

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
June 21, 2017**

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. Assistant General Manager Seckel led the Pledge of Allegiance and Secretary Goldsby called the roll.

MWDOC DIRECTORS

Brett R. Barbre (absent)
Larry Dick
Joan Finnegan
Wayne Osborne
Sat Tamaribuchi
Jeffery M. Thomas
Megan Yoo Schneider

STAFF

Robert Hunter, General Manager
Karl Seckel, Assistant General Manager
Joe Byrne, Legal Counsel
Maribeth Goldsby, Board Secretary
Harvey De La Torre, Associate General Manager
Damon Micalizzi, Director of Public Affairs
Jonathan Volzke, Public Affairs Manager
Melissa Baum-Haley, Sr. Water Resources Analyst

ALSO PRESENT

William Kahn
Jim Atkinson
Jose Vergara
Saundra Jacobs
Dennis Erdman
Andy Brunhart
Al Nederhood
Brooke Jones
Richard Gardner

El Toro Water District
Mesa Water
Moulton Niguel Water District
Santa Margarita Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District

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.

No public comments were received.

ITEMS RECEIVED TOO LATE TO BE AGENDIZED

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 items were distributed.

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 Thomas, seconded by Director Dick, and carried (6-0), the Board approved the Consent Calendar items as follows. Directors Dick, Finnegan, Osborne, Tamaribuchi, Thomas, and Yoo Schneider all voted in favor; Director Barbre was absent.

MINUTES

The following minutes were approved.

May 3, 2017 Workshop Board Meeting
May 17, 2017 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: May 1, 2017
Administration & Finance Committee Meeting: May 10, 2017
Public Affairs & Legislation Committee Meeting: May 15, 2017
Executive Committee Meeting: May 18, 2017
MWDOC/OCWD Joint Planning Committee Meeting: May 24, 2017

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of May 31, 2017
MWDOC Disbursement Registers (May/June)

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 April 30, 2017

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 April 30, 2017

REQUEST APPROVAL OF CONSULTANT TO UPDATE THE ORANGE COUNTY REGIONAL WATER AND WASTEWATER MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN

The Board approved staff to negotiate a final contract with Michael Baker International as the consultant to update the Orange County Regional Water and Wastewater Multi-Jurisdictional Hazard Mitigation Plan Update at a cost not to exceed \$106,986.

REQUEST FOR APPROVAL TO JOIN THE ORANGE COUNTY 800 MHZ RADIO SYSTEM

The Board approved MWDOC staff to transition the current WEROC low-band radio system over to the Orange County 800 MHz Countywide Coordinated Communications System (800 MHz CCCS), including approving staff to take the following actions: (1) Sign the Joint Agreement for the Operation, Maintenance, and Financial Management of the Orange County 800 Megahertz Countywide Coordinated Communications System and associated agreements; (2) Enter into a purchase agreement for the costs associated with initial set-up of the WEROC channel, purchase and/or programming, and installation of radios for Member Agencies and the WEROC facilities with the OC Sheriff's Communications Division and Motorola Solutions (sole source, based on County's approved price book.); and (3) take appropriate steps to decommission the current WEROC low-band radio system.

AUTHORIZATION TO HIRE WATER USE EFFICIENCY PROGRAMS INSTALLATION VERIFICATION INSPECTION CONTRACTOR

The Board authorized the General Manager to enter into a professional services agreement with Mission Resources Conservation District to perform Water Use Efficiency Programs Installation Verification inspections over the next five years using a combination of grant awards and contributions from member agencies.

2017-2018 PAY STRUCTURE ADJUSTMENT

The Board approved a 2% pay structure adjustment to the District salary ranges, as presented.

RESERVE POLICY REVISION TO DAYS CASH

The Board approved revisions to the District's Reserve Policy and authorized staff to incorporate the reserve policy revisions into the District's Administrative Code.

END CONSENT CALENDAR

ACTION CALENDAR

ANNUAL REVIEW OF DISTRICT INVESTMENT POLICY AND GUIDELINES

Upon MOTION by Director Thomas, seconded by Director Finnegan, and carried (6-0), the Board adopted RESOLUTION NO. 2055 establishing the District’s Investment Policy and Guidelines, and authorized staff to incorporate this policy in the Administrative Code. Said RESOLUTION NO. 2055 was adopted by the following roll call vote:

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

ADOPT RESOLUTION ESTABLISHING THE EMPLOYER PAID MEMBER CONTRIBUTION AMOUNT TO CALIFORNIA PUBLIC EMPLOYEES RETIREMENT SYSTEM (CALPERS)

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (6-0), the Board adopted RESOLUTION NO. 2056 establishing the employer paid contribution amount of 1% to CALPERS, and submit the Resolution to CalPERS for its records. Said RESOLUTION NO. 2056 was adopted by the following roll call vote:

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

H.R. 2510 (DEFAZIO, D-OR, DUNCAN, R-TN, AND NAPOLITANO, D-CA) – WATER QUALITY PROTECTION AND JOB CREATION ACT OF 2017

Upon MOTION by Director Dick, seconded by Director Finnegan, and carried (6-0), the Board adopted a watch position on H.R. 2510 (DeFazio – OR, Duncan – TN, and Napolitano – CA). Directors Dick, Finnegan, Osborne, Yoo Schneider, Tamaribuchi & Thomas voted in favor. Director Barbre was absent.

SB 623 (MONNING) – FUNDING FOR SAFE DRINKING WATER

Upon MOTION by Director Tamaribuchi, seconded by Director Finnegan, and carried (6-0), the Board adopted a watch position on SB 623, but will move to an oppose position if the public goods charge, water tax, or rate payer assessment language is added to SB 623 (Monning). Directors Dick, Finnegan, Osborne, Yoo Schneider, Tamaribuchi & Thomas voted in favor. Director Barbre was absent.

INDEPENDENT SPECIAL DISTRICTS OF ORANGE COUNTY (ISDOC) PROPOSED BYLAW AMENDMENTS

Upon MOTION by Director Finnegan, seconded by Director Tamaribuchi, and carried (6-0), the

Board authorized President Osborne to cast the District's ballot approving the amendments to the ISDOC bylaws. Directors Dick, Finnegan, Osborne, Yoo Schneider, Tamaribuchi & Thomas voted in favor. Director Barbre was absent.

EXTENSION OF CONSULTING CONTRACT WITH DICK ACKERMAN

Upon MOTION by Director Yoo Schneider, seconded by Director Tamaribuchi, and carried (6-0), the Board approved extending the contract with Ackerman Consulting for specialized services. Directors Dick, Finnegan, Osborne, Yoo Schneider, Tamaribuchi & Thomas voted in favor. Director Barbre was absent.

AUTHORIZATION TO JOIN CALIFORNIANS FOR WATER SECURITY COALITION TO SUPPORT THE CALIFORNIA WATERFIX

President Osborne advised that the proposal to join the Californians for Water Security Coalition was before the Board for consideration. Discussion ensued regarding how the entity was formed and the entity's purpose. It was noted that the organization has received support by the labor community as well as various Chambers of Commerce, and that joining would simply add MWDOC's name to a list of agencies/entities in support of the WaterFix.

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board authorized MWDOC to join Californians for Water Security (CWS). Directors Dick, Finnegan, Osborne, Yoo Schneider, Tamaribuchi & Thomas voted in favor. Director Barbre was absent.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, JUNE 2017

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

General Manager Hunter thanked staff for their efforts with regard to the OC Water Summit, noting it was a successful event. President Osborne highlighted the Summit, noting it was the best Summit to date, and that emcee Fritz Coleman was fantastic.

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 Yoo Schneider reported that she attended the Planning & Operations Committee meeting, the Workshop and Regular Board meetings, meetings with representatives from South Coast Water District, Emerald Bay Service District, and Santa Margarita Water District. She also

attended SMWD's Water Awareness Day, a meeting with MWDOC staff and Moulton Niguel Water District, the Girl Scout Badge event, a meeting with Hannah Hess (of Congresswoman Mimi Walter's office) along with representatives from OCWD, the WACO meeting, the OC Water Summit, and the Women in Water event.

Director Thomas advised that he attended the MWDOC/OCWD Joint Planning Committee, the Administration & Finance Committee and Executive Committee meetings, the Workshop Board and Regular Board meetings, the WACO meeting, the OC Water Summit Planning meeting, the OC Water Summit event, the Santa Margarita Water District Water Awareness Day,

Director Tamaribuchi noted he attended all of the regularly scheduled MWDOC Board and Committee meetings, the El Toro Water District Board meeting, the OC Water Summit event, and a meeting with OC CoastKeepers.

Director Finnegan stated she attended the Public Affairs & Legislation, Planning & Operations, Executive, and Administration & Finance Committee meetings, as well as the ISDOC Executive Committee meeting, the Mesa Water Board meeting, and the OC Water Summit event. She highlighted the next ISDOC luncheon which would be held on June 29th and encouraged all to attend.

Director Dick advised that he attended the following meetings in his capacity as MWDOC Director: the Workshop Board meeting, the Executive Committee, Administration & Finance, and Public Affairs & Legislation, Executive, and MWDOC/OCWD Joint Planning Committee meetings, the ISDOC Executive Committee meeting, the OC Water Summit, and the WACO Planning Committee meeting. In his capacity as MET Director he attended: the MWDOC/MET Directors luncheon, the MET Executive Committee meeting, a MET inspection trip, a meeting with the MWDOC MET Directors, the MET Caucus meeting, the MET Board and Committee meetings, the MET Ad Hoc Committee on Rates, the Urban Water Institute Planning meeting, an open house honoring Congressman Lou Correa, and a meeting with Deven Upadhyay.

Director Osborne reported on his attendance at the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the Workshop Board meeting, the regular Board meeting, the WACO meeting, and the OC Water Summit. He referenced the Poster Contest event, noting there were record numbers of entries and voting (on-line). Discussion ensued regarding the Poster Contest and commended staff for their efforts. It was suggested staff place an ad in the *OC Register* highlighting the top winners; staff will follow up on this.

ADJOURNMENT

There being no further business to come before the Board, President Osborne adjourned the meeting at 9:05 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary