

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
April 20, 2016**

At 8:30 a.m. Vice President Barbre 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. Mr. Gary Melton led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Ruben Duran, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Harvey De La Torre, Associate General Mgr.  
Jonathan Volzke, Public Affairs Manager  
Cathy Harris, Admin. Services Manager  
Heather Baez, Government Affairs Manager

**ALSO PRESENT**

Larry McKenney  
Linda Ackerman  
David Aleshire  
William Kahn  
Ken Vecchiarelli  
Mary Aileen Mathias  
John Kennedy  
Dennis Erdman  
Rick Erkeneff  
Andy Brunhart  
Gary Melton  
Richard Eglash

MWDOC MET Director  
MWDOC MET Director  
Aleshire & Wynder  
El Toro Water District  
Golden State Water Company  
Irvine Ranch Water District  
Orange County Water District  
South Coast Water District  
South Coast Water District  
South Coast Water District  
Yorba Linda Water District  
Brady & Associates

**PUBLIC PARTICIPATION/PUBLIC COMMENT**

Vice President Barbre 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. Barbre 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.

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

Vice President Barbre 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 revised staff reports for Item Nos. 14-2(a) (AB 1925 on Desalination, Statewide Goal), 14-2(b) (SB 1292 (Stone) on Grand Juries: Reports), and 14-2(c) (H.R. 4822 (Nunes) re Public Employee Pension Transparency Act) reflecting the Public Affairs & Legislation Committee's recommendations were distributed to the Board and made available to the public.

**CONSENT CALENDAR**

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

Director Hinman requested that Item No. 1(a) (March 2, 2016 Workshop Board meeting minutes) be revised to reflect that she was present at the meeting,

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

**MINUTES**

The following minutes were approved.

- March 2, 2016 Workshop Board Meeting (revised)
- March 16, 2016 Regular Board Meeting
- March 26, 2016 Special Board Meeting

**COMMITTEE MEETING REPORTS**

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

- Planning & Operations Committee Meeting: March 14, 2016
- Administration & Finance Committee Meeting: March 9, 2016
- Public Affairs & Legislation Committee Meeting: March 23, 2016
- Executive Committee Meeting: March 17, 2016

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

- MWDOC Revenue/Cash Receipt Register as of March 31, 2016
- MWDOC Disbursement Registers (March/April)

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 February 29, 2016

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 February 29, 2016

**PUBLISHING THE OC CITIES AND WATER AGENCIES DIRECTORY**

The Board received and filed the report, and voted to not print the Directory in hard copy.

**ADOPT POSITION ON AB 2022 (GORDON) – ADVANCED PURIFICATION DEMONSTRATION WATER**

The Board adopted a support position on AB 2022 (Gordon) and authorized sending a separate letter to the author and members of the Orange County delegation indicating our support.

**ADOPT POSITION ON SB 885 (WOLK) – CONSTRUCTION CONTRACTS, INDEMNITY**

The Board adopted an oppose position on SB 885 (Wolk), and authorized signing on to the California Special Districts Association (CSDA) coalition letter, and authorized sending a separate letter to the author and members of the Orange County delegation indicating our support.

**AWARD A PROFESSIONAL SERVICES CONTRACT TO BLACK & VEATCH ENGINEERS FOR ENGINEERING AND OPERATIONS ASSISTANCE ON PIPELINES IN ORANGE COUNTY**

The Board authorized the General Manager to award a contract with Black & Veatch Engineers in an amount not to exceed \$25,000.

**MWDOC'S 2015 URBAN WATER MANAGEMENT PLAN NOTICE OF A PUBLIC HEARING ON MAY 18, 2016**

The Board established May 18, 2016 as the public hearing date for Municipal Water District of Orange County's 2015 Urban Water Management Plan.

**AUTHORIZE ATTENDANCE AT OCBC LEGISLATIVE TRIP, MAY 23-24, 2016, WASHINGTON, DC**

The Board authorized attendance by the Board of Directors and members of staff as approved by the General Manager.

**AUTHORIZE PURCHASE OF NEW COPIER**

The Board authorized the General Manager to purchase a Ricoh Pro C5110 color copier at a cost of \$29,517 (including tax, software, installation, and training).

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

The Board received and filed the report as presented.

**TRAVEL TO SACRAMENTO TO COVER STATE INITIATIVES**

The Board received and filed the report as presented.

**END CONSENT CALENDAR**

**ACTION CALENDAR**

**AWARD OF PROFESSIONAL SERVICES CONTRACT FOR DOHENY SLANT WELL AND MOBILE TEST FACILITY DECOMMISSIONING**

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (5-0), the Board authorized the General Manager to contract with Geoscience Support Services in the amount of \$185,122 (as described in their proposal, and based on the revised cost proposal dated April 12, 2016) for the Doheny Slant Well and Mobile Test Facility Decommissioning work. The work is being funded from the 2008 Doheny Desal Project. Directors Barbre, Dick, Finnegan, Hinman, and Thomas voted in favor. Directors Osborne and Tamaribuchi were absent.

**ADOPT LEGISLATIVE POSITIONS**

**a. AB 1925 (Chang) Desalination Statewide Goal**

Vice President Barbre announced that the Public Affairs & Legislation Committee recommended this item be deferred until May at which time the amendments taken at the Assembly Water, Parks and Wildlife Committee will be in print and can be reviewed by the Board. This item will return to the May 16, 2016 Public Affairs & Legislation Committee. Directors Barbre, Dick, Finnegan, Hinman, and Thomas voted in favor. Directors Osborne and Tamaribuchi were absent.

**b. SB 1292 (Stone) – Grand Juries: Reports**

Upon MOTION by Director Finnegan, seconded by Director Thomas, and carried (5-0), the Board adopted a support position on SB 1292 (Stone), and authorized joining the California Special

Districts Association (CSDA) Coalition letter supporting the measure. Directors Barbre, Dick, Finnegan, Hinman, and Thomas voted in favor. Directors Osborne and Tamaribuchi were absent.

**c. H.R. 4822 (Nunes) – Public Employee Pension Transparency Act**

Vice President Barbre advised that the Public Affairs & Legislation Committee recommended the Board adopt a support position (by a 2-1 vote) and asked that a list of “pros and cons” regarding the bill be distributed to the Board and that said list was distributed to the Board.

Director Hinman expressed concern with a support position as it would provide the Federal government too much power over what is the State’s responsibility. She advised that she would oppose the legislation as it is currently written.

Director Dick agreed with Director Hinman and suggested the Board adopt a “support if amended” position.

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (3-2), the Board voted to support H.R. 4822 and authorized sending a separate letter to the author and members of the Orange County delegation indicating our support. Directors Barbre, Thomas, and Finnegan voted in favor; Directors Dick and Hinman opposed. Directors Osborne and Tamaribuchi were absent.

## **DISCUSSION CALENDAR**

### **DISCUSSION REGARDING MWDOC’S RATE STUDY AND BUDGET**

General Manager Hunter stated that the Administration & Finance Committee (A&F) recommended additional discussion on this matter by the full Board on whether to incorporate the Rate Study’s Option 1(a) or 1(b) into the fiscal year 2016/17 rates and budget. He clarified that the options outline the amount Orange County Water District will be charged each year and that the difference between the two options is approximately \$100,000.

Following discussion regarding the options and which option the member agencies prefer, the Board asked staff to include Option 1(a) in the budget and rate resolution and ordinance, for Board consideration at the May 18, 2016 Board meeting.

Mr. Hunter then highlighted the budgeted membership in the California Council on Environmental and Economic Balance (CCEEB) for \$29,500 that the Committee discussed. The Board generally concurred that the membership be left in the budget until Director Tamaribuchi returns so that he may answer any questions from the Board.

## **INFORMATION CALENDAR**

### **GENERAL MANAGER'S REPORT, APRIL 2016**

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

Responding to an inquiry by Director Hinman, Mr. Hunter reported that an update to the Water Loss Control Report will be made to the Planning & Operations Committee in the fall of 2016.

Mr. Hunter announced that the OC Water Summit would be held on Friday, May 20 at the Westin South Coast Plaza. He also announced that voting on the Poster/Slogan contest was underway and encouraged the MWDOC Board to cast their votes.

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 the WACO and WACO planning meetings, the MWDOC Board and Committee meetings, the Elected Officials Forum, the San Juan Basin Authority meeting, the Laguna Beach County Water District Board meeting, the San Juan Capistrano City Council meeting, and the South Coast Water District hearing regarding the Doheny Desalination Project. Ms. Hinman commented that she attended an exhibit on the Nature of Water at the Irvine Museum which features many of Joan Irvine Smith's painting; she encouraged all to attend.

Director Thomas attended the MWDOC Board meeting, the Administration & Finance Committee meeting, the Workshop Board meeting, the Elected Officials Forum, and the OC Water Summit planning meetings; he provided an overview of the speakers/format of the Summit. He also noted that he was a guest speaker on the TBN radio show.

Director Dick advised that he attended the MET Board/Committee meetings, the MWDOC Board and Workshop Board meetings, the Special Board meeting, as well as the Executive, Planning & Operations, and Public Affairs & Legislation Committee meetings. Mr. Dick also attended the MET Executive Committee meeting, the MET Board budget and rate workshops, the South Orange County Economic Coalition meeting, the ISDOC and ISDOC Executive Committee meetings, the WACO and WACO Planning meetings, the MET Caucus, the MWDOC MET Director rate meeting, a meeting with Jim Leach, the Urban Water Institute planning meetings, and the Serrano Water District Board meeting.

Director Barbre reported on attending the MET Board/Committee meetings (including the fourth Tuesday Committee meetings), the MWDOC Board and Workshop Board meetings, the Special Board meeting, the Elected Officials Forum, as well as all of MWDOC Committee meetings (Executive, Administration & Finance, Planning & Operations, and Public Affairs & Legislation). Mr. Barbre also reported on attending the City of Yorba Linda/Yorba Linda Water District joint meeting, the MWDOC/OCWD/YLWD meeting, the YLWD Board meeting, the WACO meeting, the ISDOC luncheon, the Mesa Board meeting, a meeting with Dan Ferons and Ken Khachigian regarding MET/Cadiz issues., and a meeting with Gary Breaux (pre-Committee issues). Mr. Barbre advised that AB 1713 (Delta Fix to public vote) passed out of committee; he encouraged all agencies to oppose the bill.

Director Finnegan advised that she attended the MWDOC Board and Committee meetings, the ISDOC Executive Committee and ISDOC luncheon, the Elected Officials Forum, and the Mesa Water District Board meeting.

## **CLOSED SESSION**

At 8:50 a.m., Legal Counsel Duran announced that the Board would adjourn to closed session on the following matters:

### **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 13, 2010, et al.*, former Los Angeles Superior Court, Case No. BS 126888, transferred on October 21, 2010, to San Francisco Superior Court, Case No. CPF-10-510830.

### **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 10, 2012 to be Effective January 1, 2013 and January 1, 2014; and Does 1-10, et al.*, former Los Angeles Superior Court, Case No. BS137830, transferred on August 23, 2012, to San Francisco Superior Court, Case No. CPF-12-512466.

### **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**

Pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9. One Case: *San Diego County Water Authority v. Metropolitan Water District of Southern California; all persons interested in the validity of the rates adopted by the Metropolitan Water District of Southern California on April 8, 2014, et al.*, former Los Angeles Superior Court, Case No. BC547139, transferred on December 2, 2014, to San Francisco Superior Court, Case No. CPF-14-514004.

## **RECONVENE**

The Board reconvened at 9:36 a.m. and Vice President Barbre announced that no reportable action was taken in closed session.

## **ADJOURNMENT**

There being no further business to come before the Board, Vice President Barbre adjourned the meeting at 9:36 a.m.

Respectfully submitted,

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Maribeth Goldsby, Secretary