MINUTES OF THE WORKSHOP MEETING OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY BOARD OF DIRECTORS WITH METROPOLITAN DIRECTORS April 1, 2026, 8:30 a.m.

At 8:30 a.m., President Dick called to order the Joint Workshop Board Meeting of the Municipal Water District of Orange County (MWDOC) with the Metropolitan Water District of Southern California (Metropolitan or MET) Directors in Conference Room 101 at the District facilities located in Fountain Valley, as well as including attendance via the Zoom Webinar application. West Coast Advisors Vice President Beth Olhasso led the Pledge of Allegiance and District Secretary Crespi called the roll.

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

*Also MWDOC MET Directors

Other MWDOC MET Directors
Linda Ackerman
Dennis Erdman

Staff
Harvey De La Torre, General Manager
Melissa Baum-Haley, Assistant General Manager
Angela Crespi, District Secretary
Charles Busslinger, Director of Engineering/ District Engineer
Heather Baez, Director of Government Affairs
Jennifer Wicks, Communications Manager
Rachel Davis, Water Loss Programs Manager
Kathy Pham, Assistant Board Secretary
Sarina Sriboonlue, Principal Engineer
Kevin Hostert, Senior Water Resources Analyst
Jared Dawson, Water Resources Analyst
Rachel Waite-Harvey, Water Use Efficiency Programs Supervisor
Joseph Byrne, Legal Counsel

Also Present

Dick Ackerman	Ackerman Consulting
Noelani Leal	City of Westminster
Paul Jones	Dopudja & Wells
Doug Davert	East Orange County Water District
David Youngblood	East Orange County Water District
Dennis Cafferty	El Toro Water District
Vu Chu	El Toro Water District
Kathryn Freshley	El Toro Water District
Mike Gaskins	El Toro Water District
Kay Havens	El Toro Water District
Wyatt McClean	El Toro Water District
Mark Monin	El Toro Water District
Sherri Seitz	El Toro Water District
Paul Weghorst	Irvine Ranch Water District
Jim Atkinson	Mesa Water District
Jim Fisler	Mesa Water District
Albert Napoli	Metropolitan Water District of Southern California
Jonathan Cruz	Moulton Niguel Water District
Donald Froelich	Moulton Niguel Water District
Ashley Goodin	Moulton Niguel Water District
Sherry Wanninger	Moulton Niguel Water District

Garrett Durst	Natural Resource Results
John Kennedy	Orange County Water District
Emily Novak	San Diego County Water Authority
Laura Freese	Santa Margarita Water District
Frank Ury	Santa Margarita Water District
Brad Reese	Serrano Water District
Greg Mills	Serrano Water District
Larry McKenney	Trabuco Canyon Water District
Michael Boccadoro	West Coast Advisors
Beth Olhasso	West Coast Advisors
Peter Whittingham	Whittingham Public Affairs Advisors
Brett Barbre	Yorba Linda Water District
Tom Lindsey	Yorba Linda Water District
Christine McIlrevey	Yorba Linda Water District
Mark Toy	Yorba Linda Water District
Chuck Gibson	

TELECONFERENCE SITES

Directors McVicker and Yoo Schneider participated via teleconference locations (all agenda requirements pursuant to the Ralph M. Brown Act requirements were complied with).

PUBLIC COMMENTS

President Dick asked whether any members of the public wished to comment on agenda items.

There were no public comments.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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

President Dick inquired as to whether there were any items distributed to the Board of Directors (Board) less than 72 hours prior to the meeting.

District Secretary Crespi reported there were no items distributed to the Board less than 72 hours prior to the meeting.

NEXT RESOLUTION NO. 2170

At the suggestion of District Secretary Crespi, President Dick proposed reordering the agenda to address Action Items 4 through 7 before the Presentation Item, as a Board member needed to depart early. The Board agreed.

ACTION ITEMS

4. ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO) SPECIAL DISTRICT MEMBER SEATS APPOINTMENT – AUTHORIZATION TO VOTE

Upon MOTION by Director Crane, seconded by Director Thomas, and carried (7-0), the Board authorized President Larry Dick, and Director Crane as an alternate, to vote in the 2026 Orange County Local Agency Formation Commission Regular and Alternate Special District Member Seats appointment process; and directed staff to submit the declaration form by the deadline, by the following roll call vote:

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

5. ASSEMBLY CONCURRENT RESOLUTION NO. 161 (ADDIS) – SPECIAL DISTRICTS WEEK 2026

Upon MOTION by Director Thomas, seconded by Director Nederhood, and carried (7-0), the Board adopted a support position on Assembly Concurrent Resolution No. 161 (Addis) and join the California Special Districts Association's coalition and outreach efforts, by the following roll call vote:

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

6. SENATE BILL 1153 (CABALLERO) – WATER SYSTEMS AND WILDFIRE PREPAREDNESS

Director of Government Affairs Heather Baez provided an overview of Senate Bill 1153, supported by Association of California Water Agencies (ACWA), noting that it clarifies the limited role of public water agencies in large-scale wildfire defense, strengthens preparedness by requiring urban water suppliers in high and very high fire hazard severity zones to incorporate wildfire-specific response procedures into existing emergency plans starting in 2028, establishes that water supply or pressure limitations during a wildfire are not a substantial cause of wildfire damage, and affirms that wildfire spread is not an inherent risk of water system design.

Director Seckel expressed concern about how the bill's language could be misconstrued, asked whether it provides meaningful legal protection, and requested confirmation that retail agencies support the bill.

Legal Counsel Joe Byrne confirmed that the bill provides meaningful protection and that pending amendments are expected to require retail agencies to include greater specificity in their emergency plans regarding response procedures.

West Coast Advisors Vice President Beth Olhasso also expressed support for the bill and reassured the Board that it is favorable for retail water agencies.

Director Nederhood spoke in support, sharing his personal experience with the Freeway Complex Fire.

Director Thomas expressed support while emphasizing the complexity of wildfire liability.

Trabuco Canyon Water District General Manager Larry McKenney spoke in personal support of the bill, noting that it represents a step forward in protecting retail water agencies.

Upon MOTION by Director Thomas, seconded by Director Seckel, and carried (7-0), the Board adopted a support position on Senate Bill 1153 (Caballero) and join the Association of California Water Agencies' coalition letter, by the following roll call vote:

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

7. ASSEMBLY BILL 2180 (WARD) – PROPOSITION 218 OMNIBUS IMPLEMENTATION ACT: PROPORTIONAL COST OF SERVICE

Director of Government Affairs Heather Baez highlighted that the bill provides predictability and consistency for public water agencies statewide, reduces unnecessary litigation and associated costs, and allows retail agencies to confidently develop constitutionally sound rate structures that reflect the real cost of delivering reliable water service.

Director Seckel asked Legal Counsel whether the bill would effectively bind courts when interpreting Proposition 218 cost-of-service requirements.

Legal Counsel Joe Byrne confirmed the bill provides valuable statutory guidance, noting that his partner Lutfi Kharuf has been directly involved in drafting the bill through ACWA.

Upon MOTION by Director Crane, seconded by Director Seckel, and carried (7-0), the Board adopted a support position on Assembly Bill 2180 (Ward) and join the Association of California Water Agencies' coalition letter, by the following roll call vote:

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

PRESENTATION ITEM

1. METROPOLITAN BUDGET

Assistant General Manager Melissa Baum Haley introduced Water Resources Analyst Jared Dawson, who presented Metropolitan's proposed biennial budget for Fiscal Years 2026–27 and 2027–28. His presentation highlighted Metropolitan's focus on system reliability and resiliency, key assumptions for the Pure Water Southern California Project (PWSC), proposed rate increases, and major cost drivers, including staffing, capital improvement program levels, PWSC funding, ad valorem tax rates, local resources program budgeting, and conservation budgeting. He noted that MWDOC and the San Diego County Water Authority submitted letters to Metropolitan offering revised budgetary assumptions, investment levels, and rates, referred to as the Miller proposal.

The Board discussed whether cost savings had been addressed during the budget process, along with staffing levels, overtime, ad valorem tax rates, and the importance of focusing on revenue, rate increases, and fixed costs moving forward. The Board also discussed investment in Metropolitan's infrastructure, the PWSC project as a potential solution to challenges on the Colorado River, opportunities to better leverage grant funding, and the complex interplay of major capital projects, including the Bay Delta, Sites Reservoir, and PWSC initiatives.

General Manager De La Torre noted that if the revised proposal were adopted in its entirety, the overall rate impact at Metropolitan would likely be approximately 6% and affirmed that the current budget process reflects a renewed focus on Metropolitan's core mission of ensuring water supply reliability.

The Board thanked Mr. Dawson for his presentation.

DISCUSSION ITEMS

2. LEGISLATIVE ACTIVITIES

a. Federal Legislative Report (Natural Resource Results)

In addition to the report provided in the agenda packet, Natural Resource Results (NRR) Partner Garret Durst noted $40 million from the One Big Beautiful Bill was directed to the Shasta Dam for planning and preconstruction activities associated with a dam raise to expand storage capacity. Approximately $110 million of the $889 million remains unallocated and could be directed to the Shasta Dam or other projects as circumstances develop.

The Board thanked Mr. Durst for his report.

b. State Legislative Report (West Coast Advisors)

In addition to the report provided in the agenda packet, West Coast Advisors President Michael Boccadoro highlighted the significant increase in energy costs over the past decade and the lack of representation at the Public Utilities Commission. He also discussed inverse

condemnation concerns related to an upcoming California Earthquake Authority report on wildfire liability and the associated impacts on electricity costs.
Mr. Boccadoro provided a brief report on the snowpack and water supply conditions.

West Coast Advisors Vice President Beth Olhasso provided updates on key legislation, including the classification of data center water use under the urban water use efficiency regulations. She also summarized the three state bills currently being advanced by the State Water Contractors.

The Board discussed Bay-Delta management, various Metropolitan projects in the Delta, Assembly bills with tribal water rights, and the progress on the Sites Reservoir Project.

The Board thanked Mr. Boccadoro and Ms. Olhasso for their report.

c. Legal and Regulatory Report (Ackerman)

Mr. Dick Ackerman of Ackerman Consulting provided a correction to his report in the packet on the Groundwater Management Act adjudication in Ventura County, noting that the issue was resolved among stakeholders with judicial approval and is unlikely to advance to the California Supreme Court. He added that separate adjudication cases in the Central Valley could eventually reach the Supreme Court. Mr. Ackerman also recognized the milestone of Hoover Dam's 90th anniversary.

The Board thanked Mr. Ackerman for his report.

d. County Legislative Report (Whittingham)

Mr. Peter Whittingham of Whittingham Public Affairs Advisors highlighted that Orange County continues to maintain a state of emergency related to the Airport Fire. He also noted that South Coast Air Quality Management District (AQMD) is in a rulemaking process for proposed rule dealing with emissions from emergency generators and aimed at accelerating the transition to zero-emission emergency generators. The rule is expected to come before the AQMD Governing Board in the fourth quarter of 2026.

The Board thanked Mr. Whittingham for his report.

e. MWDOC Legislative Matrix
f. Metropolitan Legislative Matrix

There were no questions or comments on the Legislative Matrices. The Board received and filed the reports.

3. QUESTIONS OR INPUT ON METROPOLITAN ISSUES FROM THE MEMBER AGENCIES/METROPOLITAN DIRECTOR REPORTS REGARDING METROPOLITAN COMMITTEE PARTICIPATION

The Board discussed Metropolitan issues in connection with the budget presentation and legislative updates earlier in the meeting. No additional questions or input were raised at this time.

ACTION ITEMS

4. ORANGE COUNTY LOCAL AGENCY FORMATION COMMISSION (OC LAFCO) SPECIAL DISTRICT MEMBER SEATS APPOINTMENT – AUTHORIZATION TO VOTE

This item was taken earlier in the agenda.

5. ASSEMBLY CONCURRENT RESOLUTION NO. 161 (ADDIS) – SPECIAL DISTRICTS WEEK 2026

This item was taken earlier in the agenda.

6. SENATE BILL 1153 (CABALLERO) – WATER SYSTEMS AND WILDFIRE PREPAREDNESS

This item was taken earlier in the agenda.

7. ASSEMBLY BILL 2180 (WARD) – PROPOSITION 218 OMNIBUS IMPLEMENTATION ACT: PROPORTIONAL COST OF SERVICE

This item was taken earlier in the agenda.

INFORMATION ITEMS

8. METROPOLITAN ITEMS CRITICAL TO ORANGE COUNTY

a. Metropolitan's Finances
b. Metropolitan's Water Supply Condition Update
c. Metropolitan's Water Quality Update
d. Colorado River Issues
e. Delta Conveyance Activities and State Water Project Issues

9. METROPOLITAN BOARD AGENDA DISCUSSION ITEMS

a. Summary regarding March Metropolitan Board Meeting
b. Review items of significance for the Metropolitan Board Agenda

ADJOURNMENT

There being no further business, President Dick adjourned the meeting at 10:31 a.m

Angela Crespi
District Secretary