

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS  
MUNICIPAL WATER DISTRICT OF ORANGE COUNTY  
April 17, 2019**

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 Osborne led the Pledge of Allegiance and Secretary Goldsby called the roll.

**MWDOC DIRECTORS**

Brett R. Barbre  
Larry Dick  
Joan Finnegan (absent)  
Wayne Osborne (arr. at 9:15 am)  
Sat Tamaribuchi  
Jeffery M. Thomas (arr. at 8:36 am)  
Megan Yoo Schneider (arr. at 8:34 am)

**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, Dir. of Public Affairs  
Tiffany Baca, Public Affairs Manager  
Sarah Wilson, Public Affairs Specialist  
Chris Lingad, Water Resources Analyst  
Traci Muldoon, Public Affairs Assistant  
Bryce Roberto, Public Affairs Coordinator  
Kelly Hubbard, WEROC Programs Manager

**ALSO PRESENT**

Linda Ackerman  
Jose Vergara  
Paul Weghorst  
Jim Atkinson  
Kelly Rowe  
Mike Markus  
Saundra Jacobs  
Dan Ferons  
Dennis Erdman  
Brooke Jones  
Matt Thomas

MWDOC MET Director  
El Toro Water District  
Irvine Ranch Water District  
Mesa Water District  
Orange County Water District  
Orange County Water District  
Santa Margarita Water District  
Santa Margarita Water District  
South Coast Water District  
Yorba Linda Water District  
Black & Veatch

**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.

Director Jacobs (Santa Margarita Water District) announced that SMWD would be hosting a Water Awareness Day on May 4<sup>th</sup> and would be providing bus tours to Trampas.

**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.

**EMPLOYEE AWARDS**

President Barbre commended the Public Affairs staff for being awarded five awards at the recent CAPIO conference.

(Director Yoo Schneider arrived at 8:34 a.m.)

**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 Yoo Schneider, seconded by Director Tamaribuchi, and carried (4-0), the Board approved the Consent Calendar items as follows. Directors Barbre, Dick, Tamaribuchi, and Yoo Schneider voted in favor; Directors Finnegan, Osborne, and Thomas were absent.

**MINUTES**

The following minutes were approved.

March 6, 2019 Workshop Board Meeting  
March 20, 2019 Regular Board Meeting

**COMMITTEE MEETING REPORTS**

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

Planning & Operations Committee Meeting: March 4, 2019  
Administration & Finance Committee Meeting: March 13, 2019  
Public Affairs & Legislation Committee Meeting: March 18, 2019  
Executive Committee Meeting: March 21, 2019

**TREASURER'S REPORTS**

The following items were ratified and approved as presented.

MWDOC Revenue/Cash Receipt Register as of March 31, 2019  
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 28, 2019

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 28, 2019

**DEVELOPMENT OF A HYDRAULIC MODEL FOR THE REGIONAL PIPELINE SYSTEM IN ORANGE COUNTY – INVESTIGATION PHASE**

The Board authorized the General Manager to enter into a professional services agreement with Black & Veatch Corporation to complete an Investigation Phase of work and provide recommendations for development of a Hydraulic Model for the regional pipeline system in Orange County, at a cost not to exceed \$83,420 (acknowledging comments in letter received from Irvine Ranch Water District; letter was attached to write up).

**AMENDMENT TO ADMINISTRATIVE CODE**

The Board approved the revision to Section 2201 (Level of Expenses and Expense Reimbursement Rates).

**- END CONSENT CALENDAR -**

(Director Thomas arrived at 8:36 a.m.)

**ACTION CALENDAR**

**PUBLIC HEARING RE ADOPTION OF ORDINANCE NO. 54 SUPERSEDING AND REPEALING MWDOC ORDINANCE NO. 47 REGARDING COMPENSATION FOR DIRECTORS**

President Barbre announced that the Board would hold a Public Hearing to receive comments on the proposal to adopt Ordinance No. 54 (superseding and repealing Ordinance No. 47) regarding Compensation for Directors. President Barbre opened the public hearing and encouraged public comments.

No comments were received and President Barbre closed the Public Hearing.

President Barbre then announced that the proposal to adopt Ordinance No. 54 was before the Board for consideration.

Upon MOTION by Director Dick, seconded by Director Tamaribuchi, and carried (5-0), the Board adopted ORDINANCE NO. 54, regarding Compensation for Directors, and authorized staff to amend the Administrative Code accordingly. Said ORDINANCE NO. 54 was adopted by the following roll call vote:

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

**ADOPT BUDGET FOR FISCAL YEAR 2019-20**

President Barbre advised that the proposed Budget for fiscal year 2019-20 was before the Board for consideration.

Director Tamaribuchi stated he disagreed with the Committee recommendation to remove the memberships, registration, and travel associated with the California Council for Environmental & Economic Balance (CCEEB) and Association of Metropolitan Water Agencies (AMWA) from the budget.

Director Barbre supported the Committee recommendation.

President Barbre added that subsequent to the Administration & Finance Committee meeting, the Attorney General issued an opinion that the District can make payments toward Directors retirement benefit (contrary to a legal opinion issued in 2014). He advised that the District would be reimbursing those Directors who issued payment to the District which may necessitate various cuts in the budget.

Director Tamaribuchi indicated that because these re-payments are a one-time occurrence, they could be taken from reserves rather than removing services and memberships from the budget.

Director Dick commented that he agreed with the Committee recommendation to remove one full-time equivalent (FTE) employee from the budget (along with associated travel costs), and transferring the 0.5-FTE to Choice, but would prefer that CCEEB and AMWA (and associated costs) remain in the budget.

Director Thomas noted he agreed with the Committee recommendation, however would prefer that the Water Use Efficiency (WUE) 0.5 FTE be transferred back into the Core budget.

Director Yoo Schneider agreed with Director Tamaribuchi, outlining the benefits of continued participation in CCEEB and AMWA.

President Barbre took a “straw” vote on the five-bullet points outlined in the staff write up (the Committee recommendation) with the Board divided 3-2 on four of the points (removing the proposed 1 FTE, removing the travel expenses associated with the 1 FTE, and removing

memberships and associated costs for both CCEEB and AMWA), however the majority (4-1) concurred with restoring the 0.5-FTE in the WUE program to the Core budget.

Director Yoo Schneider made a MOTION, which was seconded by Director Tamaribuchi to adopt the budget for fiscal year 2019-20 with (1) restoring the Water Use Efficiency 0.5 FTE to the Core budget, and restoring the memberships and associated costs for CCEEB and AMWA. Said MOTION failed by a vote of 3-2 (four votes are required to pass). Directors Dick, Yoo Schneider and Tamaribuchi voted in favor, and Directors Barbre and Thomas opposed.

(Director Osborne arrived at 9:15 a.m.)

Director Sandra Jacobs (SMWD) encouraged the Board to adopt the Committee recommendations.

Director Thomas made a MOTION, which was seconded by Director Barbre, for the Board to adopt a Resolution approving the final MWDOC budget for fiscal year 2019-20 as the Administration & Finance Committee recommended, with the exception of restoring the proposed 0.5 FTE for the Water Use Efficiency Program back to the Core budget. As a result of a 4-2 vote, the Board adopted RESOLUTION NO. 2081 approving the final MWDOC budget for fiscal year 2019-20 as recommended by the Administration & Finance Committee (but restoring the proposed 0.5 FTE for the Water Use Efficiency Program back to the Core budget). Said RESOLUTION NO. 2018 was adopted by the following roll call vote:

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

**PROPOSED MWDOC WATER RATE RESOLUTION FOR FISCAL YEAR 2019-20**

Upon MOTION by Director Dick, seconded by Director Thomas, and carried (6-0), the Board approved increasing the MWDOC Retail Meter Charge from \$12.25 to \$12.40 per meter, and the Groundwater Customer Charge from \$499,012 to \$598,248, effective July 1, 2019, and adopted RESOLUTION NO. 2082 Establishing Water Rates effective July 1, 2019 and January 1, 2020 as outlined. Said RESOLUTION NO. 2082 was adopted by the following roll call vote:

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

**AUTHORIZATION TO VOTE ON BEHALF OF MWDOC IN THE ACWA JPIA EXECUTIVE COMMITTEE ELECTION**

President Barbre advised that the Public Affairs & Legislation Committee recommended Director Thomas cast the District’s ballot at the upcoming ACWA/JPIA election.

Upon MOTION by Director Dick, seconded by Director Osborne, and carried (6-0), the Board authorized Director Jeffery Thomas to cast the District's ballot for the ACWA/JPIA Executive Committee election at ACWA's Spring Conference on May 6, 2019. Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

**AB 127 (E. GARCIA) – SAFE DRINKING WATER FOR ALL ACT**

Upon MOTION by Director Thomas, seconded by Director Osborne, and carried (6-0), the Board adopted an oppose unless amended position on AB 217 (E. Garcia). Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

**AUTHORIZATION TO CONTRACT FOR MWDOC WATER EDUCATION SCHOOL PROGRAMS**

President Barbre advised that the proposal to enter into contracts for the Water Education School Programs was before the Board for consideration. It was noted that the staff recommendation was to enter into a two-year contract with one-year option to extend with Building Block Entertainment, Inc. (Shows that Teach) for grades K-2, Discovery Cube of Orange County for grades 3-6 (elementary) and 7-8 (middle school), and Bolsa Chica Conservancy (grades 9-12).

Director Barbre expressed concern with splitting the K-6 curriculum between two vendors (limited availability of timing with schools, etc.) and he questioned the addition of a middle school program (grades 7-8), as the Board never approved a middle school program (believing this should have been a policy discussion by the Board). There was a discussion with legal counsel about the procurement process and the legal risk of deviating from staff recommendation, who recommended that the Board either accept or reject the staff proposal.

Directors Thomas and Yoo Schneider expressed support for the staff recommendation.

Upon MOTION by Director Yoo Schneider, which was seconded by Director Thomas, and carried (6-0), the Board authorized entering into a two-year contract with one-year option to extend with Building Block Entertainment, Inc. (Shows that Teach) for grades K-2, Discovery Cube of Orange County for grades 3-6 (elementary ) and grades 7-8 (middle school), and Bolsa Chica Conservancy grades 9-12, to provide the MWDOC Water Education School Programs in grades K-12 beginning in the 2019-2020 school year. Directors Barbre, Dick, Osborne, Yoo Schneider, Tamaribuchi, and Thomas voted in favor; Director Finnegan was absent.

**INFORMATION CALENDAR**

**GENERAL MANAGER'S REPORT, APRIL 2019**

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 attended Workshop and Special Board meetings, the California Environmental Dialogue meetings, the Women in Water meeting, the meeting with South County agencies, a meeting with MWDOC staff, the Workshop Board meeting, the Elected Officials Forum, the Special Board meeting, and the California Water Environmental Association Annual conference.

Director Thomas noted his attendance at the regularly scheduled MWDOC meetings, (Administration & Finance, and Public Affairs & Legislation Committee meetings, as well as the Workshop and Regular Board meetings, the Special Board meeting and the Elected Officials Forum). He also attended the meeting with South County agencies, a meeting with General Manager Hunter, the WACO meeting, and the ISDOC luncheon.

Director Tamaribuchi reported on attending the Public Affairs & Legislation and Executive Committee meetings, the meeting with South County agencies, and the Special Board meeting.

Director Dick reported on attending the regularly scheduled MWDOC meetings (Administration & Finance, Public Affairs & Legislation and Executive Committee meetings, as well as the Workshop and Regular Board meetings), as well as Orange State of the City event, a tour of the Diemer Filtration Plant, the MET Caucus, the MET Board and Committee meetings, the State of the County meeting in South County, the WACO meeting, the Special Board meeting, and the Elected Officials Forum.

Director Osborne advised that due to several health issues he was not able to attend any meetings on behalf of MWDOC and he announced that as a result of these health issues, he found it necessary to resign from the Board effective April 22, 2019. He asked that the Board accept his resignation. Board members expressed their appreciation for his service on the Board and accepted the resignation.

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 MWDOC/MET Director pre-MET Executive Committee caucus (late), the MET Committee day (late), the MWDOC MET Director caucus (early), the MET Caucus (Inland Empire), the MET Board meeting, the MET Committee meetings (early), the MWDOC/OCWD/YLWD meeting, and a meeting with Senator John Moorlach. In his capacity as MWDOC Director he attended the following meetings: the Administration & Finance, Public Affairs & Legislation Committee, and the Executive Committee meetings, as well as the Workshop Board meeting, a tour of the Diemer Filtration Plant with Congressman Cisneros, a meeting with Supervisor Don Wagner, the Elected Officials Forum, a meeting with Placentia Councilman Ward Smith, the OCCOG General Assembly, and the Special Board meeting.

**b. REQUESTS FOR FUTURE AGENDA TOPICS**

Director Sandra Jacobs (SMWD) expressed appreciation for Director Osborne's service on the MWDOC Board.

**ADJOURNMENT**

There being no further business to come before the Board, President Barbre adjourned the meeting at 9:42 a.m. in honor of Director Wayne Osborne.

Respectfully submitted,

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Maribeth Goldsby, Secretary