

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
April 17, 2024**

At 8:30 a.m., President McVicker 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 via the Zoom Webinar application. Following a moment of silence, Director Thomas 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, General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, District Secretary
Melissa Baum-Haley, Director of MET Issues/Policy
Tiffany Baca, Public Affairs Manager
Alex Heide, Sr. Water Resources Analyst
Cathy Harris, Director of HR/Administration
Charles Busslinger, Dir. of Engineering/Dist. Eng.
Heather Baez, Director of Governmental Affairs
Sarina Sriboonlue, Principal Engineer
Hilary Chumpitazi, Director of Finance/IT
Rachel Davis, Water Loss Control Prog. Supervisor
Joe Berg, Director of WUE
Rachel Waite, WUE Programs Supervisor
Vicki Osborn, Director of Emergency Management

ALSO PRESENT

Linda Ackerman
Dennis Erdman
Christine Carson
Doug Davert
Kathryn Freshley
Mike Gaskins
Kay Havens
Mark Monin
Dennis Cafferty
Sherri Seitz
Vu Chu
Doug Reinhart
Peer Swan
Paul Weghorst
Lou Bronstein
Keith Van Der Maaten
Jim Atkinson
Jim Fidler
Stacy Taylor
Dick Fiore
Sherry Wanninger
Saundra Jacobs

MWDOC/MET Director
MWDOC/MET Director
Aleshire & Wynder
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
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Irvine Ranch Water District
Laguna Beach County Water District
Mesa Water
Mesa Water
Mesa Water
Moulton Niguel Water District
Moulton Niguel Water District
Santa Margarita Water District

Brad Reese	Serrano Water District
Rick Shintaku	South Coast Water District
Marc Serna	South Coast Water District
Jennifer Lopez	South Coast Water District
Glen Acosta	Trabuco Canyon Water District
Fernando Paludi	Trabuco Canyon Water District
Michael Perea	Trabuco Canyon Water District
Brett Barbre	Yorba Linda Water District
Gene Hernandez	Yorba Linda Water District
Tom Lindsey	Yorba Linda Water District
Dick Ackerman	Ackerman Consulting
Charles Luas	Orchard Dale Water District

TELECONFERENCE SITE

Director Yoo Schneider participated via teleconference location (all agenda requirements pursuant to the Ralph M. Brown Act requirements were complied with).

PUBLIC PARTICIPATION/PUBLIC COMMENT

President McVicker 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. President McVicker asked whether any member of the public had any comments on items that were 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 McVicker 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 the meeting.

CONSENT CALENDAR

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

Secretary Goldsby advised that Item 2b (Administration & Finance Committee minutes) would be revised to correct a typo; the Board concurred.

Upon MOTION by Director Thomas, seconded by Director Yoo Schneider, and carried (7-0) the Board approved the following Consent Calendar items, 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 6, 2024 Workshop Board Meeting
 March 20, 2024 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: March 4, 2024
 Administration & Finance Committee Meeting: March 13, 2024
 Executive Committee Meeting: March 21, 2024

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of March 31, 2024
 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 29, 2024
- 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 29, 2024

AWARD OF CONSULTING CONTRACT FOR UPDATING THE 2025 HAZARD MITIGATION PLANS FOR COMPLIANCE WITH THE AMERICA'S WATER INFRASTRUCTURE ACT (AWIA)

The Board authorized the General Manager to (1) enter into a consulting contract with Herndon Solutions Group (HSG) in the estimated amount not to exceed \$2.8 million (costs are contingent upon final participating agency commitments and include a 10% contingency) to assist member agencies update their 2025 Hazard Mitigation Plans. This includes MWDOC's cost share of

approximately \$108,000; and (2) authorized the General Manager to enter into Letter Agreements or Contracts with up to 31 of our participating agencies under the WEROC agreement, for cost recovery of this shared service contract.

AWARD OF SOLE SOURCE CONTRACT TO DOPUDJA & WELLS CONSULTING TO CONDUCT DISTRICT NEEDS ASSESSMENT

The Board authorized the General Manager to enter into a Professional Services Agreement with Dopudja & Wells, to conduct a District Needs Assessment in the amount of \$29,485.

AUTHORIZE AMENDMENT TO ADMINISTRATIVE CODE SECTION 1100 (BOARD AND COMMITTEE REGULAR MEETINGS)

The Board authorized the amendments to Administrative Code Section 1100 (Board and Committee meetings) as presented.

- 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 McVicker 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 McVicker opened the public hearing and encouraged public comments.

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

Directors Seckel and Thomas each suggested the Board not increase its compensation for the upcoming year and the Board generally concurred.

As a result, the Board took no action and no Ordinance was adopted.

ACTION CALENDAR

ADOPTION OF THE BUDGET FOR FISCAL YEAR 2024-25

President McVicker announced that the proposed budget for fiscal year 2024-25 was before the Board for consideration.

General Manager De La Torre noted that because an Ordinance increasing compensation was not adopted, he would remove the 5% increase (\$21,610) and any action taken on the budget would include this reduction. He then reviewed the Administration & Finance Committee's recommendation to adopt the budget as presented, however to remove MWDOC's participation in California Water for All initiative in the amount of \$20,000. He then reviewed other areas for consideration, namely (1) whether to remove or adjust the proposed Ambassador Program

(\$40,000), (2) whether to remove the California Water for All participation (\$20,000) or reduce participation to \$10,000; (3) whether to remove participation in the California Data Collaborative (\$16,500); and (4) any other areas of the Budget the Board wished to address.

The Directors then each weighed in on their thoughts for participation in each of the items Mr. De La Torre presented, expressing a general consensus of support for all three initiatives but also supporting any suggested adjustments to the dollar amounts.

Director Thomas highlighted the District’s continued participation in the California Council for Environmental and Economic Balance (CCEEB) suggesting CCEEB membership along with travel be removed from the budget; he cited his concerns with the organization and MWDOC’s value in being a member. Directors Nederhood and Dick concurred with removing CCEEB.

Director Dick made a MOTION, which was seconded by Director Thomas, to adopt a RESOLUTION approving the fiscal year 2024-25 budget as presented, but with the following adjustments: (1) reducing the allocation for the Ambassador Program to \$20,000 (of which \$10,000 would be earmarked for an OC Grand Jury inspection trip), (2) reducing the allocation to the California Water For All initiative to \$10,000; (3) leaving the \$16,500 in the budget toward the California Data Collaborative; and (4) removing MWDOC’s membership and travel in CCEEB.

Discussion ensued, with Directors Crane, Seckel, and Yoo Schneider voicing support for participation in CCEEB, with Director Yoo Schneider noting that staff would be arranging a presentation on CCEEB in the near future at which time the Board could evaluate its continued participation.

Director Yoo Schneider then made a SUBSTITUTE MOTION, which was seconded by Director Crane, to adopt a RESOLUTION establishing the Fiscal Year 2024-25 budget as presented (including the reduction of \$21,610 from Director Compensation), but with the following adjustments: (1) reducing the allocation for the Ambassador Program to \$20,000 (of which \$10,000 would be earmarked for an OC Grand Jury inspection trip), (2) reducing the allocation to the California Water For All initiative to \$10,000; (3) leaving the \$16,500 in the budget toward the California Data Collaborative; and (4) keeping CCEEB participation in the budget. Following discussion, the Board took action on the SUBSTITUTE MOTION, and adopted RESOLUTION NO. 2146 Approving and Establishing the MWDOC Budget for Fiscal Year 2024-2025 including the General Fund, Reserve Fund, Water Fund, Water Use Efficiency Fund, WEROC Fund and AMP Fund (as revised via the MOTION and the reduction in Director Compensation (\$21,610), by the following roll call vote:

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

(President McVicker left the meeting at 9:10 a.m. and Vice President Thomas assumed the Chair position).

PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2024-25

Vice President Thomas advised that the proposed Water Rate Resolution was before the Board for consideration.

Upon MOTION by Director Crane, seconded by Director Seckel, and carried (6-0), the Board approved: (1) Increasing the MWDOC Retail Meter Charge from \$14.25 to \$14.75 per meter, and increasing the Groundwater Customer Charge from \$383,697 to \$405,463 effective July 1, 2024; and (2) Adopted RESOLUTION NO. 2147 Establishing Water Rates setting forth rates and charges to be effective July 1, 2024, and January 1, 2025, as identified in the Water Rate Resolution for Fiscal Year 2024-25. Said RESOLUTION was adopted by the following roll call vote:

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

DISCUSSION ITEM

MEMBER AGENCY SPOTLIGHT – SOUTH COAST WATER DISTRICT

Following an introduction by General Manager De La Torre, South Coast Water District’s (SCWD) General Manager Rick Shintaku presented information regarding SCWD’s mission, history and service area (including its unique characteristics), governance and management, transmission and treatment operations, mutual aid and regional training programs, contract services and agreements, SOCWA participation, its commitment to maximizing recycled water, an overview of its large capital projects (including tunnel stabilization and the Doheny Desalination Project), and its commitment to water use efficiency.

Following a brief discussion and question/answer period, the Board thanked Mr. Shintaku and received and filed the report.

PRESENTATION BY LEGAL COUNSEL RE SB 1439 (CAMPAIGN CONTRIBUTIONS)

Legal Counsel Byrne provided an overview of SB 1439 (new FPPC regulations regarding campaign contribution limits and guidelines), otherwise known as The Levine Act. He noted that Best, Best & Krieger would be presenting a more in-depth review of the legislation at the upcoming ACWA Spring Conference for those interested in attending. Mr. Byrne also advised that there was a failed legal challenge against SB 1439 and at present, three pieces of legislation (AB 2911 (McKinnor), SB 1243 (Dodd), and SB 1181 (Glazer)) have been introduced to amend the Levine Act, one of which would return it back to its original state before the adopted SB 1439.

Following discussion, the Board requested staff monitor the three pieces of legislation that challenge or request changes to SB 1439. The Board received and filed the report.

INFORMATION CALENDAR

GENERAL MANAGER’S REPORT, APRIL 2024

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

Mr. De La Torre reported that the member agency spotlights have been very helpful, that the Elected Officials Forum was well received, and that Vicki Osborn (Director of Emergency Management) had been chosen to receive the California Emergency Services Association's Senator Nicholas C. Petris Award. Mr. De La Torre and members of the Board congratulated her on this achievement.

Staff was asked to provide additional information on the Regional Fuel Project to Director Dick, as well as an update on the status WEROC's Emergency Operations vehicle purchase at an upcoming meeting.

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 the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the MET Board and Committee meetings, MET's Long-Term Regional Planning Process and Business Modeling subcommittee, the WACO and WACO planning meetings, and the OC Water Summit planning meetings.

Director Dick stated that he attended most of the regularly scheduled MWDOC meetings (except the Executive Committee), (Planning & Operations, and Administration & Finance Committee meetings, as well as the Workshop and Regular Board meetings), the regularly scheduled MET Board and Committee meetings, the Serrano Water District Board meeting, the WACO Planning meeting, the Elected Officials Forum, a meeting with Dick Ackerman, the MET Caucus, MET's Long-Term Regional Planning Process and Business Modeling subcommittee, a preparation meeting for MET's Finance & Asset Management Committee, and MET's Community Leader's Briefing featuring Assemblymember Laura Davies.

Director Crane reported that he attended all of the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the OC Water Summit planning meetings, a meeting with General Manager De La Torre, the Elected Officials Forum, the WACO Planning meeting, the MNWD Board meeting, the IRWD Board meeting, and a meeting with staff and the MWDOC Ad Hoc Committee regarding the OC Water Summit.

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 Board meetings), the regularly scheduled MET Board and Committee meetings, the MET Caucus, the Pure Water Committee, the Long-Term Regional Planning Process and Business Modeling subcommittee meeting, the SCWD Board meeting, the WACO Planning and WACO meetings, MET's Community Leader's Briefing featuring Assemblymember Laura Davies, the Elected Officials Forum, the YLWD dedication of its PFAS facility, and the City of Huntington Beach's water rates workshop.

Director Yoo Schneider advised that she attended the regularly scheduled MWDOC meetings (Planning & Operations, Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), a meeting with MWDOC staff, the SMWD Board and Committee meetings, the SCWD Board meeting, the Elected Officials Forum, the CCEEB WCW meeting, the CED meeting, the UCI Graduate Esteemed Leadership Council meeting, and the Water Environment Federation Membership Committee meeting. Director Yoo Schneider thanked Mr. Shintaku for his presentation.

As Director McVicker was absent, he submitted a written report to Secretary Goldsby; she read the meetings he attended which were all of the regularly scheduled MWDOC meetings (Administration & Finance, and Executive Committee meetings, as well as the Workshop and Regular Board meetings), the MET Budget workshop, the MET Long-Term Regional Planning Process and Business Modeling subcommittee meeting, the ISDOC Executive Committee meeting, the WACO meeting, the MET Board and Committee meetings, and the WACO Planning meeting.

Director Thomas stated that he attended most of the regularly scheduled MWDOC meetings (Administration & Finance Committee meeting, as well as the Workshop and Regular Board meetings), the OC Water Summit planning meetings, the MET Budget workshop, a meeting with General Manager De La Torre, a meeting with EOCWD Director Davert, a meeting with SMWD Director Ury, and the Elected Officials Forum.

a. REQUESTS FOR FUTURE AGENDA TOPICS

No items for future agenda topics were presented.

CLOSED SESSION ITEMS

At 10:26 a.m., it was announced that the Board would adjourn to closed session to discuss the following items:

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water of Southern California on April 8, 2014, et al., former Los Angeles Superior Court Case No. BC547139, transferred on December 2, 2014, to San Francisco Superior Court, now Case No. CPF-14-514004.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 12, 2016, effective January 1, 2017 and January 1, 2018, et al., former Los Angeles Superior Court Case No. BS161729, transferred to San Francisco Superior Court, now Case CPF-16-515282.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2018 to be effective January 1, 2019, and Jan. 1, 2020, et al., Los Angeles Superior Court Case No. BS 173868, Transferred to San Francisco Superior Court, now Case CPF-18-516389.

RECONVENE

The Board reconvened at 11:30 a.m., and Legal Counsel Carson announced that no reportable action was taken in closed session.

ADJOURNMENT

There being no further business to come before the Board, Vice President Thomas adjourned the meeting at 11:31 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary