

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
December 16, 2015**

At 8:30 a.m. President Dick 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. South Coast Water District Director Dennis Erdman led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick
Joan Finnegan
Susan Hinman
Wayne Osborne
Sat Tamaribuchi
Jeffery M. Thomas

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager (absent)
Russell Behrens, Legal Counsel
Maribeth Goldsby, Board Secretary
Cathy Harris, Admin. Services Manager
Harvey De La Torre, Associate General Mgr.
Jonathan Volzke, Public Affairs Manager
Melissa-Baum Haley, WUE Prog. Specialist

ALSO PRESENT

Larry McKenney
William Kahn
Rick Erkeneff
Dennis Erdman
Andy Brunhart
Steve Conklin
Richard Eglash

MWDOC MET Director
El Toro Water District
South Coast Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Brady & Associates

PUBLIC PARTICIPATION/PUBLIC COMMENT

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

No public 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.

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

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

General Manager Hunter advised that a revised write up for Item 7-2 (Recommendation on Rate Study RFP) was distributed to the Board and made available to the public.

CONSENT CALENDAR

President Dick 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 Thomas, seconded by Director Finnegan, and carried (7-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi, and Thomas voted in favor.

MINUTES

The following minutes were approved.

- November 4, 2015 Workshop Board Meeting
- November 5, 2015 Special Board Meeting
- November 18, 2015 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

- Planning & Operations Committee Meeting: November 2, 2015
- Administration & Finance Committee Meeting: November 12, 2015
- Public Affairs & Legislation Committee Meeting: November 16, 2015
- Executive Committee Meeting: November 19, 2015

TREASURER'S REPORTS

The following items were ratified and approved as presented.

- MWDOC Revenue/Cash Receipt Register as of November 30, 2015
- 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, 2015

- 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, 2015

Audited Annual Financials for FY 2014-15

SECONDARY ASSIGNMENT OF SURPLUS MET ALLOCATION

The Board ratified the General Manager’s action (per the Executive Committee’s request) to offer OCWD an additional secondary assignment of currently unused water from the Metropolitan Water District of Southern California (MET) allocation to MWDOC of 7,000 AF of imported water for groundwater replenishment, and authorize the General Manager to offer additional water to OCWD as it becomes available.

APPROVAL OF COSTS OF REFURBISHMENT OF SHARED ADMINISTRATION COMMON AREAS WITH OCWD/REFURBISHMENT OF MWDOC OFFICE FACILITIES AND SHARED EXPENSES

The Board: (1) authorized the budget request for refurbishment project for both the Shared Administration Common Areas and work on the MWDOC building in the approximate amount of \$342,064 (MWDOC’s share); and (2) concurred with OCWD proceeding ahead with the work under a contract to be awarded by the OCWD Board with PDC Interiors; and (3) approved a total of \$228,680 for the joint work on the HVAC, Fire Alarm System Upgrades, Facility Signage and Air Duct Cleaning. (Combined total of \$570,744; and (4) directed staff to return to the Board in May 2016 with updated budget status prior to transferring funds from reserves.

END CONSENT CALENDAR

ACTION CALENDAR

BUREAU OF RECLAMATION WATERSMART GRANT RESOLUTION

Upon MOTION by Director Osborne, seconded by Director Finnegan, and carried (7-0), the Board adopted RESOLUTION NO. 2020 in support of MWDOC’s 2016 WaterSMART: Water and Energy Efficiency grant application to be submitted to the Bureau of Reclamation by January 20, 2016. Said RESOLUTION NO. 2020 was adopted by the following roll call vote:

AYES: Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi & Thomas
NOES:None
ABSTAIN: None
ABSENT: None

RECOMMENDATION ON RATE STUDY RFP

President Dick advised that the Planning & Operations Committee discussed this matter and recommended the Board approve a contract with Raftelis Financial Consultants, Inc. for rate study services.

Upon MOTION by Director Hinman, seconded by Director Finnegan, and carried (7-0), the Board authorized the General Manager to enter into a professional services contract with Raftelis Financial Consultants, Inc. for rate study services. Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi and Thomas voted in favor.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, DECEMBER 2015

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

Director Hinman asked that future reports regarding the WEROC quarterly meetings include the names of all attendees.

Responding to an inquiry from Director Barbre, Mr. Hunter provided a brief overview of a meeting he had with Dan Ferons, Jeff Kightlinger, and Debra Man regarding the Cadiz project, noting it was a status meeting on how to move forward.

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 Hinman reported on attending a meeting with representatives from South County, the Operational Area Executive Board meeting, the South Orange County Watershed Management Area Executive Committee meeting, the ACWA conference, a meeting with San Clemente's Mayor and City Manager (along with Karl Seckel), the WACO meeting, the Administration & Finance and Planning & Operations Committee meetings, the San Juan Utilities Commission meeting, and the Moulton Niguel Water District Board meeting wherein Larry Lizotte was honored.

Director Thomas stated that he attended the ACWA conference, a meeting with representatives from Santa Margarita Water District, the OC Water Summit Planning meetings, the Public Affairs & Legislation and Administration & Finance Committee meetings, and the MET Board meeting wherein he conducted the invocation.

Director Tamaribuchi noted his attendance at the MWDOC Committee and Board meetings (with the exception of the Public Affairs & Legislation meeting), the meeting with representatives from South County, the ACWA conference, the WACO meeting, the OCBC Infrastructure Committee meeting (wherein Karl Seckel presented information on the Reliability Study), and the Reliability Study Workshop meeting in Santa Ana.

Director Osborne reported on attending the Board and Committee meetings, as well as the ACWA conference, the OC Water Summit planning meetings, and the WACO meeting.

Director Finnegan noted her attendance at the Administration & Finance and Planning & Operations Committee meetings, as well as the ISDOC Executive Committee meeting and the Mesa Water District drought awareness event. Ms. Finnegan announced that the next ISDOC luncheon would be held on January 28th and encouraged all to attend.

Director Barbre reported on attending most of the MWDOC and MET regular meetings, as well as a legislative trip to Washington, DC, a Colorado River Aqueduct inspection trip with members of the Grand Jury, the YLWD ad hoc committee meeting, the YLWD Board meeting, the La Habra, Placentia, and Buena Park City Council meetings, the Poseidon dedication in Carlsbad, a luncheon meeting with Pat Scanlon (Golden State Water Company), and a visit to Washington Middle School regarding conservation efforts. Mr. Barbre highlighted an upcoming inspection trip to the State Water Project he would be hosting in February.

In addition to attending the MWDOC and MET meetings, Director Dick advised he attended the meeting with representatives from South County, a meeting with the Mayor of Mission Viejo, and the WACO Planning Committee meeting.

ADJOURNMENT

There being no further business to come before the Board, President Dick adjourned the meeting at 8:51 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary