

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
March 18, 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. SMWD Director Sandra Jacobs 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 (arr. at 8:45 am)

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Russ Behrens, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Cathy Harris, Admin. Services Manager  
Joe Berg, Water Use Efficiency Prog. Mgr.  
Heather Baez, Governmental Affairs Manager

**ALSO PRESENT**

Larry McKenney  
William Kahn  
Ken Vecchiarelli  
Sandra Jacobs  
Gary Melton  
Betsy Eglash  
Kelly Rowe

MWDOC MET Director  
El Toro Water District  
Golden State Water Company  
Santa Margarita Water District  
Yorba Linda Water District  
Brady & Associates  
Water Resource Consultant

**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 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**

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

President Dick pulled Item Nos. 7 (Travel to Washington, DC to Cover Federal Initiatives) and 8 (Travel to Sacramento to Cover State Initiatives), advising that these items were referred back to the Committee, pursuant to the Public Affairs & Legislation Committee's request.

Director Hinman pulled Item No. 6 (Travel Expenses for Legislative Staff on Metropolitan Water District of Southern California Inspection Trips).

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (6-0), the Board approved the balance of Consent Calendar items as follows. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Tamaribuchi voted in favor. Director Thomas was absent.

**MINUTES**

The following minutes were approved.

- February 4, 2015 Workshop Board Meeting
- February 18, 2015 Regular Board Meeting

**COMMITTEE MEETING REPORTS**

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

- Planning & Operations Committee Meeting: February 2, 2015
- Administration & Finance Committee Meeting: January 14, 2015
- Executive Committee Meeting: February 19, 2015

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

- MWDOC Revenue/Cash Receipt Register as of February 28, 2015
- MWDOC Disbursement Registers (February/March)

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 January 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 January 31, 2015

Quarterly Budget Review

**MEMBERSHIP IN THE ASSOCIATION OF METROPOLITAN WATER AGENCIES (AMWA)**

The Board approved membership in AMWA for fiscal year 2014-15.

**END CONSENT CALENDAR**

**ITEM PULLED FROM CONSENT CALENDAR FOR FURTHER DISCUSSION**

**TRAVEL TO WASHINGTON, DC TO COVER FEDERAL INITIATIVES**

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (6-0), the Board referred this item back to the Public Affairs & Legislation Committee. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Tamaribuchi voted in favor. Director Thomas was absent.

**TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES**

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (6-0), the Board referred this item back to the Public Affairs & Legislation Committee. Directors Barbre, Dick, Finnegan, Hinman, Osborne, and Tamaribuchi voted in favor. Director Thomas was absent.

**TRAVEL EXPENSES FOR LEGISLATIVE STAFF ON METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA (MET) INSPECTION TRIPS**

Director Hinman advised that she would be voting no on authorizing the expenditure of \$1404 in outstanding costs from the December 2014 inspection trip.

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (4-2), the

Board authorized payment of \$1404 in outstanding costs from the December 2014 inspection trip. Directors Barbre, Finnegan, Osborne, and Tamaribuchi voted in favor, Directors Hinman and Dick voted against, and Director Thomas was absent.

## **ACTION CALENDAR**

### **BUREAU OF RECLAMATION CALFED WATER USE EFFICIENCY GRANT RESOLUTION**

President Dick announced that the proposal to adopt a Resolution for the Bureau of Reclamation's CALFED Water Use Efficiency Grant was before the Board for consideration.

Upon MOTION by Director Osborne, seconded by Director Hinman, and carried (6-0), the Board adopted RESOLUTION NO. 2010, supporting a Bureau of Reclamation 2015 Bay-Delta Restoration Program: CALFED Water Use Efficiency grant application, to be submitted to the Bureau of Reclamation by March 20, 2015. Said RESOLUTION NO. 2010 was adopted by the following roll call vote:

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

### **TWO NEW OC WATER RELIABILITY STUDY AUTHORIZATIONS – (A) ANALYSIS AND MAPPING OF SEISMIC HAZARDS AND (B) FACILITY VULNERABILITY AND RECOVERY ASSESSMENT – AUTHORIZATION FOR PROFESSIONAL SERVICE AGREEMENTS**

Director Osborne advised that although this item passed through the Planning & Operations Committee, he opposed it because (1) the additional work brings the study to within \$1,000 of the total budget; (2) his belief that the basis of the Study is to identify any missing links in Orange County's supply reliability; and (3) he would like the Study to focus on what improvements need to be done now to fix any problems, instead of problems developed by earthquake damage. Mr. Osborne also expressed concern that the additional work may delay the Study's completion.

Responding to Mr. Osborne, Mr. Seckel advised that the work being proposed relates to system reliability, rather than supply reliability and that the original study completion date was slated for summer 2015 which has slipped to the fall; the new work will not further delay the schedule.

(Director Thomas arrived at 8:45 a.m.)

Upon MOTION by Director Barbre, seconded by Directors Hinman and Tamaribuchi, and carried (7-0), the Board authorized the General Manager to enter into two professional service agreements: (1) GeoPentech, Inc. in the approximate amount of \$77,600 to perform Part A Analysis and Mapping of Seismic Hazards and (2) G&E Engineering in the approximate amount of \$41,000 to perform Part B Facility Vulnerability and Recovery

Planning (the dollar amounts are subject to final negotiation). Both of these efforts will be utilized in the OC Water Reliability Study work. The additional work was presented to the OC Water Reliability Study Workgroup subcommittee who concurred with the approach and the consultant selection. Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi & Thomas voted in favor.

### **CONSIDER FINANCIAL PARTICIPATION IN SCIENCE FAIR**

President Dick advised that the Public Affairs & Legislation Committee did not recommend financial participation during the current budget year (as it was not included in the budget), and referred this item to the Administration & Finance Committee for discussion during the fiscal year 2015-16 budget process. The Board generally concurred.

### **SAN DIEGO GAS & ELECTRIC COMPANY SOUTH ORANGE COUNTY RELIABILITY ENHANCEMENT (SOCRE) PROJECT AUTHORIZATION TO SUBMIT COMMENTS IN SUPPORT OF THE PROJECT**

Upon MOTION by Director Osborne, seconded by Director Hinman, and carried (7-0), the Board authorized the General Manager to submit comments and present testimony before the California Public Utilities Commission at one of two project Public Hearings to be held on March 25, 2015 in San Juan Capistrano and San Clemente in support of the subject electrical reliability grid enhancement project for South Orange County. Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi & Thomas voted in favor.

### **INFORMATION CALENDAR**

#### **GENERAL MANAGER'S REPORT, MARCH 2015**

General Manager Hunter advised that the General Manager's report was included in the Board packet, noting that the first draft fiscal year 2015-16 budget was provided to the member agencies and that the District is awaiting comments.

Director Barbre requested corrections to the report, namely, adding Congresswoman Walters as an attendee to the ACWA Washington, DC briefing luncheon, and correcting the misspelled name and committee of Kiel Weaver, Staff Director of the Water, Power & Fisheries Subcommittee; it was noted these corrections would be made.

Responding to an inquiry from Mr. Barbre regarding the Public Affairs & Legislation Committee (PAL) belief that MWDOC's Policy Principles are too generic to share with legislators (as was done on a recent trip to Sacramento), Mr. Hunter noted that the PAL Committee feels the Policy Principles are too broad to justify a consistent program in both Washington, DC and Sacramento and that staff was asked to develop more specific goals for the legislative programs.

Mr. Seckel then provided a brief overview of the recent test exercise of a shutdown of the Orange County Feeder shutdown.

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 advised that she attended the MWDOC Board and Committee meetings, as well as the Orange County Water Association (OCWA) meeting, the WACO meeting, the Moulton Niguel Water District Board meeting, the Laguna Beach County Water District Board meeting (with the City Council), the San Juan Basin Authority meeting, the South Orange County Watershed Executive meeting (including a meeting with Joe Berg prior to this meeting), San Juan Utilities Commission meeting, and the South Coast Water District Board Meeting.

Director Thomas advised that he attended MWDOC's Administration & Finance Committee, as well as meetings with various South County agencies.

Director Tamaribuchi reported that he attended the MWDOC Board and Committee meetings (except the Executive Committee), the ACWA Legislative Conference in Washington, DC, the ACWA Legislative Symposium in Sacramento, the WACO meeting, the OCBC Infrastructure Committee meeting, and the dedication of the Mesa Water Reliability Facility.

Director Osborne noted his attendance at the MWDOC Board and Committee meetings, and the WACO meeting.

Director Finnegan advised that she attended the MWDOC Board meetings, the Committee meetings (Administration & Finance, Planning & Operations, and Public Affairs & Legislation Committees), as well as the ISDOC Executive Committee meeting, and the OC LAFCO's Collaborative Services Summit in Costa Mesa.

Director Barbre reported on attending the MWDOC and MET regular meetings, as well as the WACO meeting, the Brea City Council meeting, the Yorba Linda Water District Board meeting, the ACWA Legislative Conference in Washington, DC, the OCBC dinner featuring Senator Feinstein, and the Don Calkins retirement event.

Director Dick reported on attending the MWDOC and MET regular meetings, a meeting with General Manager Hunter regarding his performance review, the MET Executive Committee "pre-meeting," the MET Executive Committee, a planning meeting with the support team (at MET) regarding the upcoming Agriculture and Industry Committee meeting, a tour of the Cadiz/Fenner Valley, the South Orange County Economic Reform meeting, the ISDOC Executive Committee meeting, the Urban Water Institute conference, the OC Water Summit Planning meeting, and the WACO Planning Committee meeting.

Director Thomas announced that John Moorlach won the Senate race in the recent election and offered his congratulations.

**CLOSED SESSION**

At 9:08 a.m., Legal Counsel Behrens announced that the Board would adjourn to closed session on the following matters:

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**, Consider Initiation of Litigation pursuant to Paragraph (4) of subdivision (d) of Section 54956.9: (Two Cases).

**CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
Consideration of initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 (One Case).

**RECONVENE**

At 10:33 a.m., the Board reconvened and Legal Counsel Behrens 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 10:34 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary