MINUTES OF THE FORMAL BOARD OF DIRECTORS’ MEETING
APRIL 23, 2015

ENGINEERING AND OPERATIONS COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Williams called the Engineering and Operations Committee meeting to order at 9:00 a.m. Committee members present were Chair Williams, Vice Chairs Miller and Watkins, and Directors Arant, Ayala, Boyle, Brady, Hogan, Linden, and Olson. Committee members absent were Directors Croucher, Morrison, Razak, Saunders, and Simpson. Also present were Directors Barnum, Hall, Hilliker, Kennedy, Lewinger, Madaffer, Saxod, Verbeke, Weston, and Wilson. At that time, there was a quorum of the Committee.

Staff present was General Manager Stapleton, General Counsel Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Deputy General Counsel Gallien, Director of Operations and Maintenance Eaton, Director of Engineering Rose, Operations and Maintenance Manager Faber, Engineering Manager Reed, and Senior Construction Manager Griffis.

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 Williams announced that the Hydropower Subcommittee met April 9, 2015 where staff provided updates regarding the San Vicente Pumped Storage Project. He stated staff would provide an update to the Board at the May 28, 2015 Engineering and Operations Committee Meeting.

Chair Williams also reported that the duck curve was starting to play a role at the Lake Hodges Hydroelectric Facility since the Water Authority was asked to pump in the late morning and early afternoon, meaning that renewables would likely be used for pumping for later generations.

I. CONSENT CALENDAR
   Staff recommendation:
   Authorize the General Counsel to execute a contract amendment with VanNess Feldman for special counsel services to increase the contract amount by $50,000.
Director Brady moved, Vice Chair Miller seconded, and the motion to approve staffs' recommendation passed unanimously.

II. ACTION/DISCUSSION
1. Reimbursement agreement for street paving work within the City of Carlsbad right-of-way work area of the Carlsbad Desalination Project Conveyance Pipeline. 
   **Staff Recommendation:**
   1. Authorize the General Manager to execute an agreement with the City of Carlsbad for reimbursable costs for street paving work within the City of Carlsbad right-of-way work area of the Carlsbad Desalination Project Conveyance Pipeline.
   2. Increase the FY 2014/2015 Capital Improvement Program appropriation and lifetime budget for the Carlsbad Desalination Project by $1,300,000 for reimbursable costs related to street paving work within the City of Carlsbad right-of-way work area of the Carlsbad Desalination Project Conveyance Pipeline.

Mr. Belock gave a presentation on street paving work along a portion of the Carlsbad Desalination Project Conveyance Pipeline. He shared photographs of the trench zone to show where asphalt was disturbed, reviewed responsibilities of the agencies involved, and concluded with staff recommendations.

Vice Chair Miller moved, Director Arant seconded, and the motion to approve staffs' recommendation passed unanimously.

III. INFORMATION
1. Presentation on Pipeline Inspection Technology.

Mr. Faber presented information on how Operations & Maintenance used pipeline inspection technology to reduce costs and water loss. He reviewed benefits, technologies, frequency and cost. He included a typical pipeline inspection animation and a remote operated vehicle animation. He concluded with inspection technology advances, future improvements, and leak detection technologies.

IV. CLOSED SESSION
Mr. Hentschke took the Committee into Closed Session at 9:16 a.m.

1. CLOSED SESSION:
   Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
Mr. Hentschke brought the Committee out of Closed Session at 9:25 a.m. and stated there was no reportable action.

Director Olson requested an opportunity to review San Vicente Pumped Storage Project’s list of existing questions prior to the May 28, 2015 Board Meeting. Mr. Belock responded that he would be available to review the list with him and other interested Board members.

V. ADJOURNMENT
There being no further business to come before the Engineering and Operations Committee, Chair Williams adjourned the meeting at 9:26 a.m.

IMPORTED WATER COMMITTEE
CALL TO ORDER / ROLL CALL
Chair Watton called the Imported Water Committee meeting to order at 9:30 a.m. Committee members present were Chair Watton, Vice Chairs Verbeke and Saxod, Directors Barnum, Guerin, Hogan, Murtland*, Olson, Steiner, Weston, and Wilson. Directors Evans, Madaffer, Roberts and Saunders were absent. Also present were Directors Arant, Ayala, Boyle, Brady, Hall, Hiliker, Kennedy, Lewinger, Linden, Miller, Tu, Watkins, and Williams. 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, MWD Program Director Chen, Colorado River Program Director Denham, and Assistant Water Resources Specialist Mathews.

ADDITIONS TO AGENDA
There were no additions to the agenda.

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

*Director Murtland arrived at 9:32 a.m.

CHAIR’S REPORT
Chair Watton announced that Director Wilson, the Water Authority’s Representative on the Colorado River Board of California (CRB), was elected Vice-Chairman of the Board at the April CRB meeting. He reminded the Board that the next CRB meeting would be hosted by the Water Authority on May 13, 2015 at 10:00 a.m. and anyone interested was welcome to attend.

DIRECTORS’ COMMENTS
There were no comments by Directors.
The following Consent Calendar items were pulled for Action/Discussion:

I. CONSENT CALENDAR
   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, 2016, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $839,050.

   2. Amend agreement for Consulting Services with Southwest Strategies.
      Staff recommendation: Amend the agreement with Southwest Strategies for continued consulting services to the Water Authority through June 30, 2016, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $327,000.
      The above two items were pulled off consent calendar to action and discussion.

ITEMS PULLED FROM CONSENT FOR ACTION/DISCUSSION
   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, 2016, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $839,050.

   2. Amend agreement for Consulting Services with Southwest Strategies.
      Staff recommendation: Amend the agreement with Southwest Strategies for continued consulting services to the Water Authority through June 30, 2016, for a period of 12 additional months, and increasing total contract funding to an amount not to exceed $327,000.

Ms. Chen discussed services provided by SCN Strategies and Southwest Strategies and the benefit for continuing services. Following the presentation Directors made comments.

Director Steiner moved, Director Saxod seconded, and the motion to approve staffs’ recommendation passed unanimously.

II. ACTION/DISCUSSION
   1. Metropolitan Water District Issues and Activities update.
      1-A Metropolitan Water District Delegates report.
      The delegates reported on discussion and actions taken at the recent MWD board meetings.

   2. Colorado River Programs.
      2-A Colorado River Board Representative’s report.
Director Wilson reported on discussions at the April 15, 2015 Colorado River Board meeting.

3. **Bay Delta Activities.**
   3-A State Treasurer’s Assessment of the Affordability and Financing Considerations of the Bay Delta Conveyance Facility.

Ms. Chen provided an overview of the State Treasurer’s financial assessment of the Bay Delta Conservation Plan and discussed impacts the report’s findings would have to the Water Authority.

**III. INFORMATION**
1. Presentation on Seven Basin States update.

Ms. Mathews provided an update on the Colorado River reservoir operations and current shortage projections on the river.

The following information item was received and filed:
2. Metropolitan Water District Program report.

Mr. Hentschke took the Committee into Closed Session at 10:29 a.m.

**IV. CLOSED SESSION**
1. 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; CPF-12-512466; and CPF-14-514004

2. CLOSED SESSION:
   Conference with Legal Counsel – Existing Litigation
   Government Code §54956.9(d)(1)
   Name of Case: State Water Resources Control Board
   Petition of Imperial Irrigations District for Modification of Revised Water Rights Order 2002-0013

Mr. Hentschke brought the Committee out of Closed Session at 10:59 a.m. and stated there was no reportable action.

**V. ADJOURNMENT**
There being no further business to come before the Imported Water Committee, Chair Watton adjourned the meeting at 11:00 a.m.
ADMINISTRATIVE AND FINANCE COMMITTEE
CALL TO ORDER / ROLL CALL
Chair Arant called the Administrative and Finance Committee meeting to order at 11:05 a.m. Committee members present was Chair Arant, Vice Chair Wilson, Directors Fong-Sakai, Gallo, Hilliker, Kennedy, Lewinger, Muir, Verbeke, Watkins, Watton, Weston, Williams and Wornham. Vice Chair Razak was absent. Also present were Directors Ayala, Barnum, Boyle, Brady, Guerin, Hall, Hogan, Linden, Madaffer, Miller, Murtland, Olson, Saxod, Steiner and Tu. 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, Director of Finance Harris, Controller Greek, Financial Planning Manager Shank, and Financial Resources Manager Celaya. Also present were Kay Chandler and William Dennehy of Chandler Asset Management; Stephen Spitz, Esq. of Orrick Herrington & Sutcliffe, LLP; and Doug Montague of Montague DeRose.

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 Arant introduced Director Fong-Sakai as a new Board member of the Administrative and Finance Committee, representing the city of San Diego.

Chair Arant congratulated the Finance Department on receiving the “Certificate of Achievement for Excellence in Financial Reporting” from the Government Finance Officers’ Association for Fiscal Year ended June 30, 2014. He mentioned this was the 15th consecutive year of receiving the award.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

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

Director Wornham moved, Director Kennedy seconded, and the motion to approve staffs’ recommendation passed unanimously.
II. ACTION/DISCUSSION

1. Approve the Recommended Debt Management Activities.
   Staff Recommendations:
   1. Authorize the issuance of Senior Lien Water Revenue Refunding Bonds – Series 20105A to refund certain outstanding long-term debt to yield debt service savings.
      a. Adopt Resolution No. 2015- __ authorizing the issuance of Senior Lien Water Revenue Refunding Bonds, Series 2015A, for the purpose of refunding certain existing long-term debt; and authorize the Director of Finance to utilize a negotiated method of sale.
      b. Approve the forms of financing documents for the refunding bond issuances including the Preliminary Official Statement for the 2015A Bonds.
      c. Approve the selection of the underwriting team and US Bank of as trustee.
   2. Approve the extension of the JP Morgan liquidity facility agreement and adopt Resolution No. 2015- __ authorizing the amendment of the JP Morgan agreement.

   Director Wornham moved, Director Wilson seconded, and the motion to approve staffs’ recommendations passed unanimously.

III. INFORMATION

1. Presentation on changes to the Treasurer’s Report and First Quarter Investment Managers’ Performance report.

   Ms. Harris began with a review of the external investment manager and progress to date. She pointed out additions and enhancements made to the Treasurer’s Report on the Portfolio Master Summary page, and the addition of the Investment Manager Summary page prepared by Chandler Asset Management. Ms. Harris then introduced Kay Chandler and Bill Dennehy of Chandler Asset Management to provide the investment update.

   Mr. Dennehy, Senior Portfolio Manager at Chandler Asset Management, described how the portfolio had changed from month to month with the addition of US Corporate Notes. He reviewed performance objectives, strategy, portfolio characteristics and overall maturity distribution.


   Mr. Greek reviewed the Controller’s report format thoroughly and described each attachment within the report. Director’s asked questions and staff provided answers.

   The following information items were received and filed:

3. Board of Directors’ First Quarter 2015 Expenses and Attendance.
4. Board Calendar.
Mr. Hentschke took the committee into closed session at 11:35 a.m.

IV. CLOSED SESSION
1. CLOSED SESSION:
   Conference with Labor Negotiator
   Government Code §54957.6
   Agency Designated Representatives: Frank Belock, Sandra Kerl,
   Gretchen Spaniol, Lisa Celaya, Rick Bolanos
   Employee Negotiator: Teamsters Local 911

   Mr. Hentschke brought the committee out of Closed Session at 12:00 p.m. and stated there was no reportable action.

V. ADJOURNMENT
   There being no further business to come before the Administrative and Finance Committee, Chair Arant adjourned the meeting at 12:01 p.m.

WATER PLANNING COMMITTEE
CALL TO ORDER/ROLL CALL
   Chair Tu called the Water Planning Committee Meeting to order at 1:02 p.m.
   Committee members present were Chair Tu, Vice Chair Brady, and Directors Ayala, Boyle,
   Fong-Sakai, Hall, Kennedy, Lewinger, Linden, Miller, Murtland, Preciado and Wornham. Vice Chair Evans and Director Simpson were absent. Also present were Directors Arant, Barnum,
   Gallo, Guerin, Hilliker, Hogan, Madaffer, Morrison, Muir, Olson, Saxod, Steiner, Verbeke,
   Watkins, Watton*, Weston, Williams* and Wilson, and Supervisor Roberts. 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 Manager Yamada and Acting Water Resources Manager Friehauf.

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 Tu remarked on Governor Brown’s recent executive order requiring 25 percent conservation statewide, the State Water Resources Control Board’s proposed emergency regulation to implement the order, and the Water Authority’s May 14, 2015 Special Board Meeting to consider staff’s recommended actions in response. She also recognized Padre Dam Municipal Water District for the recent successful startup of its Advanced Water Purification Demonstration Facility.
DIRECTORS' COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR
There were no Consent Calendar items.

II. ACTION/DISCUSSION
1. Update on Supply Conditions and Drought Response Actions by the State Water Resources Control Board and Metropolitan Water District of Southern California.

Ms. Friehauf provided a presentation that included current condition information on the Northern Sierra Snowpack and average statewide runoff. She then reviewed actions taken in accordance with the Water Authority’s Water Shortage and Drought Response Plan and the Model Drought Response Ordinance to lessen severity of shortage conditions. Also presented was information on actions that would be taken by Metropolitan and the State Board and the influence of those actions on the Water Authority’s regional drought response. The State Board’s assigned urban water supplier conservation standard for each Water Authority member agency was also reviewed, which required reductions ranging from 12 to 36 percent among member agencies. Ms. Friehauf concluded her presentation with a tentative schedule of drought management actions through July 1, 2015, at which time the Metropolitan allocation period would begin.

Staff responded to questions and comments from Chair Tu and Directors. Discussion followed pertaining to a regional coordinated approach to the State Board’s required reductions, as opposed to each agency meeting mandated reductions individually. Board Chair Weston directed staff to include the topic as a discussion item on the May 14, 2015 Special Board Meeting agenda.

* Director Watton arrived at 1:12 p.m. and Director Williams arrived at 1:30 p.m.

III. INFORMATION
1. Presentation on the Status of the Ocean Plan Amendment for Desalination.

Mr. Yamada provided a presentation on the status of the State Water Resources Control Board’s proposed final amendment to the Ocean Plan for desalination, including how the amendment applies to the Carlsbad Desalination Project, and how remaining concerns would continue to be addressed with State Board members and staff until the final amendment adoption in May 2015.

The following report was received and filed:

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
Chair Tu adjourned the meeting at 2:02 p.m.
LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE
CALL TO ORDER/ROLL CALL

Vice Chair Steiner called the Legislation, Conservation and Outreach Committee to order at 2:10 p.m. Committee members present were Vice Chairs Guerin and Steiner, and Directors Gallo, Hall, Hilliker, Madaffer, Morrison, Muir, Preciado, Saxod, Tu and Supervisor Roberts. Committee members absent were Chair Croucher and Director Barnum. Other Board members present were Directors Arant, Ayala, Brady, Hogan, Kennedy, Lewinger, Linden, Miller, Murtland, Olson, Verbeke, 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 and Public Affairs Representative Lee. Also present were legislative representatives Ken Carpi, Steve Cruz and guest Scott MacKay of Probe Research, Inc.

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

Vice Chair Steiner announced the Water Authority’s “eGuide to a WaterSmart Lifestyle” was awarded a 2015 Gold Quill Award of Excellence in the “digital communication vehicle” category by the International Association of Business Communicators. The program recognized business communication excellence globally, and is considered one of the most prestigious award programs in the industry.

I. CONSENT CALENDAR

1. Professional services agreement with Mission Resource Conservation District for WaterSmart Field Services.

   Staff recommendation: Authorize the General Manager to execute a two-year professional services agreement in an amount not-to-exceed $468,412 with Mission Resource Conservation District to implement the WaterSmart Field Services Program through June 30, 2017, with an option for a two-year extension.

Director Madaffer moved, Director Hall seconded, and the motion to approve staffs’ recommendation passed unanimously.
2. Amendment to Professional Services Contract with Building Blocks Entertainment, Inc., to conduct assembly programs for elementary public and private schools in San Diego County.

Staff recommendation: Approve an amendment to the professional services contract with Building Blocks Entertainment, Inc., to increase the contract value to a not-to-exceed amount of $230,000 and to extend the contract for two years. The amended contract would terminate on June 30, 2017.

Director Madaffer moved, Director Hall seconded, and the motion to approve staffs’ recommendation passed unanimously.

3. Adopt positions of various state bills.

Staff recommendation:
1. Adopt a position of Support if Amended on AB 645 (Williams)
2. Adopt a position of Support on AB 723 (Rendon)
3. Adopt a position of Support if Amended on AB 1095 (Garcia)
4. Adopt a position of Support if Amended on AB 1332 (Quirk)
5. Adopt a position of Support if Amended on AB 1333 (Quirk)
6. Adopt a position of Support and Seek Amendments on SB 317 (DeLeon)
7. Adopt a position of Support if Amended on SB 350 (DeLeon)
8. Adopt a position of Support and Seek Amendments on SB 555 (Wolk)

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

II. ACTION/DISCUSION

1. Legislative Issues.

1-A Washington Report by Ken Carpi. (supplemental materials)

Mr. White provided a Sacramento update that included a summary of the Governor’s drought response and water restrictions. He reported the Legislative Policy Committee deadline was May 1, 2015 which would contain the first round of cuts for legislative bills. He added that all the Water Authority supported bills were expected to move forward.

2. Presentation of 2015 Public Opinion Poll Results.

Mr. Lee introduced Scott MacKay of Probe Research Inc., who gave a presentation on 2015 Public Opinion Poll results highlights.

III. INFORMATION

1. Presentation on Drought Response Communications and Outreach Update.
Mr. Foster provided an update on drought response communications and outreach efforts and highlighted recent activities of the “When in Drought” campaign. He reported that State actions created a surge in media inquiries, speaking requests, and phone calls. He also discussed regional messaging addressing state-mandated water-use cutbacks effective on June 1, 2015.

He stated staff was developing regional messaging that reflects statewide conditions, restrictions, and supply allocations. He presented the Board with drafts of messaging to be used in signage and online advertisements.

Mr. Foster reported staff had submitted a preliminary Proposition 84 grant application for approximately $7 million, to augment drought response outreach and conservation programs. He added that no funding was guaranteed any grant funds would require a 25 percent local match, and that staff should receive award notification around the end of 2015.

The following information items were received and filed:

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

FORMAL BOARD OF DIRECTORS’ MEETING OF APRIL 23, 2015
1. CALL TO ORDER Chair Weston called the Formal Board of Directors’ meeting to order at 3:39 p.m.

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

3. ROLL CALL, DETERMINATION OF QUORUM
Secretary Madaffer called the roll. Directors present were Ayala, Fong-Sakai, Gallo, Guerin, Hall, Hilliker, Hogan, Kennedy, Lewinger, Linden, Madaffer, Miller, Morrison, Muir, Murtland, Olson, Preciado, Saxod, Steiner, Tu, Verbeke, Watkins, Watton, Weston, Williams, Wilson, Wornham, and Representative Roberts. Directors absent were Arant, Barnum (p), Boyle, Brady, Croucher, Evans, Razak, Saunders, and Simpson.

3-A Report on proxies received. Chair Weston was the proxy for Director Barnum.

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

5. APPROVAL OF MINUTES
Director Kennedy moved, Director Saxod seconded, and the motion carried at 81.59% of the vote to approve the minutes of the Special Administrative and Finance Committee Meeting of March 12, 2015 and Formal Board of Directors’ meeting of March 26, 2015.
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 AND PUBLIC HEARINGS
7-A Science Fair Award Winners.
Chair Weston recognized the winners of the Science Fair. Public Affairs Representative I Jenkins introduced each of the winners to the Board, and they provided a brief explanation of their projects and project findings.
At that time Chair Weston took the agenda out of order.

10. ACTION/DISCUSSION
10-A Hearing of Necessity to consider adoption of a Resolution of Necessity and authorization of condemnation proceedings to acquire a permanent easement and a temporary property interest for the Nob Hill Improvements project on Assessor Parcel Number: 319-160-11 LAACO, Limited, A California Limited Partnership.
Staff Recommendations:
That the Board of Directors:
   a. Receive public testimony.
   b. Determine that an offer to acquire the necessary real property was made to the owner of the subject property pursuant to Section 7267.2 of the Government Code.
   c. Adopt Resolution of Necessity No. 2015—___ pertaining to the acquisition of real property from the subject parcel in support of the Nob Hill Improvement Project, and find that:
      1) The public interest and necessity require the project.
      2) The project is planned or located in a manner that will be the most compatible with the greatest public good and lease private injury.
      3) The interest in the property sought to be acquired is necessary for the project.
      Authorize staff to proceed with condemnation proceedings necessary to acquire the right-of-way on the subject property.

Chair Weston announced that no public testimony was received. Director of Engineering Rose provided a brief summary of the staff recommendation.

Secretary Madaffer moved, Director Lewinger seconded, and the motion to approve staffs’ recommendation passed unanimously.

7-B Vista Irrigation District Overview – Roy Coox
Chair Weston introduced Roy Coox, Vista Irrigation District General Manager, to the Board. Mr. Coox presented an overview of the district that included customer base and boundaries, owned and operated facilities, water supply portfolio, district history, service area and connections, and solar project. He briefly discussed drought impacts and
legislative issues affecting his district. He concluded his presentation with an overview of the Districts’ “Love Tap” campaign, an effort to promote the public on drinking tap water, and discussed hydration stations installed at local schools and parks.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Weston reported on various meetings and engagements that he attended in the month of April including meeting with representatives of the NAIOP Commercial Real Estate Association to discuss water issues and investments, interviews by New York Times and NBC Nightly News on the Carlsbad Desalination Project, and an emergency meeting at the Governors’ Office on April 8, 2015 regarding the 25% mandate and rules being generated by the State Board. He added that on May 5 – 6, 2015 the State Board would hold final hearings on comments for the draft regulations for the mandatory regulations. He stated the Water Authority would have a presence at the hearings and also thanked the member agencies and business associations who submitted letters. He also reported on attending and presenting at the Padre Municipal Water District Purified Water Project dedication.

8-B **Report by Committee Chairs.**
- **Engineering and Operations Committee.** Director Williams reviewed the meeting and the actions taken.
- **Imported Water Committee.** Director Watton reviewed the meeting and the action taken.
- **Administrative and Finance Committee.** Director Wilson reviewed the meeting and the actions taken.
- **Water Planning Committee.** Director Tu stated there was no reportable action.
- **Legislation, Conservation and Outreach Committee.** Director Steiner reviewed the meeting and the actions taken.

9. **CONSENT CALENDAR**

Director Muir moved, Director Watkins seconded, and the motion carried at 81.59% of the vote to approve the consent calendar. Directors voting no or abstaining are listed under the item number.

9-1. **San Vicente Pumped Storage Study – Contract amendment with Van Ness Feldman for special counsel services.**

The Board authorized the General Counsel to execute a contract amendment with a Van Ness Feldman for special counsel services to increase the contract amount by $50,000.

9-2. **Reimbursement agreement for street paving work within the City of Carlsbad right-of-way work area of the Carlsbad Desalination Project Conveyance Pipeline.**

The Board authorized the General Manager to execute an agreement with the City of Carlsbad for reimbursable costs for street paving work within the City of Carlsbad right-of-way work area of the Carlsbad Desalination Project Conveyance Pipeline; and
increased the FY 2014/2015 Capital Improvement Program appropriation and lifetime budget for the Carlsbad Desalination Project by $1,300,000 for reimbursable costs related to street paving work within the City of Carlsbad right-of-way work area of the Carlsbad Desalination Project Conveyance Pipeline.

**Director Hall did not participate in Consent Calendar Item 9-2.**

9- 3. **Amend agreement for Consulting Services with SCN Strategies.**
The Board amended the agreement with SCN Strategies for continued consulting services to the Water Authority through June 30, 2016, for a period of 12 additional months, and increased total contract funding to an amount not to exceed $839,050.

9- 4. **Amend agreement for Consulting Services with Southwest Strategies.**
The Board amended the agreement with Southwest Strategies for continued consulting services to the Water Authority through June 30, 2016, for a period of 12 additional months, and increased total contract funding to an amount not to exceed $327,000.

9- 5. **Treasurer’s Report.** The Board noted and filed the monthly Treasurer’s Report.

9- 6. **Approve the Recommended Debt Management Activities.**
The Board authorized the issuance of Senior Lien Water Revenue Refunding Bonds – Series 2015A to refund certain outstanding long-term debt to yield debt service savings; adopted Resolution No. 2015-08 authorizing the issuance of Senior Lien Water Revenue Refunding Bonds, Series 2015A, for the purpose of refunding certain existing long-term debt; authorized the Director of Finance to utilize a negotiated method of sale; approved the forms of financing documents for the refunding bond issuances including the Preliminary Official Statement for the 2015A Bonds; approved the selection of the underwriting team and US Bank as trustee; and, approved the extension of the JP Morgan liquidity facility agreement and adopted Resolution No. 2015-09 authorizing the amendment of the JP Morgan agreement.

9- 7. **Professional services agreement with Mission Resource Conservation District for WaterSmart Field Services.**
The Board authorized the General Manager to execute a two-year professional services agreement in an amount not-to-exceed $468,412 with Mission Resource Conservation District to implement the WaterSmart Field Services Program through June 30, 2017, with an option for a two-year extension.

9- 8. **Amendment to Professional Services Contract with Building Blocks Entertainment, Inc., to conduct assembly programs for elementary public and private schools in San Diego County.**
The Board approved an amendment to the professional services contract with Building Blocks Entertainment, Inc., to increase the contract value to a not-to-exceed amount of $230,000 and to extend the contract for two years. The amended contract would terminate on June 30, 2017.
9. 9.  **Adopt Positions on Various State Bills.**
1. The Board adopted a position of Support if Amended on AB 645 (Williams)
2. The Board adopted a position of Support on AB 723 (Rendon)
3. The Board adopted a position of Support if Amended on AB 1095 (Garcia)
4. The Board adopted a position of Support if Amended on AB 1332 (Quirk)
5. The Board adopted a position of Support if Amended on AB 1333 (Quirk)
6. The Board adopted a position of Support and Seek Amendments on SB 317 (DeLeon)
7. The Board adopted a position of Support if Amended on SB 350 (DeLeon)
8. The Board adopted a position of Support and Seek Amendments on SB 555 (Wolk)

9-10. **Hearing of Necessity to consider adoption of a Resolution of Necessity and authorization of condemnation proceedings to acquire a permanent easement and a temporary property interest for the Nob Hill Improvements project on Assessor Parcel Number: 319-160-11 LAACO, Limited, A California Limited Partnership.**

The Board received public testimony; determined that an offer to acquire the necessary real property was made to the owner of the subject property pursuant to Section 7267.2 of the Government Code; and, adopted Resolution of Necessity No. 2015-10 pertaining to the acquisition of real property from the subject parcel in support of the Nob Hill Improvement Project.

11. **SPECIAL REPORTS**
11-A  **GENERAL MANAGER’S REPORT** – Ms. Stapleton stated, in response to a question posed by Director Hogan earlier in the day, that the Water Authority got approximately two percent of its water from the Bay-Delta in 2014.
11-B  **GENERAL COUNSEL’S REPORT** – Mr. Hentschke stated there was nothing to report.
11-C  **SANDAG REPORT** – Vice Chair Muir stated there was nothing to report.
      SANDAG Subcommittee: Borders/Regional Planning Committee – Director Saxod stated there was nothing to report.
11-D  **AB 1234 Compliance Reports** – No reports were given.

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

12-A  **CLOSED SESSION:**
      Conference with Legal Counsel – Existing Litigation
      Government Code §54956.9(d)(1)
12-B  CLOSED SESSION:  
Conference with Legal Counsel - Existing Litigation  
Government Code §54956.9(d)(1)  
Name of Case: SDCWA v Metropolitan Water District of Southern California;  
Case Nos. CPF-10-510830; CPF-12-512466; and CPF-14-514004  

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

12-D  CLOSED SESSION:  
Conference with Labor Negotiator  
Government Code §54957.6  
Agency Designated Representatives: Frank Belock, Sandra Kerl, Gretchen Spaniol,  
Lisa Celaya, Rick Bolanos  
Employee Negotiator: Teamsters Local 911  

13.  ACTION FOLLOWING CLOSED SESSION  
There was no reportable action.  

14.  OTHER COMMUNICATIONS  

15.  ADJOURNMENT  
The meeting was adjourned at 4:21p.m.  

Mark Weston, Chair  
Mark Muir, Vice Chair  

Melinda Cogle, Clerk of the Board