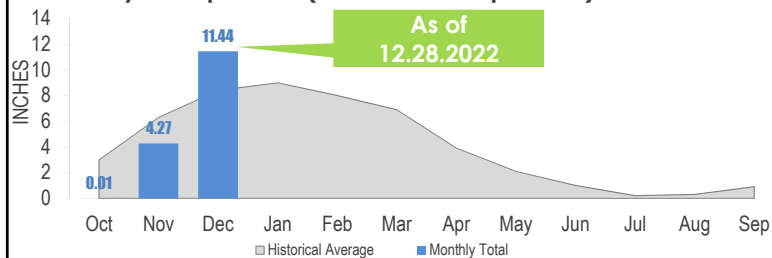


A Review of Regional Drought Conditions

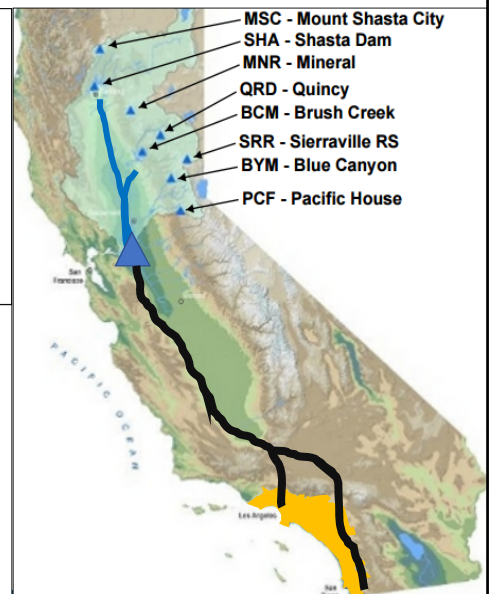
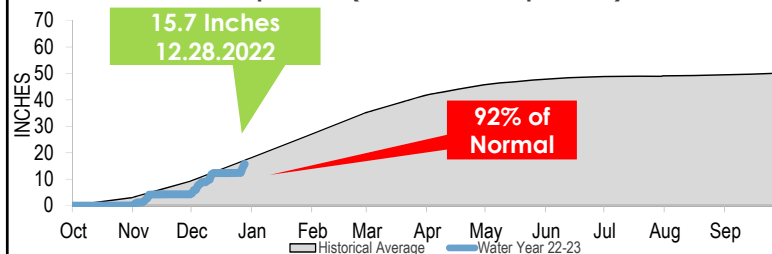
Insight to regional drought conditions that affect California's water supply

Northern California Accumulated Precipitation WY 2022

Monthly Precipitation (8 Station Precip Index)

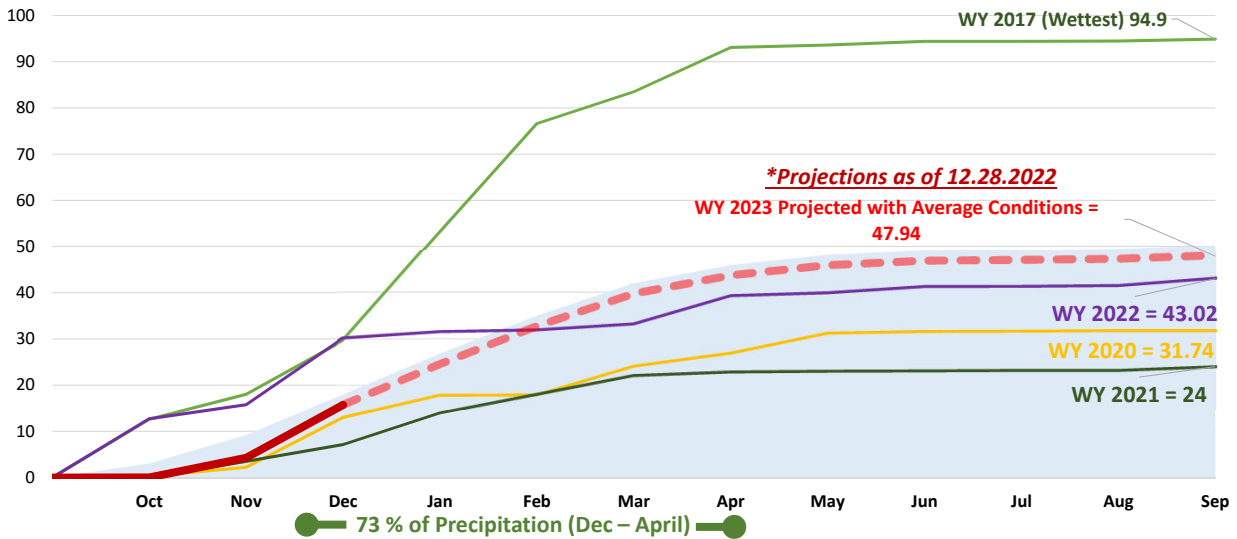


Accumulated Precipitation (8-Station Precip Index)



Northern California Accumulated Compared to Last 5 Water Years

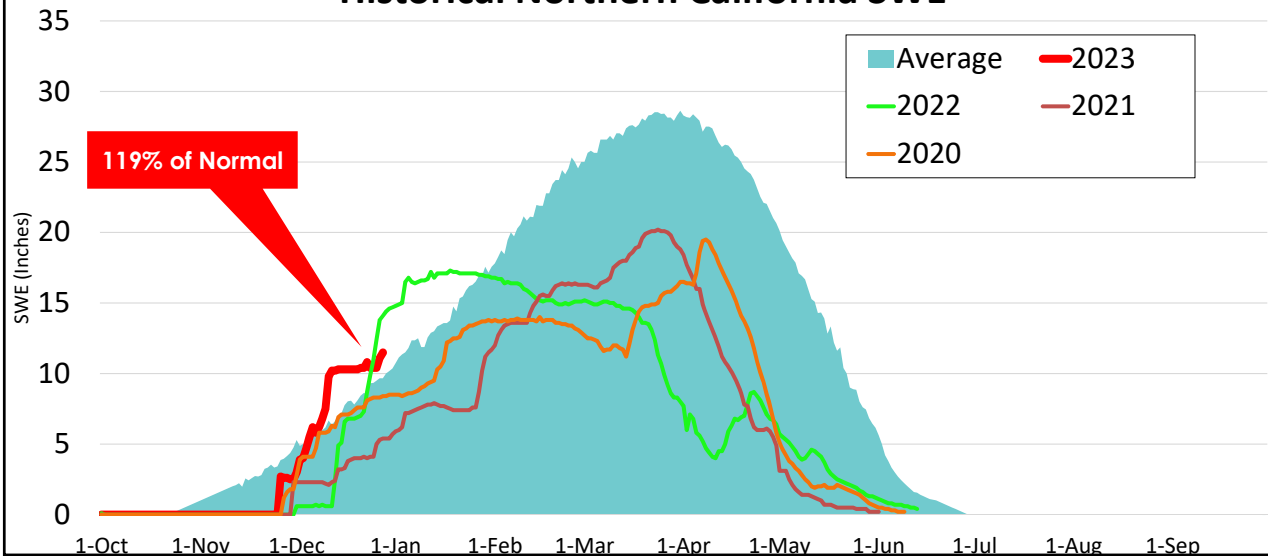
8 Station Index all Time Month by Month Cumulative Totals

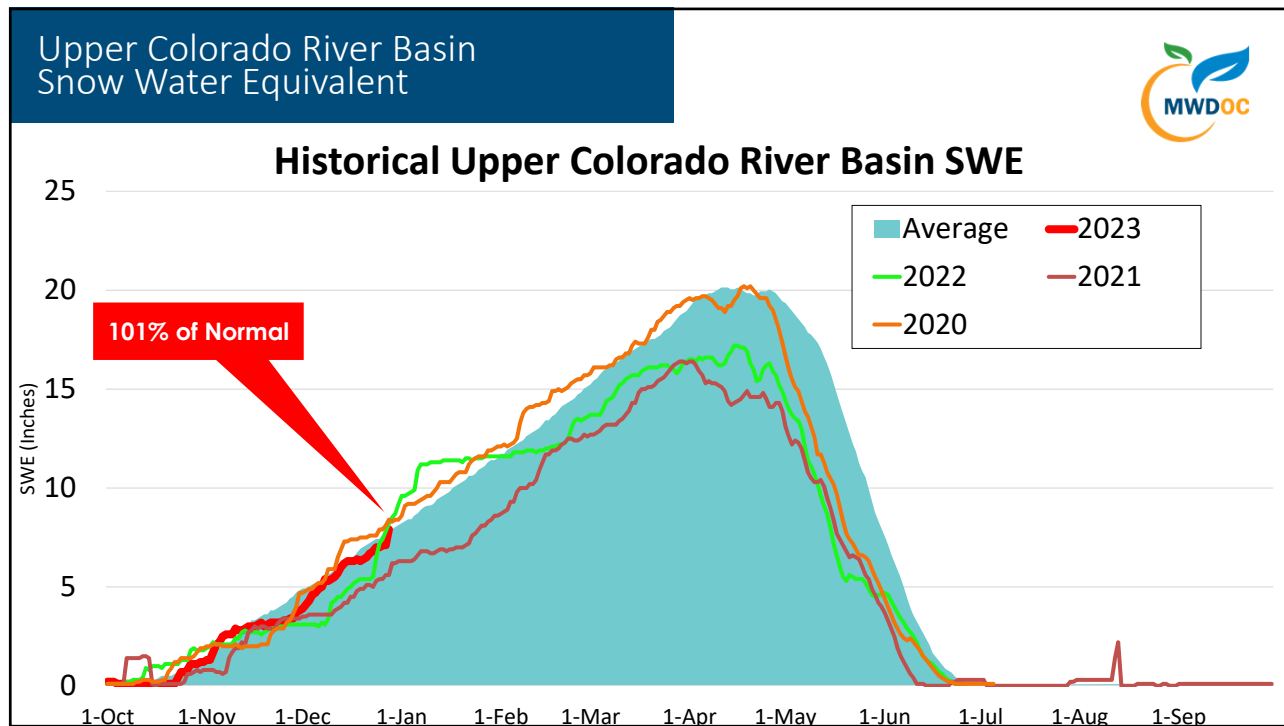


Northern California Snow Water Equivalent

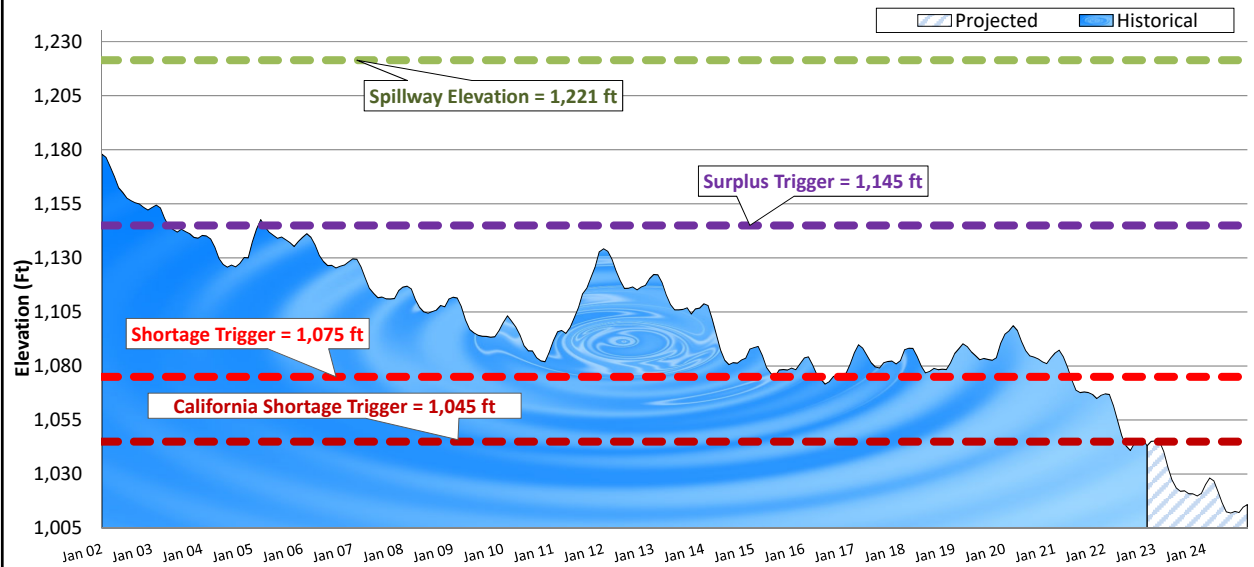


Historical Northern California SWE

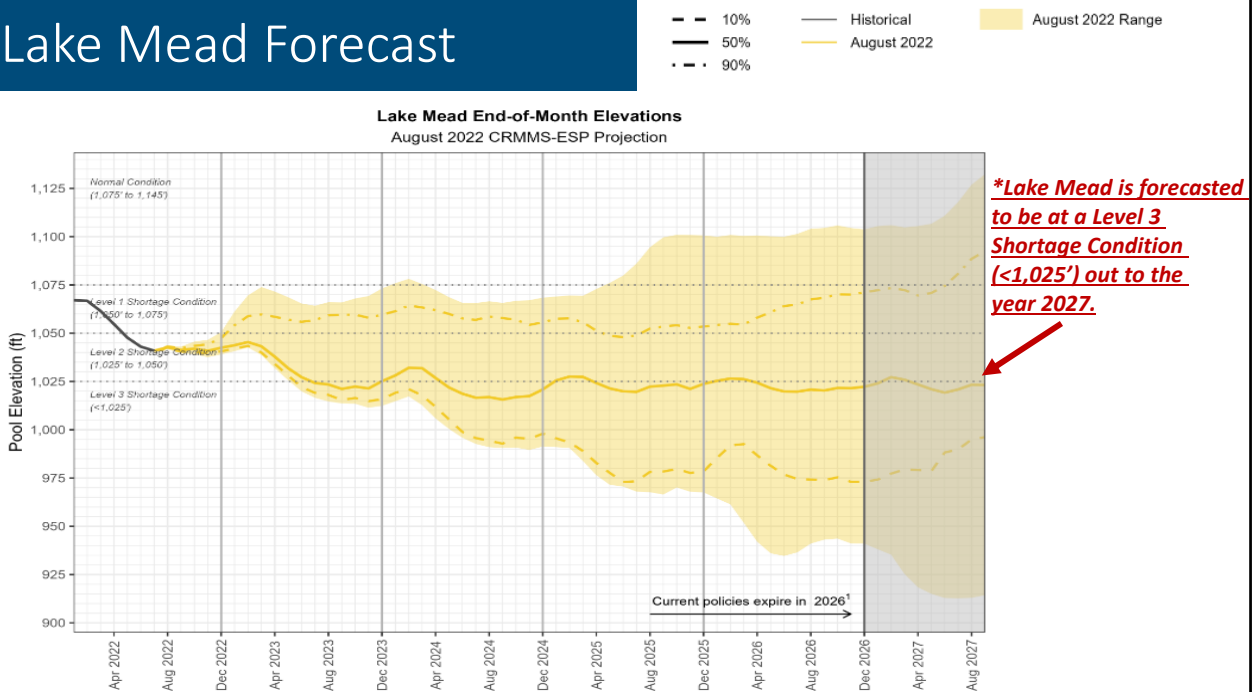




Lake Mead Forecast

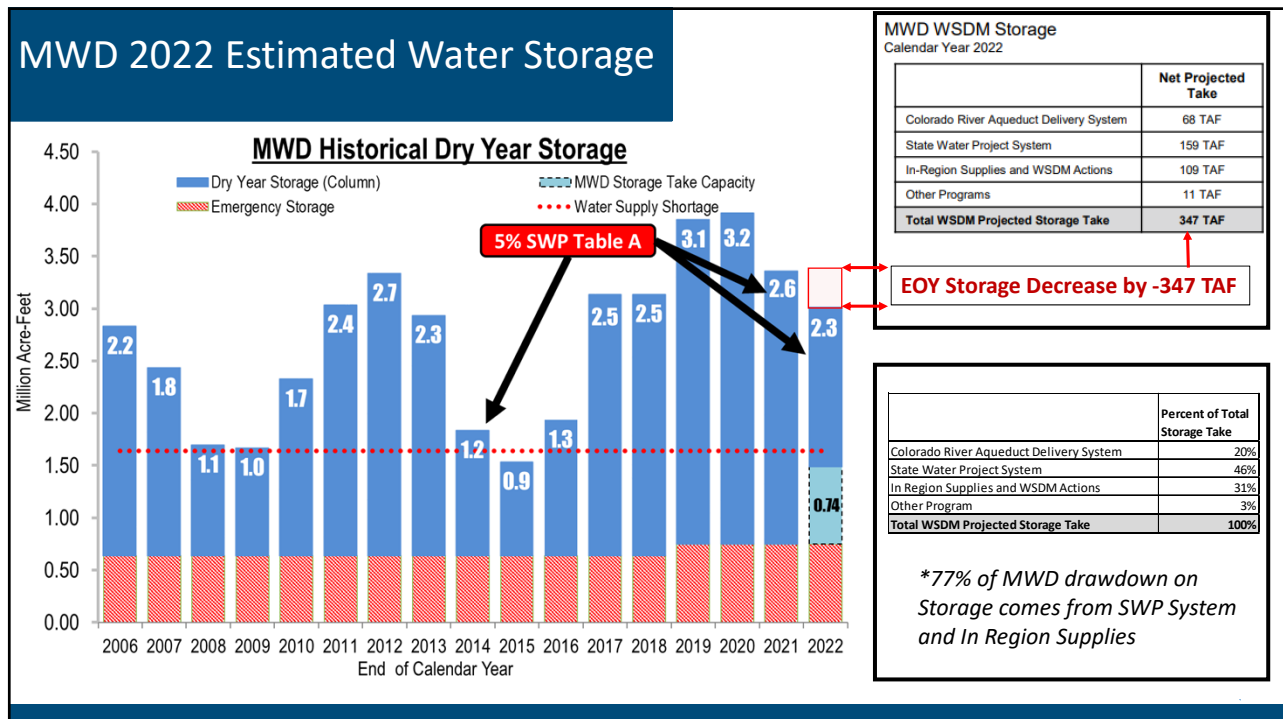


Lake Mead Forecast



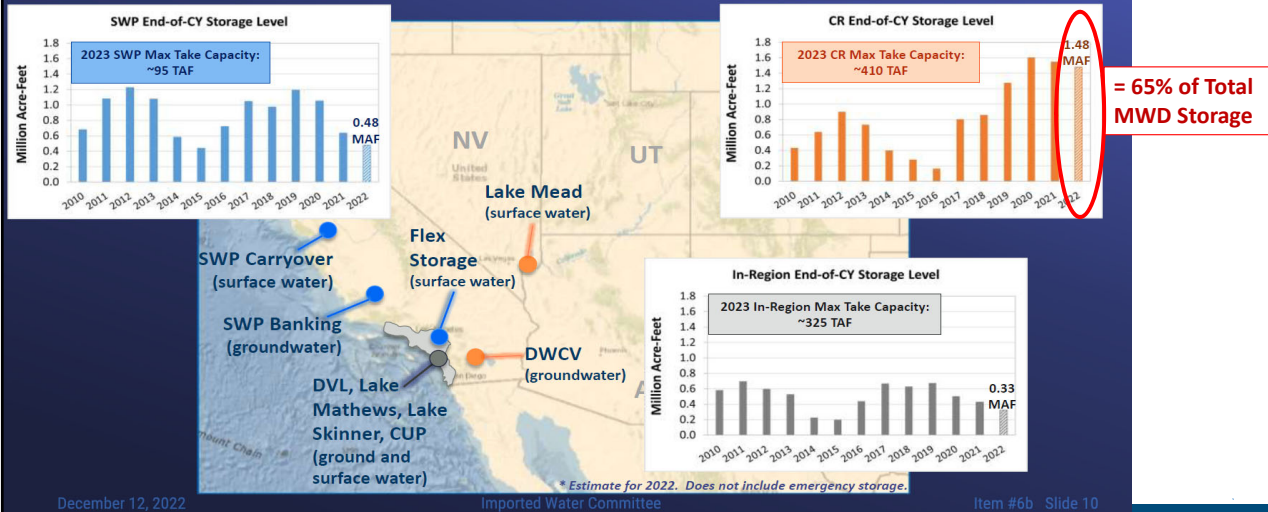


MWD 2022 Water Storage



MWD 2022 Estimated Water Storage

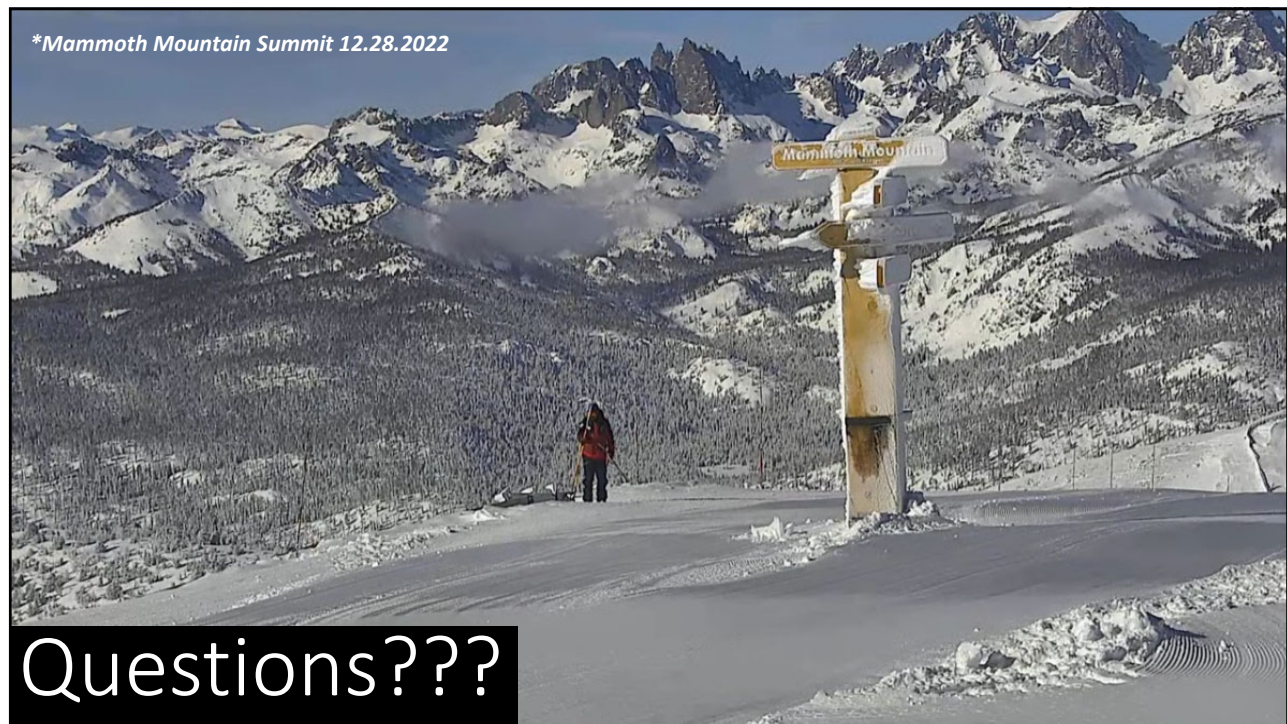
End of Year Storage by Region



Water Supply Conclusions

- The new water year officially started October 1st, 2022. As of late December Northern California precipitation is just below average and snowfall is above average.
- Accumulated Precipitation in Northern California the last three years was extremely low.
- Key State/Federal Reservoirs Levels are still at critical low levels.
- 73% of Northern California Precipitation comes in the months of December to April
- The Colorado River System is still in shortage and is projected to be in shortage for the next 5 years.





ISSUE BRIEF #D**SUBJECT: MET's Water Quality Update****RECENT ACTIVITY**

Water System Operations

Metropolitan member agency water deliveries were 107,900 acre-feet (AF) for November with an average of 3,600 AF per day, which was 1,0460 AF per day lower than October. Treated water deliveries decreased by 18,290 AF from October for a total of 47,200 AF, or 44 percent of total deliveries for the month. The Colorado River Aqueduct (CRA) continued operating at an eight-pump flow with a total of about 103,000 AF pumped for the month. State Water Project (SWP) imports averaged 1,020 AF per day, totaling about 30,600 AF for the month, which accounted for approximately 28 percent of Metropolitan's deliveries. The target SWP blend remained at zero percent for the Weymouth, Diemer, and Skinner plants.

Water Treatment and Distribution

The State Water Project target blend entering the Weymouth and Diemer plants and Lake Skinner was zero percent in November 2022.

Flow-weighted running annual averages for total dissolved solids from September 2021 through August 2022 for Metropolitan's treatment plants capable of receiving a blend of supplies from the State Water Project and the Colorado River Aqueduct were 599, 596, and 593 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.

Metropolitan staff performed maintenance and cleaning of a basin at the Diemer plant. This work included cleaning of the flocculator and clarifier equipment, annual lubrication of the equipment, repairs of the clarifier rake arm extensions, and adjustments of the flocculator chain and sprockets. In addition, routine basin cleaning helps control algae growth within the basin that can potentially cause adverse taste and odors in the treated water.

The Chemical Unloading Facility (CUF) located in Riverside is a critical facility used to help distribute chemicals to Metropolitan's water treatment plants. The primary function of CUF is to receive bulk shipments of treatment chemicals by 90-ton railcars and transfer chemicals to 17-ton semi-truck trailers. The trailers are then transported to the treatment plants. Because of a potential impending national railroad strike as a result of labor disputes, Metropolitan staff has been working diligently to maintain extra quantities of chemicals to ensure the reliability of Metropolitan's treatment plants.

Because of a shutdown of raw water pipelines south of Lake Skinner, the flow into Lake Skinner from the San Diego Canal was reduced to a very low level. The sample pump typically submerged into water was above the current low level. Metropolitan staff extended the pump cord length, which allows water samples to be pumped to online water quality instruments that provide real-time monitoring in the San Diego Canal.

Source Water Quality

On November 2, Metropolitan staff participated in the quarterly stakeholder meeting on perchlorate cleanup at the former Tronox site in Henderson, Nevada. The Nevada Environmental Response Trust reviewed the remedial program status, which includes completion of remedial investigation and risk assessment reports for the Operable Units that represent the most significant source of perchlorate contamination at the site. Metropolitan staff continues to monitor overall development of the long-term remedial plan and distribution of the Trust's funds for site cleanup to ensure continued protection of Colorado River water quality.

On November 9, Metropolitan staff participated in a two-day stakeholder meeting for the Topock Chromium-6 Groundwater Remediation Project in Lake Havasu City, Arizona. Pacific Gas & Electric provided updates on project activities including a soil removal action expected to be completed in May 2023 and the groundwater remedy construction. Construction of the groundwater remediation facility has experienced delays due to storm and supply chain impacts and is expected to be completed in 2026, followed by long-term operation and maintenance of the system.

Future Legislation and Regulation

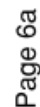
On November 7, Metropolitan staff submitted comments on the Environmental Protection Agency's (EPA) proposed listing of perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS) as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA). Metropolitan staff's comments centered around the fact that the ruling would greatly increase the potential liability under CERCLA for water utilities for PFOA and PFOS in treatment residuals—and that EPA must take specific actions to alleviate this potential liability. Metropolitan staff also worked with ACWA, AMWA, AWWA, and WUWC on their comment letters. If this rule is promulgated, EPA anticipates proposing rulemaking designating other PFAS chemicals as CERCLA hazardous substances. Metropolitan staff will continue to engage on this issue to protect Metropolitan's interests.

On November 3, Metropolitan staff attended a State Water Resources Control Board (SWRCB) workshop on the development of revisions to the Detection Limits for Purposes of Reporting (DLRs) for metals in drinking water (antimony, arsenic, beryllium, cadmium, lead, mercury, nickel, and thallium) and new DLRs for iron, manganese, and zinc. DLRs are the minimum levels at which the detection of regulated contaminants must be reported to the Division of Drinking Water. The formal rulemaking process for the metal DLRs regulation is anticipated to begin later this year.

On November 3, Metropolitan staff attended the fourth National Drinking Water Advisory Committee Microbial and Disinfection Byproducts (MDBP) Rules Revision Working Group on potential revisions to the MDBP regulations. The meeting addressed interdependencies across the Surface Water Treatment Rules and Disinfectants and Disinfection Byproduct Rules related to drinking water. Metropolitan staff will continue to track all activities related to these regulations and engage with regulatory agencies and industry advocacy groups as the revision process progresses.

Wednesday, December 7, 2022

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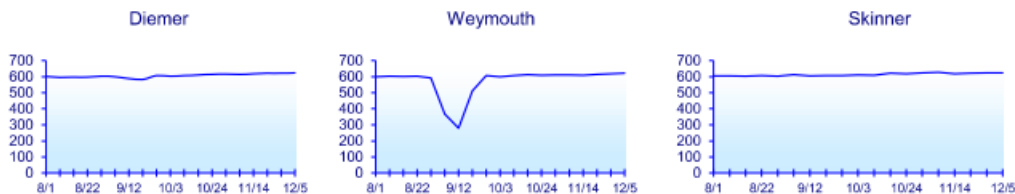
Water Quality Section Weekly TDS Report

For the week of 12/4/2022

Percent SPW Needed to Achieve TDS Goal of 500 mg/L				Estimated TDS for Reservoirs		
Source Water TDS		SPW Required		Reservoir (Effluent)	Date	mg/L
Plant	CRW	SPW	Percent			
Weymouth	611	278	33%	Lake Havasu (Table D)	8/3/22	591
Diemer	611	278	33%	Lake Mathews (DFPI-LWRFDR)	12/5/22	611
Skinner-Silverwood	606	278	32%	Lake Skinner (Outlet Structure)	12/5/22	611
Skinner-Perris	606	317	37%	Castaic Lake (JFPI)	12/4/22	313
CRW for Diemer and Weymouth is Lake Mathews and San Jacinto - West Portal for Skinner.				DVL (Mills Inf)	12/4/22	278
				Lake Perris (Table D)	8/1/22	317
				DVL Outlet (Table D)	8/8/22	277

SUNDAY COMPOSITE ESTIMATED TDS FOR 07/31/22 - 12/04/22

TDS For Week of 12/4	
Plant Eff.	mg/L
Diemer	623
Weymouth	621
Skinner	623
Jensen	332
Mills	291



Sunday composite estimated TDS measured from plant effluent composite samples collected on Sunday and analyzed for hardness and electrical conductivity.

WEEKLY COMPOSITE ESTIMATED TDS FOR 07/31/22 - 12/04/22

TDS For 11/28 - 12/4	
Plant Eff.	mg/L
Diemer	625
Weymouth	621
Skinner	624



Weekly composite estimated TDS measured from plant effluent composite samples collected Monday through Sunday and analyzed for hardness and electrical conductivity.

MONTHLY COMPOSITE CALCULATED TDS FOR September 2021 - August 2022

TDS For Aug 2022	
Plant Eff.	mg/L
Diemer	599
Weymouth	601
Skinner	618
Jensen	326
Mills	301



Monthly calculated TDS calculated from plant effluent monthly composite sample for total anions and cations. These results are also used for Table D.

FLOW WEIGHTED RAA TDS FOR September 2021 - August 2022

Flow-Weighted RAA TDS Sep 2021 - Aug 2022	
Plant	mg/L
Diemer	596
Weymouth	599
Skinner	593
Jensen	326
Mills	294



Seasonal flow weighted RAA TDS calculated from plant effluent monthly composite sample for total anions and cations. Results are based on average monthly flows.

ISSUE BRIEF #E

SUBJECT: Colorado River Issues

RECENT ACTIVITY

Metropolitan Partners with PVID and Bard to Submit Conservation Proposals

On November 21, Metropolitan, Palo Verde Irrigation District (PVID), and Bard Water District submitted joint proposals for funding under the Inflation Reduction Act. Under the proposals, the additional capacity available under the Metropolitan-PVID fallowing program and the capacity in the Bard seasonal fallowing program would be available for conserving additional water in Lake Mead. That additional fallowing would be funded by the Bureau of Reclamation under the Inflation Reduction Act. Metropolitan, as a landowner in PVID, would also fallow a portion of its land for the additional system conservation. These actions are part of California's efforts to conserve 400,000 acre-feet of water through 2026. Reclamation is evaluating all the proposals it receives, and if accepted, the proposals would be refined into agreements that would be taken to Metropolitan's Board for consideration, likely in early 2023. Metropolitan staff is also working on developing scoping comments for the Supplemental Environmental Impact Report, which is looking at new shortage criteria for the Colorado River Basin. Scoping comments are due December 21, 2022.

ISSUE BRIEF #F

SUBJECT: Delta Conveyance Activities and State Water Project Issues

RECENT ACTIVITY

Delta Conveyance

The California Department of Water Resources (DWR) released the public Draft Environmental Impact Report (EIR) under the California Environmental Quality Act for the Delta Conveyance Project on July 27, 2022. The Draft EIR describes project alternatives and potential environmental impacts and identifies mitigation measures to help avoid or minimize potentially significant impacts. The public review and comment period for the Draft EIR was extended from October 27 to December 16, 2022.

The U.S. Army Corps of Engineers, as part of its permitting review under the Clean Water Act and Rivers and Harbors Act, is preparing an Environmental Impact Statement (EIS) to comply with the National Environmental Policy Act and is planning to release draft EIS for public review later this year.

Joint Powers Authorities

During a Special Board of Directors meeting on November 17, the Delta Conveyance Design and Construction Authority Board of Directors approved to extend a resolution authorizing virtual Board and Committee meetings pursuant to AB 361.

At the regularly scheduled meeting of the Delta Conveyance Finance Authority (DCFA) on November 17, the DCFA approved a resolution to continue remote teleconference meetings and approved contracting with Brian G. Thomas Consulting, LLC for Executive Director services effective January 1, 2023, through December 31, 2023.

Sites Reservoir

At their November meetings, the Sites Project Authority Board and the Sites Reservoir Committee adopted the Final Guiding Principles and Preliminary Terms as supporting materials for the Water Infrastructure Finance Innovation Act (WIFIA) loan application. This document will serve as the foundation and guiding document for drafting the contract between the Sites Authority and participants, which needs to get underway in January 2023 to establish the contract by fall 2023, before initiation of Sites Reservoir Project financing. This guiding document is being used to inform the development of similar contracts for state and federal participation, although these contracts will be slightly different because of the unique nature of the enabling legislation associated with the state and federal funding. The document will also guide the basic mechanics for allocating benefits and costs, collecting payments, and remedying defaults through the contract, which needs to be established before getting further into the WIFIA loan application process. The adoption of this document is not a commitment of any or all participants to

any requirement in the final contract. Metropolitan will continue to have further opportunity to address concerns, including the translation of this final document into contract language.

Science Activities

Metropolitan staff worked with researchers from UC Davis to initiate the Delta Smelt Pilot Propagation study. The study uses the impoundments on Metropolitan's Delta Island properties to evaluate their use to aid the state and federal agencies efforts to propagate hatchery Delta smelt in the wild. This initial study is one of several planned that is being conducted with the support of DWR, California Department of Fish and Wildlife, USFWS and local stakeholders.

Metropolitan staff continued participating in the Collaborative Science and Adaptive Management Program, including participation on the Collaborative Adaptive Management Team (CAMT). In November, Metropolitan staff participated in the review of the recently published Delta smelt Fall Occupancy Study written by Dr. Noble Hendrix and co-authors. The manuscript is a product of CAMT's efforts to evaluate one of the priority areas of uncertainty regarding the effect of flow in the fall on the distribution of Delta smelt. The results of the study suggest that salinity at a regional level is a better predictor of the distribution than the historic use of Fall X2. In addition, the results found that water clarity may be affecting the survey data because Delta smelt are able to detect and avoid the survey gear under clearer conditions. The study results suggest that further scrutiny needs to be given to the use of Fall X2 and turbidity to determine and manage the distribution of Delta smelt.

Metropolitan staff gave a presentation on the Reorienting to Salmonid Recovery project to the Imported Water Committee in November that included a review of the project goals and progress to date. Metropolitan staff is working with the Project Planning team to plan a series of workshops in December 2022 to discuss how to translate social, economic, and cultural values related to salmonids into metrics that can be quantified to help identify recovery scenarios that best meet all values.

Delta Island Activities

On November 15, the second public workshop for the Delta Island Adaptations Project was held in Walnut Grove. The purpose of this workshop was to receive public input on proposed land use changes for Bouldin Island. Public comments were received from about 60-65 participants that included various stakeholders, public agencies, nongovernmental organizations, tribal community representatives, and other interested parties. This phase of the project is looking at landscape opportunities with the objectives to stop land subsidence, reduce greenhouse gas emissions, provide for sustainable agriculture, promote habitat restoration, and build collaboration for community science, agriculture, and ecoculture education through land use opportunities. The Project Team will assess the responses from the public over the next several weeks, including the

preferences provided through exit surveys and documented input from the breakout exercise. Future reports will inform the Board on input received and progress of the effort.

Regulatory Activities

On October 7, 2022, the US Fish and Wildlife Service (USFWS) issued a proposed rule to list the San Francisco Bay Delta distinct population segment of longfin smelt as an endangered species under the federal Endangered Species Act. Metropolitan staff is reviewing the proposed rule and developing comments. Comments on the proposed rule are due on December 6, 2022. Metropolitan staff is working with the State Water Contractors to prepare and provide comments

**Summary Report for
The Metropolitan Water District of Southern California
Special Board Meeting
December 12, 2022**

CONSENT CALENDAR OTHER ITEMS – ACTION

Adopted resolution to continue remote teleconference meetings pursuant to the Brown Act Section 54953(e) for meetings of Metropolitan’s legislative bodies for a period of 30 days. **(Agenda Item 5A)**

OTHER MATTERS AND REPORTS

Department Head Performance Evaluations [Public Employees' performance evaluations; General Manager, General Counsel, and Ethics Officer; heard in closed session pursuant to Gov. Code 54957.] **(Agenda Item 6-1)**

Reported on Department Head 2022 Salary Survey. **(Agenda Item 6-2)**

Discussed and approved Compensation Recommendations for General Manager and General Counsel. Ethics Officer Compensation was deferred for further discussion. **(Agenda Item 6-3)**

THIS INFORMATION SHOULD NOT BE CONSIDERED THE OFFICIAL MINUTES OF THE MEETING.

All current month materials, and materials after July 1, 2021 are available on the public website here: <https://mwdh2o.legistar.com/Calendar.aspx>

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**Summary Report for
The Metropolitan Water District of Southern California
Board Meeting
December 13, 2022**

CONSENT CALENDAR ITEMS - ACTION

Approved revisions to the Administrative Code Section 2416 as set forth in Attachment 1 and Attachment 2 (of the Board letter). **(Agenda Item 7-1)**

Adopted the Legislative Priorities and Principles for 2023. **(Agenda Item 7-2)**

Authorized the General Manager to use \$80 million in grant funding from the State Water Resources Control Board and authorized an increase of 17 staff to Metropolitan's current full-time equivalent employee headcount to commence activities related to the initiation of the Pure Water Southern California program. **(Agenda Item 7-3)**

(a) Awarded a \$2,165,000 contract to Caltec Corp. for Stage 3 physical security improvements at Metropolitan's Headquarters Building; and (b) Authorized an increase of \$250,000 to an agreement with Arcadis IBI Group, for a new not-to-exceed total of \$3.35 million for technical support. **(Agenda Item 7-4)**

Adopted a resolution designating authorized agents for funding from the California Office of Emergency Services and the Federal Emergency Management Agency. **(Agenda Item 7-5)**

(a) Adopted a resolution to accept \$50 million in state funding from the California Department of Water Resources to support Metropolitan's drought mitigation projects; and (b) Designated the Group Manager of Engineering Services to be the signatory to execute actions related to the funds. **(Agenda Item 7-6)**

Authorized on-call agreements with GEI Consultants Inc., HDR, Inc., and Stantec Consulting Services Inc., in amounts not to exceed \$2.5 million each, for a maximum of five years, to support Metropolitan's Dam Safety Initiatives Program. **(Agenda Item 7-7)**

Approved amendments to the Administrative Code set forth in Attachment 2 to reflect all changes recommended by the letter. **(Agenda Item 7-8)**

Authorized an increase of \$100,000, to an amount not to exceed \$500,000, for a contract for legal services with Hanson Bridgett LLP to provide legal advice on deferred compensation plans, other employee benefits, taxes, and CalPERS matters. **(Agenda Item 7-9)**

Authorized an agreement with Voyageur Security Inc. doing business as Access Technologies in an amount not to exceed \$860,000 for procurement of radio equipment for Metropolitan's AMR System. **(Agenda Item 7-10)**

Authorized the General Manager to enter in to the First Amendment to the Agreement regarding Annexation of the Murrieta Window Area with WMWD and EMWD to extend the term ten years. **(Agenda Item 7-11)**

Adopted resolution granting approval for the Yerba Valley Annexation concurrently to San Diego County Water Authority and Metropolitan and establish Metropolitan's terms and conditions for the annexation (Attachment 3 of the Board letter), conditioned upon approval by San Diego County's Local Agency Formation Commission, and upon receipt of the annexation fee of \$535,645.70. **(Agenda Item 7-12)**

Adopted resolution reaffirming the Regional Drought Emergency with modifications to the actions called for within the resolutions as marked in the attached redline. **(Agenda Item 7-13)**

OTHER BOARD ACTION ITEMS

Approved appointment of Board Vice Chairs effective January 1, 2023. **(Agenda Item 8-1)**

Adopted the CEQA determination and approved the recommendations for changes in the Metropolitan Administrative Code to modify the Board Committee structure as set forth in the board letter to reflect the new committee structure and duties. **(Agenda Item 8-2)**

Approved Chairs, Vice Chairs, and members of Standing Committees, and of the newly approved Ad Hoc Committees of the Board effective January 1, 2023. **(Agenda Item 8-3)**

OTHER MATTERS AND REPORTS

Inducted new Director Arturo Chacon representing Central Basin Municipal Water District. **(Agenda Item 5G)**

Voted to select a candidate and provided direction for negotiating contract. [Public Employment; General Auditor; to be heard in closed session pursuant to Gov. Code 54957 and Conference with labor negotiator: Agency designated representative: Diane Pitman; Unrepresented employee: General Auditor; heard in closed session pursuant to Gov. Code 54957.6]. **(Agenda Item 10-1)**

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**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA
REAFFIRMING-DECLARING A REGIONAL DROUGHT EMERGENCY
AND CALLING ON MEMBER AGENCIES TO TAKE SPECIFIED ACTIONS**

WHEREAS, Severe Drought Conditions Are Impacting Water Supplies Imported from the Colorado River and Northern California.

Metropolitan's two primary sources of imported water, the Colorado River and the State Water Project (SWP), face continuing drought.

The Colorado River is experiencing a prolonged 22-year warming and drying trend.

The three-year sequence of water years 2020, 2021, and 2022 (October 1, 2019, through September 30, 2022) were the driest in California for statewide precipitation.

According to the National Oceanic and Atmospheric Administration's (NOAA) U.S. Drought Monitor, California remains in almost 100 percent moderate-to-exceptional drought as of November 29, 2022.

In the past three years, warm temperatures and arid soils depleted the expected runoff water from the Upper Colorado River Basin snowpack and Northern Sierra snowpack into SWP reservoirs.

Unregulated inflow into Lake Powell in the water year 2022 (October 2021 through September 2022) was only 63 percent of normal.

The United States Bureau of Reclamation (USBR) announced a first-ever Level 2A shortage declaration for 2022 for the Colorado River System.

On August 11, 2022, Governor Newsom announced California's latest actions to increase water supply and adapt to more extreme weather patterns caused by climate change in a document called "California's Water Supply Strategy, Adapting to a Hotter, Drier Future." The strategy recognizes that the American West is experiencing extreme, sustained drought conditions caused by hotter, drier weather.

WHEREAS, Deteriorating Colorado River Supply Is Focusing Attention on California's Water Use

The Colorado River system has been continuously in drought since 2000. Lake Mead and Lake Powell were nearly full in 2000; however, both reservoirs are now at their lowest levels since initial filling. Without additional action, Lake Mead elevation levels are projected to decline further.

In December 2021, the United States Department of the Interior (DOI) and water agencies within Arizona, California, and Nevada agreed to the 500+ Plan. In the 500+ Plan, water agencies in the three states voluntarily committed to conserving an additional 500,000 acre-feet (AF) in both 2022 and 2023 to protect Lake Mead elevation levels further.

In June 2022, USBR Commissioner Camille Touton announced that Colorado River users need to reduce use by two to four million AF per year to protect Lake Powell and Lake Mead operations.

In August 2022, the USBR declared the first-ever Level 2A shortage for the calendar year 2023. Under a Level 2A shortage, Arizona, Nevada, and Mexico must agreed to contribute water under the Drought Contingency Plan (DCP).

In October 2022, California water agencies submitted a proposal to the USBR to voluntarily reduce an additional 400,000 AF of water in Lake Mead in each of four years, beginning in 2023 and lasting through 2026.

WHEREAS, the State of Emergency Exists in All California Counties Due to Severe Drought Conditions.

On October 19, 2021, Governor Newsom proclaimed a state of emergency in all California counties due to severe drought conditions. This proclamation called for all Californians to voluntarily reduce their water use by 15 percent immediately.

The proclamation further directed: (1) the California State Water Resources Control Board (SWRCB) to develop regulations prohibiting wasteful water use; and (2) the California Department of Water Resources (DWR) to help local agencies alleviate acute potable water shortages.

The SWRCB adopted emergency regulations to prohibit wasteful water use on January 4, 2022, and on November 23, 2022, proposed to extend these regulations for another 12 months.

On March 28, 2022, Governor Gavin Newsom issued Executive Order N-7-22 calling on all Californians to strive to limit summertime water use and to use water more efficiently indoors and out.

Executive Order N-7-22 required that urban water suppliers implement, at a minimum, the shortage response actions of their Water Shortage Contingency Plans (WSCP) for a shortage level of up to twenty percent (Level 2). The Executive Order also encourages urban water suppliers to conserve more than Level 2 target by voluntarily activating more stringent local requirements based on a shortage level of up to thirty percent (Level 3).

WHEREAS, Metropolitan's SWP Supplies Are Curtailed.

Beginning in the fall of 2019, the watersheds supplying the SWP received below-average precipitation. DWR classified the three following water years as dry or critically dry.

The three-year sequence of water years 2020, 2021, and 2022 (October 1, 2019, through September 30, 2022) were the driest in California for statewide precipitation.

On March 18, 2022, DWR reduced the SWP Table A allocation for 2022 from 15 to only five percent of contract amounts. Table A allocations for 2020 and 2021 were 20 and five percent, respectively. The last three years mark the lowest three-year combined deliveries of allocated water in the history of the SWP.

In 2022, DWR used a provision of the SWP Contract (Article 18(a)) to allocate water on a basis other than Table A to meet minimum demands of contractors for domestic supply, fire protection, or sanitation during the year. Contractors that received these human health and safety (HH&S) deliveries are required to pay back to DWR future Table A water on a one AF to one AF basis within five calendar years.

On December 1, 2022, DWR announced an initial allocation for the SWP at five percent of contract amounts. DWR also provisionally allocated additional SWP water to ensure that the SWP contractors can meet their HH&S needs during the year.

WHEREAS, Metropolitan's SWP Supplies Are Essential to Meet the Needs of All Member Agencies.

Over the past 20 years, the SWP provided about 30 percent of the region's water needs.

Diamond Valley Lake, Metropolitan's largest surface water reservoir and source of dry-year and emergency water supplies, has only been replenished with SWP supplies since the discovery of Quagga mussels in Colorado River water. As of December 1, 2022, storage in Diamond Valley Lake was 497,000 AF, or 61 percent of capacity.

A SWP allocation of less than 15 percent would be insufficient to meet normal potable demands in areas where Metropolitan depends on the SWP to meet its member agencies' needs, nor can it serve SWP supplies to other member agencies or replenish storage in Diamond Valley Lake.

WHEREAS, Metropolitan, Its Member Agencies, and Others in the Region Have Taken Extraordinary Steps to Reduce Demands and Bolster Supplies.

In conjunction with its member agencies, counties, cities, and wholesale and retail water suppliers, the Metropolitan service area has decreased its potable water demands ~~within its service area~~ by 40 percent, roughly 80 gallons per person per day, since 1990.

Metropolitan invested \$1.6 billion in conservation, local water recycling, and local groundwater recovery since 1990, resulting in cumulative savings of nearly 7.9 million AF.

Metropolitan invested more than \$3.1 billion in increasing storage capacity with Diamond Valley Lake and conveyance capacity with the Inland Feeder to capture SWP supply when available for later use in dry years.

Metropolitan and its Member Agencies and Local-local water suppliers and communities have also made strategic and forward-looking investments in water recycling, stormwater capture and reuse, surface and groundwater storage, seawater desalination, and other strategies to improve drought resilience.

Water conserved throughout the service area, among other things, helped preserve storage in Metropolitan's diverse storage portfolio during these dry conditions.

Continued action by Southern California residents to conserve water and extend local groundwater and surface water supplies, along with continued investments to secure additional water supplies will provide greater resilience if the drought continues in future years.

WHEREAS, Metropolitan and Its Member Agencies Have Taken Specific Actions to Preserve SWP and Colorado River Supplies.

On August 17, 2021, by Minute Item 52481, Metropolitan's Board adopted a resolution declaring a "Condition 2 – Water Supply Alert" to preserve Metropolitan's supply for the region.

On November 9, 2021, by Minute Item 52581, Metropolitan's Board adopted a resolution recognizing the statewide drought emergency, declaring specified emergency conditions to exist within portions of its service area, and calling on member agencies to take various actions to preserve Metropolitan's supply from the SWP.

On April 26, 2022, by Minute Item 52802, Metropolitan's Board adopted a resolution declaring a Water Shortage Emergency Condition and established an Emergency Water Conservation Program (EWCP) for member agencies within the SWP Dependent Area.

On June 30, 2022, Metropolitan submitted its Annual Water Supply and Demand Assessment to DWR. This assessment showed a potential shortage of 44 percent without WSCP actions. Metropolitan's actions under the Board-adopted WSCP to date include: (1) withdrawing water from storage accounts; (2) executing flexible supplies such as water transfers; and (3) implementing voluntary demand reduction programs.

On October 11, 2022, Metropolitan's Board adopted a resolution that strongly recommended cities and water agencies across Southern California pass ordinances permanently prohibiting the installation and irrigation of non-functional turf.

On November 16, 2022, more than 30 water agencies in the Upper and Lower Colorado River Basins, including Metropolitan, signed a Memorandum of Understanding (MOU) committing to voluntarily reduce demand on the Colorado River. As part of the MOU, each water agency will enforce its appropriate demand management programs to help curtail the need for Colorado River water and protect elevation levels at both Lake Powell and Lake Mead.

WHEREAS, Additional Actions Are Needed to Manage and Preserve SWP and Colorado River Supplies.

Despite the efforts made to date by Metropolitan, member agencies, and others in the region, additional actions are needed to manage and preserve SWP and Colorado River supplies.

The Metropolitan Board of Directors believes that member agencies should review their WSCPs and immediately implement ~~mandatory~~ conservation measures to help address the SWP and Colorado River supply shortages. This call conforms to Governor Newsom's Executive Order N-7-22 requiring, at a minimum, the shortage response actions of their WSCPs at a Level 2 (up to 20 percent) and reaffirms Governor Newsom's call for voluntary Level 3 (up to 30 percent) WSCP conservation actions.

The Metropolitan Board of Directors understands that while each agency must conform to the shortage response actions required by Executive Order N-7-22 at a Level 2 (up to 20 percent), the local conditions faced and prior investments made by each agency will drive their specific selection of shortage response actions at the mandated Level 2 or voluntary Level 3 (up to 30 percent).

The Metropolitan Board of Directors further believes that it is necessary and desirable to work closely with member agencies in identifying near-term actions that could be taken to address this regional drought emergency and the SWP supply shortages. On August 16, 2022, Metropolitan's Board adopted a resolution affirming a Call to Action and a Commitment to Regional Reliability for All Member Agencies to further this effort. This resolution directed the General Manager to identify a portfolio of projects and programs in coordination with the member agencies to address the need to connect and serve each member agency with more than one supply source. This portfolio of actions was to be provided for Board approval in February 2023.

WHEREAS, the Emergency Water Conservation Program Has Successfully Reduced Use of SWP during 2022 and Will Continue Implementation through June 2023

The Board authorized the EWCP in April 2022 to adaptively preserve supplies by reducing non-essential uses of water delivered through the SWP system. EWCP implementation began on June 1, 2022, and continues through June 30, 2023.

Six member agencies within the SWP Dependent Area, serving approximately 6.9 million people, participated in the EWCP in 2022. These member agencies were monitored against outdoor watering restrictions or volumetric limits for the seven months between June and December 2022.

Because of the SWP Dependent Area member agencies' extraordinary efforts, the EWCP achieved its objective of reducing demands within the limited SWP supply available as of November 2022.

During June-December 2022, the SWP Dependent Area member agencies took mandatory water supply cuts from their expected SWP use by an average of 35 percent, with some facing reductions of up to 73 percent. As of December 1, 2022, these member agencies surpassed this objective and used 35 percent less than was expected without emergency conservation and 3 percent less SWP supply than the total volumetric limit. No penalties were issued under the EWCP as of November 2022.

WHEREAS, the Water Supply Allocation Plan Is Metropolitan's Board-Approved Approach for Managing Regionwide Water Supply Shortages

Metropolitan's Board first adopted the Water Supply Allocation Plan (WSAP) in February 2008. Under this plan, the Board may determine a regional shortage, establish a shortage level, and implement a surcharge for water use above a member agency's annual allocation.

The Water Supply Allocation is adopted during regional water shortages to conserve scarce water supplies.

California Water Code section 375 authorizes public agencies to adopt programs and rate structures to encourage water conservation after holding a public hearing and making appropriate findings of necessity.

NOW, THEREFORE, BE IT RESOLVED that under the express and implied powers and authorities granted by The Metropolitan Water District Act (Statutes 1969, ch.209, as amended), the Board of Directors of The Metropolitan Water District of Southern California hereby **expands the geographic area of the emergency conditions declared in November 2021 and now REAFFIRMS THE DECLARES A REGIONAL DROUGHT EMERGENCY** ~~declared in November 2021~~ encompassing the District's entire service area. Per this Declaration, the Board calls on all member agencies to continue actions to:

- (1) Review the adequacy of their current drought response measures.
- (2) Make all reasonably practicable changes in their operations to reduce their use of Metropolitan's SWP and Colorado River supplies, including those already in storage.
- (3) Immediately mandate and implement such conservation requirements, water-use efficiency measures, and drought-related limitations as appropriate to reduce the use of Metropolitan's SWP and Colorado

River supplies, including those already in storage. These measures should reflect actions identified in adopted WSCPs at a minimum Level 2 and recommended Level 3 as appropriate for their specific local conditions.

BE IT FURTHER RESOLVED that Metropolitan's General Manager is hereby directed to continue coordinating with the member agencies and bringing to the Board for authorization, as appropriate, the following actions:

- (1) A unified message to communicate the status of this regional drought emergency and the need for continued conservation to the general public, businesses, stakeholders, industries, and public officials.
- (2) An aggressive pursuit of all available short-term water transfer exchange opportunities to reduce the existing water supply constraints imposed on the member agencies.
- (3) Expanded regional water use efficiency programs for this regional drought emergency, provided budget or grant funding is available.
- (4) Measures to ensure all portions of the service area attain a high level of reliability against multi-year, severe droughts. Measures include, but are not limited to, system improvements, local water supply development, new water storage opportunities, and water efficiency gains.
- (5) State and federal funding and resources for the region to accelerate conservation and supply programs.

BE IT FURTHER RESOLVED that, should drought conditions persist or worsen in the coming months, Metropolitan's Board of Directors will consider implementing the regional Water Supply Allocation Plan for all member agencies in March 2023 to be effective from July 2023 to June 2024.

BE IT FURTHER RESOLVED that notwithstanding anything in Metropolitan's Administrative Code to the contrary, direction and authorities previously delegated to the General Manager under the November 2021 Regional Drought Emergency resolution, the April 2022 Water Shortage Emergency Condition resolution, and the August 2022 Call to Action and Commitment to Reliability Resolution continue.

BE IT FURTHER RESOLVED that the duration of requested actions and the delegation of authority will continue until further Board action.

BE IT FURTHER RESOLVED that the Emergency Water Conservation Program (EWCP) will continue implementation in the SWP Dependent Area through June 2023. SWP Dependent Area member agencies under the EWCP will receive new volumetric limits for January through June 2023.

BE IT FURTHER RESOLVED that the Board acknowledges that Metropolitan's staff continues to work cooperatively and productively with member agencies and that collectively they will recommend a portfolio of actions to address the disparity in water reliability for SWP-dependent agencies in a month later than the February 2023 resolution adopted by the Board on August 16, 2022.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of a resolution adopted by the Board of Directors of The Metropolitan Water District of Southern California at its meeting held December 13, 2022.

Secretary of the Board of Directors
of The Metropolitan Water District
of Southern California

Upcoming Board Items

Item No. 8b

ANTICIPATED KEY ITEMS OF FOCUS – NOT AN EXHAUSTIVE LIST
SCHEDULE SUBJECT TO CHANGE

January	<ul style="list-style-type: none">• Pure Water Program Management Agreement• Nomination and Election of nonofficer members of the Executive Committee for two-year term effective January 10, 2023
February	<ul style="list-style-type: none">• Board Report on Portfolio of Recommended Actions for State Water Project Dependent Areas• Authorize Colorado River Protection Volume Agreements• Board Retreat (Metropolitan Priorities Visioning)
March	<ul style="list-style-type: none">• Report on Alternatives being Considered by Reclamation in Supplemental EIS for Colorado River Basin Operations
April	<ul style="list-style-type: none">• Delta Conveyance Project Follow-up Workshop

(Efforts underway to have a 12-month look-ahead)

The schedule of the following upcoming board items has not yet been determined:

May - December	<ul style="list-style-type: none">• Metropolitan Storage Portfolio Workshop• Sustainability, Resiliency, and Innovation Strategic Plan Workshop• Board Consideration Related to VA Package - (draft agreements and appendices, coupled with potentially required federal legislation)• Federal Grants for Large Recycled Water Projects
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