

**MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
July 18, 2018**

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

MWDOC DIRECTORS

Brett R. Barbre
Larry Dick (absent)
Joan Finnegan
Wayne Osborne (absent)
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
Cathy Harris, Admin. Services Manager
Melissa Baum-Haley, Sr. Water Resources Analyst
Pari Francisco, Records Coordinator

ALSO PRESENT

Larry McKenney
Jose Vergara
Dennis Erdman
Bill Green
Al Nederhood
Brooke Jones
Christine Carson

MWDOC MET Director
El Toro Water District
South Coast Water District
South Coast Water District
Yorba Linda Water District
Yorba Linda Water District
Aleshire & Wynder

PUBLIC PARTICIPATION/PUBLIC COMMENT

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

No items were received.

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

President Barbre inquired as to whether there were any items distributed to the Board less than 72 hours prior to the meeting. No items were distributed.

It was noted that a Revised Action Item for Item 7-1 was updated and distributed (and made available to the public) to include the Public Affairs & Legislation Committee's recommendation.

CONSENT CALENDAR

President Barbre 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 Finnegan, and carried (5-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Finnegan, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Directors Dick and Osborne were absent.

MINUTES

The following minutes were approved.

June 6, 2018 Workshop Board Meeting
June 20, 2018 Regular Board Meeting

COMMITTEE MEETING REPORTS

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

Planning & Operations Committee Meeting: June 4, 2018
Administration & Finance Committee Meeting: June 13, 2018
Public Affairs & Legislation Committee Meeting: June 18, 2018
Executive Committee Meeting: June 21, 2018

TREASURER'S REPORTS

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of June 30, 2018
MWDOC Disbursement Registers (June/July)

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 May 31, 2018

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, 2018

REVISION TO DISTRICT RECORDS RETENTION SCHEDULE

The Board approved the recommended revisions to the District's Records Retention Schedule as presented, and received and filed the audit findings.

MWDOC SEISMIC REHABILITATION PROJECT BID

The Board rejected the bid and directed staff to rebid the project with other upcoming work to obtain an improved bidding climate.

- END CONSENT CALENDAR -

ACTION CALENDAR

H.R. 6147 00 DEPARTMENT OF INTERIOR APPROPRIATIONS

Director Thomas made a MOTION, which was seconded by Director Finnegan, for the Board to adopt a support position on language in Section 441 of H.R. 6147 (Calvert-CA), the House Appropriations bill for the Department of Interior, and send a letter to Congressman Valadao expressing MWDOC's position.

Discussion ensued, with Directors Tamaribuchi and Yoo Schneider expressing opposition to the language, noting it may dilute MWDOC's position on the California WaterFix. Director Tamaribuchi noted he did not see any benefit for supporting this language and Director Yoo Schneider expressed the importance of the environmental review process.

The MOTION failed by a vote of 3-2 (due to a lack of a quorum of 4 members approving). Directors Barbre, Finnegan, and Thomas voted in favor; Directors Tamaribuchi and Yoo Schneider opposed. Legal Counsel Byrne advised that in order for a motion, ordinance or resolution to pass, it must be approved by a quorum of the full Board (4 members). This item was referred to the full Board in August.

INFORMATION CALENDAR

GENERAL MANAGER'S REPORT, JULY 2018

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

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 advised that she submitted a written report of meetings attended. These meetings included attendance at the Workshop (June, July) and Regular Board (July) meetings, the Administration & Finance (June), and Public Affairs & Legislation (July), and Executive (May) Committee meetings, the Santa Margarita Water District Water Festival (May), the OCBC Legislative Conference in Washington, DC (May), a meeting with MET Director Ackerman (May), the Women in Water meetings (May, June), a meeting with OCWD (May), the OC Water Summit Planning meetings (May, July), the OC Water Summit, meetings with SMWD (June, July), the Urban Water Institute meeting, the San Juan Basin Authority meeting, a meeting with Rick Erkeneff (SCWD), a meeting with Paul Shoenberger (Mesa), the South Coast Water District public hearing, and meetings with General Manager Hunter and Director Thomas (MWDOC).

Director Thomas reported on attending all of MWDOC's regularly scheduled meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board meeting). He also attended the State of South Orange County event, the ISDOC luncheon, the Santa Margarita Water District meeting, the WACO meeting, OC Water Summit Planning meetings, and a meeting with Laer Pearce.

Director Tamaribuchi stated that he attended all of the regularly scheduled MWDOC meetings except the Planning & Operations Committee meeting (Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, along with the Workshop and Regular Board meetings), as well as the Doheny Desalination Project public hearing, the WACO Planning Committee meeting, and the WACO meeting.

Director Finnegan reported on attending all of MWDOC's regularly scheduled meetings (Planning & Operations, Administration & Finance, Public Affairs & Legislation, and Executive Committee meetings, as well as the Workshop Board meeting), as well as the ISDOC Executive Committee meeting, and the ISDOC luncheon. Director Finnegan then reported that former Mesa Water Director Hank Panion recently passed away.

Director Barbre advised that he submitted a written report to Secretary Goldsby. He noted that the written report included the following meetings in his capacity as MET Director: the Moulton Niguel Water District Board meeting, a meeting with Curt Pringle, a meeting with Brad Hiltcher, the MET late Committee day (fourth Tuesday), the La Habra Business Network, the MWDOC MET Directors caucus/meeting, the MET Board and Committee meetings, a meeting with Gary Breaux, and a MET inspection trip meeting with Al Mendez. The written report included the following meetings he attended in his capacity as MWDOC Director: Administration & Finance, Public Affairs & Legislation, Planning & Operations, Executive, and MWDOC/OCWD Joint Planning Committee meetings, as well as the Workshop and Regular Board meetings, the ISDOC luncheon, the OC Water Summit Planning meetings, and legislative meetings in Washington, DC.

B. REQUESTS FOR FUTURE AGENDA TOPICS

No items were requested.

ADJOURN TO CLOSED SESSION

President Barbre advised that the Board would meet in closed session regarding the following matters, noting that the conferences with Legal Counsel (Christine Carson) would be held first and the Public Employee Performance Evaluation would be done last.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: General Manager
Government Code Section 54957

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. [on remand from Court of Appeal No. A146901]

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. [on remand from Court of Appeal No. A148266]

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 of Southern California on April 8, 2014 to be effective January 1, 2015 and January 1, 2016, 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.

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 in April 12, 2016 to be effective January 1, 2017 and January 1, 2018, et al., former Los Angeles Superior Court, Case No. No. BS161729, transferred to San Francisco Superior Court, Case No. CPF-16-515282.

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 charges adopted by the Metropolitan Water District of Southern California on April 11 and July 11, 2017 to be effective January

1, 2018, et al., Los Angeles Superior Court, Case No. BS 169881, transferred to San Francisco Superior Court, Case No. CGC-17-563350.

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Paragraph (2) 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, 2018 to be effective January 1, 2019 and January 1, 2020, et al., Los Angeles Superior Court, Case No. BS173868.

RECONVENE

The Board reconvened at 9:23 a.m. and President Barbre announced that no reportable actions were taken in closed session.

ADJOURNMENT

There being no further business to come before the Board, President Barbre adjourned the meeting at 9:24 a.m.

Respectfully submitted,

Maribeth Goldsby, Secretary