

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 19, 2023**

At 8:30 a.m., President Yoo Schneider called to order the Regular Meeting of the Municipal Water District of Orange County, in the Board Room at the District facilities located in Fountain Valley, as well as including attendance via the Zoom Webinar application. Following a moment of silence, Director Seckel led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Al Nederhood
Larry Dick
Bob McVicker
Karl Seckel
Randall Crane
Jeffery M. Thomas
Megan Yoo Schneider

STAFF

Harvey De La Torre, Interim General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Melissa Baum-Haley, Int. Dir. of MET Issues/Policy
Alex Heide, Water Resource Analyst
Cathy Harris, Director of HR and Administration
Kevin Hostert, Water Resource Analyst
Heather Baez, Governmental Affairs Manager

ALSO PRESENT

Dennis Erdman
Linda Ackerman
Doug Davert
Kathryn Freshley
Mike Gaskins
Kay Havens
Mark Monin
Jose Vergara
Dennis Cafferty
Sherri Seitz
Vu Chu
Doug Reinhart
Peer Swan
Paul Weghorst
John Kennedy
Alicia Dunkin
Jim Atkinson
Dick Fiore
Sherry Wanninger
Chuck Gibson
Saundra Jacobs
Dan Ferons
Jim Leach
Greg Mills
Jennifer Lopez
Glenn Acosta
Tom Lindsey
Dick Ackerman

MWDOC/MET Director
MWDOC/MET Director
East Orange County Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
El Toro Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Orange County Water District
Orange County Water District
Mesa Water
Moulton Niguel Water District
Moulton Niguel Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Santa Margarita Water District
Serrano Water District
South Coast Water District
Trabuco Canyon Water District
Yorba Linda Water District
Ackerman Consulting

Lisa Ohlund
Kristy Khachigian
Brooke Jones

Ohlund Management & Technical Services
KK Consulting

PUBLIC PARTICIPATION/PUBLIC COMMENT

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

No public comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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

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

Interim General Manager advised that the District received a letter from OCWD regarding MWDOC’s Budget which was distributed to the Board and made available to the public.

CONSENT CALENDAR

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

President Yoo Schneider advised she would like the March 1, 2023 Workshop minutes revised to reflect that Director McVicker started as Chair of the meeting. IRWD Director Swan asked that his name be listed as in attendance.

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

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

MINUTES

The following minutes were approved.

- March 1, 2023 Workshop Board Meeting
- March 3, 2023 Special Board Meeting
- March 15, 2023 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting:	March 6, 2023
Administration & Finance Committee Meeting:	March 8, 2023
Executive Committee Meeting:	March 16, 2023

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of March 31, 2023
Disbursement Registers (March/April)

The following items were received and filed as presented.

Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment Report) as of February 28, 2023

PARS Monthly Statement (OPEB Trust)

FINANCIAL REPORT

The following items were received and filed as presented.

Combined Financial Statements and Budget Comparative for the Period Ending February 28, 2023

APPROVAL/RATIFICATION OF PARTICIPATION IN THE CENTER FOR DEMOGRAPHIC RESEARCH (CDR)

The Board approved participation in the Center for Demographic Research for fiscal years 2023-24 (\$62,433.14), 2024-25 (\$67,789.43), and 2025-26 (\$72,648.54) for a total of \$202,871.11 over the 3-year Memorandum of Understanding (MOU) term. The annual amounts will be included in the budgets for each of the above-mentioned fiscal years.

MOULTON NIGUEL WATER DISTRICT USE OF THE ORANGE COUNTY HYDRAULIC MODEL

The Board (1) Approved the addition of Brown and Caldwell (B&C) to the MWDOC On-Call Technical Services slate under the Engineering area of focus, and (2) Approved two agreements relating to MWDOC member agency use of the Orange County Regional Distribution System Hydraulic Model (OC Hydraulic Model): (a) Authorized the Interim General Manager to enter into a cost reimbursement agreement with Moulton Niguel Water District (MNWD) to reimburse MWDOC for on-call technical services in conjunction with use of the OC Hydraulic Model and hydraulic modeling services regarding analysis of a proposed emergency pump-in project to the East Orange County Feeder #2 from Santa Ana’s East Street Station, in a total not to exceed amount of \$21,338 plus a 20% model usage fee of up to \$4,268. The final 20% model usage fee

will be determined and billed upon completion of MNWD’s use of the OC Hydraulic Model; and (b) Approved a consulting services agreement with Brown & Caldwell (B&C) through MWDOC’s On-Call Technical Services slate in an amount not to exceed \$21,338 for services to complete the scope of work related to hydraulic modeling of a proposed pump-in project to the East Orange County Feeder #2 from Santa Ana’s East Street Station as defined by MNWD and B&C.

RATIFY APPOINTMENT OF AD HOC COMMITTEE REGARDING THE RFP PROCESS FOR GENERAL MANAGER RECRUITMENT

The Board ratified the appointment of Directors Yoo Schneider, McVicker, and Thomas to the Ad Hoc Committee regarding the RFP Process for the General Manager recruitment effort.

- END CONSENT CALENDAR -

PUBLIC HEARING/ACTION ITEM

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

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

ETWD Director Kathryn Freshley expressed concern with an increase in Director Compensation highlighting the current economy; she encouraged the Board to vote no on any increases.

IRWD Director Swan stated his belief that he understood the Administration & Finance Committee recommended no increase in Director Compensation.

There being no further comments, President Yoo Schneider closed the Public Hearing and announced that the proposal to adopt Ordinance No. 56 was before the Board for consideration.

Directors Seckel, Crane and Thomas each suggested the Board not increase its compensation for the upcoming year, with Director Crane commenting that although several members of the Board that were present at the Administration & Finance Committee expressed the desire for no increase, the Committee did not formally recommend a position to the Board.

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

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

ACTION CALENDAR

RESCINDING MWDOC’S WATER SHORTAGE CONTINGENCY PLAN LEVEL 2

Upon MOTION by Director McVicker, seconded by Director Seckel, and carried (7-0), the Board adopted RESOLUTION NO. 2137, rescinding MWDOC’s Water Shortage Contingency Plan Level 2, thereby placing MWDOC at Level 0; with the District continuing to promote banning wasteful watering practices consistent with Executive Order N-5-23. RESOLUTION NO. 2137 was adopted by the following roll call vote:

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

ADOPTION OF THE BUDGET FOR FISCAL YEAR 2023-24

President Yoo Schneider announced that the proposed budget for fiscal year 2023-24 was before the Board for consideration. She referenced the Administration & Finance Committee recommendation wherein memberships and travel associated with the California Council for Environmental and Economic Balance (CCEEB) and the Association of Metropolitan Water Agencies (AMWA) were removed from the third draft budget; she stated her belief that due to the benefits received from these organizations, it would be prudent to add them back in to the budget.

Director Crane made a MOTION, which was seconded by Director Seckel to add memberships and associated travel for both CCEEB and AMWA to the budget.

Considerable discussion ensued regarding the benefits (or lack thereof) of membership in both entities; members of the Board then expressed both support and opposition to adding these funds back into the budget. Due to the nature of the discussion, Director Seckel suggested each entity be voted on separately; Director Crane agreed to separate the two memberships/travel and Director Seckel concurred.

Upon MOTION by Director Crane, seconded by Director Seckel and carried (5-2), the Board approved adding the membership and associated travel funds in CCEEB to the fiscal year 2023-24 budget by the following roll call vote:

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

Director Crane then made a MOTION, which was seconded by Director Seckel, to approve adding the membership and associated travel funds for AMWA into the fiscal year 2023-24 budget. Said MOTION failed by a 3-4 roll call vote as follows:

- AYES: Directors McVicker, Crane and Yoo Schneider
- NOES : Directors Nederhood, Dick, Seckel and Thomas
- ABSENT: None

ABSTAIN: None

The Board then discussed the issues outlined in OCWD’s recent comment letter on the budget, namely the addition of 1 FTE employee (Public Affairs), the salary pool of 11.45% (and how this number was calculated), and the recent contracts for the Government Affairs advocacy budget (Whittingham and Dopudja & Wells). This discussion was followed by explanations from Interim General Manager De La Torre on the reasons for including these items in the budget, as well as the overall positive comments and feedback from the member agencies (including comments on the positive progress being made by including the agencies in discussions and input on the recently approved Reserves Policy).

Following discussion, and upon MOTION by Director Thomas, seconded by Director Dick, and carried (7-0), the Board adopted RESOLUTION NO. 2138 approving and establishing the MWDOC Budget for Fiscal Year 2023-24, including the General Fund, Reserve Fund, Water Fund, Water Use Efficiency Fund, WEROC Fund and AMP Fund, as presented (and including the addition of the membership and associated costs of CCEEB), by the following roll call vote:

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

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2023-24

President Yoo Schneider announced that the proposed Water Rates Resolution for fiscal year 2023-24 was before the Board for consideration.

It was noted that the charges outlined in the proposed Resolution would be updated/increased to reflect the new rates (in particular the Groundwater Customer Charge) as a result of the addition of CCEEB into the budget. Directors Seckel and Thomas suggested the Groundwater Customer Charge remain as presented and that the membership/travel costs for CCEEB be funded either through Reserves or another area of the budget (at the Interim General Manager’s discretion).

Following discussion on the Groundwater Customer Charge, and upon MOTION by Director Seckel, seconded by Director Thomas, and carried (7-0), the Board (1) Increased the MWDOC Retail Meter Charge from \$13.75 to \$14.25 per meter, and increased the Groundwater Customer Charge from \$368,501 to \$383,697 effective July 1, 2023; and (2) adopted RESOLUTION NO. 2139 setting forth rates and charges to be effective July 1, 2023 and January 1, 2024 as identified in the Water Rate Resolution for Fiscal Year 2023-24. It was noted that funding for CCEEB would be taken from reserves or another area of the budget at the Interim General Manager’s discretion. Said Resolution was adopted by the following roll call vote:

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

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, APRIL 2023**

Interim General Manager De La Torre advised that the full General Manager's report was included in the Board packet.

The Board received and filed the report as presented.

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

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

Director Nederhood advised that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular and Special Board meetings), three MET Board/Committee meetings (virtually), the WACO Planning meeting, and the ISDOC quarterly luncheon. He also provided an overview of the recent OC LAFCO meeting he attended.

Director Dick stated that he attended all of the regularly scheduled MWDOC meetings, (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular and Special Board meetings), the regularly scheduled MET Board and Committee meetings, an event at CSUF which recognized past leaders of OC (including Congressman Royce and others, and wherein Senator Dick Ackerman acted as Master of Ceremonies), a discussion with Representative Young Kim, the WACO and WACO Planning meetings, the MET Ad Hoc committees on Ethics and Facilities, the Southern California Water Coalition meeting, the ISDOC luncheon, a preparation meeting for the MET Finance Committee, the MET Caucus, the Special Board meeting and Elected Officials Forum, the Garden Grove Chamber of Commerce Government Affairs meeting, the recent Summit event hosted by many organizations including Orange County and San Diego agencies, a meeting with Supervisor Wagner, and the Serrano Water District Board meeting.

Director McVicker reported that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop meeting and Regular and Special Board meetings), the OCWA webinar, the MET subcommittee meeting on Long Term Regional Planning (virtually), the ISDOC luncheon and ISDOC Executive Committee meeting, the OCWD Board meeting, the WACO meeting, and the MET Committee meetings.

Director Seckel advised that he attended the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular and Special Board meetings), the regularly scheduled MET Board and Committee meetings, the Elected Officials Forum, the Special Board meeting, the OCWD Board meetings, the OCWA meeting, the OCBC Infrastructure Committee meeting, the GWRS dedication, an Infrastructure Committee meeting, the OC LAFCO meeting, the Mesa Board meeting, the Colorado River Inspection Trip planning meeting, the MET Caucus, several

MWDOC/MET Director meetings, and an internal coordination meeting in preparation for the MET meetings. He also noted that he was a featured speaker at the Orange Coast Huddle meeting (where he spoke on water in California and Colorado River issues).

Director Crane reported that he attended most the regularly scheduled MWDOC meetings, (Planning & Operations, Administration & Finance, and Executive Committee meetings), Special Board Meetings, the OCWD Board meeting, the MET Board meeting (virtually), the ISDOC luncheon, and the WACO meeting. He also advised that he spoke at an Irvine synagogue on MWDOC issues, and he was interviewed by KCI on his role as a MWDOC Director.

Director Thomas stated that he attended all of the regularly scheduled MWDOC meetings, (the Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular and Special Board meetings), MET meetings (virtually), the Special Board meeting and Elected Officials Forum, the Ad Hoc Committee regarding the Reserves Policy, and the virtual ACWA meeting.

Director Yoo Schneider advised that she attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular and Special Board meetings), the Special Board meeting and Elected Officials Forum, the SMWD Board meeting, the South Orange County Economic Coalition Mayors event, the Laguna Beach County Water District Commission meeting, the OCWD Board meeting, the South County agencies meeting, the SMWD Water Quality & Treatment Committee meeting. She advised that she was interviewed on the Impact OC radio channel, and that she would be speaking at the ASCE conference.

a. REQUESTS FOR FUTURE AGENDA TOPICS

No topics were suggested.

ADJOURNMENT

There being no further business to come before the Board, President Yoo Schneider adjourned the meeting at 9:48 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary