

REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
18700 Ward Street, Fountain Valley, California  
May 17, 2023, 8:30 a.m.

**This meeting will be held in person. As a convenience for the public, the meeting may also be accessed by Zoom Webinar and will be available by either computer or telephone audio as indicated below. Because this is an in-person meeting and the Zoom component is not required, but rather is being offered as a convenience, if there are any technical issues during the meeting, this meeting will continue and will not be suspended.**

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

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

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

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## AGENDA

### MOMENT OF SILENCE

### PLEDGE OF ALLEGIANCE

### ROLL CALL

### PUBLIC COMMENTS/PARTICIPATION

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

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

### ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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

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

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

**NEXT RESOLUTION NO. 2140**

**CONSENT CALENDAR (Items 1 to 5)**

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

**1. MINUTES**

- a. April 5, 2023 Workshop Board Meeting
- b. April 6, 2023 Special Board Meeting
- c. April 6, 2023 Special Board Meeting (Elected Officials Forum)
- d. April 19, 2023 Regular Board Meeting
- e. April 28, 2023 Special Board Meeting
- f. April 29, 2023 Special Board Meeting

*Recommendation: Approve as presented.*

**2. COMMITTEE MEETING REPORTS**

- a. Planning & Operations Committee Meeting: April 3, 2023
- b. Administration & Finance Committee Meeting: April 12, 2023
- c. Executive Committee Meeting: April 20, 2023
- d. MWDOC/OCWD Joint Planning Committee: April 26, 2023

*Recommendation: Receive and file as presented.*

**3. TREASURER'S REPORTS**

- a. MWDOC Revenue/Cash Receipt Register as of April 30, 2023
- b. Disbursement Registers (April/May)

*Recommendation: Ratify and approve as presented.*

- c. Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of March 31, 2023
- d. PARS Monthly Statement (OPEB Trust)

*Recommendation: Receive and file as presented.*

**4. FINANCIAL REPORT**

- a. Combined Financial Statements and Budget Comparative for the Period Ending March 31, 2023
- b. Quarterly Budget Review

*Recommendation: Receive and file as presented.*

**5. CALL FOR CANDIDATES AND AUTHORIZATION TO VOTE ON BEHALF OF MWDOC IN THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' (ACWA) ELECTION OF PRESIDENT, VICE PRESIDENT, AND REGION 10 BOARD OF DIRECTORS**

*Recommendation: Authorize MWDOC Board President Megan Yoo Schneider or her designee to cast the District's ballot for the ACWA President, Vice President, and Region 10 Board of Directors; and direct staff to bring this item back to the Board in August after the official ballot has been released, to review the candidates for both President and Vice President, and the Region 10 Board of Directors. At that time, the Board can determine if they would like to direct the District's designee to vote for particular candidates.*

**End Consent Calendar**

**ACTION CALENDAR**

**6-1 ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND GUIDELINES**

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

*Recommendation: Approve the staff recommendation for changes to our Investment Policy and Guidelines and adopt a Resolution.*

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

**7. GENERAL MANAGER'S REPORT, MAY 2023 (ORAL AND WRITTEN)**

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

**8. MWDOC GENERAL INFORMATION ITEMS**

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

*Recommendation: Receive and file as presented.*

## **ADJOURNMENT**

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

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

April 5, 2023

At 8:30 a.m., President Yoo Schneider called to order the Workshop 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. Director Nederhood led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Harvey De La Torre, Interim General Mgr.  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, District Secretary  
Melissa Baum-Haley, Int. Dir. of MET Issues/Policy  
Alex Heide, Water Resources Analyst  
Charles Busslinger, Dir. of Engineering/Dist. Eng.  
Kevin Hostert, Water Resources Analyst  
Damon Micalizzi, Director of Public Affairs  
Heather Baez, Governmental Affairs Manager  
Vicki Osborn, Director of Emergency Management  
Joe Berg, Director of WUE  
Cathy Harris, Director of H.R. & Administration

\*Also MWDOC-MET Directors

**OTHER MWDOC-MET DIRECTORS**

Linda Ackerman  
Dennis Erdman

**OTHERS PRESENT**

Sara Tucker (absent)  
Garrett Durst  
Syrus Devers  
Dick Ackerman  
Ed Means  
Paul Jones  
Peter Whittingham  
Brad Coffey  
Dave Youngblood  
Kathryn Freshley  
Mike Gaskins  
Kay Havens  
Mark Monin  
Jose Vergara  
Dennis Cafferty  
Vu Chu  
Mike Dunbar  
Steve LaMar

NRR  
NRR  
Best, Best & Krieger  
Ackerman Consulting  
Means Consulting  
Dopudja & Wells Consulting  
Whittingham Public Affairs Advisors  
Metropolitan Water District of So. Calif.  
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  
Emerald Bay Service District  
Irvine Ranch Water District

Doug Reinhart	Irvine Ranch Water District
Peer Swan	Irvine Ranch Water District
Paul Weghorst	Irvine Ranch Water District
Frank Prewoznik	Irvine Ranch Water District
Jim Atkinson	Mesa Water
Paul Shoenberger	Mesa Water
Stacy Taylor	Mesa Water
Dick Fiore	Moulton Niguel Water District
Don Froelich	Moulton Niguel Water District
Bill Moorhead	Moulton Niguel Water District
Sherry Wanninger	Moulton Niguel Water District
Laura Rocha	Moulton Niguel Water District
Kaden Young	Moulton Niguel Water District
Kelly Rowe	Orange County Water District
Mike Markus	Orange County Water District
John Kennedy	Orange County Water District
Alicia Dunkin	Orange County Water District
Adam Hutchinson	Orange County Water District
Saundra Jacobs	Santa Margarita Water District
Betty Olson	Santa Margarita Water District
Jim Leach	Santa Margarita Water District
Chip Monaco	Santa Margarita Water District
Brad Reese	Serrano Water District
Rick Erkeneff	South Coast Water District
Rick Shintaku	South Coast Water District
Fernando Paludi	Trabuco Canyon Water District
Lisa Ohlund	Ohlund Management & Technical Services
Emily Novak	San Diego County Water Authority
Kristy Khachigian	KK Consulting

## **PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

SMWD Director Saundra Jacobs referenced OCWD's recent meeting wherein OCWD discussed consolidation as well as their application to LAFCO for a Municipal Services Review Focused Study; she suggested that MWDOC request that alternatives to consolidation be explored.

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

No items were presented.

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

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

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

## **PRESENTATION / DISCUSSION ITEMS**

### **PRESENTATION BY MET STAFF UPDATING THE BOARD ON WATER SURPLUS AND DROUGHT MANAGEMENT CONDITIONS**

Mr. Brad Coffey (MET Group Manager/Water Resource Management) provided a water supply and drought management update. His presentation included information on hydrologic conditions (snowpack at 200% of average, and the Northern Sierra Precipitation/8 station index), storage conditions, the water supply demand balance, and an update on the Water Supply Demand Management (WSDM) program (including Table "A" allocations of 75% and Article 21 water supplies). He concluded his report by providing an overview of MET's next steps (member agency local groundwater/reservoir water management workshop, plans to initiate the cyclic cost-offset program, and efforts to seek additional cyclic storage partners).

The audience members then engaged in a discussion with the Board regarding various issues including the chances of the Table "A" allocation increasing, Colorado River supplies (and trigger balances between Lakes Powell and Mead), potential additional strategies to capture more water (e.g., programs with the Bureau of Reclamation and shifting water from the State Water Project to Colorado River), the groundwater workshop, the potential for rescinding the non-functional turf resolution, and storage conditions and capacities.

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

### **LEGISLATIVE ACTIVITIES**

#### **a. Federal Legislative Report (NRR)**

Mr. Garrett Durst (NRR) reviewed NRR's written report in the packet, highlighting the appropriations process (including efforts regarding the WEROC earmark funding), the Waters of the U.S. activities, Colorado River negotiations, and the House National Resources Committee hearing regarding water storage. He also highlighted the draft water bill by Congressman Garamendi which was included in the packet and encouraged comments and feedback by the end of April; it was noted that any comments be provided to Heather Baez.

The Board received and filed the report.

#### **b. State Legislative Report**

Mr. Syrus Devers, of BBK, reviewed his report, highlighting the process for AB 1572 (Friedman regarding non-functional turf) suggesting an "oppose unless amended" position; and SB 687 (Eggman regarding Water Quality Control Plan/Delta Conveyance Project). Discussion ensued regarding the future of the State's Water Use Efficiency standards and pursuing all efforts to influence the process.

Following discussion, the Board received and filed the report.

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

Mr. Dick Ackerman referenced his report, highlighting CEQA reform.

The Board received and filed the report.

**d. County Legislative Report (Whittingham)**

Mr. Peter Whittingham referenced his report, and the upcoming LAFCO agenda.

**e. MWDOC Legislative Matrix**

The Board received and filed the reports.

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

Director Ackerman highlighted the new Committees created at MET; the approval of an \$8 million contract with Black & Veatch (Pure Water/Reach 2); the approval of a change order for overhead cranes; a presentation on Power Operations and Planning; a problem with turbidity at the Jensen Power Plant; the Colorado River shutdown (complete); and an agreement with Western MWD regarding providing assistance with deliveries to disadvantaged communities.

Director Seckel commented on his activities on the Pure Water Committee (noting a concern on increased costs), and the Legal & Claims Committee. Considerable discussion ensued regarding the Pure Water activities, costs (and increase in rates), and the upcoming cost of service analysis.

Director Dick reported on the approval of several high-dollar contracts, AB 1572, the efforts to modernize water rights, the naming of the "Pace" Board Room, activities on the Finance Committee, annexation efforts of Eastern MWD, and the scheduled future workshops on risk assessments, definitions, and ethics.

**ACTION ITEMS****AB 557 (HART) – OPEN MEETINGS: TELECONFERENCES**

Upon MOTION by Director Dick, seconded by Director Seckel, and carried (6-0), the Board adopted a support position on AB 557 (Hart) and authorized joining CSDA's coalition letter and outreach efforts, by the following roll call vote:

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

**AB 735 (BERMAN) – WORKFORCE DEVELOPMENT: UTILITY CAREERS**

Upon MOTION by Director McVicker, seconded by Director Seckel, and carried (6-0), the Board adopted a support position on AB 735 (Berman) and authorized joining CMUA's coalition letter and outreach efforts, by the following roll call vote:

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

**AB 1572 (FRIEDMAN) – POTABLE WATER, NONFUNCTIONAL TURF**

Upon MOTION by Director McVicker, seconded by Director Seckel, and carried (6-0), the Board adopted an oppose unless amended position on AB 1572 (Friedman) and authorized joining ACWA's coalition letter and outreach efforts, by the following roll call vote:

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

**SB 366 (CABALLERO) – THE CALIFORNIA WATER PLAN: LONG-TERM SUPPLY TARGETS**

Upon MOTION by Director Nederhood, seconded by Director McVicker, and carried (6-0), the Board adopted a support position on SB 366 (Caballero) and authorized joining CMUA's coalition letter and outreach efforts, by the following roll call vote:

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

**AB 460 (BAUER-KAHAN), AB 1337 (WICKS), & SB 389 (ALLEN): WATER RIGHTS**

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (6-0), the Board adopted an oppose position on AB 460 (Bauer-Kahan), AB 1337 (Wicks), and SB 389 (Allen), and authorized joining ACWA and CMUA's coalition and outreach efforts, by the following roll call vote:

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

**INFORMATION ITEMS****MWD ITEMS CRITICAL TO ORANGE COUNTY**

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

Discussion was held regarding the history of MWDOC's participation in the OC MET Caucus meetings (how previously they were hosted by MWDOC and included the cities of Anaheim, Santa Ana, and Fullerton (three cities), and the reasons why the OC and Inland Agency Caucus were moved to the Inland Empire Utilities Agency). Following discussion on MWDOC's outreach efforts with the three cities, staff was directed to continue to send invitations to the cities of Anaheim, Santa Ana, and Fullerton to attend these meetings. OCWD General Manager Markus encouraged the Caucus meetings return to MWDOC.

The Board received and filed the report as presented.

**METROPOLITAN (MET) BOARD AND COMMITTEE AGENDA DISCUSSION ITEMS**

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

The report was received and filed.

**ADJOURNMENT**

There being no further business, the meeting adjourned at 10:18 a.m.

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Maribeth Goldsby  
Board Secretary

**MINUTES OF THE SPECIAL BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)**

April 6, 2023

At 5:00 p.m. President Yoo Schneider called to order the Special Meeting of the Municipal Water District of Orange County in Conference Room 101 at the District facilities located in Fountain Valley, California. Director Dick led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Harvey De La Torre, Interim General Mgr.  
Joe Byrne, Legal Counsel (via phone)  
Maribeth Goldsby, District Secretary  
Heather Baez, Governmental Affairs Manager  
Joe Berg, Director of Water Use Efficiency  
Damon Micalizzi, Director of Public Affairs

**OTHERS PRESENT**

Linda Ackerman  
Dennis Erdman  
Peter Whittingham  
Dick Ackerman  
Paul Weghorst  
Sherry Wanninger  
Mike Markus  
Alicia Dunkin  
Chuck Gibson  
Saundra Jacobs  
Frank Ury  
Jim Leach  
Chip Monaco  
Kristy Khachigian

MWDOC/MET Director  
MWDOC/MET Director  
Whittingham Public Affairs Advisors  
Ackerman Consulting  
Irvine Ranch Water District  
Moulton Niguel Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
KK Consulting

**PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

No public comments were received.

**DISCUSS OCWD REQUEST FOR LAFCO TO ANALYZE CONSOLIDATION IN MSR**

Interim General Manager, Harvey De La Torre provided an overview of OCWD's Board meeting wherein the OCWD Board approved the appropriation of funds (approximately \$300,000) for the LAFCO MSR Focused Study (Study), and invited MWDOC to be a co-applicant in the Study. He noted that OC LAFCO will select a consultant for the Study on April 12, 2023.

Each Board member weighed in and discussion/opinions included: not participating in the study; how the study could effectively evaluate the benefits of a potential consolidation between the two agencies without providing South County access to the groundwater basin and not merging the cities of Anaheim, Santa Ana, and Fullerton into the proposed consolidated agency; the need/importance of evaluating all options for the best form of effective and efficient government; OCWD not providing flexibility or options; the lack of substance of the Grand Jury Report (where this discussion originated); the many reviews of the same issue over the years and the general conclusion that savings and/or efficiencies are not warranted (thereby stalling further evaluation); sending a letter to OC LAFCO asking for a delay (to allow time for the two Boards to meet and discuss); supporting OCWD with their efforts to pursue the study and participating/cooperating when called upon; and OCWD's desire to have a seat on the MET Board.

Following this discussion, President Yoo Schneider suggested the Board send a letter to OC LAFCO asking for a delay in process (until after the May 5, 2023 Joint Board meeting between the two agencies). Directors Nederhood and Thomas expressed concern with this approach noting their opposition to the study and further discussions on this issue (as it has been reviewed and studied many times in the past).

SMWD Director Sandra Jacobs suggested that rather than delay the process, MWDOC should ask for expanding the proposed consultant's scope (which would include the three cities and basin issues).

Upon MOTION by Director Crane, seconded by Director Seckel, and carried (5-2), the Board authorized a letter be sent to OC LAFCO asking for a delay in the consultant approval process to allow time for the MWDOC and OCWD Boards to meet, as well as asking to expand the proposed consultant's scope of work. Said action was taken by the following roll call vote:

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

## **ADJOURNMENT**

There being no further business, the meeting adjourned at 5:58 p.m.

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Maribeth Goldsby  
District Secretary

MINUTES OF THE SPECIAL MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
April 6, 2023

At 6:00 p.m. President Yoo Schneider called to order the Special Meeting of the Municipal Water District of Orange County Board of Directors, in the Board Room at the District facilities located in Fountain Valley, as well as including attendance via the Zoom Webinar application. Director Dick 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 PRESENT**

Harvey De La Torre, Interim General Manager  
Maribeth Goldsby, District Secretary  
Melissa Baum-Haley, Int. Dir. of MET Issues/Policy  
Joe Berg, Director of Water Use Efficiency  
Heather Baez, Governmental Affairs Manager  
Damon Micalizzi, Director of Public Affairs  
Alex Heide, Water Resources Analyst  
Vicki Osborn, Director of Emergency Mgmt.

**ALSO PRESENT**

Linda Ackerman  
Dennis Erdman  
Frances Marquez  
George Murdoch  
Kathryn Freshley  
Mark Monin  
Ted Bui  
Kim Constantine  
Glen Grandis  
Cindy Ngo Tran  
Peer Swan  
Paul Weghorst  
Michael Van Dyke  
Janet Keo Conklin  
Jim Atkinson  
Richard Fiore  
Don Froelich  
Bill Moorhead  
Brian Probolsky  
Diane Rifkin  
Sherry Wanninger  
Joone Lopez  
Jose Solorio  
Drew Atwater  
Kelly Rowe  
Alicia Dunkin  
Chuck Gibson  
Sandra Jacobs  
Frank Ury  
Chip Monaco

MWDOC/MET Director  
MWDOC/MET Director  
City of Cypress  
East Orange County Water District  
El Toro Water District  
El Toro Water District  
City of Fountain Valley  
City of Fountain Valley  
City of Fountain Valley  
City of Garden Grove  
Irvine Ranch Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
City of La Palma  
Mesa Water  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Moulton Niguel Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District  
Santa Margarita Water District

Schelly Sustarsic	City of Seal Beach
Brad Reese	Serrano Water District
Rick Erkeneff	South Coast Water District
Stephen Dopudja	Trabuco Canyon Water District
Ed Mandich	Trabuco Canyon Water District
Fernando Paludi	Trabuco Canyon Water District
Dick Ackerman	Ackerman Consulting
Peter Whittingham	Whittingham Public Affairs Consultants
Lisa Ohlund	Ohlund Management & Technical Services
Kristy Khachigian	Kristy Khachigian Consulting
Emily Novak	San Diego County Water Authority

## **PUBLIC COMMENTS**

No public comments were received.

## **DISCUSSION ITEMS**

### **DISCUSSION WITH REPRESENTATIVES FROM MWDOC'S MEMBER AGENCIES REGARDING KEY REGIONAL AND ORANGE COUNTY ISSUES, INCLUDING THE MWDOC'S PROPOSED BUDGET AND ACTIVITIES FOR FY 2023-24, WATER SUPPLY CONDITIONS FOR 2023, AN OVERVIEW OF MET'S BOARD RETREAT, AND MWDOC/OCWD BOARD DISCUSSIONS (INCLUDING OCWD'S LAFCO MSR FOCUSED STUDY)**

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

- MWDOC FY 2023-24 Budget and Activities
- Water Supply Conditions for 2023
- Overview of MET's Board Retreat and Next Steps
- MWDOC/OCWD Board Discussions and OCWD's LAFCO Municipal Services Review (MSR) Focused Study

Interim General Manager De La Torre began the evening with a presentation and overview of MWDOC's FY 2023-24 proposed budget, including MET's adopted rates and charges. Mr. De La Torre also provided an overview of MWDOC's role and services, and District priorities for 2023-34, including MET representation. Discussion was held regarding MWDOC's Reserve Policy, and the process by which the Reserve Policy was recently amended (via workgroup discussions that included member agency participants as well as MWDOC's Ad Hoc Committee).

Mr. De La Torre then provided information and updates on the current Water Supply Conditions and outlook for water year 2023, noting Governor Newsom eased drought restrictions due to the wet year circumstances. His presentation also highlighted the Table "A" allocations (75%), Northern California snow water equivalent, the 2023 water supply demand balance (allowing more water to be stored), and Colorado River Basin conditions. A brief discussion ensued regarding the region's infrastructure and ability to handle the additional water.

Interim Director of MET Issues and Policy, Melissa Baum-Haley, then presented an overview of the recent MET Board retreat noting its goal was to identify targets and timelines for resource and financial planning. She advised that the retreat consisted of facilitated discussions emphasizing the goal of maximizing value and regional benefits, as well as identifying common and unique needs of the region's diverse member agencies. Discussion was held regarding Article 21 (or "surplus" SWP water due to the wet winter), as well as the importance of MWDOC and MET assisting MWDOC's member agencies at the legislative level on various areas of importance to the retail agencies.

Interim General Manager Harvey De La Torre concluded the evening with an update and overview of the recent discussions between the MWDOC and OCWD Boards, as well as OCWD's request to OC LAFCO for an MSR Focused Study. Director Nederhood reiterated his opposition to this effort.

### **ADJOURNMENT**

There being no further business to come before the Board, President Yoo Schneider adjourned the meeting at 7:55 p.m.

**Respectfully submitted,**

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Maribeth Goldsby, Secretary

**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  
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,

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Maribeth Goldsby, Secretary

**MINUTES OF THE SPECIAL BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)**

April 28, 2023

At 8:30 a.m. President Yoo Schneider called to order the Special Meeting of the Municipal Water District of Orange County in Conference Room 101 at the District facilities located in Fountain Valley, California. Legal Counsel Joe Byrne led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Harvey De La Torre, Interim General Mgr.  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, District Secretary  
Heather Baez, Governmental Affairs Manager  
Joe Berg, Director of Water Use Efficiency  
Damon Micalizzi, Director of Public Affairs  
Melissa Baum-Haley, Int. Dir. of MET Issues/Policy  
Charles Busslinger, Director of Engineering

**OTHERS PRESENT**

Peter Whittingham  
Peer Swan  
Mike Markus  
John Kennedy  
Lisa Ohlund

Whittingham Public Affairs Advisors  
Irvine Ranch Water District  
Orange County Water District  
Orange County Water District  
Ohlund Management & Technical Services

**PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

No public comments were received.

**STUDY SESSION ON MWDOC AND OCWD RELATIONS AND DISCUSSION  
REGARDING LAFCO'S MUNICIPAL SERVICES REVIEW FOCUSED STUDY**

Interim General Manager, Harvey De La Torre provided an overview of the MWDOC's and OCWD's history (including enabling legislation and missions), background, working relations between the two agencies, the 2022 Grand Jury Report, previous reviews and studies on consolidation, recent activities, OCWD's request for a LAFCO MSR Focused Study (Study), and potential next steps.

Director Nederhood spoke in opposition of the study and overall effort. His comments included an overview of the core differences of the two agencies. He also stated his belief that the Study is fatally flawed (unless the Study includes the potential for all of Orange County to have access to the groundwater basin). He encouraged the Board to issue a statement in opposition.

Considerable discussion ensued regarding the core differences of the two agencies, as well as opportunities to work together to improve water reliability in the region. Some Board members believed that although the two Districts have distinct missions, they complement each other and that working collaboratively together would ensure two strong agencies which would provide benefit to the community.

The Board also discussed areas of disagreement between the two agencies, as well as prior consolidation efforts/discussions and the reasons why both agencies determined that consolidation would not work in the past (governance, groundwater access to South Orange County agencies, cost of terminating CalPERS retirement benefits, and legislative issues relating to the MET Act). The Board questioned whether anything has changed since the prior discussions on consolidation (2013); it was confirmed that there has been no changes, and as a result, the issues prohibiting consolidation continue to exist. It was noted that unless a consolidation would benefit the entire service area, several of the MWDOC Board members would not support the effort at this time. Board members also felt that OCWD's strong decisions and actions were not warranted, and that a process should be established to work through the issues.

Following discussion, the Board generally concurred that although they opposed any consolidation efforts, they supported OCWD as an agency and encouraged cooperation between the two agencies. In response to OCWD's strong position and actions, it was suggested that a discussion of what needs/issues OCWD believes are not being met, be addressed at the Joint MWDOC/OCWD Board meeting (scheduled for May 5, 2023).

## **ADJOURNMENT**

There being no further business, the meeting adjourned at 10:39 a.m.

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Maribeth Goldsby  
District Secretary

**MINUTES OF THE SPECIAL BOARD MEETING  
OF THE BOARD OF DIRECTORS OF  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC)**

April 29, 2023

At 8:30 a.m. President Yoo Schneider called to order the Special Meeting of the Municipal Water District of Orange County in Conference Room 101 at the District facilities located in Fountain Valley, California. District Secretary Maribeth Goldsby led the Pledge of Allegiance and called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Harvey De La Torre, Interim General Mgr.  
Joe Byrne, Legal Counsel (absent)  
Maribeth Goldsby, District Secretary  
Joe Berg, Director of Water Use Efficiency  
Damon Micalizzi, Director of Public Affairs  
Melissa Baum-Haley, Int. Dir. of MET Issues/Policy  
Charles Busslinger, Director of Engineering

**OTHERS PRESENT**

Paul Brown	Paul Redvers Brown, Inc.
Peer Swan	Irvine Ranch Water District
Mike Markus	Orange County Water District
Dan Ferons	Santa Margarita Water District
Chip Monaco	Santa Margarita Water District
Lisa Ohlund	Ohlund Management & Technical Services

**TELECONFERENCE SITE**

Director Crane attended the meeting via telephone from Irvine, California. All agenda requirements pursuant to the Ralph M. Brown Act were complied with.

**PUBLIC PARTICIPATION/PUBLIC COMMENTS**

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

No public comments were received.

Following introductions and exercises focusing on “appreciative listening,” the Board commenced the strategic planning discussions.

**STRATEGIC PLANNING DISCUSSIONS ON MWDOC’S KEY ISSUES, DIRECTION,  
AND MISSION (SECOND SESSION)**

The Strategic Planning session was facilitated by Paul Brown. Mr. Brown provided a summary of the first workshop (held in March) and presented his findings as a result of the Post-It note exercise from that meeting. As a result of exercise, he developed a list summarizing the top

ten questions raised during the first workshop and suggested the meeting participants review the booklet/document that was prepared by staff which answers the questions. The questions included:

- What has MWDOC's role been in project development and how has that changed over the years?
- What benefits can MWDOC add to local project development that cannot be obtained by other means?
- How do Metropolitan Directors from MWDOC reach agreement on critical votes? Are Member Agencies consulted? Do the MWDOC Directors consult with the Directors from the three cities?
- What is the history of the Local Resources Program (LRP) and how has it helped Orange County? What is the present status of the LRP?
- What are the key findings of the current Reliability Study, including expected demands and future supply?
- What are the worst-case implications of volatility and hydrologic extremes on the SWP and Colorado River water? What can be done about it?
- What were the key take-aways from the facilitated discussions with the Member Agencies process? What are we doing in response?
- What are the future opportunities for increased Water Use Efficiency (WUE)? Where can MWDOC have the most impact?
- How does WEROC support MWDOC's mission? What is its greatest value?
- What is MWDOC doing/planning to maximize the impact of public outreach and education campaigns? How do we measure success?

The session then covered developing and prioritizing District goals under each topic area developed in Workshop 1 (mission/role, outreach/education and advocacy, Member Agency relationships, and Metropolitan representation).

The session concluded with a discussion on developing a process for establishing specific objectives and outcomes needed to achieve high-priority goals. The following additional goals were identified: develop new water sources creating less dependency on the SWP and Colorado River, create more storage (both groundwater and surface water), increase desalination opportunities, address climate driven water issues, increased recycled water, provide more focused outreach on reducing outdoor water use, and empower management to implement workforce development and succession planning.

Considerable discussion ensued following the presentation, with emphasis on outreach to the business community (specific messaging), targeted marketing, the importance of not overreaching into Member Agency responsibility ("developing" new supplies, etc.), whether MWDOC should venture into owning infrastructure, and the importance of the facilitated discussions (collaborating and partnering with the Member Agencies).

Mr. Dan Ferons (SMWD General Manager) and Mr. Mike Markus (OCWD General Manager) commented on the importance of creating a specific goal to encourage water supply development by the Member Agencies.

Following this discussion, Mr. Brown advised that he would synthesize and suggest language per the Board discussion on these goals and bring them back for the Board's review. He

emphasized the need to solicit the Member Agencies for input/feedback (consistent with the Member Agency facilitated process).

**ADJOURNMENT**

There being no further business, the meeting adjourned at 1:00 p.m.

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Maribeth Goldsby  
District Secretary

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

Jointly with the  
**PLANNING & OPERATIONS**  
April 3, 2023 – 8:30 a.m. to 9:55 a.m.

Director McVicker called the meeting to order at 8:30 a.m. The meeting was held in person at the District offices, as well as including attendance via the Zoom Webinar application.

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

**Committee:**

Director McVicker, Chair  
Director Nederhood  
Director Seckel

**Staff:**

Harvey De La Torre, Pari Francisco,  
Tina Dubuque, Hilary Chumpitazi, Rachel Davis  
Heather Baez, Maribeth Goldsby, Charles  
Busslinger, Rachel Waite, Joe Berg, Alex Heide,  
Beth Fahl, Dave Anderson, Janine Schunk, Kevin  
Hostert, Vicki Osborn, Damon Micalizzi, Michelle  
DeCasas, Sarah Wilson

**Also, Present:**

Director Megan Yoo Schneider  
Director Randall Crane  
Director Jeff Thomas  
Director Larry Dick  
Linda Ackerman, MET Director  
Saundra Jacobs, Santa Margarita WD  
Dick Ackerman, Ackerman Consulting  
Adam Hutchinson, Orange County WD  
Alicia Dunkin, Orange County WD  
Jim Atkinson, Mesa WD  
Sherry Wanninger, Moulton Niguel WD  
Mark Monin, El Toro WD  
Donald Froelich, Moulton Niguel WD  
Dennis Cafferty, El Toro WD  
Sherry Seitz, El Toro WD  
Emily Novak, San Diego Water Authority  
Carol Moore, Moulton Niguel WD  
Chip Monaco, Santa Margarita WD  
Vu Chu

Paul Weghorst, Irvine Ranch WD  
Peer Swan, Irvine Ranch WD  
Doug Reinhart, Irvine Ranch WD  
Bill Green, South Coast WD  
Laura Freese, Santa Margarita WD  
Kay Havens, El Toro WD  
Laura Rocha, Moulton Niguel WD  
Mike Gaskin, El Toro WD  
Jose Vergara, El Toro WD  
John Kennedy, Orange Coast WD  
David Youngblood, East Orange County WD  
Chuck Gibson, Santa Margarita WD  
Kathryn Freshley, El Toro WD  
Kelly Rowe, Orange County WD  
Brad Reese, Serrano WD  
Jim Leach, Santa Margarita WD  
Sarah Macdonald, Western Municipal WD  
Yarib Dheming, Inside the Outdoors  
Craig Miller, Western Municipal WD

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**PUBLIC PARTICIPATION**

Ms. Saundra Jacobs, Director, Santa Margarita Water District (SMWD), spoke on behalf of the SMWD Board of Directors in support of the Municipal Water District of Orange County's

(MWDOC) letter to Orange County Water District's (OCWD) President Cathy Green dated March 29, 2023) between OCWD and MWDOC.

### **ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were received too late to be agendized.

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

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

### **PRESENTATION ITEM**

#### **PRESENTATION REGARDING SOLVE THE WATER CRISIS & NEXT STEPS**

Mr. Craig Miller, General Manager of Western Municipal Water District and a founding member of the Solve the Water Crisis coalition, provided an update on Solve the Water Crisis coalition's efforts since its formation in the spring of 2022 and outlined the coalition's next steps which included a public relations campaign through CMUA supporting the proposed legislation SB 366 (Caballero).

The Committee received and filed this presentation.

### **ACTION ITEM**

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

Mr. Charles Busslinger, Director of Engineering, explained the CDR had been the single centralized source of Orange County demographic information since 1996. CDR prepares demographic forecasts for local, subregional, and regional applications regarding population, housing, and employment statistics. Mr. Busslinger went on to say that CDR does a three-year budget; therefore, he is asking that the Committee recommend that the Board of Directors approve the 3-year Memorandum Of Understanding (MOU) term, which would include fiscal years 2023-2024, 2024-2025 and 2025-2026.

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors 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.

A roll call vote was taken, with Directors McVicker, Nederhood, and Seckel voted in favor. This item will be presented to the Board on April 19, 2023.

#### **MOULTON NIGUEL WATER DISTRICT USE OF THE ORANGE COUNTY HYDRAULIC MODEL**

Mr. Charles Busslinger, Director of Engineering, explained that the Orange County Hydraulic Model was developed for the member agencies to use when developing local

projects. Moulton Niguel Water District (MNWD) has also asked that Brown & Caldwell be added to MWDOC's Technical On-Call Services list.

Director Seckel inquired if any of MNWD's scope of work included addressing the introduction of local water supplies into a MET-operated pipeline under MET Admin Code 4519 – Emergency Deliveries of Member Agency Water Supplies in Metropolitan's System. Mr. Busslinger indicated that MNWD was using this scope of work to better define the project and the costs in detail. Mr. Busslinger said MWDOC submitted to MNWD in writing that there would be a separate process to obtain MET approval to allow the introduction of local supplies into EOCF#2, with the first step being to get a better handle on the exact cost and provide the necessary technical information to move forward with environmental permitting.

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors authorize the following items:

1. Approve the addition of Brown and Caldwell (B&C) to the MWDOC On-Call Technical Services slate under the Engineering area of focus, and
2. Approve two agreements relating to MWDOC member agency use of the Orange County Regional Distribution System Hydraulic Model (OC Hydraulic Model):
  - a. Authorize 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 the 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 the 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.
  - b. Approve 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.

A roll call vote was taken, with Directors McVicker, Nederhood, and Seckel voted in favor. This item will be presented to the Board on April 19, 2023.

## **RESCINDING MWDOC'S WATER SHORTAGE CONTINGENCY PLAN LEVEL 2**

Mr. Harvey De La Torre, Interim General Manager, explained that Governor Newsom signed Executive Order N-5-23, which removed the recommendation that water agencies be at Level 2 of their Water Shortage Contingency Plan (WSCP) and can determine their own locally appropriate conditions.

Mr. Alex Heide, Water Resources Analyst, provided a short presentation highlighting how and why MWDOC was at Level 2 of their (WSCP) and what changes have occurred to justify moving from Level 2 to Level 0.

Upon MOTION by Director Seckel, seconded by Director Nederhood, and carried (3-0), the Committee recommended the Board of Directors rescind MWDOC's Water Shortage Contingency Plan Level 2, thereby placing MWDOC at Level 0; direct staff to develop the associated resolution; and continue to promote banning wasteful watering practices consistent with Executive Order N-5-23.

A roll call vote was taken, with Directors McVicker, Nederhood, and Seckel voted in favor. This item will be presented to the Board on April 19, 2023.

### **INFORMATION ITEMS**

#### **2023 WATER POLICY FORUM & DINNER SCHEDULE**

The Committee received and filed this report.

#### **MWDOC CHOICE SCHOOL PROGRAMS UPDATE**

The Committee received and filed this report.

#### **2023 WATER POLICY FORUM & DINNER SCHEDULE**

The Committee received and filed this report.

### **STATUS REPORTS**

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

The Committee received and filed these reports.

**REVIEW OF ISSUES RELATED TO PLANNING OR ENGINEERING PROJECTS, WEROC, WATER USE EFFICIENCY, FACILITY AND EQUIPMENT MAINTENANCE, WATER STORAGE, WATER QUALITY, CONJUNCTIVE USE PROGRAMS, EDUCATION, PUBLIC AFFAIRS PROGRAMS AND EVENTS, PUBLIC INFORMATION PROJECTS, PUBLIC INFORMATION CONSULTANTS, DISTRICT FACILITIES, and MEMBER-AGENCY RELATIONS**

No additional information was presented.

### **ADJOURNMENT**

There being no further business brought before the Committee, Chairperson McVicker adjourned the meeting at 9:55 a.m.

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

Jointly with the

**ADMINISTRATION & FINANCE COMMITTEE**

April 12, 2023 – 8:30 a.m. to 11:24 a.m.

Director Dick called the meeting to order at 8:30 a.m. The meeting was held in-person at the District offices as well as including attendance via the Zoom Webinar application.

**A&F Committee**

Director Larry Dick, Chair  
Director Jeff Thomas  
Director Randy Crane

**Staff:**

Alana Salas-Yoshii, Alex Heide, Beth Fahl,  
Charles Busslinger, Christina Hernandez,  
Harvey De La Torre, Heather Baez,  
Janine Schunk, Cathy Harris, Judy Roberts,  
Katie Davanaugh, Tiffany Baca, Kevin Hostert,  
Maribeth Goldsby, Michelle DeCasas,  
Nate Shepherd, Pari Francisco, Rachel Davis,  
Rachel Waite, Sam Fetter, Sarah Wilson,  
Damon Micalizzi, Steven Hung, Tina Fann,  
Vicki Osborn, Hilary Chumpitazi

**Also Present:**

Director Al Nederhood (absent)  
Director Bob McVicker  
Director Megan Yoo Schneider (departed 9:07 a.m.)  
Director Karl Seckel (arrived at 9:58 a.m.)  
  
MWDOC Met Director Linda Ackerman  
MWDOC MET Director, Dennis Erdman

Brad Reese, Serrano Water District  
Chip Monaco, Santa Margarita Water District  
Dick Fiore, Moulton Niguel Water District  
Dennis Cafferty, El Toro Water District  
Donald Froelich, Moulton Niguel Water District  
Doug Reinhart, Irvine Ranch Water District  
Fiona Sanchez, Irvine Ranch Water District  
Jennifer Lopez, South Coast Water District  
Jim Atkinson, Mesa Water District  
John Kennedy, Orange County Water District  
Jose Vergara, El Toro Water District  
Kay Havens, El Toro Water District  
Keith Van Der Maaten, Laguna Beach Co. Water  
Kristy Khachigian, consultant  
Mark Monin, El Toro Water District  
Chuck Gibson, Santa Margarita Water District  
Peer Swan, Irvine Ranch Water District  
Syrus Devers, BBK  
Stacy Taylor, Mesa Water  
Vu Chu, El Toro Water District  
Andrew Kanzler, City of Anaheim

**ROLL CALL**

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

It was noted that Directors Seckel and Nederhood were attending the LAFCO meeting and therefore not present at this meeting.

**PUBLIC COMMENTS**

No comments were received.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

No items were presented.

Interim General Manager De La Torre noted that Item 2 listed on the agenda, Review of Standardized Regulatory Impact Assessment of Proposed Making Water Conservation a California Way of Life Regulation, was being removed from the agenda. The staff report was received and filed at this time.

The agenda was reorganized, as listed below, and the budget item was presented first.

**ACTION ITEM****ADOPTION OF THE THIRD DRAFT BUDGET FOR FISCAL YEAR 2023-24**

President Yoo Schneider requested that the Festival of the Butterflies held in San Juan Capistrano annually, be supported by MWDOC, in the amount of \$2,500. She commented that the event is a great way to enhance public outreach efforts and is very popular with Orange County residents. Directors Crane and Thomas expressed support for including this item in the budget. Director of Public Affairs, Damon Micalizzi noted that the event is well-attended and that prior efforts with MWDOC participating have been very successful and positive. MWDOC's mascot, Ricki the Raindrop, typically attends special events such as this festival and is very well received by attendees. Director Dick inquired about the total cost involved, including staff time and marketing materials and Mr. Micalizzi indicated he would get back to the Committee on the total cost.

MWDOC Board President Yoo Schneider departed the meeting at 9:07 a.m.

Interim General Manager De La Torre provided a presentation and review of the updates in the 3<sup>rd</sup> draft budget as outlined in the staff presentation. Refinements included a reduction in core expenditures by \$226,350 and a revenue decrease of \$8,700. This resulted in a reduction in the withdraw from reserves. The rates were outlined at a fixed meter charge of \$14.25 and an OCWD contribution of \$382,397. Mr. De La Torre reviewed expense category changes (year-to-date), as well as departmental increases which were greater than \$100,000.

Mr. De La Torre went on to review the merit pool formula; and discussion was held regarding this formula. It was noted that MWDOC salary increases are based on merit only and a COLA is not awarded.

Mr. Micalizzi provided an overview of current Public Affairs staffing levels and substantiation for the request to add one (1) additional staff member to next year's budget. Director Dick indicated that he is not in support of adding a staff member.

The 4 items under consideration to be included in the 2023-24 budget are as follows:

- A. One (1) additional FTE added to the Public Affairs Department
- B. "CA Water for All" Public Relations campaign (estimated per agency contribution of \$20,000)
- C. Director attending in Water Educational Tours (2) conducted by the Water Foundation of \$3,000 (including travel)
- D. Festival of Butterflies sponsorship of \$2,500

Each item was reviewed and discussed. The Committee concurred on adding item D to the budget, however referred Items A, B, C to the April 19<sup>th</sup> Board meeting for further discussion and consideration.

Director Seckel arrived at 9:58 a.m.

Additional discussion was held regarding memberships and associated travel for both CCEEB and AMWA. The Committee recommended these two memberships, along with the associated travel, be removed from the Third Draft Budget.

(The Committee took a 5-minute break at 10:03 a.m.)

## **PRESENTATION ITEM**

### **PRESENTATION REGARDING THE WATER ENERGY EDUCATION ALLIANCE (WEEA)**

Public Affairs Manager, Tiffany Baca, provided a presentation on the activities related to the District's participation and management of the Water Energy Education Alliance program that the District leads. The presentation included a review of the current sponsors and participants of the program. The presentation included the mission, vision and values of the program which include building and strengthening quality career pathways to water and energy jobs for all California students. Ms. Baca went on to review participation level in the program since inception as well as growth and expansion of the program and value to the community at large. Project goals include improving awareness, increase partnership awareness, conduct further research, develop cooperative work experiences, address equity gaps, continue to examine the current workforce and educate and inform students about water and energy career opportunities.

The Committee held discussion on the value of this program and the importance of getting information out to high school and college students and the significant efforts by staff in participating in this program. The Committee expressed support for the continuation of this program. The Committee held discussion on the budget for the program, with Ms. Baca reporting that MWDOC has not established a budget for this program, since inception. Mr.

Micalizzi noted that this program was first initiated during early 2020 at the start of COVID and that the program has grown substantially over the past 3 years. He noted that Ms. Baca has done a tremendous job in growing this program with sponsorships alone. Additional updates, including a budget, will be presented to the Committee at a future date.

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

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

- a. Revenue/Cash Receipt Report – March 2023
- b. Disbursement Approval Report for the month of April 2023
- c. Disbursement Ratification Report for the month of March 2023
- d. GM Approved Disbursement Report for the month of March 2023
- e. Consolidated Summary of Cash and Investment –February 2023
- f. OPEB and Pension Trust Fund statements

The Committee reviewed the Treasurer's Report and upon MOTION by Director Thomas seconded by Director Crane and carried (3-0), the Committee recommended approval of the Financial Report at the April 19, 2023 Board meeting. The vote was taken via roll call with Directors Dick, Crane and Thomas all voting in favor.

#### **FINANCIAL REPORT**

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

The Committee reviewed the Financial Report and upon MOTION by Director Thomas seconded by Director Crane and carried (3-0), the Committee recommended approval of the Financial Report at the April 19, 2023 Board meeting. The vote was taken via roll call with Directors Dick, Crane and Thomas all voting in favor.

### **ACTION ITEMS**

#### **REVIEW INFORMATION REGARDING PUBLIC HEARING (SCHEDULED FOR APRIL 19, 2023) TO ADOPT ORDINANCE SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 54 REGARDING COMPENSATION FOR DIRECTORS**

The Committee reviewed the information regarding the Public Hearing scheduled for April 19, 2023 to consider increasing Director Compensation. It was noted that the last time the Board approved an increase to its compensation was in 2019 (effective 1/1/2020). After several Board members present expressed the desire to not increase the compensation, the Committee recommended this item be presented to the Board with no recommendation from the Committee.

Upon MOTION by Director Thomas and seconded by Director Crane the item was referred to the April 19, 2023 Board meeting with no Committee recommendation. The vote was taken via roll call with Directors Dick, Crane and Thomas all voting in favor. It was noted that the law permits an increase of up to 5%. The consensus is that an increase is not warranted at this time.

### **PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2023-24**

The Committee reviewed the Water Rate Resolution for Fiscal year 2023-24 and upon MOTION by Director Thomas and seconded by Director Crane the item was referred to the April 19, 2023 Board meeting (Option 1) for approval. The vote was taken via roll call with Directors Dick, Crane and Thomas all voting in favor.

### **INFORMATION ITEMS**

#### **DEPARTMENT ACTIVITIES REPORTS**

- a. Administration
- b. Finance and Information Technology

#### **MONTHLY WATER USAGE DATA AND WATER SUPPLY INFORMATION**

The informational items were received and filed without discussion or comment.

### **OTHER ITEMS**

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

### **ADJOURNMENT**

There being no further business brought before the Committee, the Administration & Finance meeting was adjourned at 11:24 a.m.

MINUTES OF THE MEETING OF THE  
BOARD OF DIRECTORS OF THE  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
jointly with the  
**EXECUTIVE COMMITTEE**  
April 20, 2023, 8:30 a.m. to 9:58 a.m.  
Conference Room 101

**Committee:**

Director Yoo Schneider, President (absent)  
Director McVicker, Vice President  
Director Dick, Immediate Past President

**Staff:**

H. De La Torre, M. Goldsby, C. Harris

**Also Present:**

Director Nederhood  
Director Seckel  
Director Crane  
Linda Ackerman, MWDOC/MET Dir.

Don Froelich, MNWD  
Sherry Wanninger, MNWD  
John Kennedy, OCWD

Chuck Gibson, SMWD  
Kristy Khachigian, KK Consulting  
Peter Whittingham, WPA Consultants

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At 8:30 a.m., Vice President McVicker called the meeting to order. The meeting was held in-person at the District offices as well as including attendance via the Zoom Webinar application. Secretary Goldsby called the roll.

**PUBLIC PARTICIPATION**

No items were presented.

**ITEMS RECEIVED TOO LATE TO BE AGENDIZED**

No items were presented.

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

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

**EXECUTIVE COMMITTEE REVIEW OF FUTURE AGENDAS**

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

a. MWDOC/OCWD Joint Planning Committee

No new items were added to the agenda.

b. Special Board Meeting (April 28, 2023 re: LAFCO MSR Focused Study)

No new items were added to the agenda, however the Committee discussed the proposed LAFCO MSR Focused Study and past efforts regarding consolidation between MWDOC and OCWD. The Committee asked that the presentation materials be distributed to the Board prior to the meeting, and that the meeting time be changed from 8:00 am to 8:30 am.

c. Special Board Meeting (April 29, 2023 re: Strategic Planning)

No new items were added to the agenda.

d. Planning & Operations Committee

The Committee discussed the upcoming Water Policy dinner, and Director of Public Affairs, Damon Micalizzi reported that the Westin Hotel has increased its fees (by \$5000+); he asked if the Board would prefer to raise ticket prices or absorb the cost. The Committee suggested this be addressed under "Discussion Regarding Upcoming Activities of Significance."

Director Dick referenced the proposed discussion item regarding the Shared Services Program/Lead and Copper Rule Revisions and asked that the write up include how this program would be staffed.

No new items were added to the agenda.

e. Workshop Board Meeting

No new items were added to the agenda. Director Seckel suggested consultant Syrus Devers address the non-functional turf legislation in his report.

f. Special Board Meeting (May 5, 2023/Joint MWDOC/OCWD Board Meeting)

Interim General Manager De La Torre advised that this meeting would be facilitated by Paul Brown. Following a brief discussion, it was agreed that Mr. Brown would address the history of the issues involved and a "look forward" which would focus on actions to improve the relationship.

g. Administration & Finance Committee

Mr. De La Torre noted that the meeting would be held on Monday, May 15, 2023 (due to a conflict with the ACWA conference).

Director Nederhood thanked the Committee for their efforts with respect to revising the Reserve Policy, and Director Seckel asked that staff check with the auditors on the timing for changing the reporting format in the monthly reports (per the Reserve Policy changes).

No new items were added to the agenda.

**DISCUSSION REGARDING UPCOMING ACTIVITIES OF SIGNIFICANCE**

Discussion ensued regarding the increased costs of hosting the Water Policy dinner at the Westin Hotel, including areas that could be reduced (appetizers, parking, etc.). Mr. Micalizzi advised that the increased costs are industry-wide (after checking other venues). Following discussion, the Committee believed that the validation of parking should remain in the contract, and that although the goal should be break-even cost-wise, the District should not sacrifice the quality of the event. Staff was directed to evaluate ways to save and should set the price of the event close to a break-even point.

**MEMBER AGENCY RELATIONS**

Mr. De La Torre reported on a recent MET meeting to discuss the SWP Table A Allocation of 100%, and the Article 21 water taken (due to the wet winter); he noted that MWDOC asked MET to include OCWD in the meeting (MET concurred). He advised that the meeting included presentations on supply conditions and current local storage programs.

Considerable discussion ensued regarding the excess water available, how to capture the water, possible rate-adjustments to store more water, and using existing programs to incentivize water purchases (In-Lieu Cost-Offset Program, Cyclic Storage Program, etc.). Mr. De La Torre noted that additional/continued meetings regarding groundwater/surface water opportunities would be prudent and that he would be sending a letter to MET asking for additional meetings. The Committee asked that a copy of the letter be distributed at the Joint Planning Committee meeting.

**GENERAL MANAGER'S REPORTS**

Mr. De La Torre advised that he sent a letter to staff outlining some interim staff changes he made, namely, the adjustment of Melissa Baum-Haley to Interim Director of MET Issues and Policy, and Maribeth Goldsby to Interim Executive Assistant to the General Manager and District Secretary (to work directly under Mr. De La Torre). He asked that the Board contact Ms. Goldsby with staff requests to streamline the workflow.

Mr. De La Torre also advised that he appointed members of management staff to be his back-up (at Board and Committee meetings) in the event he is absent.

The Committee and Board members expressed support for these efforts.

**REVIEW AND DISCUSS DISTRICT AND BOARD ACTIVITIES**

Staff referenced the upcoming ACWA conference and suggested members of the Board let either Mr. Micalizzi or Mr. De La Torre know if the District would like to host a dinner at the conference.

**ADJOURNMENT**

There being no further business to be brought before the Committee, the meeting adjourned at 9:58 a.m.

**MEETING REPORT**  
**JOINT PLANNING COMMITTEE WITH BOARD OF DIRECTORS**  
**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY and**  
**ORANGE COUNTY WATER DISTRICT**  
April 26, 2023 - 8:30 a.m. – 10:11 a.m.  
Zoom Webinar Application

**MWDOC DIRECTORS**

Al Nederhood  
Larry Dick  
Bob McVicker  
Karl W. Seckel  
Randall Crane  
Jeffery M. Thomas  
Megan Yoo Schneider (via Zoom)

**OCWD DIRECTORS**

Dina Nguyen (absent)  
Denis Bilodeau  
Roger Yoh (via Zoom)  
Van Tran (absent)  
Steve Sheldon  
Cathy Green  
Kelly Rowe  
Valerie Amezcua (via Zoom)  
Natalie Meeks (absent)  
Bruce Whitaker

**MWDOC STAFF**

Harvey De La Torre  
Maribeth Goldsby  
Heather Baez  
Alex Heide  
Kevin Hostert  
Damon Micalizzi  
Joe Berg

**OCWD STAFF**

Mike Markus  
John Kennedy  
Jason Dadakis  
Gina Ayala  
Alicia Dunkin

**ALSO PRESENT**

Linda Ackerman  
Dave Youngblood  
Dennis Cafferty  
Peer Swan  
Paul Weghorst  
Keith Van Der Maaten  
Jim Atkinson  
Don Froelich  
Sherry Wanninger  
Chuck Gibson  
Saundra Jacobs  
Chip Monaco  
Brad Reese  
Tom Lindsey  
Dick Ackerman  
Lisa Ohlund  
Emily Novak  
Kristy Khachigian  
Beverley Bender  
Richard Bell

MWDOC/MET Director  
East Orange County Water District  
El Toro Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
Laguna Beach 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  
Serrano Water District  
Yorba Linda Water District  
Ackerman Consulting  
Ohlund Management & Technical Services  
San Diego County Water Authority  
KK Consulting

MWDOC Vice President McVicker chaired the meeting; he noted that President Yoo Schneider was participating via a teleconference site; all Brown Act requirements were complied with. The

meeting was held in person at the District offices, as well as including attendance via the Zoom Webinar application

## **PUBLIC COMMENTS**

No public comments were received.

## **IMPORTED WATER SUPPLY UPDATE**

MWDOC Water Resources Analyst Kevin Hostert updated the Boards on the current imported water supply conditions, highlighting the Northern California 8-station index's accumulated precipitation, snowpack, run-off percentages, key reservoir storage levels and "take" capacities, Colorado River status and Lake Mead's storage levels, the current SWP Table "A" allocation, and Article 21 surplus water availability.

MWDOC Interim General Manager Harvey De La Torre then provided highlights on MET's surplus conditions and an overview of MET's operational priority system regarding storage, as well as when the Conjunctive Use Program (program agreements and capacities) could be utilized. In addition, he explained under what conditions MET would offer for water to be stored in the Cyclic Program.

OCWD General Manager Mike Markus reported that as a result of all of OCWD's recharge basins being full (including 15,500 acre-feet of water behind Prado Dam), OCWD would not be able to purchase MET untreated water and did not budget to purchase imported water in the fiscal year 2023-24 year, however OCWD could take In-Lieu water this year (if they were able to pay over five years). He advised that with the completion of GWRS, OCWD's need to purchase imported water would decrease over time.

Considerable discussion ensued regarding the Cyclic Program, the high cost of imported water, the fact that replenishment water rates (untreated water at a discounted rate) was discontinued (due to no regional benefits), the importance of capturing as much water as possible, the need for a MET Groundwater workgroup to continue discussions on storage options/opportunities, and storage capacities (both surface and groundwater).

Following discussion, the Committees received and filed the presentation.

## **STATUS OF OCWD GROUNDWATER BASIN**

OCWD Executive Director of Engineering and Water Resources John Kennedy updated the Committee on the status of OCWD operations, which included updates on the Prado Dam operations, the OCWD groundwater basin accumulated overdraft, and OCWD's Basin Production Percentage (BPP) which was set at 85%.

Following discussion regarding the 85% BPP, peak flows, and capturing run-off, the Committee received and filed the report as presented.

## **EPA DRAFT MCL FOR PFAS**

Mr. Jason Dadakis (OCWD staff) provided an update on the USEPA's recent proposal and policy summary regarding PFAS. His presentation included information on current PFAS impacts, OCWD lab testing, California PFAS Drinking Water Advisories, OCWD's PFAS policy summary, the EPA's proposed PFAS drinking water regulations (in comparison to the National Primary

Drinking Water Regulations), an overview of the hazard index, the USEPA identified best available treatment technology and timelines for treatment, as well as the projected impacts to Orange County. He also provided an update on the Orange Groundwater Basin's PFAS issues, including an overview of the treatment system design/construction status at each location. Mr. Dadakis concluded his presentation with an outline of OCWD's next steps in response to the USEPA's proposal. Following discussion, the Committee received and filed the report as presented.

Several Board members thanked OCWD for efforts with respect to PFAS treatment, etc.

### **ANY FUTURE AGENDA ITEMS**

Director Nederhood commented on Cathy Green's run for ACWA President and suggested that in the event she is elected to that position, and due to potential conflicts of interest (due to a statewide office), she should recuse herself from any OCWD discussions regarding a potential consolidation between the two agencies.

Responding to a question from Director Dick, staff reported that the OC Water Summit would be held on October 13, 2023 at the Westin Hotel (South Coast Plaza).

IRWD Director Peer Swan suggested a presentation by OCSD regarding the proposed treatment process at an upcoming meeting (GWRS).

### **FUTURE COMMITTEE MEETINGS: JULY 26 AND OCTOBER 25, 2023**

It was noted that the next MWDOC/OCWD Joint Planning Committee meetings would be held on July 26, 2023 and October 25, 2023.

### **ADJOURNMENT**

There being no further business to come before the Committee, the meeting was adjourned at 10:11 a.m.

**Municipal Water District of Orange County  
REVENUE / CASH RECEIPT REPORT  
April 2023**

**WATER REVENUES**

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
4/03/2023	City of Buena Park	February 2023 Water deliveries	104,776.61
4/03/2023	City of La Habra	February 2023 Water deliveries	6,931.31
4/03/2023	City of La Palma	February 2023 Water deliveries	672.34
4/03/2023	Laguna Beach County Water District	February 2023 Water deliveries	126,421.63
4/06/2023	City of Westminster	February 2023 Water deliveries	14,948.03
4/11/2023	El Toro Water District	February 2023 Water deliveries	385,651.22
4/13/2023	City of Orange	February 2023 Water deliveries	51,407.90
4/13/2023	Orange County Water District	February 2023 Water deliveries	295,065.15
4/13/2023	Yorba Linda Water District	February 2023 Water deliveries	88,753.44
4/14/2023	East Orange Co Water District	February 2023 Water deliveries	547,097.04
4/14/2023	Golden State Water Company	February 2023 Water deliveries	687,641.66
4/14/2023	Irvine Ranch Water District	February 2023 Water deliveries	844,576.46
4/14/2023	Moulton Niguel Water District	February 2023 Water deliveries	1,644,013.78
4/17/2023	Santa Margarita Water District	February 2023 Water deliveries	1,407,397.06
4/17/2023	Santa Margarita Water District (ID9)	February 2023 Water deliveries	433,680.18
4/21/2023	City of Brea	March 2023 Water deliveries	8,826.38
4/21/2023	City of Huntington Beach	March 2023 Water deliveries	251,236.78
4/24/2023	City of Newport Beach	March 2023 Water deliveries	293,368.99
4/26/2023	City of La Habra	March 2023 Water deliveries	6,931.31
4/26/2023	Serrano Water District	March 2023 Water deliveries	8,523.47
4/27/2023	City of Westminster	March 2023 Water deliveries	14,948.03
4/27/2023	Trabuco Canyon Water District	March 2023 Water deliveries	31,854.93
4/28/2023	City of Seal Beach	March 2023 Water deliveries	11,459.94
<b>TOTAL WATER REVENUES</b>			<b>\$ 7,266,183.64</b>

**Municipal Water District of Orange County**  
**REVENUE / CASH RECEIPT REPORT**  
**April 2023**

**MISCELLANEOUS REVENUES**

<u>Date</u>	<u>From</u>	<u>Description</u>	<u>Amount</u>
4/03/2023	Karl Seckel	April 2023 Retiree Health insurance	184.29
4/11/2023	Steve Hedges	April 2023 Retiree Health insurance	46.78
4/24/2023	Stan Sprague	May 2023 Retiree Health insurance	184.29
4/24/2023	Igoe and Company Inc	COBRA Health and Vision insurance	2,798.64
4/24/2023	ODP Business Solutions LLC	Annual rebate	23.44
4/28/2023	US Bank	Monthly Interest	133.78
4/24/2023	Irvine Ranch Water District	January 2023 Smartimer rebate program	69.00
4/24/2023	Irvine Ranch Water District	February 2023 Smartimer rebate program	225.35
4/13/2023	City of Westminster	January 2023 Turf Removal rebate program	111.00
4/11/2023	City of Orange	February 2023 Turf Removal rebate program	333.00
4/11/2023	El Toro Water District	February 2023 Turf Removal rebate program	2,354.98
4/13/2023	City of Westminster	February 2023 Turf Removal rebate program	222.00
4/24/2023	Laguna Beach County Water District	February 2023 Turf Removal rebate program	7,061.00
4/18/2023	City of Newport Beach	January 2023 Spray to Drip rebate program	1,501.61
4/18/2023	City of Newport Beach	February 2023 Spray to Drip rebate program	798.96
4/03/2023	City of La Habra	December 2022 Turf Removal and Spray to Drip rebate program	1,236.34
4/03/2023	City of Orange	January 2023 Turf Removal and Spray to Drip rebate program	2,787.14
4/24/2023	Irvine Ranch Water District	January 2023 Turf Removal and Spray to Drip rebate program	26,534.58
4/03/2023	City of Fountain Valley	February 2023 Turf Removal and Spray to Drip rebate program	333.00
4/07/2023	City of Tustin	February 2023 Turf Removal and Spray to Drip rebate program	666.00
4/11/2023	City of La Habra	February 2023 Turf Removal and Spray to Drip rebate program	555.00
4/18/2023	City of Buena Park	February 2023 Turf Removal and Spray to Drip rebate program	555.00
4/24/2023	Irvine Ranch Water District	February 2023 Turf Removal and Spray to Drip rebate program	50,095.96
4/14/2023	City of San Clemente	January 2023 Smartimer, Turf Removal, Spray to Drip and High Efficiency Clothes Washer rebate program	5,645.50
4/14/2023	City of San Clemente	January 2023 Smartimer, Turf Removal, Spray to Drip, Rain Barrels and High Efficiency Clothes Washer rebate program	2,666.54
4/18/2023	Moulton Niguel Water District	February 2023 Smartimer, Rotating Nozzles, Turf Removal, Spray to Drip and High Efficiency Clothes Washers rebate program	61,062.23
4/18/2023	Mesa Water District	February 2023 Smartimer, Turf Removal and Spray to Drip rebate program	685.00
4/21/2023	City of Fullerton	Dedicated Irrigation Meters Measurement Program FY 2022-23	66,000.00
4/03/2023	City of Orange	Water Loss Control Shared Services FY 2022-23	419.00
4/03/2023	City of Orange	Water Loss Control Shared Services FY 2022-23	419.00
4/06/2023	City of Westminster	Water Loss Control Shared Services FY 2022-23	8,221.00
4/24/2023	City of La Palma	Water Loss Control technical assistance CY 2022 - E Source	9,110.00
4/18/2023	Irvine Ranch Water District	OC Reliability Study Supply and Demand data	10,000.00
4/03/2023	City of Orange	FY 2021-22 O & M Costs of the EOCF #2	30,771.37
4/07/2023	City of San Clemente	FY 2021-22 O & M Costs of the EOCF #2	2,625.93
4/07/2023	Mesa Water District	FY 2021-22 O & M Costs of the EOCF #2	41,286.21
4/10/2023	South Coast Water District	FY 2021-22 O & M Costs of the EOCF #2	2,334.16
4/17/2023	Santa Margarita Water District	FY 2021-22 O & M Costs of the EOCF #2	52,801.22
4/17/2023	Santa Margarita Water District (ID9)	FY 2021-22 O & M Costs of the EOCF #2	43,765.46
4/24/2023	Irvine Ranch Water District	FY 2021-22 O & M Costs of the EOCF #2	142,973.96
<b>TOTAL MISCELLANEOUS REVENUES</b>			<b>\$ 579,597.72</b>
<b>TOTAL REVENUES</b>			<b>\$ 7,845,781.36</b>

  
 Harvey De La Torre, Interim General Manager

  
 Hilary Chumpitazi, Treasurer

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2023**

Vendor/ Invoice	Description	Amount to Pay
<b>Core Disbursements:</b>		
<b>Accent Computer Solutions LLC</b>		
157428	May 2023 IT support services	7,483.00
***Total***		<b>7,483.00</b>
<b>ACCO Engineered Systems Inc</b>		
20355772	11/26/22 HVAC service repairs to VAV 24, 25, 34 and 42	6,400.00
20391026	03/19/23 Repair service on HVAC system VAV 25 and 31	2,030.58
***Total***		<b>8,430.58</b>
<b>Ackerman Consulting-Richard C Ackerman</b>		
1369	April 2023 Legal and regulatory specialized consulting services	3,500.00
***Total***		<b>3,500.00</b>
<b>Alta FoodCraft</b>		
12308469	April 2023 Coffee & tea supplies	144.45
12313065	May 2023 Coffee and tea supplies	273.96
***Total***		<b>418.41</b>
<b>Best Best and Krieger LLP</b>		
55401-MAR23	March 2023 Legal Services	15,433.17
961952	March 2023 State Advocacy Agreement services	8,000.00
55401-APR23	April 2023 Legal Services	13,643.02
964101	April 2023 State Advocacy Agreement services	8,000.00
***Total***		<b>45,076.19</b>
<b>Building Block Entertainment Inc</b>		
3572-2	Water Education videos for Orange County Schools	3,500.00
***Total***		<b>3,500.00</b>
<b>CDM Smith</b>		
90177584	April 2023 Services for water resource planning	12,545.50
***Total***		<b>12,545.50</b>
<b>Critical Mention Inc</b>		
2023-12653	Critical Mention annual subscription renewal for media monitoring service	8,500.00
***Total***		<b>8,500.00</b>
<b>CSU Fullerton ASC</b>		
AR172947	2020-2022 Service area for OC Retailers Population Estimates	8,138.07
AR172998	04/01/23-06/30/23 Center for Demographic Research support	14,365.50
***Total***		<b>22,503.57</b>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2023**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>Green Thumb (Indoor Plant Care) LLC-Dedo Verde Interior</b>		
20230480	May 2023 Indoor plant service	305.50
***Total***		<b>305.50</b>
<b>Dopudja &amp; Wells Consulting Inc</b>		
1232	March 2023 Consulting services on MET Strategic Issues and Priorities	11,210.00
***Total***		<b>11,210.00</b>
<b>E Source Companies LLC</b>		
10778	March 2023 Technical Assistance Program services for Water Loss Control	3,020.00
***Total***		<b>3,020.00</b>
<b>G&amp;G Trophy-Robert Gunderson</b>		
7023	Poster Contest name plates	184.88
***Total***		<b>184.88</b>
<b>GTS Architecture Inc</b>		
1282	March 2023 MWDOC Office kitchen and ADA ramp architectural and engineering services	2,040.00
***Total***		<b>2,040.00</b>
<b>Hashtag Pinpoint Corporation</b>		
1736	April 2023 Social Media consultation and services	7,913.00
***Total***		<b>7,913.00</b>
<b>Lawnscape Systems Inc</b>		
436781	April 2023 Landscape Maintenance for Atrium	495.00
***Total***		<b>495.00</b>
<b>M Cubed</b>		
5859	Urban Water Standards SRIA Review and Analysis	1,250.00
***Total***		<b>1,250.00</b>
<b>Means Consulting-Edward G Means III</b>		
MWDOC-1112	April 2023 MET issues & strategic guidance to staff	1,187.50
MWDOC-1308	April 2023 East Orange County Feeder #2 Emergency Pilot Project Consulting Services	343.75
***Total***		<b>1,531.25</b>
<b>Moulton Niguel Water District</b>		
5447709	Water Infrastructure Networking Summit sponsorship	4,000.00
***Total***		<b>4,000.00</b>
<b>Natural Resource Results LLC</b>		
4349	April 2023 Federal Advocacy Agreement services	8,000.00
***Total***		<b>8,000.00</b>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2023**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>NDS</b>		
816705	04/07/23 Board packet delivery service	134.72
816887	04/14/23 Board packet delivery service	134.72
817290	04/28/23 Board packet delivery service	83.23
<b>***Total***</b>		<b>352.67</b>
<b>ODP Business Solutions LLC</b>		
304413497001	04/17/23 Office supplies for Poster Contest	107.03
<b>***Total***</b>		<b>107.03</b>
<b>Office Solutions</b>		
I-02111556	04/07/23 Office supplies	518.67
I-02112398	04/11/23 Office supplies	157.62
I-02113201	04/13/23 Supplies for poster slogan contest	54.09
I-02116698	04/24/23 Office supplies	107.38
I-02120168	05/03/23 Office supplies	579.69
I-02120600	05/04/23 Office supplies	61.64
<b>***Total***</b>		<b>1,479.09</b>
<b>Orange County Water District</b>		
25271	March 2023 Postage, shared office & maintenance expense	9,972.10
<b>***Total***</b>		<b>9,972.10</b>
<b>Paul Redvers Brown Inc</b>		
DOC018	April 2023 MWDOC Board Strategic Planning Workshop Facilitation	1,740.00
<b>***Total***</b>		<b>1,740.00</b>
<b>The Regents of the University of CA</b>		
68578784	Year 4 Plant Irrigation Trials	17,500.00
<b>***Total***</b>		<b>17,500.00</b>
<b>S&amp;L Window Specialists-Budget Blinds of Huntington Beach North</b>		
1764	Solar and roller shades for open work area	12,281.29
<b>***Total***</b>		<b>12,281.29</b>
<b>Karl Seckel</b>		
33123	January-March 2023 Retiree medical premium	1,384.80
<b>***Total***</b>		<b>1,384.80</b>
<b>Mary Snow</b>		
53123	March-May 2023 Retiree medical premium	484.30
<b>***Total***</b>		<b>484.30</b>
<b>Soto Resources-Joey C Soto</b>		
GA-APR-74	April 2023 Grant Research and Acquisition Assistance	3,250.00
<b>***Total***</b>		<b>3,250.00</b>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2023**

<b>Vendor/ Invoice</b>	<b>Description</b>	<b>Amount to Pay</b>
<b>Spiral Holding LLC</b>		
SI2714858	04/13/23 Binding machine supplies	228.41
***Total***		<b>228.41</b>
<b>Water System Consulting Inc</b>		
7804	March 2023 Water Use Efficiency Economic Analysis	157.00
***Total***		<b>157.00</b>
<b>Whittingham Public Affairs Advisors</b>		
1970	May 2023 Strategic Advisory services	6,000.00
***Total***		<b>6,000.00</b>
<b>Total Core Expenditures</b>		<b>206,843.57</b>
 <b>Choice Expenditures:</b>		
<b>Building Block Entertainment Inc</b>		
3552-2	April 2023 Choice Elementary School Program grades K-2	13,950.00
***Total***		<b>13,950.00</b>
<b>Mission RCD</b>		
3361	April 2023 Field inspection and verification for Water Use Efficiency rebate programs	5,165.40
***Total***		<b>5,165.40</b>
<b>Office Solutions</b>		
I-02113388	04/13/23 Supplies for Water Loss Control Shared Services	56.93
I-02115022	04/19/23 Supplies for Water Loss Control Shared Services	105.48
***Total***		<b>162.41</b>
<b>Orange County Dept of Education</b>		
94SI4067	March 2023 Choice School Programs for grades 3-12	37,306.21
***Total***		<b>37,306.21</b>
<b>Orange County Water District</b>		
25271	March 2023 Postage for Water Use Efficiency rebate programs	64.61
***Total***		<b>64.61</b>
<b>Westerly Meter Service Co-Lane M Matsuno</b>		
17304	April 2023 Meter Accuracy Testing for City of Fountain Valley	3,400.00
***Total***		<b>3,400.00</b>
<b>Total Choice Expenditures</b>		<b>60,048.63</b>

**Municipal Water District of Orange County  
Disbursement Approval Report  
For the month of May 2023**

Vendor/ Invoice	Description	Amount to Pay
<b>Other Funds Expenditures:</b>		
<b>E Source Companies LLC</b>		
10778	March 2023 Technical Assistance Program services for Water Loss Control	6,985.00
***Total***		6,985.00
<b>Mission RCD</b>		
3361	April 2023 Field inspection and verification for Water Use Efficiency rebate programs	4,551.00
***Total***		4,551.00
<b>Office Solutions</b>		
I-02111232	04/07/23 WEROC training supplies	448.87
***Total***		448.87
<b>Orange County Fire Protection</b>		
324632	Primary EOC Fire Extinguisher Maintenance on April 5, 2023	79.66
***Total***		79.66
<b>County of Orange</b>		
SC13828	04/01/23-06/30/23 WEROC Radio System operations and maintenance costs	620.00
***Total***		620.00
<b>The Plant Nerd</b>		
7875	April 2023 Landscape Design and Landscape Maintenance Assistance Program	9,860.00
***Total***		9,860.00
<b>TerraWorks Studio</b>		
MW0021	April 2023 Landscape Design and Landscape Maintenance Assistance Program	4,850.00
***Total***		4,850.00
<b>Water System Consulting Inc</b>		
7804	March 2023 Water Use Efficiency Economic Analysis	1,000.00
***Total***		1,000.00
<b>Total Other Funds Expenditures</b>		<b>28,394.53</b>
<b>Total Expenditures</b>		<b>295,286.73</b>

Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of April 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Core Disbursements:</b>				
<b>Tiffany Baca</b>				
4/28/2023	EFT	33023	March 2023 Business expense	47.67
***Total***				<u>47.67</u>
<b>Joseph Berg</b>				
4/28/2023	EFT	41623	April 2023 Business expense	346.97
***Total***				<u>346.97</u>
<b>Cristal Castro</b>				
4/28/2023	EFT	41223	April 2023 Business expense	19.65
***Total***				<u>19.65</u>
<b>Corodata Records Management Inc</b>				
4/14/2023	EFT	RS4895105	March 2023 Records Storage Fees	58.67
***Total***				<u>58.67</u>
<b>Randall Crane</b>				
4/28/2023	EFT	30123	March 2023 Business expense	78.60
***Total***				<u>78.60</u>
<b>Rachel Davis</b>				
4/28/2023	EFT	41923	April 2023 Business expense	207.89
***Total***				<u>207.89</u>
<b>Larry Dick</b>				
4/28/2023	EFT	31623	March 2023 Business expense	117.90
***Total***				<u>117.90</u>
<b>Tina Dubuque</b>				
4/28/2023	EFT	22723	February 2023 Business expense	108.77
4/28/2023	EFT	32223	March 2023 Business expense	182.61
***Total***				<u>291.38</u>
<b>Tina Jocelyn Fann</b>				
4/28/2023	EFT	33123	March 2023 Business expense	58.96
***Total***				<u>58.96</u>
<b>Sam Fetter</b>				
4/28/2023	EFT	20123	February 2023 Business expense	100.00
***Total***				<u>100.00</u>
<b>Lina Gunawan</b>				
4/28/2023	EFT	21923	February 2023 Business expense	20.00
4/28/2023	EFT	31923	March 2023 Business expense	20.00
***Total***				<u>40.00</u>

Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of April 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Melissa Haley</b>				
4/28/2023	EFT	11023	January 2023 Business expense	99.56
4/28/2023	EFT	22723	February 2023 Business expense	148.92
4/28/2023	EFT	32623	March 2023 Business expense	165.34
<b>***Total***</b>				<b>413.82</b>
<b>Christina Hernandez</b>				
4/28/2023	EFT	40723	April 2023 Business expense	88.54
<b>***Total***</b>				<b>88.54</b>
<b>Home Depot Credit Services</b>				
4/14/2023	142074	7902079	04/05/23 Office supplies	27.26
<b>***Total***</b>				<b>27.26</b>
<b>Robert McVicker</b>				
4/28/2023	EFT	31623	March 2023 Business expense	23.58
<b>***Total***</b>				<b>23.58</b>
<b>Al Nederhood</b>				
4/28/2023	EFT	31623	March 2023 Business expense	190.98
<b>***Total***</b>				<b>190.98</b>
<b>Judy Roberts</b>				
4/28/2023	EFT	21523	February 2023 Business expense	28.54
<b>***Total***</b>				<b>28.54</b>
<b>Alana Salas-Yoshii</b>				
4/28/2023	EFT	33023	March 2023 Business expense	19.12
<b>***Total***</b>				<b>19.12</b>
<b>Megan Schneider</b>				
4/28/2023	EFT	32323	March 2023 Business expense	311.26
<b>***Total***</b>				<b>311.26</b>
<b>Karl Seckel</b>				
4/28/2023	EFT	31623	March 2023 Business expense	320.19
<b>***Total***</b>				<b>320.19</b>
<b>Nathan Shepherd</b>				
4/28/2023	EFT	21123	February 2023 Business expense	24.30
4/28/2023	EFT	33023	March 2023 Business expense	60.72
<b>***Total***</b>				<b>85.02</b>
<b>Spectrum Business</b>				
4/14/2023	142080	343564041023	April 2023 Telephone expense for one fax line	39.99
4/04/2023	142068	375210033023	April 2023 Telephone and internet expense	1,728.62
<b>***Total***</b>				<b>1,768.61</b>

Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of April 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>US Bank</b>				
4/28/2023	142199	0208/2978/4192/8910-MAR23	02/23/23-03/22/23 Cal Card Charges	23,396.01
<b>***Total***</b>				<b>23,396.01</b>
<b>Verizon Wireless</b>				
4/04/2023	142069	9930870516	March 2023 4G Mobile broadband unlimited service	114.03
<b>***Total***</b>				<b>114.03</b>
<b>Katie Vincent</b>				
4/28/2023	EFT	33023	March 2023 Business expense	66.82
<b>***Total***</b>				<b>66.82</b>
<b>Total Core Disbursements</b>				<b>28,221.47</b>

**Choice Disbursements:**

<b>US Bank</b>				
4/28/2023	142199	8910-MAR23	02/23/23-03/22/23 Cal Card Charges	1,612.37
<b>***Total***</b>				<b>1,612.37</b>
<b>US Bank Voyager Fleet Systems</b>				
4/14/2023	EFT	8694349932312	02/25/23-03/24/23 Fuel for Water Loss Control Shared Services vehicles	705.20
<b>***Total***</b>				<b>705.20</b>
<b>Total Choice Disbursements</b>				<b>2,317.57</b>

**Other Funds Disbursements:**

<b>AT&amp;T</b>				
4/14/2023	142072	19725655	March 2023 Telephone expense for WEROC Primary & N. EOC	479.42
<b>***Total***</b>				<b>479.42</b>
<b>Mesa Water District</b>				
4/14/2023	EFT	11087	February 2023 Credit for Local Resources program	15,005.48
<b>***Total***</b>				<b>15,005.48</b>
<b>Metropolitan Water District</b>				
4/28/2023	EFT43023	11060	February 2023 Water deliveries	8,200,755.54
<b>***Total***</b>				<b>8,200,755.54</b>
<b>Santa Margarita Water District</b>				
4/28/2023	EFT	22823	February 2023 SCP Operation Surcharge	20,306.84
<b>***Total***</b>				<b>20,306.84</b>

Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of April 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Santiago Aqueduct Commission</b>				
4/28/2023	142197	22823	February 2023 SAC Pipeline Operation Surcharge	2,436.00
<b>***Total***</b>				<b>2,436.00</b>
<b>Spray to Drip Rebate</b>				
4/28/2023	142085	S2D5-C-IRWD-44331-18708-ADJ	Alton Business Assc (Irvine)	199.50
4/28/2023	142129	S2D5-R-FV-47287-18996	D. Konrad	557.00
4/28/2023	142143	S2D5-R-HB-46141-18475	S. MacDowell	1,283.50
4/28/2023	142121	S2D5-R-HB-47928-19003	J. Housh	206.00
4/28/2023	142136	S2D5-R-IRWD-46387-18547	C. Lee	3,500.00
4/28/2023	142181	S2D5-R-IRWD-48029-19031	A. Stevens	766.50
4/28/2023	142134	S2D5-R-MESA-47097-18771	G. Le	1,163.50
4/28/2023	142104	S2D5-R-SB-47170-18794	J. Dvonch	257.50
4/28/2023	142175	S2D5-R-SM-46981-18987	N. Sivaprakasam	439.00
4/28/2023	142093	S2D6-C-ETWD-38663-19564	Casa De Laguna Assc (Laguna Hills)	3,969.50
4/28/2023	142109	S2D6-C-IRWD-17683-19232	Emerald Court Apartments (Lake Forest)	456.70
4/28/2023	142187	S2D6-C-IRWD-48129-19230	Xylem Inc (Irvine)	7,815.75
4/28/2023	142172	S2D6-C-MESA-42726-19620	SDCO Commerce Park Inc (Costa Mesa)	20,559.00
4/28/2023	142132	S2D6-C-MNT-4463-19245	Laguna Heights Comm Assc (Laguna Niguel)	35,000.00
4/28/2023	142183	S2D6-C-NWPT-42916-19159	The Irvine Company LLC (Newport Beach)	2,922.50
4/28/2023	142119	S2D6-R-FV-51017-21766	J. Horner	410.20
4/28/2023	142097	S2D6-R-HB-47332-19570	R. Crouse	308.00
4/28/2023	142125	S2D6-R-HB-49067-19427	W. Kielsmeier	490.00
4/28/2023	142106	S2D6-R-HB-51031-21801	J. Ellis	1,013.50
4/28/2023	142123	S2D6-R-IRWD-46643-21741	S. Khorashadi	1,506.40
4/28/2023	142163	S2D6-R-IRWD-49582-19519	T. Pan	1,021.60
4/28/2023	142138	S2D6-R-IRWD-49812-19625	K. Lee	593.60
4/28/2023	142100	S2D6-R-LH-47872-18991	J. Deranek	837.50
4/28/2023	142178	S2D6-R-MESA-49154-19387	D. Stack	928.50
4/28/2023	142159	S2D6-R-O-47744-20685	M. Nguyen	940.50
4/28/2023	142155	S2D6-R-O-48775-19542	B. Mottram	413.00
4/28/2023	142153	S2D6-R-SB-47006-19616	T. Morelock	434.50
4/28/2023	142150	S2D6-R-SB-47316-19602	C. McLaughlin	291.00
4/28/2023	142177	S2D6-R-SM-48158-19052	J. Smith	599.00
4/28/2023	142115	S2D6-R-SM-49396-19409	J. Heller	561.50
4/28/2023	142112	S2D6-R-SOCO-48146-19261	W. Gordon	561.50
4/28/2023	142167	S2D6-R-SOCO-48596-19151	E. Ransom	472.50
4/28/2023	142117	S2D6-R-TUST-48480-19127	M. Homan	2,500.00
4/28/2023	142148	S2D6-R-YLWD-49639-19673	D. McKenna	824.50
<b>***Total***</b>				<b>93,803.25</b>

Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of April 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Turf Rebate</b>				
4/28/2023	142088	TR15-C-MNT-45960-45863	Beacon Hill Planned Comm Assc (Laguna Niguel)	1,485.00
4/28/2023	142130	TR15-R-FV-47287-45889	D. Konrad	3,342.00
4/28/2023	142128	TR15-R-GG-44551-43203	T. Koeler	10,218.00
4/28/2023	142144	TR15-R-HB-46141-44773	S. MacDowell	6,513.00
4/28/2023	142098	TR15-R-HB-47332-45935	R. Crouse	1,848.00
4/28/2023	142122	TR15-R-HB-47928-46505	J. Housh	1,137.00
4/28/2023	142094	TR15-R-IRWD-41744-40497	S. Chien	4,680.00
4/28/2023	142137	TR15-R-IRWD-46387-45024	C. Lee	11,105.00
4/28/2023	142124	TR15-R-IRWD-46643-45281	S. Khorashadi	4,112.00
4/28/2023	142182	TR15-R-IRWD-48029-46591	A. Stevens	3,844.00
4/28/2023	142101	TR15-R-LH-47872-46450	J. Deranek	1,851.00
4/28/2023	142135	TR15-R-MESA-47097-45702	G. Le	5,328.00
4/28/2023	142152	TR15-R-MNT-44302-45653	L. Montedore	3,036.00
4/28/2023	142141	TR15-R-MNT-47629-46219	A. Lindstrom	1,280.00
4/28/2023	142102	TR15-R-O-47676-46260	C. Derich	4,956.00
4/28/2023	142105	TR15-R-SB-47170-45774	J. Dvonch	1,365.00
4/28/2023	142151	TR15-R-SB-47316-45918	C. McLaughlin	1,746.00
4/28/2023	142162	TR15-R-SM-42621-41312	J. Palmer	741.00
4/28/2023	142176	TR15-R-SM-46981-45595	N. Sivaprakasam	2,094.00
4/28/2023	142110	TR16-C-IRWD-45816-47380	Emerald Court Apartments (Lake Forest)	7,044.23
4/28/2023	142131	TR16-C-LH-49788-48330	La Habra Place HOA (La Habra)	1,750.00
4/28/2023	142096	TR16-C-MNT-38663-47983	Crest De Ville Comm Assc (Laguna Niguel)	2,973.00
4/28/2023	142161	TR16-C-MNT-44091-47319	Pacific Island I HOA (Laguna Niguel)	26,331.00
4/28/2023	142133	TR16-C-MNT-4463-47426	Laguna Heights Comm Assc (Laguna Niguel)	150,000.00
4/28/2023	142114	TR16-C-NWPT-38663-47563	Harbor Cove (Newport Beach)	16,350.00
4/28/2023	142092	TR16-C-NWPT-4463-48266	Canyon Hills Comm Assc (Newport Beach)	1,698.00
4/28/2023	142184	TR16-C-NWPT-48241-47137	The Irvine Company LLC (Newport Beach)	11,690.00
4/28/2023	142174	TR16-C-SM-4463-48207	Sendero Neighborhood Corp (Rancho Mission Viejo)	22,496.00
4/28/2023	142120	TR16-R-FV-51017-49589	J. Horner	3,480.00
4/28/2023	142158	TR16-R-GG-48759-47274	A. Nguyen	4,971.00
4/28/2023	142126	TR16-R-HB-49067-47592	W. Kielsmeier	2,106.00
4/28/2023	142108	TR16-R-HB-49568-48082	J. Elmore	3,036.00
4/28/2023	142107	TR16-R-HB-51031-49610	J. Ellis	5,529.00
4/28/2023	142127	TR16-R-IRWD-3110-48199	P. Kim	975.00
4/28/2023	142087	TR16-R-IRWD-49141-47666	J. Arena	1,475.00
4/28/2023	142142	TR16-R-IRWD-49263-47795	J. Linnan	10,375.00
4/28/2023	142173	TR16-R-IRWD-49350-47869	S. Sefami	6,010.00
4/28/2023	142180	TR16-R-IRWD-49457-47971	B. Star	3,925.00
4/28/2023	142164	TR16-R-IRWD-49582-48097	T. Pan	3,150.00
4/28/2023	142186	TR16-R-IRWD-49704-48243	S. Wloczyniak	1,620.00
4/28/2023	142139	TR16-R-IRWD-49812-48352	K. Lee	3,265.00
4/28/2023	142095	TR16-R-IRWD-50884-49460	J. Chung	3,875.00
4/28/2023	142147	TR16-R-IRWD-50928-49492	D. McCoy	4,365.00
4/28/2023	142086	TR16-R-LH-48288-46837	P. Alvarez	7,800.00
4/28/2023	142099	TR16-R-LH-48493-47027	J. Der	2,217.05
4/28/2023	142179	TR16-R-MESA-49154-47683	D. Stack	3,501.00

Municipal Water District of Orange County  
Disbursement Ratification Report  
For the Month of April 2023

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Turf Rebate - Continued</b>				
4/28/2023	142103	TR16-R-MESA-49862-48420	A. Dodson	1,530.93
4/28/2023	142169	TR16-R-MNT-49565-48079	M. Reese	2,097.09
4/28/2023	142090	TR16-R-MNT-49756-48297	A. Brueggeman	5,360.00
4/28/2023	142146	TR16-R-MNT-49843-48391	N. McAfee	699.65
4/28/2023	142140	TR16-R-MNT-50898-49463	N. Levyssohn	5,336.00
4/28/2023	142111	TR16-R-MNT-50933-49497	S. Fekrirad	7,024.00
4/28/2023	142160	TR16-R-O-47744-48390	M. Nguyen	3,396.00
4/28/2023	142156	TR16-R-O-48775-47291	B. Mottram	2,478.00
4/28/2023	142170	TR16-R-O-48790-47304	E. Rostom	2,583.00
4/28/2023	142171	TR16-R-O-49173-47705	D. Schober	3,117.00
4/28/2023	142166	TR16-R-O-49460-47976	R. Ranallo	3,678.00
4/28/2023	142089	TR16-R-O-49622-48142	R. Bridgewater	4,908.00
4/28/2023	142154	TR16-R-SB-47006-45618	T. Morelock	1,386.00
4/28/2023	142145	TR16-R-SC-49657-48184	R. Mayer	642.85
4/28/2023	142116	TR16-R-SM-49396-47913	J. Heller	2,160.00
4/28/2023	142188	TR16-R-SM-50899-49456	J. Yuh	1,527.00
4/28/2023	142113	TR16-R-SOCO-48146-46703	W. Gordon	3,369.00
4/28/2023	142168	TR16-R-SOCO-48596-47121	E. Ransom	3,261.00
4/28/2023	142185	TR16-R-TUST-48476-47013	H. Thoms	1,320.00
4/28/2023	142118	TR16-R-TUST-48480-47015	M. Homan	5,757.00
4/28/2023	142091	TR16-R-TUST-49634-48155	D. Campeau	3,369.00
4/28/2023	142157	TR16-R-WEST-49748-48290	H. Ngoc Vo	6,165.00
4/28/2023	142165	TR16-R-YLWD-49140-47664	R. Quinonez	6,297.00
4/28/2023	142149	TR16-R-YLWD-49639-48201	D. McKenna	4,947.00
<b>***Total***</b>				<b>465,096.80</b>
<b>US Bank</b>				
4/28/2023	142199	6066/8910-MAR23	02/23/23-03/22/23 Cal Card Charges	5,267.86
<b>***Total***</b>				<b>5,267.86</b>
<b>Verizon Wireless</b>				
4/04/2023	142069	9930870516	March 2023 4G Mobile broadband unlimited service	76.02
<b>***Total***</b>				<b>76.02</b>
<b>Total Other Funds Disbursements</b>				<b>8,803,227.21</b>
<b>Total Disbursements</b>				<b>8,833,766.25</b>

  
Harvey De La Torre, Interim General Manager

  
Hilary Chumpitazi, Treasurer

**Cal Card Charges**  
**Statement Date: March 22, 2023**  
**Payment Date: April 28, 2023**

<b>Date</b>	<b>Description</b>	<b>Amount</b>
<b>Administration Card:</b>		
2/15/2023	Water Loss Control Shared Services tools and supplies	254.10
2/17/2023	DocuSign Business Pro annual subscription renewal	2,760.00
2/21/2023	WEROC office supplies	21.01
2/21/2023	03/03/23 Lunch for Board meeting	502.08
2/22/2023	AWWA Sustainable Water Management Conference from April 16-19, 2023 in Minneapolis, MN - Airfare for R. Davis	617.80
2/22/2023	Refund duplicate charge on Interim GM card for ACWA Spring Conference in Monterey, CA from May 9-11, 2023 - Registration for D. Micalizzi	(815.00)
2/23/2023	Legislative Activities in Sacramento, CA from February 21-23, 2023 - Accommodations for H. Baez	1,057.50
2/24/2023	01/25/23-02/24/23 Web hosting service for Mwdoc.com	15.65
2/24/2023	CAPIO 2023 Annual Conference from May 1-4, 2023 in Monterey, CA - Airfare for T. Baca and S. Wilson	299.92
2/24/2023	Urban Water Institute Spring Conference from February 22-24, 2023 in Palm Springs, CA - Accommodations for A. Heide, D. Micalizzi, Directors Nederhood, Crane, and Thomas	2,248.80 <sup>1</sup>
2/24/2023	Public Sector Human Resources Association membership renewal for C. Harris	175.00
2/27/2023	Staples office supply order	44.54
2/28/2023	Amazon office supplies	50.58
2/28/2023	Amazon office supply order	89.61
2/28/2023	ACWA DC 2023 from February 28-March 2, 2023 in Washington DC - Accommodations for H. Baez and M. Haley	986.28
2/28/2023	Food for staff farewell lunch	436.78
3/01/2023	Water Loss Control Shared Services polo shirts and hats	1,358.27
3/01/2023	CSDA Leadership Academy in La Quinta, CA on February 26, 2023 - Accommodations for Director Crane	616.65
3/01/2023	ACWA DC 2023 in Washington DC from February 28-March 2, 2023 - Group Dinner for Director Seckel, H. Baez, M. Haley and 13 Guests	1,806.72
3/02/2023	ACWA DC 2023 from February 28 - March 2, 2023 in Washington DC - H. Baez Business expense for meals and transportation	553.80
3/02/2023	Office supply order	93.60
3/02/2023	DC Legislation on February 28-March 2, 2023 in Washington DC - Accommodations for Director Seckel	1,032.26
3/02/2023	ACWA DC 2023 from February 28-March 2, 2023 in Washington DC - Accommodations for H. Baez and M. Haley	2,064.52
3/02/2023	ACWA DC 2023 in Washington DC from February 28-March 2, 2023 - Airfare for H. Baez and M. Haley	1,075.79
3/06/2023	Grant Management USA training in Anaheim, CA from March 30-31, 2023 - Registration for T. Fann and S. Fetter	990.00
3/08/2023	Laptop chargers and USB splitter for conference room 101	47.87
3/08/2023	Microphone clip for conference room 101	10.82
3/08/2023	20 year anniversary gift card for staff	100.00
3/10/2023	Nameplate for Director	32.52
3/12/2023	MWDQC office carpet cleaning	800.00
3/15/2023	Lunch for Administration department meeting	101.03
3/20/2023	Governmentjobs.com (NeoGov) Principal Engineer job posting	125.00
3/21/2023	Brown and Caldwell Water Jobs Principal Engineer job posting	200.00
<b>Total:</b>		<b>19,753.50</b>

**Cal Card Charges**  
**Statement Date: March 22, 2023**  
**Payment Date: April 28, 2023**

Date	Description	Amount
<b>General Manager Card:</b>		
2/24/2023	Refund hotel deposits for Urban Water Institute Spring Conference from February 22-24, 2023 in Palm Springs, CA - Accommodations for D. Micalizzi, A. Heide, and Directors Nederhood, Crane, and Thomas	(1,052.40)
<b>Total:</b>		<b>(1,052.40)</b>
<b>Interim General Manager Card:</b>		
3/01/2023	ACWA Legislative Symposium in Sacramento, CA on March 23, 2023 - Registration for H. Baez	325.00
3/01/2023	AWWA Sustainable Water Management Conference in Minneapolis, MN from April 16-19, 2023 - Airfare for J. Berg	420.40
3/01/2023	ACWA Spring Conference in Monterey, CA from May 9-11, 2023 - Duplicate registration for D. Micalizzi	815.00 <sup>2</sup>
3/13/2023	SWRCB Workshop on WUE Standards in Sacramento, CA on March 22, 2023 - Airfare for J. Berg	600.96
3/15/2023	03/01-03/15/23 Meals for H. De La Torre's meetings	150.92
3/20/2023	OC Register Notice of Public Hearing for Ordinance Adjusting Compensation for Directors	1,930.50
<b>Total:</b>		<b>4,242.78</b>
<b>Public Affairs Card:</b>		
2/22/2023	February 2023 Fiverr translation services for WEEA career brochures	17.83
2/23/2023	Refund from Kahoot for cancelled 1/25/23 subscription renewal	(720.00)
2/23/2023	Urban Water Institute Spring Conference in Palm Springs, CA from February 22-24, 2023 - Dinner on 02/23/23 for D. Micalizzi, A. Heide, and Directors Dick, Nederhood and Thomas	463.76 <sup>3</sup>
3/02/2023	03/02/23-04/01/23 Zoom Video Communications fee with audio licenses	174.93
3/03/2023	March 2023 Public Storage Unit for Public Affairs	485.00
3/07/2023	50% Deposit to Christopher Todd/Studios for headshots of MWDOC staff and board for website	975.00
3/07/2023	California Community College Association for Occupational Education Spring Conference in Sacramento, CA on April 20, 2023 - Airfare for T. Baca	441.96
3/07/2023	WEEA Presentation at the CA-NV AWWA Spring Conference in San Diego, CA from April 2-5, 2023 - Accommodation for T. Baca	247.03
<b>Total:</b>		<b>2,085.51</b>
<b>WEROC Card:</b>		
2/22/2023	Portable three panel whiteboard divider for WEROC EOC	2,209.75
2/24/2023	ICS 300 for San Diego County Water Agencies in Romana, CA on February 22-24, 2023 - Accommodations for V. Osborn	356.40
2/28/2023	February 2023 FormSwift fee for Form Templates	37.00
3/08/2023	Four 3-ring view binders for WEROC EOC	108.74
3/20/2023	CESA Conference in Lake Tahoe, CA from May 1-4, 2023 - Registration for V. Osborn	599.00
3/20/2023	California Emergency Services Association membership for J. Schunk and D. Anderson	130.00
3/20/2023	California Emergency Services Association Conference in Lake Tahoe, CA from May 1-4, 2023 - Registration for J. Schunk and D. Anderson	1,448.00
3/20/2023	CESA Conference in Lake Tahoe, CA from May 1-4, 2023 - Airfare for V. Osborn	357.96
<b>Total:</b>		<b>5,246.85</b>

<sup>1</sup> \$1,052.40 deposit refund issued 02/24/23 on GM card

<sup>2</sup> Refund issued on Admin Credit Card

<sup>3</sup> One dinner reimbursed

**Municipal Water District of Orange County**  
**GM Approved Disbursement Report <sup>(1)</sup>**  
**For the Month of April 2023**

Name/ Date	Check/ EFT	Invoice	Description	Amount
<b>Core Disbursements:</b>				
<b>E Art Consulting</b>				
4/10/2023	142070	1435	50% Deposit for Office Artwork on canvas and installation	8,054.47
***Total***				8,054.47
<b>Total Core Disbursements</b>				8,054.47
<b>Choice Disbursements:</b>				
<b>Total Choice Disbursements</b>				-
<b>Other Funds Disbursements:</b>				
<b>Total Other Funds Disbursements</b>				-
<b>Total Disbursements</b>				8,054.47

  
 Harvey De La Torre, Interim General Manager

  
 Hilary Chumpitazi, Treasurer

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



**Municipal Water District of Orange County**  
**Consolidated Summary of Cash and Investment**  
 March 31, 2023

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

<b>Fund</b>	<b>Book Value</b>	<b>% of Portfolio</b>
Restricted Reserves		
WEROC Operating Fund	\$401,299	2.86%
Designated Reserves		
Operating Reserves	\$5,675,047	40.50%
Election Reserve	461,678	3.29%
OPEB Reserve	297,147	2.12%
Total Designated Reserves	\$6,433,872	45.91%
General Operations Fund	\$7,050,252	50.31%
Water Purchase Payments Fund	1,533,971	10.95%
Conservation Fund	(1,423,907)	(10.16%)
Trustee Activities - AMP	18,540	0.13%
Total Other Funds	\$7,178,856	51.23%
<b>Total</b>	<b>\$14,014,027</b>	<b>100.00%</b>

The funds are invested as follows:

<b>Term of Investment</b>	<b>% of Portfolio</b>	<b>Book Value</b>	<b>Market Value</b>
Cash	7.91%	\$1,108,921	\$1,108,921
Short-term investment			
• LAIF	40.82%	5,720,301	5,720,301
• OCIP	29.15%	4,084,876	4,084,876
Long-term investment			
• US Government Issues	1.79%	249,929	227,918
• Corporate Bond	8.56%	1,200,000	1,079,124
• Certificates of Deposit	11.77%	1,650,000	1,581,328
<b>Total</b>	<b>100.00%</b>	<b>\$14,014,027</b>	<b>\$13,802,468</b>

The average number of days to maturity/call as of March 31, 2023, equaled 138 and the average yield to maturity is 2.792%. During the month, the District's average daily balance was \$17,104,491.90. Funds were invested in US Bank Checking Account, Negotiable Certificate of Deposits, Corporate Bonds, US Government Issues, Local Agency Investment Funds (LAIF) and Orange County Investment Pool (OCIP) during the month of March 2023.

The (\$211,559) difference between the book value and the market value on March 31, 2023, represents the exchange difference if all investments had been liquidated on that date. Since it is the District's practice to "buy and hold" investments until maturity, the market values are a point of reference, not an indication of actual loss or gain. There are no current plans or cash flow requirements identified in the near future that would require the sale of these securities prior to maturity.

  
 Harvey De La Torre  
 Interim General Manager

  
 Hilary Chumitazi  
 Treasurer

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 18700 Ward Street  
 Fountain Valley, California 92708

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Megan Yoo Schneider, P.E.  
 President

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

Randall Crane, Ph.D.  
 Director

Larry D. Dick  
 Director

Al Nederhood  
 Director

Karl W. Seckel, P.E.  
 Director

Jeffery M. Thomas  
 Director

Harvey De La Torre  
 Interim General Manager

MEMBER AGENCIES

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



# MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

## Portfolio Management - Portfolio Summary March 31, 2023

3/31/2023	Par Value	Market Value	Book Value	% of Portfolio	Days to Mat/Call	YTM @ Cost
Negotiable Certificate Of Deposit	1,650,000.00	1,581,328.50	1,650,000.00	12.79	769	2.762
Corporate Bond	1,200,000.00	1,079,124.00	1,200,000.00	9.30	410	1.518
US Government Issues	250,000.00	227,917.50	249,928.86	1.94	56	0.860
Local Agency Investment Funds	5,720,300.92	5,720,300.92	5,720,300.92	44.32	1	2.822
Orange County Investment Pool	4,084,875.67	4,084,875.67	4,084,875.67	31.65	1	3.253
<b>Total Investments</b>	<b>12,905,176.59</b>	<b>12,693,546.59</b>	<b>12,905,105.45</b>	<b>100.00</b>	<b>138</b>	<b>2.792</b>
<b>Cash</b>						
Cash	1,108,921.08	1,108,921.08	1,108,921.08		1	0.00
<b>Total Cash and Investments</b>	<b>14,014,097.67</b>	<b>13,802,467.67</b>	<b>14,014,026.53</b>		<b>138</b>	<b>2.792</b>

<b>Total Earnings</b>	<b>Month Ending March</b>	<b>Fiscal Year to Date</b>
<b>Current Year</b>	<b>44,991.32</b>	<b>356,678.73</b>
<b>Average Daily Balance</b>	<b>17,104,491.90</b>	
<b>Effective Rate of Return</b>	<b>2.792%</b>	

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

  
Harvey De La Torre, Interim General Manager  
Date 05/04/2023

  
Hilary Chumipitazi, Treasurer  
Date 05/04/2023

**March 31, 2023**

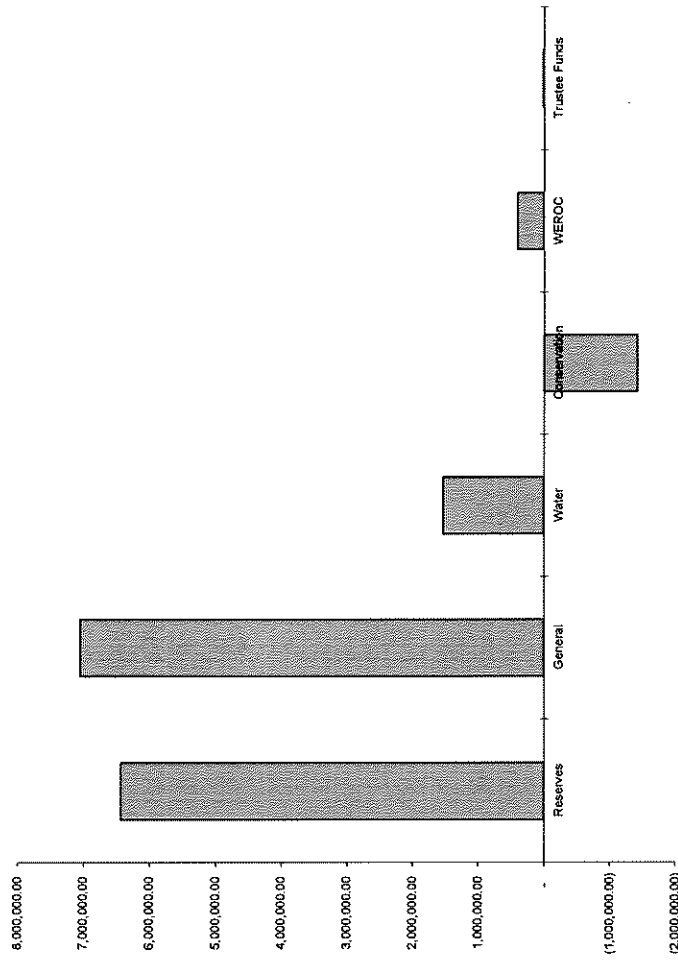
Issuer	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
Negotiable Certificate Of Deposit									
American Express Bank	02589ADE9	7/20/2022	200,000.00	188,114.00	200,000.00	3.350	3.350	1,572	7/20/2027
Capital One Bank	14042TBQ9	8/7/2019	250,000.00	240,905.00	250,000.00	2.250	2.250	495	8/7/2024
Capital One NA	14042RMJ7	7/24/2019	250,000.00	240,980.00	250,000.00	2.200	2.200	481	7/24/2024
Discover Bank	254673RV0	7/25/2018	250,000.00	248,605.00	250,000.00	3.300	3.300	116	7/25/2023
Goldman Sachs Bank	38148PT98	8/8/2018	250,000.00	248,490.00	250,000.00	3.350	3.350	130	8/8/2023
Sallie Mae Bank	7954507A7	7/14/2021	200,000.00	176,522.00	200,000.00	1.000	1.000	1,201	7/14/2026
Toyota Financial SGS Bank	89235MPD7	9/27/2022	250,000.00	237,712.50	250,000.00	3.650	3.650	1,636	9/22/2027
Sub Total			1,650,000.00	1,581,328.50	1,650,000.00	2.762	2.762	769	
US Government Issues									
FHLB	3130ALGR9	3/1/2021	250,000.00	227,917.50	249,928.86	0.850	0.860	56	2/26/2026
Sub Total			250,000.00	227,917.50	249,928.86	0.850	0.860	56	
Corporate Bond									
Bank of America Corp	06048WK41	12/7/2020	250,000.00	219,590.00	250,000.00	0.850	0.800	970	11/25/2025
Citigroup Global Markets	17328WFZ6	9/16/2020	250,000.00	227,045.00	250,000.00	1.000	1.000	77	9/16/2025
JP Morgan Chase	48128GV56	8/18/2020	250,000.00	220,402.50	250,000.00	0.800	0.800	506	8/18/2025
Morgan Stanley Fin LLC	61766YKH3	6/29/2022	200,000.00	191,354.00	200,000.00	4.500	4.500	456	6/29/2027
Societe Generale	83369MD25	8/19/2020	250,000.00	220,732.50	250,000.00	1.000	1.088	49	8/19/2025
Sub Total			1,200,000.00	1,079,124.00	1,200,000.00	1.510	1.518	410	
Total Investments			3,100,000.00	2,888,370.00	3,099,928.86	2.123	2.127	573	
Total Earnings			Fiscal Year To Date						
Current Year			Month Ending March		48,310.44				
			5,731.24						

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**  
**Portfolio Management**  
**Short-Term Portfolio Details - Cash and Investments**  
**March 31, 2023**

Investments	CUSIP/Ticker	Settlement Date	Par Value	Market Value	Book Value	Coupon Rate	YTM @ Cost	Days To Call/Maturity	Maturity Date
<b>Local Agency Investment Funds</b>									
LAIF LGIP	LAIF	6/30/2010	5,720,300.92	5,720,300.92	5,720,300.92	2.822	2.822	1	N/A
<b>Sub Total</b>			<b>5,720,300.92</b>	<b>5,720,300.92</b>	<b>5,720,300.92</b>	<b>2.822</b>	<b>2.822</b>	<b>1</b>	
<b>Orange County Investment Pool</b>									
County of Orange LGIP	OCIP	6/29/2005	4,084,875.67	4,084,875.67	4,084,875.67	3.253	3.253	1	N/A
<b>Sub Total</b>			<b>4,084,875.67</b>	<b>4,084,875.67</b>	<b>4,084,875.67</b>	<b>3.253</b>	<b>3.253</b>	<b>1</b>	
<b>Total Investments</b>			<b>9,805,176.59</b>	<b>9,805,176.59</b>	<b>9,805,176.59</b>	<b>3.002</b>	<b>3.002</b>		
<b>Cash</b>									
Petty Cash Cash	CASH	7/1/2010	500.00	500.00	500.00	0.000	0.000	1	N/A
US Bank Cash	CASHUSBANK	7/25/2018	1,108,421.08	1,108,421.08	1,108,421.08	0.000	0.000	1	N/A
<b>Total Cash</b>			<b>1,108,921.08</b>	<b>1,108,921.08</b>	<b>1,108,921.08</b>	<b>0.000</b>	<b>0.000</b>	<b>1</b>	
<b>Total Cash and Investments</b>			<b>10,914,097.67</b>	<b>10,914,097.67</b>	<b>10,914,097.67</b>	<b>3.002</b>	<b>3.002</b>	<b>1</b>	
<b>Total Earnings</b>									
Current Year			39,260.08		308,368.29				

**Municipal Water District of Orange County  
Cash and Investments at March 31, 2023**

ALLOCATION	AMOUNT	%
<b>MWDOC</b>		
Restricted Reserves		
WEROC Operating Fund	\$ 401,299	2.86%
Designated Reserves		
Operating Reserve	\$ 5,675,047	40.50%
Election Reserve	461,678	3.29%
OPEB Reserve	297,147	2.12%
Total Designated Reserves	\$ 6,433,872	45.91%
General Operations Fund	\$ 7,050,252	50.31%
Water Purchase Payments Fund	1,533,971	10.95%
Conservation Fund	(1,423,907)	-10.16%
Total Other Funds	\$ 7,160,316	51.10%
<b>TOTAL MWDOC</b>	<b>\$ 13,995,487</b>	<b>99.87%</b>
<b>TRUSTEE ACTIVITIES</b>		
AMP Admin	\$ 18,540	0.13%
<b>TOTAL TRUSTEE ACTIVITIES</b>	<b>\$ 18,540</b>	<b>0.13%</b>
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>\$ 14,014,027</b>	<b>100.00%</b>



MUNICIPAL WATER DIST OF ORANGE COUNTY  
PARS Post-Employment Benefits TrustAccount Report for the Period  
3/1/2023 to 3/31/2023Hilary Chumpitazi  
Accounting Manager  
Municipal Water Dist of Orange County  
18700 Ward Street  
Fountain Valley, CA 92708

## Account Summary

Source	Balance as of 3/1/2023	Contributions	Earnings	Expenses	Distributions	Transfers	Balance as of 3/31/2023
OPEB	\$2,463,805.96	\$0.00	\$39,614.54	\$1,215.70	\$0.00	\$0.00	\$2,502,204.80
PENSION	\$1,072,430.74	\$0.00	\$17,243.18	\$529.15	\$0.00	\$0.00	\$1,089,144.77
<b>Totals</b>	<b>\$3,536,236.70</b>	<b>\$0.00</b>	<b>\$56,857.72</b>	<b>\$1,744.85</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$3,591,349.57</b>

## Investment Selection

Source	
OPEB	Moderate HighMark PLUS
PENSION	Moderate HighMark PLUS

## Investment Objective

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

## Investment Return

Source	1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
				3-Years	5-Years	10-Years	
OPEB	1.61%	4.41%	-6.24%	7.86%	4.50%	5.45%	10/26/2011
PENSION	1.61%	4.41%	-6.21%	7.82%	-	-	7/31/2018

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

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

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

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

# NET PERFORMANCE FEE ANALYSIS

As of March 31, 2023

Over 10 Years

Over 5 Years

Over 3 Years

Over 1 Year

PARS/HIGHMARK	PARS/HIGHMARK	PARS/HIGHMARK	PARS/HIGHMARK
<b>Moderate</b> (50% Fixed Income/Cash) -6.09% minus weighted PARS administration fee (-) 0.25% minus weighted HighMark investment management fee (-) 0.35%	<b>Moderate</b> (50% Fixed Income/Cash) 7.93% minus weighted PARS administration fee (-) 0.25% minus weighted HighMark investment management fee (-) 0.35%	<b>Moderate</b> (50% Fixed Income/Cash) 4.60% minus weighted PARS administration fee (-) 0.25% minus weighted HighMark investment management fee (-) 0.35%	<b>Moderate</b> (50% Fixed Income/Cash) 5.44% minus weighted PARS administration fee (-) 0.25% minus weighted HighMark investment management fee (-) 0.35%
<b>1-Year Net Return -6.69%</b>	<b>3-Year Net Return 7.33%</b>	<b>5-Year Net Return 4.00%</b>	<b>10-Year Net Return 4.84%</b>

CALPERS CERBT	CALPERS CERBT	CALPERS CERBT	CALPERS CERBT
<b>Strategy 2</b> (48% Fixed Income/Cash) -9.65% minus fees (-) -0.08%	<b>Strategy 2</b> (48% Fixed Income/Cash) 5.90% minus fees (-) 0.09%	<b>Strategy 2</b> (48% Fixed Income/Cash) 4.02% minus fees (-) 0.08%	<b>Strategy 2</b> (48% Fixed Income/Cash) 4.73% minus fees (-) 0.10%
<b>1-Year Net Return -9.73%</b>	<b>3-Year Net Return 5.81%</b>	<b>5-Year Net Return 3.94%</b>	<b>10-Year Net Return 4.63%</b>

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

## PARS DIVERSIFIED PORTFOLIOS MODERATE

Q1 2023

### WHY THE PARS DIVERSIFIED MODERATE PORTFOLIO?

#### Comprehensive Investment Solution

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

#### Rigorous Manager Due Diligence

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

#### Flexible Investment Options

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

#### Risk Management

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

### PORTFOLIO FACTS

#### HighMark Plus (Active)

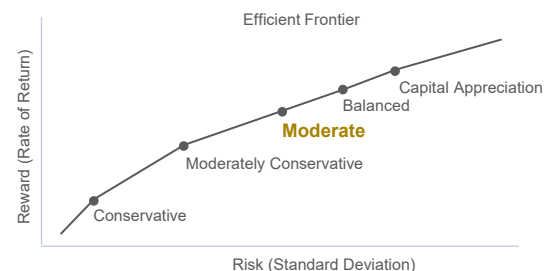
Composite Inception Date 10/2004  
No of Holdings in Portfolio 20

#### Index Plus (Passive)

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

### INVESTMENT OBJECTIVE

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



### ASSET ALLOCATION — MODERATE PORTFOLIO

	Strategic Range	Policy	Tactical
Equity	40 - 60%	50%	47%
Fixed Income	40 - 60%	45%	48%
Cash	0 - 20%	5%	5%

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

#### HighMark Plus Composite (Active)

	Gross	Net
Current Quarter*	4.42%	4.33%
Blended Benchmark*, **	4.39%	
Year To Date*	4.42%	4.33%
Blended Benchmark*, **	4.39%	
1 Year	-6.09%	-6.43%
Blended Benchmark**	-5.25%	
3 Year	7.93%	7.54%
Blended Benchmark**	7.65%	
5 Year	4.60%	4.23%
Blended Benchmark**	4.97%	
10 Year	5.44%	5.06%
Blended Benchmark**	5.74%	

#### Index Plus Composite (Passive)

	Gross	Net
Current Quarter*	4.29%	4.19%
Blended Benchmark*, **	4.39%	
Year To Date*	4.29%	4.19%
Blended Benchmark*, **	4.39%	
1 Year	-5.45%	-5.79%
Blended Benchmark**	-5.25%	
3 Year	7.08%	6.69%
Blended Benchmark**	7.65%	
5 Year	4.55%	4.18%
Blended Benchmark**	4.97%	
10 Year	5.31%	4.93%
Blended Benchmark**	5.74%	

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

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

#### HighMark Plus Composite (Active)

2008	-22.88%
2009	21.47%
2010	12.42%
2011	0.55%
2012	12.25%
2013	13.06%
2014	4.84%
2015	0.14%
2016	6.45%
2017	13.19%
2018	-4.03%
2019	17.71%
2020	12.92%
2021	9.31%
2022	-14.63%

#### Index Plus Composite (Passive)

2008	-18.14%
2009	16.05%
2010	11.77%
2011	2.29%
2012	10.91%
2013	12.79%
2014	5.72%
2015	-0.52%
2016	7.23%
2017	11.59%
2018	-4.03%
2019	17.52%
2020	11.23%
2021	10.18%
2022	-14.21%

## HOLDINGS

### HighMark Plus (Active)

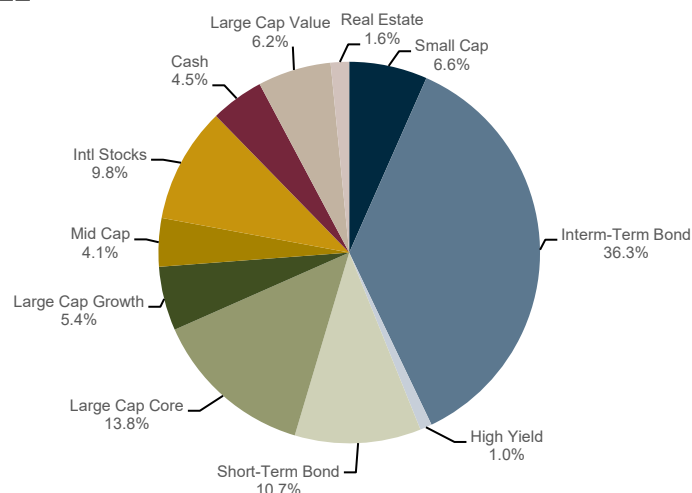
Columbia Contrarian Core I3  
Vanguard Growth & Income Adm  
Dodge & Cox Stock Fund  
iShares S&P 500 Value ETF  
Harbor Capital Appreciation - Retirement  
iShares S&P 500 Growth ETF  
iShares Russell Mid-Cap ETF  
Vanguard Real Estate ETF  
Undiscovered Managers Behavioral Value-R6  
Emerald Growth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

### Index Plus (Passive)

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

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

## STYLE



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

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

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

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

## HIGHMARK CAPITAL MANAGEMENT

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

### ABOUT THE ADVISER

HighMark® Capital Management, Inc. (HighMark) has over 100 years (including predecessor organizations) of institutional money management experience with \$8.6 billion in assets under management and \$9.6 billion in assets under advisement\*. HighMark has a long term disciplined approach to money management and currently manages assets for a wide array of clients.

### ABOUT THE PORTFOLIO MANAGEMENT TEAM

#### Andrew Brown, CFA®

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

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

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

#### J. Keith Stribling, CFA®

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

#### Christiane Tsuda

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

#### Anne Wimmer, CFA®

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

### Asset Allocation Committee

Number of Members: 15  
Average Years of Experience: 28  
Average Tenure (Years): 16

### Manager Review Group

Number of Members: 6  
Average Years of Experience: 23  
Average Tenure (Years): 12

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

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
COMBINED FINANCIAL STATEMENTS  
AND  
BUDGET COMPARATIVE  
JULY 1, 2022 THRU MARCH 31, 2023**

**Municipal Water District of Orange County  
Combined Balance Sheet  
As of March 31, 2023**

	<u><b>Amount</b></u>
<b><u>ASSETS</u></b>	
Cash in Bank	1,108,921.08
Investments	12,905,105.45
Accounts Receivable	15,604,931.88
Accounts Receivable - Other	195,096.64
Accrued Interest Receivable	125,331.18
Prepays/Deposits	284,306.73
Leasehold Improvements	7,001,517.44
Furniture, Fixtures & Equipment	885,094.81
Less: Accumulated Depreciation	<u>(3,820,942.18)</u>
<b>TOTAL ASSETS</b>	<b><u><u>34,289,363.03</u></u></b>
<b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b><u>LIABILITIES</u></b>	
Accounts Payable	16,247,447.20
Accounts Payable - Other	182.00
Accrued Salaries and Benefits Payable	687,880.92
Other Liabilities	961,472.20
Unearned Revenue	<u>1,062,950.06</u>
<b>TOTAL LIABILITIES</b>	<b><u><u>18,959,932.38</u></u></b>
<b><u>FUND BALANCES</u></b>	
<b><u>Restricted Fund Balances</u></b>	
WEROC Reserves	<u>240,442.01</u>
Total Restricted Fund Balances	<u>240,442.01</u>
<b><u>Unrestricted Fund Balances</u></b>	
<b><u>Designated Reserves</u></b>	
Operating Reserve	5,675,047.00
Election Reserve	461,678.00
OPEB Reserve	<u>297,147.00</u>
Total Designated Reserves	<u>6,433,872.00</u>
General Fund	5,811,879.95
General Fund Capital	<u>83,747.32</u>
Total Unrestricted Fund Balances	<u>12,329,499.27</u>
<b><u>Excess Revenue over Expenditure</u></b>	
Operating Fund	3,038,442.46
Other Funds	<u>(278,953.09)</u>
<b>TOTAL FUND BALANCES</b>	<b><u><u>15,329,430.65</u></u></b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b><u><u>34,289,363.03</u></u></b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**July 1, 2022 thru March 31, 2023**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
<b>REVENUES</b>						
Retail Connection Charge	0.00	8,885,401.25	8,885,401.25	100.00%	0.00	0.00
Ground Water Customer Charge	0.00	367,806.00	367,805.72	100.00%	0.00	(0.28)
<b>Water Rate Revenues</b>	<b>0.00</b>	<b>9,253,207.25</b>	<b>9,253,206.97</b>	<b>100.00%</b>	<b>0.00</b>	<b>(0.28)</b>
Interest Revenue	48,663.06	370,998.80	145,971.00	254.16%	0.00	(225,027.80)
<b>Subtotal</b>	<b>48,663.06</b>	<b>9,624,206.05</b>	<b>9,399,177.97</b>	<b>102.39%</b>	<b>0.00</b>	<b>(225,028.08)</b>
Choice Programs	12,738.00	1,298,081.16	1,328,114.20	97.74%	0.00	30,033.04
MWD Revenue - Shared Services	13,600.00	62,730.00	0.00	0.00%	0.00	(62,730.00)
Miscellaneous Income	0.50	2,217.42	3,000.00	73.91%	0.00	782.58
School Contracts	26,089.29	83,204.68	429,837.67	19.36%	0.00	346,632.99
Delinquent Payment Penalty	0.00	3,597.63	0.00	0.00%	0.00	(3,597.63)
Transfer-In from Reserve	0.00	0.00	457,061.00	0.00%	0.00	457,061.00
<b>Subtotal</b>	<b>52,427.79</b>	<b>1,449,830.89</b>	<b>2,218,012.87</b>	<b>65.37%</b>	<b>0.00</b>	<b>768,181.98</b>
<b>TOTAL REVENUES</b>	<b>101,090.85</b>	<b>11,074,036.94</b>	<b>11,617,190.84</b>	<b>95.32%</b>	<b>0.00</b>	<b>543,153.90</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**General Fund**  
**July 1, 2022 thru March 31, 2023**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Encumbrance</u>	<u>Budget Remaining</u>
<b><u>EXPENSES</u></b>						
Salaries & Wages	415,846.50	3,339,258.13	4,429,129.50	75.39%	0.00	1,089,871.37
Salaries & Wages - Grant Recovery	(1,660.00)	(4,511.35)	(20,000.00)	(22.56)%	0.00	(15,488.65)
Director's Compensation	21,610.38	201,042.02	275,041.20	73.10%	0.00	73,999.18
MWD Representation	11,787.48	105,432.46	157,166.40	67.08%	0.00	51,733.94
Employee Benefits	114,398.50	1,029,209.44	1,441,831.24	71.38%	0.00	412,621.80
Employee Benefits - Grant Recovery	(340.00)	(908.93)	0.00	0.00%	0.00	908.93
CalPers Unfunded Liability Contribution	0.00	207,000.00	207,000.00	100.00%	0.00	0.00
Director's Benefits	8,715.37	79,643.71	132,976.50	59.89%	0.00	53,332.79
Health Insurance for Retirees	9,653.03	57,020.74	94,554.00	60.30%	0.00	37,533.26
Training Expense	1,090.00	5,529.58	53,000.00	10.43%	0.00	47,470.42
Tuition Reimbursement	0.00	2,653.00	5,000.00	53.06%	0.00	2,347.00
Temporary Help Expense	0.00	0.00	5,000.00	0.00%	0.00	5,000.00
<b>Personnel Expenses</b>	<b>581,101.26</b>	<b>5,021,368.80</b>	<b>6,780,698.84</b>	<b>74.05%</b>	<b>0.00</b>	<b>1,759,330.04</b>
Engineering Expense	15,033.50	148,848.00	410,000.00	36.30%	95,515.53	165,636.47
Legal Expense	17,721.20	119,601.71	235,750.00	50.73%	135,398.29	(19,250.00)
Audit Expense	0.00	27,000.00	35,000.00	77.14%	4,500.00	3,500.00
Professional Services	159,093.89	822,010.70	1,516,256.00	54.21%	1,026,316.20	(332,070.90)
<b>Professional Fees</b>	<b>191,848.59</b>	<b>1,117,460.41</b>	<b>2,197,006.00</b>	<b>50.86%</b>	<b>1,261,730.02</b>	<b>(182,184.43)</b>
Conference - Staff	325.00	17,360.00	56,205.00	30.89%	0.00	38,845.00
Conference - Directors	0.00	11,009.72	23,905.00	46.06%	0.00	12,895.28
Travel & Accom. - Staff	9,377.63	34,808.00	90,325.00	38.54%	0.00	55,517.00
Travel & Accom. - Directors	2,847.73	11,335.67	32,900.00	34.45%	0.00	21,564.33
<b>Travel &amp; Conference</b>	<b>12,550.36</b>	<b>74,513.39</b>	<b>203,335.00</b>	<b>36.65%</b>	<b>0.00</b>	<b>128,821.61</b>
Membership/Sponsorship	175.00	144,343.24	145,847.00	98.97%	0.00	1,503.76
CDR Support	14,365.50	43,096.50	57,462.00	75.00%	14,365.50	0.00
<b>Dues &amp; Memberships</b>	<b>14,540.50</b>	<b>187,439.74</b>	<b>203,309.00</b>	<b>92.19%</b>	<b>14,365.50</b>	<b>1,503.76</b>
Business Expense	204.79	985.46	2,500.00	39.42%	0.00	1,514.54
Office Maintenance	11,418.06	126,368.51	151,400.00	83.47%	34,563.12	(9,531.63)
Building Repair & Maintenance	10,990.74	19,865.79	22,056.00	90.07%	11,360.58	(9,170.37)
Storage Rental & Equipment Lease	58.67	526.23	1,800.00	29.24%	273.77	1,000.00
Office Supplies	1,855.96	20,968.31	35,000.00	59.91%	1,737.77	12,293.92
Supplies - Water Loss Control	2,281.82	6,294.44	4,000.00	157.36%	0.00	(2,294.44)
Postage/Mail Delivery	478.13	6,516.76	11,300.00	57.67%	1,117.68	3,665.56
Subscriptions & Books	0.00	203.40	1,000.00	20.34%	0.00	796.60
Reproduction Expense	0.00	14,722.18	84,000.00	17.53%	3,503.88	65,773.94
Maintenance - Computers	58.69	4,618.22	7,000.00	65.97%	0.00	2,381.78
Software Purchase	6,469.04	80,977.84	95,093.00	85.16%	524.79	13,590.37
Software Support	15.65	30,221.02	55,615.00	54.34%	0.00	25,393.98
Computers and Equipment	350.00	23,160.41	43,950.00	52.70%	0.00	20,789.59
Maintenance Expense	0.00	0.00	6,000.00	0.00%	0.00	6,000.00
Automotive Expense	1,138.27	4,073.15	13,500.00	30.17%	0.00	9,426.85
Vehicle Expense	705.20	7,869.22	7,343.00	107.17%	0.00	(526.22)
Toll Road Charges	63.51	230.18	2,100.00	10.96%	0.00	1,869.82
Insurance Expense	15,548.32	137,271.99	140,000.00	98.05%	0.00	2,728.01
Utilities - Telephone	3,226.19	26,957.41	43,690.00	61.70%	342.09	16,390.50
Bank Fees	0.00	780.58	2,600.00	30.02%	0.00	1,819.42
Miscellaneous Expense	13,844.66	42,205.36	69,520.00	60.71%	1,455.00	25,859.64
MWDOC's Contrb. to WEROC	24,690.83	222,217.51	296,290.00	75.00%	0.00	74,072.49
Depreciation Expense	7,951.36	71,561.79	0.00	0.00%	0.00	(71,561.79)
<b>Other Expenses</b>	<b>101,349.89</b>	<b>848,595.76</b>	<b>1,095,757.00</b>	<b>77.44%</b>	<b>54,878.68</b>	<b>192,282.56</b>
Election Expense	0.00	643,450.91	300,728.00	213.96%	0.00	(342,722.91)
Capital Aquisition	0.00	115,862.19	113,280.00	102.28%	34,967.71	(37,549.90)
Building Expense	2,040.00	26,903.28	723,077.00	3.72%	23,334.79	672,838.93
<b>TOTAL EXPENSES</b>	<b>903,430.60</b>	<b>8,035,594.48</b>	<b>11,617,190.84</b>	<b>69.17%</b>	<b>1,389,276.70</b>	<b>2,192,319.66</b>
<b>NET INCOME (LOSS)</b>	<b>(802,339.75)</b>	<b>3,038,442.46</b>	<b>0.00</b>	<b>0.00%</b>	<b>(1,389,276.70)</b>	<b>(1,649,165.76)</b>

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Fund**  
**July 1, 2022 thru March 31, 2023**

	<u>Month to Date</u>	<u>Year to Date</u>	<u>Annual Budget</u>	<u>% Used</u>	<u>Budget Remaining</u>
<b><u>WATER REVENUES</u></b>					
Water Sales	5,855,877.00	112,868,814.30	157,620,717.70	71.61%	44,751,903.40
Readiness to Serve Charge	1,141,583.00	9,511,000.19	11,142,354.00	85.36%	1,631,353.81
Capacity Charge CCF	293,620.00	3,576,449.86	5,396,060.00	66.28%	1,819,610.14
SCP/SAC Pipeline Surcharge	18,325.34	245,314.97	318,000.00	77.14%	72,685.03
Interest Revenue	0.00	0.00	4,547.00	0.00%	4,547.00
<b>TOTAL WATER REVENUES</b>	<b>7,309,405.34</b>	<b>126,201,579.32</b>	<b>174,481,678.70</b>	<b>72.33%</b>	<b>48,280,099.38</b>
<b><u>WATER PURCHASES</u></b>					
Water Sales	5,855,877.00	112,868,814.30	157,620,717.70	71.61%	44,751,903.40
Readiness to Serve Charge	1,141,583.00	9,511,000.05	11,142,354.00	85.36%	1,631,353.95
Capacity Charge CCF	293,620.00	3,576,450.00	5,396,060.00	66.28%	1,819,610.00
SCP/SAC Pipeline Surcharge	18,325.34	245,314.97	318,000.00	77.14%	72,685.03
<b>TOTAL WATER PURCHASES</b>	<b>7,309,405.34</b>	<b>126,201,579.32</b>	<b>174,477,131.70</b>	<b>72.33%</b>	<b>48,275,552.38</b>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<b>0.00</b>	<b>0.00</b>	<b>4,547.00</b>	<b>0.00%</b>	<b>4,547.00</b>

**Municipal Water District of Orange County  
Revenues and Expenditures Budget Comparative Report  
Water Use Efficiency  
July 1, 2022 thru March 31, 2023**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<b>Spray To Drip Conversion</b>			
Revenues	264,166.85	434,927.51	60.74%
Expenses	375,279.37	434,927.51	86.29%
Excess of Revenues over Expenditures	(111,112.52)	0.00	
<b>Member Agency Administered Pass-Thru</b>			
Revenues	0.00	255,000.00	0.00%
Expenses	0.00	255,000.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>ULFT Rebate Program</b>			
Revenues	280.00	1,000.00	28.00%
Expenses	280.00	1,000.00	28.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>HECW Rebate Program</b>			
Revenues	46,781.22	60,000.00	77.97%
Expenses	40,980.00	60,000.00	68.30%
Excess of Revenues over Expenditures	5,801.22	0.00	
<b>CII Rebate Program</b>			
Revenues	399.00	2,000.00	19.95%
Expenses	399.00	2,000.00	19.95%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Turf Removal Program</b>			
Revenues	4,758,003.43	6,061,364.00	78.50%
Expenses	5,012,337.54	6,061,364.00	82.69%
Excess of Revenues over Expenditures	(254,334.11)	0.00	
<b>Comprehensive Landscape (CLWUE)</b>			
Revenues	100,719.65	321,700.00	31.31%
Expenses	104,631.34	321,700.00	32.52%
Excess of Revenues over Expenditures	(3,911.69)	0.00	
<b>Recycled Water Program</b>			
Revenues	1,582.75	50,000.00	3.17%
Expenses	1,582.75	50,000.00	3.17%
Excess of Revenues over Expenditures	0.00	0.00	
<b>WSIP - Industrial Program</b>			
Revenues	0.00	32,645.00	0.00%
Expenses	0.00	32,645.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Land Design Program</b>			
Revenues	241,047.50	331,303.00	72.76%
Expenses	301,671.90	331,303.00	91.06%
Excess of Revenues over Expenditures	(60,624.40)	0.00	
<b>Pressure Regulation Program</b>			
Revenues	21,675.00	26,960.50	80.40%
Expenses	21,675.00	26,960.50	80.40%
Excess of Revenues over Expenditures	0.00	0.00	
<b>Rotating Nozzle</b>			
Revenues	13.20	1,750.00	0.75%
Expenses	0.00	1,750.00	0.00%
Excess of Revenues over Expenditures	13.20	0.00	
<b>Dedicated Irrigation Meters Measurement Project (DIMM)</b>			
Revenues	0.00	966,624.00	0.00%
Expenses	0.00	966,624.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	

**Municipal Water District of Orange County**  
**Revenues and Expenditures Budget Comparative Report**  
**Water Use Efficiency**  
**July 1, 2022 thru March 31, 2023**

	<u>Year to Date Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<b>Rain Barrel</b>			
Revenues	180.00	0.00	0.00%
Expenses	180.00	0.00	0.00%
Excess of Revenues over Expenditures	0.00	0.00	
 <b>Total WUE Projects</b>			
Revenues	5,434,848.60	8,545,274.01	63.60%
Expenses	5,859,016.90	8,545,274.01	68.56%
Excess of Revenues over Expenditures	(424,168.30)	0.00	
 <b>WEROC</b>			
Revenues	491,868.53	565,941.00	86.91%
Expenses	562,887.99	565,941.00	99.46%
Excess of Revenues over Expenditures	(71,019.46)	0.00	



## Memorandum

**DATE:** May 15, 2023

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

**FROM:** Harvey De La Torre, Interim General Manager

**SUBJECT:** Quarter ending March 2023 Fiscal YTD Financials Actual versus Budget

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The following reports are attached:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget Summary Report  
Fiscal Year to Date ending March 2023 (Unaudited)  
( \$000 Omitted )  
General Fund and Reserve Fund

GENERAL FUND

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>% Used</u>
<u>REVENUES</u>			
Water Rate revenues:			
Retail Connection Charge	8,885	8,885	100.00%
Ground Water Customer Charge	368	368	100.00%
Subtotal	<u>9,253</u>	<u>9,253</u>	<u>100.00%</u>
Other Revenues:			
Interest Income <sup>(1)</sup>	371	146	254.16%
Choice Programs <sup>(2)</sup>	1,361	1,328	102.46%
School Contracts <sup>(3)</sup>	83	430	19.36%
Other Income <sup>(4)</sup>	6	3	193.84%
Transfer in from Reserve <sup>(5)</sup>	0	457	0.00%
Subtotal	<u>1,821</u>	<u>2,364</u>	<u>77.02%</u>
<b>TOTAL REVENUES</b>	<u><u>11,074</u></u>	<u><u>11,617</u></u>	<u><u>95.32%</u></u>
<u>EXPENSES</u>			
Personnel Expenses (including Directors)	5,021	6,781	74.05%
Professional Services <sup>(6)</sup>	849	1,551	54.73%
Outside Engineering <sup>(6)</sup>	149	410	36.30%
Legal Expense	120	236	50.73%
Travel & Conference <sup>(7)</sup>	75	203	36.65%
Dues and Memberships	187	203	92.19%
General & Admin Expense <sup>(8)</sup>	1,492	1,396	106.84%
Building Repair & Expense <sup>(6)</sup>	27	723	3.72%
Capital Acquisition <sup>(9)</sup>	116	113	102.28%
<b>TOTAL EXPENSES</b>	<u><u>8,036</u></u>	<u><u>11,617</u></u>	<u><u>69.17%</u></u>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<u><u>3,038</u></u>		

RESERVE FUND

Beginning Balance	7,305
Nov 2021 - draw from FY 2020-21 Reserves	(871)
<b>TOTAL RESERVE FUND<sup>(10)</sup></b>	<u><u>6,434</u></u>

- (1) Interest rates continue to rise  
(2) Choice Programs are funded at beginning of year  
(3) Schools originally anticipated higher participation  
(4) Other Income includes delinquent water pmt and CalCard rebates  
(5) Transfer in from Reserves is moved at year-end  
(6) Projects in process  
(7) Travel and Conferences are scheduled throughout the fiscal year  
(8) Gen & Admin includes election expense  
(9) Capital is using carryover funds to complete multi-year projects  
(10) Reserve Fund will be revised July 2023

Municipal Water District of Orange County  
Revenues and Expenditures Actual vs Budget Line Item Report  
Fiscal Year to Date ending March 2023 (Unaudited)  
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
<b>REVENUES</b>			
Retail Connection Charge	8,885,401	8,885,401	100.00%
Ground Water Customer Charge	367,806	367,806	100.00%
<b>Water Rate Revenues</b>	<b>9,253,207</b>	<b>9,253,207</b>	<b>100.00%</b>
Choice Programs	1,298,081	1,328,114	97.75%
MWD Revenue - Shared Services	62,730	0	0.00%
Interest Revenue	370,999	145,971	254.16%
Miscellaneous Income	5,815	3,000	193.84%
School Contracts	83,205	429,838	0.00%
Transfer in from Reserve	0	457,061	0.00%
<b>Other Revenues</b>	<b>1,820,830</b>	<b>2,363,984</b>	<b>77.02%</b>
<b>TOTAL REVENUES</b>	<b>11,074,037</b>	<b>11,617,191</b>	<b>95.32%</b>

<b>OPERATING EXPENSES</b>			
Salaries & Wages	3,339,258	4,429,130	75.39%
less Recovery's	(4,511)	(20,000)	22.56%
Directors' Compensation	201,042	275,041	73.10%
MWD Representation	105,432	157,166	67.08%
Employee Benefits	1,029,209	1,441,831	71.38%
less Recovery's	(909)	0	0.00%
CALPERS Unfunded Liability Contribution	207,000	207,000	100.00%
Directors Benefits	79,644	132,977	59.89%
Health Insurances for Retirees	57,021	94,554	60.31%
Training Expense	5,530	53,000	10.43%
Tuition Reimbursement	2,653	5,000	53.06%
Temporary Help Expense	0	5,000	0.00%
<b>Personnel Expenses</b>	<b>5,021,369</b>	<b>6,780,699</b>	<b>74.05%</b>
Engineering Expense	148,848	410,000	36.30%
Legal Expense	119,602	235,750	50.73%
Audit Expense	27,000	35,000	77.14%
Professional Services	822,010	1,516,256	54.21%
<b>Professional Fees</b>	<b>1,117,460</b>	<b>2,197,006</b>	<b>50.86%</b>
Conference-Staff	17,360	56,205	30.89%
Conference-Directors	11,010	23,905	46.06%
Travel & Accom.-Staff	34,808	90,325	38.54%
Travel & Accom.-Directors	11,335	32,900	34.45%
<b>Travel &amp; Conference</b>	<b>74,513</b>	<b>203,335</b>	<b>36.65%</b>
Membership/Sponsorship	144,343	145,847	98.97%
CDR Support	43,097	57,462	75.00%
<b>Dues &amp; Memberships</b>	<b>187,440</b>	<b>203,309</b>	<b>92.19%</b>

Municipal Water District of Orange County  
Revenues and Expenditures Actual vs Budget Line Item Report  
Fiscal Year to Date ending March 2023 (Unaudited)  
General Fund

	YTD ACTUAL	ANNUAL BUDGET	% Used
Business Expense	986	2,500	39.44%
Maintenance Office	126,369	151,400	83.47%
Building Repair & Maintenance	19,866	22,056	90.07%
Storage Rental & Equipment Lease	526	1,800	29.22%
Office Supplies	20,968	35,000	59.91%
Supplies - Water Loss Control	6,294	4,000	157.35%
Postage/Mail Delivery	6,517	11,300	57.67%
Subscriptions & Books	203	1,000	20.30%
Reproduction Expense	14,722	84,000	17.53%
Maintenance-Computers	4,618	7,000	65.97%
Software Purchase	80,978	95,093	85.16%
Software Support	30,221	55,615	54.34%
Computers and Equipment	23,161	43,950	52.70%
Maintenance Expense	0	6,000	0.00%
Automotive Expense	4,073	13,500	30.17%
Vehicle Expense	7,869	7,343	107.16%
Toll Road Charges	230	2,100	10.95%
Insurance Expense	137,272	140,000	98.05%
Utilities - Telephone	26,958	43,690	61.70%
Bank Fees	781	2,600	30.04%
Miscellaneous Expense	42,205	69,520	60.71%
MWDOC's Contribution to WEROC	222,218	296,290	75.00%
Depreciation Expense	71,562	0	0.00%
Election Expense	643,451	300,728	0.00%
MWDOC Building Expense	26,903	723,077	3.72%
Capital Acquisition	115,862	113,280	102.28%
<b>Other Expenses</b>	<b>1,634,813</b>	<b>2,232,842</b>	<b>73.22%</b>
<b>TOTAL EXPENSES</b>	<b>8,035,595</b>	<b>11,617,191</b>	<b>69.17%</b>
<b>EXCESS OF REVENUES OVER EXPENSES</b>	<b>3,038,442</b>	<b>0</b>	

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Statement of Revenues and Expenditures  
Fiscal Year to Date ending March 2023 (Unaudited)  
Water Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<b><u>Water Revenues</u></b>			
Water Sales	112,868,814	157,620,718	(44,751,904)
Readiness to Serve Charge	9,511,000	11,142,354	(1,631,354)
Capacity Charge CCF	3,576,450	5,396,060	(1,819,610)
SCP/SAC Pipeline Surcharge	245,315	318,000	(72,685)
Interest <sup>(1)</sup>	-	4,547	(4,547)
Total Water Revenues	<u>126,201,579</u>	<u>174,481,679</u>	<u>(48,280,100)</u>
<b><u>Water Purchases</u></b>			
Water Sales	112,868,814	157,620,718	(44,751,904)
Ready to Serve Charge	9,511,000	11,142,354	(1,631,354)
Capacity Charge CCF	3,576,450	5,396,060	(1,819,610)
SCP/SAC Pipeline Surcharge	245,315	318,000	(72,685)
Total Water Purchases	<u>126,201,579</u>	<u>174,477,132</u>	<u>(48,275,553)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>4,547</u>	<u>(4,547)</u>

<sup>(1)</sup> Interest for disbursed Tier 2 Funds

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2023 (Unaudited)  
Other Funds

	<u>YTD Actual</u>	<u>Annual Budget</u>	<u>Balance</u>
<b><u>WEROC</u></b>			
Revenues	491,869	565,941	(74,072)
Expenditures	562,888	565,941	(3,053)
Excess of Revenues over Expenditures	<u>(71,019)</u>	<u>0</u>	<u>(71,019)</u>

**WUE Projects (details on next page)**

Revenues	5,434,849	8,545,274	(3,110,425)
Expenditures	5,859,017	8,545,274	(2,686,257)
Excess of Revenues over Expenditures	<u>(424,168)</u>	<u>0</u>	<u>(424,168)</u>

Footnote:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2023 (Unaudited)  
Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
<b><u>Spray to Drip Conversion</u></b>					
Revenues	264,167		434,928	60.74%	434,928
Expenditures	375,279		434,928	86.29%	434,928
Excess of Revenues over Expenditures	(111,113)	-42%			

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

Budget Variance: Program activity is higher than previous fiscal years and is on trajectory to spend projected budget.

**Member Agency Administered Pass thru**

Revenues	0		255,000	0.00%	255,000
Expenditures	0		255,000	0.00%	255,000
Excess of Revenues over Expenditures	0	0%			

Actual Variance: No activity that falls outside of other reported regional programs has occurred.

Budget Variance: No Member Agency Administered (MAA) pass through funding is anticipated this year as all MAA funding is allocated to programs implemented regionally.

**ULFT Rebate Program**

Revenues	280		1,000	28.00%	1,000
Expenditures	280		1,000	28.00%	1,000
Excess of Revenues over Expenditures	0	0%			

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

Budget Variance: Program consistently has low participation.

**HECW Rebate Program**

Revenues	46,781		60,000	77.97%	60,000
Expenditures	40,980		60,000	68.30%	60,000
Excess of Revenues over Expenditures	5,801	12%			

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

Budget Variance: EGIA device rebates have seen lower than average activity this fiscal year.

**CII Rebate Program**

Revenues	399		2,000	19.95%	2,000
Expenditures	399		2,000	19.95%	2,000
Excess of Revenues over Expenditures	0	0%			

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

Budget Variance: EGIA device rebates have seen lower than average activity this fiscal year.

Notes:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2023 (Unaudited)  
Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
<b><u>Turf Removal Program</u></b>					
Revenues	4,758,003		6,061,364	78.50%	6,061,364
Expenditures	5,012,338		6,061,364	82.69%	6,061,364
Excess of Revenues over Expenditures	(254,334)	-5%			

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

Budget Variance: Program activity has been the highest activity since 2014-15 and is on trajectory to spend or slightly exceed projected budget.

<b><u>Comprehensive Landscape (CLWUE)</u></b>					
Revenues	100,900		321,700	31.36%	321,700
Expenditures	104,811		321,700	32.58%	321,700
Excess of Revenues over Expenditures	(3,912)	-4%			

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

Budget Variance: EGIA device rebates have seen lower than average activity this fiscal year.

<b><u>Recycled Water Program</u></b>					
Revenues	1,583		50,000	3.17%	50,000
Expenditures	1,583		50,000	3.17%	50,000
Excess of Revenues over Expenditures	0	0%			

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

Budget Variance: Program is experiencing lower than average participation overall. There are projects in progress but typically take long periods of time to complete and will be paid next fiscal year.

<b><u>WSIP - Industrial Program</u></b>					
Revenues	0		32,645	0.00%	32,645
Expenditures	0		32,645	0.00%	32,645
Excess of Revenues over Expenditures	0	0%			

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

Budget Variance: Program is experiencing lower than average participation; however, projects are anticipated to be completed in the latter half of the fiscal year. At least one project is anticipated to be completed before the end of the fiscal year, but the program will likely come in under budget.

<b><u>Land Design Program</u></b>					
Revenues	241,048		331,303	72.76%	331,303
Expenditures	301,672		331,303	91.06%	331,303
Excess of Revenues over Expenditures	(60,624)	-25%			

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

Budget Variance: This program is tied directly to activity in the turf program and there has been an increase in participation. Controls have been implemented to stay on budget; the program will likely finish slightly over the projected budget.

Notes:

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

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
Revenues and Expenditures Actual versus Budget  
Fiscal Year to Date ending March 2023 (Unaudited)  
Water Use Efficiency Projects

	Actual	Variance %	Fiscal Year Budget	% of Budget	Projected Final FY Budget
<b><u>Pressure Regulation Valve Program</u></b>					
Revenues	21,675		26,961	80.40%	26,961
Expenditures	21,675		26,961	80.40%	26,961
Excess of Revenues over Expenditures	0	0%			

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

Budget Variance: This is a pilot program that is close to wrapping up next fiscal year. It is likely expenses will remain as is until activity resumes next fiscal year.

<b><u>Rotating Nozzle Program</u></b>					
Revenues	13		1,750	0.75%	5,000
Expenditures	0		1,750	0.00%	5,000
Excess of Revenues over Expenditures	13	0%			

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

Budget Variance: EGIA device rebates have seen lower than average activity this fiscal year.

<b><u>Dedicated Irrigation Meters Measurement Project (DIMM)</u></b>					
Revenues	0		966,624	0.00%	966,624
Expenditures	0		966,624	0.00%	966,624
Excess of Revenues over Expenditures	0	0%			

Actual Variance:

Budget Variance: Work is in progress but has a lengthy timeline to completion. Final completion of work has had to slightly pause to consider direction coming from the State in regards to the Conservation Framework. Approximately 15% of project expenses are expected to be incurred in the remainder of the fiscal year, with most activity invoiced next fiscal year.

Notes:

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



**CONSENT CALENDAR ITEM**

May 17, 2023

**TO:** Board of Directors

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

Harvey De La Torre  
Interim General Manager

Staff Contact: Heather Baez

**SUBJECT: CALL FOR CANDIDATES AND AUTHORIZATION TO VOTE ON BEHALF OF MWDOC IN THE ASSOCIATION OF CALIFORNIA WATER AGENCIES' (ACWA) ELECTION OF PRESIDENT, VICE PRESIDENT AND REGION 10 BOARD OF DIRECTORS**

**STAFF RECOMMENDATION**

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Staff recommends that the Committee:

- Discuss and determine if anyone from the MWDOC Board of Directors would like to be a candidate in ACWA's 2024-2025 election;
- Authorize MWDOC Board President Megan Yoo Schneider or her designee to cast the District's ballot for the ACWA President, Vice President, and Region 10 Board of Directors;
- Direct staff to bring this item back to the Board in August after the official ballot has been released, to review the candidates for both President and Vice President, and the Region 10 Board of Directors. At that time, the Board can determine if they would like to direct the District's designee to vote for particular candidates.

**COMMITTEE RECOMMENDATION**

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Committee concurred with staff recommendation (no MWDOC Directors expressed a desire for candidacy).

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

## BACKGROUND

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ACWA's Board officers' election is currently underway and there are multiple changes to the election process this year, including the way ACWA members elect the President and Vice President. Voting will no longer take place at the ACWA Fall Conference, but instead will be facilitated electronically (unless otherwise requested) over the summer, with results announced at the end of September.

Below are some of the major changes:

- Member agencies must designate their voting representative by June 16.
- A candidate's nomination statement of qualifications or resume should highlight the candidate's active involvement in ACWA task forces, regional boards, committees, or the like. Candidates must also submit an abbreviated statement that will be included with the official ballot.
- The Election Committee will present an open ballot with all qualified candidates that will be distributed July 17. Including all qualified candidates on the ballot eliminates the need for last-minute floor nominations during fall conference.
- Members of ACWA will elect the President and Vice President by voting electronically before ACWA's annual meeting at fall conference. Since the voting period has been moved up, the results of the election will be formally announced on Sept. 27.
- Members who want to vote will need to submit their ballots via electronic communication or first class mail.
- If a candidate does not receive a majority of votes for President or Vice President, a run-off election will be held and a new ballot will be sent out on Sept. 26 with the two candidates that received the highest amount of votes. The run-off ballots need to be submitted by Nov. 10.

## CALL FOR CANDIDATES

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The Call for Candidates for President and Vice President, and the Region Board Members is a *separate, but concurrent process*.

### President and Vice President

Candidates for ACWA President and Vice President must be an elected or appointed director of an ACWA member agency. In order to become a candidate, you must submit the following documents by June 16:

- An agency resolution that includes your member agency's Board of Directors' authorized signatory.
- A statement of qualifications or resume highlighting your qualifications and active involvement in ACWA task forces, regional boards, committees, or the like.
- An abbreviated statement (maximum of 300 words) that will be included with the official ballot.
- A headshot photo (recommended).
- In addition to the required documents, you may also send resolutions of support.

## Region 10 Board

The leadership of ACWA's 10 geographical regions is integral to the leadership of ACWA. The Chair and Vice Chair of Region 10 serve on ACWA's statewide Board of Directors and recommend all committee appointments for Region 10, as well as determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members and serve as a key role in ACWA's grassroots outreach efforts.

If a member of the MWDOC Board is interested in serving in a leadership role within ACWA by becoming a Region 10 Board Member, please review the role and responsibilities of the region boards and the Region 10 Rules and Regulations (attached) and submit the following documents by June 16:

- A candidate nomination form
- A signed resolution of support from your agency's Board of Directors
- Short biography
- Headshot photo

## **ELECTION AND NOMINATING COMMITTEES**

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### President and Vice President

An Election Committee has been appointed to facilitate the election of the President and Vice President, including confirming that candidates' eligibility criteria has been met. The 11-member committee includes one representative appointed by the current ACWA President and 10 region representatives appointed by each of the region boards. The committee will endorse preferred candidates for President and Vice President, but all qualifying candidates will be listed on the ballot.

The committee representatives were appointed Feb. 28 and will continue to meet as needed throughout the election cycle to facilitate the election of the board officers.

The 2023 Election Committee members are:

Gary Arant, Region 10 (Chair)	Larry McKenney, Region 3
Bill Cooper, Region 8	Sheridan Nicholas, Region 7
Bill Diedrich, Region 6	Kathy Tiegs, President's Representative
Carol Lee Gonzales-Brady, Region 9	Bruce Rupp, Region 1
Piret Harmon, Region 5	Mike Wade, Region 2
	Dan York, Region 4

## Region 10 Board

Each region Chair, in concurrence with the region Board, appoints a region Nominating Committee. Each Nominating Committee's role is to pursue qualified member candidates within the region to run for the Board and select a recommended slate of candidates. Each region Nominating Committee will announce their recommended slate by July 10.

The Region 10 Nominating Committee members are:

Amy Reeh, Yuima Municipal Water District	David Drake, Rincon del Diablo Municipal Water District
Duane Cave, Moulton Niguel Water District	Greg Mills, Serrano Water District

## HOW TO VOTE

**Each member agency must designate one voting representative by June 16.** To designate our agency's one voter, MWDOC staff needs to submit the Authorized Voting Representative Form by the June deadline. If we do not designate a representative to vote by the deadline, our agency's General Manager will be the authorized voter by default.

Each authorized voter will receive a ballot on July 17 that will include the names of all qualified candidates. There will also be a space to write in the name of an eligible candidate. All ballots will be submitted electronically, except those who opted out of electronic voting in lieu of first class mail.

**The deadline for voting is 5 p.m. on Sept. 15. There will be no voting at fall conference.** Mailed ballots must be postmarked by Sept. 15 and received by Sept. 20 to be counted.

## KEY DATES

Election Committees Appointed	February 28
Call for Candidates Begins	April 17
Deadline to Submit Voter Designation Form	June 16
Deadline for Candidates to Submit Nominating Resolutions and Statement of Qualifications	June 16
Candidate Interviews for President and Vice President	June 23
Endorse Preferred Candidate and Establish Open Ballot for President and Vice President	July 7
Ballots Distributed	July 17
Deadline to Submit Ballots	September 15

Count Ballots	September 25
2024-2025 President and Vice President/Region Board Members Announced	September 27
2024-2025 President and Vice President/Region Board Members Introduced at Fall Conference	November 29

## **FUTURE ACTION**

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Once the (separate) ballots are received for ACWA President/Vice President and the Region 10 Board on July 17, the Board may wish to consider bringing this item back to the Board for discussion. At that time, the list of candidates will be finalized, and the Board can review the candidates' qualifications and determine if a directed vote is appropriate.

## **BOARD OPTIONS**

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### **Option #1**

- Discuss and determine if any member of the MWDOC Board of Directors is interested in running for ACWA President or the Region 10 Board of Directors.
- Authorize MWDOC Board President, Megan Yoo Schneider or her designee, to cast the District's ballot for the ACWA President and Vice President and the Region 10 Board of Directors.
- Direct staff to bring this item back to the Board in August after the official ballot has been released, to review the candidates for both President and Vice President, and the Region 10 Board of Directors. At that time, the Board can determine if they would like to direct the District's designee to vote for particular candidates.

**Fiscal Impact:** None

**Business Analysis:** ACWA is the leading statewide organization representing water agencies in Sacramento and Washington D.C. Having a strong leadership is key to its success and as members, MWDOC should participate in the election process.

### **Option #2**

- Take no action

**Fiscal Impact:** None

**Business Analysis:** If the Board of Directors does not designate a representative to vote by the deadline, the agency's General Manager will be the authorized voter by default.

### **Attachments:**

Authorized Voting Representative Form  
Sample Nominating Resolution  
Sample Support Resolution  
ACWA Region 10 Rules and Regulations  
Roles and Responsibilities for Region Board Members

ACWA has launched two separate but concurrent election processes for the 2024-'25 term: the board officers' election for President and Vice President and the region board elections. **In order to vote for the board officers, each member agency must designate one voting representative by June 16.** To designate your agency's one voter, submit this Authorized Voting Representative Form by the June deadline. If you do not designate a representative to vote by the deadline, your agency's General Manager will be the authorized voter by default. Authorized voters will receive an electronic ballot on July 17. For more information about ACWA's elections, visit [www.acwa.com/elections](http://www.acwa.com/elections).

**The person designated below will cast our agency's vote for the election of ACWA's President and Vice President for the 2024-'25 term in the upcoming election.**

Member Agency's Name		Agency's Phone No.
Authorized Voting Representative's Name	Authorized Voting Representative's Email	Authorized Voting Representative's Phone No.

☐ Our member agency would like to cast a paper ballot by U.S. mail instead of voting electronically.

*Please provide the mailing address below only if you are voting by mail.*

Mailing Address	City, State and Zip
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Print Name of Member Agency's Authorized Signatory

X

Authorized Signatory Signature

Date

**SAVE & SUBMIT**

## SUBMIT YOUR FORM

**To:** Donna Pangborn, Senior Clerk of the Board

**Email:** [donnap@acwa.com](mailto:donnap@acwa.com)

**Mail:** 980 9th Street, Suite 1000, Sacramento, CA 95814

## SUBMISSION DEADLINE

**JUNE 16, 2023**

**RESOLUTION OF THE BOARD OF DIRECTORS OF**

**TO NOMINATE AND SUPPORT**

**AS A CANDIDATE FOR THE POSITION OF ACWA \_\_\_\_\_**

WHEREAS, the Election Committee has announced a call for nominations of candidates for the election of President and Vice President of the Association for the 2024-'25 term; and

WHEREAS, the Election Committee will present an open ballot with all qualifying candidates to the members for a vote by written ballot; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, \_\_\_\_\_ has served in a leadership role as a member of the \_\_\_\_\_ Board of Directors since \_\_\_\_\_; and

WHEREAS, (list positions held to demonstrate knowledge of water and leadership)

WHEREAS, it is the opinion of the \_\_\_\_\_ Board of Directors that \_\_\_\_\_ possesses all of the qualities needed to fulfill the duties of the office of ACWA \_\_\_\_\_.

NOW, THEREFORE, BE IT RESOLVED, that the \_\_\_\_\_ Board of Directors does hereby nominate and support \_\_\_\_\_ as a candidate for the office of ACWA \_\_\_\_\_, pledging the District's support of his/her endeavors in fulfilling the duties of this office if elected.

PASSED AND ADOPTED by the \_\_\_\_\_ Board of Directors at a regular meeting of said Board held on the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by the following vote:

Ayes: Directors

Noes: Directors

Absent: Directors

**RESOLUTION OF THE BOARD OF DIRECTORS OF**

**IN SUPPORT OF THE NOMINATION OF**

**AS A CANDIDATE FOR THE POSITION OF ACWA \_\_\_\_\_**

WHEREAS, the Election Committee has announced a call for nominations of candidates for the election of President and Vice President of the Association for the 2024-'25 term; and

WHEREAS, the Election Committee will present an open ballot with all qualifying candidates to the members for a vote by written ballot; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, \_\_\_\_\_ has served in a leadership role as a member of the \_\_\_\_\_ Board of Directors since \_\_\_\_\_; and

WHEREAS, (list positions held to demonstrate knowledge of water and leadership)

WHEREAS, it is the opinion of the \_\_\_\_\_ Board of Directors that \_\_\_\_\_ possesses all of the qualities needed to fulfill the duties of the office of ACWA \_\_\_\_\_.

NOW, THEREFORE, BE IT RESOLVED, that the \_\_\_\_\_ Board of Directors wholeheartedly supports \_\_\_\_\_ for nomination as a candidate for the office of ACWA \_\_\_\_\_.

PASSED AND ADOPTED by the \_\_\_\_\_ Board of Directors at a regular meeting of said Board held on the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by the following vote:

Ayes: Directors

Noes: Directors

Absent: Directors

## ACWA Region 10 Rules & Regulations

*Each region shall organize and adopt rules and regulations for the conduct of its meetings and affairs not inconsistent with the Articles of Incorporation or bylaws of the Association (ACWA Bylaw V, 6.).*

### **Officers**

The chair and vice chair shall be from different counties.

At least one of the chair or vice chair positions must be an elected/appointed director from a member agency.

The region board members shall alternate every two years with three from one county and two from the other. The county from which the chair comes from shall have two region board members and the county from which the vice chair comes from shall have three region board members.

The chair will provide the region secretary.

### **Meetings**

The region will hold at least quarterly meetings, including the ACWA spring and fall conferences.

The region chair will determine when and if nonmembers are invited to regional activities or events.

### **Attendance**

If a region chair or vice chair is no longer allowed to serve on the Board of Directors due to his / her attendance, the region board shall appoint from the existing region board a new region officer. (ACWA Policy & Guideline Q, 1.)

If a region chair or vice chair misses three consecutive region board / membership meetings, the same process shall be used to backfill the region officer position. (ACWA Policy & Guideline Q, 1.)

If a region board member has three consecutive unexcused absences from a region board meeting or general membership business meeting, the region board will convene to discuss options for removal of the inactive board member. If the vacancy causes the board to fail to meet the minimum requirement of five board members, the region must fill the vacancy according to its rules and regulations. (ACWA Policy & Guideline Q, 3.)

### **Elections**

All nominations received for the region chair, vice chair and board positions must be accompanied by a resolution of support from each sponsoring member agency, signed by an authorized representative of the Board of Directors. Only one individual may be nominated from a given agency to run for election to a region board. Agencies with representatives serving on the nominating committees should strive not to submit nominations for the region board from their agency. (ACWA Policy & Guideline P, 2.)

Election ballots will be e-mailed to ACWA member agency general managers and presidents.

The nominating committee shall consist of four persons, two from each county.

The nominating committee shall pursue qualified members within the region to run for the region board and consider geographic diversity, agency size and focus in selecting a slate.

A member of the nominating committee cannot be nominated by the committee for an elected position.

*See current region election timeline for specific dates.*

### **Endorsements**

ACWA, as a statewide organization, may endorse potential nominees and nominees for appointment to local, regional, and statewide commissions and boards. ACWA's regions may submit a recommendation for consideration and action to the ACWA Board of Directors to endorse a potential nominee or nominee for appointment to a local, regional or statewide commission or board. (ACWA Policy & Guideline P, 3.)

### **Committee Recommendations & Representation**

All regions are given equal opportunity to recommend representatives of the region for appointment to a standing or regular committee of the Association. If a region fails to provide full representation on all ACWA committees, those committee slots will be left open for the remainder of the term or until such time as the region designates a representative to complete the remainder of the term. (ACWA Policy & Guideline P, 4. A.)

At the first region board / membership meeting of the term, regions shall designate a representative serving on each of the standing and regular committees to serve as the official reporter to and from the committee on behalf of the region to facilitate input and communication. (ACWA Policy & Guideline P, 4. B.)

The chair and vice chair will recommend an official alternate for excused committee members.

### **Tours**

ACWA may develop and conduct various tours for the regions. All tour attendees must sign a "release and waiver" to attend any and all region tours. Attendees agree to follow environmental guidelines and regulations in accordance with direction from ACWA staff; and will respect the rights and privacy of other attendees. (ACWA Policy & Guideline P, 6.)

### **Finances**

*See "Financial Guidelines for ACWA Region Events" document.*

### **Amending the Region Rules & Regulations**

ACWA policies and guidelines can be amended by approval of the ACWA Board of Directors.

The region 10 rules and regulations can be changed at any time with advanced written notice to member agencies.

*ACWA Regions provide the grassroots support to advance ACWA's legislative and regulatory agenda.*

## Background

As a result of ACWA's 1993 strategic planning process, known as Vision 2000, ACWA modified its governance structure from one that was based on sections to a regional-based configuration. Ten regions were established to provide geographic balance and to group agencies with similar interests.

## Primary Charge of Regions

- To provide a structure where agencies can come together and discuss / resolve issues of mutual concern and interest and based on that interaction, provide representative input to the ACWA board.
- To assist the Outreach Task Force in building local grassroots support for the ACWA Outreach Program in order to advance ACWA's legislative and regulatory priorities as determined by the ACWA Board and the State Legislative, Federal Affairs or other policy committees.
- To provide a forum to educate region members on ACWA's priorities and issues of local and statewide concern.
- To assist staff with association membership recruitment at the regional level.
- To recommend specific actions to the ACWA Board on local, regional, state and federal issues as well as to recommend endorsement for various government offices and positions.

Region chairs and vice chairs, with support from their region boards, provide the regional leadership to fulfill this charge.

*Note: Individual region boards CANNOT take positions, action or disseminate communication on issues and endorsements without going through the ACWA Board structure.*

## GENERAL DUTIES / RESPONSIBILITIES FOR REGION OFFICERS

### Region Chair

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Chair will also call at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Serves as a member of ACWA's Outreach Program, and encourages region involvement. Appoints Outreach Captain to help lead outreach effort within the region.
- Presides over all region activities and ensures that such activities promote and support accomplishment of ACWA's Goals.
- Makes joint recommendations to the ACWA President regarding regional appointments to all ACWA committees.
- Appoints representatives in concurrence of the region board, to serve on the region's nominating committee with the approval of the region board.
- Facilitates communication from the region board and the region membership to the ACWA board and staff.

### Region Vice Chair

- Serves as a member of the ACWA Board of Directors at bimonthly meetings at such times and places as the Board may determine. The Vice Chair will also participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Performs duties of the Region Chair in the absence of the chair.
- Serves as a member of ACWA's Outreach Program, and encourages region involvement.
- Makes joint recommendations to the ACWA president regarding regional appointments to all ACWA committees.

### Region Board Member

- Participate in at least two Region membership meetings to be held at each of the ACWA Conferences and periodic Region Board meetings.
- Supports program planning and activities for the region.
- Actively participates and encourages region involvement in ACWA's Outreach Program.
- May serve as alternate for the chair and/or vice chair in their absence (if appointed) to represent the region to the ACWA Board.



**ACTION ITEM**

May 17, 2023

**TO:** Board of Directors

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

**Harvey De La Torre, Interim General Manager**

Staff Contact: Hilary Chumpitazi, Accounting Manager

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

**STAFF RECOMMENDATION**

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It is recommended that the Board of Directors: Approve the staff recommendation for changes to our Investment Policy and Guidelines and adopt a Resolution.

**COMMITTEE RECOMMENDATION**

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The Committee will review this item on May 15, 2023 and make a recommendation to the Board.

**SUMMARY**

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MWDOC's Administrative Code requires an annual review of this policy and Board Resolution No. 2114, May 2021, establishing the District's Investment Policy and Guidelines. The 2023 Local Agency Investment Guidelines had some changes that do not affect our investment policy and the County of Orange did not have any changes. We are updating our Glossary Section 2110 with the Governmental Accounting Standards Board name change of the Comprehensive Annual Financial Report (CAFR) to Annual Comprehensive Financial Report (ACFR).

Attached is the revised resolution.

**STAFF RECOMMENDATION**

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Staff recommends approving the change to our Investment Policy and Guidelines and adopt a Resolution.

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

**RESOLUTION NO. 2114  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY**

**INVESTMENT POLICY AND GUIDELINES**

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

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

**SECTION 2100 - PURPOSE**

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

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

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

**SECTION 2101 - STATUTORY AND DELEGATED AUTHORITY**

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

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

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

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

### **SECTION 2101.5 – COMPLIANCE EXCEPTIONS REPORTING**

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

### **SECTION 2102 - ORGANIZATION**

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

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

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

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

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

### **SECTION 2103- INVESTMENT PHILOSOPHY**

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

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

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

#### **SECTION 2104 - SCOPE**

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

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

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

#### **SECTION 2105- INVESTMENT OBJECTIVES**

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

##### **Safety of Principal.**

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

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

1) Credit risk will be mitigated by:

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

2) Interest rate risk will be mitigated by:

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

### **Liquidity**

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

### **Rates of Return**

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

## **SECTION 2106- INVESTMENT POLICY GUIDELINES**

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

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

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

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

### **SECTION 2107 - EXECUTION**

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

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

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

### **SECTION 2108 - PERSONAL CONDUCT**

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

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

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

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

### **SECTION 2109 - REPORTING**

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

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

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

### **SECTION 2110 - GLOSSARY**

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

**ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR):** A set of government financial statements comprising the financial report of a government entity that complies with the accounting requirements of the Governmental Accounting Standards Board (GASB). It is composed of three sections: Introductory, Financial and Statistical.

**ASKED:** The price at which securities are offered.

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

**BENCHMARK:** A comparative base for measuring the performance or risk tolerance of the investment portfolio. A benchmark should represent a close correlation to the level of risk and the average duration of the portfolio's investments.

**BID:** The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

**BROKER:** A broker brings buyers and sellers together for a commission.

**BROKER-DEALER:** A person or firm acting as a principal in securities transaction as either a broker or a dealer depending on the transaction. Technically, a broker is only an agent who executes orders on behalf of clients, whereas a dealer acts as a principal and trades from the firm's own account. Transaction confirmations must disclose this information. Because most brokerage firms act as both brokers and principals, the term broker-dealer is commonly used to describe them.

**CASH EQUIVALENTS (CE):** Highly liquid and safe instruments or investments that can be converted into cash immediately. Examples include bank accounts, money market funds, and Treasury bills.

**CERTIFICATE OF DEPOSIT (CD):** A time deposit with a specific maturity that usually pays interest. Also referred to as Negotiable CD's, they are insured by FDIC up to \$250,000, but they are not collateralized beyond that amount.

**COLLATERAL:** Securities, evidence of deposit or other property, which a borrower pledges to secure repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**COMMERICAL PAPER:** Short-term unsecured promissory note issued by corporations or municipalities with maturities ranging from 2 to 270 days.

~~**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR):** It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.~~

**COUPON:** (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

**DEALER:** A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

**DEBENTURE:** A bond secured only by the general credit of the issuer.

**DELIVERY VERSUS PAYMENT:** There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

**DERIVATIVES:** (1) Financial instruments whose return profile is linked to, or derived from, the movement of one or more underlying index or security, and may include a leveraging factor, or (2) financial contracts based upon notional amounts whose value is derived from an underlying index or security (interest rates, foreign exchange rates, equities or commodities).

**DISCOUNT:** The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

**DISCOUNT SECURITIES:** Non-interest bearing money market instruments that are issued at a discount and redeemed at maturity for full face value (*e.g., U.S. Treasury Bills.*)

**DIVERSIFICATION:** Dividing investment funds among a variety of securities offering independent returns.

**DURATION:** A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices.

**FEDERAL CREDIT AGENCIES:** Agencies of the Federal government set up to supply credit to various classes of institutions and individuals, *e.g.,* S&L's, small business firms, students, farmers, farm cooperatives, and exporters.

**FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC):** A federal agency that insures bank deposits, currently up to \$250,000 per entity.

**FEDERAL FUNDS RATE:** The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

**FEDERAL HOME LOAN BANKS (FHLB):** Government sponsored wholesale banks (currently 12 regional banks), which lend funds and provide correspondent banking services to member commercial banks, thrift institutions, credit unions and insurance companies. The mission of the FHLBs is to liquefy the housing related assets of its members who must purchase stock in their district Bank.

**FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):** FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). Fannie Mae, as the corporation is called, is a private stockholder-owned corporation. The corporation's purchases include a variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

**FEDERAL OPEN MARKET COMMITTEE (FOMC):** Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

**FEDERAL RESERVE SYSTEM:** The central bank of the United States created by Congress and consisting of a seven member Board of Governors in Washington, D.C., 12 regional banks and about 3,543 commercial banks that are members of the system.

**FITCH, INC.:** (See Nationally Recognized Statistical Rating Organization)

**GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA or Ginnie Mae):** Residential mortgage-backed security (MBS) instruments influencing the volume of bank credit guaranteed by GNMA and issued by geographically diverse mortgage companies, commercial banks, and thrifts of all sizes, as well as state housing finance agencies. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FHA mortgages. The term “pass-throughs” is often used to describe Ginnie Maes.

**LIQUIDITY:** A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP):** The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MASTER REPURCHASE AGREEMENT:** A written contract covering all future transactions between the parties to repurchase—reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller borrower.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**MEDIUM TERM NOTES:** Debt securities issued by a corporation or depository institution with a maturity of five years or less. This can also include debt securities originally issued for maturities longer than five years, but which have now fallen within the five year maturity range. If issued by a bank they are also referred to as “bank notes”.

**MOODY’S INVESTORS SERVICES, INC.:** (See Nationally Recognized Statistical Rating Organization)

**MONEY MARKET:** The market in which short-term debt instruments (bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

**NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION:** Firms that review the creditworthiness of the issuers of debt securities and express their opinion in the form of letter ratings (e.g. AAA, AA, A, BBB, etc.). The primary rating agencies are the following Standard & Poor’s Corporation, Moody’s Investor Services, Inc., and Fitch, Inc.

**OFFER:** The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

**OPEN MARKET OPERATIONS:** Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect.

Open market operations are the Federal Reserve's most important and most flexible monetary policy tool.

**OPTIONS:** A contract that gives the buyer the right to buy or sell an obligation at a specified price for a specified time.

**PORTFOLIO:** Collection of securities held by an investor.

**PRIMARY DEALER:** A group of government securities dealers who submit weekly reports of market activity and positions and monthly financial statements to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include Securities and Exchange Commission (SEC)-registered securities broker-dealers, banks, and a few unregulated firms.

**PRUDENT PERSON RULE:** An investment standard. In some states the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state—the so-called legal list. In other states the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital.

**QUALIFIED PUBLIC DEPOSITORIES:** A financial institution which does not claim exemption from the payment of any sales or compensating use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

**RATE OF RETURN:** The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

**REPURCHASE AGREEMENT (REPO):** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security “buyer” in effect lends the “seller” money for the period of the agreement, and the terms of the agreement are structured to compensate him for this.

**REVERSE REPURCHASE AGREEMENT (REVERSE REPO):** A reverse-repurchase agreement (reverse repo) involves an investor borrowing cash from a financial institution in exchange for securities. The investor agrees to repurchase the securities at a specified date for the same cash value plus an agreed upon interest rate. Although the transaction is similar to a repo, the purpose of entering into a reverse repo is quite different. While a repo is a straightforward investment of public funds, the reverse repo is a borrowing.

**SAFEKEEPING:** A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

**SECONDARY MARKET:** A market made for the purchase and sale of outstanding issues following the initial distribution.

**SECURITIES & EXCHANGE COMMISSION:** Agency created by Congress to protect investors in securities transactions by administering securities legislation.

**SEC RULE 15(C) 3-1:** See Uniform Net Capital Rule.

**STANDARD & POOR'S CORPORATION:** (See Nationally Recognized Statistical Rating Organization)

**STRUCTURED NOTES:** Notes issued by Government Sponsored Enterprises (FHLB, FNMA, SLMA, etc.) and Corporations, which have imbedded options (e.g., call features, step-up coupons, floating rate coupons, derivative-based returns) into their debt structure. Their market performance is impacted by the fluctuation of interest rates, the volatility of the imbedded options and shifts in the shape of the yield curve.

**TOTAL RETURN:** A measure of performance, Total Return is the actual rate of return of an investment or a pool of investments, over a given evaluation period. Total Return accounts for two categories of return: income and capital appreciation. Income includes interest paid by fixed-income investments, distributions or dividends. Capital appreciation represents the change in the market price of an asset.

**TREASURY BILLS:** A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

**TREASURY BONDS:** Long-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities of more than 10 years.

**TREASURY NOTES:** Medium-term coupon-bearing U.S. Treasury securities issued as direct obligations of the U.S. Government and having initial maturities from two to 10 years.

**TREASURY SECURITIES:** Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**UNIFORM NET CAPITAL RULE:** Securities and Exchange Commission requirement that member firms as well as nonmember broker-dealers in securities maintain a maximum ratio of indebtedness to liquid capital of 15 to 1; also called net capital rule and net capital ratio. Indebtedness covers all money owed to a firm, including margin loans and commitments to purchase securities, one reason new public issues are spread among members of underwriting syndicates. Liquid capital includes cash and assets easily converted into cash.

**U.S. GOVERNMENT AGENCY SECURITIES:** Debt securities issued by U.S. Government sponsored enterprises and federally related institutions (FHLB, Federal Home Loan Mortgage Corporation (FHLMC or Freddie Mac), FNMA).

**YIELD:** The rate of annual income return on an investment, expressed as a percentage. (a) **INCOME YIELD** is obtained by dividing the current dollar income by the current market price for the security. (b) **NET YIELD** or **YIELD TO MATURITY** is the current income yield minus any premium above par or plus any discount from par in purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**BE IT FURTHER RESOLVED** the investment policy shall be reviewed by the Administration and Finance Committee annually, and as frequently as necessary, to enable the Treasurer to respond to changing market conditions;

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

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

I certify the foregoing is a true, full and correct copy of Resolution No. 2114 adopted by the Board of Director of Municipal Water District of Orange County at its Regular meeting held on May 19, 2021.

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Maribeth Goldsby, District Secretary  
Municipal Water District of Orange County



# **GENERAL MANAGER REPORT OF STAFF ACTIVITIES**

**May 2023**

## **MUNICIPAL WATER DISTRICT OF ORANGE COUNTY AGENCIES MANAGERS MEETING**

MWDOC held its Member Agency Managers' meeting at its office in Fountain Valley on Thursday, April 20, 2023.

**In attendance:** Rudy Correa – Brea, Mike McGee -Buena Park, Dennis Cafferty - El Toro WD, Hye Jin Lee & Mark Sprague - Fountain Valley, Ken Vecchiarelli - Golden State WD, Alvin Papa & Andrew Ferrigno - Huntington Beach, Paul Weghorst - Irvine Ranch WD, Andy Ramirez & Jake Chavira - La Palma, Paul Shoenberger & Tracy Manning - Mesa WD, Drew Atwater, Johnathan Cruz, Laura Rocha & Matt Collings - Moulton Niguel WD, Mark Vukojevic - Newport Beach, Jose Diaz & Sonny Tran – Orange, Adam Hutchinson, John Kennedy, Kevin O'Toole & Mike Markus - Orange County WD, David Rebensdorf & Dustin Burnside - San Clemente, Daniel Ferons - Santa Margarita Water District, Iris Lee - Seal Beach, Jerry Vilander - Serrano WD, Greg Pennington - South Coast WD, Fernando Paludi - Trabuco Canyon WD, Michael Perea -Trabuco Canyon WD, Scott Miller – Westminster, Doug Davert & Mark Toy - Yorba Linda WD

**Staff in attendance:** Alex Heide, Charles Busslinger, Damon Micalizzi, Harvey De La Torre, Heather Baez, Joseph Berg, Kevin Hostert, Melissa Baum-Haley, Vicki Osborn

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

- Draft Board Agendas
- MWDOC Final Budget & Rates Update
- MWDOC & OCWD Discussion Update
- Metropolitan Update
  - a. AB 1572 (Friedman)
  - b. Policy Principles for Modernization of Water Rights Administration
  - c. MET Supply Conditions
- AMP PCCP Rehabilitation Project – Cost Savings Proposal
- WEROC Update

### **Announcements:**

- MWDOC Water Policy Dinner

The next meeting is tentatively scheduled for May 18, 2023.

## **ENGINEERING & PLANNING**

### **RELIABILITY STUDY UPDATE**

Staff has been working with consultant CDM Smith and Metropolitan Water District (MET) staff on an update to the 2018 OC Water Reliability Study (2023 OC Study). This update was launched because of significant changes in conditions since the publication of the 2018 OC Study. Updating the planning assumptions and understanding the implications will be useful to our staff, Directors, MET Directors, and member agencies for future water reliability decision considerations.

The final OC Study presentation, which incorporated comments from the MWDOC Agency Managers meeting, was presented to the A&F Committee meeting on February 8, 2023.

The draft report has been distributed to the agency managers for comments. Agency managers have asked for additional time to review the draft report.

Staff is looking to include the final report in the June P&O packet.

### **DOHENY OCEAN DESALINATION PROJECT**

South Coast Water District (SCWD) continues to develop the Doheny Ocean Desalination Project. SCWD estimates an online date of 2026 if approved by the SCWD Board.

SCWD held a Special Board Meeting on September 2, 2021, to discuss the financial implications of the project. Clean Energy Capital (CEC) presented a water cost analysis for the project where CEC presented cost projections for a 2 MGD project with an estimated 1st-year water cost of \$1,928/AF in 2021\$ and a 5 MGD project with an estimated 1st-year water cost of \$1,479/AF in 2021\$ (later updated to \$1,807/AF in 2027\$ vs. \$1,545/AF MET Rate in 2027\$).

On December 9, 2022, the California State Lands Commission (CSLC) approved an Addendum to the Doheny Ocean Desalination Project Final Environmental Impact Report (EIR) and the certified Final EIR. The EIR Addendum addresses a proposed CSLC lease for slant wells at Doheny State Beach (DSB). The new lease allows for the construction and long-term operation of up to five slant wells at DSB.

SCWD is currently working with State Parks on a lease agreement, a study with Regional Water Quality Control Board staff as a condition of the National Pollution Discharge Elimination System (NPDES) permit, and Design Build Operate Maintain (DBOM) Contract Development.

### **SHUTDOWNS**

#### **Orange County Feeder**

The purpose of the shutdown is to remove and dispose of the existing lining, reline the pipeline with cement mortar, weld straps, replace valves and install manholes on this 85+-year-old pipeline from the Willits Street Pressure Control Structure (north of South Coast Plaza) to the Irvine Cross Feeder (south of UC Irvine).

The Orange County Feeder shutdown began on September 18, 2022, and will continue through July 15, 2023.

### **R6 Reservoir Rehabilitation**

El Toro WD is shutting down the 275 Million Gallon R6 Reservoir to replace the aging reservoir liner and cover. The reservoir will be offline from November 2022 through July 2023.

### **Diemer Water Treatment Plant**

MET has rescheduled a 7-day shutdown of the Diemer WTP in order to repair a broken chlorine solution line to January 8-14, 2024. Finding a suitable window for this shutdown presented challenges due to numerous maintenance shutdowns by MET and retail agencies and fire danger concerns.

Coinciding with the 7-day Diemer shutdown, the following pipelines will also be down for repairs:

- Allen-McColloch Pipeline
- East Orange County Feeder No.1
- East Orange County Feeder No.2
- Lower Feeder (Treated)
- Lower Feeder (Untreated)
- Second Lower Feeder (portions)

### **OC-43 – EOCWD vault rehabilitation project**

EOCWD is replacing the existing vault immediately downstream of OC-43 as the vault has reached the end of its lifecycle.

## **MEETINGS**

- Charles Busslinger attended the April 13, 20-2023 OCBC Infrastructure Committee meeting, where MET General Manager Adel Hagekhalil was the featured speaker.
- Charles Busslinger hosted a meeting on April 14, 2023, for MET and ECOWD staff regarding EOCWD's vault replacement project, located immediately downstream of OC-43. During the meeting, attendees worked through various construction issues to satisfy all parties. EOCWD is currently proceeding with construction work.

## EMERGENCY PREPAREDNESS

### APRIL INCIDENTS/EVENTS

Suspicious Activity (2)

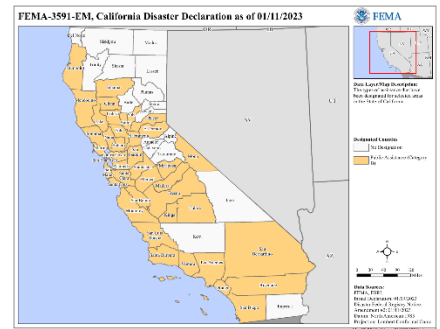
### 2023 STORM PRESIDENTIAL DECLARATIONS FEMA-3591-EM (EMERGENCY DECLARATION ONLY)

#### California Severe Winter Storms, Flooding, and Mudslides

Incident Period: Jan 8, 2023 - Jan 31, 2023

Declaration Date: Jan 9, 2023

- Public Assistance is available for Category B Emergency Protective Measures Only. No Damage or permanent work categories is available under an emergency declaration.
- Orange County is part of this declaration.



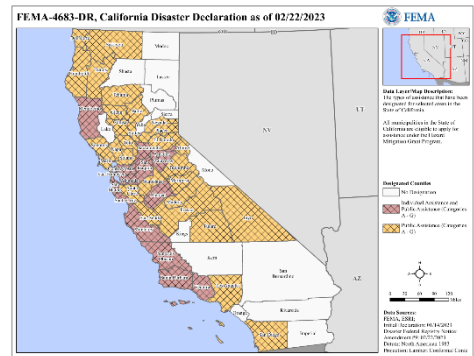
### DR-4683-CA (MAJOR PRESIDENTIAL DECLARATION)

#### California Severe Winter Storms, Flooding, and Mudslides

Incident Period: Dec 27, 2022 - Jan 31, 2023

Declaration Date: Jan 14, 2023

- Incident Period Closed
- Individual Assistance granted for certain areas.
- Public Assistance includes all categories (A-G) or assistance for emergency work and the repair or replacement of disaster-damaged facilities.
- Orange County did not QUALIFY to RECEIVE any support above what was granted in EM-3591 (category b –emergency protective measures). No permanent work for infrastructure and facility damage (categories c-g).





- On 4/6, Vicki met with SCWD and presented the updates she made to their plan based on the previous crosswalks. The remaining items include the maps, and Vicki discussed a strategy to socialize the plan with external stakeholders. This plan will be going out for review at the end of April.
- On 4/7, Vicki attended WACO and provided the WEROC monthly update.
- On 4/7, Vicki attended the Elected Officials Forum.
- On 4/10, Vicki accompanied the South Coast Water District for the Preliminary Damage Assessment (PDA) visit to their damage site in Laguna Beach. The state (CalOES) and FEMA came out concerning the March storms to validate the initial damage estimates for Orange County to qualify for any Public Assistance. As of the time of this report, Orange County has not heard back on the decision from FEMA.
- On 4/12, Dave and Vicki met with OC Sans to discuss the May Exercise and conducted exercise planning on the master sequence of events.
- On 4/12, Vicki participated in the August exercise's IRWD Dam Exercise Planning Meeting.
- On 4/13, Vicki provided disaster hotline training to the city of Irvine's community services department.
- On 4/14, Vicki worked the GWRS Dedication with OCWD and was with the resources from Fountain Valley Fire, FV Police, and the OCIAC for the event.
- On 4/19, Vicki and Dave met with OC Sans and conducted a final planning meeting for the May Exercise on the Master Sequence Events List (MSEL).
- On 4/20, Janine met with the city of Orange at MWDOC in preparation for the May WEROC Quarterly meeting, which will consist of Water Trailer Training, and After Actions from the May exercise in line with logistics and communications updates.
- On 4/20, Vicki gave a WEROC update at the MWDOC Manager meeting with member agencies.
- On 4/26, Vicki attended the Federal Declaration DR 4683 Advances Assistance for Hazard Mitigation webinar for potential funding available. The NOFO was sent to the member agencies earlier in the month, and the due date is May 10th.
- On 4/26, Vicki attended the IRWD Dam Exercise Planning meeting.
- On 4/26, Vicki attended the SDGE Public Safety Power Shutoff Player Briefing for their full-scale Exercise.
- On 4/27, Vicki attended the CalOES Southern Region Mutual Aid Regional Advisory Council meeting. Vicki serves as the Region 1 representative.

## **PLANNING AND PROGRAM EFFORTS**

### **EOC Readiness & EOC Project**

Dave has been working on preparing the MWDOC Conference Room 101 as the WEROC EOC. This includes developing and deploying phones, audiovisual needs, and obtaining the required supplies for this room. This location will be tested during the May 17th Exercise.

Janine coordinated the annual fire extinguisher service at the EOCs.

The WEROC team is working on the decommissioning plan for the WEROC EOC in South County. This will be a focus of the team during the 1st quarter of the new fiscal year.

Vicki is working on getting the quotes and additional information from companies regarding the WEROC Mobile EOC Project.

On 4/13, Congresswoman Young Kim called President Yoo-Schneider advising her office is submitting our application to the Homeland Security Appropriations Subcommittee for the WEROC Mobile EOC funding.

### **IT & Cyber Security**

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

Dave continues to be temporarily loaned to support the IT Department because of his knowledge and expertise. Approximately 70% of Dave's time is spent on IT projects, staff support, and onboarding of the new contractor (Accent). Dave is tracking his hours, and costs are being accounted for accordingly.

### **OCIAC Coordination**

WEROC maintains a close and positive working relationship with the Orange County Intelligence Assessment Center. Vicki has been working with the OCIAC on the recent thefts and suspicious activity happening to member agencies to ensure the correlation of information. Vicki sent information on the first reported activity on 4/12.

### **Resource Requests and Member Agency Inventory Lists**

This project was last conducted in 2017. Agencies have been very responsive, and the project is 66% complete. Janine continues to obtain information from the WEROC member agency to update the inventory lists.

### **Training and Exercises**

- On 4/4, Vicki conducted a G611-Logistics training for member agencies hosted at Irvine.
- On 4/5, Vicki conducted a G611-Fiancne training for member agencies hosted at the city of Irvine.
- On 4/18, Janine conducted a virtual WebEOC training for member agencies in partnership with the County.
- On 4/26, Vicki facilitated a tabletop (TTX) exercise for the South Orange County Wastewater Authority at their CTP location.

### **Next Wave Operational Area Exercise**

Planning continues in preparation for the May 17th Exercise by creating exercise planning documents and preparing the WEROC EOC.

Additionally, Dave conducts in-house weekly training for MWDOC participants in the EOC exercise. Each week a short session is conducted targeting a discussion area.

These are also recorded if a staff member cannot attend. The focus areas for April's training were:

- EOC Planning Process - Planning "P" - Establishing Objectives
- EOC Planning Process - Planning "P" - Developing the Plan
- EOC Planning Process - Planning "P" - Prepare and Disseminate the Plan
- EOC Planning Process - Planning "P" - Execute, Evaluate, and Revise the Plan

**WEROC Plans and SOPs updated in April:**

Email Templates and conference call guides

**County Plans Reviewed:**

County of Orange Recovery Plan – Chapters 5&6 and Attachments  
Orange County Operational Area Evacuation Plan

## MET ITEMS CRITICAL TO ORANGE COUNTY

### MET FINANCE AND RATE ISSUES

Water Transactions for February 2023 (for water billed in December 2022) totaled 147.0 thousand acre-feet (TAF), which was 11.8 TAF higher than the budget of 135.2 TAF, translating to \$131.0 million in receipts for February 2023, which was \$11.5 million higher than the budget of \$119.5 million.

Year-to-date water transactions through February 2023 (for water billed from May 2022 through December 2022) were 1,152.2 TAF, which was 27.4 TAF lower than the budget of 1,179.6 TAF. Year-to-date water receipts through February 2023 were \$1,067.2 million, which was \$44.8 million lower than the budget of \$1,112.0 million.

As of February 28, 2022, Metropolitan's investment portfolio balance was \$1.3 billion.

#### **Statement of Decision for the SDCWA v. Metropolitan Litigation Case**

On April 25, Judge Anne-Christine Massullo of the San Francisco Superior Court issued her final statement of decision concerning the trial in the consolidated *SDCWA v. Metropolitan et al.* cases (filed in 2014, 2016, and 2018), in which SDCWA sought over \$334 million in contract damages.

For each claim litigated at trial, Judge Massullo ruled in favor of Metropolitan or found the claim to be moot based on the rulings in Metropolitan's favor, as she had done in her tentative statement of decision issued on March 14, 2023. The final decision notes that SDCWA filed objections to the tentative decision, and the court considered them (pg. 2 and footnote 3), as well as added and modified other language in the final decision as compared to the tentative.

The court's rulings in the final statement of decision are:

- *Breach of the Exchange Agreement.* Metropolitan did not breach the Exchange Agreement: "The duty to include a reasonable credit for any offsetting benefits pursuant to [the Wheeling Statutes] did not arise . . . [T]he Court finds Metropolitan did not breach the Exchange Agreement by failing to calculate a reasonable credit for any offsetting benefits. As the Court finds Metropolitan did not breach the Exchange Agreement, the Court need not address damages." (Pgs. 26-27)
- *Reformation.* Metropolitan's conditional claims to reform the Exchange Agreement, if SDCWA prevailed, are moot. (Pgs. 27-28)
- *Declaration of Metropolitan's rights and duties under the Wheeling Statutes.* Metropolitan's conditional claim for a declaration of its rights and duties under the Wheeling Statutes, if SDCWA prevailed on its claim that the Wheeling Statutes apply to the Exchange Agreement, is moot. Judge Massullo stated that while she finds offsetting benefits under the Wheeling Statutes do not apply to the Exchange Agreement's price term, "[t]he Court has made no express finding whether the Wheeling Statutes apply." (Pg. 28)
- *Rate challenges.* Judge Massullo rejected SDCWA's rate challenges. (Pg. 30)

- *Declaration of whether SDCWA must contribute to a damages award.* Judge Massullo ruled that SDCWA's request for a declaration that it could not be required to contribute to damages, fees, or costs awarded in the cases is moot.

As the decision notes, the parties previously resolved the Water Stewardship Rate claims in SDCWA's favor, pursuant to a 2021 Court of Appeal decision.

## **MET'S SUPPLY CONDITION UPDATE**

The 2022-23 Water Year (2022-23 WY) officially started on October 1, 2022. Thus far, Northern California accumulated precipitation (8-Station Index) reported 61.03. inches or 135% of normal as of April 25th. The Northern Sierra Snow Water Equivalent peaked at 59.1 inches on April 9th, which is 215% of normal for that day. Due to the barrage of atmospheric rivers in January and March, the Department of Water Resources (DWR) has increased the State Water Project (SWP) "Table A" allocation to 100%. This allocation provides Metropolitan with approximately 1,911,500 AF in SWP deliveries this water year. In Addition, Article 21 supplies were made to SWP contractors on March 24th, 2023. DWR's SWP Allocation considers several factors, including existing storage in SWP, conservation reservoirs, SWP operational, regulatory constraints, and the 2023 contractor demands. Metropolitan also received 134,000 AF for Human Health and Safety Supply in CY 2022.

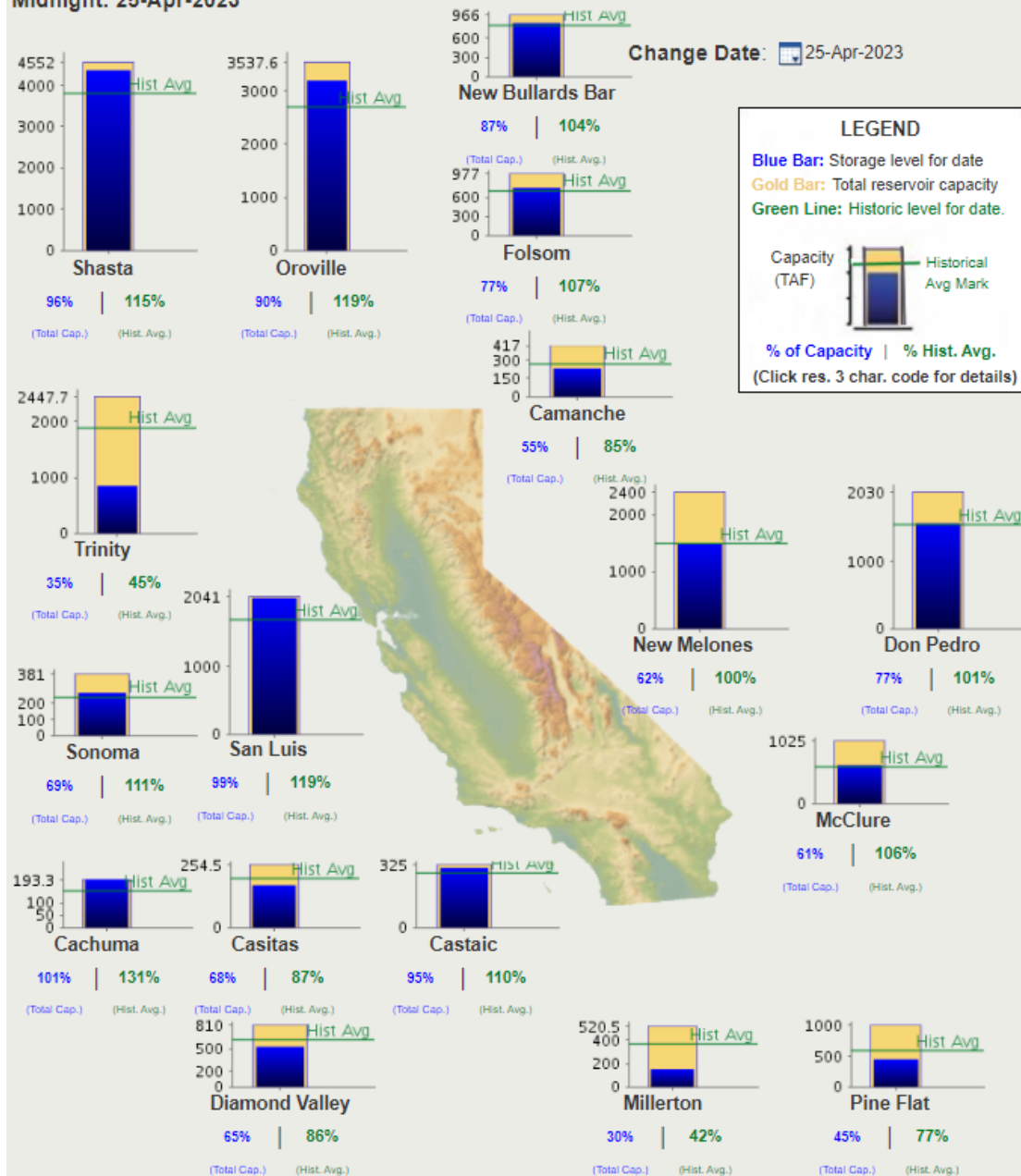
The Upper Colorado River Basin accumulated precipitation is reporting 23.8 inches or 125% of normal as of April 24th. On the Colorado River system, snowpack is measured across four states in the Upper Colorado River Basin. The Upper Colorado River Basin Snow Water Equivalent peaked at 26.2 inches as of April 10th, which is 131% of normal for that day. Due to the below-average inflows into Lake Powell over the past several years, the United States Bureau of Reclamation declared a shortage at Lake Mead that has been ongoing since January 1st, 2022. As of Early March, there is a 93% chance of shortage continuing in CY 2024 and a 60% chance that Metropolitan will see a 250,000 AF reduction in Colorado River water supplies in CY 2024.

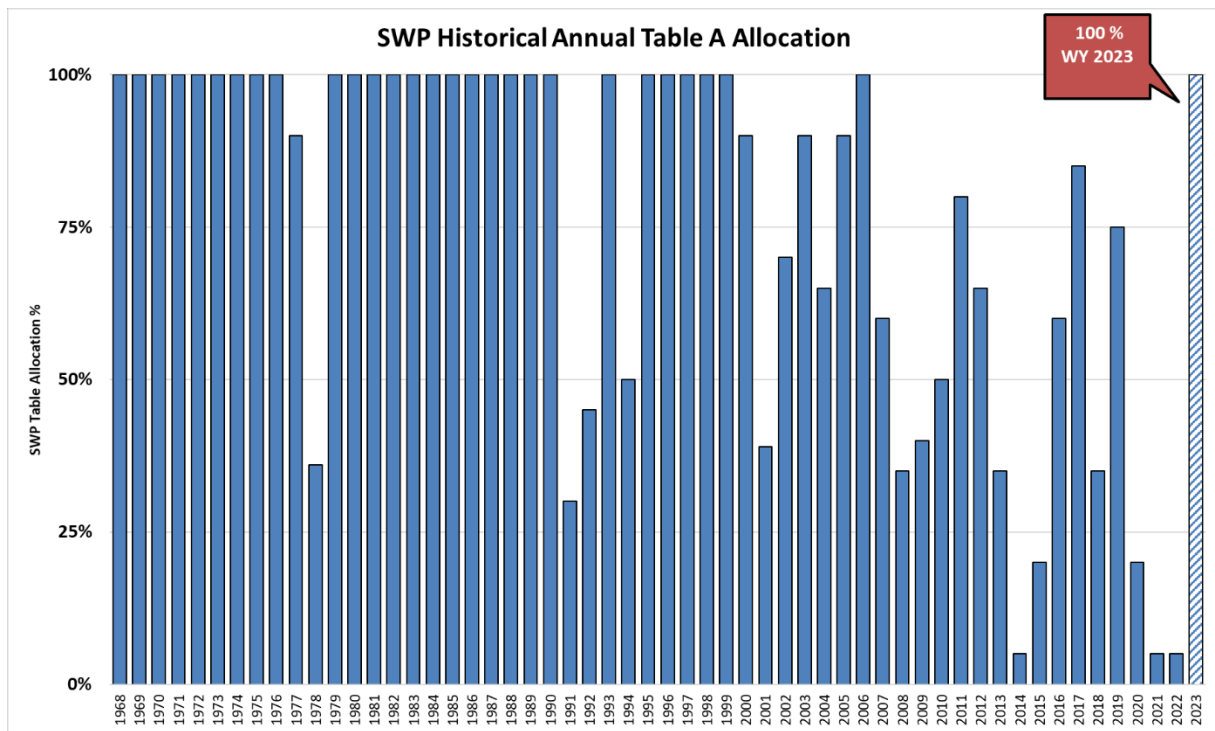
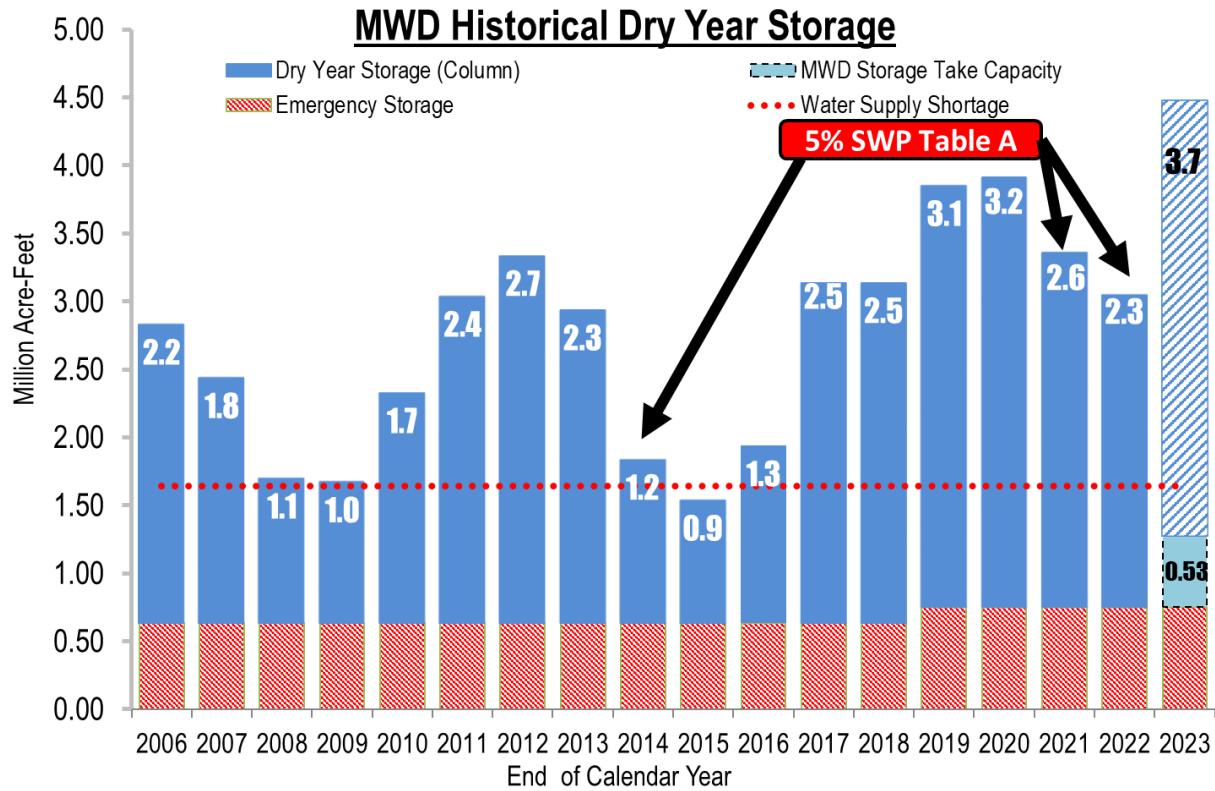
As of April 25th, Lake Oroville storage is **90% of total capacity and 119% of normal.** As of April 25th, San Luis Reservoir has a current volume of **99% of the reservoir's total capacity and is 119% of normal.**

With CY 2023 estimated total demands and losses of 1.60 million acre-feet (MAF) and with a 100% SWP Table A Allocation, Metropolitan is projecting that supplies will exceed demand levels in Calendar Year (CY) 2023. Based on this, Metropolitan's estimated dry-year storage at the end of **CY 2023 will increase to approximately 3.73 MAF.** A projected dry-year storage supply of **3.73 MAF would be the highest level in MWD History.** A large factor in maintaining a high-water storage level is lower than expected water demands. We are seeing regional water demands reaching a 38-year low. **However, with a majority of MWD's water supplies stored in Lake Mead and with a five-year shortage projection at Lake Mead, there remains a lot of uncertainty about where supply balances will be in the future.**

# CURRENT CONDITIONS: MAJOR WATER SUPPLY RESERVOIRS:25-APR-2023

Midnight: 25-Apr-2023





## 2023 WSDM Storage Detail

	1/1/2023 Estimated Storage Levels <sup>1</sup>	CY 2023 Put Capacity <sup>2</sup>	2023 Total Storage Capacity
<b>WSDM Storage</b>			
<b>Colorado River Aqueduct Delivery System</b>	<b>1,139,000</b>	<b>400,000</b>	<b>1,657,000</b>
Lake Mead ICS	1,139,000 <sup>3</sup>	400,000	1,657,000
<b>State Water Project System</b>	<b>502,000</b>	<b>638,000</b>	<b>1,897,000</b>
MWD SWP Carryover <sup>4</sup>			
DWCV SWP Carryover <sup>4</sup>	39,000	215,000	350,000
MWD Articles 14(b) and 12(e)	0	0	N/A
Castaic and Perris DWR Flex Storage	3,000	216,000	219,000
Arvin Edison Storage Program	119,000	0 <sup>5</sup>	350,000
Semitropic Storage Program	158,000	131,000	350,000
Kern Delta Storage Program	137,000	45,000	250,000
Mojave Storage Program	19,000	10,000	330,000
AVEK Storage Program	27,000	3,000	30,000
AVEK High Desert Water Bank Program	0	18,000 <sup>6</sup>	18,000 <sup>7</sup>
<b>In-Region Supplies and WSDM Actions</b>	<b>698,000</b>	<b>407,000</b>	<b>1,246,000</b>
Diamond Valley Lake	494,000	316,000	810,000
Lake Mathews and Lake Skinner	194,000	32,000	226,000
Conjunctive Use Programs (CUP) <sup>8</sup>	10,000	59,000	210,000
<b>Other Programs</b>	<b>662,000</b>	<b>303,000</b>	<b>1,181,000</b>
Other Emergency Storage	381,000	0	381,000
DWCV Advanced Delivery Account	281,000	303,000	800,000
<b>Total</b>	<b>3,001,000</b>	<b>1,748,000</b>	<b>5,981,000</b>
Emergency	750,000	0	750,000
<b>Total WSDM Storage (AF) <sup>9</sup></b>	<b>2,251,000</b>	<b>1,748,000</b>	<b>5,231,000</b>

<sup>1</sup> Preliminary start of year balances, subject to DWR adjustments and USBR final accounting in May 2023.

<sup>2</sup> Put capacity assumed under a 35 percent SWP Table A Allocation. Storage program losses included where applicable.

<sup>3</sup> This amount is net of the water Metropolitan stored for IID in Lake Mead in an ICS sub-account.

<sup>4</sup> Total storage capacity varies year to year based on prior year remaining balance added to current year contractual limits.

<sup>5</sup> Puts are limited due to water quality considerations.

<sup>6</sup> Includes the early recharge in the High Desert Water Bank Program expected to commence in the summer.

<sup>7</sup> Represents a portion of the total storage capacity. Total storage capacity is 280,000 AF once the program is fully constructed. Anticipated to be fully operational by the end of 2025.

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

<sup>9</sup> Total WSDM Storage level subject to change based on accounting adjustments.

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

### **Water System Operations**

Metropolitan member agency water deliveries were 61,200 acre-feet (AF) for March, with an average of 2,000 AF per day, which was 150 AF per day lower than in February. Treated water deliveries decreased by 500 AF from February for a total of 37,000 AF, or 61 percent of total deliveries for the month. Early in the month, the Colorado River Aqueduct (CRA) transitioned from a four-pump flow to a five-pump flow, with a total of 70,000 AF pumped in March. State Water Project (SWP) imports averaged 1,100 AF per day, totaling about 33,700 AF for the month, which accounted for approximately 55 percent of Metropolitan's deliveries. The target SWP blend shifted to 100 percent for the Weymouth and Diemer plants in preparation for the Lake Mathews shutdown and management of Article 21 supplies. The SWP blend remained at zero percent for the Skinner plant.

### **Water Treatment and Distribution**

The State Water Project (SWP) target blend entering the Weymouth and Diemer plants transitioned from zero to 100 percent in March to support the Lake Mathews shutdown and maximize the delivery of Article 21 supplies. Weymouth and Diemer plants implemented operational changes to ensure a smooth transition to the change in the source water blend. Also, the increased SWP allocation allowed the Mills plant to switch its source from Diamond Valley Lake to Silverwood Lake. The SWP target entering Lake Skinner remained at zero percent.

Flow-weighted running annual averages for total dissolved solids from January through December 2022 for Metropolitan's treatment plants capable of receiving a blend of supplies from the SWP and the Colorado River Aqueduct were 601, 606, and 603 mg/L for the Weymouth, Diemer, and Skinner plants, respectively.

This month, Metropolitan staff completed annual preventative maintenance for Ozone Contactor #4 and switched over to Ozone Contactor #3 at the Diemer plant. The work included removing quagga mussel shells, cleaning, and testing ozone diffusers. This work is critical to ensure the proper functioning of the ozone feed system.

### **Future Legislation and Regulation**

Metropolitan staff worked with the California-Nevada Section of the American Water Works Association and the California Municipal Utilities Association to provide comments on the Division of Drinking Water's (DDW) proposed revisions to the Notification Level (NL) and Response Level (RL) for manganese in treated drinking water and the potential impacts to public water systems within Metropolitan's service area and throughout the state. In a March 21 meeting, DDW presented information supporting the revisions. Manganese is a naturally occurring element and an essential trace nutrient for humans. However, there are concerns that ingestion of high levels can cause neurological effects.

The proposal reduces the existing NL from 500 micrograms per liter (µg/L) to 20 µg/L and the RL from 5,000 µg/L to 200 µg/L. The proposed NL of 20 µg/L for manganese is below the U.S. Environmental Protection Agency's Health Advisory of 300 µg/L and the current Secondary Maximum Contaminant Level of 50 µg/L established in California. Based on the State Water Board's data, the proposal is estimated to affect over 3,700 sources and over 1,900 Public Water Systems. If the proposed values are finalized, Metropolitan will be affected because manganese in some plant effluents occasionally exceeds the proposed NL. Metropolitan staff will continue tracking updates to the manganese NL and RL and other future compliance and regulatory activities.

On March 3, Cal/OSHA released a 45-day Public Comment draft of the Proposed Amendments to Lead Standards in General Industry and Construction (Lead Standards). First proposed in 2011, the rule lowers the Action Level from 30 to 2 µg/m<sup>3</sup> and the Permissible Exposure Limit (PEL) from 50 to 10 µg/m<sup>3</sup>. In addition, the standard lowers the threshold for more frequent Blood Level testing when employees' Blood Lead Levels (BLL) reach 10 µg/dl, as opposed to 40 µg/dl; and updates the annual medical examination and consultations requirements. Metropolitan complies with the requirements of the Construction Lead standard and has a Lead Management program for employees working with lead. Metropolitan staff is reviewing the proposed amendments and working with Phylmar Regulatory Roundtable to prepare comments due April 20, 2023.

On March 8, Metropolitan staff submitted a letter asking DDW to exempt the Eagle, Gene, and Iron Mountain pumping plants from the need to report under the Drought and Conservation Technical Reporting Order (Order No. DDW\_HQ\_Drought2023\_001) (Order). The letter pointed out that SB 552, passed in 2021, exempts Metropolitan's small water systems from the need to conduct drought reporting. DDW has verbally told Metropolitan staff that they will not be honoring this request; therefore, Metropolitan staff is gathering the requisite data to comply with the Order.

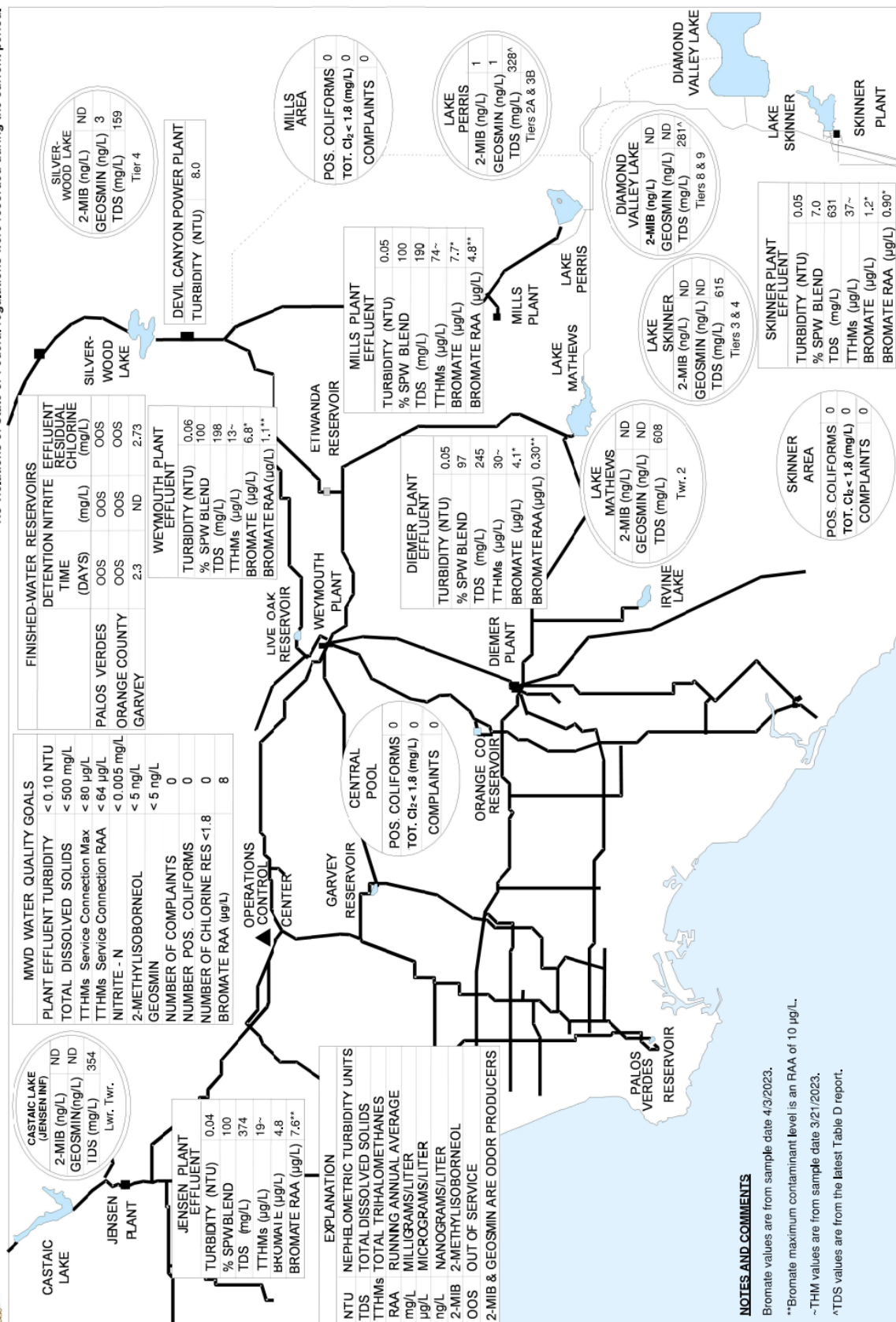
On March 14, the U. S. Environmental Protection Agency (EPA) released draft maximum contaminant levels (MCLs) for PFOA and PFAS at four parts per trillion (ppt) each—the detection limit of the EPA's testing method. The proposed rule also set maximum contaminant level goals (MCLGs) for PFOA and PFOS to 0 ppt. Finally, the EPA proposed regulating PFNA, PFHxS, PFBS, and GenX as a mixture using a Hazard Index value of 1.0. The EPA hopes to finalize the regulation by early 2024 with a three-year compliance timeline from the rule's effective date. Once published in the Federal Register, the 60-day comment period will start. Metropolitan staff is evaluating the proposed rule's impact on Metropolitan and its member agencies.

**Wednesday, April 19, 2023**

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THE METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

No violations of State or Federal regulations were recorded during the current period.



**MWD water quality goals meet or exceed all State and Federal regulations.**

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WATER QUALITY INFORMATION LINE: (800) 354-4420  
VISIT MWD ON THE WEB AT <http://www.mwdh2o.com>

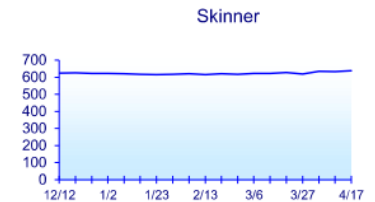
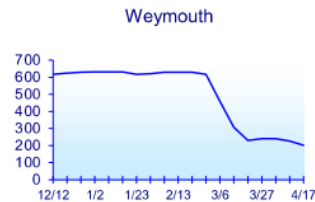
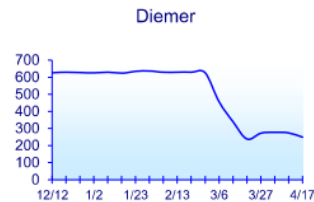
## Water Quality Section Weekly TDS Report

For the week of 4/16/2023

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	608	159	24%	Lake Havasu (Table D)	2/1/23	639
Diemer	608	159	24%	Lake Mathews (DFPI-LWRFR)	4/17/23	608
Skinner-Silverwood	0	159	314%	Lake Skinner (Outlet Structure)	4/17/23	615
Skinner-Perris	0	328	152%	Castaic Lake (JFP)	4/16/23	354
CRW for Diemer and Weymouth is Lake Mathews and San Jacinto - West Portal for Skinner.				Silverwood (Mills Inf)	4/17/23	159
				Lake Perris (Table D)	2/6/23	328
				DVL Outlet (Table D)	2/13/23	281

### SUNDAY COMPOSITE ESTIMATED TDS FOR 12/11/22 - 04/16/23

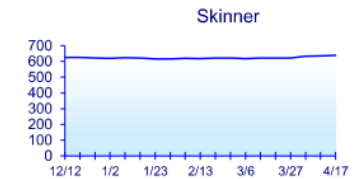
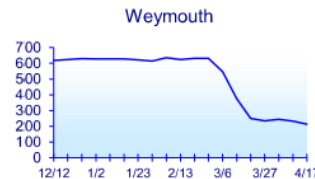
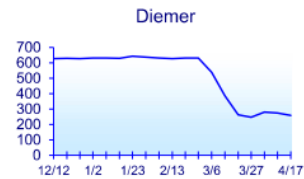
TDS For Week of 4/16	
Plant Eff.	mg/L
Diemer	249
Weymouth	202
Skinner	638
Jensen	374
*Mills	190



Sunday composite estimated TDS measured from plant effluent composite samples collected on Sunday and analyzed for hardness and electrical conductivity. \*Collected on Monday 4/17/2023

### WEEKLY COMPOSITE ESTIMATED TDS FOR 12/11/22 - 04/16/23

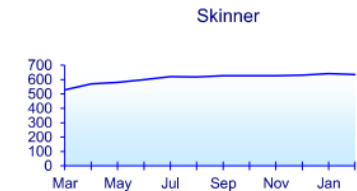
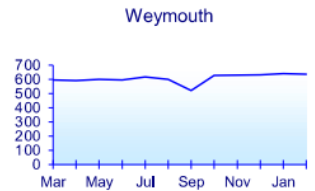
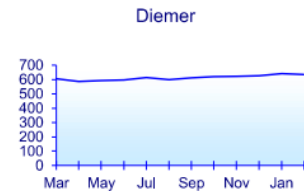
TDS For 4/10 - 4/16	
Plant Eff.	mg/L
Diemer	260
Weymouth	213
Skinner	639



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 March 2022 - February 2023

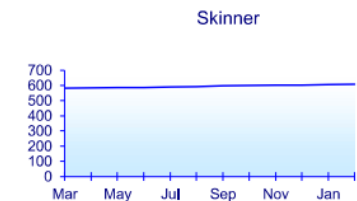
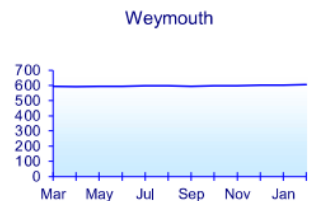
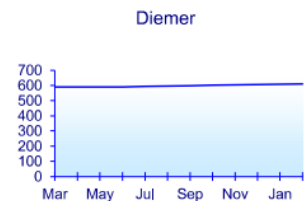
TDS For Feb 2023	
Plant Eff.	mg/L
Diemer	635
Weymouth	638
Skinner	636
Jensen	350
Mills	300



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 March 2022 - February 2023

Flow-Weighted RAA TDS Mar 2022 - Feb 2023	
Plant	mg/L
Diemer	609
Weymouth	605
Skinner	608
Jensen	328
Mills	297



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

## COLORADO RIVER ISSUES

### **Reclamation Solicits Input for Phase 2 of the Lower Colorado River Basin System Conservation and Efficiency Programs**

In late 2023, Congress enacted the Inflation Reduction Act (IRA), which authorized \$4 billion for drought relief projects for the Western United States, primarily focused on the Colorado River. The Bureau of Reclamation (Reclamation) has been seeking water conservation projects that could be implemented with IRA funds. Last fall, Phase 1 of the process kicked off, which included funding for short-term conservation projects that could save Colorado River water through 2026. All the major agricultural agencies in California, as well as Native American tribes, submitted conservation proposals. Reclamation is in the process of evaluating those proposals and is expected to begin implementing some of the conservation measures within the next few months. On March 23, Reclamation sent a pre-solicitation letter to interested parties seeking input on developing its program's next phase, which is focused on longer-term system efficiency improvements that provide water savings beyond 2026. Comments are due to Reclamation by April 6. Metropolitan obtained input from its member agencies and will work with other Lower Basin contractors to submit comments to Reclamation, indicating that the formal solicitation for projects will be released later this spring. Metropolitan plans to submit projects for funding when that solicitation is released.

In addition to seeking projects for IRA funding, Reclamation anticipates releasing its draft Supplemental Environmental Impact Statement (SEIS) to modify the 2007 Interim Guidelines in April 2023. When the draft SEIS is released, Metropolitan staff will provide a synopsis of the document and will be preparing comments. It is anticipated that comments will be due 45 days after the release of the draft SEIS. Reclamation is still on track to issue a Record of Decision in July 2023, which could affect Colorado River operations beginning in 2024. At the same time, Reclamation continues to work on the Draft EIS for the post-2026 Guidelines, with a draft EIS anticipated by the end of next year. Metropolitan staff will keep the Board informed as these critical activities move forward.

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

### **Delta Conveyance**

The public comment period for the Delta Conveyance Project Draft Environmental Impact Report (EIR) closed on December 16, 2022. The Department of Water Resources (DWR) received more than 700 unique comment letters with over 6,000 individual comments. DWR is continuing efforts to organize the comments and develop responses. The Final EIR is expected at the end of 2023 and will include responses to all substantive comments on the Draft EIR and edits, as appropriate, to respond to the comments.

The U.S. Army Corps of Engineers (USACE), as part of its permitting review under the Clean Water Act and Rivers and Harbors Act, released a draft Environmental Impact Statement (EIS) to comply with the National Environmental Policy Act for a public review that ended on March 16. USACE is starting the initial organization of the comments received.

### **Sites Reservoir**

In their March joint meetings, the Sites Project Authority Board (Authority Board) and the Sites Reservoir Committee (Reservoir Committee) authorized the submittal of the U.S. Environmental Protection Agency's (USEPA) Water Infrastructure Finance and Innovation Act (WIFIA) application. Although the application does not constitute a commitment to a WIFIA loan, it does initiate an approximate 12-month negotiation process with the USEPA regarding the loan agreement. After receiving the application, USEPA WIFIA staff will begin an in-depth review of the project and the Sites Authority's credit.

The Reservoir Committee and Authority Board also approved the submittal of the California Independent System Operator (CAISO) interconnection request application. The Sites Reservoir Project will require power for day-to-day operations. It will generate incidental power upon release of water from the reservoir, which is expected to offset about half of the power needs. The proposed interconnection request would put the project into a long line of requests and initiate a lengthy study process that can take more than two years to complete. By interconnecting with CAISO directly, the project could engage in the wholesale electrical energy market, which could be more cost-effective than going through Pacific Gas & Electric.

### **Science Activities**

Metropolitan staff continued work with researchers from UC Davis to implement the second deployment of the Delta Smelt Pilot Propagation Study on Bouldin Island. The study aims to evaluate whether the impoundments on Metropolitan islands can be leveraged to conduct Delta Smelt Supplementation Research. Metropolitan staff conducted field sampling of the Delta smelt in the study impoundments on Bouldin Island. The fish appear to be thriving with good survival and growth.

Metropolitan staff attended the 2023 Interagency Ecological Program Annual Workshop. The workshop included sessions on native fish species in the Delta, habitat restoration, water quality, food web, and invasive aquatic plants. The workshop included multiple presentations and posters reporting on collaborative science studies among Metropolitan and state, and federal agencies, university researchers, and consulting experts. Metropolitan staff attended the Cal-Neva American Fisheries Society Annual Meeting in Long Beach, CA. The meeting showcased some work from the Central Valley and the Santa Ana River watersheds addressing listed species and habitat restoration.

Metropolitan staff continued to work on Phase 3 of the Reorienting to Salmonid Recovery project. Participants will develop an agreed-upon suite of priorities for salmonid recovery in this phase. Metropolitan staff is organizing intensive workshops where participants work in groups using web applications developed to evaluate model output sensitivity to different salmonid management scenarios. These online tools will help participants better understand and address the tradeoffs associated with different suites of recovery actions and objectives to enable implementation. The first workshop occurred in March, and two to four additional workshops will be held between May and December 2023.

### **Regulatory Activities**

Metropolitan staff continued to participate in the collaborative science groups set up to inform implementation of the 2019 Biological Opinions (BiOp) for the State Water Project (SWP) and Central Valley Project and the 2020 Incidental Take Permit (ITP) for long-term operation of the SWP. In March, Metropolitan staff participated in Delta Coordination Group meetings with state and federal water contractors, resource agencies, and fisheries agencies to develop tentative recommendations on implementing Summer Fall Habitat Actions for Delta Smelt as mandated by the BiOp and ITP. Recommendations are tentative as the water year designation is not yet official, and the actions are contingent on the water year type.

Metropolitan staff is participating in a Science Committee developing the Voluntary Agreement Science Plan. This plan provides the framework and specific approach for evaluating the outcomes of the flow and non-flow measures proposed as part of the Voluntary Agreements for the Sacramento River, Delta, and Tributary update to the San Francisco Bay/Sacramento-San Joaquin Delta Water Quality Control Plan. The science plan builds on an initial framework describing the metrics, monitoring, and outcomes for Voluntary Agreement commitment actions provided to the State Water Resources Control Board in October 2022. It provides additional detail on the hypotheses, metrics, existing monitoring programs, and the approach for analyses that will be leveraged to understand Voluntary Agreement actions' outcomes.

### **Delta Island Activities**

Metropolitan staff is working internally to coordinate the submission of a full grant application to the Delta Conservancy's Nature Based Solutions: Wetland Restoration Grant Program for a \$20 million grant that will fund the development of a mosaic of managed flooded wetlands and rice fields on Webb Tract to stop subsidence, reduce greenhouse gas emissions and generate income from carbon credits and lease agreements. The Delta Conservancy Board will consider the Webb Tract grant application at their July Board meeting. Metropolitan staff plans to update the Board at the April Bay Delta Subcommittee meeting.

### **Ecosystem Restoration**

The Delta Stewardship Council is working with diverse groups of interests to develop a draft Adaptation Strategy for the Delta Adapts Initiative, which is focused on understanding climate change risks in the Delta and developing adaptation strategies. Metropolitan staff participated in the Delta Adapts Ecosystem Focus Group #3 on March 13, which focused on presenting ecosystem adaptation scenarios and refining criteria that will be used to prioritize projects in

## **PUBLIC/GOVERNMENT AFFAIRS**

### **COMMUNITY AND MEMBER AGENCY RELATIONS**

#### **Public Affairs Staff:**

- Selected 40 winners and 15 honorable mentions for the annual Water Awareness Poster Contest
- Mailed all 15 honorable mention Poster Contest winners a certificate and prize.
- Coordinated and confirmed MWDOC Scouts Program clinic dates for the 2023-2024 calendar year with participating member agencies.
- Prepared and distributed April eCurrents
  - Sent to 10,260 recipients.
  - Open Rate 56% (5,554 opens)
    - Industry average of 28%
- Provided water education to 3-5 grade students at the Children's Water Festival with an estimated 700 students in attendance hosted by Orange County Water District
- Prepared and Distributed a Media/Tool kit for member agencies, community partners, and education partners for the Wyland National Mayor's Challenge for Water Conservation
- Met with the Wyland Foundation, City of Westminster, and other project partners to discuss the final details of the Coronet Park pocket park project.

#### **Government Affairs Staff:**

- Attended the California Water Plan Public Workshop Meeting
- Attended the OC LAFCO monthly meeting.
- Attended the OCBC Infrastructure Committee meeting with speaker Adel Hagekhalil.
- Attended the MWDOC Member Agency Managers meeting and provided an update on AB 1572 (Friedman) and Metropolitan's Water Rights Policy Principles
- Circulated the monthly Grants Tracking and Acquisition Report to member agencies.
- Circulated a notice of funding opportunity for the Water Conservation Field Services Program – four member agencies have projects that are a potential funding match.

### **EDUCATION**

#### **Public Affairs Staff**

- Attended El Morro Elementary School for Wyland Clean Mobile Learning Experience visit.
- Spoke at the American Water Works Association Spring Conference on the Water Energy Education Alliance and the recent statewide workforce needs assessment.

- Met with Latinos for Water regarding the Water Energy Education Alliance
- Met with Tomorrow's Talent regarding the Water Energy Education Alliance
- Participated in two planning meetings with Metropolitan Water District of Southern California for the upcoming Department of Water Resources Water Education Committee summer meeting.
- Spoke at the California Community College Association for Occupational Education Spring Conference on the Water Energy Education Alliance and the recent statewide workforce needs assessment.
- Provided information to the City of Garden Grove and the City of Santa Ana regarding education requests in their service areas.
- Provided the City of Orange with information regarding MWDOC Choice School Programs
- Sent MWDOC Choice School Program contractors the Earth Month Challenge classroom activity for distribution as part of the Wyland National Mayor's Challenge for Water Conservation

## **MEDIA OUTREACH AND DISTRIBUTION**

### **Public Affairs Staff**

- Prepared and distributed content for social media
- Distributed weekly news digests to MWDOC managers and Board.
- Distributed weekly Association of Metropolitan Water Agencies (AMWA) Monday briefings for member agencies.
- Updated MWDOC website as requested by several departments.
- Prepared and distributed three news releases:
  - "MWDOC AWARDED \$3 MILLION GRANT FROM U.S. BUREAU OF RECLAMATION"
  - "MWDOC BOARD MOVES TO EASE REGIONAL DROUGHT REGULATIONS"
  - "MWDOC AND WYLAND PARTNER AGAIN TO BRING THE NATIONAL CHALLENGE TO ORANGE COUNTY"
- Prepared and submitted articles to the Association of California Water Agencies News:
  - <https://www.acwa.com/news/mwdoc-announces-winners-of-annual-water-awareness-poster-contest/>
  - <https://www.acwa.com/news/mwdoc-and-wyland-partner-again-to-bring-the-national-challenge-to-orange-county/>
  - <https://www.acwa.com/news/new-statewide-water-and-wastewater-labor-market-report-unveiled-at-weea-meeting/>

## **SPECIAL PROJECTS**

### **Public Affairs Staff:**

- Hosted Consumer Confidence Report one-on-one meetings between Stetson Engineering and member agencies

- Coordinated and planned board and staff headshots
- Attended Committee Meetings and participated in the initial planning of the OC Water Summit

#### **Governmental Affairs Staff:**

- Staffed the ISDOC Quarterly Luncheon meeting.
- Staffed the ISDOC Executive Committee meeting.
- Staffed the WACO hybrid meeting featuring speaker Dr. Marty Ralph
- Drafted and circulated a Request for Proposals for Grants Tracking and Acquisition
- Met with Director Sandra Jacobs to discuss the ISDOC Bylaws Ad-Hoc Committee
- Staffed the WACO Planning Committee meeting.
- Secured speakers for the May and June WACO meetings.

### **LEGISLATIVE AFFAIRS**

#### **Governmental Affairs Staff:**

- Participated in the Metropolitan member agency working group on AB 1572 (Friedman)
- Participated in the Metropolitan member agency working group reviewing the water rights bills.
- Coordinated with various Met member agencies on AB 1572 (Friedman)
- Participated in the Southern California Water Coalition Legislative Task Force meeting.
- Monitored the Metropolitan Communications and Legislative Committee discussion on AB 1572 (Friedman) and the Water Rights Policy Principles
- Participated in the ACWA Region 10 State Legislative Committee prep call.
- Participated in the CMUA Regulatory and Legislative Committee meetings.
- Attended the ACWA State Legislative Committee meeting.
- Prepared a letter of support for SB 366 (Caballero) and submitted it to the committee before the hearing date.
- Signed on to ACWA's Water Rights legislation coalition.
- Participated in a follow-up meeting of the Metropolitan Member Agency Working Group on AB 1572
- Attended the ACWA State Legislative Committee special meeting on AB 1337 (Wicks) dealing with water rights.
- Participated in the Metropolitan Member Agency Legislative update meeting.
- Drafted and submitted an Oppose Unless Amended letter for AB 1572 (Friedman)
- Along with Directors Dick and Crane, met with Assembly Member Kate Sanchez and Senator Dave Min (separately) in their district offices, and provided an overview of MWDOC, update on key issues and priority legislation.

- Attended CMUA's special Legislative Committee meeting to discuss amendments to AB 1337 (Wicks) dealing with water rights.
- Participated in the ACWA Federal Affairs Sub-Committee on Infrastructure and Agriculture

## **WATER USE EFFICIENCY**

### **ALLIANCE FOR WATER EFFICIENCY (AWE) WATER EFFICIENCY RESEARCH COMMITTEE (WERC) MEETING**

On April 11, Joe Berg and Rachel Waite attended the AWE WERC meeting. Topics on the agenda included:

- 2023-2024 Work Plan
- Member Engagement Projects
- AWE & CalWEP Research Updates
- Committee Member Research Activity Updates

The next meeting is scheduled for June 13.

### **METROPOLITAN CONSERVATION PROGRAM ADVISORY COMMITTEE (PAC)**

On April 12, Rachel W. joined the Metropolitan Conservation PAC. Topics on the agenda included:

- Trees in the Turf Program
  - Consideration of Trees as a Stormwater Capture Feature
  - Promotion of Trees (general)
- General Conservation Program Items

The next meeting is scheduled for July 5.

### **MWDOC LANDSCAPE PROGRAM ADVISORY COMMITTEE (PAC)**

On April 13, Joe, Rachel W., Beth Fahl, Sam Fetter, and Tina Fann held the MWDOC Landscape PAC. Staff from Santa Margarita Water District, Moulton Niguel Water District, Irvine Ranch Water District, and El Toro Water District were in attendance. Topics on the agenda included:

- Modifications to the Landscape Maintenance Assistance Program
- Metropolitan Water Districts Turf Program Tree Initiative
- Update on the Turf Removal and Spray to Drip Program Guides
- Long-Term Modifications to the Landscape Design Assistance Program
- Landscape Tune-up Programs

The next meeting is scheduled for May 11.

## **AWWA SUSTAINABLE WATER MANAGEMENT CONFERENCE**

On April 17-19, Joe and Rachel Davis attended the AWWA Sustainable Water Management Conference in Minneapolis, Minnesota. Sessions attended included presentations on irrigation efficiency, engaging HOAs as water conservation partners, using clamp-on meters to measure water savings potential in CII settings, and more. Rachel also gave a presentation on MWDOC's distribution system leak detection program, highlighting efforts to quantify leakage rates and calculate payback periods.

## **PROJECT AGREEMENT 22 (PA 22) ADVISORY WORKGROUP**

On April 17, Rachel W. attended the PA 22 Advisory Workgroup hosted by the Santa Ana Watershed Project Authority (SAWPA) and attended by staff from SAWPA member agencies and MWDOC. Topics on the agenda included:

- Prop 1 Enhanced Decision Support Tool Update
- SARCCUP Water Budget Assistance
  - Background on Special Landscape Areas
  - Retail Agency Partnership Status and MWDOC Status

The next meeting is scheduled for June 19.

## **DEDICATED IRRIGATION METER (DIM) LANDSCAPE AREA MEASUREMENTS (LAM) PROGRAM KICKOFF MEETING WITH THE CITY OF GARDEN GROVE**

On April 18, Rachel W. and Sam met with City of Garden Grove staff and project consultant NV5 for a DIM Area Measurements Project kickoff meeting. The DIM Area Measurements Project provides Orange County retail water agencies access to MWDOC's consultant, NV5, to obtain DIM landscape area measurements and classifications as required by SB606 and AB1668 (Conservation Framework). MWDOC, NV5, and retailer staff discussed the Project, workflow, and next steps.

Kick-off meetings will be scheduled with each participating retailer, and follow-up meetings will be scheduled as needed.

## **METROPOLITAN WATER USE EFFICIENCY WORKGROUP MEETING**

On April 20, Joe, Sam Fetter, Tina, Rachel W., and Rachel D. participated in Metropolitan's Water Use Efficiency Workgroup meeting via Zoom. Items on the agenda included:

- MWD Board Meetings Updates
  - Conservation Update
  - Update on Results of Flume Data
  - AB 1572 Update
- Vallecitos Water District Video "Flametree Farms"

- Moulton Niguel WD “Leak Alert Notification Program
- External Affairs Update
- Member Agency Roundtable

The next meeting is scheduled for May 18.

## **WATER CONSERVATION DATA COLLABORATION**

On April 25, Rachel W. and Sam attended the Water Conservation Data Collaboration hosted by San Antonio Water Systems (SAWS) and joined by water efficiency analyst staff from various water agencies across California, Texas, Arizona, and Oregon. The discussion focused on commercial classifications and coding related to the Conservation Framework and what agencies in and out of California have accomplished.

The next meeting will be scheduled for a date to be determined in July.

## **PRESSURE REGULATION VALVE (PRV) KICKOFF MEETING - SMWD**

On April 27, Rachel W. and Sam met with Santa Margarita Water District staff and the project contractor, Santa Margarita Plumbing, for a kickoff meeting of the PRV Program in the SMWD service area. Topics on the agenda included:

- Overview of the PRV Program
- Marketing Materials and Outreach
- Data Collection and Sharing
- Needed Follow-up Materials

The program is set to launch in SMWD’s service area in mid-May. Further meetings may be scheduled as needed.

## **ALLIANCE FOR WATER EFFICIENCY (AWE) COOLING TOWERS COHORT KICKOFF MEETING**

On April 27, Sam joined the AWE Cooling Towers Cohort Meeting. Attendees included water use efficiency staff from water agencies around the country. Topics on the agenda included:

- History of Regulatory Energy Restrictions for Cooling Towers
- Use of Aerial Imagery to Verify Presence of Cooling Towers

The next meeting has not yet been scheduled.

## ORANGE COUNTY WATER USE EFFICIENCY WORKGROUP MEETING

On May 4, Joe, Rachel W., Rachel D., Sam, and Tina hosted the Orange County Water Use Efficiency Workgroup meeting. Items on the agenda included:

- MWDOC Updates
  - Choice Invoices
- Agency Roundtable
- MET Turf Dashboard and Data Request
- Water Use Efficiency Standards/Framework Update
  - DWR Indoor Residential Water Use Study
- MET Conservation Program Updates
  - Pre-1994 MF Toilet Program Launch
  - Large Landscape Surveys
  - Tree PAC
  - One Water Awards
- Water Use Efficiency Updates
  - 2022 Aerial Imagery
  - Turf Removal Program Update
    - Grant Funding/Turf Activity

The next meeting is scheduled for June 1.

**INFORMATION CALENDAR**

**MWDOC GENERAL INFORMATION  
ITEMS**

**MWDOC BOARD OF DIRECTORS**

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