

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

July 2, 2008

At 7:40 a.m., President Clark called to order the Regular Workshop Board Meeting of the Board of Directors of Municipal Water District of Orange County (MWDOC) at the District facilities located in Fountain Valley. President Clark led the Pledge of Allegiance and Recording Secretary Davanaugh called the roll.

**MWDOC DIRECTORS**

Ed Royce, Sr.  
Brett R. Barbre  
Wayne A. Clark  
Larry Dick\*  
Ergun "Eric" Bakall\*  
Joan Finnegan (absent)  
Susan Hinman (absent)

**MWDOC STAFF**

Kevin Hunt, General Manager  
Karl Seckel, Assistant General Manager  
Katie Davanaugh, Recording Secretary  
Dan Payne, Legal Counsel  
Matt Stone, Associate General Manager  
Harvey De La Torre, Principal Analyst  
David Cordero, Dir. of Governmental Affairs  
Warren Greco, Limited Term Employee

\*Also MWDOC Met Directors

**OTHER MWDOC MET DIRECTORS**

Jack Foley  
Linda Ackerman

MWDOC Met Director  
MWDOC Met Director

**OTHERS PRESENT**

Trudy Ohlig-Hall  
Paul Jones  
Peer Swan  
Dick Dietmeier  
John Kennedy  
Lee Pearl  
Bob McVicker  
Diana Leach  
Mike Dunbar

Mesa Consolidated Water District  
Irvine Ranch Water District  
Irvine Ranch Water District  
South Coast Water District  
Orange County Water District  
Mesa Consolidated Water District  
Mesa Consolidated Water District  
Golden State Water Company  
South Coast Water District

**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.

## **PUBLIC PARTICIPATION/PUBLIC COMMENTS**

President Clark announced 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. Mr. Clark asked whether there were any comments on other items which would also be heard at this time; No public comments were received.

## **DISCUSSION ITEMS**

### **UPDATE ON AB 885 (CALDERON) – MWD ALTERNATE REPRESENTATIVE**

Mr. De La Torre presented background information on AB 885 (Calderon) and the potential effects it could have on Metropolitan if enacted. The legislation would amend the Metropolitan Act to authorize member agencies to appoint alternate board representative(s) to serve in the absence of their primary board representative(s). During a recent Senate Committee hearing (June 18, 2008), the author agreed to amend the bill to allow member agencies that appoint alternates to be responsible for those expenses for alternates and conflicts of interest. However, the amendment to use a “proxy voting” method, instead of alternates, was not accepted by a 3-2 Committee vote. As a result of the Senate Committee’s amendments, Metropolitan Water District held a special board meeting on June 24, 2008 to discuss the amendments and the proxy voting alternative. After much discussion on how a proxy vote could work at MET, the Board voted in favor to “oppose unless amended to include proxy voting and “oppose” if any new amendments appear on the Senate floor. Director Dick noted that 16 of MET’s member agencies oppose this legislation in its original form. It was noted that only the City of Long Beach and Central Basin Municipal Water District support the legislation.

### **METROPOLITAN’S FIVE-YEAR WATER SUPPLY ACTION PLAN**

Mr. De La Torre reported that MET and its member agencies agreed to prepare a 5-year Water Supply Action Plan that is comprised of specific objectives, namely; 1) to pursue interim Delta improvements; 2) continue to seek multi-year water transfers, 3) identify ways to accelerate local resource projects; and 4) to implement an extraordinary conservation campaign. Several special workgroups have been formed to address each of these major issues. Mr. De La Torre provided great detail on each workgroup’s recent activities which were outlined and provided to the Committee in the packet materials. Director Barbre would like MET to continue to take a proactive approach on storage and Delta improvements. Committee members and meeting attendees concurred that both of the items were of critical importance to the Orange County region as well as the state as a whole.

### **METROPOLITAN’S 2009 INTEGRATED RESOURCE PLAN (IRP) UPDATE**

Mr. Stone provided detailed background information and an update on MET's IRP. He noted that recent challenges faced by the State Water Project and Colorado River have heightened awareness that the Plan is in great need of an update. During the month of June, MET held its first IRP Board Workshop discussing key policy issues identified as part of the update, which included questions such as what impact trends have had on supply and to what degree, MET's role in future resource development and planning objectives. A key part of the strategic planning has been to store water during wet periods. MET Chairman Brick urged the MET Board at that time to expand their role in areas ranging from ocean desalination to heightened conservation efforts.

Director Bakall noted that Mr. Brick's message at a recent MET meeting was that perhaps it is time for MET to take a leading role in capturing, treating and distributing storm water, reclamation, or desalination directly, rather than leaving it up to the member agencies. Director Foley noted that in the mid-1990's, MET's was recognized as a supplemental source of water supply and now they are viewed as a main supplier. The IRP, in its current form, has allowed a considerable platform for all member agencies to voice their concerns and pull together local resources. Director Foley stressed the importance of MET providing new supply resources to ensure future reliability. Director Bakall noted that several projects have been in negotiations over the past 1-2 years with MET to secure the Cross Feeder, Upper Chiquita, Baker Plant and desalination plants project but it is still not certain whether all will come to fruition.

Mr. Stone also provided the Board with an IRP Update Process Timeline of activities from April 2008 through the end of 2009, which proposes to include several Board and technical workshops as well as stakeholder and public forums with consideration of plan improvements expected to be accepted by the MET Board by July of 2009. The timeline was reviewed in great detail.

**MET ITEMS CRITICAL TO ORANGE COUNTY**

- a. Water Supply Allocation Plan Development**
- b. Integrated Resources Plan**
- c. Long Range Finance Plan**
- d. Colorado River Issues**
- e. Bay Delta/State Water Project Issues**
- f. Central Pool Augmentation Project**
- g. MET's Desalination Policy**

Mr. De La Torre provided an overview of his monthly report on the MET items Critical to Orange County. The Board held a brief discussion on the Long Range Finance Plan (LRFP), noting that the focus of the next LRFP workgroup meeting will evaluate treated water peaking charge options and growth charge options.

The Board received and filed the information as presented.

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

**a. Summary regarding May MET Board Meeting**

No new information was presented.

**b. Review items of significance for the July MET Board and Committee Agendas**

The Board received and filed the agenda.

**DIRECTORS' REPORTS**

**a. MET Directors**

It was noted that Director Foley has been assigned to the Cadiz Advisory Committee and Director Bakall has been assigned to the IRP Steering Committee.

**b. MWDOC Directors**

No comments were made.

**ADJOURNMENT**

There being no further business to come before the Board, the meeting adjourned at 9:25 a.m.

**APPROVED:**

---

Wayne A. Clark, President

---

Maribeth Goldsby, Board Secretary