

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
August 17, 2016**

At 8:30 a.m., 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. Director Thomas led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

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

**STAFF**

Robert Hunter, General Manager  
Karl Seckel, Assistant General Manager  
Joe Byrne, Legal Counsel  
Maribeth Goldsby, Board Secretary  
Melissa Baum-Haley, Sr. Water Resources Analyst

**ALSO PRESENT**

Larry McKenney  
Linda Ackerman  
Mark Monin  
Doug Reinhart  
Jim Fisler  
Stacy Taylor  
Adam Hutchinson  
Ray Miller  
Dennis Erdman  
Rick Erkeneff  
Andy Brunhart  
Marc Marcantonio  
Kelly Rowe  
Richard Eglash

MWDOC MET Director  
MWDOC MET Director  
El Toro Water District  
Irvine Ranch Water District  
Mesa Water  
Mesa Water  
Orange County Water District  
San Juan Capistrano  
South Coast Water District  
South Coast Water District  
South Coast Water District  
Yorba Linda Water District  
Water Resources Consultant  
Brady & Associates

**TELECONFERENCE SITE**

Director Hinman attended the meeting via telephone from Montana. All agenda requirements pursuant to the Ralph M. Brown Act were complied with.

**PUBLIC PARTICIPATION/PUBLIC COMMENT**

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.

Director Mark Monin (ETWD) addressed the Board and asked for their support in his bid to become the 2<sup>nd</sup> Vice President of ISDOC Executive Committee, highlighting his participation to date.

Director Jim Fislser (Mesa Water), also addressed the Board and asked for their support in his bid to become ISDOC President, highlighting his experience, participation, and plans for the future of ISDOC. He advised that he is currently 1<sup>st</sup> Vice President, and encouraged support for Sandra Jacobs who is running for that position.

**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 received.

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

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

No information was presented.

**CONSENT CALENDAR**

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 Finnegan, seconded by Director Thomas, and carried (7-0), the Board approved the Consent Calendar items as follows. A roll call vote was taken, and Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi and Thomas all voted in favor.

**MINUTES**

The following minutes were approved.

- July 6, 2016 Workshop Board Meeting
- July 20, 2016 Regular Board Meeting

**COMMITTEE MEETING REPORTS**

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

- Planning & Operations Committee Meeting: July 5, 2016
- Administration & Finance Committee Meeting: July 13, 2016
- Public Affairs & Legislation Committee Meeting: July 18, 2016
- Executive Committee Meeting: July 21, 2016
- MWDOC/OCWD Joint Planning Committee Meeting: July 27, 2016

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of July 31, 2016  
MWDOC Disbursement Registers (July/August)

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 June 30, 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 May 31, 2016

Quarterly Budget Review

**APPROVE BOY SCOUT MERIT BADGE SPONSORSHIP**

The Board authorized sponsoring the Soil and Water Conservation merit badge offered by Boy Scouts of America, at a cost not to exceed \$5,000.

**END CONSENT CALENDAR**

**ACTION CALENDAR**

**AUTHORIZE CONTRIBUTION TO THE DISTRICT'S OPEB IRREVOCABLE TRUST**

Upon MOTION by Director Barbre, seconded by Directors Thomas and Dick, and carried (7-0), the Board authorized a payment of \$400,000 to the District's Other Post Employee Benefits (OPEB) Irrevocable Trust through Public Agency Retirement Services (PARS) from the General Operations Reserves, the initiation of a new actuarial study, and the subsequent payment of the new unfunded actuarial accrued liability (UAAL) up to an additional \$250,000. A roll call vote was taken, and Directors Barbre, Dick, Finnegan, Hinman, Osborne, Tamaribuchi and Thomas all voted in favor

**ADOPT MWDOC/OCWD JOINT RESOLUTION SUPPORTING MAXIMUM WATER SUPPLY RELIABILITY FOR THE ECONOMIC BENEFIT OF OUR SHARED CUSTOMERS, COMMUNITIES, CONSTITUENTS AND CONSUMERS**

President Osborne reported that this Resolution was developed as a result of a meeting between representatives from both the MWDOC and OCWD Boards to discuss the relationship between the

agencies and how to improve that relationship. He advised that this “committee” agreed that the common goal should be to supply water to the region and that the first step toward cooperation would be adopting the proposed Resolution, which, he noted, doesn’t entirely solve the communication/cooperation issues, but places the burden on each Board member to make an effort to work with the other agency.

Director Dick (who participated in the meeting) expressed support for the Resolution, noting that although the two agencies operate under different missions (which may contradict from time to time), he supports the leadership outlined and encouraged the Districts to work together to resolve any differences. He highlighted the fact that the Resolution does not mean an automatic support or “rubber stamp” on various projects, but it does create a commitment to do what’s best for the ratepayers.

Director Finnegan commented that the agencies have worked well in the past.

Director Hinman noted that the Resolution was a positive step forward, noting that as MWDOC completes the Reliability Study, a partnership between MWDOC and OCWD is an especially critical element toward improving water supplies and reliability which will impact our ratepayers and economy. She asked whether a minor change could be made and Director Barbre advised that the OCWD Board would be adopting the same Resolution and as the change was not substantive, he would prefer it remain unchanged; Ms. Hinman agreed.

Director Thomas commented that it should be expected that both agencies work together toward a common goal.

General Manager Hunter commented that although he believed the agencies work well together, and that the spirit of the Resolution is good, he cautioned that the Resolution does not include language relative to cost effective or environmentally sound projects, it simply states that the agencies will work toward maximum water supply reliability (which implies no concern for cost). He suggested amending the Resolution to include language regarding cost effectiveness, noting that the OCWD Board does not yet have this Resolution on an agenda for approval so there is time to amend.

President Osborne responded by stating that the issue Mr. Hunter highlights was discussed and both Boards agreed that the goal would be maximum reliability for the region – regardless of the cost. He noted, however, that this does not mean that the District needs to agree with or support all projects, but simply indicates a commitment to work with them. He reiterated that the Districts need to develop a maximum amount of water supply for Orange County.

Director Tamaribuchi expressed concern with the Resolution and could not approve as written, noting he would prefer adding language as Mr. Hunter suggested regarding cost effectiveness.

Director Dick highlighted language included in the Resolution which states “both districts shall work together for the common purpose of sourcing, treating and transmitting safe, reliable, high-quality, affordable water supplies throughout Orange County, “ noting that the word “affordable” addresses the cost-effectiveness concern.

President Osborne reiterated that this Resolution simply builds a consensus, it does not bind the Board into supporting all projects, it simply confirms that MWDOC will work with OCWD, instead of

fighting or resisting them.

Upon MOTION by Director Barbre, seconded by Director Finnegan, and carried (6-1), the Board adopted RESOLUTION NO. 2036 between MWDOC and OCWD to support maximum water supply reliability for the economic benefit of shared customers, communities, constituents and consumers. Said RESOLUTION NO. 2036 was adopted by the following roll call vote:

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

**INFORMATION CALENDAR**

**GENERAL MANAGER'S REPORT, AUGUST 2016**

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

Responding to an inquiry by Director Osborne, Assistant General Manager Karl Seckel provided an overview of the Salinity Control Program to consider water conservation savings, which is jointly funded by the federal government and agencies within the Colorado River Basin states.

Mr. Hunter highlighted that MWDOC will be participating in the Coastkeeper's Coastal Clean-Up event to be held Saturday, September 17<sup>th</sup> in Huntington Beach, noting that Ricki the Raindrop will make his debut appearance.

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 Thomas reported on attending the East Orange County Water District meeting, the Tustin City Council meeting, the Planning & Operations Committee, Public Affairs & Legislation, Administration & Finance, and Executive Committee meetings, as well as the MWDOC Board meetings (special and regularly held meetings).

Director Tamaribuchi stated that due to vacations, he would be reporting for both July and August. These meetings included all regularly scheduled MWDOC meetings (except the Board, Administration & Finance, and MWDOC/OCWD Joint Planning Committee meetings), as well as the Ad Hoc Committee re Water Policy Dinners, the Southern California Water Committee Water and Energy event, a meeting with Joe Grindstaff and Jerry Meral, the NWRI meeting, the ISDOC meeting, the ACC-OC meeting, WACO (both July and August), many meetings between MET staff and Coastkeepers, the OCBC Infrastructure Committee, and the CCEEB conference.

Director Barbre reported on attending the following MWDOC related meetings: Executive Committee, Planning & Operations Committee, Public Affairs & Legislation, Administration & Finance Committee meetings, MWDOC Workshop, Special, and Regular Board meetings, the YLWD-City of Yorba Linda Joint Committee, YLWD Citizen's Advisory Committee, the Tustin Councilman Allan Bernstein/ACCOC meeting on water issues, the Ad Hoc Committee on Water Policy Dinners, the YLWD-Golden State-City of Placentia joint committee, the YLWD Board meeting, and the Brea City Council meeting. He also reported on attending the following MET related meetings: a meeting with Paul Camaur (Diemer issues), a meeting with Artun Ereren (Long Beach water issues), the City of Blythe Centennial celebration, the MET Committee meetings (both second week and fourth week), the MET Board meeting, the MWDOC/MET Director meeting, the OC Taxpayer's Association luncheon, a meeting with Pat Scanlon to discuss GSWC issues from the MET perspective, the WACO meeting, the OC Elected Official meeting with Congresswoman Mimi Walters, the MET Caucus, the YLWD Board meeting.

Director Finnegan advised that she attended the Public Affairs & Legislation, Planning & Operations, Administration & Finance, MWDOC/OCWD Joint Planning Committee, and Executive Committee meetings, as well as the MWDO Workshop, Regular and Special Board meetings. She also attended the ISDOC Executive Committee meeting, and the WACO Planning Committee meeting. She announced that she could not attend the CDR meeting and that OCCOG meeting was not held.

Director Dick reported on his attendance at the Executive, MWDOC/OCWD Joint Planning, Planning & Operations, Public Affairs & Legislation, and Administration & Finance Committee meetings, as well as the MWDOC Workshop, Special and Regular Board meetings. He also attended the East Orange County Water District Board meeting, two ACC-OC meetings, ISDOC Executive Committee meeting, OC Taxpayers Association meeting, the Ad Hoc Committee on Water Policy dinners, the WACO meeting, the UGMO meeting, the OC Elected Official meeting with Mimi Walters, and the Garden Grove Chamber of Commerce meeting. He also attended the MET Board and Committee meetings, as well as the MWDOC MET Director meeting, the MET Caucus, and a meeting with Feedy Mares (MET's Interim Assistant General Manager/CFO).

Director Osborne advised that he attended the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as MWDOC's Workshop, Special, and Regular Board meetings, and the WACO meeting.

Director Hinman advised that she teleconferenced in to all of the publicly noticed MWDOC Board and Committee meetings.

## **ADJOURNMENT**

There being no further business to come before the Board, President Osborne adjourned the meeting at 9:04 a.m.

Respectfully submitted,

---

Maribeth Goldsby, Secretary