

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
December 17, 2014**

At 8:30 a.m. Vice 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. General Manager Hunter led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Brett R. Barbre  
Larry Dick (arr. at 8:40 a.m.)  
Joan Finnegan (absent)  
Susan Hinman  
Wayne Osborne  
Sat Tamaribuchi  
Jeffery M. Thomas

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Russ Behrens, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Prin. Water Res. Planner  
Cathy Harris, Administrative Services Manager  
Heather Baez, Governmental Affairs Manager  
Darcy Burke, Director of Public Affairs

**ALSO PRESENT**

Isabelle Safie  
Linda Ackerman  
Larry McKenney  
William Kahn  
Ken Vecchiarelli  
Doug Reinhart  
Paul Weghorst  
Ray Miller  
Chuck Gibson  
Rick Erkeneff  
Andy Brunhart  
Bill Green  
Gary Melton  
Heather Stratman  
Betsy Eglash

Best, Best & Krieger  
MWDOC MET Director  
MWDOC MET Director  
El Toro Water District  
Golden State Water Company  
Irvine Ranch Water District  
Irvine Ranch Water District  
City of San Juan Capistrano  
Santa Margarita Water District  
South Coast Water District  
South Coast Water District  
South Coast Water District  
Yorba Linda Water District  
Townsend Public Affairs  
Brady & Associates

**PUBLIC PARTICIPATION/PUBLIC COMMENT**

Vice 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**

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 presented.

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

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

Mr. Hunter advised that the write ups from the Public Affairs & Legislation Committee were revised to reflect the Committee's recommendation and distributed at the meeting.

**EMPLOYEE SERVICE AWARDS**

No service awards were presented.

**CONSENT CALENDAR**

Vice President Osborne 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 Barbre, seconded by Director Thomas, and carried (5-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Hinman, Osborne, Tamaribuchi and Thomas voted in favor. Directors Dick and Finnegan were absent.

**MINUTES**

The following minutes were approved.

- November 5, 2014 Workshop Board Meeting
- November 6, 2014 Special Board Meeting
- November 19, 2014 Board Meeting

**COMMITTEE MEETING REPORTS**

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

- Planning & Operations Committee Meeting: November 3, 2014
- Administration & Finance Committee Meeting: November 12, 2014
- Public Affairs & Legislation Committee Meeting: November 10, 2014
- Executive Committee Meeting: November 20, 2014

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of November 30, 2014  
MWDOC Disbursement Registers (November/December)

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 October 31, 2014

PARS Monthly Statement (OPEB Trust)

Water Use Efficiency Projects Cash Flow

### **FINANCIAL REPORT**

The following items were received and filed as presented.

Combined Financial Statements and Budget Comparative for the period ending  
October 31, 2014

Audit Report for Fiscal Year 2013-14

### **NOVEMBER 2014 ELECTION CERTIFICATES**

The Board received and filed the Certificates of Election for Satoru "Sat" Tamaribuchi  
(Division 5) and Brett Barbre (Division 1), and the Certificate of Appointment in Lieu of  
Election for Larry Dick (Division 2).

### **DISTRICT CONFERENCE**

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

California Special Districts Association "Introduction to Good Governance  
Principles," January 22, 2015 at MWDOC

### **TRAVEL TO WASHINGTON DC IN 2015 TO COVER FEDERAL INITIATIVES**

The Board received and filed the report regarding the outlined travel to Washington, DC in  
2015 to cover Federal initiatives.

### **END CONSENT CALENDAR**

(President Dick arrived at 8:40 a.m. and assumed the role as Chair of the meeting.)

**ACTION CALENDAR****APPROVAL OF REVISED PERSONNEL MANUAL**

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (6-0), the Board approved the revisions to the Personnel Manual as presented. Directors Barbre, Dick, Hinman, Osborne, Tamarabuchi and Thomas voted in favor. Director Finnegan was absent.

**RENEWAL OF LONG-TERM DISABILITY, LIFE INSURANCE AND EMPLOYEE ASSISTANCE PROGRAM PLANS**

Upon MOTION by Director Barbre, seconded by Director Osborne, and carried (6-0), the Board (1) authorized the change in the District's Life Insurance Program to National Joint Power Alliance (NJPA) which is a pooled product for through Sun Life, as proposed by Alliant (broker); (2) authorized the change in the District's Employee Assistance Program to NJPA (from ACWA's MHN plan), effective 3/1/15; (3) authorized the change in the Long-Term Disability program carrier to Lincoln National, as proposed by WSP (broker); (4) authorized the General Manager to execute the required membership agreement with National Joint Power Alliance (NJPA) with an effective date of January 1, 2015 for the life insurance, and an effective date for the Employee Assistance Program to March 1, 2015; and (5) authorized staff to send the notice to ACWA/JPIA of the District's intent to terminate its participation in the Employee Assistance Program (EAP), effective February 28, 2015. Directors Barbre, Dick, Hinman, Osborne, Tamarabuchi and Thomas voted in favor. Director Finnegan was absent.

**AMENDMENT TO THE MWDOC MONEY PURCHASE PENSION PLAN**

Upon MOTION by Director Barbre, seconded by Director Thomas, and carried (6-0), the Board adopted RESOLUTION NO. 1999 amending the District's Money Purchase Pension Plan as presented, by the following roll call vote:

AYES: Directors Barbre, Dick, Hinman, Osborne, Tamarabuchi and Thomas  
 NOES: None  
 ABSENT: Director Finnegan  
 ABSTAIN: None

**EXTENSION OF STATE LEGISLATIVE ADVOCACY CONTRACT WITH TOWNSEND PUBLIC AFFAIRS, INC.**

President Dick advised that the Public Affairs & Legislation Committee reviewed this item and recommended that the Board approve an extension to the Townsend Public Affairs (TPA) contract through 2015, at the rate of \$7500 per month through June 30, 2015 and that the Board determine an increase to that rate during the 2015/16 budget preparation process. He advised that although TPA is requesting an increase to \$8500 per month with this contract extension, the FY 2014/15 budget is for \$7500 per month.

Director Osborne made a MOTION to approve the extension to the TPA contract for 2015, at the rate of \$7500 per month through June 30, 2015, and the rate of \$8500 per month for the period July 1, 2015-December 31, 2015. Director Hinman seconded the MOTION.

Discussion ensued regarding whether to approve an increase prior to adopting the budget, and Director Barbre suggested the Board approve the contract extension through December 31, 2015 at the rate of \$7500 per month, but direct staff to include an augmentation of \$1000 per month during the FY 2015/16 budget process, with the Board to reconsider the extension in July (with the new amount). Director Osborne agreed to amend his MOTION.

Upon MOTION by Director Osborne, seconded by Director Hinman, and carried (5-1), the Board approved extending the contract with Townsend Public Affairs through December 31, 2015 at the rate of \$7500 per month, and directed staff to include an additional \$1000 (per month) to the TPA budget during the FY 2015/16 budget process for consideration by the Board. This item will return to the Board for consideration in July 2015. Directors Barbre, Dick, Osborne, Tamarabuchi and Thomas voted in favor. Director Hinman voted in opposition, and Director Finnegan was absent.

#### **EXTENSION OF CONSULTING CONTRACT WITH LEWIS CONSULTING GROUP**

Upon MOTION by Director Osborne, seconded by Director Hinman, and carried (6-0), the Board approved the one-year extension of the contract with Lewis Consulting Group for specialized services.

#### **ANNUAL REVIEW OF LEGISLATIVE POLICY PRINCIPLES**

President Dick reported that the Public Affairs & Legislation Committee suggested this item be deferred until January 2015. Director Barbre commented that the principles were broad enough and could be changed at any time; he commended Ms. Baez on her efforts. Following discussion, the Board deferred further discussion on this item until January.

#### **INFORMATION CALENDAR**

##### **GENERAL MANAGER'S REPORT, DECEMBER 2014**

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

Mr. Hunter highlighted that the MET Board approved Water Supply Allocation Plan, and that MWDOC was working with OCWD regarding the Purchase Order System.

President Dick commended all of the MWDOC MET Directors, as well as staff for their efforts with the Water Supply Allocation Plan.

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 Barbre reported on attending the MWDOC and MET regular meetings, as well as a legislative trip to Washington, DC (as well as Mr. Barker's daughter's funeral), the quarterly meeting with OCWD and Yorba Linda Water District (YLWD), the YLWD Board meeting, a meeting with the Ad Hoc Committee re the Administrative Code, the Brea City Council swearing-in ceremony, and a Colorado River Aqueduct inspection trip. Mr. Barbre also attended the Colorado River Water Users Association conference. He commended both Rob Hunter and Harvey De La Torre on their efforts with respect to MET's Water Supply Allocation Plan.

Director Osborne noted his attendance at the MWDOC Board and Committee meetings, the WACO meeting, the ACWA conference (which included a sexual harassment training).

Director Tamaribuchi reported that he attended the ACWA Conference, the Colorado River Water Users Association Conference, and MWDOC's PAL meeting since becoming a Director.

Director Thomas reported on attending the Administration & Finance Committee meeting, the Board meeting, the Executive Committee meeting, and the ACWA conference.

Director Hinman advised that she attended the MWDOC Board and Committee meetings, as well as the Laguna Hills High School ribbon cutting ceremony for its turf program. Director Hinman noted that she also attended the ACWA Conference (including the Local Government Committee meeting), the South Coast Water District Board meeting wherein she presented plaques to those directors retiring, a tour of the Dana Point Desalination facility, the San Juan Basin Authority meeting, a briefing with Moulton Niguel Water District staff regarding their Water Reliability Study, and the WACO meeting.

Director Dick reported on attending the MWDOC and MET regular meetings, as well as the OC Taxpayers Association meeting, the South Orange County Chamber of Commerce meeting, the Serrano Water District Board meeting, the Urban Water Institute planning meetings, the ACWA conference, a meeting with UGMO (regarding soil moisture sensors), the WACO Planning and WACO meetings, the Association of Corporate Growth meeting. Mr. Dick advised that he would be meeting with Senator Huff later in the week regarding the Bay Delta.

Director Osborne referenced a recent article in the *LA Times* regarding water reliability and asked staff to obtain more information on the information referenced in the article.

**CLOSED SESSION**

At 9:17 a.m., Legal Counsel Behrens announced that the Board would adjourn to closed session for the following matter:

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**

Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of section 54956.9 (one case)

**RECONVENE**

At 10:43 a.m., the Board reconvened and announced that no reportable action was taken in closed session.

**ADJOURNMENT**

There being no further business to come before the Board, President Dick adjourned the meeting at 10:44 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary