

MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
September 17, 2008

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 Hinman led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

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

STAFF

Kevin Hunt, General Manager
Karl Seckel, Assistant Gen. Mgr.
Dan Payne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Principal Analyst
David Cordero, Dir. of Governmental Affairs
Joe Berg, Water Use Efficiency Prog. Mgr.
Darcy Burke, Dir. of Public Affairs
Keith Lyon, Principal Analyst
Crystal Boteler, WEROC Intern

ALSO PRESENT

Lee Pearl
Trudy Ohlig-Hall
Mike Dunbar
Dick Dietmeier
John Kennedy
Donald Ritze

Mesa Consolidated Water District
Mesa Consolidated Water District
South Coast Water District
South Coast Water District
Orange County Water District

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. President Clark asked whether there were any comments on other items which would be heard at this time.

Ms. Trudy Ohlig-Hall commented on MET's Integrated Resources Plan meetings, noting they have been excellent. She commented on the need to educate the public on the water shortage issues.

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.)

Although no items were added to the agenda, General Manager Hunt requested that the Board defer Item 6-4 (Request to Convert Part-Time Accounting Technician Position to Full-Time) until the October meeting to allow further review by the Administration & Finance Committee. The Board concurred.

EMPLOYEE SERVICE AWARDS

President Clark presented awards to Crystel Boteler for going above and beyond with her service to the District (for her efforts with the Chino Hills earthquake), Keith Lyon for assisting IRWD in developing a new pumping operating plan to meet BPP requirements, and to Lee Jacobi (who was absent) for assisting the Santa Margarita Landscape and Recreation Corporation Homeowners Association in developing twenty years of historical rain information.

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 Royce, seconded by Director Finnegan, and carried (5-0), the Board approved the Consent Calendar items as follows:

MINUTES

The following minutes were approved as presented.

July 16, 2008 Regular Board Meeting
August 6, 2008 Workshop Board Meeting
August 12, 2008 Special Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: July 14, 2008
Administration & Finance Committee Meeting: August 13, 2008
MWDOC/OCWD Joint Planning Committee: July 23, 2008

TREASURER'S REPORTS

The following items were ratified as presented.

MWDOC Revenue/Cash Receipt Register as of August 31, 2008
MWDOC Disbursement Register as of August 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 July 31, 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 July 31, 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. Design/Build Institute of America, September 16, 2008, Long Beach
- b. Alden Research, Desalination Intake Solutions Workshop, October 16-17, 2008, Holden, MA (attendance by Richard Bell)

2008 CONFLICT OF INTEREST BIENNIAL REVIEW

The Board authorized staff to submit the 2008 Biennial Review notice to the Orange County Clerk of the Board of Supervisors indicating that no amendments (to the District's Conflict of Interest Code) are necessary at this time.

END CONSENT CALENDAR

ACTION CALENDAR

ATTENDANCE AT THE URBAN WATER INSTITUTE ANNUAL CLEAN WATER CONFERENCE, OCTOBER 30-31, 2008

Upon MOTION by Director Dick, seconded by Director Hinman, and carried (5-0), the Board authorized attendance by Directors, and such members of District staff as approved by the General Manager.

CONTINUATION OF THE LANDSCAPE PERFORMANCE CERTIFICATION PROGRAM

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (5-0), the Board (1) authorized the use of budgeted funds in the amount of \$45,000, which will be matched by an additional \$45,000 from Metropolitan, for program implementation; and (2) authorized the General Manager to renew the Agreement with ConserVision in the amount of \$90,000 for continued implementation of the Landscape Performance Certification Program.

Director Hinman requested that staff modify or re-format the footer on the Action Sheet to more clearly identify all monies involved with a project (including grant funding, etc.).

AUTHORIZATION TO AWARD CONSULTING CONTRACT FOR HOTEL WATER USE REDUCTION PROGRAM

Water Use Efficiency Programs Manager Joe Berg presented information regarding the proposed consulting contract for the Hotel Water Use Reduction Program, noting that this item was recommended for approval by the Planning & Operations Committee.

Mr. Berg advised that the proposed program would be funded by grant money, but that MWDOC's contribution would be in-kind services of \$113,000 over the next three years.

Ms. Trudy Ohlig-Hall commented that this program should be emphasized in the water community at conferences (e.g. eliminating water bottles from banquet tables, etc.).

Responding to a comment by Director Dick regarding the possible sales of linen cards to the hotel industry, Mr. Lee Pearl (Mesa Consolidated Water District) commented that it would be prudent to personalize linen cards and update them to reflect the current water situation.

Upon MOTION by Director Finnegan, seconded by Director Royce, and carried (5-0), the Board authorized the General Manager to (1) enter into a Consulting Contract with WaterWise Consulting, Inc., to administer the Hotel Water Use Reduction Program using DWR Proposition 50 grant funds in the amount of \$307,125; (2) add \$375,000 of DWR grant funds to Save Water Save A Buck Program incentives for hotels in Orange County through an existing agreement between MWDOC and Metropolitan; (3) use \$24,125 in DWR grant funds for Program marketing and contingencies; and (4) use the remaining \$35,314 in DWR grant funds to reimburse MWDOC for project management staffing costs, including a temporary/part-time project coordinator.

REQUEST TO CONVERT PART-TIME ACCOUNTING TECHNICIAN TO FULL-TIME

Upon unanimous consent, this item was deferred to the Administration & Finance Committee for further review.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, SEPTEMBER 2008

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

Mr. Hunt reported that WEROC Program Manager Kelly Hubbard traveled to Texas to assess the issues facing the water community as a result of Hurricane Ike; a report of her findings will be made at an upcoming Board meeting.

Director Dick referenced an interview with *World Water News* (by Director Clark and Mr. Hunt) and requested a copy of the interview be distributed to the Board.

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 Dick reported on attending MET's Integrated Resources Plan (IRP) forum meeting, a meeting of the Black Chamber of Commerce wherein Gil Ivey was honored, a film presentation by the Urban Water Institute, the WACO Planning Committee meeting, the California Coast Watchers program, and the Serrano Water District Board meeting.

Director Royce reported on his attendance at Jack Foley's retirement event, MET's IRP forum meeting, and the ACWA Federal Affairs Committee meeting.

Director Finnegan reported that she attended the WACO Planning Committee meeting, the ISDOC Executive Committee meeting, and the ACWA/JPIA Board meeting wherein an evaluation of its General Manager was conducted. She noted that she would be attending the ACWA Board meeting on September 25-26, 2008, and that ISDOC would hold its quarterly luncheon on October 30, 2008.

Director Hinman reported on attending the WACO meeting, a meeting with representatives from the Laguna Beach County Water District, a meeting with Darcy Burke along with a taped interview at the Trinity Broadcasting Network, and the San Juan Basin Authority meeting. She commented on the high number of conservation messages conveyed via San Diego radio.

Director Clark reported on attending MET's Integrated Resources Plan workshop, and the ACWA Federal Affairs Committee meeting. He noted that the National Water Resources Association Annual Meeting would be held in November and he encouraged attendance by the water community.

CLOSED SESSION

At 9:15 a.m., Legal Counsel Payne announced that the Board would adjourn to closed session, pursuant to Government Code Section 54956.9(c) (one case) for a conference with legal counsel.

RECONVENE

The Board reconvened at 10:10 a.m. and Legal Counsel Payne 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 10:12 a.m.

APPROVED

Wayne A. Clark, President

Maribeth Goldsby, Secretary