MINUTES OF THE FORMAL BOARD OF DIRECTORS’ MEETING
APRIL 27, 2017

ENGINEERING AND OPERATIONS COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Heinrichs called the Engineering and Operations Committee meeting to order at 9:01 a.m. Committee members present were Chair Heinrichs, Vice Chairs Hilliker and Miller, and Directors Boyle, Butkiewicz*, Fong-Sakai*, Hogan, Olson, Smith, and Watkins. Committee members absent were Directors Brady, Morrison, Preciado, Razak, and Simpson. Also present were Directors Arant, Bamum, Cherashore, Guerin, Hedberg, Kennedy, Lewinger, Madaffer, Muir, Saxod, Tu, Weston, and Wilson. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Manager Cushman, Director of Operations and Maintenance Fisher, Energy Program Manager Rodgers, Senior Engineering Manager Bousquet, Operations and Maintenance Manager Faber, Principal Engineer Kuzmich, Senior Engineer Conner, and Engineer P.E. Oleksyn.

ADDITIONS TO AGENDA
There were no additions to the agenda.

PUBLIC COMMENT
There were no members of the public who wished to speak.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

CHAIR’S REPORT
Chair Heinrichs reported that Water Authority, City of San Diego staff, and Energy Task Force members attended an Energy Storage Summit, sponsored jointly by the Association of California Water Agencies and the California Energy Storage Alliance, on March 30, 2017, in Sacramento. He reported that staff and task force members also attended a very informative tour of the UCSD microgrid on April 12, 2017, and stated that Director Hogan would provide a report on these activities later in the meeting.

* Director Fong-Sakai arrived at 9:05 a.m., prior to any voting.

I. CONSENT CALENDAR
1. Construction contract for San Vicente Dam inclinometer installation.
   Staff recommendation: Authorize the General Manager to award a construction contract to Crux Subsurface, Inc., in the amount of $175,135 for the San Vicente inclinometer installation project.
Vice Chair Miller moved, Vice Chair Hilliker seconded, and the motion to approve staffs' recommendation passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION

1. **Professional services contract with Pure Technologies U.S. Inc. for acoustic fiber optic cable monitoring services on Pipelines 3, 4, 5, and the Crossover Pipeline.**
   **Staff recommendation:** Authorize the General Manager to award a professional services contract to Pure Technologies U.S. Inc. for acoustic fiber optic cable monitoring services in the amount of $2,319,814 for two years, from July 1, 2017 through June 30, 2019, with an option to extend the contract for an additional three years.

   Mr. Faber gave a presentation regarding acoustic fiber optic pipeline monitoring services including the fiber optic system and purpose, location of the monitoring system within the aqueduct system, pipeline management including cost savings and benefits, and monitoring services.

   Director Fong-Sakai moved, Director Hogan seconded, and the motion to approve staffs' recommendation passed unanimously.

2. **Miramar Pump Station Rehabilitation project.**
   **Staff recommendations:**
   a. Authorize the General Manager to accept the Miramar Pump Station Rehabilitation project as complete, record the Notice of Completion, and release funds held in retention to Kiewit Infrastructure West Co. following expiration of the retention period

   b. Authorize the General Manager to execute the Reimbursement Agreement between San Diego County Water Authority and City of San Diego for design, construction, ownership, operation, and maintenance of San Diego 27 Flow Control Facility in the amount of $400,000.

   Ms. Kuzmich presented information on the Miramar Pump Station Rehabilitation project including project location and purpose, original condition, completed pump station, San Diego 27 flow control facility, and contract summary. She also reported on existing anchor bolts, differing site condition, and start up testing coordination with the City of San Diego.

   * Director Butkiewicz arrived at 9:19 a.m., during the presentation and prior to the vote on the Miramar Pump Station Rehabilitation project item.

   Director Hogan moved, Director Miller seconded, and the motion to approve staffs' recommendation passed unanimously.
3. **San Vicente Energy Storage Facility Study.**

   **Energy Task Force Committee recommendation:** Approve proceeding with a new request for proposal process for proposers to provide full-service teams for potential implementation of the San Vicente Energy Storage Facility Study.

   Director Hogan reported information received at the ACWA-California Energy Storage Alliance Energy Storage Summit including the need for flexibility and a reliable grid, locations of storage on the grid, San Diego Gas & Electric’s lithium battery installation in Escondido, and the UCSD Microgrid tour.

   Ms. Rodgers continued the presentation with information regarding the San Vicente Energy Storage Facility Study including completed and ongoing work: business model considerations, types, and risk-reward comparison; and revenue streams. She also reported on direction given to staff at the September 8, 2016 Special Engineering and Operations Committee meeting, the request for letters of interest process, activities to implement the proposed project, categories of interested parties, responses by categories, key themes, Energy Task Force review, the three options for a request for proposal process, and the timeline and milestones.

   Director Boyle moved, Director Watkins seconded, and the motion to approve the Energy Task Force’s recommendation passed unanimously.

4. **Funding of low-flow meter installation at Skinner Water Treatment Plant to reduce the minimum treated water delivery from Metropolitan Water District.**

   **Staff recommendation:** Authorize the General Manager to fund the installation of a low-flow meter at the Skinner Water Treatment Plant in an amount not-to-exceed $2,630,360.

   Mr. Fisher presented information regarding the low-flow meter installation at Skinner Water Treatment Plant including second aqueduct treated water supplies, Skinner service area, and considerations for meter installation.

   Director Watkins moved, Director Hogan seconded, and the motion to approve staffs’ recommendation passed unanimously.

III. **INFORMATION**

   The following Information item was received and filed:

   1. Advertisement for Bids for Pipeline 3 Relining Lake Murray to Sweetwater Reservoir project.

IV. **CLOSED SESSION**

   Mr. Hattam took the committee into Closed Session at 10:07 a.m.
1. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   Name of Case: Shimmick Construction Co., Inc./Obayashi Corp.,
   Joint venture v. San Diego County Water Authority, Riverside
   Superior Court Case no. RIC 1609196

   Mr. Hattam brought the committee out of Closed Session at 10:19 a.m. and stated there
   was no reportable action.

V. ADJOURNMENT
   There being no further business to come before the Engineering and Operations
   Committee, Chair Heinrichs adjourned the meeting at 10:19 a.m.

LEGISLATION AND PUBLIC OUTREACH COMMITTEE
CALL TO ORDER/ROLL CALL
   Chair Guerin called the Legislation and Public Outreach Committee to order at 10:29
   a.m. Committee members present were Chair Guerin, Vice Chair Tu, and Directors Arant,
   Butkiewicz*, Croucher*, Evans, Gallo, Hilliker, Madaffer*, Muir, and Scalzitti. Committee
   members absent were Vice Chair Hall, and Directors Morrison, Steiner, and Supervisor Gaspar.
   Also present were Directors Bamum, Boyle, Cherashore, Fong-Sakai, Hedberg, Heinrichs,
   Hogan, Kennedy, Lewinger, Miller, Preciado, Saxod, Simpson, Smith, Watkins, Weston and
   Wilson. At that time, there was a quorum of the Board, and the meeting was conducted as a
   meeting of the Board; however, only committee members participated in the vote.

   Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General
   Manager Kerl, Director of Public Outreach and Conservation Foster, Government Relations
   Manager Farrel and Water Resources Manager Friehauf.

   * Director Butkiewicz arrived at 10:37 a.m.

ADDITIONS TO AGENDA
   There were no additions to the agenda.

PUBLIC COMMENT
   Eric Larson with the Farm Bureau in Escondido spoke in regards to a bill positon on AB
   1667.

CHAIR’S REPORT
   Chair Guerin reported that LPO Committee leadership, Board Officers, and Water
   Authority management held a planning and strategy session with the Sacramento legislative
   team in March. The LPO Committee leadership would be having in-depth planning and
   strategy meetings, with the entire Sacramento legislative team, twice each year to discuss state
   policy issues and the political landscape. The next meeting would be scheduled for the fall.
She reported that on April 7, 2017, the Governor released his long-term water use framework for California. She stated that the Water Authority and member agency staff had done a thorough review of the framework, and bills related to its implementation.

Chair Guerin stated the Water Authority continued to promote water efficiency as a positive and permanent lifestyle. She reported that the Water Authority had a significant presence as part of Earth Day and promoted water efficiency at five different events between April 19 and April 26, 2017. She added that May was Water Awareness Month and to help celebrate the Water Authority would be hosting a Live WaterSmart Photo Contest from May 1 to May 31, 2017. To participate, people need to submit a photo that demonstrates how water is an essential part of their life.

* Director Madaffer arrived at 10:45 a.m.

I. CONSENT CALENDAR
1. Adopt positions on various state bills:
   Staff recommendation:

   1-A Adopt a position of Support if Amended on AB 798 (Garcia), relating to Salton Sea restoration.

   1-D Adopt a position of Oppose Unless Amended on AB 1668 (Friedman), relating to drought contingency planning.

   1-E Adopt a position of Oppose on AB 1669 (Friedman), relating to long-term water use efficiency standards.

   1-F Adopt a position of Support if Amended on SB 615 (Hueso), relating to Salton Sea restoration.

   1-G Adopt a position of Oppose on Proposed Budget Trailer Bill RN 17-12268, relating to long-water water use standards.

   1-H Adopt a position of Oppose Unless Amended on Proposed Budget Trailer Bill RN 17-09926, relating to drought contingency planning.

Director Muir moved, Director Scalzitti seconded, and the motion to approve staffs’ recommendations passed unanimously.

   1-B Adopt a position of Support if Amended on AB 1587 (Levine), relating to quagga mussels.

Director Tu moved, Director Evans seconded, and the motion to approve staffs’ recommendation passed unanimously.
1-C Adopt a position of **Oppose Unless Amended** on AB 1667 (Friedman), relating to dedicated landscape meters.

Director Arant moved, Director Tu seconded, and the motion to approve staffs’ recommendation passed unanimously.

II. **ACTION/DISCUSSION/PRESENTATION**

1. Legislative Issues.


Mr. Carpi provided a Washington report including updates on cabinet positions needing to be filled, and proposed cuts by the Trump administration.

1-B Sacramento Report.


Mr. Farrel provided a Sacramento update, in which he reported on legislative deadlines and the status of Water Authority sponsored bills, including AB 1323 (Weber) which would provide for a stakeholder workgroup process through the Department of Water Resources to develop long-term water-use efficiency standards, and SB 701 (Hueso) relating to state natural resources obligations, and providing funds for Salton Sea restoration activities.

Mr. Farrel provided an overview of water use efficiency legislation and upcoming milestones in the legislative process regarding this legislation. He provided a summary of what the Water Authority was doing regarding the legislation, including direct legislative advocacy, participating in statewide coalition efforts, and building a local coalition of interests.

Ms. Friehauf provided an overview of the State Water Resources Control Board’s final framework on long-term water use efficiency and drought planning for “Making Conservation a California Way of Life”.

2. Co-Sponsor AB 968 (Rubio) and AB 1654 (Rubio).

**Staff recommendations:**

2-A Co-sponsor and adopt a position of Support on AB 968 (Rubio), relating to long-term water use efficiency standards and performance measures.

2-B Co-sponsor and adopt a position of Support on AB 1654 (Rubio), relating to drought contingency plans.

Director Tu moved, Director Evans seconded, and the motion to approve staffs’ recommendations passed unanimously.
3. **Adopt position on AB 885 (Rubio).**
   
   **Staff recommendation:** Adopt a position of Oppose Unless Amended on AB 885 (Rubio), relating to lead testing.

   Director Evans moved, Director Scalzitti seconded, and the motion to approve staffs’ recommendation passed unanimously.

4. **Community Outreach for Capital Improvement Projects.**

   The item was continued to the May 25, 2017 Board meeting.

* Director Croucher arrived at 11:31 a.m.

**III. INFORMATION**

The following information item was received and filed:

1. Government Relations Update.

**IV. ADJOURNMENT**

There being no further business to come before the Legislation and Public Outreach Committee, Chair Guerin adjourned the meeting at 11:33 a.m.

**WATER PLANNING COMMITTEE CALL TO ORDER/ROLL CALL**

Chair Cherashore called the Water Planning Committee meeting to order at 11:40 a.m. Committee members present were Chair Cherashore, Vice Chairs Boyle and Evans, and Directors Ayala, Barnum, Hedberg, Kennedy, Lewinger, Muir, Preciado, Smith, Tu and Weston. Committee members absent were Directors Brady and Razak. Also present were Directors Arant, Butkiewicz, Croucher, Gallo, Guerin, Heinrichs, Hilliker, Hogan, Madaffer, Miller, Saxod, Scalzitti, Simpson, Watkins and Wilson. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

   Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Manager Cushman, Director of Water Resources Yamada, Director of Public Outreach and Conservation Foster, Principal Water Resources Specialist Bombardier, and Senior Water Resources Specialist Chadwick.

**ADDITIONS TO THE AGENDA**

There were no additions to the agenda.

**PUBLIC COMMENT**

There were no members of the public who wished to speak.
CHAIR’S REPORT

Chair Cherashore welcomed everyone in attendance. He remarked on Governor Brown’s April 7, 2017, action to end the drought emergency for most of California, and the State Water Project’s April 14, 2017, allocation increase to 85 percent. He announced that the Water Authority would be a 2017 Association of California Water Agencies’ Clair A. Hill Award for Excellence finalist for the Carlsbad Desalination Plant at the upcoming ACWA state conference, and that five of the Water Authority’s water use efficiency programs would be featured at the 2017 WaterSmart Innovations Conference in October.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR
There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATIONS

   Staff recommendation: Adopt Resolution No. 2017-06 that:
   a. Finds that the project will not have a significant effect on the environment;
   b. Adopts the Final Mitigated Negative Declaration;
   c. Adopts the Mitigation Monitoring and Reporting Program;
   d. Approves the Second San Diego Aqueduct Moosa Canyon Crossing Erosion Control Project; and
   e. Authorizes filing a Notice of Determination. the Water Planning Committee Work Plan for Calendar Years 2017 and 2018.

   Mr. Chadwick presented an overview of project location, objectives, components, and changes in site conditions that occurred during the public review period. He reported that two written comments were received, focused on flood control and traffic. He added that the final MND was revised to address the issues raised by the comments, and that neither the issues raised by the comments, nor the changed site conditions, required a recirculation of the MND for additional public review or the preparation of an EIR. Staff responded to questions and comments posed by Directors Barmum and Kennedy.

   Director Kennedy moved, Director Weston seconded, and the motion to approve staffs’ recommendation passed unanimously.

2. Update on water supply conditions.

   Mr. Bombardier presented a report with graphs and information on regional, state and local precipitation, storage, and forecasts. Staff responded to questions and comments posed by Directors Lewinger and Hogan.
III. INFORMATION
The following information item was received and filed:

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
Chair Cherashore adjourned the meeting at 12:06 p.m., following a brief look ahead to the May and June committee meetings.

IMPORTED WATER COMMITTEE
CALL TO ORDER / ROLL CALL
Chair Weston called the Imported Water Committee meeting to order at 1:05 p.m. Committee members present were Chair Weston, Vice Chairs Fong-Sakai and Kennedy, Directors Barnum, Hogan, Lewinger, Madaffer, Miller, Murtland, Olson, Saxod, Scalzitti, and Wilson. Committee members absent were Directors Steiner and Supervisor Gaspar. Also present were Directors Arant, Ayala, Brady, Butkiewicz, Cherashore, Evans, Gallo, Guerin, Hall, Hedberg, Henrichs, Hilliker, Madaffer, Morrison, Muir, Simpson, Smith, Tu, and Watkins. At that time, there was a quorum of the Board, and the meeting was conducted as a meeting of the Board; however, only committee members participated in the vote.

Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Manager Cushman, MWD Program Director Chen, Colorado River Program Director Denham, and Senior Water Resources Specialist Mathews. Also present was Chris Frahm, Legal Counsel for Brownstein Hyatt Farber Schreck.

ADDITIONS TO AGENDA
There were no additions to the agenda.

PUBLIC COMMENT

At that time, the agenda was taken out of order and Mr. Hattam took the Committee into Closed Session at 1:08 p.m.

IV. CLOSED SESSION
1. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   SDCWA v. Metropolitan Water District of Southern California
   Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282;CPF-16-515391; A146901; and A148266
2. Conference with Legal Counsel – Anticipated Litigation
   Government Code §54956.9(d)(4)
   Deciding to Initiate Litigation – One Case

   Mr. Hattam brought the committee out of Closed Session at 1:47 p.m. and reported that
   the Board had approved direction to engage counsel and to initiate an action, and the action,
   defendants, and other particulars shall, once formally commenced, be disclosed to any person
   upon inquiry, unless to do so would jeopardize the agency’s ability to effectuate service of
   process on one or more unserved parties, or that to do so would jeopardize its ability to
   conclude existing settlement negotiations to its advantage.

   Mr. Hattam announced Closed Session item IV-3 would be handled in its entirety by
   outside special counsel Scott Slater from Brownstein Hyatt Farber Shreck. Mr. Hattam recused
   himself and reported that the General Counsel’s office would not attend or participate in the
   Closed Session. Mr. Slater joined via teleconference.

3. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   State Water Resources Control Board Petition of Imperial Irrigation District for
   Modification of Revised Water Rights Order 2002-0013

   Mr. Slater brought the Committee out of Closed Session at 2:05 p.m. and stated
   there was no reportable action.

CHAIR’S REPORT

   Chair Weston announced the Department of Water Resources awarded a $275 million
   contract to Kiewit Corporation for the repair of the Oroville spillways, and total cost, according
   to some news reports, could be as much as $1 billion. He mentioned it was on the work plan to
   continue tracking costs and impacts to the Water Authority and ratepayers.

   Chair Weston reported Director Kennedy attended the MWD Board Meetings in April
   and asked if he would provide observations; Chair Weston also stated that Directors interested
   in attending should contact appropriate staff.

   Director Kennedy thanked MWD Delegates and staff for the trip and made several
   comments about the meetings: he also noted that the Water Authority’s MWD delegates
   supported more items on the MWD agenda than not, and only took exceptions with those that
   were major policy items.

   Chair Weston explained that the Board requested the General Manager to respond to the
   comments made by MWD last month at Water Authority committee meetings. Ms. Stapleton
   reported that she had made community presentations related to MWD’s rate case and financial
   practices. She said the trial court had ruled MWD’s rates illegal and unconstitutional, and
reminded everyone what was at stake for the Water Authority’s member agencies, including the annual overcharge as a result of the illegal rates. She further explained MWD’s unsound financial practices did not stop at illegal rates but also included practices that placed risks to all Southern California ratepayers. Ms. Stapleton reviewed the assessment of MWD’s statements and documents by going through the list, and summarized the Water Authority’s response.

Directors made comments and thanked Ms. Stapleton and staff for the responses provided.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR
1. Amend agreement for Consulting Services with Laing Strategic Communications.
   Staff recommendation: Amend the agreement with Laing Strategic Communication for continued consulting services to the Water Authority through June 30, 2018, by $36,000, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $157,000.

   Vice Chair Kennedy moved, Director Scalzitti seconded, and the motion to approve staffs’ recommendation passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION
1. Amend agreement for Consulting Services with SCN Strategies.
   Staff recommendation: Amend the agreement with SCN Strategies for continued consulting services to the Water Authority through June 30, 2018 by $150,000, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $1,139,050.

   Ms. Vedder presented the background of SCN and explained the staff recommendation.

   Director Lewinger moved, Vice Chair Kennedy seconded, and the motion to approve staffs’ recommendation passed unanimously.


   Ms. Chen presented a brief update on Bay Delta flow standards explaining the background, issues, and staff recommendation.
Director Wilson moved, Director Saxod seconded, and the motion to approve staffs’ recommendation passed unanimously.

3. **MWD Issues and activities update.**

3-A Metropolitan Water District Delegates’ Report.

Director Lewinger requested the Board refer to the written report in the board packet.

3-B Metropolitan Water District’s Treatment Fixed Charge Discussion.

Due to time constraints, Chair Weston announced this item would be presented at the May 25, 2017, meeting.

4. **Colorado River Programs.**

4-A Colorado River Board Representative’s Report.

Director Wilson requested the Board refer to the written report in the board packet.

4-B Colorado River hydrology update

Due to time constraints, Chair Weston announced the item would be presented at the May 25, 2017, meeting.

III. **INFORMATION**

The following information item was received and filed:

1. Metropolitan Water District Program Report.

V. **ADJOURNMENT**

There being no further business to come before the Imported Water Committee, Chair Weston adjourned the meeting at 2:48 p.m.

**ADMINISTRATIVE AND FINANCE COMMITTEE**

**CALL TO ORDER / ROLL CALL**

Chair Saxod called the Administrative and Finance Committee meeting to order at 2:47 p.m. Committee members present were Chair Saxod, Vice Chairs Arant and Wilson, and Directors Ayala, Chershore, Gallo, Guerin, Hall, Hedberg, Heinrichs, Murtland, and Watkins. Committee member absent was Director Simpson. Also present were Directors Barnum, Boyle, Butkiewicz*, Croucher, Evans*, Fong-Sakai*, Guerin*, Hogan, Kennedy, Lewinger, Miller, Morrison*, Muir, Olson, Razak, Smith, Steiner, Tu, and Weston. At that time there was a quorum of the Board and the meeting was then conducted as a meeting of the Board; however, only committee members participated in the vote.
Staff present was General Manager Stapleton, General Counsel Hattam, Deputy General Manager Kerl, Assistant General Manager Cushman, Director of Water Resources Yanada, Director of Finance/Treasurer Harris, Director of Administrative Services Brown, and Controller Woidzik.

ADDITIONS TO AGENDA
There were no additions to the agenda.

PUBLIC COMMENT
There were no members of the public who wished to speak.

* Director Guerin joined the meeting at 2:55 p.m.

CHAIR’S REPORT
There was no Chair’s report.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR
   Staff recommendation: Note and file the monthly Treasurer’s report.

2. Approve the extension of the Bank of Tokyo liquidity facility supporting the Water Authority’s Commercial Paper Series 8; Approve the extension of the Bank of Tokyo liquidity facility agreement and adopt Resolution 2017-08 authorizing the amendment of the Bank of Tokyo agreement.

   Director Ayala moved, Director Arant seconded, and the motion to approve staffs’ recommendations passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION
1. Investment Manager’s Performance Report.

   In the interest of time the presentation was moved to the next quarter.

* Directors Evans, Fong-Sakai, Morrison and Butkiewicz joined the meeting at 3:05 p.m.

2. Preliminary Assessment on Calendar Year (CY) 2018 Rates and Charges.

   Ms. Harris presented the Preliminary Assessment on Calendar Year 2018 Rates and Charges including the CY 2018 Rate and Charge drivers and high and low rate guidance for
treated and untreated water. In addition, Mr. Yamada presented historical, and future projected, water sales from Calendar Year 2007 to Calendar Year 2022.

Directors Kennedy and Lewinger commented and asked questions and Mr. Yamada and Ms. Harris provided answers.

3. City of San Jose vs. Superior Court: Definition of Public Records.

Mr. Hattam presented a summary of the San Jose case and provided guidance on how the Water Authority would comply with the Public Request Act rules surrounding the case. He mentioned that General Counsel had created a detailed training video that would be offered to staff and Board members on how to best comply with the rules of this case.

III. INFORMATION
The following items were received and filed:
2. Board of Director’s first quarter 2017 Expenses and Attendance.
3. Board Calendar.

Chair Saxod invited Board members to view the Science Fair Exhibits, and meet the Science Fair students, in the Lobby prior to the Formal Board meeting.

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
There being no further business to come before the Administrative and Finance Committee, Chair Saxod adjourned the meeting at 3:07 p.m.

**FORMAL BOARD OF DIRECTORS’ MEETING OF APRIL 27, 2017**

1. **CALL TO ORDER** Chair Muir called the Formal Board of Directors’ meeting to order at 3:25 p.m.

2. **SALUTE TO THE FLAG** Director Hilliker led the salute to the flag.

3. **ROLL CALL, DETERMINATION OF QUORUM**
Secretary Croucher called the roll. Directors present were Arant, Ayala, Barnum, Butkiewicz, Cherashore, Croucher, Evans, Fong-Sakai, Gallo, Guerin, Hall, Hedberg, Heinrichs, Hilliker, Hogan, Kennedy, Lewinger*, Madaffer, Miller, Muir, Murtland, Olson, Saxod, Scalzitti*, Simpson, Smith, Tu, Watkins, Weston, and Wilson. Directors absent were Boyle, Brady, Morrison, Preciado, Razak, Steiner, and Supervisor Gaspar.

3-A **Report on proxies received.**
4. **ADDITIONS TO AGENDA**
   There were no additions to the agenda.

5. **APPROVAL OF MINUTES**
   Director Kennedy moved, Director Evans seconded, and the motion carried at 84.50% of the vote to approve the minutes of the Formal Board of Directors' meeting of March 23, 2017.

6. **OPPORTUNITY FOR MEMBERS OF THE PUBLIC WHO WISH TO ADDRESS THE BOARD ON MATTERS WITHIN THE BOARD'S JURISDICTION**
   There were no members of the public who wished to speak.

   * Directors Lewinger and Scalzitti arrived at 3:30 p.m., after the vote on approval of minutes.

7. **PRESENTATIONS & PUBLIC HEARINGS**
   7-A **Presentation of Science Fair Award Winners.**

   Chair Muir recognized the winners of the Science Fair. Principal Public Affairs Representative Risa Baron introduced each of the winners to the Board, and they provided a brief explanation of their projects and project findings.

8. **REPORTS BY CHAIRS**
   8-A **Chairs report:** Chair Muir reported on meetings he was scheduled to attend including the Spring ACWA Conference with the Board Officers in May, a meeting with Vice Chair Madaffer and a variety of elected officials to discuss concerns with MWD in Orange County on May 3, and in Ventura on May 1, 2017.

   8-B **Report by Committee Chairs:**
   - **Engineering and Operations Committee.** Director Heinrichs reviewed the meeting and the action taken.
   - **Administrative and Finance Committee.** Director Saxod reviewed the meeting and the action taken.
   - **Water Planning Committee.** Director Cherasore reviewed the meeting and the action taken.
   - **Legislation and Public Outreach Committee.** Director Guerin reviewed the meeting and the action taken.
   - **Imported Water Committee.** Director Weston reviewed the meeting and the action taken.
9. **CONSENT CALENDAR**

   Director Tu moved, Director Barnum seconded, and the motion carried at 89.73% of the vote to approve Consent Calendar. Directors voting no or abstaining are listed under the item number.

9-1. **Construction contract for San Vicente Dam inclinometer installation.**

   The Board authorized the General Manager to award a construction contract to Crux Subsurface, Inc., in the amount of $175,135 for the San Vicente inclinometer installation project.

9-2. **Professional services contract with Pure Technologies U.S., Inc. for acoustic fiber optic cable monitoring services on Pipeline 3, 4, 5 and Crossover Pipeline.**

   The Board authorized the General Manager to award a professional services contract to Pure Technologies U.S., Inc. for acoustic fiber optic cable monitoring services in the amount of $2,319,814 for two years, from July 1, 2017 through June 30, 2019, with an option to extend the contract for an additional three years.

9-3. **Miramar Pump Station Rehabilitation project.**

   The Board authorized the General Manager to accept the Miramar Pump Station Rehabilitation project as complete, record the Notice of Completion, and release funds held in retention to Kiewit Infrastructure West Co. following expiration of the retention period; and, authorized the General Manager to execute the Reimbursement Agreement between San Diego County Water Authority and City of San Diego for design, construction, ownership, operation, and maintenance of San Diego 27 Flow Control Facility in the amount of $400,000.

9-4. **San Vicente Energy Storage Facility Study.**

   The Board approved issuing a Request for Proposal, to all full-service teams, for potential implementation of the San Vicente Energy Storage Facility Study.

9-5. **Funding of low-flow meter installation at Skinner Water Treatment Plant to reduce the minimum treated water delivery from Metropolitan Water District.**

   The Board authorized the General Manager to fund the installation of a low-flow meter at the Skinner Water Treatment Plant in an amount not to exceed $2,630,360.

9-6. **Adopt bill positions.**

   A) The Board adopted a position of Support if Amended on AB 798 (Garcia), relating to Salton Sea restoration.

   B) The Board adopted a position of Support if Amended on AB 1587 (Levine), relating to quagga mussels.

   C) The Board adopted a position of Oppose Unless Amended on AB 1667 (Friedman), relating to agricultural water management plans.

   D) The Board adopted a position of Oppose Unless Amended on AB 1668 (Friedman), relating to drought contingency planning.
E) The Board adopted a position of Oppose on AB 1669 (Friedman), relating to long-term water use efficiency standards.

F) The Board adopted a position of Support if Amended on SB 615 (Hueso), relating to Salton Sea restoration.

G) The Board adopted a position of Oppose on Proposed Budget Trailer Bill RN 17-12268, relating to long-water water use standards.

H) The Board adopted a position of Oppose Unless Amended on Proposed Budget Trailer Bill RN 17-09926, relating to drought contingency planning.

9-7. Co-sponsor AB 968 (Rubio) and AB 1654 (Rubio).
The Board co-sponsored and adopted a position of Support on AB 968 (Rubio), relating to long-term water use efficiency standards and performance measures and co-sponsored and adopted a position of Support on AB 1654 (Rubio), relating to drought contingency plans.

The Board adopted a position of Oppose Unless Amended on AB 885 (Rubio), relating to lead testing.

The Board adopted Resolution No. 2017-06 that found that the project will not have a significant effect on the environment; adopted the Final Mitigated Negative Declaration; adopted the Mitigation Monitoring and Reporting Program; approved the Second San Diego Aqueduct Moosa Canyon Crossing Erosion Control Project; and authorized filing a Notice of Determination.

9-10. Amend agreement for Consulting Services with Laing Strategic Communications.
The Board amended the agreement with Laing Strategic Communications for continued consulting services to the Water Authority through June 30, 2018, by $36,000, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $157,000.

The Board amended the agreement with SCN Strategies for continued consulting services to the Water Authority through June 30, 2018 by $150,000, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $1,139,050.
9-12. **Adopt a Resolution Supporting the Association of California Water Agencies’ Policy Statement on Bay Delta Flow Requirements.**

9-13. **Anticipated Litigation.**
The Board approved direction to engage counsel and to initiate an action, and the action, the defendants, and the other particulars shall, once formally commenced, be disclosed to any person upon inquiry, unless to do so would jeopardize the agency's ability to effectuate service of process on one or more unserved parties, or that to do so would jeopardize its ability to conclude existing settlement negotiations to its advantage.

9-14. **Monthly Treasurer’s Report on Investments and Cash Flow.**
The Board noted and filed the monthly Treasurer’s Report.

9-15. **Approve the extension of the Bank of Tokyo liquidity facility supporting the Water Authority’s Commercial Paper Series 8.**
The Board approved the extension of the Bank of Tokyo liquidity facility agreement and adopted Resolution 2017-08 authorizing the amendment of the Bank of Tokyo agreement.

10. **ACTION/DISCUSSION**

11. **SPECIAL REPORTS**
11-A **GENERAL MANAGER’S REPORT** – Ms. Stapleton announced that the Water Authority would host a pipe assessment & rehabilitation workshop on May 30, 2017, from 9 a.m. to noon, with member agencies. She also informed the Board of an exploratory meeting scheduled on May 24, 2017, to discuss potential harvesting of algae from local reservoirs for use in items in the place of petroleum. She announced the completion of a pilot program for an inexpensive AMI meter reading project which could bring significant savings to Water Authority member agencies.

She concluded her report with a clarification of comments made regarding the MWD process of building their Urban Water Management Plan. She further explained her comments in context, and thanked the Board for the opportunity to provide clarification.

11-B **GENERAL COUNSEL’S REPORT** – Mr. Hattam stated he had nothing further to report.
11-C  SANDAG REPORT – Chair Muir stated that he was unable to attend the last meeting and the next meeting was scheduled for April 28, 2017.
SANDAG Subcommittees:
Borders Committee – Director Croucher stated the meeting was scheduled for April 28, 2017.
Regional Planning Committee – Director Olson provided a written report in the Board Packet.

11-D  AB 1234 Compliance Reports – No reports were given.

12.  CLOSED SESSION(S)
Mr. Hattam announced there was no need for Closed Session.

12-A  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1) Shimmick Construction Co., Inc./Obayashi Corp., joint venture v. San Diego County Water Authority,
Riverside Superior Court Case No. RIC 1609196

12-B  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v. Metropolitan Water District of Southern California;
Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; A146901; and A148266

12-C  Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(4)
Deciding to Initiate Litigation – One Case

12-D  Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
State Water Resources Control Board Petition of Imperial Irrigation District for Modification of Revised Water Rights Order 2002-0013

13.  ACTION FOLLOWING CLOSED SESSION

14.  OTHER COMMUNICATIONS
There were no other communication items.
15. **ADJOURNMENT**
   There being no further business to come before the Board, Chair Muir adjourned the meeting at 4:00 p.m.

Mark Muir, Chair

Gary Croucher, Secretary

Melinda Cogle, Clerk of the Board