MINUTES OF THE FORMAL BOARD OF DIRECTORS’ MEETING
OCTOBER 25, 2018

ADMINISTRATIVE AND FINANCE COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Saxod called the Administrative and Finance Committee meeting to order at 9:04 a.m. Committee members present were Chair Saxod, Vice Chair Arant and Wilson*, and Directors Ayala, Cherashore*, Gallo, Guerin, Hall, Hedberg, Murtland, and Watkins. Committee members absent were Directors Croucher, Heinrichs, and Simpson. Also present were Directors Barnum, Boyle, Butkiewicz, Cate, Evans, Fong-Sakai, Hilliker, Hogan, Kennedy, Leonard, Lewinger, Madaffer, Miller, Smith and Steiner. 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 Managers Cushman and Denham, Director of Finance/Treasurer Harris, Director of Administrative Services Foster, Budget and Analysis Manager Whyte, Controller Woidzik, and Senior Management Analyst Gore. Also present was John Houlberg of JP Morgan.

ADDITIONS TO 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 Saxod announced that the Water Authority would host a Cash Flow Analysis training for our member agencies and Water Authority staff on November 19, 2018. The training would cover impact of revenues, expenditures, CIP, and reserve policies when projecting the level of cash available for investments. The training would also explore portfolio structures that maintain liquidity while optimizing returns. All interested were directed to contact Ms. Harris.

DIRECTORS’ COMMENTS

There were no Directors’ comments.

* Vice Chair Wilson and Director Cherashore arrived at 9:07 a.m.

I. CONSENT CALENDAR

   Staff recommendation: Note and file the Treasurer’s report.
2. Establish 2019 Board meeting dates.
   **Staff recommendation:** Combine the November and December Board meeting
dates to November 21, 2019 and approve the 2019 Board meeting dates calendar.

   Director Ayala moved, Director Murtland seconded and the motion to approve staffs’
   recommendation passed unanimously.

II. ACTION/DISCUSSION/PRESENTATION
1. Approve the Policy Framework for Reducing the Water Authority’s Unfunded
   Pension Liability.
   **Staff recommendation:** Establish a pension funding policy framework that:
   a. Achieves a target pension funded ratio range;
   b. Determines the number of years to reach target range;
   c. Establishes a funding source to achieve the target range; and
   d. Establishes the funding vehicle.

   Ms. Harris, Mr. Woidzik, and Mr. Gore gave a presentation on the Water Authority
   pension fund that included key and historical data, pension funding policy parameters, potential
   funding vehicles, and a review of the staff recommendation.

   Directors asked questions and made recommendations. Staff provided answers.

   Vice Chair Arant moved, Vice Chair Wilson seconded, and the motion to approve
   staffs’ recommendation passed unanimously.

2. Ordinance making updates to chapters 2.00, 2.20, 4.00, 4.08, 7.00, and 8.00 of
   the Administrative Code.
   **Staff recommendations:** Adopt Ordinance No. 2018-05, an ordinance of the
   board of directors of the San Diego County Water Authority making updates and
   other amendments to chapters 2.00, 2.20, 4.00, 4.08, 7.00, and 8.00 of the
   Administrative Code.

   Mr. Hattam introduced the item and stated the associated board memo was on page 24
   of the Board Packet.

   Director Murtland moved, Director Gallo seconded, and the motion to approve staffs’
   recommendation passed unanimously.

3. Present annual report and presentation of the Business Plan performance and

   Ms. Stapleton provided a presentation which included the Business Plan history and
   process and reviewed the 2017-2021 Business Plan highlights and performance. She introduced
the updated 2019-2023 Business Plan and reviewed the plan’s key focus areas, programs, management strategies, objectives, tactics, and key performance indicators. In closing, Ms. Stapleton stated the Business Plan document was available on the Water Authority website.


Ms. Harris and Mr. Houlberg provided a presentation that included background on pipeline refunding bonds, a municipal bond market update, and a calendar of next steps.

III. INFORMATION
The following information items were received and filed:
2. Reimbursements to Board Members and Staff.
4. Board Calendar.

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 10:15 a.m.

ENGINEERING AND OPERATIONS COMMITTEE
CALL TO ORDER / ROLL CALL
Vice Chair Miller called the Engineering and Operations Committee meeting to order at 10:20 a.m. Committee members present were Vice Chairs Hilliker and Miller, and Directors Butkiewicz, Fong-Sakai, Hogan, Preciado*, Smith, and Watkins. Committee members absent were Chair Heinrichs, and Directors Bebee, Boyle, Katz, Morrison, and Simpson. Also present were Directors Arant, Barmum, Cate, Cherashore, Evans, Gallo, Guerin, Hedberg, Kennedy, Leonard, Lewinger, Madaffer, Muir, Saxod, Scalzitti, 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 Denham, Director of Operations and Maintenance Fisher, Director of Engineering Reed, Senior Engineering Manager Bousquet, Principal Engineer Kuzmicz, Senior Engineers Fountain and Whitaker. Engineer P.E. Oleksyn, and Operations and Maintenance Manager Castaing.

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
There was no Chair’s Report.

I. CONSENT CALENDAR
1. Notice of Completion for the San Vicente Dam Joint Sealing Project.
   Staff recommendations: Authorize the General Manager to accept the San Vicente
   Joint Sealing project as complete, record the Notice of Completion, and release
   funds held in retention to Carpi USA Inc. following the expiration of the retention
   period.

2. Change Order with Granite Construction, Inc. for the Moosa Canyon Erosion
   Control Project.
   Staff recommendations: Authorize the General Manager to execute Change Order 3
   in the amount of $351,000 for costs associated with the differing site condition
   related to unanticipated groundwater increasing the authorized cumulative contract
   amount to $1,806,889.

   Director Fong-Sakai moved, Vice Chair Hilliker seconded, and the motion approve the
   Consent Calendar passed unanimously. Director Scalzitti was not present for the vote.

II. ACTION/DISCUSSION/PRESENTATION
   1-A Task Force Update.

   Director Hogan provided an update on the San Vicente Energy Task Force activities
   including the upcoming October 25, 2018, Task Force meeting and the Special Engineering and
   Operations workshop on November 8, 2018.

   1-B Project Status Update.

   Mr. Bousquet gave an update on project purpose, project description, background,
   California energy landscape, project activities and budget, and next steps.

2. Water Quality improvement project.
2-B Service contract with Univar USA Inc. for purchase and delivery of sodium hypochlorite.

Staff recommendation: Authorize the General Manager to award a service contract to Univar USA Inc., for purchase and delivery of sodium hypochlorite for a period of one year, with an option to extend the contract for an additional two years, for a total not-to-exceed amount of $465,000.

Mr. Castaing gave an update on treated water demand, treated water delivery – nitrification, adaptation strategies, system monitoring, pilot test. Mission Trails chlorine injection system, sodium hypochlorite, and reviewed the staff recommendation.

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

3. Construction contract with Kiewit Infrastructure West, Inc. for the Vallecitos Water District 11/Vista Irrigation District 12 Flow Control Facility project.

Staff recommendations:

a. Determine the bid protest is valid, and Orion Construction Corporation, and SCW Contracting Corporation’s bids are non-responsive.

b. Authorize the General Manager to award a construction contract to Kiewit Infrastructure West, Inc. in the amount of $4,977,000 for the Vallecitos Water District 11/Vista Irrigation District 12 Flow Control Facility project.

Vice Chair Miller and Director Evans recused themselves from Action item II-3.

Mr. Whitaker presented information on bid results and reviewed staffs’ recommendations.

Director Boyle moved, Director Watkins seconded, and the motion to approve staffs’ recommendations passed unanimously.

4. Agreement with Valley Center Municipal Water District and Yuima Municipal Water District for the Emergency Water Storage Project Improvements in Valley Center and Yuima Water Districts.

Staff recommendation: Authorize the General Manager to execute an agreement with Valley Center Municipal Water District and Yuima Municipal Water District for the design of infrastructure improvements providing emergency water supplies to Valley Center and Yuima Water Districts for an amount not-to-exceed $580,000.

Directors Arant and Watkins recused themselves from Action item II-4.

* Director Preciado arrived at 11:12 a.m.
Mr. Fountain presented information on emergency storage/carryover storage projects, North County ESP pump stations project, project components, project delivery, agreement benefits, project schedule, and reviewed the staff recommendation.

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

III. INFORMATION
There were no Information items.

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
There being no further business to come before the Engineering and Operations Committee, Vice Chair Miller adjourned the meeting at 11:21 a.m.

IMPORTED WATER COMMITTEE CALL TO ORDER / ROLL CALL
Chair Fong-Sakai called the Imported Water Committee meeting to order at 11:26 a.m. Committee members present were Chair Fong-Sakai, Vice Chair Kennedy, and Directors Barnum, Hogan, Leonard, Lewinger, Madaffer, Miller, Murtland, Saxod, Scalzitti, Steiner, and Wilson. Committee members absent were Director Katz, and Supervisor Roberts. Also present were Directors Arant, Boyle, Butkiewicz, Cate, Cherashore, Evans, Gallo, Guerin, Hall, Hedberg, Hilliker, Muir, Preciado, Smith, 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 Managers Cushman and Denham, MWD Program Director Chen, and Colorado River Program Director Rodgers.

ADDITIONS TO AGENDA
Chair Fong-Sakai announced the Consent Calendar item had been pulled and a presentation would be provided. She stated that the committee would go into Closed Session following the Chair’s report.

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

CHAIR’S REPORT
Chair Fong-Sakai gave an update on Bay-Delta Issues and the memo President Trump issued “Promoting the Reliable Supply and Delivery of Water in the West.” She also briefed the
Board on the October 16, 2018 State Water Resources Control Board meeting on the Salton Sea.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

IV. CLOSED SESSION
Mr. Hattam took the committee into Closed Session at 11:30 a.m.

1. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   SDCWA v. Metropolitan Water District of Southern California;
   San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-
   14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; California
   County of Appeal (1st District) Case Nos. A146901; A148266; A154325;
   California Supreme Court Case No. S243500, S251025; and Los Angeles
   Superior Court Case No. BS 173868

2. Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   California Department of Water Resources v. All Persons Interested; Sacramento
   Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and J CCP 4942

3. Conference with Legal Counsel – Existing Litigation/Anticipated Litigation
   Government Code §§54956.9(d)(1) and/or (d)(4)
   Food & Water Watch and Center for Food Safety v. Metropolitan Water District
   of Southern California and All Persons Interested in the Matter; Los Angeles
   Superior Court Case No. BC 720692

Mr. Hattam brought the committee out of Closed Session at 1:00 p.m. and stated there
was no reportable action.

At that time the committee recessed for lunch. Chair Fong Sakai resumed the meeting at
1:34 p.m.

I. CONSENT CALENDAR.
   1. Amend agreement for Consulting Services with M Strategic
      Communications
      Staff recommendation: Amend the agreement with M Strategic
      Communications for continued consulting services to the Water Authority
      through June 30, 2019 by $140,000, for a period of six additional months,
      with total contract funding not to exceed $1,012,000.

      Ms. Chen provided a presentation regarding M Strategic Communications and the
      importance of their consulting work for the Water Authority.
Director Steiner moved, Director Lewinger seconded, and the motion to approve staffs' recommendation passed with Scalzitti voting in opposition.

II. ACTION/DISCUSSION/PRESENTATION
1. MWD issues and activities update.
   1-A Metropolitan Water District Delegates’ Report.

   Due to time constraints, the Delegates requested the Board refer to the Board packet for an update.

2. Colorado River Programs.
   2-A Colorado River Board Representative’s report

   Due to time constraints, Director Wilson requested the Board refer to the Board packet for an update.

   2-B Colorado River Issues – Part 3.

   Ms. Rodgers presented Part 3 on Colorado River Issues. The update included Drought Contingency Plan, Intentionally Created Surplus (ICS) Program participation, and next steps.

   Staff responded to questions and comments posed by the Board.

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 Fong-Sakai adjourned the meeting at 2:09 p.m.

LEGISLATION AND PUBLIC OUTREACH COMMITTEE
CALL TO ORDER/ROLL CALL
Chair Guerin called the Legislation and Public Outreach Committee to order at 2:12 p.m. Committee members present were Chair Guerin, Vice Chairs Butkiewicz and Hall, and Directors Arant, Cate, Croucher, Evans, Gallo, Hilliker, Madaffer*, Morrison, Muir, Scalzitti and Steiner. Committee member absent was Supervisor Roberts. Also present were Directors Ayala, Boyle, Cherashore, Fong-Sakai, Hedberg, Hogan, Kennedy, Leonard, Lewinger, Miller, Murtland, Preciado, Saxod, Smith, 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 Managers Cushman and Denham, Director of Public Outreach
and Conservation Vedder, Government Relations Manager Farrel, and Public Affairs Representatives Balben and Jenkins. Also present was legislative representative Ken Carpi.

ADDITIONS TO 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 Guerin reported that she traveled to Washington, D.C. in September with the Board officers and Assistant General Manager Denham. The reason for the trip was attendance at the San Diego Regional Chamber of Commerce’s annual delegation to update members of Congress and the Administration on important issues in the San Diego region.

She also reported that staff completed a successful round of Brought to You by Water outreach events which celebrated the Manufacturing industries in San Diego County.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR
1. Amendment to extend the advocacy services contracts with the firms of Cruz Strategies; Lang, Hansen, O’Malley & Miller; Carpi & Clay; and Smith, Watts & Hartmann.
   Staff recommendation: Authorize the General Manager to extend agreements with the following firms for a period of 24 months, from January 1, 2019 through December 31, 2020.
   - Cruz Strategies (formerly known as Gonzalez, Quintana, Hunter & Cruz): 2019 monthly retainer of $14,163 and total annual reimbursable expenses of $7,500 for a total first-year amount not to exceed $177,456; 2020 monthly retainer of $14,588 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $182,556; increasing the total contract maximum amount by $360,012, from $636,000 (former maximum) to $996,012 (new maximum).
   - Lang, Hansen, O’Malley & Miller: 2019 monthly retainer of $11,937 and total annual reimbursable expenses of $7,500 for a total first-year amount not to exceed $150,744; 2020 monthly retainer of $12,295 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $155,040; increasing the total contract maximum amount by $305,784, from $568,164 (former maximum) to $873,948 (new maximum).
• Carpi & Clay: 2019 monthly retainer of $11,355 and total annual reimbursable expenses of $7,500 for a total first-year amount not to exceed $143,760; 2020 monthly retainer of $11,696 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $147,852; increasing the total contract maximum amount by $291,612, from $1,397,492 (former maximum) to $1,689,104 (new maximum).

• Smith, Watts & Hartmann: 2019 monthly retainer of $7,725 and reimbursable expenses of $7,500 for a total first-year amount not to exceed $100,200; 2020 monthly retainer of $7,957 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $102,984; increasing the total contract amount by $203,184, from $138,500 (former maximum) to $341,684 (new maximum).

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

II. ACTION/DISCUSSION/PRESENTATION
1. Legislative issues.

   Mr. Carpi provided a Washington report which included updates related to issues of interest of the Water Authority.

* Director Madaffer arrived at 2:22 p.m.

   1-B Sacramento Report.

   Mr. Farrel provided a Sacramento report which included an update on status of Water Authority Sponsored bills and other key measures.


   Mr. Farrel provided an update on the process of revising the 2019 Legislative Policy Guidelines. He reported on key content changes and reported that staff would bring the final proposed Legislative Policy Guidelines to the Board for approval at the December 6, 2018 meeting.

3. Citizen’s Water Academy program update.

   Ms. Jenkins and Mr. Balben provided the Board with an update on the Citizens Water Academy program and the improvements that have been made since inception. Staff provided the Board with information regarding the growing alumni program that has resulted from participation in the Citizens Water Academy and stated that they graduated 543 participants.
Director Hogan asked staff to report back on the number of Citizens Water Academy alumni that have also gone on MWD tours.

III. INFORMATION
The following Information items were received and filed:
1. Government Relations Update.

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
There being no further business to come before the Legislation and Public Outreach Committee, Chair Guerin adjourned the meeting at 2:54 p.m.

WATER PLANNING COMMITTEE
CALL TO ORDER/ROLL CALL
Chair Cherashore called the Water Planning Committee meeting to order at 2:57 p.m.
Committee members present were Chair Cherashore, Vice Chairs Boyle and Evans, and Directors Ayala, Cate, Hedberg, Kennedy, Leonard, Lewinger, Muir, Preciado and Smith. Committee members absent were Directors Barnum and Bebee. Also present were Directors Arant, Butkiewicz, Croucher, Fong-Sakai, Gallo, Guerin, Hall, Hilliker, Hogan, Madaffer, Miller, Muir, Murtland, Saxod, Scalziiti, Steiner, 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 Managers Cushman and Denham, Acting Director of Water Resources Roy, Operations and Maintenance Manager Faber, Principal Engineer Crutchfield, Principal Water Resources Specialist Stadler, and Water Resources Specialist Schnell.

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.

DIRECTORS’ COMMENTS
There were no Directors’ comments.
I. CONSENT CALENDAR
There were no Consent Calendar items.

II. ACTION/DISCUSSION/PRESENTATIONS
1. Resolution setting preliminary, informed terms and conditions for the Yuima Municipal Water District’s proposed Rancho Corrido Annexation.
   Staff recommendation: Adopt Resolution No. 2018-18 (Attachment 1), establishing preliminary, informal terms and conditions for the Yuima Municipal Water District’s proposed Rancho Corrido Annexation, and requesting that the Metropolitan Water District of Southern California set formal terms and conditions.

   Director Watkins recused himself on Action item II-1.

   Ms. Schnell provided a presentation on the staff recommendation for the Yuima Municipal Water District’s proposed Rancho Corrido Annexation. She reviewed water quality health and safety issues, and policies and procedures of board adoption.

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


   Mr. Stadler gave an update on the San Diego Integrated Regional Water Management Program needs assessments that would be performed, and an upcoming grant opportunity in Proposition 1. He stated phase 1 of the IRWM plan would be brought to the Board for review and consideration in January 2019 and phase 2, the final draft, would be released May 2019, and would be brought to the Board for review and consideration of adoption. He concluded by announcing the Proposition 1 Grant Program round 1 project list would be brought to the Board for approval and used to build the application to present to DWR by mid-2019.

3. Aqueduct Seismic Assessment Strategy.

   Mr. Crutchfield provided an update on seismic risks of the Aqueduct System pipelines. He stated that staff would continue participation in MWD’s ESRP efforts and technical review of pipeline vulnerability to seismic hazards, secure necessary funding to conduct analysis, and report the next annual update on storage reserves to the Board.

4. Carlsbad Desalination Water Quality Integration.

   Mr. Faber gave a presentation of overall integration result in benefits for the Carlsbad Desalination water quality and Water Research Foundation study.

III. INFORMATION
The following Information item was received and filed:
IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
There being no further business to come before the Water Planning Committee, Chair Cherashore adjourned the meeting at 3:21 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF OCTOBER 25, 2018

1. CALL TO ORDER Chair Madaffer called the Formal Board of Directors’ meeting to order at 3:28 p.m.

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

3. ROLL CALL, DETERMINATION OF QUORUM
Secretary Guerin called the roll. Directors present were Arant, Ayala, Boyle, Butkiewicz, Cate, Cherashore, Croucher, Evans, Fong-Sakai, Gallo, Guerin, Hall, Hedberg, Hilliker, Hogan, Kennedy, Leonard, Lewinger, Madaffer, Miller, Morrison, Muir, Murtland, Preciado, Saxod, Scalzitti, Smith, Steiner, and Watkins. Directors absent were Barnum, Bebee(p), Heinrichs, Katz, Simpson, Wilson and Supervisor Roberts.

3-A Report on proxies received. Director Arant was the proxy for Director Bebee.

4. ADDITIONS TO AGENDA
There were no additions to the agenda.

5. APPROVAL OF MINUTES
Director Evans moved, Director Saxod seconded, and the motion carried at 93.08% of the vote to approve the minutes of the Formal Board of Directors’ meeting of September 27, 2018.

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.

7. PRESENTATIONS & PUBLIC HEARINGS

7-A Retirement of Director. Adopt Resolution honoring Mark Weston upon his retirement from the Board of Directors.

7-B Retirement of Director. Adopt Resolution honoring Vic Bianes upon his retirement from the Board of Directors.
Chair Madaffer announced the retirement of Directors Weston and Bianes and thanked them for their service.

Director Cate moved, Director Smith seconded, and the motion carried at 93.08% of the vote to approve Resolutions 2018-19 and 2018-20, honoring Mark Weston and Vic Bianes upon retirement from the Board of Directors.

* Director Kennedy left the meeting at 3:58 p.m.

8. REPORTS BY CHAIRS

8-A Chairs report: Chair Madaffer reminded the Board of the Special Engineering and Operations Committee meeting on Thursday, November 8, 2018 at 1:30 p.m. to discuss the San Vicente Energy Project, and the Special Board Meeting directly preceding at 1:00 p.m.

Chair Madaffer spoke briefly on a proposal letter sent to MWD which requested to work collaboratively and bring a close to lengthy litigation with the agency.

8-B Report by Committee Chairs:
   Administrative and Finance Committee. Director Saxod reviewed the meeting and the action taken.
   Engineering and Operations Committee. Director Miller reviewed the meeting and the action taken.
   Imported Water Committee. Director Fong-Sakai reviewed the meeting and the action taken.
   Legislation and Public Outreach Committee. Director Guerin reviewed the meeting and the action taken.
   Water Planning Committee. Director Cherashore reviewed the meeting and the action taken.

9. CONSENT CALENDAR

Director Ayala moved, Director Muir seconded, and the motion carried at 89.08% of the vote to approve the Consent Calendar. Directors voting no or abstaining are listed under the item.

The Board noted and filed the Treasurer’s report.

9-2. Establish 2019 Board meeting dates.
The Board combined the November and December Board meeting dates to November 21, 2019 and approved the 2019 Board meeting dates calendar.
9-3. **Approve the Policy Framework for Reducing the Water Authority’s Unfunded Pension Liability.**

The Board established a pension funding policy framework that: a) achieves a target pension funded ratio range; b) determines the number of years to reach target range; c) establishes a funding source to achieve the target range; d) establishes the funding vehicle; and e) to present the updated pension funded ratio and recommendations for one-time contributions to the Board annually.

9-4. **Ordinance making updates and other amendments to chapters 2.00, 2.20, 4.00, 4.08, 7.00, and 8.00 of the Administrative Code.**

The Board adopted Ordinance No. 2018-05, an ordinance of the board of directors of the San Diego County Water Authority making updates and other amendments to chapters 2.00, 2.20, 4.00, 4.08, 7.00, and 8.00 of the Administrative Code.

9-5. **Notice of Completion for the San Vicente Dam Joint Sealing Project.**

The Board authorized the General Manager to accept the San Vicente Joint Sealing project as complete, record the Notice of Completion, and release funds held in retention to Carpi USA Inc. following the expiration of the retention period.

9-6. **Change Order with Granite Construction, Inc. for the Moosa Canyon Erosion Control project.**

The Board authorized the General Manager to execute Change Order 3 in the amount of $351,000 for costs associated with the differing site condition related to unanticipated groundwater increasing the authorized cumulative contract amount to $1,806,889.

Director Scalzitti abstained on 9-6.

9-7. **Service contract with Univar USA Inc. for purchase and delivery of sodium hypochlorite.**

The Board authorized the General Manager to award a service contract to Univar USA Inc., for purchase and delivery of sodium hypochlorite for a period of one year, with an option to extend the contract for an additional two years, for a total not-to-exceed amount of $465,000.

9-8. **Construction contract with Kiewit Infrastructure West, Inc. for the Vallecitos Water District 11/Vista Irrigation District 12 Flow Control Facility project.**

The Board determined the bid protest is valid, and Orion Construction Corporation, and SCW Contracting Corporation’s bids are non-responsive and authorized the General Manager to award a construction contract to Kiewit Infrastructure West, Inc. in the amount of $4,977,000 for the Vallecitos Water District 11/Vista Irrigation District 12 Flow Control Facility project.

Directors Evans and Miller abstained on 9-8.
9-9. **Agreement with Valley Center Municipal Water District and Yuima Municipal Water District for the Emergency Water Storage Project Improvements in Valley Center and Yuima Water Districts.**

The Board authorized the General Manager to execute an agreement with Valley Center Municipal Water District and Yuima Municipal Water District for the design of infrastructure improvements providing emergency water supplies to Valley Center and Yuima Water Districts for an amount not-to-exceed $580,000.

Directors Arant and Watkins abstained on 9-9.

9-10. **Amend agreement for Consulting Services with M Strategic Communications.**

The Board amended the agreement with M Strategic Communications for continued consulting services to the Water Authority through June 30, 2019 by $140,000, for a period of six additional months, with total contract funding not to exceed $1,012,000.

Directors Arant and Scalzitti voted No on 9-10.

9-11. **Amendment to extend the advocacy services contracts with the firms of Cruz Strategies; Lang, Hansen, O'Malley & Miller; Carpi & Clay; and Smith, Watts & Hartmann.**

The Board authorized the General Manager to extend agreements with the following firms for a period of 24 months, from January 1, 2019 through December 31, 2020:

- **Cruz Strategies (formerly known as Gonzalez, Quintana, Hunter & Cruz):** 2019 monthly retainer of $14,163 and total annual reimbursable expenses of $7,500 for a total first-year amount not to exceed $177,456; 2020 monthly retainer of $14,588 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $182,556; increasing the total contract maximum amount by $360,012 from $636,000 (former maximum) to $996,012 (new maximum).

- **Lang, Hansen, O'Malley & Miller:** 2019 monthly retainer of $11,937 and total annual reimbursable expenses of $7,500 for a total first-year amount not to exceed $150,744; 2020 monthly retainer of $12,295 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $155,040; increasing the total contract maximum amount by $305,784 from $568,164 (former maximum) to $873,948 (new maximum).

- **Carpi & Clay:** 2019 monthly retainer of $11,355 and total annual reimbursable expenses of $7,500 for a total first-year amount not to exceed $143,760; 2020 monthly retainer of $11,696 and total annual reimbursable expenses of $7,500 for a total second-year amount not to exceed $147,852; increasing the total contract maximum amount by $291,612 from $1,397,492 (former maximum) to $1,689,104 (new maximum).

- **Smith, Watts & Hartmann:** 2019 monthly retainer of $7,725 and reimbursable expenses of $7,500 for a total first-year amount not to exceed $100,200; 2020 monthly retainer of $7,957 and total annual reimbursable expenses of $7,500
for a total second-year amount not to exceed $102,984; increasing the total contract amount by $203,184, from $138,500 (former maximum) to $341,684 (new maximum).

9-12. Resolution setting preliminary, informed terms and conditions for the Yuima Municipal Water District’s proposed Rancho Corrido Annexation. 
   The Board adopted Resolution No. 2018-18, establishing preliminary, informal terms and conditions for the Yuima Municipal Water District’s proposed Rancho Corrido Annexation, and requesting that the Metropolitan Water District of Southern California set formal terms and conditions.

Director Watkins abstained on 9-12.

10. ACTION/DISCUSSION
10-A Recommend Deferral of Biennial Review of Representatives to the Metropolitan Water District of Southern California.

Director Evans moved, Director Scalzitti seconded, and the motion carried at 89.08% of the vote to approve deferral of the biennial review of the representatives to the Metropolitan Water District of Southern California to the December 6, 2018 meeting.

11. SPECIAL REPORTS
11-A GENERAL MANAGER’S REPORT – Ms. Stapleton stated she had nothing further to report.

11-B GENERAL COUNSEL’S REPORT – Mr. Hattam stated he had nothing further to report.

11-C SANDAG REPORT – Director Muir reported on his attendance at the recent SANDAG Strategic Active Transportation Workshop. SANDAG Subcommittees: Borders Committee – Vice Chair Croucher reported on the recent SANDAG Borders Committee Meeting. Regional Planning Committee – Directors Gallo and Hedberg collaboratively reported on the recent SANDAG Regional Planning Committee meeting.

11-D AB 1234 Compliance Reports – Vice Chair Croucher reported on meetings with Member Agency General Managers, and prior Board Chair Muir.

12. CLOSED SESSION(S)
Mr. Hattam stated there was no need for Closed Session.
12-A Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v. Metropolitan Water District of Southern California; San Francisco Superior Court Case Nos. CPF-10-510830; CPF-12-512466; CPF-14-514004; CPF-16-515282; CPF-16-515391; CGC-17-563350; California Court of Appeal (1st District) Case Nos. A146901; A148266; A154325; California Supreme Court Case Nos. S243500; S251025; and Los Angeles Superior Court Case No. BS 173868

12-B Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
California Department of Water Resources v. All Persons Interested: Sacramento Superior Court Case No. 34-2017-00215965-CU-MC-GDS; and JCCP 4942

12-C Conference with Legal Counsel – Existing Litigation/Anticipated Litigation
Government Code §§54956.9(d)(1) and/or (d)(4)
Food & Water Watch and Center for Food Safety v. Metropolitan Water District of Southern California and All Persons Interested in the Matter; Los Angeles Superior Court Case No. BC 720692

13. **ACTION FOLLOWING CLOSED SESSION**

14. **OTHER COMMUNICATIONS**

15. **ADJOURNMENT**
There being no further business to come before the Board, Chair Madaffer adjourned the meeting at 3:47 p.m.

Jim Madaffer, Chair

Christy Guerin, Secretary

Melinda Nelson, Clerk of the Board