

Meeting Minutes  
2<sup>nd</sup> Stakeholder Meeting  
Municipal Water District of Orange County  
Study of Governance Alternatives  
*October 22, 2008*

1. Overview of Governance Structure Alternatives Memorandum
  - a. The Technical Memorandum discussing governance structures and copies of the Power Point presentation summarizing the findings were distributed to all stakeholders.
  - b. Mary Grace Pawson with Winzler & Kelly presented the 1<sup>st</sup> Technical Memorandum which provided a fatal flaw screening of potential governance structure alternatives.
  - c. The Memorandum includes 7 “potentially feasible” alternatives. These are:
    - i. Status Quo
    - ii. Dissolve MWDOC and form a County Water District
    - iii. Dissolve MWDOC and form a County Water Authority
    - iv. Reorganize the six South County agencies to form a second Municipal Water District. This alternative would retain a smaller version of MWDOC
    - v. Reorganize the six South County agencies to form a new County Water District. This alternative would retain a smaller version of MWDOC
    - vi. Reorganize the six South County agencies to form a new County Water Authority. This alternative would retain a smaller version of MWDOC
    - vii. Reorganize MWDOC with East Orange County Water District.
  - d. Potentially feasible alternatives will be carried into the fiscal analysis which is the next step in the project.
  - e. The Technical Memorandum and Power Point presentation will be posted on Orange County LAFCO’s website so they can be accessed by the stakeholders.
2. Comments and Decisions from the Group
  - a. Joyce Crosthwaite, Orange County LAFCO, led and facilitated discussion by the stakeholder group.
  - b. The stakeholder group requested that consideration of Alternative 7 – Reorganize MWDOC with East Orange County Water District, be deferred. There are currently ongoing discussions with EOCWD and the retailers it serves. Analysis of this concept is premature.
  - c. The stakeholder group concurred that consideration of Alternative 2 – Dissolve MWDOC and form a County Water District is very similar to the status quo. This alternative will be dropped from further consideration, pending a final legal review by James Markman. The legal review will confirm that there are not significant differences in the governance structure between a Municipal Water District and a County Water District.
  - d. The group asked if a special act agency would be considered. Mary Grace Pawson explained that the initial fatal flaw analysis only considered agencies authorized to provide representation to Metropolitan Water District under Met’s principal act. This screening criteria was adopted because successfully executing changes to Met’s principal act is beyond the control of Orange County LAFCO and the stakeholders. However, the first Technical Memorandum does include a brief discussion of alternative concepts that would require special legislation. Mary Grace Pawson also indicated that as the final alternatives are developed, the consultants will continue to “keep track” of areas where special legislation may prove helpful.
  - e. Written comments are due to LAFCO by October 29, 2008

3. Next Meeting Date

- a.* The next meeting date has been tentatively set for December 3, 2008, however this may create a conflict for agencies attending the ACWA conference
- b.* Orange County LAFCO will work to reschedule the meeting to avoid this conflict.

