

MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
January 21, 2009

At 8:30 a.m. President Clark 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. Director Barbre led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Ergun "Eric" Bakall  
Brett R. Barbre  
Wayne A. Clark  
Larry Dick  
Joan C. Finnegan  
Susan Hinman  
Ed Royce, Sr.

**STAFF**

Kevin Hunt, General Manager  
Karl Seckel, Assistant Gen. Mgr. (absent)  
Dan Payne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Phil Letrong, Finance Manager  
Kelly Hubbard, WEROC Programs Coord.  
David Cordero, Dir. of Governmental Affairs  
Harvey De La Torre, Principal Analyst  
Richard Bell, Principal Engineer

**ALSO PRESENT**

Dick Dietmeier  
Bob Moore  
Trudy Ohlig-Hall  
Lee Pearl  
Chris Townsend  
Heather Dion  
Diana Leach

South Coast Water District  
South Coast Water District  
Mesa Consolidated Water District  
Mesa Consolidated Water District  
Townsend Public Affairs  
Townsend Public Affairs  
Golden State Water Company

**PUBLIC PARTICIPATION/PUBLIC COMMENT**

President Clark 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. Clark 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**

Determine need and take action to agendize items(s), which arose subsequent to the posting of the Agenda. (ROLL CALL VOTE: Adoption of this recommendation requires a two-thirds vote of the Board members present or, if less than two-thirds of the Board members are present, a unanimous vote.)

No items were added to the agenda.

**EMPLOYEE SERVICE AWARDS**

President Clark then presented an Above and Beyond Award of Excellence to Kelly Hubbard for her outstanding efforts in 2008.

**CONSENT CALENDAR**

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

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (7-0), the Board approved the Consent Calendar items as follows:

**MINUTES**

The following minutes were approved as presented.

December 3, 2008 Adjourned Workshop Board Meeting  
December 17, 2008 Regular Board Meeting

**COMMITTEE MEETING REPORTS**

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

Planning & Operations Committee Meeting: December 1, 2008  
Administration & Finance Committee Meeting: December 10, 2008  
Public Affairs & Legislation Committee Meeting: December 15, 2008  
Executive Committee Meeting: December 16, 2008

**TREASURER'S REPORTS**

The following items were ratified as presented.

MWDOC Revenue/Cash Receipt Register as of December 31, 2008  
MWDOC Disbursement Register as of December 31, 2008

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, 2008

Water Use Efficiency Projects Cash Flow

**FINANCIAL REPORT**

The following items were received and filed as presented.

Financial Statement and Budget Comparative Report for the Period Ending November 30, 2008

**DISTRICT CONFERENCES**

The Board authorized attendance by Directors and such members of District staff as approved by the General Manager, at the following conferences:

- a. National Water Resources Association Federal Water Seminar, March 30-April 1, 2009, Washington, DC
- b. Association of California Water Agencies (ACWA) Legislative Symposium, March 18, 2009, Sacramento, CA
- c. Water Transfers and Supply Development Conference, March 5, 2009, Santa Barbara, CA

**END CONSENT CALENDAR**

**ACTION CALENDAR**

**AMENDMENT AND RESTATEMENT OF THE MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (MWDOC) MONEY PURCHASE PENSION PLAN**

Upon MOTION by Director Bakall, seconded by Director Finnegan, and carried (7-0), the Board (1) adopted RESOLUTION NO. 1839 amending and restating the MWDOC Money Purchase Pension Plan, effective January 1, 2008; (2) approved the Plan Trust Agreement to be signed by all Trustees (MWDOC Directors); and (3) authorized distribution of the Plan Summary to all Pension Plan participants. Said RESOLUTION NO. 1830 was adopted by the following roll call vote:

AYES: Directors Bakall, Barbre, Clark, Dick, Finnegan, Hinman & Royce  
NOES: None  
ABSENT: None  
ABSTAIN: None

**ADOPT RESOLUTION RATIFYING THE EMPLOYER PAID MEMBER CONTRIBUTIONS TO CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CalPERS)**

Upon MOTION by Director Bakall, seconded by Director Finnegan, and carried (7-0), the Board adopted RESOLUTION NO. 1840 ratifying the employer paid member contributions to CalPERS and to submit a copy to CalPERS for its records, by the following roll call vote:

AYES: Directors Bakall, Barbre, Clark, Dick, Finnegan, Hinman & Royce  
NOES: None  
ABSENT: None  
ABSTAIN: None

**AUTHORIZE ATTENDANCE AT HIGH LEVEL SYMPOSIUM ON WATER SECURITY**

President Clark advised that the proposal to authorize Kelly Hubbard's attendance at the High-Level Symposium on Water Security at the United Nations in New York on February 4-6, 2009 was before the Board for consideration.

Responding to an inquiry by Director Dick, Ms. Kelly Hubbard advised that the office Homeland Security has identified water utilities as first responders in an emergency.

Director Hinman advised that pursuant to her involvement with the Orange County Emergency Management meetings, it may be prudent to remind law enforcement agencies (such as the Sheriff's department) that water utilities have been identified as first responders. Director Dick concurred, suggesting that letters be sent to police departments, etc. clarifying the water district's role in an emergency (as a result of lessons learned from the Yorba Linda fire).

Dick Deitmeier (South Coast Water District) commented that a first responder may be identified differently as a result of a terrorist attack (rather than a natural disaster). He noted that there were many issues requiring clarification and he suggested training sessions for the client agencies.

Upon MOTION by Director Bakall, seconded by Director Finnegan, and carried (7-0), the Board authorized Kelly Hubbard's attendance at the High-Level Symposium on Water Security at the United Nations in New York City, New York on February 4-6, 2009.

**RENEWAL OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH TOWNSEND PUBLIC AFFAIRS, INC. (TPA) AND STATE LEGISLATIVE PRIORITIES FOR 2009**

Director Bakall requested that a provision be added to the TPA contract requiring a representative from TPA to attend the MWDOC Board meetings (as well as the Public

Affairs & Legislation Committee) for regular updates. Mr. Townsend confirmed that this could be done.

Upon MOTION by Director Barbre, seconded by Director Bakall, and carried (6-0), the Board approved a contract renewal with Townsend Public Affairs, Inc. for state legislative advocacy services for the 2009 calendar year, at a cost not to exceed \$7,500 per month, plus expenses. The Board also approved the supplemental contract with Townsend Public Affairs, Inc. for targeted federal legislative advocacy services for the 2009 calendar year, at a cost not to exceed \$2,500 per month, plus expenses. Director Hinman was absent from voting.

### **EXTENSION OF WASHINGTON, DC COUNSEL CONTRACT WITH JAMES C. BARKER AND FEDERAL LEGISLATIVE PRIORITIES FOR 2009**

Upon MOTION by Director Barbre, seconded by Director Dick, and carried (6-1), the Board approved a contract extension with James C. Barker for Washington, DC counsel services at a cost not to exceed \$6,000 per month, plus expenses. The Board also authorized up to three trips on federal issues for the first quarter of 2009, not including the ACWA DC conference in February for our Orange County Congressional Delegation Water Issues briefing and luncheon. Director Bakall voted no.

President Clark requested that the travel issue be discussed by the Executive Committee, noting his preference to authorize travel for the year (which would allow travel on short-notice).

### **ESTABLISHMENT OF LEGISLATIVE POSITIONS**

Director Hinman requested that the position on AB 55 (Jeffries re water supply planning) be changed from a "support" to "watch" position.

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (6-0), the Board adopted the following positions:

AB 25 (Gilmore re Surface Water Storage)	Support
AB 28 (Jeffries re natural gas engines)	Support
AB 39 (Huffman re Sacramento San Joaquin Delta)	Watch
AB 49 (Feuer/Huffman re water conservation)	Watch
AB 55 (Jeffries re water supply planning)	Watch
SB 42 (Corbett re Coastal Resources)	Watch/Seek Amendments

(Director Bakall abstained from voting)

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

Secretary Goldsby conducted the election of the President of the Board. Ms. Goldsby opened the nominations. Director Finnegan nominated Director Clark to the office of President. Director Bakall concurred in the nomination of Mr. Clark. With no further nominations, the nominations were closed.

Upon MOTION by Director Finnegan, seconded by Director Bakall, and carried (7-0), the Board adopted RESOLUTION NO. 1841, Electing Wayne A. Clark as President of the Board, by the following roll call vote:

AYES:	Directors Bakall, Barbre, Clark, Dick, Finnegan, Hinman, Royce
NOES:	None
ABSENT:	None
ABSTAIN:	None

The nominations for Vice President were then opened. Director Clark nominated Director Finnegan to the office of Vice President; and Director Bakall concurred with the nomination.

Upon MOTION by Director Clark, seconded by Director Bakall, and carried (7-0), the Board adopted RESOLUTION NO. 1842, Electing Joan Finnegan as Vice President of the Board, by the following roll call vote:

AYES:	Directors Bakall, Barbre, Clark, Dick, Finnegan, Hinman, Royce
NOES:	None
ABSENT:	None
ABSTAIN:	None

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

President Clark advised that the appointment of the District's Secretary, Treasurers, and Legal Counsel was before the Board for consideration.

Upon MOTION by Director Royce, seconded by Director Hinman, and carried (7-0), the Board adopted RESOLUTION NO. 1843 appointing Maribeth Goldsby as Board Secretary, Phil Letrong as Treasurer, Judy Pfister as Deputy Treasurer, Kevin P. Hunt as Alternate Deputy Treasurer, and Russell G. Behrens as Legal Counsel by the following roll call vote:

AYES:	Directors Bakall, Barbre, Clark, Dick, Finnegan, Hinman, Royce
NOES:	None
ABSENT:	None
ABSTAIN:	None

Director Bakall commented that he believed it would be prudent for the Board to provide

comments on the Board Secretary's performance evaluation; he requested staff develop a procedure for the Board to provide these comments. The Board concurred.

## **INFORMATION CALENDAR**

### **GENERAL MANAGER'S REPORT, DECEMBER 2008**

General Manager Hunt advised that the General Manager's report was included in the Board packet.

Responding to an inquiry Director Hinman referenced a meeting Mr. Hunt had with HDR regarding MET's support on desalination, Mr. Hunt noted HDR is a consultant currently assisting the District on desalination issues. Mr. Bakall requested a copy of the contract provisions.

Director Finnegan commented on the Orange County Operational Area Executive Board meeting, noting that she attended the meeting (as alternate for Susan Hinman); it was noted the report would be revised to reflect this.

The Board received and filed the report as presented.

## **MWDOC GENERAL INFORMATION ITEMS**

### **BOARD OF DIRECTORS**

In addition to the regular MWDOC Board and Committee meetings attended by the Directors, the following reports were made on conferences and meetings attended on behalf of the District.

Director Barbre advised that he is currently working with Yorba Linda Water District on lessons learned from as a result of the recent fire. He also reported on a legislative trip he attended in Washington, DC (with Karl Seckel), and his attendance at the Colorado River Water Users Association annual meeting in Las Vegas.

Director Dick reported on a meeting he had with Supervisor Campbell regarding the future of East Orange County Water District, a meeting with representatives of Poseidon Resources, and the East Orange County Water District Board meeting.

Director Royce stated that he attending the League of Cities meeting and the Orange County Business Council Infrastructure Committee meeting.

Director Finnegan reported on attending the WACO meeting. She announced that ISDOC would host its quarterly luncheon on January 29, 2009, and that she would be attending the ACWA Board meeting (with JPIA meeting) at the end of January.

Director Bakall reported on attending a number of meetings with MET staff regarding capital projects and legal issues.

Director Hinman reported on attending the WACO meeting, the Moulton Niguel Water District Board meeting, and the San Juan Basin Authority meeting.

Director Clark advised that he was asked to participate on the California Special Districts Association legislative committee (which he accepted). As a result, he attended a CSDA legislative committee meeting in Sacramento.

**CLOSED SESSION**

At 9:20 a.m., Legal Counsel Payne announced that pursuant to Government Code Section 54957, the Board would adjourn to closed session to discuss the performance evaluation of the General Manager.

**RECONVENE**

The Board reconvened in open session at 11:15 a.m., and President Clark announced that no reportable action was taken in closed session.

**ADJOURNMENT**

There being no further business to come before the Board, President Clark adjourned the meeting at 11:16 a.m.

**APPROVED**

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Wayne A. Clark, President

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Maribeth Goldsby, Secretary