

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
January 18, 2017**

At 8:30 a.m., President Osborne called to order the Regular Meeting of the Municipal Water District of Orange County in the Board Room at the District facilities located in Fountain Valley. President Osborne led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick
Joan Finnegan (absent)
Wayne Osborne
Sat Tamaribuchi
Jeffery M. Thomas
Megan Yoo Schneider

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Cathy Harris, Admin. Services Manager
Damon Micalizzi, Director of Public Affairs
Charles Busslinger, Principal Engineer
Kelly Hubbard, WEROC Programs Manager
Melissa Baum-Haley, Sr. Water Res. Analyst
Janine Schunk, Administrative Assistant

ALSO PRESENT

Larry McKenney
William Kahn
Doug Reinhart
Jim Atkinson
Cathy Green
John Kennedy
Dennis Erdman
Andy Brunhart
Al Nederhood
Brooke Jones
Richard Eglash
Tim Jemul

MWDOC MET Director
El Toro Water District
Irvine Ranch Water District
Mesa Water
Orange County Water District
Orange County Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Brady & Associates
ITO

EMPLOYEE INTRODUCTION

WEROC Programs Manager Kelly Hubbard introduced MWDOC's new Administrative Assistant, Janine Schunk to the Board.

PUBLIC PARTICIPATION/PUBLIC COMMENT

President Osborne announced members of the public wishing to comment on agenda items could do so after the item has been discussed by the Board and requested members of the public identify themselves when called on. Mr. Osborne asked whether there were any comments on other items which would be heard at this time.

No comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

No items were received.

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

President Osborne inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting.

No items were presented.

CONSENT CALENDAR

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

Director Yoo Schneider requested that the December 7, 2016 Workshop Board meeting minutes be revised to reflect her attendance, and that the December 19, 2016 Public Affairs & Legislation Committee minutes be revised to reflect that she attended via teleconference.

Upon MOTION by Director Thomas, seconded by Director Barbre, and carried (6-0), the Board approved the Consent Calendar items as revised to reflect Director Yoo Schneider's attendance at meetings. Directors Barbre, Dick, Osborne, Tamaribuchi, Thomas and Yoo Schneider all voted in favor; Director Finnegan was absent.

MINUTES

The following minutes were approved.

- December 7, 2016 Workshop Board Meeting (revised)
- December 21, 2016 Regular Board Meeting
- December 19, 2016 Special Board Meeting

COMMITTEE MEETING REPORTS

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

- Planning & Operations Committee Meeting: December 5, 2016
- Administration & Finance Committee Meeting: December 14, 2016
- Public Affairs & Legislation Committee Meeting: December 19, 2016
- Executive Committee Meeting: December 20, 2016

TREASURER'S REPORTS

The following items were ratified and approved as presented.

- MWDOC Revenue/Cash Receipt Register as of December 31, 2016

MWDOC Disbursement Registers (December/January)

The following items were received and filed as presented.

MWDOC Summary of Cash and Investment and Portfolio Master Summary Report (Cash and Investment report) as of November 30, 2016

PARS Monthly Statement (OPEB Trust)

Water Use Efficiency Projects Cash Flow

FINANCIAL REPORT

The following item was received and filed as presented.

Combined Financial Statements and Budget Comparative for the period ending November 30, 2016

NOVEMBER 2016 ELECTION CERTIFICATES

The Board received and filed the Certificates of Election for Joan C. Finnegan (Division 4), Jeffery M. Thomas (Division 6), Megan Yoo Schneider (Division 7), and the Certificate of Appointment In Lieu of Election for Wayne S. Osborne (Division 3).

END CONSENT CALENDAR

ACTION CALENDAR

REORGANIZATION OF THE MWDOC BOARD OF DIRECTORS; ELECTION OF PRESIDENT AND VICE PRESIDENT

Upon MOTION by Director Thomas, seconded by Director Tamaribuchi, and carried (6-0), the Board adopted RESOLUTION NO. 2040, electing Wayne S. Osborne as President, and Brett R. Barbre as Vice President for 2017, by the following roll call vote:

- AYES: Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, Osborne & Thomas
- NOES: None
- ABSENT: Director Finnegan.
- ABSTAIN: None

APPOINTMENT OF SECRETARY, TREASURER(S), AND LEGAL COUNSEL

President Osborne announced that the proposal to appoint the District's Secretary, Treasurer(s), and Legal Counsel was before the Board for consideration.

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board adopted RESOLUTION NO. 2041 appointing Maribeth Goldsby as Board Secretary, Hilary Chumpitazi as Treasurer, Robert Hunter as Deputy Treasurer, Mary Snow as Alternate Deputy

Treasurer, Jeff Stalvey as Alternate Deputy Treasurer, Lina Gunawan as Alternate Deputy Treasurer, and Best, Best & Krieger and Joe Byrne as Legal Counsel, by the following roll call vote:

AYES:	Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi & Thomas
NOES:	None
ABSENT:	Director Finnegan
ABSTAIN:	None.

MWDOC LEGISLATIVE POLICY PRINCIPLES ANNUAL UPDATE

Director Barbre advised that the Public Affairs & Legislation Committee recommended approval of this item as presented.

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board adopted the updated legislative policy principles as presented. Directors Barbre, Dick, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, JANUARY 2017

General Manager Hunter advised that the General Manager's report was included in the Board packet. He also announced that the District has received several requests to speak/present information on the Water Fix as a result of the Elected Officials' Forum, and that SDCWA issued a letter to each MET agency regarding rates.

Mr. Hunter announced that MWDOC has two new employees and asked WEROC Programs Manager Kelly Hubbard to introduce MWDOC's new Administrative Assistant, Janine Schunk to the Board. Mr. Hunter then introduced MWDOC's Director of Public Affairs, Damon Micalizzi, to the Board.

President Osborne asked about the status of the OC Flood Control issue, with Mr. Hunter responding that the Board of Supervisors deferred discussion until February and that a report would be made at the Executive Committee meeting on January 19th.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS

BOARD OF DIRECTORS

The Board members each reported on their attendance at the regular (and special) MWDOC Board and Committee meetings. In addition to these meetings, the following reports were made on conferences and meetings attended on behalf of the District.

Director Dick reported that he attended the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board

and Regular Board meetings, the Elected Officials Forum, and the Ethics Training. He also reported on attending the MWDOC MET Director meetings (2), the MET Caucus, the MET Committee and Board meetings, the WACO and WACO Planning meetings, the Garden Grove Chamber of Commerce meeting, and the Urban Water Institute Planning meetings. He announced that the Urban Water Institute would be holding its conference February 8-10, in Palm Springs and encouraged all to attend.

Director Barbre reported that he attended the following meetings in his capacity as MET Director: MWDOC MET Directors meeting, MWDOC Caucus meeting, MET Caucus meeting, WACO, the fourth Tuesday MET Committees along with dinner with the Los Angeles MET delegation, MET Board and Committees, and a meeting with Brad Hiltcher regarding MET lobbying issues. For MWDOC he attended the Board and Workshop Board meetings, the Planning & Operations, Administration & Finance, and Public Affairs & Legislation Committee meetings, as well as the Yorba Linda Water District Board meeting, the Elected Officials Forum, and a legislative trip to Washington, DC (he provided an overview of his meetings held in Washington, DC).

Director Tamaribuchi attended all scheduled MWDOC Board and Committee meetings in January, the WACO meeting, the OCBC Infrastructure meeting (at which Karl Seckel spoke on the Water Fix), and a conference call with MET staff and representatives from CoastKeepers. He suggested staff develop a briefing paper on the Water Fix for OCBC's to use on their advocacy trip to Sacramento in March.

Director Thomas reported on attending the Workshop Board meeting, the Administration & Finance, Planning & Operations, and Executive Committee meetings, the Santa Margarita Water District Board Meeting wherein he conducted the Oaths of Office, the Tustin City Council meeting, the Colorado River Water Users Association conference, the ACWA conference, the OC Water Summit planning meetings, and the Ethics Training.

Director Yoo Schneider advised that she attended the MWDOC Planning & Operations, Administration & Finance, and Public Affairs & Legislation Committee meetings, the Workshop Board and Regular Board meetings, the Elected Officials Forum, the Irvine Ranch Water District meeting, and the San Juan Basin Authority meeting. She stated that she would be attending the meeting with South County agencies at the end of February, as well as a presentation at UCI later in the day.

President Osborne reported that he attended the Workshop and Regular Board meetings, the Planning & Operations Committee, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the Elected Officials Forum, the WACO meeting (1/7), and the Ethics Training.

Director Barbre highlighted an item that was discussed in Committee, but not presented to the Board, namely, to consider the adoption of a Joint Resolution with OCWD regarding the Poseidon Huntington Beach Project, and requested this item be placed on an upcoming agenda for discussion. It was noted that the Executive Committee would be reviewing the upcoming agendas and could be discussed then.

Director Barbre then addressed Administrative Code Section 1307(a)(8) wherein the General Manager has the authority to remove an item from an agenda with the concurrence of the

Committee Chair and would like the Board to review this item for possible revisions. It was noted that the Executive Committee would review this item and place it on the appropriate agenda.

Responding to an inquiry from Director Barbre, Legal Counsel Byrne then briefly provided some comments regarding the differences between an Ad Hoc (or Special) Committee and a Standing Committee, noting that an Ad Hoc Committee has a specific purpose, of a limited duration, and does not have a regular meeting schedule. Mr. Byrne also stated that in the event the Board creates a Desalination Standing Committee, it is not required to meet on a monthly basis.

IRWD Director Doug Reinhart commented that he would support MWDOC organizing a workgroup (with the member agencies) to discuss desalination.

It was noted that the issue of a potential desalination committee (either Ad Hoc, Standing, or Joint) would be discussed at the Executive Committee and, if necessary, placed on an appropriate agenda.

ADJOURNMENT

There being no further business to come before the Board, President Osborne adjourned the meeting at 9:11 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary