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Satisfying our Community's
Water Needs*

**AGENDA
MESA WATER DISTRICT
BOARD OF DIRECTORS
Wednesday, September 14, 2022
1965 Placentia Avenue, Costa Mesa, CA 92627
4:30 p.m. Regular Board Meeting**

**Teleconference Site:
4130 Lake Tahoe Boulevard
South Lake Tahoe, CA 96150**

**Members of the public may attend and participate in the meeting at both locations.
Notice will be posted on the door at the teleconference site.**

CALL TO ORDER

PLEDGE OF ALLEGIANCE

PUBLIC COMMENTS

Items Not on the Agenda: Members of the public are invited to address the Board regarding items which are not appearing on the posted agenda. Each speaker shall be limited to three minutes. The Board will set aside 30 minutes for public comments for items not appearing on the posted agenda.

Items on the Agenda: Members of the public shall be permitted to comment on agenda items before action is taken, or after the Board has discussed the item. Each speaker shall be limited to three minutes. The Board will set aside 60 minutes for public comments for items appearing on the posted agenda.

ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA

At the discretion of the Board, all items appearing on this agenda, whether or not expressly listed as an Action Item, may be deliberated and may be subject to action by the Board.

CONSENT CALENDAR ITEMS:

Approve all matters under the Consent Calendar by one motion unless a Board member, staff, or a member of the public requests a separate action.

1. Approve minutes of regular Board meeting of August 10, 2022.
2. Approve minutes of adjourned regular Board meeting of August 23, 2022.
3. Approve attendance considerations (additions, changes, deletions).
4. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events

PRESENTATION AND DISCUSSION ITEMS:

NONE



ACTION ITEMS:

5. ORANGE COUNTY GRAND JURY REPORT:

Recommendation: Approve the response to the 2021-2022 Orange County Grand Jury Report, *Water in Orange County Needs "One Voice"*.

REPORTS:

6. REPORT OF THE GENERAL MANAGER:

- August Key Indicators Report
- Other (no enclosure)

7. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

8. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)

9. OTHER (NO ENCLOSURE)

CLOSED SESSIONS:

10. CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION:
Pursuant to California Government Code Section 54956.9 (d)(1)

Case: Irvine Ranch Water District v. Orange County Water District and related cross-actions

Los Angeles County Superior Court Case Nos. BS168278 and BS175192

11. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO CALIFORNIA GOVERNMENT CODE 54957.6:

District Negotiator: General Manager

Employee Organization: Represented and Non-Represented Employees

In compliance with California law and the Americans with Disabilities Act, if you need disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, or if you need the agenda provided in an alternative format, please call the District Secretary at (949) 631-1205. Notification 48 hours prior to the meeting will enable Mesa Water District (Mesa Water®) to make reasonable arrangements to accommodate your requests.

Members of the public desiring to make verbal comments using a translator to present their comments into English shall be provided reasonable time accommodations that are consistent with California law.

Agenda materials that are public records, which have been distributed to a majority of the Mesa Water Board of Directors (Board), will be available for public inspection at the District Boardroom, 1965 Placentia Avenue, Costa Mesa, CA and on Mesa Water's website at www.MesaWater.org. If materials are distributed to the Board less than 72 hours prior or during the meeting, the materials will be available at the time of the meeting.

ADJOURN TO AN ADJOURNED REGULAR BOARD MEETING SCHEDULED FOR WEDNESDAY, SEPTEMBER 21, 2022 AT 3:30 P.M.



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**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Wednesday, August 10, 2022
1965 Placentia Avenue, Costa Mesa, CA 92627
4:30 p.m. Regular Board Meeting**

CALL TO ORDER

The meeting of the Board of Directors was called to order at 4:30 p.m. by President DePasquale.

PLEDGE OF ALLEGIANCE

Director Atkinson led the Pledge of Allegiance.

Directors Present

Marice H. DePasquale, President
Shawn Dewane, Vice President
Jim Atkinson, Director
Fred R. Bockmiller, P.E., Director
James R. Fidler, Director

Directors Absent

None

Staff Present

Paul E. Shoenberger, P.E., General Manager
Denise Garcia, Chief Administrative Officer/
District Secretary
Marwan Khalifa, CPA, MBA, Chief Financial Officer/
District Treasurer
Tracy Manning, Chief Operating Officer
Stacie Sheek, Customer Services Manager
Andrew D. Wiesner, P.E., Principal Engineer
Stacy Taylor, Water Policy Manager
Kurt Lind, Business Administrator
Kaitlyn Norris, Public Affairs Specialist
Celeste Carrillo, Senior Public Affairs Specialist
Rob Anslow, Partner, Atkinson, Andelson, Loya, Ruud & Romo

Others Present

None

PUBLIC COMMENTS:

President DePasquale asked for public comments on items not on the agenda.

There was no public present and President DePasquale proceeded with the meeting.

ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA

General Manager Shoenberger reported there were no items to be added, removed, or reordered on the agenda.

CONSENT CALENDAR ITEMS:

1. Approve minutes of adjourned regular Board meeting of June 28, 2022.
2. Approve minutes of regular Board meeting of July 13, 2022.
3. Approve minutes of adjourned regular Board meeting of July 26, 2022.
4. Approve attendance considerations (additions, changes, deletions).
5. Board Schedule:
 - Conferences, Seminars, and Meetings
 - Board Calendar
 - Upcoming Community Outreach Events
6. Receive the Quarterly Training Report for April 1, 2022 to June 30, 2022.

President DePasquale asked for comments from the public. There were no comments.

MOTION

Motion by Director Bockmiller, second by Director Atkinson, to approve Items 1 – 6 of the Consent Calendar. Motion passed 5 – 0.

PRESENTATION AND DISCUSSION ITEMS:

None.

RECESS

President DePasquale declared a recess at 4:32 p.m. to conduct the Mesa Consolidated Water District Improvement Corporation Special Meeting.

ACTION ITEMS:

7. MESA CONSOLIDATED WATER DISTRICT IMPROVEMENT CORPORATION:

The Board meeting reconvened at 4:33 p.m.

8. SOCIAL MEDIA CONSULTING SERVICES:

GM Shoenberger provided a brief overview of the topic.

President DePasquale asked for comments from the public. There were no comments.

MOTION

Motion by Director Fisler, second by Director Atkinson, to approve a one-year contract renewal with Westbound Communications for \$145,000 to provide digital and social media strategy, content development and community management services. Motion passed 5 – 0.

REPORTS:

9. REPORT OF THE GENERAL MANAGER:
 - July Key Indicators Report

- Other (no enclosure)

10. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

11. DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT CODE SECTION 53232.3 (D)
12. OTHER (NO ENCLOSURE)

RECESS

President DePasquale declared a recess at 5:05 p.m.

The Board meeting reconvened at 5:07 p.m.

President DePasquale announced the Board was going into Closed Session at 5:07 p.m.

CLOSED SESSION:

13. CONFERENCE WITH GENERAL LEGAL COUNSEL – ANTICIPATED LITIGATION:
Initiation of litigation pursuant to California Government Code Section 54956.9 (d)(4).
Number of Cases: 1

The Board returned to Open Session at 5:24 p.m.

Attorney Anslow announced that the Board conducted one Closed Session with the General Manager, District Secretary, Chief Operating Officer, District Engineer, and General Legal Counsel pursuant to California Government Code Section 54956.9 (d)(4). The Board received information and there was no further announcement.

President DePasquale adjourned the meeting at 5:25 p.m. to an Adjourned Regular Board Meeting scheduled for Tuesday, August 23, 2022 at 3:30 p.m.

Approved:

Marice H. DePasquale, President

Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer



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**MINUTES OF THE BOARD OF DIRECTORS
MESA WATER DISTRICT
Tuesday, August 23, 2022
1965 Placentia Avenue, Costa Mesa, CA 92627
3:30 p.m. Adjourned Regular Board Meeting**

BOARD OF DIRECTORS COMMITTEE MEETING

CALL TO ORDER The meeting of the Board of Directors was called to order at 3:30 p.m. by President DePasquale.

PLEDGE OF ALLEGIANCE Director Bockmiller led the Pledge of Allegiance.

Directors Present Marice H. DePasquale, President
Shawn Dewane, Vice President
Jim Atkinson, Director *(teleconference)*
Fred R. Bockmiller, P.E., Director
James R. Fisler, Director

Directors Absent None

Staff Present Paul E. Shoenberger, P.E., General Manager
Wendy Duncan, Records Management Specialist/
Acting District Secretary
Tracy Manning, Chief Operating Officer
Stacie Sheek, Customer Services Manager
Andrew D. Wiesner, P.E., District Engineer
Stacy Taylor, Water Policy Manager
Anthony Phou, Controller
Celeste Carrillo, Senior Public Affairs Specialist

Others Present None

Acting District Secretary Duncan stated that one Mesa Water Director was attending the meeting via teleconference.

For each action a roll call vote was taken in accordance with California Government Code Section 54953(b)(2) which states, "all votes taken during a teleconferenced meeting shall be by roll call."

PUBLIC COMMENTS

President DePasquale asked for public comments on items not on the agenda.

There were no public present and President DePasquale proceeded with the meeting.

ITEMS TO BE ADDED, REMOVED, OR REORDERED ON THE AGENDA

General Manager Shoenberger reported there were no items to be added, removed, or reordered on the agenda.

CONSENT CALENDAR ITEMS:

Director Fisler pulled Item 7 for discussion. There were no objections.

CONSENT CALENDAR ITEMS:

1. Receive and file the Developer Project Status Report.
2. Receive and file the Mesa Water and Other Agency Projects Status Report.
3. Receive and file the Water Quality Call Report.
4. Receive and file the Accounts Paid Listing.
5. Receive and file the Monthly Financial Reports.
6. Receive and file the Major Staff Projects.
7. Receive and file the State Advocacy Update.
8. Receive and file the Orange County Update.
9. Receive and file the Outreach Update.
10. Receive and file the Fiscal Year 2022 Fourth Quarter Financial Update.

President DePasquale asked for comments from the public. There were no comments.

MOTION

Motion by Vice President Dewane, second by Director Bockmiller, to approve Items 1 – 6 and 8 – 10 of the Consent Calendar. Motion passed 5 – 0, by the following roll call vote:

AYES:	DIRECTORS	Atkinson, Bockmiller, Fisler, Dewane, DePasquale
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	None

ITEM 7 – Receive and file the State Advocacy Update.

Water Policy Manager Taylor provided an update on the topic.

Ms. Taylor responded to questions from the Board and they thanked her for the information.

President DePasquale asked for comments from the public. There were no comments.

MOTION

Motion by Director Fisler, second by Director Bockmiller, to approve Item 7 of the Consent Calendar. Motion passed 5 – 0, by the following roll call vote:

AYES:	DIRECTORS	Atkinson, Bockmiller, Fislser, Dewane, DePasquale
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	None

PRESENTATION AND DISCUSSION ITEMS:

None.

ACTION ITEMS:

11. MESA WATER EDUCATION CENTER CONSULTING SERVICES:

President DePasquale asked for comments from the public. There were no comments.

MOTION

Motion by Director Bockmiller, second by Vice President Dewane, to approve a one-year contract time extension renewal and \$265,150 with Mad Systems to provide additional exhibits and design elements at the Mesa Water Education Center. Motion passed 5 – 0, by the following roll call vote:

AYES:	DIRECTORS	Atkinson, Bockmiller, Fislser, Dewane, DePasquale
NOES:	DIRECTORS	None
ABSTAIN:	DIRECTORS	None
ABSENT:	DIRECTORS	None

REPORTS:

12. REPORT OF THE GENERAL MANAGER

13. DIRECTORS' REPORTS AND COMMENTS

INFORMATION ITEMS:

14. RECYCLED WATER REPORTING

15. FISCAL YEAR 2022 ANNUAL SOLE SOURCE REPORT

16. OTHER (NO ENCLOSURE)

President DePasquale adjourned the meeting at 4:02 p.m. to a Regular Board Meeting scheduled for Wednesday, September 14, 2022 at 4:30 p.m.

Approved:

Marice H. DePasquale, President

Denise Garcia, District Secretary

Recording Secretary: Sharon D. Brimer

Unapproved



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MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: September 14, 2022
SUBJECT: Attendance at Conferences, Seminars, Meetings, and Events

RECOMMENDATION

In accordance with Ordinance No. 31, adopted April 27, 2021, authorize attendance at conferences, seminars, meetings, and events.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

At its June 8, 2022 meeting, the Board of Directors (Board) approved Fiscal Year 2023 attendance at Conferences, Seminars, Meetings, and Events.

DISCUSSION

During the discussion of this item, if any, the Board may choose to delete any item from the list and/or may choose to add additional conferences, seminars, meetings, or events for approval, subject to available budget or additional appropriation.

FINANCIAL IMPACT

None.

ATTACHMENTS

None.

2022 CONFERENCES, SEMINARS, AND MEETINGS:

September 16, 2022	
OC Water Summit Anaheim, CA	<i>Atkinson, Dewane, Fisler</i>
September 29 - 30, 2022	
H2O Women Conference Santa Barbara, CA	<i>DePasquale</i>
October 8 - 12, 2022	
WEFTEC Conference New Orleans, LA	
October 19 - 21, 2022	
CALAFCO Annual Conference Newport Beach, CA	
October 23 - 26, 2022	
AWWA CA-NV Annual Fall Conference Sacramento, CA	
November 1 - 3, 2022	
SWMOA Annual Symposium Carlsbad, CA	
November 29 - December 2, 2022	
ACWA/JPIA Fall Conference Indian Wells, CA	<i>Atkinson, Bockmiller, DePasquale</i>
December 14 - 16, 2022	
Colorado River Water Users Association Conference Las Vegas, NV	

2023 CONFERENCES, SEMINARS, AND MEETINGS:

February 22 - 24, 2023	
Urban Water Institute Spring Conference Palm Springs, CA	
March 5 - 8, 2023	
WaterReuse Symposium Atlanta, Georgia	
March 6 - 8, 2023	
Public-Private Partnership Conference Dallas, TX	
April 16 - 18, 2023	
CMUA Annual Conference San Diego, CA	

September 2022

September 2022							October 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
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4	5	6	7	8	9	10	2	3	4	5	6	7	8
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18	19	20	21	22	23	24	16	17	18	19	20	21	22
25	26	27	28	29	30		23	24	25	26	27	28	29
							30	31					

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Aug 28	29	30	31	Sep 1 8:00am R/S to 9/08 OCWD Communications & Legislative Committee (VIRTUAL)	2 7:30am R/S to 9/9 WACO (VIRTUAL)	3
4	5 District Holiday 8:30am R/S to 9/06 MWDOC Planning & Operations Committee (VIRTUAL)	6 7:30am ISDOC Executive Committee Meeting 8:30am R/S from 9/05 MWDOC Planning & Operations Committee (VIRTUAL) 6:00pm Costa Mesa City Council Meeting	7 8:30am Jt. MWDOC/MWD Workshop (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	8 8:00am R/S from 9/01 OCWD Communications & Legislative Committee 8:00am R/S to 9/15 OCWD Admin & Finance Committee (VIRTUAL)	9 Pay Period Ends 7:30am R/S from 9/2 WACO (VIRTUAL)	10
11	12 5:00pm IRWD Board Meeting (IN PERSON & VIRTUAL)	13 8:00am OCBC Infrastructure Committee (VIRTUAL and IN PERSON AT 2 Park) 9:00am ACC-OC EEW Committee Meeting (VIRTUAL)	14 Payday 8:00am OCWD Water Issues 8:00am LAFCO Meeting (IN PERSON) 8:30am MWDOC Admin 1:00pm ACWA Region 10 - Board Meeting 4:30pm Board Meeting	15 8:00am R/S from 9/8 OCWD Admin & Finance 8:30am R/S to 9/22 MWDOC Executive Committee Meeting 4:00pm Costa Mesa Chamber of Commerce	16 7:30am 14th Annual OC Water Summit (Grand Californian Hotel & Spa, Anaheim) - Andie Jacobsen	17
18	19	20 7:30am WACO Planning Committee (VIRTUAL) 6:00pm Costa Mesa City Council Meeting (HYBRID)	21 8:30am MWDOC Board Meeting (VIRTUAL) 3:30pm Mesa Water District Board Workshop (Mesa) 5:30pm OCWD Board Meeting (VIRTUAL)	22 8:30am R/S from 9/15 MWDOC Executive Committee Meeting (VIRTUAL)	23 Pay Period Ends 11:00am Costa Mesa State of the City Luncheon (3050 Bristol Street, Costa Mesa)	24
25	26 5:00pm IRWD Board Meeting (IN PERSON & VIRTUAL)	27 3:30pm Board of Directors' Committee Meeting (Boardroom)	28 Payday	29 2022 California H2O Women Conference (Santa Barbara, CA)	30	Oct 1

October 2022

October 2022							November 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
						1			1	2	3	4	5
2	3	4	5	6	7	8	6	7	8	9	10	11	12
9	10	11	12	13	14	15	13	14	15	16	17	18	19
16	17	18	19	20	21	22	20	21	22	23	24	25	26
23	24	25	26	27	28	29	27	28	29	30			
30	31												

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Sep 25	26	27	28	29	30	Oct 1
2	3 8:30am MWDOC Planning & Operations Committee (VIRTUAL)	4 7:30am ISDOC Executive Committee Meeting (VIRTUAL) 6:00pm Costa Mesa City Council Meeting	5 8:30am Jt. MWDOC/MWD Workshop (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	6 8:00am OCWD Communications & Legislative Committee (VIRTUAL)	7 Pay Period Ends 7:30am WACO (VIRTUAL)	8 WEFTEC Conference
9	10 5:00pm GWRS Steering Committee Meeting 5:00pm IRWD Board Meeting (IN PERSON & VIRTUAL)	11 8:00am OCBC Infrastructure Committee (VIRTUAL and IN PERSON AT 2 Park Plaza)	12 8:00am OCWD Water Issues 8:00am LAFCO Meeting (IN PERSON) 8:30am MWDOC Admin. 4:30pm Board Meeting	13 8:00am OCWD Admin & Finance Committee (VIRTUAL)	14	15
16	17	18 7:30am WACO Planning Committee (VIRTUAL) 6:00pm Costa Mesa City Council Meeting (HYBRID)	19 8:30am MWDOC Board Meeting (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	20 8:30am MWDOC Executive Committee (VIRTUAL)	21 Pay Period Ends	22
23	24 5:00pm IRWD Board Meeting (IN PERSON & VIRTUAL)	25 3:30pm Board of Directors' Committee Meeting (Boardroom)	26 Payday 8:30am Jt. MWDOC/OCWD	27 11:30am ISDOC Quarterly Meeting (VIRTUAL) 3:30pm Mesa Water District Board Workshop (IN PERSON - Mesa Water)	28	29
30	31	Nov 1	2	3	4	5

November 2022

November 2022							December 2022						
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa
6	7	1	2	3	4	5	4	5	6	7	1	2	3
13	14	8	9	10	11	12	11	12	13	14	15	16	17
20	21	15	16	17	18	19	18	19	20	21	22	23	24
27	28	22	23	24	25	26	25	26	27	28	29	30	31

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
Oct 30	31	Nov 1 SWMOA Annual Symposium (Carlsbad, CA) 7:30am ISDOC Executive Committee Meeting (VIRTUAL) 6:00pm Costa Mesa City Council Meeting	2 8:30am Jt. MWDOC/MWD Workshop (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	3 8:00am OCWD Communications & Legislative Committee (VIRTUAL)	4 Pay Period Ends 7:30am WACO (VIRTUAL)	5
6	7 8:30am MWDOC Planning & Operations Committee (VIRTUAL)	8 8:00am OCBC Infrastructure Committee (VIRTUAL and IN PERSON AT 2 Park) 9:00am ACC-OC EEW Committee Meeting (VIRTUAL)	9 Payday 8:00am OCWD Water Issues (VIRTUAL) 8:00am LAFCO Meeting (IN PERSON) 8:30am MWDOC Admin Meeting 4:30pm Board Meeting	10 8:00am OCWD Admin & Finance Committee (VIRTUAL)	11 District Holiday	12
13	14 5:00pm IRWD Board Meeting (IN PERSON & VIRTUAL)	15 7:30am WACO Planning Committee (VIRTUAL) 3:30pm Board of Directors' Committee Meeting 6:00pm Costa Mesa City Council Meeting	16 8:30am MWDOC Board Meeting (VIRTUAL) 5:30pm OCWD Board Meeting (VIRTUAL)	17 8:30am MWDOC Executive Committee (VIRTUAL) 4:00pm Costa Mesa Chamber of Commerce Board Meeting (VIRTUAL)	18 Pay Period Ends	19
20	21	22	23 Payday	24 District Holiday	25 District Holiday	26
27	28 5:00pm IRWD Board Meeting (IN PERSON & VIRTUAL)	29 ACWA Fall Conference (Indian Wells, CA)	30	Dec 1	2	3



UPCOMING COMMUNITY OUTREACH EVENTS

Event	Date & Time	Location
REALTORS Luncheon	Tuesday, October 11, 2022 11:30 a.m. – 1: 00 p.m.	Avenue of the Arts Hotel 3350 Avenue of the Arts Costa Mesa, California 92626



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MEMORANDUM

TO: Board of Directors
FROM: Paul E. Shoenberger, P.E., General Manager
DATE: September 14, 2022
SUBJECT: Orange County Grand Jury Report

RECOMMENDATION

Approve the response to the 2021-2022 Orange County Grand Jury Report, *Water in Orange County Needs "One Voice"*.

STRATEGIC PLAN

- Goal #1: Provide a safe, abundant, and reliable water supply.
- Goal #2: Practice perpetual infrastructure renewal and improvement.
- Goal #3: Be financially responsible and transparent.
- Goal #4: Increase public awareness about Mesa Water and about water.
- Goal #5: Attract and retain skilled employees.
- Goal #6: Provide outstanding customer service.
- Goal #7: Actively participate in regional and statewide water issues.

PRIOR BOARD ACTION/DISCUSSION

At its June 28, 2022 Committee meeting, the Board of Directors (Board) directed staff to draft a response to the Orange County Grand Jury Report and agendize the topic at a future meeting.

DISCUSSION

On June 22, 2022, the Orange County Grand Jury (Grand Jury) released a report addressing the consolidation of Municipal Water District of Orange County (MWDOC) and Orange County Water District (OCWD). The report, entitled *Water in Orange County Needs "One Voice"*, was prepared by the Grand Jury evaluating the efforts of MWDOC and OCWD. The Grand Jury used the following sources in its investigation:

- In-person and virtual interviews. Specifically, interviews of current and former Water District Managers, City and Regional Water Managers and other involved State entities and individuals;
- Water District website meeting minutes and document review;
- Independent research (articles, websites, reports, minutes, documents, etc.);
- Research of applicable State and local water-related statutes and ordinances;
- Site tours of water and sanitation districts' operations;
- Past Grand Jury reports; and
- 2021 Orange County Water Summit.

The Grand Jury has arrived at six findings, as follows:

F1 - A singular water authority for Orange County's wholesale water supply likely would result in further opportunities at the local, State, and federal levels in legislation, policy making and receiving subsidies and grants.



F2 - The current fragmented water system structure and operations provides challenges as it relates to development of new interconnected infrastructure as well as maintenance of existing systems.

F3 - There is a great disparity between the North/Central and South Orange County water sources, management, and operations carried out by OCWD and MWDOC.

F4 - South Orange County has many smaller retail water districts that lack a formal centralized leadership. Notwithstanding this lack of structure, South Orange County retail water districts have displayed effective collaboration when dealing with one another.

F5 - Orange County Water District is a recognized worldwide leader in groundwater resource management and reclamation. Its leadership, innovation, and expertise can be further utilized to serve all of Orange County in developing additional innovative and beneficial programs.

F6 - Orange County currently does not have a countywide coordinated policy regarding water conservation, which results in difficulty when complying with any new State-mandated conservation regulations.

Based on the findings, the Grand Jury's two recommendations are as follows:

R1 - By January 2023, Orange County wholesale water agencies should formally begin analysis and collaboration towards forming a single wholesale water authority or comparable agency to operate and represent wholesale water operations and interests of all imported and ground water supplies. (F1, F2, F3, F4, F6)

R2 - Any future "One Voice" consolidated Orange County wholesale water authority should have Directors that examine and vote on issues considering the unique needs of all water districts. (F1, F2, F3, F4, F6)

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations no later than 90 days after the Grand Jury publishes its report.

Mesa Water District (Mesa Water®) is required to respond by September 20, 2022 to Findings 1, 2, 3, 5, and 6 and Recommendations 1 and 2. Mesa Water is asked to either "agree" with the findings and recommendations or to "disagree" and include an explanation.

Attachment A is the District's draft response to the Grand Jury's five findings and two recommendations as requested from Mesa Water.

FINANCIAL IMPACT

There is no financial impact for the discussion of this matter.



ATTACHMENTS

Attachment A: Mesa Water District Draft Response Letter

Attachment B: Orange County Grand Jury Correspondence (Dated June 17, 2022)

Attachment C: Orange County Grand Jury Report - *Water in Orange County Needs "One Voice"*



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BOARD OF DIRECTORS

Marice H. DePasquale
*President
Division III*

Shawn Dewane
*Vice President
Division V*

Jim Atkinson
*Director
Division IV*

Fred R. Bockmiller, P.E.
*Director
Division I*

James R. Fisler
*Director
Division II*

Paul E. Shoenberger, P.E.
General Manager

Denise Garcia
District Secretary

Marwan Khalifa, CPA, MBA
District Treasurer

**Atkinson, Andelson,
Loya, Ruud & Romo**
Legal Counsel

1965 Placentia Avenue
Costa Mesa, CA 92627
tel 949.631.1200
fax 949.574.1036
info@MesaWater.org
MesaWater.org

September 14, 2022

The Honorable Erick L. Larsh
Presiding Judge
The Superior Court of California, County of Orange
700 Civic Center Drive West
Santa Ana, CA 92701

RE: Mesa Water District Response to the 2021-2022 Orange County Grand Jury Report, *Water in Orange County Needs "One Voice"*

Presiding Judge Larsh:

Mesa Water District ([Mesa Water®](#)) received the Orange County Grand Jury Report (OCGJ Report), *Water in Orange County Needs "One Voice,"* about consolidating the Municipal Water District of Orange County (MWDOC) with the Orange County Water District (OCWD). The OCGJ Report arrived at six findings and two recommendations, and requires responses from (some) affected public agencies to the Presiding Judge by September 20, 2022.

Mesa Water is a local independent special district, founded on January 1, 1960 and governed by a publicly-elected five-member [Board of Directors](#). Mesa Water provides [100% local groundwater](#) to businesses and 110,000 residents in an 18-square-mile service area that includes most of the City of Costa Mesa, parts of Newport Beach, and unincorporated Orange County including John Wayne Airport.

Mesa Water's Board of Directors adopts Legislative Platforms and [Policy Positions](#) which are used to guide decision-making on water/government/utility issues that can impact its operations, customers, and community. Several of these platforms and policy positions are aligned with the OCGJ Report, including support for: local control, representation and rate-setting authority; and increased influence at Metropolitan Water District of Southern California (MWD), and close working relationships with MWDOC on local and regional issues and programs for which the organization is advocating at MWD.

Mesa Water's responses to findings F1, F2, F3, F5 and F6, and to recommendations R1 and R2, as required by the OCGJ Report, are below.

GRAND JURY FINDINGS

F1: *A singular water authority for Orange County's wholesale water supply likely would result in further opportunities at the local, State, and federal levels in legislation, policy making and receiving subsidies and grants.*



F1 Response: Mesa Water agrees with this Finding. While the OCGJ Report accurately states that “no single governmental body is solely responsible for wholesale water policy and operations in Orange County,” both MWDOC and OCWD have been successful -- separately and together. Focusing efforts under one wholesale water provider in Orange County could be beneficial in concept.

F2: The current fragmented water system structure and operations provides challenges as it relates to development of new interconnected infrastructure as well as maintenance of existing systems.

F2 Response: Mesa Water wholly disagrees with this Finding. The current water system structure and operations work well in Orange County and are not fragmented. The role of MWDOC is to provide MWD representation for Orange County, and to purchase imported water from MWD for Orange County’s retail water agencies. MWDOC does not own or operate any water infrastructure; MWD owns and operates the imported water conveyance, storage, and treatment systems in Orange County.

Mesa Water believes that decades of engineering by OCWD -- as well as by retail water agency members of MWDOC and OCWD -- has resulted in interconnected and well-maintained water systems throughout Orange County. Consolidating MWDOC with OCWD would not facilitate more interconnected infrastructure or improve existing systems’ maintenance.

F3: There is a great disparity between the North/Central and South Orange County water sources, management, and operations carried out by OCWD and MWDOC.

F3 Response: Mesa Water partially disagrees with this Finding, specifically with the phrase “great disparity”.

A) Water Sources – The OCGJ Report states that a “great disparity” exists between North/Central and South Orange County water sources; however, Mesa Water believes that this could be best described as simply a “difference” between the water sources of North/Central and South Orange County.

North/Central Orange County overlies the Basin, and retail water agencies located there can pump groundwater from the Basin -- replenished with highly-treated wastewater purified by the Groundwater Replenishment System (GWRS).

In North/Central Orange County, having optimized groundwater supply reliability through almost \$1B of investments in the GWRS, retail water agencies meet approximately 77% of their service areas’ drinking water demands with Basin groundwater. To supplement this, North/Central Orange County retail water agencies purchase imported surface water from MWD/MWDOC, and invest in developing other local water supplies within their service areas.

South Orange County retail water agencies do not have access to the Basin, and nearly 100% of the drinking water is imported water purchased from MWD/MWDOC (which is more expensive than Basin groundwater). Additionally, South Orange County’s retail water agencies can -- and do -- invest in developing other local water supplies within their services areas, such as water desalination, recycling, storage, and transfer/exchange projects.

Consolidating MWDOC with OCWD will not provide South Orange County with water rights to the Basin, and the current differing water supply portfolios will remain different regardless of whether or not MWDOC and OCWD are consolidated.



B) Water Management and Operations –Water Management and Operations differ between North/Central and South Orange County. However, “different” does not have the same meaning as “great disparity” which conveys a negative connotation.

OCWD, MWDOC, and retail water agencies throughout Orange County perform different roles.

- OCWD’s role is to manage the Basin for the benefit of the retail water agencies overlying the Basin (in North/Central Orange County)
- MWDOC’s role is to facilitate the purchase transaction of imported surface water from MWD to OCWD and to retail water agencies throughout Orange County
- Retail water agencies’ role is to provide safe, affordable, reliable water to their service areas in Orange County

All perform their roles to a very high standard.

F5: Orange County Water District is a recognized worldwide leader in groundwater resource management and reclamation. Its leadership, innovation, and expertise can be further utilized to serve all of Orange County in developing additional innovative and beneficial programs.

F5 Response: Mesa Water agrees with this Finding. Globally renowned for its leadership in water management and water reclamation/reuse, OCWD representatives speak at industry events to describe its innovative projects and programs.

F6: Orange County currently does not have a countywide coordinated policy regarding water conservation, which results in difficulty when complying with any new State-mandated conservation regulations.

F6 Response: Mesa Water wholly disagrees with this Finding. Based on its policy of supporting local control. Mesa Water believes that a “countywide coordinated policy regarding water conservation,” is neither productive or realistic. Retail water agencies in Orange County know their customers better than OCWD, MWDOC, MWD, and any other entities. Mesa Water believes that each retail water agency in Orange County understands how best to implement water conservation programs and how best to optimize water use efficiency in their service areas.

As a whole, Orange County retail water agencies and their customers have complied with State-mandated water conservation regulations, and retail water agencies throughout Orange County already work well together on shared water use efficiency policies. While there is agreement on the importance of water conservation and water use efficiency in Orange County, using a one-size-fits-all policy approach to water conservation and water use efficiency is not economically viable, effective, or efficient, and would not enhance the ability of retail water agencies in Orange County to comply with State-mandated conservation regulations.

Mesa Water is not aware of any “difficulty when complying with any new State-mandated conservation regulations.” Orange County’s retail water agencies have and continue to do an outstanding job with LOCAL conservation/water use efficiency policies and customer messaging that are compatible with local needs.

Further, it is important to emphasize that the State-mandated “Making Conservation a California Way of Life,” water use efficiency regulations are structured for compliance at the local retail water agency level.



Water-saving activities in Orange County are well coordinated. MWDOC has a long-standing history of providing resources and support for locally-appropriate responses to water conservation regulations, and MWDOC has led and administered many water conservation and water use efficiency programs -- in partnership with its member retail water agencies throughout Orange County.

GRAND JURY RECOMMENDATIONS

R1: By January 2023, Orange County wholesale water agencies should formally begin analysis and collaboration towards forming a single wholesale water authority or comparable agency to operate and represent wholesale water operations and interests of all imported and ground water supplies. (F1, F2, F3, F4, F6)

R1 Response: In concept, Mesa Water supports this Recommendation. Any effort to consolidate Orange County's two water wholesalers into one entity should begin with a voluntary analysis conducted by MWDOC and OCWD. This analysis should include the participation of each agency's member retail water agencies and the Orange County Local Agency Formation Commission. Mesa Water would only support MWDOC and OCWD consolidating if these two conditions remain:

1) North/Central Orange County Basin water rights are protected; and, 2) the Orange County MWD delegation continues with seven members—three City seats for Anaheim, Fullerton, and Santa Ana and four Board seats within the newly consolidated agency.

R2: Any future "One Voice" consolidated Orange County wholesale water authority should have Directors that examine and vote on issues considering the unique needs of all water districts. (F1, F2, F3, F4, F6)

R2 Response: Mesa Water agrees with and supports this Recommendation. Whether or not MWDOC and OCWD consolidate, Mesa Water believes that it is in the best interest of Orange County's retail water agencies and the public for Orange County's wholesale water Directors to "examine and vote on issues considering the unique needs of all water districts".

Mesa Water appreciates the OCGJ's interest in water in Orange County. Mesa Water hopes the information and responses provided are informative and meet the needs of the OCGJ Report. If you have any questions, please contact me or Mesa Water's General Manager, Paul E. Shoenberger, P.E., at PaulS@MesaWater.org or 949-631-1206.

Sincerely,

Marice H. DePasquale
Mesa Water District Board President
MariceD@MesaWater.org

c: Gwen P. Isarowong, Foreperson, 2021-22 Orange County Grand Jury
Orange County Grand Jury
Mesa Water Board of Directors

JUN 22 2022

MESA WATER DISTRICT



ORANGE COUNTY GRAND JURY

700 CIVIC CENTER DRIVE WEST • SANTA ANA, CALIFORNIA 92701 • 714/834-3320
www.ocgrandjury.org • FAX 714/834-5555

June 17, 2022

Marice E. Depasquale, President
Board of Directors
Mesa Water District
1965 Placentia Avenue
Costa Mesa, CA 92627

Dear Ms. Depasquale:

Enclosed is a copy of the 2021-2022 Orange County Grand Jury report, *Water in Orange County Needs "One Voice"*. Pursuant to *Penal Code 933.05(f)*, a copy of the report is being provided to you at least two working days prior to its public release. Please note that under that subsection, "No officer, agency, department, or governing body of a public agency shall disclose any contents of the report *prior to the public release of the final report.*" (Emphasis added.) It is requested that you provide a response to each of the findings and recommendations of this report directed to your office in compliance with *Penal Code 933.05(a)* and (b), copy enclosed.

Please distribute this report to your governing body.

For each Grand Jury recommendation accepted and not implemented, provide a schedule for future implementation. In addition, by the end of March of each subsequent year, please report on the progress being made on each recommendation accepted but not completed. These annual reports should continue until all recommendations are implemented.

Please mail the response to the recommendations to Erick L. Larsh, Presiding Judge of the Superior Court, 700 Civic Center Drive West, Santa Ana, CA 92701, with a separate copy mailed to the Orange County Grand Jury, 700 Civic Center Drive West, Santa Ana, CA 92701, no later than 90 days after the public release date, June 22, 2022, in compliance with *Penal Code 933*, copy enclosed. The due date then is September 20, 2022.

Should additional time for responding to this report be necessary for further analysis, *Penal Code 933.05(b)(3)* permits an extension of time up to six months from the public release date. Such extensions should be advised in writing, with the information required in *Penal Code 933.05(b)(3)*, to the Presiding Judge of the Superior Court, with a separate copy of the request to the Grand Jury.

We tentatively plan to issue the public release on June 22, 2022. Upon public release, the report will be available on the Grand Jury website at www.ocgrandjury.org.

Very truly yours,


Gwen P. Isarowong, Foreperson
2021-2022 ORANGE COUNTY GRAND JURY

GPI:tk

Enclosures: Grand Jury Report
Penal Code 933, 933.05

California Penal Code Sections §933 and §933.05

(Note: To reduce grand jury requests for additional response information, the grand jury has **bolded** those words in §933.05 which should be appropriately included in a response.)

933. (a) Each grand jury shall submit to the presiding judge of the superior court a final report of its findings and recommendations that pertain to county government matters during the fiscal or calendar year. Final reports on any appropriate subject may be submitted to the presiding judge of the superior court at any time during the term of service of a grand jury. A final report may be submitted for comment to responsible officers, agencies, or departments, including the county board of supervisors, when applicable, upon finding of the presiding judge that the report is in compliance with this title. For 45 days after the end of the term, the foreperson and his or her designees shall, upon reasonable notice, be available to clarify the recommendations of the report.
- (b) One copy of each final report, together with the responses thereto, found to be in compliance with this title shall be placed on file with the clerk of the court and remain on file in the office of the clerk. The clerk shall immediately forward a true copy of the report and the responses to the State Archivist who shall retain that report and all responses in perpetuity.
- (c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to Section 914.1 shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.
- (d) As used in this section "agency" includes a department.
- 933.05. (a) For purposes of subdivision (b) of Section 933, as to each grand jury finding, the responding person or entity shall indicate one of the following:
- (1) The respondent **agrees** with the finding.
 - (2) The respondent **disagrees wholly** or **partially** with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.
- (b) For purposes of subdivision (b) of Section 933, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:
- (1) The recommendation **has been implemented**, with a summary regarding the implemented action.
 - (2) The recommendation **has not yet been implemented, but will be implemented** in the future, with a **timeframe** for implementation.
 - (3) The recommendation **requires further analysis**, with an explanation and the scope and parameters of an analysis or study, and a **timeframe** for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
 - (4) The recommendation **will not be implemented** because it is not warranted or is not reasonable, with an explanation therefor.
- (c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.
- (d) A grand jury may request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release.
- (e) During an investigation, the grand jury shall meet with the subject of that investigation regarding the investigation, unless the court, either on its own determination or upon request of the foreperson of the grand jury, determines that such a meeting would be detrimental.
- (f) A grand jury shall provide to the affected agency a copy of the portion of the grand jury report relating to that person or entity two working days prior to its public release and after the approval of the presiding judge. No officer, agency, department, or governing body of a public agency shall disclose any contents of the report prior to the public release of the final report.

Water in Orange County Needs “One Voice”



Water in Orange County Needs “One Voice”

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Water in Orange County Needs “One Voice”

SUMMARY

The future of a reliable water supply for California, as well as Orange County (OC), is at risk. The intense dry spell in the West, the worst in 1,200 years, is being labeled a “Mega Drought.”¹ Multiple years of drought and inconsistent availability of imported surface water from Northern California and the Colorado River should inspire OC leaders responsible for a reliable water supply to consider new ways to offset the likely depletion of aquifers and reservoirs.

Ronald Reagan once said: “No government ever voluntarily reduced itself in size.” However, it is important that Orange County water providers consolidate their resources and establish a unified voice to lead the County more efficiently in its water policies and planning. Multiple water experts agree it is time to coordinate strategies in water conservation, development of new supply and infrastructure, and preparation for the possibility of continued drought, disaster, and State-mandated water cutbacks.

Providing water to Orange County residents is a complicated process and requires the work of water wholesalers and retailers. Retail water agencies (districts and cities) are the direct link to residential and commercial customers. It is they who set the retail price for the water that is delivered. Providers of drinkable water to these retail entities are the wholesalers (suppliers) of imported and local groundwater from the aquifer.

The current structure of wholesale water supply and operations in Orange County, although fragmented between Orange County Water District (OCWD), Metropolitan Water District of Southern California (MET), and Municipal Water District of Orange County (MWDOC), has been successful in providing reliable, high-quality drinking water. While differences in geology and geography dictate different water supplies, no single governmental body is solely responsible for wholesale water policy and operations in Orange County, even though providing future reliable water supply is becoming more challenging.

While the processes of supplying wholesale groundwater and imported water are arguably dramatically different, complex, and should remain separated in OC, the Orange County Grand Jury (OCGJ) has determined that all sources of water are interconnected and would be best administered by one governmental entity. All the water flowing to OC taps looks the same, whether imported or groundwater, so why do we need two wholesale agencies?

This single leadership structure, whether through consolidation of existing dual entities (OCWD and MWDOC) or creation of a new water authority, is achievable through a combination of governance and local and State legislative changes that authorizes the single organization to lead all aspects of Orange County wholesale water. Although any consolidation or formation of a new water agency would pose political, administrative, and operational challenges, the OCGJ concluded that, at long last, it is time for Orange County to operate with “one water voice.”

¹ February 14, 2022, Peer reviewed study published in the journal *Nature Climate Change*
<https://doi.org/10.1038/s41558-022-01290-z>

Water in Orange County Needs “One Voice”

BACKGROUND

Multiple prior Grand Jury Reports have addressed water issues, including water challenges and opportunities jointly being faced by all of Orange County. One report pointed out disparities between the North/Central and South County’s water sources, the fragmented governance, and the significant differences in topography.² Another report informed the public about sustainability of the local water supply and future needs, along with evaluating the efforts of the two major wholesale water agencies in the County.³

Orange County relies heavily on imported water for its ongoing supply, as well as some of its groundwater storage replenishment needs. Metropolitan Water District of Southern California (MET) supplies imported water to Southern California. Municipal Water District of Orange County (MWDOC) buys imported water from MET and sells it to Orange County’s retail water agencies (cities and special districts). Orange County Water District (OCWD) supplies ground water to the retail water agencies and cities geographically served by the aquifer and wells.

REASON FOR THE STUDY

The consolidation of OCWD and MWDOC has been explored in the past, debated by wholesale and retail water agencies, but ultimately never accomplished. The formation of a new Joint Powers Authority is one option. But no matter how a consolidation would be accomplished, the OCGJ concluded that now is the time to have a single wholesale water supply agency in Orange County. Based on statements made during numerous OCGJ interviews, multiple water professionals support moving from two to one wholesale entity for Orange County.

The OCGJ is concerned that opportunities to operate, innovate, lobby, capitalize and coordinate communication are not being optimized with Orange County’s current wholesale water structure, which is split between two key, but very different, agencies. This report will, among other things, address the merits related to the formation of “One Voice” in the Orange County wholesale water structure. It will highlight ways in which Orange County can better address water supply, operations, and infrastructure. The report will not recommend specifically how a single structure comes to fruition legislatively.

METHOD OF STUDY

The Grand Jury evaluated the efforts of the existing primary water entities in Orange County—MWDOC and OCWD—to determine what is working well, and the challenges and opportunities currently existing. In its investigation, the OCGJ used the following sources.

² 2009-2009 Grand Jury report titled *Paper Water*

³ 2012-2013 Grand Jury report titled *Orange County Water Sustainability: Who Cares?*

Water in Orange County Needs “One Voice”

- In-person and virtual interviews. Specifically, interviews of current and former Water District Managers, City and Regional Water Managers and other involved State entities and individuals.
- Water District website meeting minutes and document review.
- Independent research (articles, websites, reports, minutes, documents, etc.).
- Research of applicable State and local water-related statutes and ordinances.
- Site tours of water and sanitation districts’ operations.
- Past Grand Jury reports.
- 2021 Orange County Water Summit.

The interviews included personnel from water agencies that represented a cross section of regional and local wholesalers and retailers to obtain a diversity of perspectives based on geography, demographics, and practices. The investigation took into consideration the variety of characteristics that exist in the County, including:

- North compared to South County sources of water supply (reliance on imported water).
- Variety of projects to provide water supplies during normal and emergency times.
- Diversity of projects and plans to increase reliable sources of water supply including categories related to conservation, recycling for irrigation and potable use, storage, desalination options, etc.
- Multi-agency collaboration.

INVESTIGATION AND ANALYSIS

Overall, California water sources come from imported supplies (State Water Project in Northern California and the Colorado River), groundwater, stormwater, water transfers, desalination, and water recycling. Orange County, like the rest of California, relies on a variety of sources, with the exception of desalination which is currently in the planning stage.

Status Quo

To best understand the background of wholesale water in California, and specifically Orange County, one must examine the three major governmental agencies involved: Metropolitan Water District of Southern California (MET), Municipal Water District of Orange County (MWDOC), and Orange County Water District (OCWD). These agencies have similar names but very different responsibilities. The role of retail water districts will also be explained.

Metropolitan Water District of Southern California

MET provides water from the Colorado River and the State Water Project from Northern California to Southern California. It wholesales this imported water to its Orange County member agencies, MWDOC and the independent cities of Anaheim, Fullerton, and Santa Ana.

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MET provides most of the water imported into Orange County. MET currently delivers an average of 1.7 billion gallons of water per day to a 5,200 square mile service area. MET is a group of 26 cities and water districts providing drinking water to over 19 million people in Los Angeles, Orange, San Diego, Riverside, San Bernardino, and Ventura counties.



Municipal Water District of Orange County

MWDOC acts as a pass-through agency for MET’s imported water. This imported water is sold to MWDOC’s 27 member agencies which, except for Fullerton, Anaheim and Santa Ana, covers the entire County. MWDOC also sell untreated water to OCWD for ground water discharge. MWDOC does not own or operate any water infrastructure.

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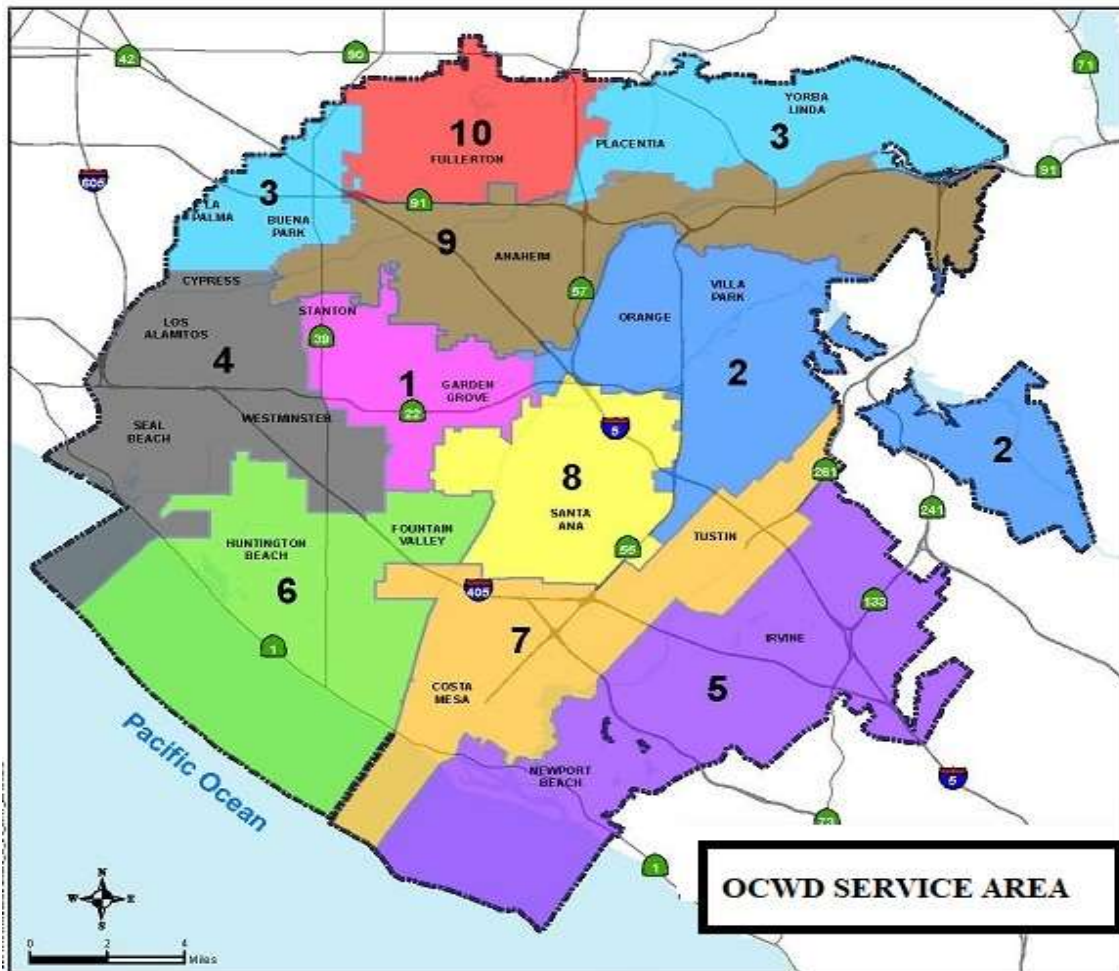


Orange County Water District

OCWD manages the groundwater basin in the north and central part of the County. OCWD does not directly provide water to any residents or businesses, except treated wastewater for irrigation in the Green Acres Project. The Green Acres Project is a water reuse effort that provides recycled water for landscape irrigation at parks, schools and golf courses and some industrial

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uses.⁴ OCWD’s primary role is to manage the basin and provide local water retailers with a reliable, adequate, and high-quality supply of water.⁵ In addition, OCWD operates the Groundwater Replenishment System (GWRs) in partnership with the Orange County Sanitation District (OCSAN). This state-of-the-art water purification project can produce over 100 million gallons of high-quality potable water per day for aquifer recharge. OCWD provides groundwater to 19 municipal and special water districts and supplies approximately 77 percent of the water



supply for North and Central Orange County. OCWD is the only wholesale groundwater agency for Orange County and is a customer of MWDOC for imported needs to supplement the aquifer recharge serving North/Central County. OCWD currently has \$1.5 billion in capital infrastructure assets.

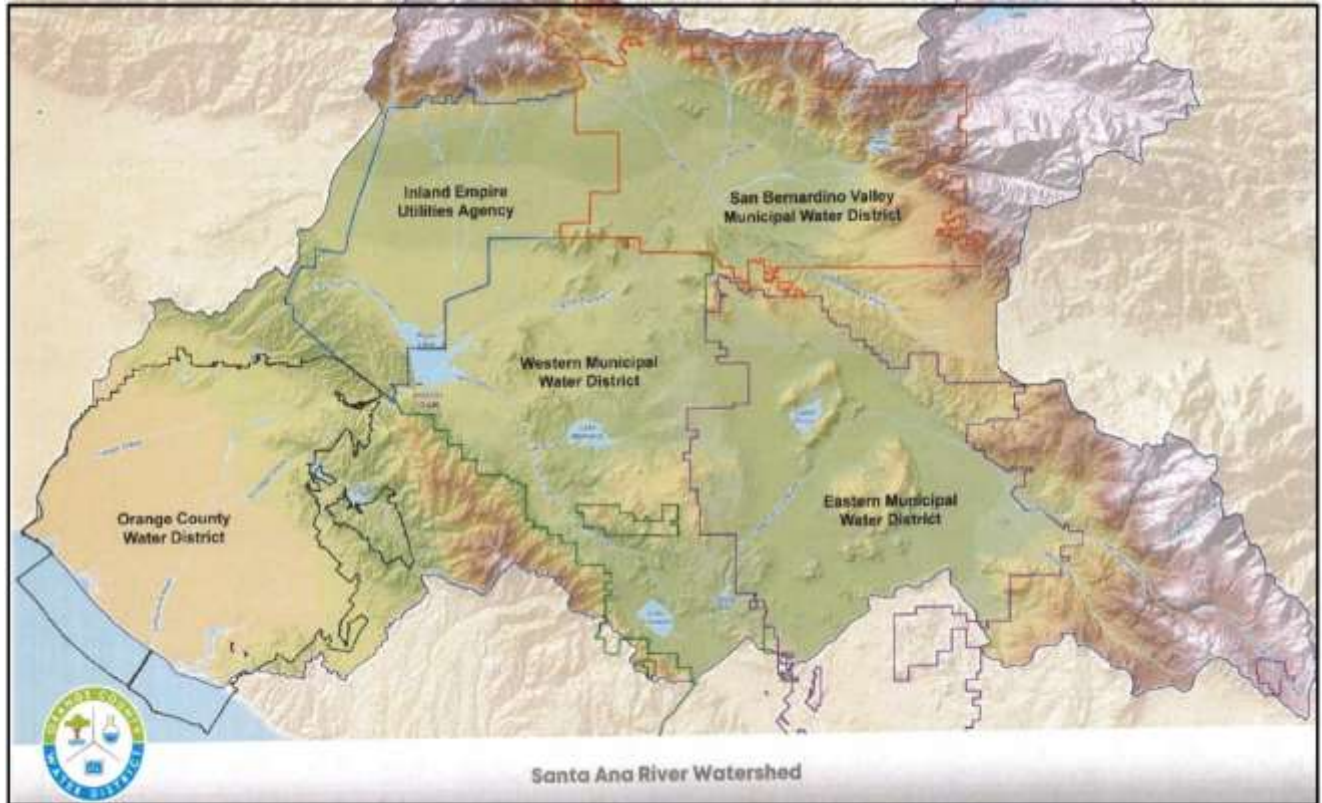
⁴ www.ocwd.com/about/

⁵ *Ibid.*

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Additional Supply for OCWD

The Santa Ana River is the largest coastal stream in Southern California. Flowing west from the San Bernardino Mountains, the river winds through San Bernardino and Riverside Counties before reaching Orange County at Prado Dam, then traveling through the OCWD aquifer to supplement recharge, before terminating at the Pacific Ocean. The river is joined by Santiago Creek and flows to the ocean between Huntington Beach and Newport Beach.⁶



Retail Water Districts

Retail water organizations are the direct connection of supplying water to residential and commercial consumers. There are 29 retail water providers throughout Orange County. These water providers include cities, special water districts/agencies and one private water company.

⁶ www.ocwd.com/what-we-do/

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Differences in Supply Sources

South Orange County’s approximate 600,000 residents rely primarily on imported water (70-100 percent of needed supply depending on location) from hundreds of miles away. The imported water is purchased through the Municipal Water District of Orange County (MWDOC).⁷

North and Central County’s roughly 2.8 million residents rely primarily (19-99 percent depending on location) on groundwater supplied OCWD, which refills the Orange County Groundwater Basin with many different water supplies: water from the Santa Ana River; local rainfall; treated and purified wastewater through the Groundwater Replenishment System (GWRS); and imported water from the Colorado River and Northern California.⁸

⁷ www.ocwd.com/about & www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf

⁸ www.mwdoc.com/wp-content/uploads/2017/05/Water-Supply.pdf

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History, Governance and Authorizing Legislation

MET

In 1928, the Metropolitan Water District Act was established by the California Legislature. The original purpose was to construct and operate the 242-mile Colorado River Aqueduct, which runs from an intake at Lake Havasu on the California-Arizona border to an endpoint at Lake Mathews reservoir in Riverside County. MET has a 38-member board of directors representing the district’s 26 agencies. Orange County is represented on the MET Board by seven Board members. MET has imported water from the Colorado River since 1941 and from Northern California since the early 1970s.⁹

MWDOC

MWDOC is a wholesale water supplier and resource planning agency that was established in 1951. Governed by a seven-member Board of Directors,¹⁰ MWDOC is MET’s third largest member agency and appoints four representatives to advocate the interests of Orange County on the Metropolitan Water District Board.¹¹

OCWD

The Orange County Water District was formed in 1933 by a special act of the California Legislature to protect Orange County’s rights to water in the Santa Ana River. OCWD is governed by a 10-member Board of Directors, seven of whom are elected, and three are appointed by the city councils of Anaheim, Fullerton, and Santa Ana.¹²

Retail Water Districts

Each retail water district was established throughout Orange County’s history and provides water directly to consumers. They are each governed by an elected board of directors, respective city councils, or private investors.

Local Agency Formation Commission (LAFCO)

As part of California’s water governance, LAFCO oversees geographic boundaries, evaluates cost-effective and efficient public service delivery, and explores potential alternatives to meet the service demands of the existing and future County population. Orange County LAFCO was founded in 1963 and strives to ensure the delivery of effective and efficient public services, including water, by local governments to the County’s residents.¹³ Orange County water

⁹ www.mwdoc.com/about-mwdoc; www.mwdh2o.com/who-we-are/our-story/

¹⁰ www.mwdoc.com/about-us/about-mwdoc

¹¹ www.mwdoc.com/wp-content/uploads/2017/06/So-Cal-Water-Wholesale-Retailers.pdf

¹² www.ocwd.com/about/

¹³ www.oclafco.org/about-us/agency/

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professionals believe the process of creating one wholesale water agency would first go through LAFCO formation before moving on to State legislation and approval.

Services Provided by Wholesalers & Retailers

The following water services are currently in operation for Orange County.

MET

- Delivering wholesale water supplies from the Colorado River and State Water Project.
- Managing water resources including water storage programs (groundwater banking and reservoir), transfers and exchanges, groundwater recovery, recycling, stormwater capture, and potential seawater desalination.
- Operating water system including treatment, quality monitoring, conveyance, distribution, and support.
- Engineering, safety, and regulatory services such as infrastructure protection, maintenance, and improvement programs.
- Managing energy operations.
- Planning for emergency water supply interruption due to earthquake, fire, power failure, public health, and other unexpected crises.
- Planning for capital investment.

MWDOC

- Purchases wholesale water from MET, approximately 70.2 billion gallons of water annually, and delivers to its 27 member agencies.
- Provides studies, analysis and programs related to water supply development, including desalination, and system reliability and use efficiency.
- Offers planning assistance and local resource development in areas of water recycling, groundwater recharge, and conservation.
- Offers residential and commercial rebate programs.
- Offers leak detection services to its members.
- Develops and administrates disaster preparedness, response, and recovery strategies through the Water Emergency Response Organization of Orange County (WEROC). This organization involves both water and wastewater agencies.
- Provides public education and community outreach.

OCWD

- Manages Orange County’s wholesale groundwater supplies: the basin consisting of a large underground aquifer to ensure a reliable supply, the Santa Ana River watershed, and the Groundwater Replenishment System (GWRS).

Water in Orange County Needs “One Voice”

- Replaces groundwater that is pumped out of the basin every year with Santa Ana River watershed, recycled, imported, storm and natural incidental water recharge.
- Ensures groundwater supply safety and quality through monitoring and testing.
- Recycles water primarily through the GWRS which takes treated wastewater that otherwise would be sent to the Pacific Ocean and purifies it for aquifer recharge.
- Participates in legislative and community engagement and education.
- Develops additional innovative programs such as Forecast Informed Reservoir Operations (FIRO) at Prado Dam, capturing and recharging stormwater in the Santa Ana River, and anticipating and optimizing stormwater runoff.
- Coordinates contaminant treatment, financial resource needs, and policy such as for Per- and polyfluoroalkyl substances (PFAS) which enter the aquifer and wells primarily through the Santa Ana River flows. Additionally, organizes litigation and accountability for the contaminant sources.

Retail Water Districts

In addition to being the direct link to consumers, retail agencies provide several additional services beyond those provided by wholesalers. Those services include maintaining water quality and testing throughout their distribution systems, repair and replacement of critical infrastructure, regulatory compliance, customer service, water use conservation, recycled water for irrigation or other non-potable uses, and public outreach and health-related services.

Where Do We Go from Here?

Assessment of Current State

Reliable sources shared opinions with the OCGJ that the current OC wholesale structure is “dysfunctional”, “prevents speaking with one voice for all of Orange County water interests” involving the aquifer and imported water sources, and “currently provides redundant services with redundant costs.” Also, multiple member agencies of MWDOC have expressed dissatisfaction with MWDOC’s operating effectiveness related to MET board and legislative representation, member charges for provided services, and the scope of emergency preparedness.¹⁴

In addition, this dual structure of MWDOC and OCWD has resulted in missed opportunities for the County in the form of more extensive multiple agency collaboration, increased operating efficiency, decreased reliance on imported water, and the creation of a more reliable water

¹⁴ Information based on multiple interviews, past agreements between MWDOC and MWDOC member agencies, and LAFCO Municipal Service Reviews.

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supply.¹⁵ Currently, many projects are undertaken by individual or small groups of retail agencies that could be more expansive if guided by a single wholesale water supplier providing diverse water sources.

Another missed opportunity is a lack of coordinated County analysis about the benefits and drawbacks related to potential desalination projects. Even though desalination projects potentially impact the water supply for all of Orange County, OCWD and MWDOC independently consider these desalination projects and their impact.

Furthermore, many water experts believe that this fragmentation results in less than optimum legislative lobbying effectiveness. This affects programs such as water conservation, related water consumption standards such as State storage projects to capture more water supply during wet years, contamination treatment standards, and the Delta Conveyance System, which is a proposed more efficient and effective system to move water from Northern California to the central and southern part of the State.

Benefits of a Single County Agency - “One Voice”

The Orange County Grand Jury found that creation of a single County wholesale water agency to serve as a conduit for both imported and groundwater would be most effective in coordinating water supply diversification, major infrastructure investments, and developing forward-thinking policies and practices. This single agency would also help facilitate fiscal and environmental responsibility.

Orange County water agencies have earned a tremendous reputation for innovative projects and strategies related to increasing a reliable water supply, even in drought conditions. How do we leverage what already is exemplary and collaborative in Orange County water operations?

- Groundwater Replenishment System (GWRS)
- Santa Ana River Conservation and Conjunctive Use program (SARCCUP)¹⁶
- Inter-county perspective with neighboring jurisdictions of the Inland Empire, San Diego, and Los Angeles Counties.
- Purple water recycling for irrigation coming from treated waste and stormwater capture.
- Burris Basin conversion to Anaheim Coves Trail (OCWD / City partnership).¹⁷

Water experts believe “One Voice” would result in increased influence on the MET Board. The OCJG concluded that having all types (groundwater and imported water) of wholesale water

¹⁵ Information based on multiple water professional interviews.

¹⁶ www.ieua.org/read-our-reports/santa-ana-river-conservation-and-conjunctive-use-program/

¹⁷ http://www.santa-ana-river-trail.com/trail/burris_basin.asp

Water in Orange County Needs “One Voice”

providers occupy “seats at the table” would be beneficial to Orange County as a whole and for MET. Additional benefits of a one wholesale water entity include:

- Increased coordination of financial support and capital resources from local, State, and federal sources. An example is in the funding for well contamination remediation utilizing an ionization process.
- More influence at the local, State, and federal levels. Examples include the Delta Conveyance¹⁸ system, additional storage capacity, and preservation of imported supplies from the State Water Project.
- Increased collaboration leading to additional infrastructure shared by wholesale and retail, both for emergency and longer-term everyday use, to move water around as needed.
- Centralized planning for emergency water supply interruptions rather than independent efforts of wholesale and retail water organizations.
- Increased coordination between North and South County for matters such as water banking in Central County for use in South County.
- Cost savings by eliminating duplication of administrative, professional, consultant, lobbying and other expenses currently existing at OCWD and MWDOC.
- Singular County leadership in forming conservation strategies, public outreach, and education.

Concerns related to creating “One Voice”

The Orange County Grand Jury recognizes that with any governance or business model change obstacles will exist to forming a consolidated or new wholesale water agency. Overall, proponents of this change are concerned that there is a lack of political will and that “protecting my own turf” philosophies will get in the way of doing the right thing for reliable water supply in the future. Some additional hesitation exists from some Orange County water board and management professionals that believe:

- Imported versus groundwater requires specialized knowledge and a unique operational approach and should not be combined.
- Staff reductions will occur.
- Merging of retirement pension and benefit liabilities will be complicated and expensive.
- Development of a new Board of Directors structure may cause a loss of representation of the unique water needs of different parts of the County.

¹⁸ www.mwdoc.com/wp-content/uploads/2020/06/Delta-Conveyance-Project-and-EcoRestore.pdf

Water in Orange County Needs “One Voice”

- Consolidation of the existing two wholesale water districts, OCWD and MWDOC, or the forming of a new agency would be complicated. The process would likely begin through Orange County LAFCO before moving to State legislative level, both of which would be divisive and risk political influence and interference when revising local and State water acts.

Despite these complications and challenges, the OCGJ concluded that the County will be better served by creating a “one voice” agency to lead and represent all aspects of wholesale water operations in Orange County.

FINDINGS

- F1 A singular water authority for Orange County’s wholesale water supply likely would result in further opportunities at the local, State, and federal levels in legislation, policy making and receiving subsidies and grants.
- F2 The current fragmented water system structure and operations provides challenges as it relates to development of new interconnected infrastructure as well as maintenance of existing systems.
- F3 There is a great disparity between the North/Central and South Orange County water sources, management, and operations carried out by OCWD and MWDOC.
- F4 South Orange County has many smaller retail water districts that lack a formal centralized leadership. Notwithstanding this lack of structure, South Orange County retail water districts have displayed effective collaboration when dealing with one another.
- F5 Orange County Water District is a recognized worldwide leader in groundwater resource management and reclamation. Its leadership, innovation, and expertise can be further utilized to serve all of Orange County in developing additional innovative and beneficial programs.
- F6 Orange County currently does not have a countywide coordinated policy regarding water conservation, which results in difficulty when complying with any new State-mandated conservation regulations.

RECOMMENDATIONS

- R1 By January 2023, Orange County wholesale water agencies should formally begin analysis and collaboration towards forming a single wholesale water authority or comparable agency to operate and represent wholesale water operations and interests of all imported and ground water supplies. (F1, F2, F3, F4, F6)

Water in Orange County Needs “One Voice”

R2 Any future “One Voice” consolidated Orange County wholesale water authority should have Directors that examine and vote on issues considering the unique needs of all water districts. (F1, F2, F3, F4, F6)

COMMENDATIONS

- Orange County Water District (OCWD) commitment to sound planning and state-of-the-art technology to provide water to the people of Orange County. Highly recognized, OCWD, along with Orange County Sanitation District, has the world’s largest Groundwater Replenishment System (GWRS).
- Municipal Water District of Orange County (MWDOC) for many provided services related to emergency planning, public education, water reliability and delivery reports, leak detection service, rebate and conservation programs and many other “choice” services.
- All the current wholesale and retail water districts in Orange County for their efforts to collaborate and strategize to better serve Orange County Citizens despite the lack of a centralized administration.

RESPONSES

The following excerpts from the California Penal Code provide the requirements for public agencies to respond to the Findings and Recommendations of this Grand Jury report:

California Penal Code Section 933 requires the governing body of any public agency which the Grand Jury has reviewed, and about which it has issued a final report, to comment to the Presiding Judge of the Superior Court on the findings and recommendations pertaining to matters under the control of the governing body. Such comment shall be made *no later than 90 days* after the Grand Jury publishes its report (filed with the Clerk of the Court). Additionally, in the case of a report containing findings and recommendations pertaining to a department or agency headed by an elected County official (e.g. District Attorney, Sheriff, etc.), such elected County official shall comment on the findings and recommendations pertaining to the matters under that elected official’s control *within 60 days* to the Presiding Judge with an information copy sent to the Board of Supervisors.

Furthermore, California Penal Code Section 933.05 specifies the manner in which such comment(s) are to be made as follows:

(a) As to each Grand Jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding.

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(2) The respondent disagrees wholly or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.

(b) As to each Grand Jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, with a summary regarding the implemented action.
- (2) The recommendation has not yet been implemented, but will be implemented in the future, with a time frame for implementation.
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a time frame for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. This time frame shall not exceed six months from the date of publication of the Grand Jury report.
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefor.

(c) If a finding or recommendation of the Grand Jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the Board of Supervisors shall respond if requested by the Grand Jury, but the response of the Board of Supervisors shall address only those budgetary /or personnel matters over which it has some decision making authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

Responses Required

Comments to the Presiding Judge of the Superior Court in compliance with Penal Code §933.05 are required from:

90 Day Response Required	F1	F2	F3	F4	F5	F6
OCWD Board of Directors	X	X	X		X	X

90 Day Response Required	R1	R2
OCWD Board of Directors	X	X

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90 Day Response Required	F1	F2	F3	F4	F5	F6
MWDOC Board of Directors	X	X	X	X	X	X

90 Day Response Required	R1	R2
MWDOC Board of Directors	X	X

Responses Requested

90 Day Response Requested	F1	F2	F3	F4	F5	F6
East Orange County Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
East Orange County Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
El Toro Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
El Toro Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Emerald Bay Service District	X	X	X		X	X

90 Day Response Requested	R1	R2
Emerald Bay Service District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Golden State Water Co	X	X	X		X	X

90 Day Response Requested	R1	R2
Golden State Water Co	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Irvine Ranch Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Irvine Ranch Water District	X	X

Water in Orange County Needs “One Voice”

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Laguna Beach County Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Laguna Beach County Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Mesa Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
Mesa Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Moulton Niguel Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Moulton Niguel Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Santa Margarita Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Santa Margarita Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Serrano Water District	X	X	X	X	X	X

90 Day Response Requested	R1	R2
Serrano Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
South Coast Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
South Coast Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Trabuco Canyon Water District	X	X	X	X	X	X

Water in Orange County Needs “One Voice”

90 Day Response Requested	R1	R2
Trabuco Canyon Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Yorba Linda Water District	X	X	X		X	X

90 Day Response Requested	R1	R2
Yorba Linda Water District	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Anaheim	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Anaheim	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Fullerton	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Fullerton	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Santa Ana	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Santa Ana	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
City of Brea	X	X	X		X	X

90 Day Response Requested	R1	R2
City of Brea	X	X

90 Day Response Requested	F1	F2	F3	F4	F5	F6
Metropolitan Water District	X	X				X

90 Day Response Requested	R1	R2
Metropolitan Water District	X	X

Water in Orange County Needs “One Voice”

GLOSSARY

AQUEDUCT	A structure for transporting water from one place to another by means of a pipeline, canal, conduit, tunnel, or a combination of these things.
AQUIFER	A geologic formation of sand, rock and gravel through which water can pass and which can store, transmit and yield significant quantities of water to wells and springs.
DELTA CONVEYANCE SYSTEM	Refers to State Water Project (SWP) infrastructure in the vast network of waterways comprising the Sacramento-San Joaquin Delta (Delta) that collects and moves fresh, clean, and affordable water to homes, farms, and businesses throughout major regions of the State from the Bay Area to Southern California.
FIRO	Forecast Informed Reservoir Operations is a flexible water management approach that uses data from watershed monitoring and improved weather forecasting to help water managers selectively retain or release water from reservoirs for increased resilience to droughts and floods.
GWRS	Groundwater Replenishment System. A process where water is replaced in the aquifer.
GREEN ACRES PROJECT	OCWD's Green Acres Project (GAP) is a water reuse effort that provides recycled water for landscape irrigation at parks, schools, and golf courses; industrial uses, such as carpet dying; toilet flushing; and power generation cooling.
GROUNDWATER BANKING	A process of diverting surface water into an aquifer where it can be stored until needed
JPA	Joint Power Authority. two or more public agencies to join together, under a joint powers authority (JPA), to provide more effective or efficient government services or to solve a service delivery problem.

Water in Orange County Needs “One Voice”

LAFCO	Local Agency Formation Commission. Governed by State law, the Commission oversees proposed changes to local agency and county unincorporated boundaries and prepares special studies to encourage the orderly and efficient delivery of public services to Orange County residential and business communities.
MET	Metropolitan Water District, provides water from the Colorado River and the State Water Project from northern California to Southern California.
MWDOC	Municipal Water District of Orange County represents all of Orange County, excluding the three independent city members of MET, and acts as a pass-through agency for MET water sold to its constituent members and sells additional untreated water to OCWD for groundwater recharge.
OCSAN	Orange County Sanitation District treats and recycles sewer and grey water.
OCWD	Orange County Water District manages the groundwater basin of the north and central part of the County.
ONE VOICE	Orange County needs to have a central entity to speak for water and legislative matters.
PAPER WATER	Transfer water via paper, not physically.
PFAS	Per and polyfluoroalkyl substances chemical by product of past aerospace manufacturing in Orange County.
PURPLE WATER	Recycled water that has been treated for reuse in landscaping, agriculture, and commerce.
SAR	Santa Ana River.
SARCCUP	Santa Ana River Conservation and Conjunctive Use program. Guides the use and conservation of the Santa Ana River basin.
SPECIAL DISTRICTS	Special districts are public agencies created to provide one or more specific services to a community, such as water service, sewer service, and parks.

Water in Orange County Needs “One Voice”

WATER TRANSFERS	A water transfer is a voluntary sale of water proposed and initiated by willing sellers who have legal rights to a supply of water to an interested buyer.
WEROC	Water Emergency Response Organization of Orange County, administered through MWDOC, develops disaster preparedness, response, and recovery strategies.

REPORTS:

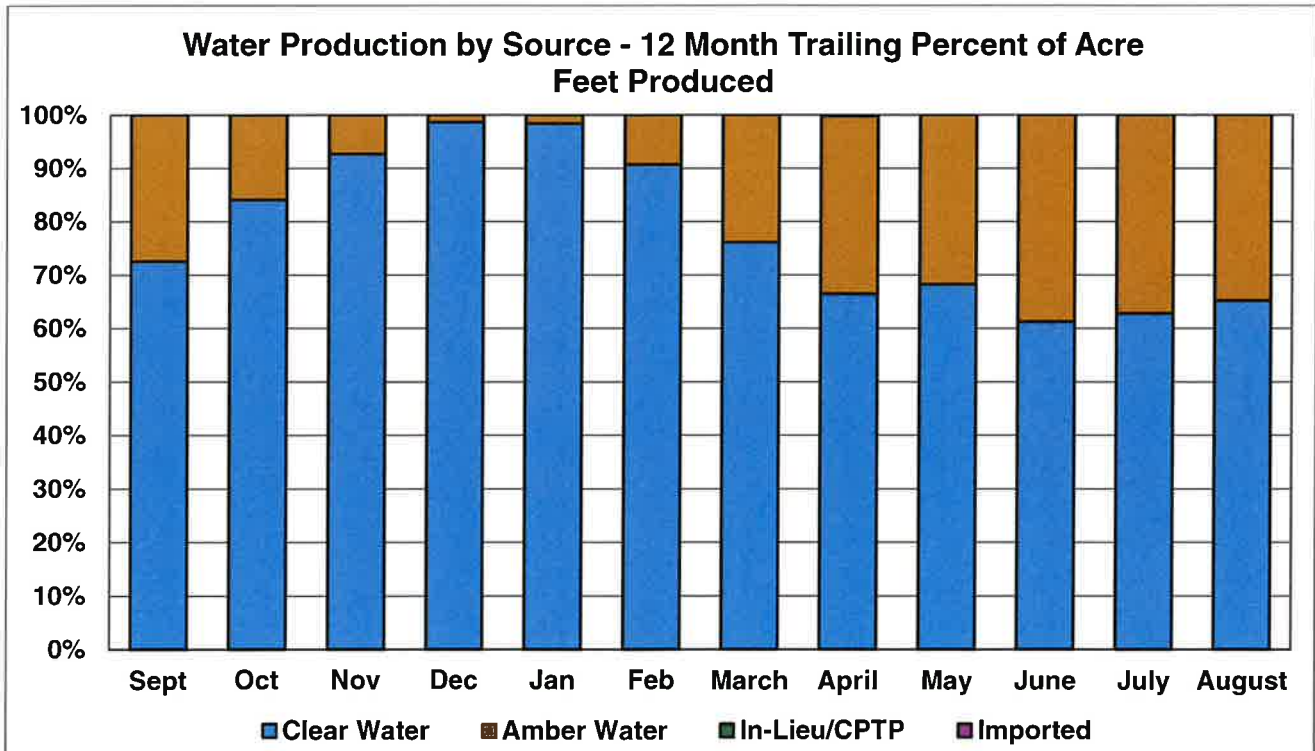
6. REPORT OF THE GENERAL MANAGER:
 - August Key Indicators Report
 - Other (no enclosure)

**Monthly Key Indicators Report
For The Month of August 2022**

**Goal #1: Provide a safe, abundant, and reliable water supply
FY 2023 Potable Production (Acre Feet)**

Water Supply Source	FY 2023 YTD Actual (AF)	FY 2023 YTD Budget (AF)	FY 2023 Annual Budget (AF)
Clear Water	1,966	2,031	12,569
Amber Water (MWRf)	1,108	1,232	3,754
Imported	0	0	0
Basin Management Water	0	0	0
Total Production	3,073	3,263	16,323

YTD actual water production (AF) through August 31, 2022



**Monthly Key Indicators Report
For The Month of August 2022**

Goal #1: Provide a safe, abundant, and reliable water supply

FY22 System Water Quality – This data reflects samples taken in July

Distribution System:	Average	Range	MCL
Chlorine Residual (mg/L) <i>Compliance</i>	1.78	0.42 – 3.02 Current RAA = 1.64	4 RAA
Coliform Positive % <i>Compliance</i>	0	0	5
Temperature (° F)	80	74 - 85	None

Reservoir I & II:	Average	Range	MCL
Chlorine Residual (mg/L)	0.60	0.20– 1.16	None
Monochloramine (mg/L)	0.59	0.12 – 1.14	None
Ammonia (mg/L)	0.14	0.04 - 0.25	None
Temperature (° F)	78	74 – 82	None

Wells (Treated):	Average	Range	MCL
Chlorine Residual (mg/L)	2.69	2.19 – 3.17	None
Monochloramine (mg/L)	2.68	2.22 – 3.12	None
Ammonia (mg/L)	0.55	0.45 - 0.64	None
Temperature (° F)	78	74 - 81	None

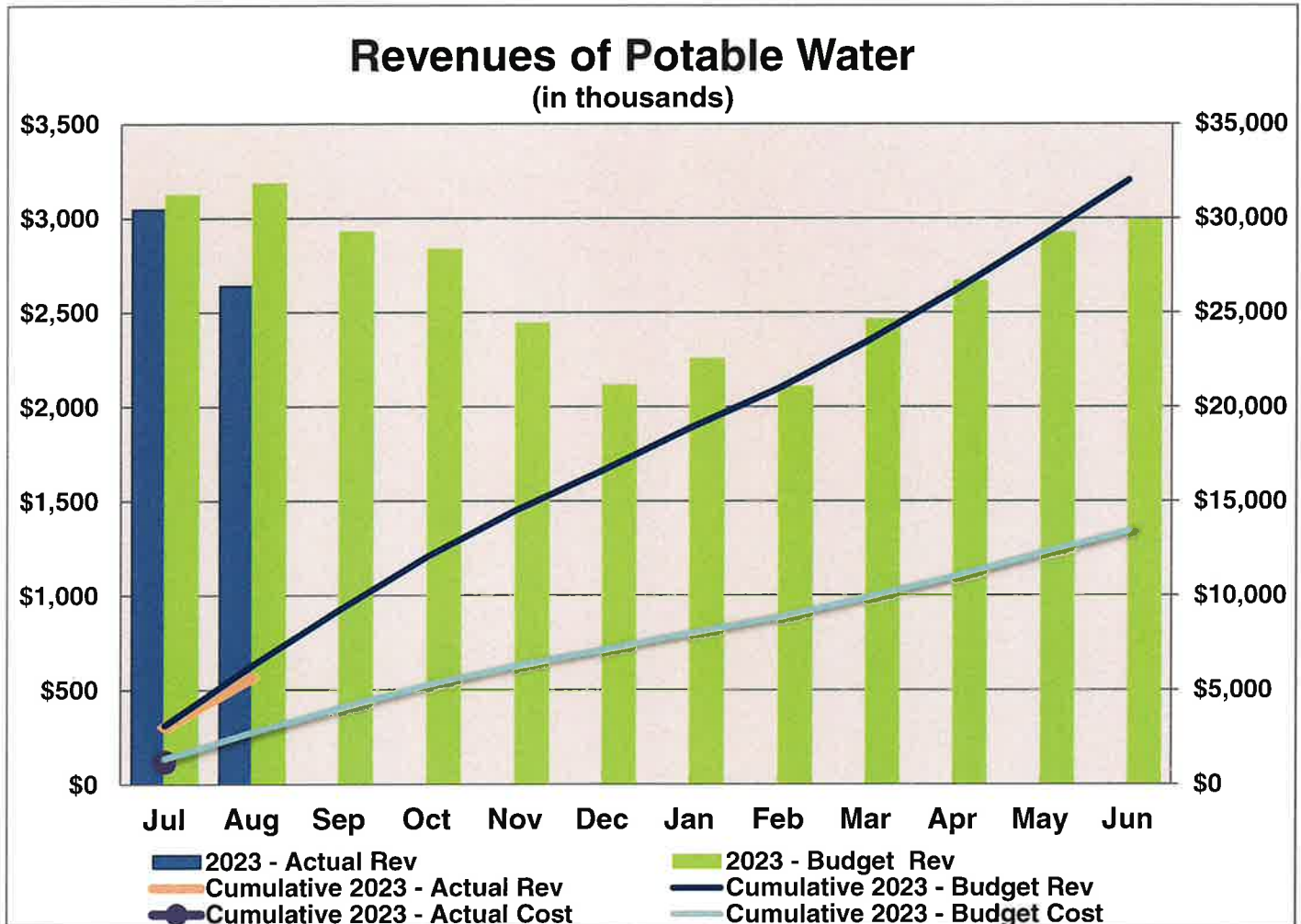
MWRF:	Average	Range	MCL
Chlorine Residual (mg/L)	2.39	2.15 – 2.58	None
Monochloramine (mg/L)	2.39	2.20 - 2.54	None
Ammonia (mg/L)	0.48	0.46 – 0.59	None
Temperature (° F)	83	82 - 84	None
Color (CU) <i>Compliance</i>	ND	ND	15
Odor (TON) <i>Compliance</i>	ND	ND	3

Water Quality Calls/Investigations:

Total Calls	7
Total Investigations (from calls)	3

**Monthly Key Indicators Report
For The Month of August 2022**

Goal #2: Practice perpetual infrastructure renewal and improvement



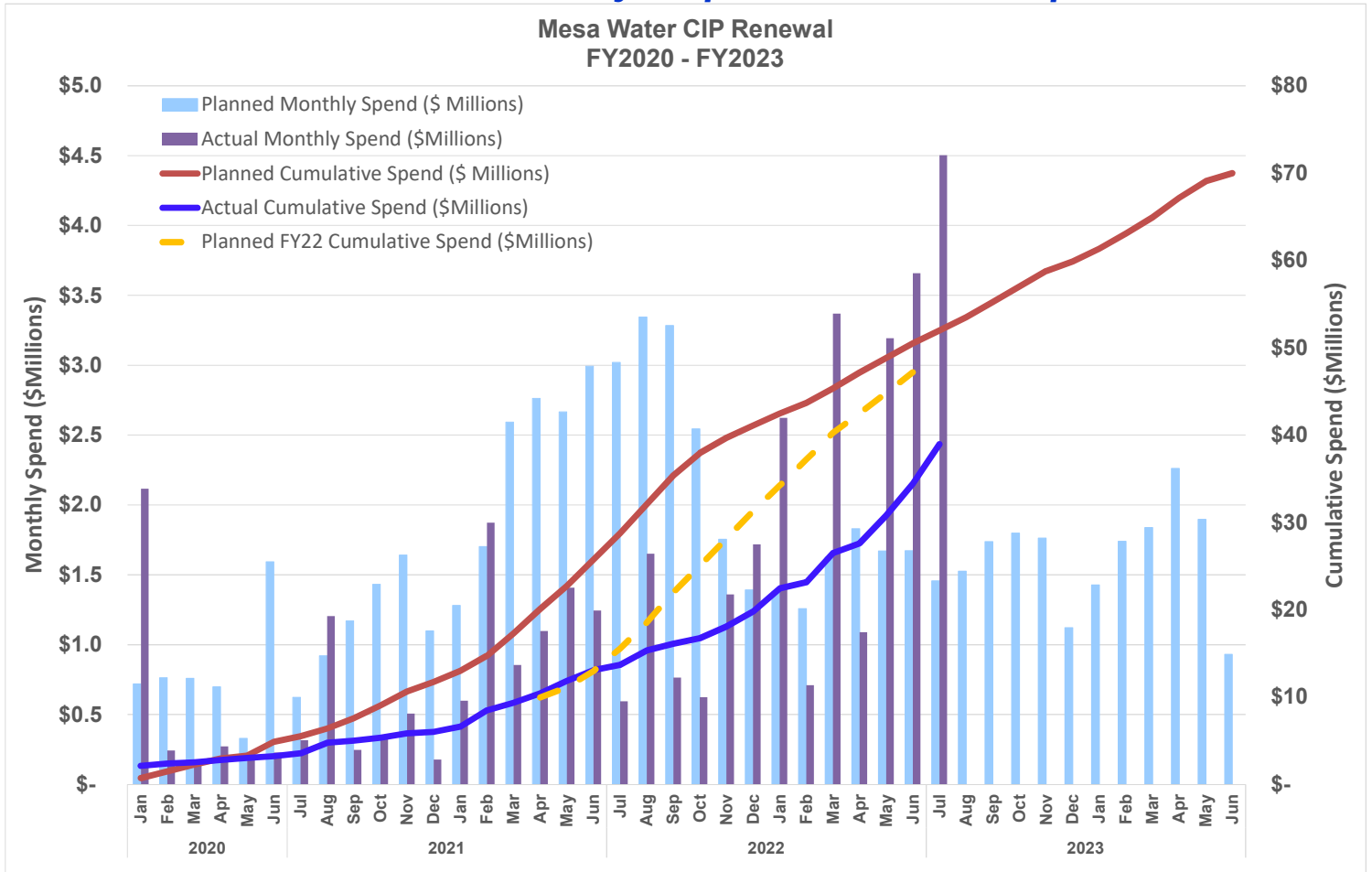
	Actual	Budget	Favorable (Unfavorable)	
			Difference	%
Total YTD Revenue \$	5,686,757	6,306,303	(619,546)	(9.82%)

	Actual	Budget	UnFavorable (Favorable)	
			Difference	%
Total YTD Cost \$ *	1,195,610	1,363,805	(168,195)	(12.33%)

* YTD Cost is trailing YTD Revenue by one month due to the timing of when costs are available.

Monthly Key Indicators Report For The Month of August 2022

Goal #3: *Be financially responsible and transparent*



**Monthly Key Indicators Report
For The Month of August 2022**

Goal #4: Increase public awareness about Mesa Water and about water

Web Site Information

Web Site Information	July 2022	August 2022
Visits to the web site	13,477	11,916
Unique visitors (First time to the site)	9,649	8,329
Average per day	434	384
Average visit length	194 seconds	204 seconds
Page visited most	Online Bill Pay	Online Bill Pay
Second most visited page	Press Releases	Press Releases
Third most visited page	Contact Us	BeMesaWaterWise
Fourth most visited page	BeMesaWaterWise	Rates and Fees
Fifth most visited page	Customer Service	Contact Us
Most downloaded file	2022 Water Quality Report	2022 Water Quality Report
Second most downloaded file	Fiscal Year 2023 Budget	Fiscal Year 2023 Budget
Most active day of the week	Wednesday	Monday
Least active day of the week	Sunday	Sunday

Total visits since July 1, 2002	<u>1,715,118</u>
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Water Vending Machine Information

Vending Machine Location	Vend Measurement	August 2022 Vends	Totals Vends
Mesa Water Office	1 gal	6,471	589,308

Monthly Key Indicators Report
For the Month of August 2022
Goal #5: Attract and retain skilled employees

DEPARTMENT:	FY 2023			COMMENTS:
	BUDGET	FILLED	VACANT	
OFFICE OF THE GENERAL MANAGER:				
General Manager	1.00	1.00	0.00	
Business Administrator	1.00	1.00	0.00	
Subtotal	2.00	2.00	0.00	
ADMINISTRATIVE SERVICES:				
Administrative Services	5.00	5.00	0.00	
Subtotal	5.00	5.00	0.00	
CUSTOMER SERVICES:				
Conservation	1.00	0.00	1.00	Water Use Efficiency Analyst - <i>vacant; on hold.</i>
Customer Service	4.00	4.00	0.00	
Subtotal	5.00	4.00	1.00	
ENGINEERING:				
Engineering	4.00	4.00	0.00	
Subtotal	4.00	4.00	0.00	
FINANCIAL SERVICES:				
Financial Reporting/ Purchasing	4.00	4.00	0.00	
Accounting	1.00	1.00	0.00	
Subtotal	5.00	5.00	0.00	
HUMAN RESOURCES:				
Human Resources	2.00	2.00	0.00	
Subtotal	2.00	2.00	0.00	
PUBLIC AFFAIRS:				
Outreach, Education & Communications	1.50	1.50	0.00	
Subtotal	1.50	1.50	0.00	
WATER OPERATIONS:				
Supervision/Support	8.00	7.00	1.00	Water Operations Supervisor - <i>vacant; under review.</i> Senior Operator - <i>vacant; on hold.</i>
Distribution	10.00	9.00	1.00	
Field Services	5.00	5.00	0.00	
Production	4.00	4.00	0.00	
Water Quality	2.00	2.00	0.00	
Subtotal	29.00	27.00	2.00	
WATER POLICY:				
Legislative & Governmental Affairs	1.50	1.50	0.00	
Subtotal	1.50	1.50	0.00	
* TOTAL BUDGETED POSITIONS:	55.00	52.00	3.00	

**Monthly Key Indicators Report
For The Month of August 2022**

Goal #6: Provide outstanding customer service

Customer Calls

Call Type	FY23 YTD	Aug 2022	YTD Weekly Average
General Billing Question	400	211	50
Service Requests	302	160	38
High Bill	328	172	41
Payments	448	251	56
Late Fee	152	111	19
Account Maintenance	170	82	21
On-Line Bill Pay	346	183	43
Water Pressure	6	4	1
No Water	37	22	5
Conservation	100	52	13
Water Waste	63	31	8
Other (District info. other utility info. etc.)	351	194	44
Rate Increase	0	0	0
Fluoridation	0	0	0
TOTAL CUSTOMER CALLS	2703	1473	338
AVERAGE ANSWER TIME (Seconds)	19	19	19

Online Bill Pay Customers

Customers Enrolled	FY23 YTD	August 2022	YTD Weekly Average
18808	463	231	58

REPORTS:

7. DIRECTORS' REPORTS AND COMMENTS

**DIRECTORS' REPORTS (AB 1234) PER CA GOVERNMENT
CODE SECTION 53232.3 (d)**

In accordance with CA Government Code 53232.3 (d), the following report identifies the meetings for which Mesa Water Directors received expense reimbursement.

Jim Atkinson **Meetings Attended**

Reimbursement Date:	Description, Date
7/27/22	ACE22 Annual Conference, 6/11 – 6/15

Fred R. Bockmiller, P.E. **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	

Marice H. DePasquale **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	

Shawn Dewane **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	

James R. Fisler **Meetings Attended**

Reimbursement Date:	Description, Date
N/A	

There are no support materials for this item.

CLOSED SESSION:

10. CONFERENCE WITH SPECIAL LEGAL COUNSEL – EXISTING LITIGATION:
Pursuant to California Government Code Section 54956.9 (d)(1)
*Case: Irvine Ranch Water District v. Orange County Water District and related cross-
actions*
Los Angeles County Superior Court Case Nos. BS168278 and BS175192

CLOSED SESSION:

11. CONFERENCE WITH LABOR NEGOTIATOR PURSUANT TO CALIFORNIA GOVERNMENT CODE 54957.6:
District Negotiator: General Manager
Employee Organization: Represented and Non-Represented Employees