1. **CALL TO ORDER** Chair Croucher called the Board of Directors’ meeting to order at 9:01 a.m.

Chair Croucher welcomed the Board to the meeting and briefly discussed logistics of the meeting.

2. **ROLL CALL, DETERMINATION OF QUORUM**

Clerk of the Board Nelson called the roll. Directors present virtually were Chair Croucher, Vice Chair Guerin, Secretary Butkiewicz, and Directors Arant, Ayala, Barnum*, Bebe*, Boyle, Cate, Cherashore, Evans*, Fong-Sakai, Hall, Hedberg, Heidemann, Heinrichs, Hilliker, Katz, Kennedy, Lewinger, Madaffer, Martinez, Miller, Murtland*, Mosca*, Preciado*, Reeh, Rios, Saxod, Scalzitti, Smith, Steiner, Udrys, Wilson, and Supervisor Desmond.

Directors absent were Hogan and Simpson.

Staff present included General Manager Kerl, Deputy General Manager Denham, General Counsel Hattam, Director of Administrative Services Foster, Director of the Colorado River Program Rodgers, Director of Engineering Reed, Director of Finance Harris, Director of Government Relations Farrell, Director of Human Resources Kite, Director of MWD Program Chen, Director of Operations & Maintenance Fisher, Director of Public Affairs Vedder, Director of Water Resources Gage, Operations & Maintenance Manager Coghill, Water Resources Manager Crutchfield, Principal Engineer Faber, Principal Water Resources Specialist Mathews, Public Affairs Representative II Balben, Public Affairs Representative Mora, and Clerk of the Board Nelson. Also present was Ken Carpi of Carpi & Clay, Inc.

2-A  **Report on proxies received.** No proxies were received.

3. **ADDITIONS TO THE AGENDA**

Chair Croucher announced that items 7.12 and 8.3 were pulled from the agenda and would return to the Board at the November 19, 2020 meeting.

Pulled items:

7.12  **Amendment to extend the federal advocacy services contract with Carpi & Clay.**

**Staff recommendation:** Staff recommends the Board of Directors extend an agreement with Carpi & Clay for federal advocacy services for a period of 24
months, from January 1, 2021 through December 31, 2022, for a total amount – including monthly retainer and reimbursable expenses – not to exceed $375,000.

8.3 Abandonment of easements along El Paseo Road.
Staff recommendation: Authorize General Manager/General Counsel to file documentation with the San Diego County Recorder’s Office to abandon Water Authority easements along El Paseo Road.

* Director Mosca arrived at 9:10 a.m.

4. **APPROVAL OF MINUTES**
Director Ayala moved, seconded by Director Katz, and the motion carried at 88.278% of the vote to approve the minutes of the Formal Board of Directors’ meeting of September 24, 2020. Ms. Nelson took a roll call vote.

5. **PUBLIC COMMENT**
There were no members of the public who requested to address the Board.

6. **REPORT BY CHAIR**
Chair Croucher announced that two Water Authority CIP Projects had received awards. The Pipeline 5 Relining Project was recognized with two awards, the first was The American Public Works Association “Honor Award”, and the second was The American Society of Civil Engineers “Award of Excellence”. The Moosa Canyon Pipeline Emergency Repair Project was recognized with The American Society of Civil Engineers “Award of Honor”. He congratulated all Staff involved in the award-winning projects. He also reported that the Water Authority had again received an “Achievement of Excellence in Procurement Award” from the National Procurement Institute.

Chair Croucher reported the MWD Board had unanimously elected Chair Gray as Chair of the MWD Board for a second term and he congratulated her on her achievement. He also announced the retirement of Terry Fulp, Lower Colorado River Basin Regional Director with US Bureau of Reclamation, on October 23, 2020. He recognized him for years of service to the public, thanked him for his many contributions and achievements, and congratulated him on his retirement.

Chair Croucher concluded his report with a reminder of the upcoming Special Water Planning & Environmental Committee meeting on November 12, 2020 at 1:30 p.m. He stated the topic of the meeting would be the preparation of the 2020 Urban Water Management Plan, and he encouraged all Board members to attend virtually.

* Directors Barnum, Evans, and Preciado arrived at 9:22 a.m.
7. **ACTION/DISCUSSION/PRESENTATION**

7.1 Recognition of Supervisor Greg Cox for his public service and leadership.

Chair Croucher recognized Supervisor Cox for his outstanding public service and leadership to the Region. He spoke briefly on achievements and accomplishments of Supervisor Cox, covering his decades of public service. He introduced Supervisor Cox to address the Board, and Supervisor Cox spoke briefly and thanked Chair Croucher and the Water Authority Board for the recognition.

Supervisor Desmond provided additional comments recognizing Supervisor Cox and congratulated him on his retirement.

* Director Murtland arrived at 9:33 a.m.

7.2 Notice of Biennial Review of the Representatives to the Metropolitan Water District of Southern California.

Chair Croucher announced the continued appointments of MWD Delegates Butkiewicz, Goldberg, Hogan, and Smith. He stated that the Delegate appointments would be reviewed again after the MWD General Manager hiring was complete.

Director Ayala moved, seconded by Director Fong-Sakai, and the motion carried at 94.62% of the vote to approve the Chairs recommendation. Ms. Nelson took a roll call vote.

7.3 Rates & Charges and Budget Update.

Ms. Harris presented a summary of mid-term budget actions that resulted in significant budget savings, and a summary of implemented debt management strategies including water revenue refunding bonds. She reviewed approved CY 2021 rates and charges and drivers, MWD Fall 2020 rate review, and an overview of the current environment. She concluded the presentation with a review of next steps.

Directors Cate and Preciado made comments and asked questions, and Staff responded.

Ms. Kerl commented in response to a request by Director Cate for information regarding revenue shortfalls and stated staff would return with the information.
7.4 Approve the selection of pool of Financial Advisors to provide financial advisory services.
Staff recommendation: Authorize the General Manager to award professional service contracts to Financial Advisors for a total base amount not-to-exceed $300,000 for the three-year period from December 1, 2020 to December 1, 2023. The contracts will have two one-year renewal options.

Ms. Harris provided a presentation that included a general background of selecting Financial Advisors, an overview of the request for approval process, and she concluded with a review of the staff recommendation.

Director Steiner moved, seconded by Director Hilliker, and the motion carried at 96.037% of the vote to approve staffs’ recommendation. Ms. Nelson took a roll call vote.

7.5 San Vicente Project Negotiations Work Group update.

Director Heinrichs provided an update to the Board on the San Vicente Project Negotiations Work Group and highlighted achievements and accomplishments.

* Director Bebee arrived at 9:45 a.m.

7.6 Detachment Update.

Ms. Kerl provided a brief update on the detachment process. She stated that Rainbow and Fallbrook had filed applications to annex to Eastern in Riverside County, and that MWD had submitted a report to LAFCO as an interested party in the proceedings. She reported that the Water Authority filed a detailed response addressing major issues with the applications. She briefly discussed an inaccurate report that was filed with the LAFCO applications, and stated that a response to that report would also be filed. She concluded with next steps including a LAFCO advisory committee meeting scheduled for November.

Directors Arant, Bebee, Cherashore, and Kennedy made comments and asked questions, and Mr. Hattam responded.

Chair Croucher provided further comments on the process. He stated that he had met with the agencies’ general managers and he was hopeful that a solution could be reached to keep the agencies within the Region. He announced that he would schedule follow-up meetings with the agencies, and possibly form a work group to continue discussions.

7.7 Asset Management Program Briefing.
Mr. Coghill provided a presentation on the Asset Management Program. He reviewed the program background, and major managed assets including 310 miles of large-diameter pipelines, and 98 Flow Control Facilities. He reviewed a map of the County that showed the location of major assets, discussed condition assessment protocols and timing, and asset management tools. He concluded the presentation by highlighting the Asset Management Team members, and the “Innovating Asset Management” Regional Collaboration with Otay Water District.

Directors Heinrichs, Smith, and Miller made comments and asked questions, and Staff responded.

7.8 Colorado River Salinity Control update.

Ms. Mathews presented an update on several components of Colorado River Salinity Control that included program background, an update on the Paradox Valley Unit, program funding overview, and water quality issues related to Colorado River salinity control.

Directors Kennedy and Wilson made comments and asked questions, and Ms. Mathews responded.

7.9 Regional Salinity Reduction Study.

Mr. Faber provided an update on the Regional Salinity Reduction Study. He reviewed Water Authority sources of treated water including imported water and Carlsbad Desalination supplies, and reviewed a map of treated water source locations. He provided an overview of the 2018 Water Research Foundation Study and report conclusions, reviewed State Water Project blends, and salinity reduction efforts. He concluded with a review of participating member agencies and next steps.

Directors Kennedy and Cherashore made comments and asked questions, and Mr. Faber responded.

7.10 Washington report by Ken Carpi.

Mr. Carpi provided a Washington report which included updates related to issues of interest of the Water Authority. He stated that the focus of Washington was the upcoming election, and a possible Covid relief bill.

Chair Croucher and Director Katz asked questions and Mr. Carpi responded.

7.11 Sacramento Report.
Mr. Farrell provided a report on legislative activities in Sacramento and reviewed issues of interest to the Water Authority. He stated the 2020 legislative session adjourned August 31, 2020 and that Legislature would convene on December 7, 2020 to organize for the 2021-2022 legislative session. He concluded his presentation with a recap of 2020 legislature including Water Authority sponsored bills.

Director Lewinger asked a question and Mr. Hattam responded.


Mr. Farrel presented an update on the Draft Proposed 2021 Legislative Policy Guidelines that included a review of proposed substantive content changes, and next steps. He stated that Staff requested suggestions from Board members and member agencies by November 4, 2020 and that the final proposed Legislative Policy Guidelines would return to the Board for approval at the November 19, 2020 meeting.

Chair Croucher, and Directors Steiner, Preciado, Rios and Butkiewicz made comments and asked questions, and Staff responded.


Mr. Crutchfield presented a report on FY 2020 Carlsbad Desalination Plant Operations that included an overview of plant performance and delivery challenges, total delivered water figures, Water Authority demand shortfalls, and water purchase costs.

Director Bebee asked a question and Mr. Crutchfield and Chair Croucher responded.

7.15 Quarterly report on Public Affairs activities.

Ms. Vedder provided brief opening comments and introduced Ms. Mora to the Board.

Ms. Mora provided a presentation on the “Faces of the Water Industry” outreach campaign, which highlights professionals in the Water and Wastewater industry. She concluded her presentation by sharing three short videos with the Board of Directors.

Ms. Vedder continued the presentation on the Public Affairs quarterly report with the announcement of outreach video collaborations with John Foreman of Switchfoot, which was paid for by grants. She concluded by sharing the videos with the Board.

Chair Croucher commented on the campaign and clarified that the outreach costs were all paid using Grant funds.

Secretary Butkiewicz made comments and thanked staff.
7.16 Small Contractor Outreach and Opportunities Program (SCOOP) Annual Report.

Mr. Balben presented an update on the SCOOP program that included an overview of the program and program goal, FY 2020 outreach and training, program participation figures, and he concluded with a review of next steps.

Directors Hedberg and Lewinger made comments and asked questions, and Mr. Balben and Chair Croucher responded.

8. **CONSENT CALENDAR**

Director Katz moved, seconded by Director Heinrichs, and the motion carried at 98.312% of the vote to approve Consent Calendar items, 8.1, 8.2, 8.4, and 8.5. Ms. Nelson took a roll call vote. Directors voting no, or abstaining are listed under the item.

Director Cate recused on item 8.5. Director Mosca recused on item 8.4.


**Staff recommendation:** Note and file the Treasurer’s report.

8.2 Establish 2021 Board meeting dates.

**Staff recommendation:** Combine the November and December Board meeting dates to November 18, 2021 and approve the 2021 Board meeting dates calendar.

8.4 Agreement for the storage or sale of Local Water to the San Diego County Water Authority by the Santa Fe Irrigation District and San Dieguito Water District.

**Staff recommendations:**
1) Approve the agreement between the Water Authority and Santa Fe Irrigation District and San Dieguito Water District for the storage or sale of local water.
2) Authorize the General Manager to purchase local water per the terms of the agreement.

Director Mosca recused on 8.4. The motion carried at 97.241%

8.5 Approve memorandum of understanding with City of San Diego and County of San Diego for implementation of Integrated Regional Water Management Program activities.

**Staff recommendation:** Approve the MOU with the City and the County for IRWM activities.

Director Cate recused on 8.5. The motion carried at 98.312%

The Board recessed at 11:40 a.m. and reconvened at 11:50 a.m.
The following Information items were received and filed:

9. **INFORMATION**
   9-B Board Calendar.
   9-C Colorado River Board Representative’s report.
   9-D Metropolitan Water District Delegates Report.
   9-E Government Relations Update.
   9-F Final Status Report on State Legislation and Legislative Positions.
   9-G Water Resources report.

10. **SPECIAL REPORTS**
    10-A GENERAL MANAGER’S REPORT – Ms. Kerl stated that the Water Authority held the Employee Recognition event in a virtual setting and that it was a big success. She thanked the ERC committee for all the work involved, and attempted to share a video produced for the event, however, due to technical difficulties, she announced the video would be brought back at the November meeting.

    Ms. Kerl commented in response to an earlier question by Director Steiner and stated more information would be brought back to the Board.

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

    10-C SANDAG REPORT – No report was provided.
    SANDAG Subcommittees: Borders Committee – No report was provided.
    Regional Planning Committee – No report was provided.

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

11. **CLOSED SESSION(S)**
    Mr. Hattam took the Committee into Closed Session at 11:57 a.m.

    11-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; CPF-18-516389; California Court of Appeal (1st District) Case Nos. A146901; A148266; A154325; California Supreme Court Case Nos. S243500; and S251025

    11-B Conference with Legal Counsel – Existing Litigation
    Government Code §54956.9(d)(1)
    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; California Court of Appeal (2nd District) Case No. B297553
11-C Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: Bonnie Kessner et al v. City of Santa Clara et al;
Santa Clara Superior Court Case No. 20CV364054;
and Santa Cruz County Superior Court JCCP No. 5103

*Director Preciado left the meeting at 12:55 p.m.
*Director Evans left the meeting at 1:00 p.m. and recused from Item 11-D.

11-D Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: Vallecitos Water District v. San Diego County Water Authority;
San Diego County Superior Court Case No. 37-2020-00034563-CU-BC-NC

11-E Conference with Legal Counsel – Anticipated Litigation
Government Code §54956.9(d)(2)
Two Cases

*Directors Ayala, Bebee, Cate, Kennedy and Supervisor Desmond recused from item 11-E.

12. ACTION FOLLOWING CLOSED SESSION
Mr. Hattam brought the Board out of Closed Session at 1:46 p.m. and stated there was no reportable action.

13. OTHER COMMUNICATIONS
Chair Croucher reported that he was reviewing the set-up of the Board room, to prepare for social distancing requirement compliance and precautions for a future return to in-person meetings. He provided a brief update on the Fiscal Sustainability Committee and concluded his report with an announcement of a plan to schedule Board workshops and retreats that would include member agency general managers.

14. ADJOURNMENT
There being no further business to come before the Board, Chair Croucher adjourned the meeting at 1:52 p.m.

[Signatures]
Gary Croucher, Chair
Jerry Butkiewicz, Secretary
Melinda Nelson, Clerk of the Board