MINUTES OF THE FORMAL BOARD OF DIRECTORS’ MEETING
MAY 28, 2015

ADMINISTRATIVE AND FINANCE COMMITTEE
CALL TO ORDER / ROLL CALL

Chair Arant called the Administrative and Finance Committee meeting to order at 9:00 a.m. Committee members present were Chair Arant, Vice Chairs Razak and Wilson, Directors Fong-Sakai, Gallo, Hilliker, Kennedy, Lewinger, Muir, Verbeke, Watkins, Weston, Williams and Wornham. Director Watton was absent. Also present were Directors Barnum, Boyle, Croucher, Evans, Guerin, Heinrichs, 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, Director of Administrative Services Brown, Controller Greek, Financial Planning Manager Shank, and Financial Resources Manager Celaya. Also present was Robert Grantham of Carollo Engineers.

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
There was no Chair’s report.

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. Professional service contract with Alliant Insurance Service, Inc. to provide Health Insurance Broker Services.
   Staff recommendation: Authorize the General Manager to award a Professional Services contract to Alliant Insurance Service, Inc. to provide Health Insurance Broker Services for a three-year term, beginning July 1, 2015 through June 30, 2018, at a cost of $55,000 per year, for a not-to-exceed amount of $165,000. The Water Authority would have the option for a two-year extension at a cost of $28,000 per year.
Director Wilson moved, Director Wornham seconded, and the motion to approve staffs’ recommendations passed unanimously.

II. ACTION/DISCUSSION

1. Presentation of General Manager’s Recommended Budget for Fiscal Years 2016 and 2017 for review by the Administrative and Finance Committee and the Board of Directors.

Ms. Stapleton began the presentation with a detailed list of Water Authority accomplishments from Fiscal Years 2014 and 2015. She explained the Water Authority’s roles would be based on three categories: Leader, Partner and Operator. She described the initiative and projects for fiscal years 2016 and 2017 in each of those key categories.

Ms. Stapleton continued with a review of fiscal years 2016 and 2017 factors impacting the budget, sources of funds, and the recommended budget broken down into Water Purchase/Treatment, Debt service and CIP expenditures being the largest portion of the budget at 92 percent. She reviewed historical spending, historical CIP expenditures, historical debt service, historical staffing, and debt service payments for major infrastructure investments made through 2050.

Ms. Stapleton concluded the presentation by reminding the Board that Budget Hearings were scheduled on Tuesday, June 9, 2015 and Thursday June 11, 2015 at 1:30 p.m. in the Board Room and emphasized for Directors to attend.

2. Resolution setting a Public Hearing date for the Water Authority’s proposed calendar year 2016 Rate and Charge increases.

   Staff Recommendations:

   1. Adopt Resolution No. 2015- ___ setting the time and place for a public hearing on June 25, 2015, at or after 9:00 a.m., or as soon thereafter as may practically be heard, during the Administrative and Finance Committee meeting, to receive comments regarding proposed rates and charges to be effective January 1, 2016.

Ms. Harris began with an agenda overview, summary of fiscal sustainability recommendations, calendar year 2016 rate and charge drivers/highlights and an independent rate and charge overview.

Mr. Grantham of Carollo Engineers described calendar year 2016 water rates and charges objectives, key governing board policies, and provided an overview of the Cost of Service process.

Mr. Shank reviewed calendar year 2016 rate and charge drivers, which included regulations and demand uncertainty, water sales forecast, and the impact of the Carlsbad desalination costs, supply reliability charge, QSA, and the adopted MWD calendar year 2016 rates. He explained that MWD remained the largest share of water cost represented at 55.5 percent and showed a breakdown of Water Authority treatment costs totaling $47.3 million. He
introduced the proposed calendar year 2016 rates and charges, including proposed M&I water
rate breakdown, estimated breakdowns on treated water rates and charge increases, rate and
charge summary, proposed untreated and treated water rates, and reviewed the history of rate
increases from 2008 to present. He explained financial performance metrics and debt service
coverage ratios. He also reviewed the impact of calendar year 2016 rate increase on a composite
monthly residential bill and explained wholesale monthly household cost. In conclusion, Mr.
Shank reviewed the presentations and asked the board to approve the staff recommendation.

After the presentation, the Board made several comments and asked questions.

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

III. INFORMATION
The following information items were received and filed:
2. 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 Arant adjourned the meeting at 10:30 a.m.

LEGISLATION, CONSERVATION AND OUTREACH COMMITTEE
CALL TO ORDER/ROLL CALL
Chair Croucher called the Legislation, Conservation and Outreach Committee to order at
10:43 a.m. Committee members present were Vice Chairs Guerin and Steiner, and Directors
Barnum, Gallo, Hilliker, Madaffer, Muir, Preciado, Saxod and Tu. Committee members absent
were Directors Hall, Morrison and Supervisor Roberts. Other Board members present were
Directors Arant, Ayala, Boyle, Evans, Fong-Sakai, Heinrichs, Hogan, Kennedy, Lewinger,
Linden, Miller, Murtland, Olson, Razak, Verbeke, Watkins, Weston, 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 Government Relations Manager Farrel. Also present were
legislative representatives Ken Carpi and Bob Giroux.

ADDITIONS TO AGENDA
There were no additions to the agenda.
PUBLIC COMMENT

There was one public speaker present: Sally Roney, City of Escondido resident. She made comments regarding drought restrictions and their effect on landscaping for fire safety on her property.

CHAIR’S REPORT

Chair Croucher reported that the Board Officers, LCO Chair and Vice Chairs traveled to Sacramento for a legislative advocacy visit. They met with more than a dozen legislators, including representatives of the San Diego legislative delegation, regarding the San Diego region’s drought response and the Water Authority’s perspective on the State Water Resources Control Board’s mandatory drought response regulations.

He announced the Water Authority’s next Legislative Roundtable would take place on May 29, 2015. Attending the Roundtable would be Senator Marty Block and Assemblymember Brian Jones to discuss a variety of topics of interest to the region.

He announced the next Small Contractor Outreach and Opportunity Program (SCOOP) Committee meeting would take place on June 2, 2015.

I. CONSENT CALENDAR

1. Award a three-year professional services agreement with Mission Resource Conservation District in an amount not-to-exceed $470,000 to administer the Agricultural Water Management Program.
   **Staff recommendation:** Authorize the General Manager to execute a three-year professional services agreement with Mission Resource Conservation District in an amount no-to-exceed $470,000 to administer the Agricultural Water Management Program.

2. Amendment to Professional Services Contract with DeLorenzo International for Implementation of the WaterSmart Landscape Makeover Program.
   **Staff recommendation:** Approve amendment to professional services contract with DeLorenzo International (DLI) to increase the contract value by $455,000 to a not-to-exceed amount of $744,000 and extend the term for two years from July 1, 2015 through June 30, 2017.

   Director Steiner moved, Director Muir seconded, and the motion to approve staff’s recommendations passed unanimously.

3. Adopt positions of various state bills.
   **Staff recommendation:**
   1. Adopt a position of Support on AB 1139 (Campos).
   2. Adopt a position of Support and Seek Amendments on AB 1201 (Salas).
   3. Adopt a position of Support on AB 1325 (Salas).
   4. Adopt a position of Support on SB 286 (Hertzberg).
5. Adopt a position of Support if Amended on SB 551 (Wolk).

Director Steiner moved, Director Barnum seconded, and the motion to approve staffs' recommendation passed unanimously.

II. ACTION/DISCUSSION
1. Legislative Issues.

   Mr. Carpi provided a Washington update and reported that the Environmental Protection Agency promulgated its regulation redefining the Waters of the United States. He reported on work related to development of a California drought bill which focused on water supply deficits south of the Delta and north of the Tehachapis.


   Mr. Giroux provided a Sacramento update that included a summary of the updated state budget. He reported that Water Authority sponsored bill SB 208 (Senator Lara) passed out of the Senate Appropriations Committee.

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 staff had been conducting heavy media relations, outreach events and speaking engagements to raise awareness of the final water use targets set by the state earlier in the month, and hosted a news conference focusing on actions the Board took during the May 14, 2015 meeting.

   He presented examples of the new advertisements with regional messaging that reflected statewide restrictions and water saving actions. He reported that advertising would be promoted at trolley stations, malls and on Pandora radio channels. He added that staff hosted two drought response workshops earlier in the month for hundreds of professional landscapers and master gardeners. In conclusion he announced that staff was continuing to expand community partnerships, including providing updated materials to the San Diego County chapter of the California Restaurant Association. Partnerships were also made with the San Diego Housing Commission, UCSD, Food and Beverage Association and I Love A Clean San Diego.

   The following information items were received and filed:

IV. ADJOURNMENT
There being no further business to come before the Legislation, Conservation and Outreach Committee, Chair Croucher adjourned the meeting at 11:26 a.m.
WATER PLANNING COMMITTEE
CALL TO ORDER/ROLL CALL
Chair Tu called the Water Planning Committee Meeting to order at 11:30 a.m. Committee members present were Chair Tu, Vice Chair Evans, and Directors Ayala, Boyle, Fong-Sakai, Kennedy, Lewinger, Linden, Miller, Murtland, Preciado and Wornham. Vice Chair Brady and Directors Hall and Simpson were absent. Also present were Directors Arant, Croucher, Guerin, Heinrichs, Hogan, Madaffer, Muir, Olson, Razak, Saxod, Steiner, Verbeke, Watkins, Weston, Williams 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 Hentschke, Deputy General Managers Belock and Kerl, Assistant General Manager Cushman, Water Resources Director Weinberg, Water Resources Managers Yamada and Friehauf, Principal Water Resources Specialist Stadler and Senior Water Resources Specialist Tegio. Guest presenters from the San Diego Association of Governments included Charles “Muggs” Stoll, Director of Land Use and Transportation Planning, and Clint Daniels, Principal Research Analyst.

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

PUBLIC COMMENT
Sally Roney, a civil engineer residing in Escondido within the San Dieguito Watershed spoke about the Integrated Regional Water Management program and what she saw as a potential problem with a pollution control method during the drought.

CHAIR’S REPORT
Chair Tu welcomed those present and reviewed the meeting agenda. She announced that the Water Authority received recognition from the WateReuse Research Foundation for the Water Authority’s support of California’s Direct Potable Reuse Initiative, and she recognized Water Resources Manager Roy for her extensive involvement in this initiative, as well as her regulatory work on potable reuse. Chair Tu also welcomed guests from the San Diego Association of Governments.

DIRECTORS’ COMMENTS
There were no Directors’ comments.

I. CONSENT CALENDAR
1. Resolution for the Final Mitigated Negative Declaration for the Application of Copper-Based Algaecides at five reservoirs in San Diego County; adopting a Mitigation Monitoring and Reporting Program; approving the project; and authorizing Filing of a Notice of Determination.
Staff Recommendation: It is recommended the Board adopt Resolution No. 2015-_____ that:
a. Finds that the project will not have a significant effect on the environment;
b. Adopts the Final Mitigated Negative Declaration (MND);
c. Adopts the Mitigation Monitoring and Reporting Program;
d. Approves the project; and Authorizes filing of a Notice of Determination.

The agenda was then taken out of order to address Action Item II-2.

II. ACTION/DISCUSSION
2. Memorandum of understanding with city of San Diego and county of San Diego for implementation of Integrated Regional Water Management activities.
   Staff recommendation: Approve amendment to MOU with city of San Diego and county of San Diego for implementation of Integrated Regional Water Management activities.

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

Due to time constraints the agenda was then taken out of order.

III. INFORMATION

Ms. Friehauf introduced guest presenters from the San Diego Association of Governments (SANDAG). Mr. Stoll presented information on “San Diego Forward: The Regional Plan” with current data and future projections on where people live and work; land use; environmental management and greenhouse gas (GHG) targets and emissions reductions; smart growth; and economic benefits. He also presented information on anticipated results from the regional plan, including preserving more than half the region’s land as open space; exceeding GHG reduction targets; providing more mobility choices; investing $204 billion in urban transportation; yielding two dollars for every one dollar invested; reducing the number of people driving alone in peak periods; providing 100 new miles of public transit service; increasing transit access from 35 percent to 61 percent; increasing jobs close to transit from 42 percent to 71 percent; and reducing collision rates for bicycles and pedestrians by 18 percent. Mr. Daniels presented population, jobs and housing forecast information for 2050.

Following additional scheduled public workshops in May and public hearings in June, the final draft of “San Diego Forward: The Regional Plan and Draft Environmental Impact Report” would be presented for adoption and certification, respectively, by SANDAG in autumn 2015. Speakers and staff responded to questions and comments posed by Directors Ayala, Muir, Arant and Wornham. Chair Tu thanked the guests for the information.

II. ACTION/DISCUSSION
1. Update on Water Supply Conditions and Drought Response Activities.
Ms. Friehauf presented information on State Water Project storage at Lake Oroville and San Luis Reservoir, eastern Sierra precipitation conditions; and temperature and El Niño predictions. She also presented an update on implementation of the State Water Resources Control Board’s Emergency Regulation, which went into effect on May 18, 2015 as well as actions taken by the Water Authority Board on May 14, 2015.

III. INFORMATION
The following reports were received and filed:

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
Chair Tu adjourned the meeting at 12:13 p.m.

IMPORTED WATER COMMITTEE
CALL TO ORDER / ROLL CALL
Vice Chair Saxod called the Imported Water Committee meeting to order at 1:01 p.m. Committee members present were Vice Chairs Verbeke and Saxod, Directors Barmum, Evans, Guerin, Heinrichs, Hogan, Madaffer, Murtland, Olson, Steiner, Weston, and Wilson. Chair Watton and Director Roberts were absent. Also present were Directors Arant, Ayala, Boyle, Brady, Croucher, Fong-Sakai, Hilliker, Kennedy, Lewinger, Linden, Miller, Morrison, Muir, Preciado, Razak, Simpson, 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, and Colorado River Program Director Denham.

The agenda was then taken out of order and Mr. Hentschke took the Committee into Closed Session at 1:02 p.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 1:37 p.m. and stated there was no reportable action.

**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 Saxod reported that at the end of April 2015, Lake Mead reached a record low elevation, over 150 feet below capacity, which fell below the previous mark set in August 2014. The lake level had continued to decline and was projected to keep dropping over the summer months, with less snowpack in the Rocky Mountains to recharge the Colorado River. Staff would continue to monitor and report back to the committee as conditions change. She also reported that the court of appeal dismissed the remaining appeals in the QSA Litigation. The Imperial County and Air Pollution Control District sought to appeal the 2013 Sacramento Superior Court ruling validating the agricultural-to-urban water transfers authorized by the QSA. The court of appeal’s action means that the trial court judgment upholding the QSA was final.

**DIRECTORS’ COMMENTS**
There were no comments by Directors.

I. **CONSENT CALENDAR**
There were no items on the consent calendar.

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 May Colorado River Board meeting.
III. INFORMATION
   The following information item was noted and filed:
   1. Metropolitan Water District Program report.

V. ADJOURNMENT
   There being no further business to come before the Imported Water Committee, Vice Chairman Saxod adjourned the meeting at 2:13 p.m.

ENGINEERING AND OPERATIONS COMMITTEE
CALL TO ORDER / ROLL CALL
   Chair Williams called the Engineering and Operations Committee meeting to order at 2:20 p.m. Committee members present were Chair Williams, Vice Chairs Miller and Watkins*, and Directors Ayala, Brady, Croucher*, Heinrichs, Hogan, Linden, Morrison, Olson and Simpson. Committee members absent were Directors Arant, Boyle, and Razak. Also present were Directors Evans, Fong-Sakai, Gallo, Guerin, Hilliker, Kennedy, Lewinger, Madaffer, Muir, Murtland, Preciado, Saxod, Steiner, Tu, Verbeke, Weston, and Wilson. At that time, there was a quorum 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, Operations and Maintenance Manager Fisher, Right of Way Manager Kross, Right of Way Supervisor Brierton, and Principle Engineer Rodgers.

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 welcomed Director Tony Heinrichs, representative from the City of San Diego, to the Engineering and Operations Committee. He reported that the Water Authority received two awards for the San Marcos Vent Desal Modifications project. The American Public Works Association awarded its Project of the Year to the project, and the American Society of Civil Engineers presented its Outstanding Civil Engineering Project award.
I. CONSENT CALENDAR  

1. **Notice of Completion for the Pipelines 3, 4, and 5 Relining at the San Luis Rey River project.**  
   Staff recommendation: Authorize the General Manager to accept the Pipelines 3, 4, and 5 Relining at the San Luis Rey River project as complete, record the Notice of Completion, and release funds held in retention to L.H. Woods & Sons, Inc., following the expiration of the retention period.

   Director Brady moved, Director Ayala seconded, and the motion to approve the staff recommendation passed unanimously.

* Director Croucher arrived at 2:31 p.m., after the Consent Calendar vote occurred. Vice Chair Watkins left the meeting at 2:34 p.m., prior to the vote on the Action/Discussion item.

II. ACTION/DISCUSION  

1. **Presentation on Carlsbad Desalination Project Update.**

   Mr. Belock gave a presentation on the Carlsbad Desalination Project including project elements, conveyance pipeline progress to date, progress on project segments, Macario tunnel overview, and tunnel boring machine punch through. He also provided information regarding flow control/interconnect facilities, desalination plant progress, reverse osmosis building, commissioning schedule, contract administration memoranda, budget summary, intake upgrade, and potential capacity expansion.

2. **San Vicente Pumped Storage Study Update.**  
   Staff Recommendation: Approve the following actions to further advance the San Vicente Pumped Storage Study:  
   1. Authorize the General Manager to execute an agreement between the City of San Diego and the San Diego County Water Authority for the Joint Development of the San Vicente Pumped Storage Project.  
   3. Approve starting the process for procuring an Owner’s Advisor Team to provide professional services for recommending a business model.

   Ms. Rodgers presented information regarding the San Vicente Pumped Storage Study including focus areas of the hydropower subcommittee, FERC process, Water Authority/City agreement, Phase 1 work, reservoir modeling status, and FERC license pre-application document/notice of intent status. The presentation also included information on the Phase 2 owners’ advisor team, recommended Phase 2 work, Phase 2 cost breakdown, and key milestones and off ramps.

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

III. INFORMATION
1. Presentation on Right of Way and tree management.

Mr. Brierton gave a presentation on Right of Way and tree management including right of way facts, right of way management goals, integrated right of way management program, unauthorized encroachment prioritization, and top encroachment resolutions. He also provided information regarding ongoing challenges, tree root study, tree plan, and fiscal year 2015 progress.

2. Presentation on the Annual Aqueduct Operating Plan.

This item was continued to June 25, 2015.

IV. CLOSED SESSION
There were no Closed Session items.

V. ADJOURNMENT
There being no further business to come before the Engineering and Operations Committee, Chair Williams adjourned the meeting at 3:00 p.m.

FORMAL BOARD OF DIRECTORS’ MEETING OF MAY 28, 2015

1. CALL TO ORDER Chair Weston called the Formal Board of Directors’ meeting to order at 3:08 p.m.

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

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

3-A Report on proxies received. Director Lewinger was the proxy for Director Hall, and Director Brady was the proxy for Director Arant.

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

5. APPROVAL OF MINUTES
Director Saxod moved, Director Evans seconded, and the motion carried at 86.38% of the vote to approve the minutes of the Formal Board of Directors’ meeting minutes of April 23, 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 Recognition of Chris Castaing, System OPS Supervisor, Employee of the 3rd Quarter.

Chair Weston and Ms. Stapleton recognized System OPS Supervisor Castaing as employee of the 3rd Quarter.

7-B **Retirement of Director.** Adopt Resolution honoring Javier Saunders upon his retirement from the Board of Directors.

Chair Weston thanked Director Saunders for his service to the Water Authority. Director Saunders accepted his retirement award and thanked Board Members and Staff.

Director Miller moved, Director Madaffer seconded and the motion carried at 86.38% of the vote to adopt Resolution No. 2015-11 honoring Javier Saunders on his retirement from the Board of Directors.

7-C **Re-Appointment of Director.** Re-Appointment of Yen Tu representing the City of San Diego. Term ending January 30, 2021.

7-D **Re-Appointment of Director.** Re-Appointment of Fern Steiner representing the City of San Diego. Term ending March 5, 2021.

7-E **Appointment of Director.** Appointment of Lois Fong-Sakai representing the City of San Diego. Term ending October 27, 2018.

7-F **Appointment of Director.** Appointment of Tony Heinrichs representing the City of San Diego. Term ending March 5, 2021.

Chair Weston announced the re-appointment of Director Tu and Director Steiner, representing the City of San Diego, and the appointment of Director Fong-Sakai and Director Heinrichs, also representing the City of San Diego.

7-G **Ramona Municipal Water District Overview – David Barnum, General Manager**

Chair Weston announced the Ramona MWD overview was scheduled for the September 24, 2015 Formal Board Meeting.

8. **REPORTS BY CHAIRS**

8-A Chairs report: Chair Weston reported on various meetings and engagements that he attended in the month of May including the State Water Resources Control Board Hearing on the Emergency State Water Reductions where he provided testimony, an interview with radio station BBC Global, 2015 ACWA Spring Conference in Sacramento, a South Bay EDC meeting where he presented on
water supply and drought, Colorado River Board Meeting, a meeting with representatives of the Labor Negotiations Workgroup, a dinner meeting with Bureau of Reclamation Commissioner Estevan Lopez, San Marcos Chamber of Commerce Executive Committee meeting regarding water supply, a meeting with Joe Panetta of Biocom, recorded a Water Authority water conservation message at KNSD station, San Diego Tax Payers dinner, a meeting with Board Officers and Imperial County representatives regarding the Salton Sea. He also presented on water supply and drought conditions at the Asian Business Association luncheon, and reported that he would be attending the opening of the third Citizens Water Academy later in the evening.

In conclusion he reminded the Board of the Legislative Roundtable scheduled for Friday May 29, 2015 and encouraged all to attend, and to complete the performance evaluations for General Manager and General Counsel.

8-B  **Report by Committee Chairs.**

*Administrative and Finance Committee.* Director Wilson reviewed the meeting and the actions taken.

*Legislation, Conservation and Outreach Committee.* Director Croucher reviewed the meeting and the actions taken.

*Water Planning Committee.* Director Tu reviewed the meeting and the actions taken.

*Imported Water Committee.* Director Saxod stated there was no reportable action.

*Engineering and Operations Committee.* Director Williams reviewed the meeting and the actions taken.

9.  **CONSENT CALENDAR**

Director Kennedy moved, Director Evans seconded, and the motion carried at 86.38% 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.  **Professional services contract with Alliant Insurance Services, Inc., to provide Health Insurance Broker Services.**

The Board authorized the General Manager to award a Professional Services contract to Alliant Insurance Services, Inc. to provide Health Insurance Broker Services for a three-year term, beginning July 1, 2015 through June 30, 2018, at a cost of $55,000 per year, for a total not-to-exceed amount of $165,000. The Water Authority will have the option for a two-year extension at a cost of $58,000 per year.
9- 3. **Resolution setting a Public Hearing date for the Water Authority's proposed calendar year 2016 Rate and Charge increases.**
The Board adopted Resolution No. 2015-12 setting the time and place for a public hearing on June 25, 2015, at or after 9:00 a.m., or as soon thereafter as may practicably be heard, during the Administrative and Finance Committee meeting, to receive comments regarding proposed rates and charges to be effective January 1, 2016.

9- 4. **Award a three-year professional services agreement with Mission Resource Conservation District in an amount not-to-exceed $470,000 to administer the Agricultural Water Management Program.**
The Board authorized the General Manager to execute a three-year professional services agreement with Mission Resource Conservation District in an amount not-to-exceed $470,000 to administer the Agricultural Water Management Program.

9- 5. **Amendment to Professional Services Contract with DeLorenzo International for Implementation of the WaterSmart Landscape Makeover Program.**
The Board approved amendment to professional services contract with DeLorenzo International (DLI) to increase the contract value by $455,000 to a not-to-exceed amount of $744,000 and extend the term for two years from July 1, 2015 through June 30, 2017.

9- 6. **Adopt positions on various state bills.**
1. The Board adopted a position of Support on AB 1139 (Campos).
2. The Board adopted a position of Support and Seek Amendments on AB 1201 (Salas).
3. The Board adopted a position of Support on AB 1325 (Salas).
4. The Board adopted a position of Support on SB 286 (Hertzberg).
5. The Board adopted a position of Support if Amended on SB 551 (Wolk).

9- 7. **Resolution for the Final Mitigated Negative Declaration for the Application of Copper-Based Algaecides at five reservoirs in San Diego County; adopting a Mitigation Monitoring and Reporting Program; approving the project; and authorizing Filing of a Notice of Determination.**
The Board adopted Resolution No. 2015-13 that:
   a) Finds that the project will not have a significant effect on the environment.
   b) Adopts the Final Mitigated Negative Declaration (MND).
   c) Adopts the Mitigation Monitoring and Reporting Program.
   d) Approves the Project.
   e) Authorizes filing of a Notice of Determination (NOD).
9- 8. Amend the memorandum of understanding with city of San Diego (City) and county of San Diego (County) for implementation of Integrated Regional Water Management activities.
The Board approved the first amendment to the memorandum of understanding (MOU) with the city of San Diego and county of San Diego to extend the MOU term and maintain the financial commitment of the three agencies to the IRWM Program.

9- 9. Notice of Completion for the Pipelines 3, 4, and 5 Relining at the San Luis Rey River project.
The Board authorized the General Manager to accept the Pipelines 3, 4, and 5 Relining at the San Luis Rey River project as complete, record the Notice of Completion, and release funds held in retention to L.H. Woods & Sons, Inc., following the expiration of the retention period.

9- 10. San Vicente Pumped Storage Study Update.
The Board approved the following actions to further advance the San Vicente Pumped Storage Study:
1. Authorized the General Manager to execute an Agreement between the City of San Diego and the San Diego County Water Authority for the Joint Development of the San Vicente Pumped Storage Project.
3. Approved starting the process for procuring an Owners’ Advisor Team to provide professional services for recommending a business model.

10. ACTION/DISCUSSION

11. SPECIAL REPORTS
11-A GENERAL MANAGER’S REPORT – Ms. Stapleton reminded the Board of the Legislative Roundtable scheduled for Friday, May 29, 2015 at 9:00 a.m. and the two workshops scheduled for June 9 and 11, 2015 to discuss budget.
11-B GENERAL COUNSEL’S REPORT – Mr. Hentschke stated there was nothing to report.
11-C SANDAG REPORT – Vice Chair Muir thanked the SANDAG representative for the presentation provided earlier in the day. He also reviewed actions and discussions at the last SANDAG Board meeting.
   SANDAG Subcommittee: Borders/Regional Planning Committee – Director Saxod reviewed discussion and actions taken at the last SANDAG Borders/Regional Planning Committee meeting.
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)
Name of Case: SDCWA v. Metropolitan Water District of Southern California;
Case Nos. CPF-10-510830; CPF-12-512466; and CPF-14-514004

12-B  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

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

14.  OTHER COMMUNICATIONS

15.  ADJOURNMENT
The meeting was adjourned at 3:35p.m.

Mark Weston, Chair  Mark Muir, Vice Chair

Melinda Cogle, Clerk of the Board