

**MINUTES OF THE FORMAL BOARD OF DIRECTORS' MEETING
AUGUST 22, 2013**

ADMINISTRATIVE AND FINANCE COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Saunders called the Administrative and Finance Committee meeting to order at 8:02 a.m. Committee members present were Chair Saunders, Vice Chairs Arant and Wight, Directors Gallo, Hilliker, Hogan, Lewinger, Topolovac, Watton, Weston, Williams, and Wilson. The Committee member absent was Director Sanford. Also present were Directors Barnum, Brady, Croucher, Douglas, Evans, Kern, Linden, Madaffer, Murtland, Olson, Saxod, Simpson, Verbeke, and Wornham. 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 Hentschke, Deputy General Managers Belock and Kerl, Director of Finance/Treasurer McCraner, Director of Administrative Services Young, Financial Planning Manager Shank, and Controller Greek.

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 Saunders thanked Committee members for their attendance and for accommodating the earlier start time of the meeting.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Treasurer's Report.
Staff recommendation: Note and file the monthly Treasurer's report.

2. Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for Fiscal Year 2014.
Staff recommendation: Adopt Resolution No. 2013-20 establishing an amount due of \$1,754,804.74 from the city of San Diego for the In-Lieu Charge for Fiscal Year 2014.

3. Response to May 15, 2013 San Diego Grand Jury Report, “Reduce Dependence on Imported Water.”
Staff recommendation: Ratify response to the May 15, 2013 San Diego Grand Jury Report, “Reduce Dependence on Imported Water.”

Director Williams moved, Vice Chair Arant seconded, and the motion passed unanimously to approve the Consent Calendar.

II. ACTION/DISCUSSION

1. Update on Fiscal Sustainability Task Force.

Vice Chair Wight provided an update on efforts of the Fiscal Sustainability Task Force. She stated the Task Force had met three times to date and had addressed several issues which included evaluating the benefits of the Water Authority’s AA+ credit rating, reviewing the 2000 Cost of Services study, and considering the comparison of fiscal sustainability and financial metrics against other wholesale water agencies across the nation. The group had also discussed the importance of employing the concepts of equity and fairness in the rate-setting process. She announced the next Task Force meeting would be held during September, at which time guiding principles and focus areas would be discussed. The Task Force intends to provide the Committee with continued updates as well as guiding principles and focus areas recommendations at the October and November Committee meetings. In addition, at least one Board workshop would be scheduled at the end of 2013. Following the workshop, all recommendations would be turned over to the General Managers’ Task Force.

Director Lewinger requested the Task Force address reserve levels in relationship to fiscal sustainability and return with recommendations to the Board.

III. INFORMATION

The following items were noted and filed:

1. Report on Water Standby Availability Charge deferrals for Fiscal Year 2014.

Chair Saunders stated Board members had relayed several question related to the item and requested staff provide more detail on the topic at a future Committee meeting.

Director Arant asked a question regarding the handling of fiscal reserves. Ms. Stapleton stated the handling of reserves was dictated through Board policies and the issue would be addressed by the Fiscal Sustainability Task Force.

2. Report on Water Authority memberships.

Directors Wilson, Brady, and Arant made comments and asked questions regarding Water Authority memberships. Ms. Stapleton outlined the membership review process and described the rationale and importance of holding memberships with certain organizations listed on the report.

3. Controller's report on monthly financial reports.
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 Saunders adjourned the meeting at 8:16 a.m.

WATER PLANNING COMMITTEE
CALL TO ORDER/ROLL CALL

Chair Douglas called the Water Planning Committee Meeting to order at 8:24 a.m. Committee members present were Chair Douglas, Vice Chairs Tu and Watton, Directors Brady, Kern, Linden, Madaffer, Miller, Murtland, Sanford, Saunders, Simpson, Steiner and Weston. Also present were Directors Arant, Barnum, Croucher, Evans, Gallo, Hilliker, Hogan, Lewinger, Olson, Pocklington*, Saxod, Topolovac, Verbeke, Watkins*, Williams*, Wilson and Wornham. 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 Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Water Resources Director Weinberg, Water Resources Managers Purcell and Yamada, Principal Engineer Chamberlain and Principal Water Resources Specialist Frieauf. Also present was Clint Daniels, Principal Research Analyst with SANDAG.

PUBLIC COMMENT

There were no public comments.

CHAIR'S REPORT

Chair Douglas thanked the Committee and Board members for continued attention to the 2013 Master Plan Update development and related Climate Action Plan, and Supplemental Program Environmental Impact Report. She added there would be another Special Meeting of the Water Planning Committee on September 12, 2013 to continue work on those documents.

DIRECTORS' COMMENTS

There were no comments made by Directors.

I. CONSENT CALENDAR

There were no items for the Consent Calendar.

II. ACTION/DISCUSSION

1. Presentation on SANDAG Series 13 2050 Regional Growth Forecast.

Ms. Frieauf provided introductory remarks about a SANDAG and Water Authority coordination formalized in a 1992 Memorandum of Agreement between the two agencies whereby the Water Authority would use SANDAG's Regional Growth Forecast for water supply planning purposes, and SANDAG would use the Water Authority's planning documents, such as the Urban Water Management Plan, as the basis for the water supply element in their Regional Comprehensive Plan. She concluded by adding that SANDAG Series 13 data would be used in the Water Authority's upcoming water demand modeling work to be performed under a professional services contract that would be submitted for the Board's consideration and approval at the September 26, 2013 Board meeting.

Mr. Daniels provided a report on projected growth for the San Diego region to the year 2050. He also included comparison data previously reported in SANDAG Series 9 forecast to the year 2020. According to the report projected growth from 2010 to 2050 anticipated 973,000 more people, 489,000 more jobs and 333,000 more housing units.

*Directors Watkins and Williams arrived at 8:45 a.m. and 8:48 a.m., respectively.

2. Report on the preparation of the 2013 Regional Water Facilities Optimization and Master Plan Update.

Mr. Weinberg provided introductory remarks on development of the Master Plan Update.

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

Mr. Chamberlain presented information on hydroelectric generation opportunities as one of the final areas of analysis of the Master Plan development before proceeding with attention to the Climate Action Plan.

Staff responded to comments and questions posed by Directors Arant, Tu, Lewinger, Saunders and Watkins. Director Olson requested staff provide the Board the opportunity in the future to evaluate details of any single potential hydroelectric project. Director Croucher requested that future information include projected initial cost and pay off time for the Rancho Penasquitos and Lake Hodges hydroelectric generation operations versus actual results. He also requested that rather than proceed with that type of project independently, for staff to look into partnership opportunities with other agencies who provide power as their core business, in order to lower exposure to risk and liabilities.

III. INFORMATION

The following report was received and filed:

1. Water Resources report.

IV. CLOSED SESSION

There were no Closed Session items.

V. ADJOURNMENT

Chair Douglas adjourned the meeting at 9:24 a.m.

IMPORTED WATER COMMITTEE

CALL TO ORDER / ROLL CALL

Chair Saxod called the Imported Water Committee meeting to order at 9:35 a.m. Committee members present were Chair Saxod, Vice Chairs Muir and Williams, and Directors Arant, Croucher, Evans, Hogan, Lewinger, Linden, Olson, Pocklington, Steiner, Watkins, Wilson, and Wornham. Also present were Directors Barnum, Brady, Douglas, Hilliker, Kern, Madaffer, Miller, Mudd, Murtland, Sanford, Saunders, Simpson, Topolovac, Tu, Verbeke, Watton, Weston and Wight. 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 included General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of MWD Program Chen, Colorado River Program Director Razak, Government Relations Manager Farrel, Water Resources Manager Purcell, and others.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no public comments.

DIRECTORS' COMMENTS

There were no comments by Directors.

CHAIR'S REPORT

Chair Saxod reported that the Bay-Delta review series would continue with staff focusing on the environmental review process. She reminded committee members of the September 12, 2013 Special Imported Water Committee meeting being held to further discuss the Bay Delta Conservation Plan, and added that Natural Resources Agency Deputy Secretary Jerry Meral and a panel of economists would discuss their views on the economic benefits of Bay Delta Conservation Plan.

She reported that The Bureau of Reclamation had announced the release from Lake Powell to Lake Mead would be 7.48 million acre feet (maf) due to dry hydrology. The amount was significantly lower than the regular release amount of 8.23 maf and it would be the first time since the initial filling of Lake Powell in the early 1960s that this level of releases would occur. She also stressed the importance of Colorado River operations, as the Colorado River accounts for about 60 percent of San Diego County's water supply. To weather this challenge, the Water

Authority continues to diversify water supply sources and promote water conservation, among other efforts.

I. CONSENT CALENDAR

There were no items on the consent calendar.

II. ACTION/DISCUSSION

1. Bay Delta.

- 1-A Overview of the Bay-Delta Conservation Plan Administrative Environmental Review Process and Identification of Underlying Planning Assumptions.

Mr. Cushman provided an outline of the presentation and the latest news involving the Bay Delta Conservation Plan (BDCP).

Mr. Purcell discussed the BDCP environmental review process and Mr. Farrel discussed the BDCP economic benefit and financing analysis, preliminary demand analysis, preliminary water supply yield analysis, and how the BDCP would be financed. Following the presentations, directors asked questions and provided input for the analysis process.

Mr. Cushman reviewed the next steps for the Water Authority's evaluation and analysis of the four Delta fix options.

2. Metropolitan Water District Issues and Activities update.

- 2-A Metropolitan Water District Delegates report.

The Delegates reported on discussions and actions taken at the recent MWD board meetings.

3. Colorado River Program.

- 3-A Colorado River Board representative's report.

Director Pocklington reported on discussions at the August, 2013 Colorado River Board meeting.

- 3-B Colorado River Salinity Control update.

Ms. Razak provided an update on the Colorado River Salinity Control Program.

III. INFORMATION

The following information item was noted and filed:

1. Metropolitan Water District Program report.

Mr. Cushman provided background information on the MWD rate litigation.

Mr. Hentschke took the Committee into closed session at 12:15 p.m.

IV. CLOSED SESSION

1. CLOSED SESSION:

Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)

Name of Case: QSA Judicial Council Coordination Proceeding No. 4353

Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)

Name of Case: State Water Resources Control Board (SWRCB) Imperial
Irrigation District and San Diego County Water Authority Joint Petition for
Modification of Revised Order WRO 2002-0013 (Permit 7643, Application 7482)

2. CLOSED SESSION:

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 and CPF-12-512466

3. CLOSED SESSION:

Conference with Legal Counsel – Existing Litigation

Government Code §54956.9(a) – SDCWA v Eastern Municipal Water District;
Riverside Superior Court Case No. RIC1300887

Mr. Hentschke brought the Committee out of Closed Session at 1:03 p.m. and reported that the Committee had made a recommendation to the board to authorize the General Counsel to amend the professional service agreements for MWD litigation support service with TERIS to increase the contract amount by an additional \$50,000.

V. ADJOURNMENT

There being no further business to come before the Imported Water Committee, Chair Saxod adjourned the meeting at 1:03 p.m.

ENGINEERING AND OPERATIONS COMMITTEE **CALL TO ORDER / ROLL CALL**

Chair Brady called the Engineering and Operations Committee meeting to order at 1:41 p.m. Committee members present were Chair Brady, Vice Chairs Miller and Pocklington, and Directors Barnum, Morrison, Mudd, Murtland, Olson, Simpson, Tu, Verbeke, Watkins, and Wornham. Also present were Directors Arant, Croucher, Douglas, Evans, Gallo, Hilliker, Kern, Hogan Lewinger, Linden, Madaffer, Muir, Sanford, Saunders, Saxod, Topolovac, Watton, Weston, Wight, and Wilson. At that time, there was a quorum of the full 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 Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Operations and Maintenance Eaton, Director of Engineering Rose, Deputy General Counsel Gallien, Senior Engineer Kavanagh, Senior Water Resources Specialist Tegio, Engineering Manager Reed, Right of Way Manager Kross, Principal Construction Manager Kenny, and Senior Engineer Conner.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

Ismael Marquez, representing Poseidon, was present to speak regarding the Carlsbad Desalination Project. Chair Brady stated that he would be able to speak at the time the agenda item was presented later in the meeting.

Chair Brady announced that the agenda items would be taken out of order.

IV. CLOSED SESSION

Mr. Hentschke took the committee into closed session at 1:43 pm.

1. CLOSED SESSION:

Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v MWH Americas, Inc. et al
Case No. 37-2011-00090504-CU-BC-CTL

2. CLOSED SESSION:

Conference with Real Property Negotiator
Government Code §54956.8
Property: Desalination Project Right of Way (APN 219-086-05; APN 212-010-15)
Agency Negotiators: Daniel S. Hentschke, Frank Belock, Bill Rose, John Kross
Negotiating Parties: North County Land Partners - APN 219-086-05,
SDG&E - APN 212-010-15
Under Negotiation: Price and Terms of Acquisition

Mr. Hentschke brought the committee out of closed session at 2:38 pm and stated there was no reportable action.

CHAIR'S REPORT

Chair Brady reported that the annual Engineering and Operations Tour was scheduled for the morning of September 30, 2013. He stated that RSVP forms were available and requested all Board Members to complete the form, whether they planned to attend or not, and return form to Clerk of the Board Lore.

DIRECTORS' COMMENTS

There were no Directors' comments.

I. CONSENT CALENDAR

1. Quitclaim three Water Authority easements to the Olivenhain Municipal Water District.

Staff recommendation: Authorize the General Manager to quitclaim three Water Authority easements, affecting Assessor Parcels 267-181-89, 267-432-09 and 267-432-35 located east of the Second San Diego Aqueduct in the vicinity of Bing Crosby Estates, to Olivenhain Municipal Water District, at no cost, due to the cancellation of the Olivenhain 6/7 Flow Control Facility project.

Vice Chair Pocklington moved, Director Tu seconded, and the motion to approve staff's recommendation passed unanimously.

II. ACTION/DISCUSSION

1. Carlsbad Desalination Project.

1-A Presentation – Carlsbad Desalination Project update.

1-B Advertisement for bids for the Pipeline 3 Desal Relining San Marcos to Twin Oaks project.

Mr. Belock stated that item 1-A would be continued to September 26, 2013. He also gave a brief summary regarding the Advertisement for bids for the Pipeline 3 Desal Relining project. The item was for information only and no action was taken.

Chair Brady called for Ismael Marquez, representing Poseidon, to come to the podium. Mr. Marquez was not present at that time and did not speak to the committee.

2. Pipeline 3 Relining Sweetwater to Lower Otay Reservoir.

2-A Construction contract with L.H. Woods & Sons, Inc. for Pipeline 3 Relining Sweetwater to Lower Otay.

Staff recommendation: Authorize the General Manager to award a construction contract to L.H. Woods & Sons, Inc. in the amount of \$25,387,000 for the Pipeline 3 Relining Sweetwater to Lower Otay project.

Ms. Kavanagh gave a brief presentation including review of project location, what happens during relining of pipes, and a summary of bid results.

Director Tu moved, Director Murtland seconded, and the motion to approve staff's recommendation passed unanimously.

- 2-B Professional services contract to Helix Environmental Planning, Inc. for the Pipeline 3 Relining – Sweetwater to Lower Otay Reservoir project.
Staff recommendation: Authorize the General Manager to award a professional services contract to Helix Environmental Planning, Inc. for the Pipeline 3 Relining – Sweetwater to Lower Otay Reservoir to provide environmental construction monitoring and support services for a 16-month period in an amount not-to-exceed \$268,926.

Vice Chair Pocklington moved, Director Miller seconded, and the motion to approve staff's recommendation passed unanimously.

3. Energy Management Policy.
Adopt the draft Energy Management Policy.

Chair Brady gave a presentation regarding the draft Energy Management Policy created by the Energy Subcommittee, including committee members involved and the purpose of the subcommittee, the relationship between the Energy Plan and other Water Authority documents, and a summary of the Policy.

After much discussion and suggested revisions to the policy language, Director Olson recommended the item be continued to September to allow staff to make the suggested revisions before taking a vote on adoption. At that time, all members present agreed and the item was continued to September 26, 2013 Board meeting.

III. INFORMATION

1. Presentation on San Vicente Dam Raise project update.

This item was continued to September 26, 2013 Board meeting.

V. ADJOURNMENT

There being no further business to come before the Engineering and Operations Committee, Chair Brady adjourned the meeting at 2:55 p.m.

LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE **CALL TO ORDER/ROLL CALL**

Chair Topolovac called the Legislation, Conservation and Outreach Committee to order at 2:58 p.m. Committee members present were Chair Topolovac, Vice Chairs Croucher and Madaffer, Directors Barnum, Douglas, Evans, Gallo, Hilliker, Kern, Muir, Saxod, Verbeke and Wight. Committee member absent was Director Mudd. Other Board members present were Directors Arant, Hogan, Lewinger, Miller, Murtland, Olson, Pocklington, Sanford, Saxod, Simpson, Steiner, Tu, Watkins, Watton, Weston, Williams, Wilson and Wornham. 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 were General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Director of Public Outreach and Conservation Foster, Government Relations Manager Farrel and Principal Water Resources Specialists Stephenson and Michelin.

ADDITIONS TO AGENDA

There were no additions to the agenda.

PUBLIC COMMENT

There were no members of the public who wished to address the Committee.

CHAIR'S REPORT

Chair Topolovac announced the upcoming water-efficient plant fairs in conjunction with The Home Depot. He also announced the "To Quench A Thirst" history book had been revised and thanked staff for their work on updating the book. He reported that the next SCOOP committee meeting would be held Tuesday, September 3, 2013.

DIRECTORS' COMMENTS

There were no directors' comments.

I. CONSENT CALENDAR

There were no items on the Consent Calendar.

II. ACTION/DISCUSSION

1. Legislative Issues.
 - 1-A Report by Carpi and Clay.

Mr. Clay provided a Sacramento update and stated that the legislative session would end on September 12, 2013. He reported on the water bond, stating that the Assembly had been operating through a working group in which Assemblymember Toni Atkins was participating and representing San Diego interests. Mr. Clay announced that language and framework was expected soon.

Mr. Clay reported that Senator Wolk had released her version of a water bond from the Senate side; both bonds were similar in size. He stated that SB 322 with Senator Hueso was on the Assembly floor. Mr. Clay also reported on AB 145, sponsored by Assemblymember Perea, regarding switching the public drinking water program from the Department of Public Health to the State Water Quality Control Board. The Water Authority's position was Oppose unless amended. He stated the bill was with the Senate Appropriations Committee, in the suspense file, but would likely pass because it had support from the Governor.

Mr. Cushman clarified the Water Authority position and requested feedback from the Board on AB 145.

Mr. Farrel reported on ACWA's role with the Department of Water Resources on the Statewide Water Action Plan for California. The plan was intended to outline guiding principles and identify a variety of statewide actions that would serve as a sustainable path for California on water policy issues. He also spoke regarding bills of which the Water Authority had taken positions, and provided the Board with an update on each active bill.

III. INFORMATION

1. Presentation on Sustainable Landscapes Program implementation update.

Mr. Michelon presented information on the Sustainable Landscapes Program. The program was a partnership with the city of San Diego, county of San Diego, and several other organizations and had been designed consistent with the Water Use Efficiency Policy Principles which the Board adopted in April 2012. Most of the funding was provided by grant sources. The program was ongoing and would be implemented through December of 2016.

2. Quarterly Water Conservation Garden report.

This item was continued to the September 26, 2013 board meeting.

The committee received and filed the following items:

3. Update of the local water history book "To Quench A Thirst".
4. Government Relations update.
5. Status report on legislation and legislative positions.

IV. ADJOURNMENT

There being no further business to come before the Legislation, Conservation and Outreach Committee, Chair Topolovac adjourned the meeting at 3:25 p.m.

FORMAL BOARD OF DIRECTORS' MEETING OF AUGUST 22, 2013

1. **CALL TO ORDER** Chair Wornham called the Formal Board of Directors' meeting to order at 3:35 p.m.
2. **SALUTE TO THE FLAG** Director Saxod led the salute to the flag.
3. **ROLL CALL, DETERMINATION OF QUORUM**
Secretary Hogan called the roll. Directors present were Arant, Barnum, Croucher, Douglas, Evans, Hilliker, Gallo, Hogan, Kern, Lewinger, Madaffer, Miller, Morrison, Mudd, Muir, Murtland, Olson, Pocklington, Sanford, Saunders, Saxod, Simpson, Steiner, Topolovac, Tu, Verbeke, Watkins, Watton, Weston, Wight, Wilson, Williams, Wornham, and Representative Roberts. Directors absent were Brady and Linden (p).

3-A **Report on proxies received.** Director Verbeke was the proxy for Director Linden.
4. **ADDITIONS TO AGENDA** There were no additions to the agenda.

5. **APPROVAL OF MINUTES**

Director Topolovac moved, Director Murtland seconded, and the motion carried at 97.57% of the vote to approve the minutes of the Special meeting of the Water Planning Committee of July 11, 2013 and the Formal Board of Directors' meeting of July 25, 2013.

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 that wished to speak.

7. **PRESENTATIONS AND PUBLIC HEARINGS**

7-A City of Oceanside Overview – Cari Dale, Water Utilities Director.

General Manager Stapleton introduced Cari Dale, City of Oceanside Water Utilities Director, to the Board. Ms. Dale provided an overview of the City of Oceanside including a review of the departments within the City of Oceanside, service area boundaries and population figures, and a brief review of the Board Structure. She continued her presentation with a focus on the Water Utilities Department providing information on operated facilities and locations, customer base, department budget, and water supply portfolio and future forecasts. She briefly covered rate stabilization issues, workforce challenges and issues related to aging infrastructure.

7-B Recognition of Christina Hawkins, Human Resources Analyst, Employee of the 4th Quarter.

Ms. Hawkins was recognized as Employee of the 4th quarter.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Wornham reported that the Bay Delta Conservation Plan EIR EIS may not be issued October 1, 2013 as originally announced and reported that if it was delayed the board would not be making a final authorization on the Water Authority's input to the process until January 2014. Due to the possible delay he requested Board Members hold the date of January 9, 2014 for a tentative Special Board Meeting on the issue.

Chair Wornham reminded the Board of the upcoming Engineering and Operations tour on September 30, 2013. He thanked Board Members and staff for the commitment of time required in order to sufficiently cover all issues coming before the board.

8-B Report by Committee Chairs.

Administrative and Finance Committee. Director Saunders reviewed the meeting and the actions taken.

Water Planning Committee. Director Douglas and stated there was no reportable action.

Imported Water Committee. Director Saxod reviewed the meeting and the actions taken.

Engineering and Operations Committee. Director Pocklington reviewed the meeting and the actions taken.

Legislation, Conservation and Outreach Committee. Director Topolovac reviewed the meeting and the stated there was no reportable action.

9. **CONSENT CALENDAR**

Director Madaffer moved, Director Evans seconded, and the motion carried at 97.57% of the vote to approve the consent calendar. Directors voting no or abstaining are listed under the item number.

9- 1. Treasurer's report.

The Board noted and filed the monthly Treasurer's report.

9- 2. Resolution establishing amount due from the city of San Diego for the In-Lieu Charge as a condition of providing water service for Fiscal Year 2014.

The Board adopted **Resolution No. 2013-20** establishing an amount due of \$1,754,804.74 from the city of San Diego for the In-Lieu Charge for Fiscal Year 2014.

9- 3. Response to May 15, 2013 San Diego Grand Jury Report, "Reduce Dependence on Imported Water."

The Board ratified the response to the May 15, 2013 San Diego Grand Jury Report, "Reduce Dependence on Imported Water."

9- 4. Quitclaim three Water Authority easements to the Olivenhain Municipal Water District.

The Board authorized the General Manager to quitclaim three Water Authority easements, affecting Assessor Parcels 267-181-89, 267-432-09 and 267-432-35 located east of the Second San Diego Aqueduct in the vicinity of Bing Crosby Estates, to Olivenhain Municipal Water District, at no cost, due to the cancellation of the Olivenhain 6/7 Flow Control Facility project.

9- 5. Construction contract with L.H. Woods & Sons, Inc. for Pipeline 3 Relining Sweetwater to Lower Otay.

The Board Authorized the General Manager to award a construction contract to L.H. Woods & Sons, Inc. in the amount of \$25,387,000 for the Pipeline 3 Relining Sweetwater to Lower Otay project.

9- 6. Professional services contract to Helix Environmental Planning, Inc. for the Pipeline 3 Relining – Sweetwater to Lower Otay Reservoir project.

The Board authorized the General Manager to award a professional services contract to Helix Environmental Planning, Inc. for the Pipeline 3 Relining – Sweetwater to

Lower Otay Reservoir to provide environmental construction monitoring and support services for a 16-month period in an amount not-to-exceed \$268,926.

- 9- 7. Energy Management Policy.
This item was continued to the September 26, 2013 Board meeting.
- 9- 8. Action following Closed Session:
The Board authorized the General Counsel to amend the professional service agreement for MWD litigation support service with TERIS to increase the contract amount by an additional \$50,000.
10. **ACTION/DISCUSSION**
There were no action items.
11. **CLOSED SESSION(S)**
Mr. Hentschke announced there was no need for Closed Session.
- 11-A **CLOSED SESSIONS:**
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: QSA Judicial Council Coordination Proceeding No. 4353
- Conference with Legal Counsel - Existing Litigation
Government Code §54956.9(d)(1)
Name of Case: State Water Resources Control Board (SWRCB)
Imperial Irrigation District and San Diego County Water Authority
Joint Petition for Modification of Revised Order WRO 2002-0013
(Permit 7643, Application 7482)
- 11-B **CLOSED SESSION:**
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 and CPF-12-512466
- 11-C **CLOSED SESSION:**
Conference with Legal Counsel - Existing Litigation
Government Code §54956.9(d)(1) -
SDCWA v Eastern Municipal Water District;
Riverside Superior Court Case No. RIC1300887

- 11-D **CLOSED SESSION:**
Conference with Legal Counsel – Existing Litigation
Government Code §54956.9(d)(1)
SDCWA v MWH Americas, Inc. et al
Case No. 37-2011-00090504-CU-BC-CTL
- 11-E **CLOSED SESSION:**
Conference with Real Property Negotiator
Government Code §54956.8
Property: Desalination Project Right of Way
(APN 219-086-05; APN 212-010-15)
Agency Negotiators: Daniel S. Hentschke, Frank Belock, Bill Rose, John Kross
Negotiating Parties: North County Land Partners - APN 219-086-05
SDG&E - APN 212-010-15
Under Negotiation: Price and Terms of Acquisition
12. **ACTION FOLLOWING CLOSED SESSION** – None.
13. **SPECIAL REPORTS**
- 13-A GENERAL MANAGER’S REPORT – Ms. Stapleton reminded the Board of the upcoming Special Meeting of the Imported Water Committee at 10:30 a.m., and Special Meeting of the Water Planning Committee at 1:30 p.m. on September 12, 2013.
- 13-B GENERAL COUNSEL’S REPORT – No report was given.
- 13-C SANDAG REPORT – Chair Wornham announced there was no SANDAG meeting held. SANDAG Subcommittee: Borders/Regional Planning Committee – No report was given.
- 13-D AB 1234 Compliance Reports – No reports were given.
14. **OTHER COMMUNICATIONS** - There were no other communications.
15. **ADJOURNMENT**
At 4:00 p.m. the meeting was adjourned to 8:00 a.m. for start of Committee meetings and 2:00 p.m. for start of Formal Board meeting on September 26, 2013.

Thomas V. Wornham, Chair

Michael T. Hogan, Secretary

Doria F. Lore, Clerk of the Board