

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
November 15, 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. Legal Counsel Jeff Dunn 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
Kelly Hubbard, WEROC Programs Mgr.
Damon Micalizzi, Director of Public Affairs
Cathy Harris, Admin. Services Manager

ALSO PRESENT

Larry McKenney
Jose Vergara
Jim Atkinson
Dennis Erdman
Brooke Jones
Al Nederhood
Stephanie Pacheco

MWDOC/MET Director
El Toro Water District
Mesa Water
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Sierra Club

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 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.

It was noted that revised minutes for the October 18, 2017 Board meeting were distributed to the Board and made available to the public.

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.

President Osborne advised that the October 18, 2017 Board meeting minutes were revised to reflect correct salary amounts of the General Manager.

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

MINUTES

The following minutes were approved.

- October 4, 2017 Workshop Board Meeting
- October 18, 2017 Regular Board Meeting (as revised)

COMMITTEE MEETING REPORTS

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

- Planning & Operations Committee Meeting: September 5, 2017
- Planning & Operations Committee Meeting: October 2, 2017
- Administration & Finance Committee Meeting: October 11, 2017
- Public Affairs & Legislation Committee Meeting: October 16, 2017
- Executive Committee Meeting: October 19, 2017
- MWDOC/OCWD Joint Planning Committee Meeting: October 25, 2017

TREASURER'S REPORTS

The following items were ratified and approved as presented.

- MWDOC Revenue/Cash Receipt Register as of October 31, 2017
- MWDOC Disbursement Registers (October/November)

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 September 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 September 30, 2017

Quarter Ending September 2017 YTD Financials Actual versus Budget

Audit Report FY 2016/17

SELECTION OF CONSULTANT FOR ARCHITECTURAL DESIGN AND SPACE PLANNING

The Board authorized the General Manager to enter into a contract with IDS Group for architectural, space planning, interior design and construction administration services in the amount of \$29,236; and approve a contingency amount of \$15,000 for city permit fees, possible ADA compliance costs that may arise and interior design services that may be required as the project moves forward, for a total Board authorization of \$44,236.

LIFE AND LONG TERM DISABILITY INSURANCE RENEWALS

The Board approved the recommended change in insurers for long term disability insurance from Lincoln Financial to Sun Life and the proposed change to the life insurance age reduction formula; approved life insurance benefits for all Directors, and approved continued participation in the Employee Assistance Program.

ASSOCIATION OF CALIFORNIA WATER AGENCIES (ACWA) PRESIDENT AND VICE PRESIDENT ELECTION

The Board authorized Director Wayne Osborne, or his designee, to cast the District's ballot for the ACWA President, Vice President, and bylaws update, at ACWA's Fall Conference on November 29, 2017.

END CONSENT CALENDAR

ACTION CALENDAR

CALPERS UNFUNDED LIABILITY OPTIONS

Due to Director Barbre's absence, the Board voted to defer this item until the December meeting.

ORANGE COUNTY REDEVELOPMENT AGENCY OVERSIGHT COMMITTEE – CALL FOR NOMINATIONS

Secretary Goldsby reported that although staff was in the process of inviting the candidates to the Board meeting to address the Board, it appears only one person (Brian Probolsky) submitted his nomination, and therefore, Mr. Probolsky was deemed selected, with no further proceedings. No further action was necessary; the Board received and filed the report.

INFORMATION CALENDAR**GENERAL MANAGER'S REPORT, NOVEMBER 2017**

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

General Manager Hunter highlighted the change to the budget process (starting one month early), noting that he would be notifying the agencies in the coming week.

The Board received and filed the report as presented.

MWDOC GENERAL INFORMATION ITEMS**a. 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 on her attendance at the following meetings: the Board meeting, the Administration & Finance, Public Affairs & Legislation, the MWDOC/OCWD Joint Planning, and Executive Committee meetings, the San Juan Basin Authority meeting, the WACO meeting, a meeting with Jim Leach (SMWD), the South Coast Water District Water Reliability Working Group meeting, a meeting with Betty Olson and Chuck Gibson, the ISDOC luncheon, the Southern California Water Committee meeting, meetings with Rob Hunter and Karl Seckel, a meeting with Wayne Rayfield, and the SCWD Special Board meeting.

In addition to an oral report, Director Thomas provided a written list of meetings attended. These included the October Planning & Operations, Administration & Finance, and Public Affairs & Legislation Committee meetings, as well as the October MET meetings, a meeting with Mayor Bernstein (City of Tustin), a MET inspection trip, and a meeting with Rob Hunter. In November he attended the Workshop Board meeting, the Elected Officials Forum, the Special Board meeting to conduct the General Manager's performance evaluation, the Planning & Operations and Administration & Finance Committee meetings, as the meeting with the South County agencies.

Director Tamaribuchi noted his attendance at the Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, the Workshop and Regular Board meetings, the Special meeting to conduct the General Manager's performance evaluation, the Coalition for Environmental Protection and Restoration Development meeting, the South County agencies

meeting, a meeting with CoastKeepers, and the Water UCI meeting regarding hydraulic fracturing.

Director Finnegan advised that she attended the Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the ISDOC Executive Committee meeting, the Elected Officials Forum, and the Special Board meeting to conduct the General Manager's performance evaluation.

Director Dick reported he attended the following meetings: Planning & Operations, Administration & Finance, Executive, and MWDOC/OCWD Joint Planning Committee meetings, the MET pre-caucus meeting, the MET Executive Committee meeting, the ISDOC luncheon, the ISDOC Executive Committee meeting, the Urban Water Institute planning meeting, the MET Caucus, the MET Board and Committee meetings, and the Special Board meeting to conduct the General Manager's performance evaluation. He noted that while vacationing, he attended the Water Tech meeting in Toronto, Canada.

Director Osborne noted his attendance at the Planning & Operations, Administration & Finance, Public Affairs & Legislation, Executive, and MWDOC/OCWD Joint Planning Committee meetings, the ISDOC luncheon, the Elected Officials Forum, and the Special Board meeting to conduct the General Manager's performance evaluation.

General Manager Hunter advised that Director Barbre submitted a written report regarding his meeting attendance. He attended the following meetings in his capacity as MWDOC Director: Workshop and Regular Board meetings, Planning & Operations, Administration & Finance, and MWDOC/OCWD Joint Planning Committee meetings, a tour of the Diemer Filtration Plant with Assemblywoman Quirk-Silva, the ISDOC luncheon, a meeting with Paul Jones (Eastern MWD), the Elected Officials Forum, and the Special Board meeting to conduct the General Manager's performance evaluation. In his capacity as MET Director he attended the State Lands Commission hearing, the MWDOC/MET Director meeting, the MET Committees (fourth Tuesday), a meeting with Gary Breaux and June Skillman, the MET Caucus (pre-San Diego County Water Authority meeting), the MET Caucus (post SDCWA meeting), the Inland Empire MET Caucus, and the MET Board and Committee meetings (second Monday and Tuesday).

Responding to an inquiry by President Osborne, Karl Seckel provided an update on the Doheny Desalination activities, noting that workshops are being held to discuss funding options, the EIR process, and technical permitting and cost estimates.

Director Dennis Erdman (SCWD) advised that although there is much work to be done, the workshop later in the day will focus on funding options. He provided a brief overview of past workshop discussions

B. REQUESTS FOR FUTURE AGENDA TOPICS

No requests were received.

ADJOURNMENT

There being no further business to come before the Board, President Osborne adjourned the meeting at 10:39 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary